

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FOURTH QUARTER AND YEAR ENDED 30 JUNE 2010

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) *An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.*

Consolidated Statement of Comprehensive Income

	Group @			Group @		
	Fourth quarter ended		Increase/ (Decrease)	Year ended		Increase/ (Decrease)
	30/06/2010	30/06/2009*		30/06/2010	30/06/2009*	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	13,577	10,707	27	48,375	54,385	(11)
Cost of sales	(10,381)	(9,983)	4	(38,802)	(44,352)	(13)
Gross profit	3,196	724	341	9,573	10,033	(5)
Other operating income	578	1,201	(52)	2,130	445	379
Distribution costs	(843)	(835)	1	(3,237)	(3,461)	(6)
Administrative expenses	(679)	(664)	2	(2,951)	(2,907)	2
Other operating expenses	(692)	(70)	889	(1,061)	(2,382)	(55)
Finance costs	-	(7)	N/M	(4)	(120)	(97)
Profit before income tax	1,560	349	347	4,450	1,608	177
Income tax expense	(264)	177	N/M	(716)	(111)	545
Net Profit for the period	1,296	526	146	3,734	1,497	149
Other comprehensive income:						
Revaluation gain on property, plant & equipment	399	-	N/M	399	-	N/M
Total comprehensive income for the period	1,695	526	222	4,133	1,497	176
Net Profit attributable to:						
Equity holders of the Company	1,296	526	146	3,734	1,497	149
Total comprehensive income attributable to:						
Equity holders of the Company	1,695	526	222	4,133	1,497	176

@ Figures and related information in this Announcement for the period(s) and year prior to the fourth quarter of FY2010 are in respect of the Company only, as the Group came into being upon the incorporation of its first subsidiary during the fourth quarter of financial year ended 30 June 2010.

* Certain reclassifications have been made to the comparative figures to enhance comparability with the current's year's presentation (see note 18)

N/M: Not meaningful

1(a)(ii) Net profit for the period has been arrived at after crediting/(charging) the following:

	Group @		Group @	
	Fourth quarter ended		Year ended	
	30/06/2010	30/06/2009	30/06/2010	30/06/2009
	S\$'000	S\$'000	S\$'000	S\$'000
Depreciation of property, plant and equipment	(139)	(156)	(548)	(645)
Gain on disposal of property, plant and equipment	-	10	49	10
Property, plant and equipment written off	-	-	-	(1)
Foreign exchange (loss)/gain, net	(7)	(47)	(6)	27
Interest income on bank and short-term bank deposits	34	9	89	99
Interest expense on borrowings	-	(7)	(4)	(120)
Allowance for doubtful debts - trade	-	(7)	(59)	(93)
Reversal of allowance for doubtful debts - trade	4	9	115	13
Bad debts written off - trade	-	-	-	(11)
Allowance for damaged/obsolete inventories	(171)	(16)	(274)	(194)
Reversal of allowance for damaged/obsolete inventories	56	225	223	60
Allowance for inventory write-down	(508)	-	(708)	(2,074)
Reversal of allowance for inventory write-down	473	741	1,457	-
Inventories written off	(6)	-#	(13)	(9)
Inventories written back	1	99	55	126
Over/(Under)-provision of income tax in respect of prior years	-	225	-	176

Denotes amount less than \$1,000

- (b)(i) *A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.*

Statement of Financial Position

	Group @		Company	
	30/06/2010 S\$'000	30/06/2009 S\$'000	30/06/2010 S\$'000	30/06/2009 S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	39,805	33,672	38,786	33,672
Trade receivables	13,074	11,231	13,074	11,231
Other receivables, deposits and prepayments	172	183	129	183
Inventories	28,322	34,644	28,322	34,644
Amount due from a subsidiary	-	-	66	-
	<u>81,373</u>	<u>79,730</u>	<u>80,377</u>	<u>79,730</u>
Non-current assets				
Property, plant and equipment	8,168	7,547	8,168	7,547
Deferred income tax asset	275	328	275	328
Investment in a subsidiary	-	-	1,000	-
	<u>8,443</u>	<u>7,875</u>	<u>9,443</u>	<u>7,875</u>
Total assets	<u>89,816</u>	<u>87,605</u>	<u>89,820</u>	<u>87,605</u>
LIABILITIES				
Current liabilities				
Trade payables	1,878	1,785	1,878	1,785
Other payables	1,010	726	1,010	726
Current income tax liability	663	742	663	742
	<u>3,551</u>	<u>3,253</u>	<u>3,551</u>	<u>3,253</u>
Total liabilities	<u>3,551</u>	<u>3,253</u>	<u>3,551</u>	<u>3,253</u>
NET ASSETS	<u>86,265</u>	<u>84,352</u>	<u>86,269</u>	<u>84,352</u>
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	45,750	45,750	45,750	45,750
Revaluation reserve	1,860	1,461	1,860	1,461
Retained earnings	38,655	37,141	38,659	37,141
TOTAL EQUITY	<u>86,265</u>	<u>84,352</u>	<u>86,269</u>	<u>84,352</u>

- 1(b)(ii) *Aggregate amount of group's borrowings and debt securities*

The Group and the Company did not have any borrowings as at 30 June 2010 and 30 June 2009.

- 1(c) *A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.*

Consolidated Statement of Cash Flows

	Group @		Group @	
	Fourth quarter ended		Year ended	
	30/06/2010	30/06/2009	30/06/2010	30/06/2009
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Profit before income tax	1,560	349	4,450	1,608
Adjustments for :				
Depreciation of property, plant and equipment	139	156	548	645
Gain on disposal of property, plant and equipment	-	(10)	(49)	(10)
Property, plant and equipment written off	-	-	-	1
Interest expense	-	7	4	120
Interest income	(34)	(9)	(89)	(99)
Operating cash flows before working capital changes	1,665	493	4,864	2,265
Change in operating assets and liabilities				
Trade receivables	(562)	389	(1,843)	10,268
Other receivables, deposits and prepayments	286	287	11	245
Trade payables	807	(860)	93	(1,909)
Other payables	317	148	284	(1,826)
Inventories	2,238	3,589	6,322	12,840
Cash generated from operations	4,751	4,046	9,731	21,883
Interest received	34	10	89	122
Interest paid	-	(7)	(4)	(120)
Income tax paid	-	-	(742)	(3,082)
Net cash generated from operating activities	4,785	4,049	9,074	18,803
Cash flows from investing activities				
Proceeds from disposal of property, plant and equipment	-	10	49	10
Purchase of property, plant and equipment	(575)	(138)	(770)	(335)
Net cash used in investing activities	(575)	(128)	(721)	(325)
Cash flows from financing activities				
Bills payable, net	-	(1,206)	-	(8,920)
Dividend paid	-	-	(2,220)	(4,107)
Net cash used in financing activities	-	(1,206)	(2,220)	(13,027)
Net increase in cash and cash equivalents	4,210	2,715	6,133	5,451
Cash and cash equivalents at beginning of the period/year	35,595	30,957	33,672	28,221
Cash and cash equivalents at end of financial period/year	39,805	33,672	39,805	33,672
Cash and cash equivalents comprise:				
Cash and bank balances	39,805	18,015	39,805	18,015
Short-term bank deposits	-	15,657	-	15,657
	39,805	33,672	39,805	33,672

- 1(d)(i) *A statement (for the issuer and group) showing either (i) all changes in equity, or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.*

Consolidated Statement of Changes in Equity for the Group

	Share capital S\$'000	Revaluation reserve S\$'000	Retained earnings S\$'000	Total S\$'000
Balance as at 1 July 2009	45,750	1,461	37,141	84,352
Total comprehensive income for the three quarters ended 31 March 2010	-	-	2,438	2,438
Dividend paid	-	-	(2,220)	(2,220)
Balance as at 31 March 2010	45,750	1,461	37,359	84,570
Total comprehensive income for the quarter ended 30 June 2010	-	399	1,296	1,695
Balance as at 30 June 2010	45,750	1,860	38,655	86,265

Statement of Changes in Equity for the Company

	Share capital S\$'000	Revaluation reserve S\$'000	Retained earnings S\$'000	Total S\$'000
Balance as at 1 July 2009	45,750	1,461	37,141	84,352
Total comprehensive income for the three quarters ended 31 March 2010	-	-	2,438	2,438
Dividend paid	-	-	(2,220)	(2,220)
Balance as at 31 March 2010	45,750	1,461	37,359	84,570
Total comprehensive income for the quarter ended 30 June 2010	-	399	1,300	1,699
Balance as at 30 June 2010	45,750	1,860	38,659	86,269
Balance as at 1 July 2008	45,750	1,461	39,751	86,962
Total comprehensive income for the three quarters ended 31 March 2009	-	-	971	971
Dividend paid	-	-	(4,107)	(4,107)
Balance as at 31 March 2009	4,750	1,461	36,615	83,826
Total comprehensive income for the quarter ended 30 June 2009	-	-	526	526
Balance as at 30 June 2009	45,750	1,461	37,141	84,352

- 1(d)(ii)** *Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.*

There were no changes in the share capital of the Company during the period reported on. There were no outstanding convertibles as at 30 June 2010 and 30 June 2009.

- 1(d)(iii)** *To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year:*

	As at 30/06/2010	As at 30/06/2009
Number of shares in issue	222,000,000	222,000,000

- 1(d)(iv)** *A Statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period report on:*

Not applicable.

- 2.** *Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.*

The figures in respect of the fourth quarter and year ended 30 June 2010 have not been audited or reviewed by the auditors.

- 3.** *Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).*

Not applicable.

- 4.** *Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.*

On 6 April 2010, the Company incorporated its first subsidiary. Accounting policies and methods of computation relevant to the presentation of consolidated financial statements are adopted, and the consolidated financial statements are prepared commencing in the fourth quarter of FY2010.

Except for the adoption of accounting policies and methods of computation mentioned in the foregoing paragraph, and for the adoption of revised Financial Reporting Standards disclosed in note 5 below, the Company (now the Group) has applied the same accounting policies and methods of computation as in its audited financial statements for the year ended 30 June 2009.

5. *If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.*

On 1 July 2009, the Company adopted the revised Singapore Financial Reporting Standard (FRS) 1(R) – Presentation of Financial Statements.

FRS 1(R) requires all changes in equity arising from transactions with owners in their capacity as owners to be presented separately from components of comprehensive income, which is presented in the Consolidated Statement of Comprehensive Income.

The “Balance Sheet” and “Cash Flow Statement” have been re-titled to “Statement of Financial Position” and “Consolidated Statement of Cash Flows” respectively.

Comparative figures have been restated to conform to the requirements of the revised standard.

6. *Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:*

Earnings per Share

	Group @		Group @	
	Fourth quarter ended		Year ended	
	30/06/2010	30/06/2009	30/06/2010	30/06/2009
Earnings per share (cents)				
(a) based on weighted average number of shares in issue	0.59	0.24	1.68	0.67
(b) on a fully diluted basis	0.59	0.24	1.68	0.67
Weighted average number of shares in issue	222,000,000	222,000,000	222,000,000	222,000,000

7. *Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:*

- (a) *current financial period reported on; and*
 (b) *immediately preceding financial year.*

Net Asset Value per Share

	Group @		Company	
	30/06/2010	30/06/2009	30/06/2010	30/06/2009
Net asset value per share based on issued share capital (cents)	38.9	38.0	38.9	38.0
Number of shares on issue	222,000,000	222,000,000	222,000,000	222,000,000

8. *A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:*
- (a) any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and*
 - (b) any material factors that affected the cash flow, working capital, assets and liabilities of the group during the current financial period reported on.*

REVIEW OF PERFORMANCE FOR THE FOURTH QUARTER ENDED 30 JUNE 2010

Statement of Comprehensive Income

Revenue for the fourth quarter ended 30 June 2010 ("4Q2010") increased by 27% to \$13.6 million from \$10.7 million posted in the corresponding quarter of FY2009 ("4Q2009") as business conditions improved. The higher revenue was mainly attributed to sales volume increase of 50% to 1,449 tonnes in 4Q2010 from 968 tonnes in 4Q2009.

Gross profit margin in 4Q2010 improved significantly to 24% (4Q2009: 7%). The average selling price of \$9,370 per tonne in 4Q2010 was 15% lower compared with \$11,067 in 4Q2009. Average cost price was also lower in 4Q2010, but by a larger proportion of 30%. The larger reduction in average cost price relative to the reduction in average selling price resulted in a favourable differential which contributed to the overall improved gross profit margin.

Other income for 4Q2010 was \$578,000 compared with \$1.2 million in 4Q2009. The decrease was mainly due to lower (a) reversal of allowance for inventory write-down of \$473,000 (4Q2009: \$741,000); (b) reversal of allowance for damaged/obsolete inventories of \$56,000 (4Q2009: \$225,000); and (c) inventory written-back of \$1,000 (4Q2009: \$99,000).

Distribution costs and administrative expenses were about the same level in both quarters.

Other operating expenses were higher mainly due to allowance for damaged/obsolete inventories of \$171,000 (4Q2009: \$16,000) and allowance for inventory write-down of \$508,000 (4Q2009: nil).

Income tax expense of \$264,000 for 4Q2010 generally represented the normal provision for taxation. Income tax write-back of \$177,000 for 4Q2009 mainly related to a decrease in provision for income tax payable for FY2009 of \$117,000 and over-provision of \$225,000 for FY2007, as offset by a decrease in deferred tax asset of \$166,000.

Net profit achieved for the quarter under review was \$1.3 million compared with \$526,000 posted in 4Q2009.

Statement of Cash Flows

Net cash generated from operating activities in 4Q2010 was \$4.8 million compared with \$4.0 million in 4Q2009.

Cash flows for trade receivables showed a net decrease of \$562,000 in 4Q2010 compared with a net increase of \$389,000 in 4Q2009. This was mainly due to the larger revenue increase of \$2 million in 4Q2010 over 3Q2010 (hence higher trade receivables at the end of 4Q2010) relative to the smaller increase in revenue of \$712,000 in 4Q2009 over 3Q2009.

Cash flows for trade payables in 4Q2010 showed a net increase of \$807,000 compared with a net decrease of \$860,000 in 4Q2009 mainly due to increased purchase in 4Q2010.

Cash flows for inventories showed a net increase of \$2.2 million (4Q2009: \$3.6 million) mainly due to higher purchase during 4Q2010.

Net cash used in investing activities was higher at \$575,000 (4Q2009: \$128,000) mainly due to capital expenditure incurred for warehouse extension.

There was no financing activity in 4Q2010. On the other hand, trade bills amounting to \$1.2 million were paid in 4Q2009.

REVIEW OF PERFORMANCE FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010**Statement of Comprehensive Income**

Revenue for the financial year ended 30 June 2010 ("FY2010") was lower at \$48.4 million compared with \$54.4 million in FY2009 mainly due to lower selling prices. The selling prices averaged \$9,769 per tonne in FY2010 – down by 29% from an average of \$13,822 per tonne in FY2009. On the other hand, sales volume increased by 26% in FY2010 to 4,952 tonnes (FY2009: 3,935 tonnes). Whilst demand for the products increased in terms of volume, average selling price moved downwards significantly, mainly due to surplus inventories in the market built up during the peak of the economic boom prior to the global financial turmoil.

Gross profit margin improved to 20% (FY2009: 18%) largely because the reduction in average selling price was adequately compensated by the reduction in average cost price.

Other operating income increased by \$1.7 million to \$2.1 million (FY2009: \$445,000). The increase was mainly due to reversal of inventory write-down of \$1.5 million (FY2009: nil), reversal of allowance for damaged/obsolete inventories of \$223,000 (FY2009: \$60,000), reversal of allowance for doubtful debts of \$115,000 (FY2009: \$9,000), and gain on disposal of equipment of \$49,000 (FY2009: \$10,000), as offset by lower inventory write-back of \$55,000 (FY2009: \$126,000).

Distribution costs were lower in line with lower sales whilst administrative expenses remained at approximately the same level as in FY2009.

Other operating expenses decreased to \$1.1 million (FY2009: \$2.4 million). The decrease was mainly due to lower allowance for inventory write-down of \$708,000 (FY2009: \$2.1 million) and lower allowance for doubtful debts of \$59,000 (FY2009: \$93,000), as offset by higher allowance for damaged/obsolete inventories of \$274,000 (FY2009: \$194,000).

Finance costs substantially decreased to \$4,000 (FY2009: \$120,000) due to non-utilisation of trade financing since the early part of FY2010.

Profit before income tax increased to \$4.5 million (FY2009: \$1.6 million). The factors affecting the comparative revenue and expenses highlighted in the preceding paragraphs contributed to the increase in pre-tax profit, despite lower revenue.

Income tax expense of \$716,000 for FY2010 generally pertained to the provision for income tax payable for the year under review. Income tax expense of \$111,000 for FY2009 was substantially lower mainly due to offset of deferred tax asset recognised in that year and over-provision of income tax in respect of a prior year.

A gain of \$399,000 arose from a revaluation of the freehold premises at 32 Penhas Road Singapore.

Net profit achieved for the year was \$3.8 million, up from the \$1.5 million of FY2009.

Statement of Cash Flows

Net cash generated from operating activities for FY2010 was \$9.1 million compared with \$18.8 million in FY2009 mainly due to the relative reduction in the levels of trade receivables and inventories.

Cash flows for trade receivables showed a net decrease of \$1.8 million largely because the higher revenue of \$13.6 million achieved in 4Q2010 (relative to the revenue of \$10.7 million in 4Q2009) resulted in higher trade receivables as at 30 June 2010. On the other hand, cash flows for trade receivables in FY2009 showed a net increase of \$10.3 million largely attributed to the higher collections that followed from the much higher receivables of \$21.5 million brought forward from FY2008.

Cash flows for inventories increased by a smaller net amount of \$6.3 million (FY2009: \$12.8 million) mainly due to reduction in purchases consistent with lower sales and lower allowance for inventory write-down of \$708,000 (FY2009: \$2.1 million).

Net cash used in investing activities was higher at \$721,000 compared with \$325,000 in FY2009. This was mainly due to capital expenditure incurred on warehouse extension in the 4Q2010, as offset by increased proceeds from disposal of certain old equipment.

Net cash used in financing activities decreased to \$2.2 million in FY2010 from \$13 million in FY2009. This was because dividend payment made was lower and there had been no utilisation of trade bills since the early part of FY2010.

Statements of Financial Position

The Group continued to maintain a strong financial position as well as a positive working capital position in the financial year FY2010.

Trade receivables increased to \$13.1 million (FY2009: \$11.2 million). The increase was mainly due to higher-than-average sales revenue of \$13.6 million in 4Q2010 compared with \$10.7 million in 4Q2009. Receivables turnover (on ending balance basis) was 99 days for FY2010 compared with 75 days for FY2009.

Inventories decreased to \$28.3 million (FY2009: \$34.6 million) mainly due to reduction in purchases. Average inventory turnover was 296 days compared with 338 days for FY2009.

Trade payables increased to \$1.9 million (FY2009: \$1.8 million). The increase was mainly due to higher purchases towards the later part of FY2010. Trade payables turnover (on ending balance basis) was 21 days for FY2010 similar to FY2009.

Other payables increased to \$1.0 million (FY2009: \$726,000) mainly due to accruals of staff bonus and related costs.

Deferred tax asset was lower at \$275,000 compared with \$328,000 at 30 June 2009 mainly due to lower allowance for inventory write-down in FY2010.

9. *Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.*

The fourth quarter of FY2010 showed further improvement compared with the third quarter of FY2010 in line with the announcement made on 10 May 2010.

10. *A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.*

As stated in our 3Q2010 announcement, the 4Q2010 has shown improvements in both Sales and Gross Profit Margin.

The price of nickel (a major determinant of stainless steel price) went up from USD17,000 per metric ton at the end of 2Q2010 to USD24,900 at the end of 3Q2010 and hit USD 25,800 at the end of April 2010.

Some supply chain participants and the mills were happy with the increased prices. But without a sustained and substantial increase in demand, market players controlled their stock levels, awaiting the turning point in prices. Nickel went down 25% to USD19,400 per metric ton at the end of 4Q2010. Chromium and Molybdenum (also used in Stainless Steel production) prices also declined.

It is expected that some supply chain participants who are trying to limit their exposure in case prices fall are carrying minimal inventories and some had bought ahead while the price rose in 3Q2010 and now have ample stock. This makes forecast of market demand difficult.

Weaker consumption is predicted in the 1H2011 (2H of calendar year 2010) and production cut back, albeit not significant, by mills expected, to maintain price stability.

The sizzling growth in the Singapore economy is expected to be ameliorated in 2H of calendar 2010. In view of the volatility of prices of stainless steel, the Group will adopt a conservative inventory policy. The directors are confident that the Group will remain profitable for 1Q2011 and full year FY2011.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes

The Directors recommend a Final tax-exempt dividend of 1.00 (one) cent per share and a Special tax-exempt dividend of 1.00 (one) cent per share, based on 222,000,000 shares in issue as at 30 June 2010 for shareholders' approval at the forthcoming Annual General Meeting, as follows:

Name of Dividend	Final	Special
Dividend Type	Cash	Cash
Dividend Amount per Share (in cents)	1.00	1.00
Tax Rate	Tax-exempt	Tax-exempt

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	1.00
Tax Rate	One-tier tax exempt

(c) Date payable

The dividends will be paid on 15 November 2010 subject to shareholders' approval at the forthcoming Annual General Meeting.

(d) Books closure date

Subject to the shareholders' approval as mentioned above, the Register of Members and Register of Transfers of the Company will be closed on 4 November 2010 for the purpose of determining shareholders' entitlements to the final dividend.

12. If no dividend has been declared (recommended), a statement to that effect.

Not applicable.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**13. Revenue and Results by Business Segments**

The Group has essentially one business or operating segment, which is the trading and sales of stainless steel products, as the risks and returns of the products are substantially similar.

These products comprise mainly bars, plates, pipes and fittings which are stainless steel materials of varying grades and specifications for use in the respective industries to which the Group sells its products. The Group's resource allocation is essentially market-oriented with focus on the respective industries which form its core business or operating segments. Accordingly, a change has been made to the presentation of its business segment to provide more meaningful information in line with FRS 108.

Financial year ended 30 June 2010

	Marine and shipbuilding	Oil & gas and petrochemical	Building and construction	Machining and processing	Trading and others	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	9,931	5,848	3,767	9,821	19,008	48,375
Segment Results	1,746	1,200	658	2,275	3,694	9,573
Unallocated costs						(7,249)
						2,324
Other operating income						2,130
Finance costs						(4)
Profit before income tax						4,450
Income tax expense						(716)
Net profit for the year						3,734
Assets :						
Trade receivables	2,424	1,723	1,254	3,037	4,636	13,074
Others - unallocated						76,742
						89,816

Financial year ended 30 June 2009

	Marine and shipbuilding	Oil & gas and petrochemical	Building and construction	Machining and processing	Trading and others	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	14,750	8,310	2,442	9,565	19,318	54,385
Segment Results	2,553	1,213	415	1,757	4,095	10,033
Unallocated costs						(8,750)
						1,283
Other operating income						445
Finance costs						(120)
Profit before income tax						1,608
Income tax expense						(111)
Net profit for the year						1,497
Assets :						
Trade receivables	3,239	1,909	492	1,835	3,756	11,231
Others - unallocated						76,374
						87,605

Information on income, expenses, assets and liabilities, other than as identified and allocated to the respective segments, is not provided by segment as it is neither meaningful nor practicable to allocate these items by segment.

Revenue by Geographical Segments

Distribution of revenue based on the geographical location of customers:

	FY2010	FY2009
	S\$'000	S\$'000
Singapore	34,473	38,507
ASEAN	9,959	11,858
Others *	3,943	4,020
	48,375	54,385

* Others mainly include Australia, China, Hong Kong and Middle East.

14. *In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments:*

Please refer to paragraph 8.

15. *Breakdown of Revenue*

	FY2010	FY2009	Increase/ (Decrease)
	S\$'000	S\$'000	%
(a) Revenue reported for first half year	23,171	33,681	(31)
(b) Profit after income tax reported for first half year	1,443	1,361	6
(c) Revenue reported for second half year	25,204	20,704	22
(d) Profit after income tax reported for second half year	2,291	136	1,585

16. *Breakdown of Total Annual Dividend (in dollar value) for the issuer's latest full year and its previous full year.*

	FY2010	FY2009
	S\$'000	S\$'000
Final dividend	2,220	2,220
Special dividend	2,220	-
Total dividend	<u>4,440</u>	<u>2,220</u>

17. *Aggregate value of interested person transactions entered into by the Company and/or its subsidiaries during the year*

There were no interested person transactions during the year under review.

18. Certain reclassifications have been made to the comparative figures to enhance comparability with current year's presentation. As a result, certain line items have been amended on the statement of comprehensive income.

The items reclassified on the face of the Statement of Comprehensive Income are as follows:

	Fourth quarter ended 30/06/2009		Year ended 30/06/2009	
	Previously reported	After reclassifi- cation	Previously reported	After reclassifi- cation
	S\$'000	S\$'000	S\$'000	S\$'000
Administrative expenses	(649)	(664)	(2,839)	(2,907)
Finance Costs	(22)	(7)	(188)	(120)

BY ORDER OF THE BOARD

Lim Lian Soon
Chief Executive Officer

26 August 2010