



METAX ENGINEERING CORPORATION LIMITED

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METAX ENGINEERING CORPORATION LIMITED

(Incorporated in the Republic of Singapore under Registration Number 197500111H)

ADJUSTMENTS TO UNAUDITED FINANCIAL STATEMENTS FOR FINANCIAL YEAR ENDED 30 JUNE 2009

The Board of Directors of Metax Engineering Corporation Limited (the “**Company**”) refers to the unaudited financial statements of the Company for the financial year ended 30 June 2009 as announced on 28 August 2009 (the “**Unaudited Financial Statements**”).

Based on the audited financial statements of the Company which have been issued, the Company wishes to highlight the following adjustments made to the cash flow statement and loss per share in the Unaudited Financial Statements:

- (1) Operating activities
Exchange realignment amounted to S\$71,013 instead of (S\$84,490).
- (2) Changes in working capital
Trade and other payables amounted to S\$575,118 instead of S\$928,718.
- (3) Investing activities
Purchase of property, plant and equipment amounted to (S\$281,514) instead of (S\$173,871).
- (4) Financing activities
Dividend paid to minority shareholders amounted to (S\$416,000) instead of (S\$769,600).
- (5) Effect of exchange rate fluctuations amounted to (S\$47,860) instead of ‘NIL’.
- (6) Loss per share amounted to 4.93 cents per share instead of 5.61 cents per share. This is to take into account the 14,909,091 new shares issued to Mr Wong Seong on 28 August 2008.

The revised cash flow statement is attached.

By order of the Board

Tan Tze Wen
Managing Director
6 October 2009

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Stamford Corporate Services Pte Ltd, for compliance with the relevant rules of the Singapore Exchange

Securities Trading Limited (the "**Exchange**"). The Company's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

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

	Year ended 30 Jun 2009 S\$	Year ended 30 Jun 2008 S\$
Operating activities		
Loss before taxation	(4,776,334)	(3,087,817)
Adjustments for:-		
Depreciation of property, plant and equipment	218,727	114,367
Exchange realignment	71,013	31,000
Gain on disposal of property, plant and equipment	(239,417)	(1,044)
Share of profit of associate	(564,680)	(1,102,644)
Interest income	(229)	(17,330)
Interest expense	238,055	176,203
Bad debts written off	1,168,178	-
Allowance for doubtful debts	104,373	-
Allowance for doubtful work-in-progress	1,755,755	-
Operating loss before working capital changes	(2,024,559)	(3,887,265)
Changes in working capital:-		
Contract work-in-progress/Excess of progress billings over work-in-progress	(2,611,415)	6,612,590
Trade and other receivables	453,017	560,549
Trade and other payables	575,118	552,987
Inventories	(285,083)	-
Cash flows from operations	(3,892,922) -	3,838,861
Income taxes paid	(756,151)	(256,227)
Net cash (outflow)/inflow from operating activities	(4,649,073)	3,582,634
Investing activities		
Interest received	229	17,330
Proceeds from disposal of property, plant and equipment	462,267	-
Purchase of property, plant and equipment	(281,514)	(17,237)
Investment in associate	(347,075)	(2,870,000)
Net cash acquired on acquisition of subsidiary (Note1)	4,730,369	-
Net cash inflow/(outflow) from investing activities	4,564,276	(2,869,907)
Financing activities		
Amount owing to shareholders	731,395	-
Amount owing to directors	1,119,695	(127,673)
Interest paid	(238,055)	(176,203)
Dividends paid to equity shareholders	-	(190,625)
Dividends paid to minority shareholders	(416,000)	-
Payment of finance lease liabilities	(18,367)	(11,332)
Proceeds from financial institutions	3,865,282	3,557,206
Repayment of amount owing to financial institutions	(1,335,219)	(2,436,935)
Issue of shares	2,665,797	-
Deposit pledged	(994,133)	-
Net cash inflow from financing activities	5,380,395	614,438
Net increase in cash and cash equivalents	5,295,598 -	1,327,165
Effect of exchange rate fluctuations	(47,860)	-
Cash and cash equivalents at beginning of year	(374,534)	(1,701,699)
Cash and cash equivalents at end of period	4,873,204	(374,534)

Cash and cash equivalents included in the cash flow statement comprise the following:

	30 Jun 2009 S\$	30 Jun 2008 S\$
Cash and bank balances	6,885,960	730,214
Less: Bank overdraft	(1,018,623)	(1,104,748)
Less: Deposit pledged	(994,133)	-
Total	4,873,204 -	(374,534)

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

	Difference	Amended Year ended 30 Jun 2009	Year ended 30 Jun 2009	Year ended 30 Jun 2008
	SS	SS	SS	SS
Operating activities				
Loss before taxation	-	(4,776,334)	(4,776,334)	(3,087,817)
Adjustments for:-	-			
Depreciation of property, plant and equipment	-	218,727	218,727	114,367
Exchange realignment	(155,503)	71,013	(84,490)	31,000
Gain on disposal of property, plant and equipment	-	(239,417)	(239,417)	(1,044)
Share of profit of associate	-	(564,680)	(564,680)	(1,102,644)
Interest income	-	(229)	(229)	(17,330)
Interest expense	-	238,055	238,055	176,203
Bad debts written off	-	1,168,178	1,168,178	-
Allowance for doubtful debts	-	104,373	104,373	-
Allowance for doubtful work-in-progress	-	1,755,755	1,755,755	-
Operating loss before working capital changes	(155,503)	(2,024,559)	(2,180,062)	(3,887,265)
Changes in working capital:-				
Contract work-in-progress/Excess of progress billings over work-in-progress	-	(2,611,415)	(2,611,415)	6,612,590
Trade and other receivables	-	453,017	453,017	560,549
Trade and other payables	353,600	575,118	928,718	552,987
Inventories	-	(285,083)	(285,083)	-
Cash flows from operations	198,097	(3,892,922)	(3,694,825)	3,838,861
Income taxes paid	-	(756,151)	(756,151)	(256,227)
Net cash (outflow)/inflow from operating activities	198,097	(4,649,073)	(4,450,976)	3,582,634
Investing activities				
Interest received	-	229	229	17,330
Proceeds from disposal of property, plant and equipment	-	462,267	462,267	-
Purchase of property, plant and equipment	107,643	(281,514)	(173,871)	(17,237)
Investment in associate	-	(347,075)	(347,075)	(2,870,000)
Net cash acquired on acquisition of subsidiary (Note1)	-	4,730,369	4,730,369	-
Net cash inflow/(outflow) from investing activities	107,643	4,564,276	4,671,919	(2,869,907)
Financing activities				
Amount owing to shareholders	-	731,395	731,395	-
Amount owing to directors	-	1,119,695	1,119,695	(127,673)
Interest paid	-	(238,055)	(238,055)	(176,203)
Dividends paid to equity shareholders	-	-	-	(190,625)
Dividends paid to minority shareholders	(353,600)	(416,000)	(769,600)	-
Payment of finance lease liabilities	-	(18,367)	(18,367)	(11,332)
Proceeds from financial institutions	-	3,865,282	3,865,282	3,557,206
Repayment of amount owing to financial institutions	-	(1,335,219)	(1,335,219)	(2,436,935)
Issue of shares	-	2,665,797	2,665,797	-
Deposit pledged	-	(994,133)	(994,133)	-
Net cash inflow from financing activities	(353,600)	5,380,395	5,026,795	614,438
Net increase in cash and cash equivalents	(47,860)	5,295,598	5,247,738	1,327,165
Effect of exchange rate fluctuations	47,860	(47,860)	-	-
Cash and cash equivalents at beginning of year	-	(374,534)	(374,534)	(1,701,699)
Cash and cash equivalents at end of period	-	4,873,204	4,873,204	(374,534)

Cash and cash equivalents included in the cash flow statement comprise the following:

	Difference	30 Jun 2009	30 Jun 2009	30 Jun 2008
	SS	SS	SS	SS
Cash and bank balances	-	6,885,960	6,885,960	730,214
Less: Bank overdraft	-	(1,018,623)	(1,018,623)	(1,104,748)
Less: Deposit pledged	-	(994,133)	(994,133)	-
Total	-	4,873,204	4,873,204	(374,534)