



Unaudited Full Year Financial Statement And Dividend Announcement for the Year Ended 30 June 2008

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

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

	GROUP		%
	30.06.2008	30.06.2007	Increase/ (Decrease)
	S\$'000	S\$'000	
Revenue	302,681	337,861	(10.4)
Cost of sales	(271,196)	(316,049)	(14.2)
Gross profit	31,485	21,812	44.3
Other operating income	20,541	5,222	293.4
Distribution cost	(3,130)	(4,339)	(27.9)
Administrative expenses	(13,342)	(8,000)	66.8
Other operating expenses	(3,489)	(1,978)	76.4
Finance costs	(2,616)	(2,767)	(5.5)
Profit before taxation	29,449	9,950	196.0
Income tax expense	(4,326)	(1,902)	127.4
Profit for the year	25,123	8,048	212.2
Attributable to:			
Equity holders of the Company	25,123	8,048	212.2
Minority Interests	-	-	
Profit for the year	25,123	8,048	

Profit for the year is arrived at after crediting/ (charging):-

	GROUP		%
	30.06.2008	30.06.2007	Increase/ (Decrease)
	S\$'000	S\$'000	
Allowance for doubtful debts	(434)	(424)	2.4
Depreciation of property, plant and equipment	(4,030)	(3,243)	24.3
Reversal/ (Allowance) for impairment loss in value of inventories	562	(819)	(168.6)
Interest expenses	(2,616)	(2,767)	(5.5)
Net foreign exchange gain	1,970	802	145.6
Gain on disposal of property, plant and equipment	10,410	101	10,206.9
Interest income	383	209	83.3
Bad debts (written off) / recovered	(113)	2	(5,750.0)

Certain reclassifications have been made to prior year's results to enhance comparability with current year results.

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

	Group		Company	
	30.06.2008	30.06.2007	30.06.2008	30.06.2007
	S\$'000	S\$'000	S\$'000	S\$'000
Current assets				
Non-current assets held for sale	-	13,483	-	-
Inventories	70,477	42,601	-	-
Trade and other receivables	27,865	22,001	11,161	4,696
Other receivables and prepayments	-	-	-	-
Amounts owing by subsidiaries	-	-	-	8,200
Cash and cash equivalents	30,402	20,163	6,240	5,550
	128,744	98,248	17,401	18,446
Non-current assets				
Properties, plant and equipment	21,993	20,865	230	298
Investments in subsidiaries	-	-	17,506	16,506
Golf club membership	159	159	159	159
Financial assets available for sale	6,729	-	6,729	-
Goodwill on consolidation	2,237	-	-	-
	31,118	21,024	24,624	16,963
Total assets	159,862	119,272	42,025	35,409
Current liabilities				
Trade and other payables	20,832	18,407	485	622
Bill payable and bank borrowings	48,796	42,972	-	-
Obligations under hire purchase contracts	1,188	179	94	94
Provision for taxation	4,545	1,790	-	207
Deferred gain on sale of properties	2,074	-	-	-
	77,435	63,348	579	923
Non-current liabilities				
Bank borrowings	3,872	7,639	-	-
Obligations under hire purchase contracts	188	138	39	134
Deferred taxation	895	-	-	-
Deferred gain on sale of properties	9,160	943	-	-
	14,115	8,720	39	134
Total liabilities	91,550	72,068	618	1,057
Net assets	68,312	47,204	41,407	34,352
Equity attributable to equity holders of the parent				
Share capital	29,612	29,601	29,612	29,601
Warrants	2,080	-	2,080	-
Fair value reserve	(2,589)	-	(2,589)	-
Retained earnings	39,209	17,558	12,304	4,751
	68,312	47,159	41,407	34,352
Minority interests	-	45	-	-
Total equity	68,312	47,204	41,407	34,352

Notes: Inventories increased by 65% mainly due to the significant increase in steel and scrap prices during the last year and to support higher sales level in Singapore.

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

Amount repayable in one year or less, or on demand

As at 30 June 2008		As at 30 June 2007	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
2,347	47,637	1,721	41,430

Amount repayable after one year

As at 30 June 2008		As at 30 June 2007	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
4,060	0	7,639	138

Details of any collateral

Borrowings of S\$5.031 million is secured by a mortgage over the properties of the Company's subsidiaries and the balance of S\$1.376 million relates to hire purchase financing of plant and machinery.

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

	Group 30.06.2008 S\$'000	30.06.2007 S\$'000
Cash flows from operating activities:		
Profit before income tax	29,449	9,950
Adjustments for:		
Depreciation of property, plant and equipment	4,030	3,244
Gain on disposal of property, plant and equipment	(10,410)	(101)
Interest expense	2,616	2,767
Interest income	(383)	(209)
Changes in fair value of non-hedging currency derivative financial instruments	-	(335)
Allowance for doubtful trade receivables	321	424
Allowance for impairment loss in value of inventories	(562)	819
Operating profit before working capital changes	25,061	16,559
Changes in working capital:		
Inventories	(26,322)	(16,282)
Trade and other receivables	(1,280)	(10,494)
Other receivables and prepayments	(4,543)	(107)
Trade and other payables	507	9,157
Cash (used in) / generated from operations	(6,577)	(1,167)
Income tax paid	(1,684)	(1,553)
Interest paid	(2,616)	(2,767)
Interest income received	383	209
Net cash used in operating activities	(10,494)	(5,278)
Cash flows from investing activities:		
Payment for purchase of property, plant and equipment	(2,787)	(7,488)
Payment for purchase of golf club membership	-	(159)
Payment for acquisition in other investments	(9,317)	-
Payment for acquisition of subsidiaries and minority interest	(1,000)	-
Proceeds from disposal of property, plant and equipment	35,431	439
Capital contribution from minority shareholders of subsidiary	(45)	45
Net cash provided by / (used in) investing activities	22,282	(7,163)
Cash flows from financing activities:		
Proceeds from issue of new shares	11	-
Proceeds from issue of warrants	2,080	-
Proceeds from bank loans	8,102	13,523
Repayment of bank loans	(20,451)	(6,699)
Proceeds from / (Repayment) of hire purchase liabilities	(597)	(2,209)
Net proceeds from bills payable to banks	11,149	18,148
Dividend paid	(3,470)	(2,256)
Net cash from financing activities	(3,176)	20,507
Net increase/(decrease) in cash and cash equivalents	8,612	8,066
Cash and cash equivalents at beginning of year	20,163	12,097
Cash and cash equivalents at end of the year	28,775	20,163
Cash and cash equivalents at end of the year includes the following:		
Bank overdraft	(1,627)	-
Cash and bank balances	20,520	14,953
Fixed deposits	9,882	5,210
Cash and cash equivalents at end of the year	28,775	20,163

- 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.

Statement of changes in Equity - Group

	Share Capital S\$' 000	Warrants S\$' 000	Fair Value Reserve S\$' 000	Revenue Reserves S\$' 000	Total S\$' 000	Minority Interests S\$' 000	Total equity S\$' 000
Balance as at 1 July 2007	29,601		-	17,558	47,159	45	47,204
Changes in equity for the year							
Capital contribution						(45)	(45)
Dividend paid	-			(3,472)	(3,472)		(3,472)
Fair value adjustment of investment	-		(2,589)	-	(2,589)	-	(2,589)
Profit for the year				25,123	25,123	-	25,123
Increase of share capital	11				11		11
Warrants	-	2,080		-	2,080	-	2,080
Balance at 30 June 2008	29,612	2,080	(2,589)	39,209	68,312	-	68,312
Balance as at 1 July 2006	29,601			11,766	41,367	-	41,367
Changes in equity for the year							
Capital contribution	-			-	-	45	45
Dividend paid	-			(2,256)	(2,256)	-	(2,256)
Profit for the year	-			8,048	8,048	-	8,048
Balance at 30 June 2007	29,601	-	-	17,558	47,159	45	47,204

Statement of changes in Equity - Company

	Share Capital S\$' 000	Warrants S\$' 000	Fair Value Reserve S\$' 000	Revenue Reserves S\$' 000	Total S\$' 000
Balance as at 1 July 2007	29,601	-	-	4,751	34,352
Changes in equity for the year					
Dividend paid	-			(3,472)	(3,472)
Fair value adjustment of investment			(2,589)	-	(2,589)
Profit for the year	-			11,025	11,025
Increase of share capital	11				11
Warrants		2,080			2,080
Balance at 30 June 2008	29,612	2,080	(2,589)	12,304	41,407
Balance as at 1 July 2006	29,601			2,947	32,548
Changes in equity for the year					
Dividend paid	-			(2,256)	(2,256)
Profit for the year	-			4,060	4,060
Balance at 30 June 2007	29,601	-	-	4,751	34,352

- 1(d)(ii) Details of any changes in the company's share capital arising from right issue, bonus issue, share buy-back, 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 previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Warrants

On 17 April 2008, the Company issued and allotted 69,421,050 listed and quoted warrants on the basis of one warrant for every five existing ordinary shares. The number of shares that may be issued upon the exercise of all the warrants is 69,421,050 ordinary shares.

As at 30 June 2008, the total number of shares issued upon the exercise of all warrants is 69,000 ordinary shares (30 June 2007: Nil).

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

As at 30 June 2008, the share capital of the Company was 347,174,250 ordinary shares (30 June 2007: 347,105,250 ordinary shares).

- 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 reported on.**

Not applicable

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

The figures have not been audited nor reviewed by the Company's auditors.

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

Except as disclosed under item 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year as those applied for the audited financial statements for the year ended 30 June 2007.

- 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.**

During the financial year, the Group and the Company adopted the amendments to FRS 1 Presentation of Financial Statements - Capital Disclosures and FRS 107 Financial Instruments: Disclosures which took effect from financial year beginning 1 July 2007. The adoption of these amended and new standards did not result in any changes in accounting policy and have no material impact on the results or the opening balances of retained earnings of the Group and of the Company for the year ended 30 June 2008.

- 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.**

The Group

Earnings per ordinary share (cents)	30.06.08	30.06.07
Basic	7.24	2.32
Diluted basis	7.24	2.32

- 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 period reported on; and
(b) immediately preceding financial year

	Group		Company	
	30.06.08	30.06.07	30.06.08	30.06.07
Net asset value per ordinary share based on issued shares capital as at the end of the period reported on	19.68 cents	13.60 cents	11.93 cents	9.90 cents

The net asset value per share of the Group has been calculated based on equity attributable to shareholders of S\$68,312,000 (30 June 2007: S\$47,159,000) and share capital of 347,174,250 (30 June 2007: 347,105,250) ordinary shares.

The net asset value per share of the Company has been calculated based on equity attributable to shareholders of S\$41,407,000 (30 June 2007: S\$34,352,000) and share capital of 347,174,250 (30 June 2007: 347,105,250) ordinary shares.

- 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 or liabilities of the group during the current financial period reported on.

REVIEW OF FINANCIAL RESULTS

Results for the full year period ended 30 June 2008

Net profit

The Group's net profit increased by 212.2% or S\$17.1 million to reach S\$25.1 million in FY2008.

Gross Profit

Gross profit increased by 44.3% or S\$9.7 million to S\$31.5 million in FY2008 compared to S\$21.8 million in FY2007. This was due to the increase in steel prices and strong demand for steel products and ferrous metals in FY2008.

Revenue

The Group's revenue declined by 10.4% or S\$35.1 million to S\$302.7 million in FY2008 compared to S\$337.8 million in FY2007. Although revenue from recycling of ferrous metals rose during FY2008, the increase was not enough to compensate the fall in revenue from recycling of non-ferrous metals. Thus, there was an overall drop in revenue.

There was no material effect on the Group's result with the newly acquired subsidiary Lim Asia Steel Pte Ltd.

Other Operating Income

Other operating income increased significantly by 293.4% or S\$15.3 million to S\$20.5 million in FY2008 compared to S\$5.2 million in FY2007. This was due to a gain on sale of properties of S\$10.4 million, an increase in rental income of S\$2.5 million and an increase in gain in foreign exchange of S\$1.2 million.

Distribution Cost

Distribution cost decreased by 27.9% or S\$1.2 million to S\$3.1 million in FY2008 compared to S\$4.3 million in FY2007. This was mainly due to a decline in both import and export of non-ferrous metals.

Administrative Expenses

Administrative cost increased by 66.8% or S\$5.3 million to S\$13.3 million in FY2008 compared to S\$8.0 million in FY2007. This was due mainly to an increase in directors' remuneration on profit sharing, agency fee on the sale of properties as well as an increase in staff and other costs.

Operating Expenses

Our operating expenses consist of bad debts written off, provision for doubtful debts, provision for impairment in value of inventories, rental and related expenses. Operating expenses increased by 76.4% to S\$3.5 million in FY2008 compared to S\$2.0 million in FY2007 due mainly to an increase in rental expense on the leased back properties.

REVIEW OF FINANCIAL POSITION

Net Asset Value

The net asset value of the Group increased to 19.68 cents as at 30 June 2008 from 13.60 cents as at 30 June 2007 due mainly to an increase in net profit of S\$17.1 million including a S\$10 million gain on the sale of the 4 properties in the sales and leaseback transaction done in 2nd quarter of 2008.

Cash Flow and Bank Borrowings

Net cash used in operating activities in FY2008 was S\$10.5 million compared to the net cash used in operations of S\$5.3 millions in FY2007. This was due mainly to an increase in inventories held as at 30 June 2008. Total borrowings as at 30 June 2008 was S\$54.0 million compared to S\$50.9 millions as at 30 June 2007.

Net cash generated from investing activities was S\$21.1 million, including proceeds from the sale of properties, cost of investment in PT ATPK Resources and additional plant and equipment acquired in FY2008. The result was a net increase in cash and cash equivalents of S\$8.6 million.

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

In the 3rd quarter FY2008 financial results announcement, it was stated that the Group expected to be profitable for the whole year of FY2008. The full year financial results are in line with the prospect statement.

- 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.**

The Group enjoyed robust growth in FY2008 fuelled by strong demand for recycled metals and steel, the outlook for FY2009 remains positive. However, due to volatility in ferrous and non-ferrous metal prices, the Group is looking to moderate growth in FY2009.

Going forward, besides organic growth, the Group will continue to seek strategic alliances and possible M&A for future growth. Barring unforeseen circumstances, the Group will remain profitable for FY2009.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on ?

Yes

	FY2008	FY2008
Name of Dividend	Interim	Final (proposed)
Dividend Type	Cash	Cash
Dividend Rate	1.0 cents per ordinary share	3.0 cents per ordinary share
Tax Rate	N.A. (one-tier tax exempt)	N.A. (one-tier tax exempt)

(b) Corresponding Period of the immediately Preceding Financial Year

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

No

	FY2007
Name of Dividend	N.A.
Dividend Type	
Dividend Rate	
Tax Rate	

(c) Date payable

To be announced at a later date.

(d) Books closure date

To be announced at a later date.

12 If no dividend has been declared/recommended, a statement to that effect

Not applicable

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3, or Half Year Results)

13 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

Primary reporting format - business segment

	Recycling		Trading		Others		Total	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Revenue								
Segment revenue	220,835	284,819	76,097	50,434	5,749	2,608	302,681	337,861
Segment result	6,515	9,390	8,380	2,496	4,052	(310)	18,947	11,576
Other operating income							20,541	5,222
Unallocated corporate expenses							(7,423)	(4,081)
Profit from operations							32,065	12,717
Finance Cost							(2,616)	(2,767)
Profit before income tax							29,449	9,950
Taxation							(4,326)	(1,902)
Profit after income tax							25,123	8,048

Secondary report format - geographical location

	FY 2008		FY2007	
	S\$'000	%	S\$'000	%
PRC	63,879	21.1%	105,724	31.3%
Singapore	115,380	38.1%	74,171	22.0%
Bangladesh	4,928	1.6%	7,931	2.3%
India	22,489	7.4%	31,119	9.2%
Indonesia	22,985	7.6%	16,952	5.0%
Malaysia	18,199	6.0%	22,261	6.6%
Japan	2,419	0.8%	882	0.3%
Taiwan	879	0.3%	2,854	0.8%
Sri Lanka	206	0.1%	8	0.0%
Germany	180	0.1%	4,429	1.3%
Others (1)	51,137	16.9%	71,530	21.2%
Total	302,681	100.0%	337,861	100.0%

Note:

(1) Includes Belgium, Brazil, Canada, Egypt, Greece, Hong Kong, Holland, Israel, Italy, Korea, Myanmar, Netherlands, Nepal, New Zealand, Pakistan, Switzerland, Sweden, Turkey, Thailand, UEA, United Kingdom, USA and Vietnam.

(2) The Group's assets consist principally of leasehold properties, plants and machineries which support the entire recycling, trading and other activities. Accordingly, it is not meaningful to allocate fixed assets and related capital expenditure to various business segments. The Group's expenses are incurred in Singapore, which mainly consist of depreciation of property, plant and equipment, overheads and salaries.

(3) the Group operates in Singapore with majority of sales made to overseas countries. Hence, the analysis of geographical segment results is not included herein.

- 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.

Not applicable.

- 15 A breakdown of sales

	Group		
	FY2008	FY2007	Increase/ (decrease)
	S\$'000	S\$'000	%
First Half			
(a) Revenue	112,407	141,115	(20.3)
(b) Profit after tax before deducting minority interests	13,160	4,398	199.2
Second Half			
(c) Revenue	190,274	196,746	(3.3)
(d) Profit after tax before deducting minority interests	11,963	3,650	227.8

- 16 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	Latest Full Year S\$'000	Previous Full Year S\$'000
Ordinary	13,886	0
Preference	0	0
Total	13,886	0

The total annual dividend for 2008 includes a proposed final dividend of 3 cents per share amounting to S\$10.415 millions based on the number of shares as at 30 June 2008.

BY ORDER OF THE BOARD

ANG YU SENG
CEO/ EXECUTIVE DIRECTOR
21 August 2008