Financial Report

For the financial year ended 31 December 2009

The directors present their report to the members together with the audited financial statements of the Group for the financial year ended 31 December 2009 and the balance sheet of the Company as at 31 December 2009.

Directors

The directors of the Company in office at the date of this report are as follows:

Poh Choon Ann	(Chairman and Chief Executive Officer)
Poh Kay Ping	(Deputy Chief Executive Officer)
Poh Khim Hong	
Poh Kay Yong	
Poh Key Boon	
Lew Syn Pau	
Dr Hong Hai	

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interests in shares or debentures

(a) According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in name of director or nominee		Holdings in which director is deemed to have an interest	
	At 31.12.2009	At 1.1.2009	**At 31.12.2009**	At 1.1.2009
Company				
(No. of ordinary shares)				
Poh Choon Ann	**-**	-	**48,000,000**	48,000,000
Poh Kay Ping	**-**	-	**48,000,000**	48,000,000
Poh Khim Hong	**-**	-	**48,000,000**	48,000,000
Poh Key Boon	**261,000**	261,000	**-**	-

(b) Mr Poh Choon Ann, Mr Poh Kay Ping and Ms Poh Khim Hong, who by virtue of their interests of not less than 20% of the issued capital of the Company, are deemed to have interests in the whole of the share capital of the Company's wholly-owned subsidiaries and in the shares held by the Company in the following subsidiaries that are not wholly-owned by the Group:

	At 31.12.2009	At 1.1.2009
PTC-Chien Li Transportation Pte Ltd		
- No. of ordinary shares	**375,000**	375,000
PTC-Xin Hua Transportation Pte Ltd		
- No. of ordinary shares	**400,000**	400,000
PTC Development Pte Ltd		
- No. of ordinary shares	**82,000**	82,000
PTC Marine Private Limited		
- No. of ordinary shares	**1,020,000**	-

(c) The directors' interests in the ordinary shares of the Company at 21 January 2010 were the same at 31 December 2009.

Directors' contractual benefits

Since the end of the previous financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest, except as disclosed in the accompanying financial statements and in this report, and except that certain directors have employment relationships with the Company, and have received remuneration in those capacities.

Share options

There were no options granted during the financial year to subscribe for unissued shares of the Company or its subsidiaries.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries.

There were no unissued shares of the Company under option at the end of the financial year.

Independent auditor

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors

POH KAY YONG
Director

POH KHIM HONG
Director

26 March 2010

Statement by Directors

For the financial year ended 31 December 2009

In the opinion of the directors,

(a) the balance sheet of the Company and the consolidated financial statements of the Group as set out on pages 22 to 69 are drawn up so as to give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2009 and of the results of the business, changes in equity and cash flows of the Group for the financial year then ended; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the directors

POH KAY YONG Director	POH KHIM HONG Director

26 March 2010

We have audited the accompanying financial statements of Poh Tiong Choon Logistics Limited (the "Company") and its subsidiaries (the "Group") set out on pages 22 to 69, which comprise the balance sheets of the Company and of the Group as at 31 December 2009, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act (Cap. 50) (the "Act") and Singapore Financial Reporting Standards. This responsibility includes:

(a) devising and maintaining a system of internal accounting control sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets;

(b) selecting and applying appropriate accounting policies; and

(c) making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion,

(a) the balance sheet of the Company and the consolidated financial statements of the Group are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2009 and the results, changes in equity and cash flows of the Group for the financial year ended on that date; and

(b) the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditor, have been properly kept in accordance with the provisions of the Act.

PricewaterhouseCoopers LLP
Public Accountants and Certified Public Accountants
Singapore, 26 March 2010

Consolidated Statement of Comprehensive Income

For the financial year ended 31 December 2009

	Note	2009 $'000	2008 $'000
Revenue	4	**113,942**	109,123
Other gains - net	5	**601**	1,121
Expenses			
- Cost of inventories		**(5,458)**	(12,148)
- Depreciation of property, plant and equipment		**(7,992)**	(6,196)
- Depreciation of investment properties		**(795)**	(456)
- Employee compensation	6	**(32,560)**	(32,258)
- Insurance		**(2,597)**	(2,158)
- Rental on operating leases		**(1,786)**	(2,262)
- Sub-contracting costs		**(22,294)**	(19,660)
- Travelling and transportation		**(811)**	(835)
- Upkeep of commercial vehicles		**(10,717)**	(14,141)
- Finance	7	**(1,137)**	(927)
- Other		**(11,018)**	(7,552)
Total expenses		**(97,165)**	(98,593)
Share of results of joint ventures	16	**(12)**	318
Profit before income tax		**17,366**	11,969
Income tax expense	8	**(2,513)**	(1,890)
Net profit		**14,853**	10,079
Other comprehensive income:			
Financial assets, available-for-sale			
- Reversal on disposal		**(4)**	(19)
- Currency translation differences arising on consolidation		**(87)**	208
Other comprehensive income for the year, net of tax		**(91)**	189
Total comprehensive income for the year		**14,762**	10,268
Profit attributable to:			
Equity holders of the Company		**14,379**	9,622
Minority interests		**474**	457
		14,853	10,079
Total comprehensive income attributable to:			
Equity holders of the Company		**14,288**	9,811
Minority interests		**474**	457
		14,762	10,268
Earnings per share attributable to equity holders of the Company			
- Basic	9	**6.66 cents**	4.46 cents
- Diluted	9	**6.66 cents**	4.46 cents

The accompanying notes form an integral part of these financial statements.

	Note	Group 2009 $'000	Group 2008 $'000	Company 2009 $'000	Company 2008 $'000
ASSETS					
Current assets					
Cash and cash equivalents	10	**15,180**	11,223	**9,848**	9,074
Trade and other receivables	11	**15,343**	22,251	**19,798**	22,682
Inventories	12	**59**	13	**-**	-
Other current assets	13	**2,856**	2,763	**1,799**	1,780
		33,438	36,250	**31,445**	33,536
Non-current assets					
Financial assets, available-for-sale	14	**-**	8	**-**	8
Investment in associated company	15	**-**	987	**-**	987
Investments in joint ventures	16	**453**	655	**793**	983
Investments in subsidiaries	17	**-**	-	**4,889**	3,869
Property, plant and equipment	18	**63,552**	59,552	**53,390**	52,902
Investment properties	19	**25,580**	26,413	**6,382**	6,671
Intangible assets	20	**-**	250	**-**	-
Other non-current assets	21	**59**	59	**16**	16
		89,644	87,924	**65,470**	65,436
Total assets		**123,082**	124,174	**96,915**	98,972
LIABILITIES					
Current liabilities					
Trade and other payables	22	**19,109**	20,356	**17,092**	13,909
Current income tax liabilities	8	**1,856**	1,917	**1,365**	1,423
Borrowings	23	**21,439**	29,362	**20,008**	20,329
		42,404	51,635	**38,465**	35,661
Non-current liabilities					
Borrowings	23	**13,646**	15,359	**3,159**	14,530
Trade and other payables	22	**2,435**	1,988	**2,435**	1,988
Deferred income tax liabilities	25	**5,920**	5,331	**5,063**	4,815
		22,001	22,678	**10,657**	21,333
Total liabilities		**64,405**	74,313	**49,122**	56,994
NET ASSETS		**58,677**	49,861	**47,793**	41,978
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	26	**30,244**	30,244	**30,244**	30,244
Other reserves	27	**82**	173	**-**	4
Retained earnings	28	**25,397**	17,599	**17,549**	11,730
		55,723	48,016	**47,793**	41,978
Minority interests		**2,954**	1,845	**-**	-
Total equity		**58,677**	49,861	**47,793**	41,978

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity
For the financial year ended 31 December 2009

	Note	Share capital $'000	Other reserves $'000	Retained earnings $'000	Total $'000	Minority interests $'000	Total equity $'000
		← Attributable to equity holders of the Company →					
2009							
Beginning of financial year		30,244	173	17,599	48,016	1,845	49,861
Capital injection from minority shareholders		-	-	-	-	980	980
Dividends paid	29	-	-	(6,581)	(6,581)	(345)	(6,926)
Total comprehensive income for the year		-	(91)	14,379	14,288	474	14,762
End of financial year		**30,244**	**82**	**25,397**	**55,723**	**2,954**	**58,677**
2008							
Beginning of financial year		30,244	(16)	12,293	42,521	1,539	44,060
Capital injection from minority shareholders		-	-	-	-	74	74
Dividends paid	29	-	-	(4,316)	(4,316)	(225)	(4,541)
Total comprehensive income for the year		-	189	9,622	9,811	457	10,268
End of financial year		**30,244**	**173**	**17,599**	**48,016**	**1,845**	**49,861**

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2009

	Note	2009 $'000	2008 $'000
Cash flows from operating activities			
Net profit		**14,853**	10,079
Adjustments for:			
- Depreciation of property, plant and equipment and investment properties		**8,787**	6,652
- Gain on disposal of property, plant and equipment		**(457)**	(1,038)
- (Gain)/loss on disposal of financial assets, available-for-sale		**(19)**	19
- Impairment of investment in a joint venture		**190**	-
- Impairment loss of goodwill		**250**	206
- Income tax expense		**2,513**	1,890
- Interest expense		**1,137**	927
- Interest income		**(10)**	(21)
- Share of results of joint ventures		**12**	(318)
		27,256	18,396
Changes in working capital, net of effects from acquisition of subsidiaries			
- Trade and other receivables		**6,908**	(4,489)
- Inventories		**(46)**	68
- Other current assets		**(93)**	(597)
- Trade and other payables		**3,939**	1,748
Cash generated from operations		**37,964**	15,126
Income tax paid		**(1,985)**	(503)
Interest paid		**(1,112)**	(902)
Net cash provided by operating activities		**34,867**	13,721
Cash flows from investing activities			
Acquisition of a joint venture		**-**	(190)
Acquisition of an associated company		**-**	(694)
Dividends received from a joint venture company		**-**	200
Interest received		**10**	21
Proceeds from disposal of property, plant and equipment		**533**	2,137
Proceeds from disposal of financial assets, available-for-sale		**23**	39
Proceeds from disposal of an associated company		**987**	-
Purchases of property, plant and equipment		**(13,477)**	(26,034)
Purchases of investment property		**(3,292)**	-
Net cash used in investing activities		**(15,216)**	(24,521)
Cash flows from financing activities			
Dividends paid to equity holders of the Company		**(6,581)**	(4,316)
Dividends paid to minority shareholders		**(345)**	(225)
Proceeds from issue of shares to minority shareholders		**980**	74
Proceeds from borrowings		**11,916**	18,757
Proceeds from finance lease liabilities		**5,165**	2,131
Repayments of borrowings		**(25,200)**	(3,300)
Repayments of finance lease liabilities		**(1,542)**	(149)
Net cash (used in)/provided by financing activities		**(15,607)**	12,972
Net increase in cash and cash equivalents		**4,044**	2,172
Cash and cash equivalents at beginning of financial year		**11,223**	8,843
Effect of currency translation on cash and cash equivalents		**(87)**	208
Cash and cash equivalents at end of financial year	10	**15,180**	11,223

The accompanying notes form an integral part of these financial statements.

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

Poh Tiong Choon Logistics Limited (the "Company") is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office is 48 Pandan Road, Singapore 609289.

The principal activities of the Company consist of the provision of services relating to land transportation, warehousing, stevedoring, container services, equipment renting, leasing and general contracting.

The principal activities of the subsidiaries consist of the provision of services relating to land transportation, container services, equipment renting, general contracting, operation of barges, stevedoring and lighterage services, freight forwarding and barge leasing services, trading in liquefied petroleum gas and diesel, cargo handling, warehousing and rental of an industrial property.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Interpretations and amendments to published standards effective in 2009

On 1 January 2009, the Group adopted the new or amended FRS that are mandatory for application from that date. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The following are the new or revised FRS that are relevant to the Group:

- FRS 1 (revised), *Presentation of financial statements* (effective from 1 January 2009). The revised standard prohibits the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity. All non-owner changes in equity are shown in a performance statement, but entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income). The Group has chosen to adopt the former alternative. Where comparative information is restated or reclassified, a restated balance sheet is required to be presented as at the beginning comparative period. There is no restatement of the balance sheet as at 1 January 2008 in the current financial year.

- FRS 108, *Operating segments* (effective from 1 January 2009) replaces FRS 14, "Segment reporting", and requires a "management approach", under which segment information is presented on the same basis as that used for internal reporting purposes. Segment revenue, segment profits and segment assets are also measured on a basis that is consistent with internal reporting.

2. Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Interpretations and amendments to published standards effective in 2009 (continued)

- Amendment to FRS 107 *Improving Disclosures about Financial Statements* (effective from 1 January 2009). The amendment requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. The adoption of the amendment results in additional disclosures but does not have an impact on the accounting policies and measurement bases adopted by the Group.

2.2 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Group's activities. Revenue is presented, net of value-added tax, rebates and discounts, and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue and related cost can be reliably measured, when it is probable that the collectibility of the related receivables is reasonably assured and when the specific criteria for each of the Group's activities are met as follows:

(a) Rendering of services

Revenue from rendering of services is recognised in the period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be performed.

(b) Sale of goods

Revenue from sale of goods is recognised when a Group entity has delivered the products to the customer; the customer has accepted the products and collectibility of the related receivables is reasonably assured.

(c) Rental income from investment properties

Rental income from operating leases (net of any incentives given to the lessees) in recognised on a straight-line basis over the lease term.

(d) Interest income

Interest income is recognised using the effective interest method.

(e) Dividend income

Dividend income is recognised when the right to receive payment is established.

2. Significant accounting policies (continued)

2.3 Group accounting

(a) Subsidiaries

Subsidiaries are entities over which the Group has power to govern the financial and operating policies, generally accompanied by a shareholding giving rise to a majority of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

The purchase method of accounting is used to account for the acquisition of subsidiaries. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the dates of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition, irrespective of the extent of minority interest. Please refer to the paragraph “Intangible assets – Goodwill” for the accounting policy on goodwill on acquisition of subsidiaries.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Minority interests are that part of the net results of operations and of net assets of a subsidiary attributable to the interests which are not owned directly or indirectly by the Group. They are measured at the minorities’ share of fair value of the subsidiaries’ identifiable assets and liabilities at the date of acquisition by the Group and the minorities’ share of changes in equity since the date of acquisition, except when the minorities’ share of losses in a subsidiary exceeds its interest in the equity of that subsidiary. In such cases, the excess and further losses applicable to the minorities are attributed to the equity holders of the Company, unless the minorities have a binding obligation to, and are able to, make good the losses. When that subsidiary subsequently reports profits, the profits applicable to the minority interests are attributed to the equity holders of the Company until the minorities’ share of losses previously absorbed by the equity holders of the Company are fully recovered.

Please refer to the paragraph “Investments in subsidiaries, associated and joint venture companies” for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

(b) Transactions with minority interests

The Group applies a policy of treating transactions with minority interests as transactions with parties external to the Group. Disposals to minority interests result in gains and losses for the Group that are recognised in profit or loss. Purchases from minority interests result in goodwill, being the difference between any consideration paid and the Group’s incremental share of the carrying value of identifiable net assets of the subsidiary.

2. Significant accounting policies (continued)

2.3 Group Accounting (continued)

(c) Associated companies and joint ventures

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to between and including 20% and 50% of the voting rights. Joint ventures are entities over which the Group has contractual arrangements to jointly share the control over the economic activity of the entities with one or more parties. Investments in associated companies and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses.

Investments in associated companies and joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

In applying the equity method of accounting, the Group's share of its associated companies and joint ventures' post-acquisition profits or losses are recognised in profit or loss and its share of post-acquisition movements in reserves is recognised in equity directly. These post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associated company or a joint venture equals or exceeds its interest in the associated company or joint venture, including any other unsecured receivables, the Group does not recognise further losses, unless it has obligations or has made payments on behalf of the associated company and joint venture.

Unrealised gains on transactions between the Group and its associated companies and joint ventures are eliminated to the extent of the Group's interest in the associated companies and joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associated companies and joint ventures have been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

Please refer to the paragraph "Investments in subsidiaries, associated companies and joint ventures" for the accounting policy on investments in associated companies and joint ventures in the separate financial statements of the Company.

2.4 Property, plant and equipment

(a) Measurement

(i) Properties under development

Properties under development are properties being constructed or developed for future rental. They are carried at cost less accumulated impairment losses until construction or development is completed, at which time they are transferred and accounted for as investment properties.

(ii) Other property, plant and equipment

All other items of property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

2. Significant accounting policies (continued)

2.4 Property, plant and equipment (continued)

(iii) Component of costs

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, including borrowing costs incurred for the property under development. The projected cost of dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

(b) Depreciation

Property under development and construction-in-progress are not depreciated. Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Commercial vehicles	8 - 12 years
Machinery and equipment	5 - 20 years
Barges	5 - 10 years
Computer and accessories	3 - 5 years
Motor vehicles	8 years
Office equipment, furniture and fittings	5 - 10 years

Properties on leasehold land are depreciated over the shorter of their useful lives of 50 years or the remaining term of the lease.

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expense is recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss.

2. Significant accounting policies (continued)

2.5 Intangible assets

Goodwill on acquisitions

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable net assets and contingent liabilities of the acquired subsidiaries, associated companies, joint ventures and businesses at the date of acquisition.

Goodwill on subsidiaries and businesses is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Goodwill on associated companies and joint ventures is included in the carrying amount of the investments.

Gains and losses on the disposal of subsidiaries, associated companies, joint ventures and businesses include the carrying amount of goodwill relating to the entity sold, except for goodwill arising from acquisitions prior to 1 January 2001. Such goodwill was adjusted against retained earnings in the year of acquisition and not recognised in profit or loss on disposal.

2.6 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to borrowings acquired specifically for the construction or development of properties. The actual borrowing costs incurred during the period up to the issuance of the temporary occupation permit less any investment income on temporary investments of these borrowings, are capitalised in the cost of the property under development.

2.7 Investment properties

Investment properties include those portions of premises that are held for long-term rental yields and/or capital appreciation and are not occupied by the Group. Investment properties are treated as non-current investments and are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated using a straight-line method to allocate the depreciable amounts over the estimated useful lives of 20 to 100 years. The residual values, useful lives and deprecation method of investment properties are reviewed, and adjusted as appropriate at each balance sheet date. The effects of any revision are included in profit or loss when the changes arise.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment and its carrying value at the date of reclassification becomes its cost for accounting purposes. Property that is being constructed or developed for future use as investment property is classified as property under development in property, plant and equipment until construction or development is completed, at which time it is reclassified and accounted for as investment property.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are written off to profit or loss. The cost of maintenance, repairs and minor improvements is charged to profit or loss when incurred.

On disposal of an investment property, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

2. Significant accounting policies (continued)

2.8 Investments in subsidiaries, associated companies and joint ventures

Investments in subsidiaries, associated companies and joint ventures are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of investment in subsidiaries, associated companies and joint ventures, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.9 Impairment of non-financial assets

(a) Goodwill

Goodwill is tested for impairment annually and whenever there is indication that the goodwill may be impaired. Goodwill included in the carrying amount of an investment in an associated company and joint venture is tested for impairment as part of the investment, rather than separately.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised in profit or loss and is not reversed in a subsequent period.

(b) Property, plant and equipment
Investment properties
Investments in subsidiaries, associated companies and joint ventures

Property, plant and equipment, investment properties and investments in subsidiaries, associated companies and joint ventures are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

2. Significant accounting policies (continued)

2.9 Impairment of non-financial assets (continued)

(b) Property, plant and equipment
Investment properties
Investments in subsidiaries, associated companies and joint ventures

An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

2.10 Financial assets

(a) Classification

The Group classifies its financial assets in the following categories: loans and receivables, and available-for-sale. The classification depends on the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except those maturing later than 12 months after the balance sheet date which are presented as non-current assets. Loans and receivables are presented as "trade and other receivables" and "cash and cash equivalents" on the balance sheet.

(ii) Financial assets, available-for-sale

Financial assets, available-for-sale are non-derivatives that are intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices.

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount in the fair value reserve relating to that asset is transferred to profit or loss.

(c) Initial measurement

Financial assets are initially recognised at fair value plus transaction costs.

2. Significant accounting policies (continued)

2.10 Financial assets (continued)

(d) Subsequent measurement

Financial assets, available-for-sale are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Interest and dividend income on financial assets, available-for-sale are recognised separately in income. Changes in fair values of available-for-sale equity securities (i.e. non-monetary items) are recognised in the fair value reserve.

(e) Impairment

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

(i) Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The allowance for impairment loss account is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost, had no impairment been recognised in prior periods.

(ii) Financial assets, available-for-sale

Significant or prolonged declines in the fair value of the security below its cost and the disappearance of an active trading market for the security are objective evidence that the security is impaired.

The cumulative loss that was recognised in the fair value reserve is transferred to profit or loss. The cumulative loss is measured as the difference between the acquisition cost (net of any principal repayments and amortisation) and the current fair value, less any impairment loss previously recognised in profit or loss on debt securities. The impairment losses recognised in profit or loss on equity securities are not reversed through profit or loss.

2. Significant accounting policies (continued)

2.11 Financial guarantees

The Company has issued corporate guarantees to banks for borrowings of its subsidiaries. These guarantees are financial guarantee as they require the Company to reimburse the banks if the subsidiaries fail to make principal or interest payments when due in accordance with the terms of their borrowings.

Financial guarantees are initially recognised at their fair values plus transaction costs in the Company's balance sheet.

Financial guarantees are subsequently amortised to profit or loss over the period of the subsidiaries' borrowings, unless it is probable that the Company will reimburse the bank for an amount higher than the unamortised amount. In this case, the financial guarantees shall be carried at the expected amount payable to the bank in the Company's balance sheet.

Intragroup transactions are eliminated on consolidation.

2.12 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.13 Trade and other payables

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.14 Fair value estimation of financial assets and liabilities

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

2.15 Leases

(a) When the Group is the lessee:

The Group leases commercial vehicles under finance leases and certain property, plant and equipment and warehouses under operating leases from non-related parties.

(i) Lessee - Finance leases

Leases where the Group assumes substantially all risks and rewards incidental to ownership of the leased assets are classified as finance leases.

The leased assets and the corresponding lease liabilities (net of finance charges) under finance leases are recognised on the balance sheet as commercial vehicles and borrowings respectively, at the inception of the leases based on the lower of the fair value of the leased assets and the present value of the minimum lease payments.

2. Significant accounting policies (continued)

2.15 Leases (continued)

(i) Lessee - Finance leases (continued)

Each lease payment is apportioned between the finance expense and the reduction of the outstanding lease liability. The finance expense is recognised in profit or loss on a basis that reflects a constant periodic rate of interest on the finance lease liability.

(ii) Lessee - Operating leases

Leases of certain property, plant and equipment and warehouses where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease.

Contingent rents are recognised as an expense in profit or loss when incurred.

(b) When the Group is the lessor:

The Group leases equipment to a non-related party under finance leases and investment properties under operating leases to non-related parties.

Lessor - Operating leases

Leases of investment properties where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Contingent rents are recognised as income in profit or loss when earned.

2.16 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.17 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

2. Significant accounting policies (continued)

2.17 Income taxes (continued)

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associated companies and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2.18 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in statement of comprehensive income as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

2.19 Employee compensation

The Group's contributions are recognised as employee compensation expense when they are due, unless they can be capitalised as an asset.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

2. Significant accounting policies (continued)

2.19 Employee compensation (continued)

(c) Government grants

Grant from the government are recognised as a receivable at their fair value when there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants receivable are recognised over the period necessary to match them with the related costs which they are intended to compensate on a systematic basis. Government grants relating to expenses are offset against the related expenses.

2.20 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Singapore Dollars.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities are translated at the closing exchange rates at the date of the balance sheet;

(ii) Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case, income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) All resulting currency translation differences are recognised in the currency translation reserve.

2. Significant accounting policies (continued)

2.21 Segment reporting

A business segment is a distinguishable component of the Group engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is a distinguishable component of the Group engaged in providing products or services within a particular economic environment that is subject to risks and returns that are different from those of segments operating in other economic environments.

2.22 Cash and cash equivalents

For the purpose of presentation in the consolidated cash flow statement, cash and cash equivalents include cash on hand and short-term bank deposits with financial institutions.

2.23 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.24 Dividends

Dividends to Company's shareholders are recognised when the dividends are approved for payment.

3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Estimated impairment of non-financial assets

Goodwill is tested for impairment annually and whenever there is indication that the goodwill may be impaired. Intangible assets, property, plant and equipment and investments in subsidiaries, associated companies and joint ventures are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

The recoverable amounts of these assets and where applicable, cash-generating units, have been determined based on value-in-use calculations. These calculations require the use of estimates. Details of these estimates are disclosed in Note 20.

(b) Impairment of property, plant and equipment

Property, plant and equipment are reviewed for impairment whenever there is an indication that these assets may be impaired. The Group considers the guidance of FRS 36 in assessing whether there is any indication that an item of the above assets may be impaired. This assessment requires management's judgement.

If any such indication exists, the recoverable amount of the assets is estimated to ascertain the amount of impairment loss. The recoverable amount is defined as the higher of the fair value less cost to sell and value in use.

In determining the value in use of assets, the Group applies a discounted cash flow model where the future cash flows derived from such assets are discounted at an appropriate rate. Forecasts of future cash flow are estimated based on financial budgets and forecasts approved by the management.

Based on management's assessment, there is no indication of impairment as at the balance sheet date.

3. Critical accounting estimates, assumptions and judgements (continued)

(c) Useful lives and residual values of property, plant and equipment

The Group reviews the appropriateness of the useful lives and residual values of property, plant and equipment at each balance sheet date. Changes in the expected level of usage and technological advancements could impact the economic useful lives and residual values of these assets. Where there is a material change in the useful lives and residual values of property, plant and equipment, such a change may impact the future depreciation charges in the financial period in which the change arises.

(d) Impairment of trade receivables

Management reviews its trade receivables for objective evidence of impairment on an ongoing basis. Significant financial difficulties of the debtor, the probability that the debtor will enter bankruptcy, and default or significant delay in payments are considered objective evidence that a receivable is impaired. An allowance for impairment is established when there is objective evidence that the trade receivables have been impaired.

Impairment loss is determined based on the review of current status of the existing receivables and historical collections experience.

4. Revenue

	Group	
	2009	2008
	$'000	$'000
Rendering of services	**104,164**	94,984
Sale of goods	**6,555**	13,482
Rental income from investment properties (Note 19)	**3,223**	657
Total revenue	**113,942**	109,123

5. Other gains - net

	Group	
	2009	2008
	$'000	$'000
Interest income	**10**	21
Gain on disposal of property, plant and equipment	**457**	1,038
Gain/(loss) on disposal of financial assets, available-for-sale	**19**	(19)
Others	**115**	81
	601	1,121

6. Employee compensation

	Group	
	2009	2008
	$'000	$'000
Wages and salaries	**29,274**	29,190
Employer's contribution to defined contribution plans including Central Provident Fund	**3,286**	3,068
	32,560	32,258

The wages and salaries for the financial year ended 31 December 2009 are stated after netting off the Job Credit Scheme - government grant of $1,589,000 (2008: Nil). The Jobs Credit Scheme is a cash grant introduced in the Singapore Budget 2009 to help businesses preserve jobs in the economic downturn. The Jobs Credit will be paid to eligible employers in 2009 in four payments and the amount an employer can receive would depend on the fulfilment of the conditions as stated in the scheme.

7. Finance expense

	Group	
	2009	2008
	$'000	$'000
Interest expense		
- Bank borrowings	**922**	899
- Finance lease liabilities	**215**	28
	1,137	927

8. Income taxes

(a) Income tax expense

	Group	
	2009	2008
	$'000	$'000
Tax expense attributable to profit is made up of:		
- Current income tax	**1,818**	1,864
- Deferred income tax (Note 25)	**765**	450
	2,583	2,314
Under/(over) provision in preceding financial year:		
- Current income tax	**106**	(407)
- Deferred income tax (Note 25)	**(176)**	(17)
	2,513	1,890

The tax expense on profit differs from the amount that would arise using the Singapore standard rate of income tax as explained below:

	Group	
	2009	2008
	$'000	$'000
Profit before income tax	**17,366**	11,969
Tax calculated at a tax rate of 17% (2008: 18%)	**2,953**	2,154
Effects of		
- Changes in Singapore tax rate	**(288)**	-
- Different tax rates in other countries	**5**	(37)
- Expenses not deductible for tax purposes	**271**	115
- Income not subject to tax	**(370)**	-
- Statutory stepped income exemption	**(116)**	(108)
- Tax calculated on share of results of joint ventures	**2**	(57)
- Deferred tax assets not recognised	**126**	247
Tax charge	**2,583**	2,314

During the financial year, the Singapore corporate tax rate was reduced from 18% to 17% for the year of assessment 2010 and onwards.

8. Income taxes (continued)

(b) Movements in current income tax liabilities

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Beginning of financial year	**1,917**	963	**1,423**	397
Income tax paid	**(1,985)**	(503)	**(1,589)**	(342)
Tax expense	**1,818**	1,864	**1,343**	1,358
Under/(over) provision in prior financial years	**106**	(407)	**188**	10
End of financial year	**1,856**	1,917	**1,365**	1,423

9. Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2009	2008
Net profit attributable to equity holders of the Company ($'000)	**14,379**	9,622
Weighted average number of ordinary shares in issue for basic and diluted earnings per share ('000)	**215,787**	215,787
Basic and diluted earnings per share (cents per share)	**6.66 cents**	4.46 cents

Diluted earnings per share is the same as basic earnings per share as there are no dilutive potential ordinary shares.

10. Cash and cash equivalents

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Cash at bank and on hand	**9,980**	10,223	**7,648**	8,074
Short-term bank deposits	**5,200**	1,000	**2,200**	1,000
	15,180	11,223	**9,848**	9,074

Short-term bank deposits at the balance sheet date have an average maturity of 1.5 months (2008: 1 month) from that date and have a weighted average effective interest rate of 0.30% (2008: 0.69%) per annum.

11. Trade and other receivables

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Trade receivables:				
- Non-related parties	**18,599**	22,376	**15,058**	19,233
- Joint ventures	**8**	25	**8**	25
- Related parties	**187**	150	**187**	150
Less: Allowance for impairment of receivables - Non-related parties	**(3,543)**	(344)	**(3,192)**	(15)
Trade receivables - net	**15,251**	22,207	**12,061**	19,393
Non-trade receivables:				
- Subsidiaries	**-**	-	**8,289**	3,900
Less: Allowance for impairment of receivables - subsidiaries	**-**	-	**(590)**	(636)
	-	-	**7,699**	3,264
- Staff loans	**92**	44	**38**	25
	15,343	22,251	**19,798**	22,682

Related parties are companies in which the directors or major shareholders of the Company have significant influence or interests.

Included in non-trade receivables from subsidiaries is $3,930,000 (2008: $400,000) which is interest-bearing at 2.21% (2008: 3.55%) per annum, unsecured and is repayable on demand. The remaining non-trade receivables from subsidiaries are unsecured, interest-free and are repayable on demand.

Allowance for impairment of trade receivables from non-related parties recognised as an expense and included in "other expenses" amounts to $3,202,000 (2008: $21,000).

12. Inventories

	Group	
	2009	2008
	$'000	$'000
Finished goods	**59**	13

The cost of inventories recognised as an expense amounts to $5,458,000 (2008: $12,148,000).

13. Other current assets

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Deposits	**589**	479	**557**	309
Prepayments	**2,079**	1,934	**1,092**	1,242
Other receivables	**188**	350	**150**	229
	2,856	2,763	**1,799**	1,780

14. Financial assets, available-for-sale

	Group and Company	
	2009	2008
	$'000	$'000
Beginning of financial year	**8**	85
Reversal on disposal [Note 27(b)(i)]	**(4)**	-
Fair value loss recognised in equity [Note 27(b)(i)]	**-**	(19)
Disposal	**(4)**	(58)
	-	8

Available-for-sale financial assets are analysed as follows:

	Group and Company	
	2009	2008
	$'000	$'000
Listed securities:		
- Equity securities - Singapore	**-**	8

15. Investment in associated company

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Equity investment at cost			**-**	987
Beginning of financial year	**987**	293		
Capital injection during the financial year	**-**	694		
Disposal	**(987)**	-		
End of financial year	**-**	987		
The summarised financial information of the associated company is as follows:				
- Assets	**-**	3,948		
- Liabilities	**-**	-		
- Revenue	**-**	-		
- Net result	**-**	-		

16. Investments in joint ventures

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Equity investment at cost			**983**	883
Less: Dividends received from pre-acquisition reserves			-	(90)
			983	793
Acquisition of a new joint venture			**-**	190
Allowance for impairment of a joint venture			**(190)**	-
			793	983
Beginning of financial year	**655**	347		
Acquisition of a new joint venture	**-**	190		
Share of results	**(12)**	318		
Allowance for impairment	**(190)**	-		
Dividends received, net of tax	**-**	(200)		
End of financial year	**453**	655		

16. Investments in joint ventures (continued)

The following amounts represent the Group's 50% share of the assets and liabilities and income and expenses of the joint ventures. The Group's interests in the joint ventures are accounted for in the consolidated financial statements using the equity method of accounting.

	Group	
	2009	2008
	$'000	$'000
Assets		
- Current assets	**483**	812
- Non-current assets	**74**	70
	557	882
Liabilities		
- Current liabilities	**103**	226
- Non-current liabilities	**1**	1
	104	227
Net assets	**453**	655
Sales	**1,038**	2,059
Expenses	**(1,083)**	(1,686)
Profit before tax	**(45)**	373
Income tax	**24**	(55)
Profit after tax	**(21)**	318
Operating cash inflows	**(93)**	309
Investing cash outflows	**(12)**	(2)
Financing cash outflows	**-**	(10)
Total cash inflows	**(105)**	297

Details of the joint ventures are as follows:

Name of companies	Principal activities	Country of business/ incorporation	Equity holding	
			2009	2008
			%	%
Stolt-PTC Chemicals Distribution Pte Ltd *	Distribution of liquid chemicals, lubricating oils and additives, and vegetable oils	Singapore	**50.0**	50.0
Hai Poh Terminals Pte Ltd **	Stevedoring and terminal operations	Singapore	**50.0**	50.0
P.T.C. Logistics Mena L.L.C. #	Freight forwarding	Kingdom of Saudi Arabia	**50.1**	50.1

* Audited by PricewaterhouseCoopers LLP, Singapore.

** Audited by UHY Lee Seng Chan & Co, Singapore.

Audited by Albassam Certified Public Accountants & Consultants, Al-Khobar.

17. Investments in subsidiaries

	Company 2009 $'000	Company 2008 $'000
Equity investments at cost		
Beginning of financial year	**4,840**	4,154
Additional investment in a subsidiary	**1,020**	686
	5,860	4,840
Less: Accumulated impairment losses	**(971)**	(971)
End of financial year	**4,889**	3,869

Details of the subsidiaries are as follows:

Name of companies	Principal activities	Country of business/ incorporation	Equity holding 2009 %	Equity holding 2008 %
PTC-Chien Li Transportation Pte Ltd *	Land transportation, container services, equipment renting and general contracting	Singapore	**75**	75
PTC-Xin Hua Transportation Pte Ltd *	Land transportation, container services, equipment renting, general contracting and trading in liquefied petroleum gas	Singapore	**80**	80
Bitubulk Pte Ltd *	Trading in diesel	Singapore	**100**	100
PTC Development Pte Ltd *	Rental of an industrial property	Singapore	**82**	82
Delivery2home Pte Ltd *	Dormant	Singapore	**100**	100
Poh Tiong Choon Logistics (Shanghai) Ltd **	Cargo handling, warehousing and transportation services	People's Republic of China	**100**	100
PTC Express Pte Ltd *	Freight forwarding and barge leasing services	Singapore	**100**	100
PTC Marine Private Limited *	Operation of barges, stevedoring and lighterage services	Singapore	**51**	-
Held by Poh Tiong Choon Logistics (Shanghai) Ltd				
PTC Yukuan Logistics (Shanghai) Co., Ltd **	Warehouse and transportation services	People's Republic of China	**65**	65

* Audited by PricewaterhouseCoopers LLP, Singapore.

** Audited by Shanghai LSC Certified Public Accountants Co., Ltd, People's Republic of China.

18. Property, plant and equipment

Group

	Properties on leasehold land	Commercial vehicles	Machinery and equipment	Barges	Computer and accessories	Motor vehicles	Office equipment, furniture and fittings	Construction -in-progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
2009									
Cost									
Beginning of financial year	36,602	49,354	14,035	-	1,852	638	2,274	3,386	108,141
Additions	433	3,299	2,067	5,748	352	-	169	-	12,068
Disposals	(550)	(807)	(174)	-	(180)	-	(71)	-	(1,782)
Reclassification	1,956	305	(2,286)	4,611	-	-	(1,200)	(3,386)	-
End of financial year	38,441	52,151	13,642	10,359	2,024	638	1,172	-	118,427
Accumulated depreciation and accumulated impairment losses									
Beginning of financial year	11,669	29,308	5,257	-	1,485	213	657	-	48,589
Depreciation charge	985	4,449	1,083	1,023	251	80	121	-	7,992
Disposals	(550)	(753)	(152)	-	(180)	-	(71)	-	(1,706)
Reclassification	17	239	(363)	117	-	-	(10)	-	-
End of financial year	12,121	33,243	5,825	1,140	1,556	293	697	-	54,875
Net book value									
End of financial year	**26,320**	**18,908**	**7,817**	**9,219**	**468**	**345**	**475**	**-**	**63,552**

18. Property, plant and equipment (continued)

Group

	Properties on leasehold land	Freehold office unit	Commercial vehicles	Machinery and equipment	Computer and accessories	Motor vehicles	Office equipment, furniture and fittings	Property under development	Construction -in-progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
2008										
Cost										
Beginning of financial year	34,600	715	45,552	11,618	1,653	708	1,030	4,787	-	100,663
Additions	754	-	7,329	2,533	284	53	1,275	15,122	3,386	30,736
Disposals	-	-	(3,527)	(116)	(85)	(123)	(31)	-	-	(3,882)
Reclassified from/(to) investment properties (Note 19)	1,248	(715)	-	-	-	-	-	(19,909)	-	(19,376)
End of financial year	36,602	-	49,354	14,035	1,852	638	2,274	-	3,386	108,141
Accumulated depreciation and accumulated impairment losses										
Beginning of financial year	9,937	44	27,866	4,324	1,382	235	558	-	-	44,346
Depreciation charge	858	-	3,901	1,041	188	81	127	-	-	6,196
Disposals	-	-	(2,459)	(108)	(85)	(103)	(28)	-	-	(2,783)
Reclassified from/(to) investment properties (Note 19)	874	(44)	-	-	-	-	-	-	-	830
End of financial year	11,669	-	29,308	5,257	1,485	213	657	-	-	48,589
Net book value										
End of financial year	**24,933**	**-**	**20,046**	**8,778**	**367**	**425**	**1,617**	**-**	**3,386**	**59,552**

18. Property, plant and equipment (continued)

Company

	Construction-in-progress	Properties on leasehold land	Commercial vehicles	Machinery and equipment	Barges	Computer and accessories	Motor vehicles	Office equipment, furniture and fittings	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
2009									
Cost									
Beginning of financial year	3,386	38,236	35,823	12,909	-	1,637	638	801	93,430
Additions	-	433	2,839	2,001	890	323	-	159	6,645
Disposals	-	(550)	(614)	(95)	-	(106)	-	-	(1,365)
Reclassification	(3,386)	322	-	(1,547)	4,611	-	-	-	-
End of financial year	-	38,441	38,048	13,268	5,501	1,854	638	960	98,710
Accumulated depreciation and accumulated impairment losses									
Beginning of financial year	-	11,686	21,967	4,811	-	1,381	213	470	40,528
Depreciation charge	-	985	3,179	1,006	537	209	80	85	6,081
Disposals	-	(550)	(560)	(73)	-	(106)	-	-	(1,289)
Reclassification	-	-	-	(117)	117	-	-	-	-
End of financial year	-	12,121	24,586	5,627	654	1,484	293	555	45,320
Net book value									
End of financial year	**-**	**26,320**	**13,462**	**7,641**	**4,847**	**370**	**345**	**405**	**53,390**

18. Property, plant and equipment (continued)

Company

	Construction-in-progress	Properties on leasehold land	Freehold office unit	Commercial vehicles	Machinery and equipment	Computer and accessories	Motor vehicles	Office equipment, furniture and fitting	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
2008									
Cost									
Beginning of financial year	-	34,600	715	33,264	10,901	1,523	708	811	82,522
Additions	3,386	2,388	-	5,119	2,033	199	53	17	13,195
Disposals	-	-	-	(2,560)	(25)	(85)	(123)	(27)	(2,820)
Reclassified from/(to) investment properties (Note 19)	-	1,248	(715)	-	-	-	-	-	533
End of financial year	3,386	38,236	-	35,823	12,909	1,637	638	801	93,430
Accumulated depreciation and accumulated impairment losses									
Beginning of financial year	-	9,937	44	20,929	3,867	1,300	235	420	36,732
Depreciation charge	-	875	-	2,720	969	166	81	77	4,888
Disposals	-	-	-	(1,682)	(25)	(85)	(103)	(27)	(1,922)
Reclassified from/(to) investment properties (Note 19)	-	874	(44)	-	-	-	-	-	830
End of financial year	-	11,686	-	21,967	4,811	1,381	213	470	40,528
Net book value									
End of financial year	**3,386**	**26,550**	**-**	**13,856**	**8,098**	**256**	**425**	**331**	**52,902**

18. Property, plant and equipment (continued)

(a) The carrying amount of property, plant and equipment held under finance leases are as follows:

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Commercial vehicles and equipment	**8,796**	2,672	**7,606**	1,279

(b) Details of the Group's properties on leasehold land are as follows:

Location	Description/existing use	Tenure
42 Pandan Road Singapore	Warehouse and office	Leasehold with 25 years lease and further extension of lease expiring on 18 October 2019
48 Pandan Road Singapore	Warehouse and office	Leasehold with 30 years lease and further extension of lease expiring on 30 June 2019
21 Ayer Merbau Road Jurong Island Singapore	PTC Chemical Logistics Complex	Leasehold with 30 years lease expiring on 15 April 2030 and an option for a further term of 30 years
Lot A19360C Ayer Merbau Road Jurong Island Singapore	Open storage yard	Leasehold with approximately 26 years lease expiring on 15 April 2030
Lot A0409802 Ayer Merbau Road Jurong Island Singapore	Open storage yard	Leasehold with approximately 25 years lease expiring on 15 April 2030
Lot A0409803 Ayer Merbau Road Jurong Island Singapore	Open storage yard	Leasehold with approximately 24 years lease expiring on 15 April 2030

(c) Borrowing costs of Nil (2008: $37,000), which arise on the financing specifically entered into for the development of property for future rental, are capitalised during the financial year.

19. Investment properties

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Cost				
Beginning of financial year	**27,744**	8,368	**7,835**	8,368
Transfer from property, plant and equipment (Note 18)	**-**	19,376	**-**	(533)
Over accrual in preceding year	**(38)**	-	**-**	-
End of financial year	**27,706**	27,744	**7,835**	7,835
Accumulated depreciation				
Beginning of financial year	**1,331**	1,705	**1,164**	1,705
Depreciation charge	**795**	456	**289**	289
Transfer to property, plant and equipment (Note 18)	**-**	(830)	**-**	(830)
End of financial year	**2,126**	1,331	**1,453**	1,164
Net book value				
End of financial year	**25,580**	26,413	**6,382**	6,671

The Group's investment properties are as follows:

Location	Description/existing use	Tenure
23 Ayer Merbau Road Jurong Island Singapore	Tank cleaning terminal	Leasehold with 26 years lease expiring on 15 April 2030
#11-02 Realty Centre 15 Enggor Street Singapore	Office	Freehold
29 Tuas Bay Drive Singapore	Factory building with office space	Leasehold with 60 years lease expiring on 2 May 2067

The investment properties are valued annually at balance sheet date by an independent professional valuer on the basis of open market value for existing use as follows:

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
At valuation	**34,550**	35,020	**9,550**	10,020

It is the intention of the directors to hold the investment properties for the long-term. The investment properties are leased to non-related parties under operating leases [Note 30(c)].

An investment property with a net book amount of $19,198,000 (2008: $19,742,000) is mortgaged to secure bank loans (Note 23).

19. Investment properties (continued)

The following amounts are recognised in profit or loss:

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Rental income (Note 4)	**3,223**	657	**701**	657
Property tax and other direct operating expenses arising from investment properties that generated rental income	**(950)**	(293)	**(293)**	(293)
Property tax and other direct operating expenses arising from investment properties that did not generate rental income	**-**	(46)	-	-

20. Intangible assets

	Group	
	2009	2008
	$'000	$'000
Goodwill arising on consolidation		
Cost		
Beginning and end of financial year	**656**	656
Accumulated impairment		
Beginning of financial year	**406**	200
Impairment charge	**250**	206
End of financial year	**656**	406
Net book value	**-**	250

Impairment tests for goodwill

Goodwill is allocated to the Group's cash-generating unit ("CGU") in its trading segment (i.e. trading of diesel and liquefied petroleum gas) with operations carried out in Singapore.

The recoverable amount of a CGU is determined based on value-in-use. These calculations use cash flow projections based on financial budgets approved by management covering a five-year period.

Key assumptions used for value-in-use calculations:

Gross margin [1]	6%
Growth rate [2]	0%
Discount rate [3]	8%

[1] Weighted average budgeted gross margin
[2] Weighted average growth rate used to extrapolate cash flows within the five-year budget period
[3] Pre-tax discount rate applied to the cash flow projections

20. Intangible assets (continued)

These assumptions have been used for the analysis of the CGU within the trading segment. Management determined the weighted average budgeted gross margin and growth rate based on past performance and its expectations of the market development. The discount rate used is pre-tax and reflect specific risks relating to the trading segment.

An impairment charge of $250,000 (2008: $206,000) is included within "other expenses" in the profit or loss. The impairment charge arises from the CGU in the Group's trading segment (i.e. trading of diesel) as a result of reducing customer demand. The Group has also reassessed the useful lives of its property, plant and equipment and determined that no change in the useful lives was required.

21. Other non-current assets

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Club membership at cost	**59**	59	**16**	16
Less: Accumulated impairment loss	**-**	-	**-**	-
	59	59	**16**	16

22. Trade and other payables

(a) Current

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Trade payables:				
- Non-related parties	**5,756**	5,664	**4,234**	3,629
- Subsidiaries	**-**	-	**5,974**	3,992
- Related parties	**16**	30	**16**	30
	5,772	5,694	**10,224**	7,651
Rental deposits	**2,938**	3,020	**78**	464
Other accruals for operating expenses	**7,933**	5,281	**6,463**	4,646
Accruals for property, plant and equipment	**668**	4,702	**294**	498
Sundry creditors	**1,798**	1,659	**33**	650
	19,109	20,356	**17,092**	13,909

Related parties are companies in which the directors or major shareholders of the Company have significant influence or interests.

(b) Non-current

	Group and Company	
	2009	2008
	$'000	$'000
Deferred revenue		
- Non-related party	**2,435**	1,988

The carrying amount of non-current deferred revenue approximated its fair value at the balance sheet date.

23. Borrowings

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Current				
Bank borrowings	**19,477**	28,832	**18,277**	20,075
Finance lease liabilities (Note 24)	**1,962**	530	**1,731**	254
	21,439	29,362	**20,008**	20,329
Non-current				
Bank borrowings	**9,873**	13,777	**-**	13,777
Finance lease liabilities (Note 24)	**3,773**	1,582	**3,159**	753
	13,646	15,359	**3,159**	14,530
Total borrowings	**35,085**	44,721	**23,167**	34,859

The exposure of the borrowings of the Group and of the Company to interest rate changes and the contractual repricing dates at the balance sheet dates are as follows:

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Not later than one year	**21,439**	29,362	**20,008**	20,329
Between one and five years	**13,646**	15,359	**3,159**	14,530
	35,085	44,721	**23,167**	34,859

(a) Security granted

At the balance sheet date, finance lease liabilities of the Group and the Company amounting to $5,735,000 (2008: $2,112,000) and $4,890,000 (2008: $1,007,000) respectively are secured by the rights to the leased commercial vehicles and equipment [Note 18(a)], which will revert to the lessor in the event of default by the Group and the Company.

Bank borrowings of a subsidiary amounting to $11,073,000 (2008: $8,757,000) is secured by legal mortgage over an investment property (Note 19).

All other bank borrowings are unsecured.

(b) Currency and interest rate risks

All borrowings are denominated in Singapore Dollar. The weighted average effective per annum interest rates of total borrowings at the balance sheet date are as follows:

	Group		Company	
	2009	2008	**2009**	2008
	%	%	**%**	%
Finance lease liabilities	**4.5**	4.5	**4.5**	4.4
Bank borrowings	**2.7**	2.9	**2.9**	3.0

The exposure of current and non-current borrowings to interest rate risks is disclosed in Note 31(a)(iii).

23. Borrowings (continued)

(c) Carrying amounts and fair value

The carrying amounts of bank borrowings approximated their fair values. The carrying amounts and fair values of finance lease liabilities were as follows:

Group

	Carrying amounts		Fair values	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Current (Note 24)	**1,962**	530	**1,962**	530
Non-current (Note 24)	**3,773**	1,582	**3,773**	1,582

Company

	Carrying amounts		Fair values	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Current (Note 24)	**1,731**	254	**1,731**	254
Non-current (Note 24)	**3,159**	753	**3,159**	753

The fair values were determined from discounted cash flow analyses, using a discount upon the borrowing rates which the directors expected to be available to the Group at the balance sheet date.

24. Finance lease liabilities

The Group leases certain commercial vehicles and equipment from non-related parties under finance leases.

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Minimum lease payments due:				
- Not later than one year	**2,162**	602	**1,897**	294
- Between one and five years	**3,950**	1,719	**3,299**	802
	6,112	2,321	**5,196**	1,096
Less: Future finance charges	**(377)**	(209)	**(306)**	(89)
Present value of finance lease liabilities	**5,735**	2,112	**4,890**	1,007
The present value of finance lease liabilities is analysed as follows:				
- Not later than one year (Note 23)	**1,962**	530	**1,731**	254
- Between one and five years (Note 23)	**3,773**	1,582	**3,159**	753
Total	**5,735**	2,112	**4,890**	1,007

25. Deferred income taxes

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The amounts, determined after appropriate offsetting, are shown on the balance sheets as follows:

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Deferred income tax liabilities:				
- To be settled after one year	**5,920**	5,331	**5,063**	4,815

Movement in deferred income tax liability during the financial year is as follows:

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Beginning of financial year	**5,331**	4,898	**4,815**	4,324
Over provision in prior financial years [Note 8(a)]	**(176)**	(17)	**(188)**	-
Effect of change in Singapore tax rate [Note 8(a)]	**(288)**	-	**(257)**	-
Tax charged to profit or loss [Note 8(a)]	**1,053**	450	**693**	491
End of financial year	**5,920**	5,331	**5,063**	4,815

26. Share capital

The Company's share capital comprises fully paid-up 215,787,000 (2008: 215,787,000) ordinary shares with no par value, amounting to a total of $30,244,000 (2008: $30,244,000).

27. Other reserves

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
(a) Composition:				
Fair value reserve	**-**	4	**-**	4
Currency translation reserve	**82**	169	**-**	-
	82	173	**-**	4

27. Other reserves (continued)

(b) Movements:

(i) Fair value reserve

	Group and Company	
	2009	2008
	$'000	$'000
Beginning of financial year	**4**	23
Reversal on disposal (Note 14)	**(4)**	-
Fair value loss on financial assets, available-for-sale (Note 14)	**-**	(19)
End of the financial year	**-**	4

(ii) Currency translation reserves

	Group	
	2009	2008
	$'000	$'000
Beginning of financial year	**169**	(39)
Currency translation differences of financial statements of foreign subsidiary	**(87)**	208
End of the financial year	**82**	169

28. Retained earnings

(a) Retained earnings of the Group are distributable except for retained earnings of the joint ventures amounting to $5,000 (2008: $33,000). Retained earnings of the Company are distributable.

(b) Movement in retained profits for the Company is as follows:

	Company	
	2009	2008
	$'000	$'000
Beginning of financial year	**11,730**	7,135
Net profit	**12,400**	8,911
Dividends paid (Note 29)	**(6,581)**	(4,316)
End of financial year	**17,549**	11,730

29. Dividends

	Group and Company	
	2009	2008
	$'000	$'000
Ordinary dividends paid		
Final exempt dividend of 1.55 cents (2008: 1.25 cents) per share	**3,344**	2,697
Interim exempt dividend of 1.50 cents (2008: 0.75 cents) per share	**3,237**	1,619
	6,581	4,316

At the Annual General Meeting on 30 April 2010, a final exempt dividend of 2 cents per share amounting to a total of $4,315,740 will be recommended. These financial statements do not reflect this dividend, which will be accounted for in shareholders' equity as an appropriation of retained earnings in the financial year ending 31 December 2010.

30. Commitments

(a) Capital commitments

Capital commitments contracted for at the balance sheet date but not recognised in the financial statements are as follows:

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Commitments for capital expenditure not provided for in the financial statements in respect of contracts placed for property, plant and equipment	**900**	687	**900**	687

(b) Operating lease commitments - where the group is a lessee

The future minimum lease payments under non-cancellable operating leases contracted for at the balance sheet date but not recognised as liabilities, are as follows:

	Group and Company	
	2009	2008
	$'000	$'000
Not later than one year	**1,665**	1,478
Between one and five years	**6,237**	5,132
Later than five years	**15,855**	15,316
	23,757	21,926

(c) Operating lease commitments - where the group is a lessor

The Group leases storage space in warehouses under both cancellable and non-cancellable operating lease agreements. The lessees have varying terms, escalation clauses and renewal rights.

The future minimum lease receivable under non-cancellable operating leases contracted for at the balance sheet date but not recognised as receivables, are analysed as follows:

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Not later than one year	**3,806**	3,758	**1,250**	1,237
Between one and five years	**15,162**	15,464	**4,162**	4,726
Later than five years	**29,141**	32,576	-	617
	48,109	51,798	**5,412**	6,580

31. Financial risk management

Financial risk factors

The Group's activities expose it to market risk (including currency risk, interest rate and price risk), credit risk, liquidity risk and capital risks. The Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance. Risk management is carried out under policies approved by the Board of Directors. The policies for managing each of these risks are summarised below.

(a) Market risk

(i) Currency risk

Currency risk arises when transactions are denominated in foreign currencies. The Group is exposed to foreign currency translation risk on sales and purchases of certain trading products that are denominated in United States Dollar ("USD") and Chinese Renminbi ("RMB"). The Group seeks to match its liabilities or costs in the same currency as the assets or revenue when there are currency exposures in the transactions whenever practicable.

The Group's currency exposure is as follows:

	SGD $'000	USD $'000	RMB $'000	Other $'000	Total $'000
2009					
Financial assets					
Cash and cash equivalents	13,391	1,288	501	-	15,180
Trade and other receivables	13,574	12	1,757	-	15,343
Inter-company balances	10,101	-	-	-	10,101
Other financial assets	674	63	40	-	777
	37,740	1,363	2,298	-	41,401
Financial liabilities					
Trade and other payables	(20,757)	(9)	(776)	(2)	(21,544)
Inter-company balances	(10,101)	-	-	-	(10,101)
Borrowings	(35,085)	-	-	-	(35,085)
	(65,943)	(9)	(776)	(2)	(66,730)
Net financial (liabilities)/assets	(28,203)	1,354	1,522	(2)	(25,329)
Less: Net financial liabilities/ (assets) denominated in the respective entities functional currencies	28,203	-	(1,522)	-	
Currency exposure	-	1,354	-	(2)	

31. Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

	SGD $'000	USD $'000	RMB $'000	Total $'000
2008				
Financial assets				
Cash and cash equivalents	9,796	127	1,300	11,223
Financial assets, available-for-sale	8	-	-	8
Trade and other receivables	20,895	24	1,332	22,251
Inter-company balances	7,942	60	-	8,002
Other financial assets	727	-	102	829
	39,368	211	2,734	42,313
Financial liabilities				
Trade and other payables	(21,316)	(14)	(1,014)	(22,344)
Inter-company balances	(7,942)	(60)	-	(8,002)
Borrowings	(44,721)	-	-	(44,721)
	(73,979)	(74)	(1,014)	(75,067)
Net financial (liabilities)/assets	(34,611)	137	1,720	(32,754)
Less: Net financial liabilities/(assets) denominated in the respective entities functional currencies	34,611	-	(1,720)	
Currency exposure	-	137	-	

The Company's currency exposure is as follows:

	SGD $'000	USD $'000	Total $'000
2009			
Financial assets			
Cash and cash equivalents	8,696	1,152	9,848
Trade and other receivables	19,786	12	19,798
Other financial assets	644	63	707
	29,126	1,227	30,353
Financial liabilities			
Trade and other payables	(19,520)	(7)	(19,527)
Borrowings	(23,167)	-	(23,167)
	(42,687)	(7)	(42,694)
Net financial (liabilities)/assets	(13,561)	1,220	(12,341)
Less: Net financial liabilities/(assets) denominated in the respective entities functional currencies	13,561	-	
Currency exposure	-	1,220	

31. Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

	SGD $'000	USD $'000	Total $'000
2008			
Financial assets			
Cash and cash equivalents	9,006	68	9,074
Financial assets, available-for-sale	8	-	8
Trade and other receivables	22,596	86	22,682
Other financial assets	538	-	538
	32,148	154	32,302
Financial liabilities			
Trade and other payables	(15,883)	(14)	(15,897)
Borrowings	(34,859)	-	(34,859)
	(50,742)	(14)	(50,756)
Net financial (liabilities)/assets	(18,594)	140	(18,454)
Less: Net financial liabilities/ (assets) denominated in the respective entities functional currencies	18,594	-	
Currency exposure	-	140	

At 31 December 2009, if the USD and RMB change against the SGD by 3% (2008: 6%) and 4% (2008: 3%) respectively with all other variables including tax rates being held constant, the effects arising from the net financial liabilities/assets position will not be material.

(ii) Price risk

As at 31 December 2009, the Group is not exposed to equity price risk as it does not hold equity financial assets.

(iii) Cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

The Group's and the Company's interest rate risk arise mainly from borrowings. Bank borrowings with variable interest rates expose the Group and the Company to cash flow interest rate risk, while finance lease liabilities with fixed interest rates expose the Group and the Company to fair value interest rate risk.

The Group's and Company's borrowings at variable rates on which effective hedges have not been entered into, are denominated mainly in SGD. If the SGD interest rates increase/decrease by 1.0% (2008: 1.0%) with all other variables including tax rates being held constant, the profit after tax will be lower/higher by $244,000 (2008: $350,000) and $152,000 (2008: $278,000) respectively as a result of higher/lower interest expense on these borrowings.

31. Financial risk management (continued)

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group and of the Company are bank deposits and trade receivables. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit history. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the balance sheet, except as follows:

	Group and Company	
	2009	2008
	$'000	$'000
Corporate guarantees provided to banks on subsidiaries' loans	**9,906**	11,040

The credit risk for trade receivables is as follows:

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
By business segment				
Transportation and bulk cargo	**12,210**	19,095	**10,079**	17,569
Warehousing	**1,982**	1,806	**1,982**	1,806
Trading	**991**	999	**-**	-
Leasing	**68**	307	**-**	18
	15,251	22,207	**12,061**	19,393

(i) Financial assets that are neither past due nor impaired

Bank deposits that are neither past due nor impaired are mainly deposits with banks with reputable financial institutions. Trade receivables that are neither past due nor impaired are substantially companies with a good collection track record with the Group.

(ii) Financial assets that are past due and/or impaired

There is no other class of financial assets that is past due and/or impaired except for trade receivables.

The age analysis of trade receivables past due but not impaired is as follows:

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Past due < 1 month	**4,022**	6,704	**3,789**	6,596
Past due 1 to 3 months	**1,466**	3,259	**1,191**	3,073
Past due over 3 months	**812**	649	**751**	556
	6,300	10,612	**5,731**	10,225

31. Financial risk management (continued)

(b) Credit risk (continued)

(ii) Financial assets that are past due and/or impaired (continued)

The carrying amount of trade receivables individually determined to be impaired and the movement in the related allowance for impairment are as follows:

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Gross amount	**3,543**	344	**3,192**	15
Less: Allowance for impairment	**(3,543)**	(344)	**(3,192)**	(15)
	-	-	-	-
Beginning of financial year	**344**	379	**15**	5
Allowance made	**3,202**	21	**3,187**	10
Allowance utilised	**(3)**	(56)	**(10)**	-
End of financial year	**3,543**	344	**3,192**	15

The impaired trade receivables arise mainly from potentially uncollectible balances.

(c) Liquidity risk

The Group and the Company manage the liquidity risk by maintaining sufficient cash and having adequate amounts of committed credit facilities sufficient to finance its operational requirements.

The table below analyses the maturity profile of the financial liabilities of the Group's and Company based on contractual undiscounted cash flows.

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
	$'000	$'000	$'000	$'000
Group				
2009				
Trade and other payables	**19,109**	**-**	**-**	**2,435**
Borrowings	**21,990**	**3,207**	**5,479**	**5,192**
	41,099	**3,207**	**5,479**	**7,627**
2008				
Trade and other payables	20,356	-	-	1,988
Borrowings	30,072	14,680	1,085	-
	50,428	14,680	1,085	1,988
Company				
2009				
Trade and other payables	**17,092**	**-**	**-**	**2,435**
Borrowings	**20,531**	**1,757**	**1,402**	**-**
	37,623	**1,757**	**1,402**	**2,435**
2008				
Trade and other payables	13,909	-	-	1,988
Borrowings	20,993	14,451	487	-
	34,902	14,451	487	1,988

31. Financial risk management (continued)

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value.

Management monitors capital based on a gearing ratio. The Group and the Company are also required by the banks to maintain a gearing ratio of not exceeding 150% (2008: 200%). The Group's and Company's strategies, which were unchanged from 2008, are to maintain gearing ratios of less than 100%.

The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as borrowings plus trade and other payables less cash and cash equivalents. Total capital is calculated as equity plus net debt.

	Group		Company	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Net debt	**41,449**	55,842	**32,846**	41,682
Total equity	**58,677**	49,861	**47,793**	41,978
Total capital	**100,126**	105,703	**80,639**	83,660
Gearing ratio	**41%**	53%	**41%**	50%

The Group and the Company are in compliance with all externally imposed capital requirements for the financial years ended 31 December 2008 and 2009.

32. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

(a) Sales and purchases of goods and services

	Group	
	2009	2008
	$'000	$'000
Sale of diesel and maintenance services provided to a related party	**10**	12
Hiring of commercial vehicles, machinery and equipment and transport services provided to:		
- Joint ventures	**86**	358
- Related parties	**326**	396
Rental income from a related party	**12**	12
Rendering of services to a related party	**-**	15
Freight charges made to a related party	**50**	110
Rental expenses paid to a related party	**32**	-
Construction services provided by a related party	**3,325**	11,272

The related parties are companies in which the directors or major shareholders of the Company have significant influence or interests.

Outstanding balances at 31 December 2009, arising from sale/purchase of goods and services, are set out in Note 11 and 22 respectively.

32. Related party transactions (continued)

(b) Key management personnel compensation

Key management personnel compensation is as follows:

	Group 2009 $'000	Group 2008 $'000
Directors' fees	**244**	244
Salaries and other short-term employee benefits	**4,966**	3,436
Post-employment benefits - contribution to CPF	**80**	142
	5,290	3,822

Included in the above total compensation to directors of the Company amounting to $3,885,000 (2008: $2,635,000).

33. Contingent liabilities

The Company has issued corporate guarantees to banks for borrowings of certain subsidiaries as follow:

	Company 2009 $'000	Company 2008 $'000
Unsecured guarantees given to financial institutions in connection with:		
- Finance lease facilities granted to a subsidiary	**676**	884
- Bank loans granted to a subsidiary	**9,230**	7,180
	9,906	8,064

34. Segment information

Management has determined the operating segments based on the reports reviewed by the Executive Committee ("Exco") that are used to make strategic decisions. The Exco comprises the Chief Executive Officer, the Chief Financial Officer, and the department heads of each business within each business segment.

At 31 December 2009, the Group is organised into four main business segments:

- Transportation and bulk cargo - Provision of land transportation and stevedoring services and hiring out of equipment.

- Warehousing - Provision of warehousing and drumming services.

- Trading - Trading of diesel and liquefied petroleum gas.

- Leasing - Lease of investment properties to non-related parties.

The Exco considers the business from business segment perspective as the Group's operations are principally located in Singapore. As such, no geographical segment information is provided.

34. Segment information (continued)

The segment information provided to the Exco for the reportable segments are as follows:

	Transportation and bulk cargo	Warehousing	Trading	Leasing	Group
	$'000	$'000	$'000	$'000	$'000
Group					
2009					
Sales					
- External sales	93,395	10,769	6,555	3,223	113,942
- Inter-segment sales	-	26	3,248	-	3,274
	93,395	10,795	9,803	3,223	117,216
Elimination					(3,274)
					113,942
Segment result	12,795	3,200	(214)	2,133	17,914
Other gains	534	22	11	34	601
Finance expense					(1,137)
Share of results of joint ventures					(12)
Profit before income tax					17,366
Income tax expense					(2,513)
Total profit					14,853
Other segment items					
Capital expenditure					
- Property, plant and equipment	11,765	272	31	-	12,068
Depreciation					
- Property, plant and equipment	6,767	1,123	102	-	7,992
- Investment properties	-	-	-	795	795
Impairment of goodwill	-	-	250	-	250
Segment assets	55,987	23,996	1,732	27,437	109,152
Investments in joint ventures					453
Unallocated assets					13,477
Consolidated total assets					123,082
Segment liabilities	8,852	746	716	6,148	16,462
Unallocated liabilities					47,943
Consolidated total liabilities					64,405

34. Segment information (continued)

	Transportation and bulk cargo	Warehousing	Trading	Leasing	Group
	$'000	$'000	$'000	$'000	$'000
Group					
2008					
Sales					
- External sales	84,417	10,567	13,482	657	109,123
- Inter-segment sales	1	26	4,310	-	4,337
	84,418	10,593	17,792	657	113,460
Elimination					(4,337)
					109,123
Segment result	8,456	2,818	119	64	11,457
Other gains	1,056	1	56	8	1,121
Finance expense					(927)
Share of results of joint ventures					318
Profit before income tax					11,969
Income tax expense					(1,890)
Total profit					10,079
Other segment items					
Capital expenditure					
- Property, plant and equipment	15,406	195	13	-	15,614
- Investment properties	-	-	-	15,122	15,122
Depreciation					
- Property, plant and equipment	5,006	1,117	73	-	6,196
- Investment properties	-	-	-	456	456
Impairment of goodwill	-	-	206	-	206
Segment assets	58,701	24,655	2,070	26,397	111,823
Investments in associated companies and joint ventures					1,642
Unallocated assets					10,709
Consolidated total assets					124,174
Segment liabilities	7,191	596	540	8,912	17,239
Unallocated liabilities					57,074
Consolidated total liabilities					74,313

Inter-segment transactions are recorded at their transacted price which is generally at fair value. Segment assets consist primarily of property, plant and equipment, intangible assets, receivables, inventories, other current assets and investment properties and exclude items such as tax recoverable and cash. Segment liabilities comprise operating liabilities and exclude income tax liabilities and borrowings. Capital expenditure comprises additions to property, plant and equipment.

35. New or revised accounting standards and interpretations

Certain new standards, amendments and interpretations to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2010 or later periods and which the Group has not early adopted. The Group's assessment of the impact of adopting those standards, amendments and interpretations that are relevant to the Group is set out below:

(a) FRS 27 (revised) *Consolidated and Separate Financial Statements* (effective for annual periods beginning on or after 1 July 2009)

FRS 27 (revised) requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value, and a gain or loss is recognised in profit or loss. The Group will apply FRS 27 (revised) prospectively to transactions with minority interests from 1 January 2010.

(b) FRS 103 (revised) *Business Combinations* (effective for annual periods beginning on or after 1 July 2009)

FRS 103 (revised) continues to apply the acquisition method to business combinations, with some significant changes. For example, all payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the income statement. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair vale or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs should be expensed. The Group will apply FRS 103 (Revised) prospectively to all business combinations from 1 January 2010.

36. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Poh Tiong Choon Logistics Limited on 26 March 2010.

The Board of Directors of Poh Tiong Choon Logistics Limited (the "Company"), is committed to maintaining high standards of corporate governance and conduct within the Company and its subsidiaries (the "Group") . The Board recognizes the importance of having in place a set of well-defined corporate governance processes to enhance corporate performance and accountability as well as to protect and enhance shareholder value.

This report describes the Group's corporate governance practices and activities that were in place during the financial year ended 31 December 2009, with specific reference to the principles and guidelines set out in the Code of Corporate Governance 2005 ("Code") and where applicable, the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Singapore Companies Act and the Guidebook for Audit Committees issued by the Audit Committee Guidance Committee on 30 October 2008.

"GL" refers to Guidelines in the Code.

Board of Directors

Principle 1 – The Board's Conduct of Affairs

The Board consists of seven Directors of whom two are considered independent by the Board. The nature of the Directors' appointments on the Board and details of their membership on Board Committees are set out below:

Name	Board Membership	Committee Membership		
		Audit	Nominating	Remuneration
Poh Choon Ann	Chairman & CEO		Member	Member
Poh Kay Ping	Deputy CEO			
Poh Khim Hong	Finance Director & CFO	Member		
Poh Kay Yong	Executive Director, Corporate Services			
Poh Key Boon	Executive Director, Transportation & Warehousing			
Lew Syn Pau	Director (Independent Non-executive)	Chairman	Member	Member
Hong Hai	Director (Independent Non-executive)	Member	Chairman	Chairman

Details of the Directors are set out on Pages 8 and 9

The Board meets regularly at least twice a year. In addition, the Board meets as and when warranted by particular circumstances between the scheduled meetings. The Company's Articles of Association provides for meetings to be held via telephone and video conferencing whereby all Directors participating in the meeting are able to communicate as a group, without requiring the Directors' physical presence at the meeting. All relevant information on material events and transactions are circulated to Directors as and when they arise.

Typically, any transactions that are significant relative to the financial position of the Group would require Board's approval.

The attendance of each Director at Board meetings and Board Committee meetings during the financial year ended 31 December 2009 is as follows:

Directors	Board		Audit Committee		Nominating Committee		Remuneration Committee	
	No. of meetings	Attendance	No. of meetings	Attendance	No. of meetings	Attendance	No. of meetings	Attendance
Poh Choon Ann	2	1			1	1	1	1
Poh Kay Ping	2	2						
Poh Khim Hong	2	2	2	2				
Poh Kay Yong	2	2						
Poh Key Boon	2	2						
Lew Syn Pau	2	2	2	2	1	1	1	1
Hong Hai	2	2	2	2	1	1	1	1

The Board is accountable to the shareholders of the Company. Its principal functions include providing strategic directions for the Company and approving major investment and funding decisions, apart from fulfilling its statutory duties to ensure that the Group's strategies are in the interests of the Company and all its shareholders.

Certain of the functions are delegated to the Audit, Nominating and Remuneration Committees.

A formal letter of appointment is provided to a Director upon his appointment, setting out his role, duties and obligations as a member of the Board.

New Directors will be briefed on the Company's business and governance policies, disclosure of interests in securities, disclosure of any conflict in a transaction involving the Company, prohibitions on dealings in Company's securities and restrictions on disclosure of price-sensitive information. The Company relies on the Directors to update themselves on new laws, regulations and changing commercial risks.

Principle 2 – Board Composition and Balance

The Company's Articles of Association provides for the Board of Directors to comprise of a minimum of 2 and a maximum of 12 directors. Presently, the Board comprises 5 Executive Directors and 2 Non-executive and Independent Directors.

The Board adopts the Code's definition of what constitutes an Independent Director in its review.

The Board is of the opinion that its current size and composition is appropriate given the scope and nature of the Group's operations. The Board is also of the view that the current Board comprises persons who, as a group, provide core competencies necessary to meet the Company's objectives.

Presently, the two Independent Directors comprise 29% of the Board and therefore fall short of the requirement of GL 2.1, which states "Independent Directors making up at least one third of the Board". The Nominating Committee feels that the current number of Independent Directors is sufficient to ensure a balance of power given the scope and nature of the operations of the Company. However, the Nominating Committee will continue to assess the need for more Independent Directors and make recommendations to the Board when appropriate.

Principle 3 – Chairman and Chief Executive Officer

Mr. Poh Choon Ann, a substantial shareholder, is the Chairman and Chief Executive Officer (“CEO”). The Board is of the opinion that the present Group structure and business scope does not warrant a meaningful split of the role. The Group believes the combined responsibilities facilitate faster decision-making and the alignment of the CEO’s interest with that of the shareholders.

The CEO is the most senior executive in the Company and bears executive responsibility for the Company’s business while the Chairman bears responsibility for the procedural workings of the Board as laid down in GL 3.2.

Principle 4 – Board Membership

The members of the Nominating Committee (“NC”) are Dr Hong Hai (Committee Chairman), Mr Lew Syn Pau and Mr Poh Choon Ann. All members are Independent Non-executive Directors except Mr Poh Choon Ann. The Chairman of the NC is neither a substantial shareholder of the Company nor directly associated with a substantial shareholder of the Company.

The main role of the NC is to ensure that the process of Board appointments and re-appointments is transparent and to assess the effectiveness of the Board as a whole and the contribution of individual Directors to the effectiveness of the Board.

Under the Company’s Articles of Association, not less than one third of the Directors for the time being (being those who have been longest in the office since their appointment or re-election) are required to retire from office by rotation at the Annual General Meeting (“AGM”). Also, all newly appointed Directors during the year will hold office until the next AGM and will be eligible for re-election. Such Directors are not taken into account in determining the number of Directors who are to retire by rotation.

Principle 5 – Board Performance

The Board and the NC have strived to ensure that Directors appointed to the Board possess the experience, knowledge and skills critical to the Group’s business to enable the Board to make sound and well-considered decisions.

Directors are allowed to hold directorships in companies outside the Group. The Board, based on recommendation from the NC, is of the view that the current level of multiple board representations by the Directors does not hinder their ability to carry out their duties as Directors of the Company. Furthermore, the Board believes that with multiple board representation, the Directors are able to bring with them the experience and knowledge obtained from such board representation in other companies.

The dates of initial appointment and last re-election of the Directors are set out below:

Director	Position	Date of Initial Appointment	Date of Last Re-election
Poh Choon Ann	Chairman & CEO	21 January 1969	30 April 2009
Poh Kay Ping	Deputy CEO	1 November 1994	30 April 2009
Poh Khim Hong	Finance Director & CFO	23 July 1986	30 April 2008
Poh Kay Yong	Executive Director, Corporate Services	12 January 1999	27 April 2007
Poh Key Boon	Executive Director, Transportation & Warehousing	12 January 1999	30 April 2009
Lew Syn Pau	Director (Independent Non-executive)	15 April 1999	27 April 2007
Hong Hai	Director (Independent Non-executive)	26 June 2000	30 April 2008

Principle 6 – Access to Information

All directors receive a set of Board papers prior to a Board meeting. This is generally issued to them at least five working days prior to the meeting in sufficient time to enable the Directors to obtain further explanations.

All Directors have full access to the Company Secretary, management and the auditors, either through telephone or via e-mail.

Should Directors, whether as a group or individually, need independent professional advice, the Company will appoint a professional advisor selected by the group or individual, and approved by the Chairman/CEO, to render the advice. The cost of such professional advice will be borne by the Company. In addition, all relevant information on material events and transactions are circulated to Directors as and when they arise.

Principle 7 – Procedures for developing remuneration policies

Principle 8 – Level and mix of remuneration

The members of the Remuneration Committee ("RC") are Dr Hong Hai (Committee Chairman), Mr Lew Syn Pau and Mr Poh Choon Ann. All members are Independent Non-executive Directors except Mr Poh Choon Ann.

The functions of the RC include the review and approval of appropriate executive compensation packages for Executive Directors and senior executives of the Group that will attract, retain and motivate them to run the Company successfully. All recommendations by the RC will be made in consultation with the Chairman of the Board and submitted for endorsement by the entire Board.

Increments and variable bonus for all Executive Directors (excluding Chairman which is governed by a separate service contract) and key executives are discretionary and reviewed by the RC annually.

The RC considers the current remuneration package of the Executive Directors to be adequate in spite of the base pay constituting a significant proportion of the total remuneration package.

The Independent Non-executive Directors do not have any service agreements with the Company. Except for Directors' fees, which have to be approved by the shareholders at every AGM, the Independent Non-executive Directors do not receive any remuneration from the Company.

Other than the Chairman/CEO, all Executive Directors have no fixed appointment period and their employment can be terminated by giving, three months' notice by either party. In the case of the Chairman, there is a service contract of five years' duration.

Currently, there are no long-term incentive schemes, including share options schemes, for employees. The RC will consider the necessity of having long-term incentive schemes if the need arises.

Principle 10 – Accountability

The Executive Directors are provided with monthly management accounts within a reasonable time. All Directors are provided with semi-annual accounts and an update briefing on performance and outlook at each Board meeting.

The Company Secretary attends all Board meetings and is responsible for ensuring that Board procedures are followed. It is the Company Secretary's responsibility to ensure that the Company complies with the requirements of the Companies Act. Together with the management staff of the Company, the Company Secretary is responsible for compliance with all other rules and regulations, which are applicable to the Company.

The Company adheres strictly to the requirements of the SGX-ST Listing Manual in relation to informing shareholders on a periodical basis and when circumstances warrant regarding the Group's performance, positions and prospects.

Audit Committee ("AC")

Principle 11 – Audit Committee

Principle 12 – Internal Controls

The AC comprises three members. Mr Lew Syn Pau (Committee Chairman) and Dr Hong Hai are Independent Non-executive Directors while the third member, Ms Poh Khim Hong is the Finance Director & CFO who is an Executive Director.

As the Board comprises only two Independent Non-executive Directors, the Company is unable to comply with GL 11.1 requiring all AC members to be Non-executive. The NC is of the view that as the majority of the AC is both Independent and Non-executive, the AC is able to exercise its independent judgment properly.

The Board is of the view that members of the AC, given their qualifications and background experience, have sufficient financial management expertise and experience to discharge the AC's functions. (See Directors' Profile on Pages 8 and 9).

The AC meets periodically or via e-mail to perform the functions required pursuant to Section 201B(5) of the Companies Act, Cap 50 and the guidelines set out by the SGX-ST.

The Group has in place a system of internal controls that would help to safeguard the Company's assets. However, the system is designed to manage rather than eliminate risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. For FY 2009, given the nature and scope of the Group's business, the AC and the Board are satisfied that there are adequate internal controls in place in the Company.

The AC has explicit authority to investigate any matters within its terms of reference and unfettered access to and co-operation by management. It also has the discretion to invite any Director and executive officer to attend its meetings.

The AC meets with the auditors without the presence of management at least annually, if necessary.

The AC confirms that the volume of non-audit services rendered by the external auditors is not material and, as such, is satisfied that the nature and extent of such services do not prejudice the independence and objectivity of the auditors.

Whistle-Blowing Policy

The Company and its subsidiaries have adopted a whistle-blowing policy and procedure, providing a confidential channel for reporting incidents of misconduct within the Group. The objective for such arrangement is to ensure independent investigation of such matters for appropriate follow-up action.

Internal Audit

Principle 13 – Internal Audit

The internal audit function has been outsourced to a consultancy firm who adopted a risk-based methodology to review the effectiveness of the material internal controls of the Group. The consultancy firm reports to the AC outlining the results of the review performed and management's action plans to address process improvements.

Disclosure of remuneration

Principle 9 – Disclosure of Directors' remuneration

The breakdown of the remuneration of the Directors in percentage (%) for FY 2009 is as follows:

Directors

Remuneration Band	Fee * (%)	Salary (%)	Bonus (%)	Other Benefits (%)	Total (%)
Above S$2,000,000					
Poh Choon Ann	2	16	74	8	100
Above S$250,000 to below S$500,000					
Poh Kay Ping	8	46	42	6	100
Poh Khim Hong	6	46	44	2	100
Poh Kay Yong	6	48	43	3	100
Poh Key Boon	6	48	44	2	100
Below S$250,000					
Lew Syn Pau	100	-	-	-	100
Hong Hai	100	-	-	-	100

* Fees are subject to approval of shareholders at the AGM.

Key Executives

For competitive reasons, the remuneration of the top five key executives (who are not Directors) is not disclosed.

Executives who are immediate family members of a Director or CEO

There are four executives whose remuneration falls between S$150,000 to S$300,000 for FY 2009 who are brothers of an Executive Director as well as directors and shareholders of companies which are substantial shareholders of the Company.

The Board has not included an annual remuneration report for FY 2009 (as suggested by GL 9.1 of the Code) as the Board is of the view that the matters which are required to be disclosed in the annual remuneration report have been sufficiently disclosed in this Report and in the financial statements of the Company.
In addition, there are no circumstances that have come to the attention of the Board which require the shareholders at AGM to approve any significant remuneration policy.

Communication with shareholders

Principle 14 and 15 – Communication with shareholders

The Company is committed to conveying accurate and timely information to the shareholders and the public. In disseminating material information, the Company takes care to ensure that the information is made publicly available on a timely and non-selective basis to all shareholders in compliance with the Corporate Disclosure Policy set out by the SGX-ST.

The Company fully supports the Code's principle to encourage shareholders' participation at general meetings. The Board and management are present at the meetings to address shareholders' queries concerning the Group. The external auditor is also present to address shareholders' queries on the conduct of the audit and the preparation and content of the auditor's report.

The Company's Articles of Association allows a member entitled to attend and vote to appoint one or two proxies to attend and vote instead of the member and a proxy needs not be a member of the Company.

The Company has not amended its Articles of Association to allow shareholders to appoint any number of proxies. Nevertheless, CPF investors who have duly submitted their requests to attend the Company's general meetings as observers can do so.

Voting in absentia by mail or electronic means has yet to be introduced because such voting methods will need to be carefully reviewed for feasibility to ensure no compromise to either the integrity of the information or proper authentication of the identity of the shareholders.

The minutes of general meetings prepared by the Company include substantial comments or queries from shareholders and responses from the Chairman, Board Members and Management.

Interested Person Transactions (Rule 907 of SGX-ST Listing Manual)

The Company has adopted an internal policy in respect of any transactions with interested persons and has set out the procedures for review and approval of the Company's interested person transactions. All interested person transactions are reviewed and approved by the Audit Committee.

For the financial year ended 31 December 2009, there were no interested person transactions ("IPTs") as defined under Chapter 9 of the SGX-ST Listing Manual.

The related party transactions as disclosed in Note 32 on Page 65 of the Annual Report are not IPTs within the ambit of Chapter 9 of the Listing Manual.

Material Contracts (Rule 1207(8) of SGX-ST Listing Manual)

There were no material contracts of the Company or its subsidiaries involving the interests of the Chief Executive Officer, each Director or controlling shareholder, either still subsisting at the end of the financial year or if not then subsisting, entered into since the end of the previous financial year.

Code of Business Conduct and Ethics

The Group has in place an internal Code of Business Conduct and Ethics prescribing conduct to be observed by its directors, officers and other employees so as to avoid situations such as conflict of interests, abuse of authority, misuse of company information and other unethical practices.

Dealings in Securities (Rule 1207(18) of SGX-ST Listing Manual)

The Group has an internal code of conduct for Directors and officers on securities transactions when they are in possession of unpublished material or price-sensitive information in relation to the Company's securities. In accordance with the Group's internal code of conduct, Directors and officers are prohibited from dealing in the Company's securities during the period commencing one month before the date of announcement of the half-year and full year financial results and ending on the date of announcement of the relevant results. They are also advised to refrain from dealing in securities for short-term considerations.

Risk management policies and processes

The risk management policies and processes of the Company may be summarized as follows:

Highly competitive environment

The Singapore logistics market is highly competitive with the presence of many logistics companies. Competitive factors include range of services, customer service and pricing. Specifically, we are constantly affected by competitors' pricing policy, which may result in downward pressure on our prices, and lowering our financial performance. To mitigate this risk, we rely on our track record of more than 50 years, our commitment to quality service (ISO 9002 certification) and our safety track record. Further, we opt for secured contracts, if possible, maintain close contacts with customers, offer a one-stop logistics service as well as focusing on petrochemical industry where safety is an important factor besides pricing.

Dependence on the petrochemical industry

The Group mainly provides logistics services substantially to the petrochemical industry in Singapore. For FY 2009, the petrochemical industry contributed about 26% of the Group's business. To manage this risk, the Company intends to limit its exposure to the petrochemical industry to below 60%.

Dependence on major customers

To avoid being overly dependent on a single customer, the Group tries, wherever possible, to deal with reputable or multi-national companies and minimize its exposure to each customer to not more than 10% of revenue.

We rely on our quality service, competitive pricing, medium-term secured contracts, good relationship and close contact with these customers to optimise our operating results.

Dependence on key personnel

The success of the Group depends to a large extent on its Executive Directors and other key management personnel. More details on the Executive Directors and key management staff are set out on Pages 8 to 10 of the Annual Report. Any loss of their services could negatively impact our business and operating results.

The Group manages this potential risk by providing remuneration packages which are competitive within the industry and offering a challenging work environment.

Fluctuations in diesel prices

The Group operates one of the largest commercial fleet of prime movers and lorries in Singapore. Therefore, any significant adverse change in diesel prices would impair our earnings.

The Group manages this risk to some extent by proper planning of transportation routes to minimize diesel usage.

Financial Risks

These are set out in Note 31 on pages 60 to 65 of the Annual Report.

Shareholding Statistics
as at 16 March 2010

No. of Issued and Fully Paid-Up Shares	**-**	**215,787,000**
Issued and Fully Paid-up Capital	-	$30,243,700
Class of Shares	-	Ordinary shares
Voting Rights	-	1 vote per share

Distribution of Shareholdings.

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1-999	-	-	-	-
1,000 – 10,000	2,597	69.79	11,899,000	5.51
10,001 – 1,000,000	1,106	29.72	65,661,000	30.43
1,000,001 and above	18	0.49	138,227,000	64.06
Total	3,721	100.00	215,787,000	100.00

Twenty Largest Shareholders (as shown in the Register of Members)

	Name	No. of Shares	%
1	Poh Sin Choon (Pte) Ltd	24,332,000	11.28
2	Hong Leong Finance Nominees Pte Ltd	20,605,000	9.55
3	UOB Nominees (2006) Pte Ltd	15,600,000	7.23
4	Mayban Nominees (S) Pte Ltd	13,978,000	6.48
5	Poh Choon Her Investment Pte Ltd	13,746,000	6.37
6	Citibank Nominees S'pore Pte Ltd	13,367,000	6.19
7	UOB Kay Hian Pte Ltd	5,342,000	2.48
8	HSBC (Singapore) Nominees Pte Ltd	5,289,000	2.45
9	KB Nominees Pte Ltd	4,800,000	2.22
10	United Overseas Bank Nominees Pte Ltd	3,580,000	1.66
11	Tay Tho Bok	3,251,000	1.51
12	DBS Nominees Pte Ltd	2,645,000	1.23
13	OCBC Securities Private Ltd	2,463,000	1.14
14	Tan Ngak Buay	2,400,000	1.11
15	Ang Jwee Herng	2,182,000	1.01
16	Citibank Consumer Nominees Pte Ltd	1,905,000	0.88
17	OCBC Nominees Singapore Private Ltd	1,392,000	0.65
18	Kok Kim Chong	1,350,000	0.63
19	DBS Vickers Securities (Singapore) Pte Ltd	981,000	0.45
20	Kim Eng Securities (Singapore) Pte Ltd	938,000	0.43
	Total:	140,146,000	64.95

Substantial Shareholders (as shown in the Register of Substantial Shareholders)

Name	Direct Shareholdings	Deemed Shareholdings
Poh Choon Ann (Pte.) Ltd.	48,000,000	-
Poh Sin Choon (Pte.) Ltd.	27,842,000	-
Poh Choon Her Investment Pte. Ltd.	16,476,000	-
Poh Choon Ann	-	48,000,000 *
Poh Kay Ping	-	48,000,000 *
Poh Khim Hong	-	48,000,000 *
Poh Sin Choon @ Poh Seng Choon	-	27,842,000 **
Poh Kay Giap	96,000	16,476,000 ***

* Mr Poh Choon Ann, Mr Poh Kay Ping and Ms Poh Khim Hong are deemed to have an interest in the shares held by Poh Choon Ann (Pte.) Ltd. (“PCAPL”) by virtue of their combined holdings of not less than 20% of the voting shares in PCAPL.

** Mr Poh Sin Choon is deemed to have an interest in the shares held by Poh Sin Choon (Pte.) Ltd. (“PSCPL”) by virtue of his holding not less than 20% of the voting shares in PSCPL.

*** Mr Poh Kay Giap is deemed to have an interest in the shares held by Poh Choon Her Investment Pte. Ltd. (“PCHIPL”) by virtue of his holding not less than 20% of the voting shares in PCHIPL.

Compliance with Rule 723 of the Listing Manual

Based on information available to the Company as at 16 March 2010, approximately 56.85% of the issued ordinary shares of the Company are held by the public and therefore, Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited has been complied with.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Forty-First Annual General Meeting of the Company will be held at Albizia Room, Level 2, Jurong Country Club, 9 Science Centre Road, Singapore 609078 on Friday, 30 April 2010 at 11.00 a.m. to transact the following business:-

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Report and Audited Financial Statements for the financial year ended 31 December 2009 together with the Independent Auditor's Report thereon. **Resolution 1**

2. To declare a final tax exempt (one-tier) dividend of 2.00 Singapore cents per ordinary share for the financial year ended 31 December 2009. **Resolution 2**

3 To re-elect the following Directors who will retire by rotation pursuant to Article 91 of the Articles of Association of the Company and who, being eligible, will offer themselves for re-election:

(a) Mr Poh Kay Yong **Resolution 3**
(b) Mr Lew Syn Pau **Resolution 4**

Mr Lew Syn Pau will, upon re-election as Director, continue to serve as Chairman of the Audit Committee and remain as a member of the Nominating and Remuneration Committees and will be considered independent pursuant to Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

4. To pass the following resolution under Section 153(6) of the Companies Act, Cap. 50:- **Resolution 5**

That pursuant to Section 153(6) of the Companies Act, Cap. 50, Mr Poh Choon Ann be and is hereby re-appointed as a Director of the Company to hold office until the next Annual General Meeting of the Company.

5. To approve Directors' fees of S$289,000 for the financial year ended 31 December 2009 (2008: S$244,000). **Resolution 6**

6. To re-appoint Messrs PricewaterhouseCoopers LLP as Independent Auditor of the Company and to authorise the Directors to fix their remuneration. **Resolution 7**

AS SPECIAL BUSINESS

7. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution: **Resolution 8**

That pursuant to Section 161 of the Companies Act, Cap. 50 and the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), authority be and is hereby given to the Directors of the Company to:

(1) (i) issue shares in the capital of the Company whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares;

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

(2) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:

(a) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% (or 100% in the event of a pro-rata renounceable rights issue) of the total number of issued shares excluding treasury shares in the capital of the Company (as calculated in accordance with sub-paragraph (b) below), of which the aggregate number of shares and convertible securities to be issued other than on a pro-rata basis to existing shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 20% of the total number of issued shares excluding treasury shares in the capital of the Company (as calculated in accordance with sub-paragraph (b) below);

(b) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (a) above, the percentage of issued shares excluding treasury shares shall be based on the total number of issued shares excluding treasury shares in the capital of the Company at the time this Resolution is passed, after adjusting for:

(i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards outstanding or subsisting at the time this Resolution is passed; and

(ii) any subsequent bonus issue, consolidation or sub-division of shares;

(c) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and

(d) the authority conferred by this Resolution shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

8. To consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution: **Resolution 9**

That:

(1) for the purposes of the Companies Act, Chapter 50 of Singapore (the "**Companies Act**"), the exercise by the directors of the Company (the "**Directors**") of all the powers of the Company to purchase or otherwise acquire issued shares in the capital of the Company (the "**Shares**") not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:

(a) market purchase(s) ("**Market Purchase**"), transacted on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") through the ready market, through one or more duly licensed stock brokers appointed by the Company for the purpose; and/or

(b) off-market purchase(s) ("**Off-Market Purchase**") effected pursuant to an equal access scheme in accordance with Section 76C of the Companies Act, as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all conditions prescribed by the Companies Act;

and otherwise in accordance with all other laws and regulations, including but not limited to, the provisions of the Companies Act and listing rules of the SGX-ST (the "**Listing Rules**") as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Purchase Mandate**");

(2) unless varied or revoked by the members of the Company in a general meeting, the authority conferred on the Directors pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Ordinary Resolution and expiring on the earliest of:

(a) the date on which the next annual general meeting of the Company ("**AGM**") is held or required by law to be held;

(b) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Purchase Mandate are carried out to the full extent mandated; or

(c) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by the members of the Company in a general meeting;

(3) in this Ordinary Resolution:

"**Maximum Limit**" means that number of issued Shares representing 10% of the total number of issued Shares as at the date of the passing of this Ordinary Resolution unless the Company has effected a reduction of the total number of issued shares of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the issued Shares shall be taken to be the amount of the issued Shares as altered (excluding any treasury shares that may be held by the Company from time to time);

"**Relevant Period**" means the period commencing from the date on which the last AGM was held and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier, after the date of this Ordinary Resolution; and

"**Maximum Price**", in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) which shall not exceed:

(a) in the case of a Market Purchase, 105% of the Average Closing Price (as hereinafter defined); and

(b) in the case of an Off-Market Purchase pursuant to an equal access scheme in accordance with Section 76C of the Companies Act, 120% of the Average Closing Price, where:

"**Average Closing Price**" means the average of the closing market prices of a Share for the last five Market Days (a "**Market Day**" being a day on which the SGX-ST is open for trading in securities), on which transactions in the Shares were recorded before the day on which the purchase or acquisition of Shares was made and deemed to be adjusted for any corporate action which occurs after the relevant five-day period; and

(4) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution.

ANY OTHER BUSINESS

9. To transact any other business that may be transacted at an Annual General Meeting.

By Order of the Board

Koh Geok Hoon Judy (Ms)
Koh Ee Koon (Ms)
Company Secretaries

Singapore
15 April 2010

EXPLANATORY NOTES ON SPECIAL BUSINESS TO BE TRANSACTED

1. The proposed Ordinary Resolution 8, if passed, will empower the Directors from the date of this Annual General Meeting until the next Annual General Meeting, to allot and issue new shares and/or convertible securities in the Company up to a number not exceeding in total 50% (or 100% in the event of a pro-rata renounceable rights issue) of the issued shares excluding treasury shares in the capital of the Company for the time being for such purposes as they consider would be in the interest of the Company, provided that the aggregate number of shares to be issued other than on a pro-rata basis to existing shareholders pursuant to this Resolution shall not exceed 20% of the issued shares excluding treasury shares in the capital of the Company for the time being. The percentage of issued shares shall be based on the total number of issued shares excluding treasury shares in the capital of the Company at the time the Ordinary Resolution is passed after adjusting for (a) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards outstanding or subsisting at the time the Ordinary Resolution is passed and (b) any subsequent bonus issue or consolidation or subdivision of shares. This authority will, unless previously revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company.

2. The proposed Ordinary Resolution 9, if passed, will renew the authority given to the Directors at the AGM held on 30 April 2009 and will empower the Directors to purchase or otherwise acquire, from the date of this AGM to (a) the date on which the next AGM is held or required by law to be held; (b) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Purchase Mandate are carried out to the full extent mandated; or (c) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by the members of the Company in a general meeting, whichever is the earliest, an aggregate number of shares not exceeding ten per cent. of the issued shares in the capital of the Company as at the date of this Resolution. More details of the Share Purchase Mandate are set out in the Letter to Shareholders enclosed with this Notice.

NOTES

(a) Subject to note (b) below, a member entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a Member of the Company and where there are two proxies, the number of shares to be represented by each proxy must be stated.

(b) A member **may not** appoint the Poh Group or their concert parties (as defined in the Company's letter to shareholders in relation to the proposed renewal of the share purchase mandate dated 15 April 2010) as his proxy.

(c) The instrument or form appointing a proxy or proxies, duly executed, must be deposited at the office of the Company's Share Registrar, Tricor Barbinder Share Registration Services at 8 Cross Street #11-00 PwC Building, Singapore 048424, not less than 48 hours before the time for holding the above Annual General Meeting.

NOTICE OF BOOKS CLOSURE AND DIVIDEND PAYMENT DATES

Notice is hereby given that the Transfer Books and Register of Members of the Company will be closed on 13 May 2010 for the preparation of dividend warrants. Duly completed transfers received by the Company's Registrar, Tricor Barbinder Share Registration Services at 8 Cross Street #11-00, PwC Building, Singapore 048424 up to 5.00 p.m. on 12 May 2010 will be registered before entitlements to the proposed final dividend are determined. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 12 May 2010 will be entitled to the proposed dividend. The proposed final dividend, if approved by members at the Annual General Meeting, will be paid on 26 May 2010.

This page has been intentionally left blank

This page has been intentionally left blank

POH TIONG CHOON LOGISTICS LIMITED

(Incorporated in the Republic of Singapore)
Company Reg. No. 196900049H

PROXY FORM

IMPORTANT:

1. *For Investors who have used their CPF moneys to buy shares of Poh Tiong Choon Logistics Limited, the Annual Report 2009 is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.*
2. *This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.*
3. *CPF Investors who wish to vote should contact their CPF Approved Nominees.*

I/We,____NRIC/Passport No.____________________of

____ (Address)

being a member/members of Poh Tiong Choon Logistics Limited (the "Company"), hereby appoint

	Name	Address	NRIC/ Passport No.	Proportion of Shareholdings (Number of shares)
(a)				
and/or (delete as appropriate)				
(b)				

as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and, if necessary, to demand a poll, at the 41st Annual General Meeting of the Company to be held at Albizia Room, Level 2, Jurong Country Club, 9 Science Centre Road, Singapore 609078 on Friday, 30 April 2010 at 11.00 a.m. and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against the Resolutions to be proposed at the Annual General Meeting as indicated hereunder. In the absence of specific directions, the proxy/proxies will vote or abstain from voting as he/they may think fit, as he/they will on any other matter arising at the Annual General Meeting.

		To be used on a Show of Hands (a)		To be used in the event of a Poll (b)	
No.	ORDINARY RESOLUTIONS	For	Against	No. of Votes For	No. of Votes Against
	ORDINARY BUSINESS				
1	Adoption of Directors' Report and Audited Financial Statements				
2	Declaration of Final Tax Exempt (One-Tier) Dividend				
3	Re-election of Mr Poh Kay Yong as Director				
4	Re-election of Mr Lew Syn Pau as Director				
5	Re-appointment of Mr Poh Choon Ann as Director				
6	Approval of Directors' fees				
7	Re-appointment of PricewaterhouseCoopers LLP as Auditors				
	SPECIAL BUSINESS				
8	Authority for Directors to issue shares and/or convertible securities				
9	Approval of the Renewal of Share Purchase Mandate				

(a) Please indicate your vote "For" or "Against" with a ✓ within the box provided.
(b) Please indicate the number of votes as appropriate.

Dated this day of 2010

Total Number of Shares Held	

____
Signature of Individual Shareholder/
Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES ON THE REVERSE

Notes:

1. Subject to note 2 below, a member of the Company entitled to attend and vote at the above meeting is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company and where there is more than one proxy, the number of Shares to be represented by each proxy must be stated.

2. A member may not appoint the Poh Group or their concert parties (as defined in the Company's letter to shareholders in relation to the proposed renewal of the share purchase mandate dated 15 April 2010) as his proxy.

3. This Proxy Form must be signed by the appointor or his/her duly authorised attorney or, if the appointor is a body corporate, signed by a duly authorised officer or his attorney and affixed with its common seal thereto.

4. This instrument appointing a proxy must be deposited at the office of the Company's Share Registrar, Tricor Barbinder Share Registration Services at 8 Cross Street, #11-00 PwC Building, Singapore 048424 not less than 48 hours before the time fixed for holding the Annual General Meeting.

5. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.

6. The Company shall be entitled to reject this instrument of proxy if it is incomplete, not properly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in this instrument of proxy. In addition, in case of members whose Shares are deposited with The Central Depository (Pte) Limited ("CDP"), the Company may reject any instrument of proxy lodged if such member is not shown to have Shares entered against his name in the Depository Register 48 hours before the time fixed for holding the Annual General Meeting as certified by CDP to the Company.

fold along this line (1)

Please affix postage stamp

Poh Tiong Choon Logistics Limited
c/o Tricor Barbinder Share Registration Services
8 Cross Street #11-00
PwC Building
Singapore 048424

fold along this line (2)

傅長春儲運有限公司
POH TIONG CHOON LOGISTICS LIMITED

Company Reg. No. 196900049H
48 Pandan Road Singapore 609289
Tel: (65) 6268 2522 Fax: (65) 6264 3394
Email: sales@ptclogistics.com.sg
Website: www.ptclogistics.com.sg

PTC Chemical Logistics Complex
21 Ayer Merbau Road Jurong Island Singapore 627858
Tel: (65) 6896 9888 Fax:(65) 6267 8790