



**Proforma Half - Year financial statement on consolidated results for the period ended
30 September 2008**

These figures have not been audited

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

	Group		Change in %
	1st Half 30 Sep 2008 (S\$'000)	1st Half 30 Sep 2007 (S\$'000)	
Turnover	39,940	39,306	1.61%
Cost of Sales	<u>(33,054)</u>	<u>(35,035)</u>	-5.65%
Gross profit	6,886	4,271	61.23%
Other operating income	1,122	111	NM
Distribution and selling expenses	(4,263)	(4,079)	4.51%
Administration expenses	(1,605)	(1,672)	-4.01%
Other operating expenses	<u>(1,260)</u>	<u>(188)</u>	NM
Profit/(loss) from operations	880	(1,557)	NM
Finance income	4	13	-69.23%
Finance expenses	(396)	(360)	10.00%
Share of associate's result	<u>(3)</u>	<u>74</u>	NM
Profit/(loss) before tax	485	(1,830)	NM
Taxation	<u>(22)</u>	<u>-</u>	NM
Profit/(loss) for the period	<u>463</u>	<u>(1,830)</u>	NM
Attributable to:-			
Equity holders of the Company	453	(1,842)	NM
Minority Interest	10	12	-16.67%
	<u>463</u>	<u>(1,830)</u>	NM

1(a) (ii) Other information

	Group		
	1st Half 30 Sep 2008 (S\$'000)	1st Half 30 Sep 2007 (S\$'000)	Change in %
Finance income	4	13	-69.23%
Finance expenses	(396)	(360)	10.00%
Depreciation of property, plant and equipment	(1,160)	(1,298)	-10.63%
Foreign exchange loss	(402)	(68)	NM
Gain on disposal of property, plant and equipment	11	73	-84.93%
Loss on disposal of property, plant and equipment	(3)	(13)	-76.92%
Loss on disposal of other investments	-	(28)	-100.00%
Allowance for inventory	(1,230)	(95)	NM
Allowance for doubtful trade receivables	-	(122)	-100.00%
Property, plant and equipment written off	-	(153)	-100.00%

NM-Not Meaningful

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

	The Group 30 Sep 2008 S\$ '000	The Group 31 Mar 2008 S\$ '000	Change in %	The Company 30 Sep 2008 S\$ '000	The Company 31 Mar 2008 S\$ '000	Change in %
Equity attributable to equity holders of the company						
Share capital	19,832	18,332	8.18%	19,832	18,332	8.18%
Reserves	(15,549)	(16,369)	-5.01%	(16,044)	(14,910)	7.61%
	4,283	1,963	NM	3,788	3,422	10.70%
Minority interests	261	232	12.50%	-	-	NM
Total equity	4,544	2,195	NM	3,788	3,422	10.70%
Represented By:						
Property, plant and equipment	8,322	8,730	-4.67%	603	771	-21.79%
Subsidiary companies	-	-	NM	5,561	5,561	-
Associated company	201	204	-1.47%	60	60	-
Goodwill on consolidation	112	112	-	-	-	NM
Due from subsidiaries (non-trade)	-	-	NM	4,872	5,954	-18.17%
Current Assets						
Inventories	7,994	6,646	20.28%	5,227	4,171	25.32%
Trade receivables	13,762	10,038	37.10%	6,763	4,775	41.63%
Other receivables and deposits	506	496	2.02%	172	178	-3.37%
Prepayments	118	171	-30.99%	59	98	-39.80%
Due from subsidiaries (trade)	-	-	NM	784	1,014	-22.68%
Fixed deposits	531	234	NM	-	-	NM
Cash and bank balances	2,512	3,705	-32.20%	1,085	1,883	-42.38%
	25,423	21,290	19.41%	14,090	12,119	16.26%
Current Liabilities						
Trade payables	12,215	8,691	40.55%	6,716	4,369	53.72%
Other payables and accruals	4,332	5,150	-15.88%	2,311	3,105	-25.57%
Due to associated company (trade)	-	3	-100.00%	-	3	-100.00%
Due to related company	7	-	NM	7	-	NM
Due to subsidiary companies (trade)	-	-	NM	675	574	17.60%
Provision for tax	41	69	-40.58%	29	58	-50.00%
Leased obligations, current portion	574	2,823	-79.67%	487	2,761	-82.36%
Short-term bank loans	1,172	9,182	-87.24%	-	8,000	-100.00%
Short-term loan - non-financial institution	-	1,500	-100.00%	-	1,500	-100.00%
Long-term bank loans, current portion	1,418	-	NM	1,418	-	NM
Bank overdraft-secured	-	211	-100.00%	-	211	-100.00%
	19,759	27,629	-28.48%	11,643	20,581	-43.43%
Net Current Assets/(Liabilities)	5,664	(6,339)	NM	2,447	(8,462)	NM
Non Current Liabilities						
Lease obligations, non-current portion	(2,313)	(50)	NM	(2,313)	-	NM
Long-term bank loans, non-current portion	(6,972)	-	NM	(6,972)	-	NM
Other payables and accruals	(406)	(398)	2.01%	(406)	(398)	2.01%
Deferred tax	(64)	(64)	-	(64)	(64)	-
Total	4,544	2,195	NM	3,788	3,422	10.70%

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

Amount repayable in one year or less, or on demand

As at 30.09.2008		As at 31.03.2008	
Secured	Unsecured	Secured	Unsecured
S\$ ' 000	S\$ ' 000	S\$ ' 000	S\$ ' 000
2,813	351	13,291	425

Amount repayable after one year

As at 30.09.2008		As at 31.03.2008	
Secured	Unsecured	Secured	Unsecured
S\$ ' 000	S\$ ' 000	S\$ ' 000	S\$ ' 000
9,285	-	50	-

Details of any collateral

(a) A fixed and floating charge has been created on the assets and properties of the Company and its subsidiary, PT Giken Precision Indonesia, in favour of the existing banks of the company.

(b) The secured debts include fixed term lease by the company and the short-term bank loans of a subsidiary company, which are secured by office building and fixed deposits.

(c) A debt restructuring agreement was signed with the existing bank lenders and leasing companies during the period whereby the short-term bank debts and leasing debts were restructured into a 72 month term-debt with monthly repayment commencing in September 2008.

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

	30 Sep 2008 S\$'000	30 Sep 2007 S\$'000
Cash flows from operating activities		
Profit/(loss) before taxation	485	(1,830)
Adjustments:		
Depreciation of property, plant and equipment	1,160	1,298
Currency realignment	247	60
Property, plant and equipment written off	-	153
Loss on disposal of property, plant and equipment	3	13
Gain on disposal of property, plant and equipment	(11)	(73)
Loss on disposal of other investments	-	28
Interest expense	396	360
Interest income	(4)	(13)
Share of associated company's loss/(gain)	3	(74)
Allowance for doubtful trade receivables	-	122
Allowance for inventory	1,230	95
Operating profit before working capital changes	3,509	139
(Increase)/ decrease in:		
Inventories	(2,578)	151
Trade receivables	(3,724)	540
Other receivables and deposits	(10)	(155)
Prepayments	53	41
Increase/ (decrease) in:		
Trade payables	3,524	(801)
Other payables and accruals	(429)	(293)
Due to an associated company (trade)	(3)	(88)
Due to a related company	7	-
Cash generated from/(used in) operations	349	(466)
Interest received	4	13
Interest paid	(396)	(360)
Tax paid	(50)	-
Net cash used in operating activities	(93)	(813)
Cash flows used in investing activities		
Proceed from sales of investments	-	42
Proceed from sales of property, plant and equipment	100	163
Purchase of property, plant and equipment	(640)	(314)
Net cash used in investing activities	(540)	(109)
Cash flows used in financing activities		
Bank balances pledged	(10)	95
Proceeds from bank loans	253	84
Repayment of bank loans	(224)	(233)
Repayment of finance lease obligations	(81)	(46)
Net cash used in financing activities	(62)	(100)
<i>Net decrease in cash and cash equivalents</i>	<i>(695)</i>	<i>(1,022)</i>
<i>Cash and cash equivalents at beginning of year</i>	<i>3,612</i>	<i>2,115</i>
Cash and cash equivalents at end of the period	2,917	1,093

Reconciliation of cash and cash equivalents

Cash and bank balances	2,512	1,628
Fixed deposits	531	601
Less: Bank overdrafts	-	(1,017)
Bank balances pledged	(126)	(119)
	<u>2,917</u>	<u>1,093</u>

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

	Share capital	Translation reserves	Retained losses	Total attributable to equity holders of the Company	Minority Interest	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>The Group</u>						
Balance at 1 April 2007	18,332	335	(14,014)	4,653	234	4,887
Foreign currency translation differences	-	36	-	36	-	36
Net loss for the period	-	-	(1,842)	(1,842)	12	(1,830)
Balance at 30 September 2007	18,332	371	(15,856)	2,847	246	3,093
Foreign currency translation differences	-	(9)	-	(9)	-	(9)
Net loss for the period	-	-	(875)	(875)	(5)	(880)
Dividend paid	-	-	-	-	(9)	(9)
Balance at 31 March 2008	18,332	362	(16,731)	1,963	232	2,195
Conversion of short-term loan from non-financial institution to share capital	1,500	-	-	1,500	-	1,500
Foreign currency translation differences	-	367	-	367	19	386
Net profit for the period	-	-	453	453	10	463
Balance at 30 September 2008	19,832	729	(16,278)	4,283	261	4,544
<u>The Company</u>						
Balance at 1 April 2007	18,332	-	(13,421)	4,911	-	4,911
Net loss for the period	-	-	(1,796)	(1,796)	-	(1,796)
Balance at 30 September 2007	18,332	-	(15,217)	3,115	-	3,115
Net profit for the period	-	-	307	307	-	307
Balance at 31 March 2008	18,332	-	(14,910)	3,422	-	3,422
Conversion of short-term loan from non-financial institution to share capital	1,500	-	-	1,500	-	1,500
Net loss for the period	-	-	(1,134)	(1,134)	-	(1,134)
Balance at 30 September 2008	19,832	-	(16,044)	3,788	-	3,788

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

During the period, 23,529,411 ordinary shares were issued to Miyoshi Precision Limited on the conversion of a S\$1.5 million convertible loan granted to the Company in the last financial year.

- 2 Whether are the figures have been audited, or reviewed and in accordance with which standard(e.g. the Singapore Standard on Auditing 910 (Engagement to review Financial Statement), or an equivalent standard)

The figures have not been audited or reviewed by the external auditor.

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

NA

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as for the audited financial statements for the year ended 31 March 2008.

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

The adoption of the new/revised FRS is currently assessed to have no significant impact on the financial position and the results of the current period and prior period of the Group.

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

	30 Sep 2008 Cents	30 Sep 2007 Cents
Based on the No. of shares in issue during the year	0.71	(2.99)
On fully diluted basis	0.71	(2.99)

"Item 6: The earnings per share for the period ended 30 September 2008 is calculated based on the weighted average share capital in issue during the period of 63,655,273 ordinary shares (30 September 2007 : 61,598,057 ordinary shares)"

- 7 Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the :-
(a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	30 Sep 2008 Cents	31 Mar 2008 Cents	30 Sep 2008 Cents	31 Mar 2008 Cents
Net assets valued per ordinary share based on issued share of the company at the end of the financial year (cents)	5.03	3.19	4.45	5.56

"Item 7: The net assets value per share for the period ended 30 September 2008 is calculated based on the share capital in issue at the end of the period of 85,127,468 ordinary shares (31 March 2008: 61,598,057 ordinary shares)"

8 A review of the performance of the group , to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

- (a) any significant factors that effected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

- (i) The Group's turnover for the period was S\$39.9 million, approximating the turnover for the corresponding period in FY 2008.
- (ii) Due to the changes in sales product mix and discontinuation of certain lower-margin projects, the Group achieved a gross margin of 17.2%. This is an increase over the 10.9% gross margin for the corresponding period in FY 2008. Gross profit for the current period was S\$6.9 million.
- (iii) Other operating income and other operating expenses consist mainly of foreign exchange gains and foreign exchange losses, classified accordingly.
- (iv) The higher gross margin resulted in a net profit of S\$0.5 million for the period.
- (v) During the period, the Company signed a debt restructuring agreement with the existing bank lenders and leasing companies whereby the short-term bank debts and leasing debts were restructured into a 72 month term-debt with monthly repayment commencing in September 2008. This resulted in a reduced current bank loans and lease obligations and an increase in the non-current bank-loans and lease-obligations, as compared to 31 March 2008.
- (vi) The debt restructuring resulted in the Group achieving a net current asset position of S\$5.7 million at 30 September 2008 as compared with the net current deficit position at 31 March 2008.
- (vii) During the period, the Company issued 23,529,411 ordinary shares to Miyoshi Precision Limited on the conversion of a S\$1.5 million convertible loan granted to the Company in the last financial year.
- (viii) The increase in share capital and the profit position of the Group for the period resulted in a net asset value of S\$4.3 million as at 30 September 2008, as compared to S\$2.0 million at 31 March 2008.

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

The Group did not make any forecast or prospect statement for the current period to shareholders.

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

The Group continues to operate under challenging conditions, especially with the current economic uncertainties.,

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? None

(c) Date payable

NA

(d) Books closure date

NA

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

NA

13 Negative assurance confirmation on interim financial results under SGX Listing Rule 705(4) of the Listing Manual

The directors of the Company confirm that to the best of their knowledge, nothing has come to their attention which may render the 1H FY2009 financial results to be false or misleading.

BY ORDER OF THE BOARD

Ng Say Tiong
Company Secretary

7th November 2008