

**UNAUDITED FIRST HALF ("1H2011") FINANCIAL STATEMENT AND DIVIDENDS ANNOUNCEMENT
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2011**

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

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

	Note	Group 30.06.2011 S\$'000	30.06.2010 S\$'000	Change Increase/ (Decrease) S\$'000	Increase/ (Decrease) %
Revenue		39,650	33,860	5,790	17%
Other operating income		107	74	33	45%
Changes in inventories		(634)	3,647	4,281	117%
Material costs		(15,900)	(17,654)	(1,754)	-10%
Employee benefits expense		(9,204)	(7,553)	1,651	22%
Depreciation and amortisation expenses	1	(3,258)	(2,025)	1,233	61%
Other operating expenses	2	(6,895)	(6,413)	482	8%
Investment revenue	3	16	141	(125)	-89%
Finance costs	4	(361)	(372)	(11)	-3%
Profit before income tax		3,521	3,705	(184)	-5%
Income tax expense		(1,462)	(1,146)	316	28%
Profit for the period		2,059	2,559	(500)	-20%
Other comprehensive income:					
Disposal of available-for-sale investment		-	(124)		
Exchange difference in translation of foreign operations		(1,224)	238		
Recognition of pension liabilities		(27)	-		
Other comprehensive income for the period, net of tax		(1,251)	114		
Total comprehensive income for the period		808	2,673		
Profit attributable to:					
- Owners of the Company		2,024	2,473		
- Non-controlling interests		35	86		
		2,059	2,559		
Total comprehensive income attributable to:					
- Owners of the Company		801	2,559		
- Non-controlling interests		7	114		
		808	2,673		
Earnings per share					
Basic		0.83 cents	1.25 cents		
Diluted		0.78 cents	1.16 cents		

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

Note 1: Depreciation and amortisation expenses

In 1H2011, the Group recognised six months' amortisation of intangible assets and depreciation of the fair-valued fixed assets amounted to S\$581,000 (1H2010: Nil) arising from the events below.

On 17 December 2009, the Group entered into a sale and purchase agreement with Microcomponents Ltd ("MCO") and Zhuhai SMH Watchmaking Co. Ltd ("ZSMH"), subsidiaries of The Swatch Group Ltd, to acquire their stepper motors and car clock business (The "Acquisition"). The Acquisition was deemed completed on 31 March 2010.

In 2010, management had engaged a professional valuer to assist with the fair valuation of assets acquired, namely intangible asset, machinery and equipment, and liabilities assumed, arising from the Acquisition. Such valuation exercise was only completed in 2H2010. Accordingly, the fair value of the underlying assets (including the intangible asset and machinery and equipment) and liabilities arising from the Acquisition were accounted for in 2H2010. Therefore, there was no amortisation of the intangible asset and a lower depreciation of the machinery and equipment in the statement of comprehensive income of 1H2010.

Had the fair valuation exercise been completed on 31 March 2010, the Group would have recorded amortisation of the intangible assets and the additional depreciation of the machinery and equipment amounting to S\$290,000 in the statement of comprehensive income of 1H2010.

Note 2: Other operating expenses

Included in other operating expenses are as follows:-

Charging/(crediting):-	1H2011 S\$'000	1H2010 S\$'000
(Gain)/ loss on disposal of property, plant and equipment	(19)	145
Write down of inventories to net realisable value	-	84
Allowance for doubtful debts	3	384
Net foreign exchange (gain)/ loss	(643)	124

Note 3: Investment revenue

Investment revenue represents interest income of S\$16,000 (1H2010: S\$11,000). Higher investment revenue in 1H2010 was due to a one-off gain on disposal of available-for-sale investment amounted to S\$130,000.

Note 4: Finance cost

Included in finance costs are interest on bank borrowings of S\$284,000 (1H2010: S\$279,000) and finance leases of S\$72,000 (1H2010: S\$93,000).

1(b)(i) Statements of financial position (for the issuer and group), together with a comparative statements as at the end of the immediately preceding financial year.

	Group		Company	
	30.06.2011 S\$'000	31.12.2010 S\$'000	30.06.2011 S\$'000	31.12.2010 S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	8,381	9,103	1,843	1,626
Trade receivables	19,628	20,410	12,982	16,276
Other receivables and prepayments	3,830	3,263	14,797	9,921
Inventories	8,214	9,500	-	-
Total current assets	40,053	42,276	29,622	27,823
Non-current assets				
Property, plant and equipment	32,780	33,986	322	180
Intangible assets	7,254	7,374	3,836	4,311
Subsidiaries	-	-	9,492	11,795
Associates	-	-	-	-
Deferred tax assets	321	331	-	-
Total non-current assets	40,355	41,691	13,650	16,286
Total assets	80,408	83,967	43,272	44,109
LIABILITIES AND EQUITY				
Current liabilities				
Bank overdraft and loans	4,703	4,684	3,559	3,638
Trade payables	11,213	13,477	1,809	1,711
Other payable and accruals	6,237	7,113	2,372	1,554
Current portion of finance lease	1,052	951	842	684
Income tax payable	1,240	1,204	-	-
Total current liabilities	24,445	27,429	8,582	7,587
Non-current liabilities				
Deferred tax liabilities	1,831	1,805	338	379
Bank loans	5,400	6,730	3,816	4,849
Finance leases	1,657	1,444	1,607	1,298
Retirement benefit obligations	435	406	-	-
Total non-current liabilities	9,323	10,385	5,761	6,526
Capital, reserves and non-controlling interests				
Share capital	23,346	22,708	24,092	23,454
Treasury shares	(22)	(22)	(22)	(22)
Reserves	22,387	22,545	4,859	6,564
Equity attributable to owner of the Company	45,711	45,231	28,929	29,996
Non-controlling interests	929	922	-	-
Total equity	46,640	46,153	28,929	29,996
Total liabilities and equity	80,408	83,967	43,272	44,109

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

Amount repayable in one year or less, or on demand

As at 30.06.2011		As at 31.12.2010	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
2,197	3,559	1,997	3,638

Amount repayable after one year

As at 30.06.2011		As at 31.12.2010	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
3,241	3,816	3,325	4,849

Details of any collateral

The Group's borrowings as at 30 June 2011 comprise of bank overdraft and loans, and finance leases of approximately S\$10,103,000 (2010: S\$11,414,000) and S\$2,710,000 (2010: S\$2,395,000) respectively.

Bank loans and bank overdraft of S\$2,728,000 (2010: S\$2,927,000) are secured against certain bank deposit, certain trade receivable, and freehold land and buildings of the Group. The remaining bank loans of S\$7,375,000 (2010: S\$8,487,000) are unsecured.

The amount of S\$2,710,000 (2010: S\$2,395,000) payable for finance leases are secured over certain items of plant, machinery and equipment and motor vehicles of the Group.

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

	Group	
	30.06.2011	30.06.2010
	S\$'000	S\$'000
Cash flows from operating activities		
Profit before income tax	3,521	3,705
<i>Adjustments for:</i>		
Depreciation of property, plant and equipment	2,743	2,025
Amortisation of intangible asset	515	-
Interest expenses	361	372
Interest income	(16)	(11)
(Gain)/loss on disposal of property, plant and equipment	(19)	145
Allowance for doubtful debts - trade receivables	3	384
Write down of inventories to net realisable values	-	84
Gain on disposal of available-for-sale investment	-	(130)
Share-based payment	(91)	68
<i>Operating cash flow before movements in working capital</i>	<u>7,017</u>	<u>6,642</u>
Inventories	1,286	(3,792)
Trade and other receivables	(298)	(6,219)
Trade and other payables	<u>(2,297)</u>	<u>5,031</u>
Cash generated from operations	5,708	1,662
Interest received	16	11
Interest paid	(361)	(372)
Income taxes paid	<u>(880)</u>	<u>(123)</u>
Net cash from operating activities	<u>4,483</u>	<u>1,178</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,403)	(5,778)
Proceeds on disposal of available-for-sale investment	-	873
Proceeds on disposal of property, plant and equipment	143	335
Expenditure on product development	<u>(310)</u>	<u>(603)</u>
Net cash used in investing activities	<u>(2,570)</u>	<u>(5,173)</u>
Cash flows from financing activities		
Dividends paid on ordinary shares	(868)	(287)
Proceeds from issuance of share capital	638	3,421
Right issue expenses	-	(203)
Repayment of borrowings	(1,508)	(920)
Proceeds received from borrowings	-	4,108
Repayments of obligation under finance leases	(529)	(201)
Decrease/(increased) in fixed deposit pledged	26	(37)
Net cash (used in) / from financing activities	<u>(2,241)</u>	<u>5,881</u>
Net (decrease) / increase in cash and cash equivalents	(328)	1,886
Cash and cash equivalents at beginning of the period	8,776	8,131
Effect of foreign exchange rate changes	(637)	(447)
Cash and cash equivalents at end of the period	<u>7,811</u>	<u>9,570</u>

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

Cash and cash equivalent consist of:

	Group	
	30.06.2011	30.06.2010
	S\$'000	S\$'000
Cash and bank balances in statement of financial position	8,381	9,670
Less: Pledged fixed deposits	(76)	(100)
	<hr/>	<hr/>
	8,305	9,570
Bank overdraft	(494)	-
	<hr/>	<hr/>
Cash and cash equivalents in statement of cash flows	7,811	9,570

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

<u>Group</u>	Share	Treasury	Share	Statutory	Fair value	Pension	Currency	Merger	Retained	Attributable	Non-	Total
	capital	shares	options	reserve	change	reserve	translation	deficit	earnings	to share-	controlling	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	holders of	interests	S\$'000
Balance at 1 January 2010	18,352	(22)	2,196	334	124	-	(1,392)	(156)	13,268	32,704	793	33,497
Total comprehensive income for the year	-	-	-	-	(124)	(119)	(442)	-	9,540	8,855	129	8,984
Dividends on ordinary shares	-	-	-	-	-	-	-	-	(288)	(288)	-	(288)
Shares issued pursuant for Right issue	3,296	-	-	-	-	-	-	-	-	3,296	-	3,296
Right issue expenses	(213)	-	-	-	-	-	-	-	-	(213)	-	(213)
Recognition of share-based payments	-	-	67	-	-	-	-	-	-	67	-	67
Exercise of employee share options	895	-	(463)	-	-	-	-	-	-	432	-	432
Shares issued pursuant for conversion of warrants	378	-	-	-	-	-	-	-	-	378	-	378
Transfer to statutory reserve	-	-	-	590	-	-	-	-	(590)	-	-	-
Balance at 31 December 2010	22,708	(22)	1,800	924	-	(119)	(1,834)	(156)	21,930	45,231	922	46,153
Total comprehensive income for the period	-	-	-	-	-	(27)	(1,196)	-	2,024	801	7	808
Dividends on ordinary shares	-	-	-	-	-	-	-	-	(868)	(868)	-	(868)
Exercise of employee share options	175	-	(91)	-	-	-	-	-	-	84	-	84
Shares issued pursuant for conversion of warrants	463	-	-	-	-	-	-	-	-	463	-	463
Balance at 30 June 2011	23,346	(22)	1,709	924	-	(146)	(3,030)	(156)	23,086	45,711	929	46,640
Company												
Balance at 1 January 2010	19,098	(22)	2,196	-	124	-	-	-	1,624	23,020	-	23,020
Total comprehensive income for the year	-	-	-	-	(124)	-	-	-	3,428	3,304	-	3,304
Dividends on ordinary shares	-	-	-	-	-	-	-	-	(288)	(288)	-	(288)
Shares issued pursuant for Right issue	3,296	-	-	-	-	-	-	-	-	3,296	-	3,296
Right issue expenses	(213)	-	-	-	-	-	-	-	-	(213)	-	(213)
Recognition of share-based payments	-	-	67	-	-	-	-	-	-	67	-	67
Exercise of employee share options	895	-	(463)	-	-	-	-	-	-	432	-	432
Shares issued pursuant for conversion of warrants	378	-	-	-	-	-	-	-	-	378	-	378
Balance at 31 December 2010	23,454	(22)	1,800	-	-	-	-	-	4,764	29,996	-	29,996
Total comprehensive income for the period	-	-	-	-	-	-	-	-	(746)	(746)	-	(746)
Dividends on ordinary shares	-	-	-	-	-	-	-	-	(868)	(868)	-	(868)
Exercise of employee share options	175	-	(91)	-	-	-	-	-	-	84	-	84
Shares issued pursuant for conversion of warrants	463	-	-	-	-	-	-	-	-	463	-	463
Balance at 30 June 2011	24,092	(22)	1,709	-	-	-	-	-	3,150	28,929	-	28,929

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

<u>Share Capital</u>	Group		Company	
	30.06.2011 S\$'000	31.12.2010 S\$'000	30.06.2011 S\$'000	31.12.2010 S\$'000
Issue and paid up:-				
At beginning of period/ year	22,708	18,352	23,454	19,098
Shares issued pursuant to right issue	-	3,296	-	3,296
Right issue expenses	-	(213)	-	(213)
Exercise of employee share options	175	895	175	895
Shares issued pursuant to conversion of warrants	463	378	463	378
At 30 June / 31 December	23,346	22,708	24,092	23,454
Less: treasury shares	(22)	(22)	(22)	(22)
At end of the period/ year, net of treasury shares	23,324	22,686	24,070	23,432

<u>Movement in ordinary shares</u>	30.06.2011	31.12.2010
At beginning of period/ year	235,889,604	137,614,378
Shares issued pursuant to rights issue	-	82,389,226
Exercise of employee share options	1,253,000	6,416,000
Shares issued pursuant to conversion of warrants	11,588,413	9,470,000
At end of the period/ year	248,731,017	235,889,604
Less: treasury shares	(299,000)	(299,000)
Total issued shares excluding treasury shares	248,432,017	235,590,604

Treasury shares

As at the financial period ended 30 June 2011, the Company had acquired a total of 299,000 shares from the open market in since 2008, and continues to hold them as treasury shares.

Share options

The Juken Share Option Scheme (the "Scheme") in respect of unissued ordinary shares in the Company was approved by the shareholders of the Company at an Extraordinary General Meeting held on 8 April 2004.

Share options (cont'd)

As at 30 June 2011, there were 23,227,000 unexercised share options granted pursuant to the Scheme as follows:-

Date of grant	Option granted	Balance at 01.01.2011	Exercised/ Cancelled	Balance at 30.06.2011	Exercise price per price	Date of expiry
23.03.2009	16,820,000	11,170,000	(775,000)	10,395,000	\$0.0671	07.04.2014
23.03.2009	3,500,000	3,500,000	-	3,500,000	\$0.0671	23.03.2014
25.02.2010	9,594,000	7,710,000	(478,000)	7,232,000	\$0.0671	07.04.2014
25.02.2010	2,100,000	2,100,000	-	2,100,000	\$0.0671	23.03.2014
		<u>24,480,000</u>	<u>(1,253,000)</u>	<u>23,227,000</u>		

Warrants

Pursuant to the Offer Information Statement dated 28 January 2010, the Company issued rights shares with three free detachable warrants for every six rights shares on the basis of six rights shares for every ten existing ordinary share in the Company held by shareholders.

A total of 82,389,226 rights shares and 41,194,607 warrants were issued and were listed and quoted on the Singapore Exchange Securities Trading Limited on 26 February 2010 and 1 March 2010 respectively.

<u>Movement in warrants</u>	30.06.2011	31.12.2010
At beginning of period/ year	31,724,607	-
Warrants issued on 26 February 2010	-	41,194,607
Warrants converted to ordinary shares	(11,588,413)	(9,470,000)
At end of the period/ year	<u>20,136,194</u>	<u>31,724,607</u>

Other than the above, there are no changes in the Company's share capital arising from right issue, bonus issue, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the last financial period.

Excluding the treasury shares, the holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without any restriction.

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

	30.06.2011	31.12.2010
Total number of issued shares excluding treasury shares	<u>248,432,017</u>	<u>235,590,604</u>

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

No treasury shares were sold, transferred, disposed, cancelled or use during the financial period ended 30 June 2011.

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

These figures have not been audited or reviewed by auditors.

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

Not applicable.

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

The Group and the Company have applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial period as those applied in the audited financial statements for the financial year ended 31 December 2010.

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

There are no changes in the accounting policies and methods of computation.

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

	1H2011	1H2010
Earnings per ordinary share for the period:-		
(i) Based on weighted average number of ordinary shares in issue	<u>0.83 cents</u>	1.25 cents
(ii) Based on fully diluted basis	<u>0.78 cents</u>	1.16 cents

Earnings per ordinary share on the existing issued share capital is computed based on the 244,333,763 shares being the weighted average number of shares in issue during the period (1H2010: 197,962,098).

Earnings per ordinary share on a fully diluted basis is computed based on 259,979,036 shares being the weighted average number of shares during the period adjusted to assume conversion of all potential dilutive ordinary share (1H2010: 214,073,502).

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

	Group		Company	
	30.06.2011	31.12.2010	30.06.2011	31.12.2010
Net asset value per ordinary share	18.40 cents	19.20 cents	11.64 cents	12.72 cents

The net assets value per ordinary share is calculated based on the 248,432,017 and 235,590,604 ordinary shares as at 30 June 2011 and 31 December 2010, respectively.

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

Review of Group Performance

Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2011 ("1H2011"), the Group's turnover increased approximately 17% to S\$39.6 million from S\$33.9 million in 1H2010. Revenue from our plastic injection moulding business increased 18% to S\$29.1 million from S\$24.6 million while revenue from the mould design and fabrication business decreased 36% to S\$2.6 million from S\$4.1 million, over the respective periods.

The Group's revenue for 1H2011 from the instrument division (stepper motors and car clock motors businesses) grew 52% to S\$7.9 million from S\$5.2 million compared to 1H2010. The higher revenue was due mainly to the recognition of six months' revenue from the Acquisition compared to only three months revenue in 1H2010 as the Acquisition was completed in March 2010.

Material costs and changes in inventories increased 18% to S\$16.5 million from S\$14.0 million mainly due to higher production activities and rise in resin prices compared to a year ago.

Employee benefit expenses increased 22% to S\$9.2 million from S\$7.5 million due to increase in headcount within the Group to 1,530 (1H2010: 1,304) to support business expansion, and due to the increase in average wages in PRC.

Higher depreciation and amortisation expense mainly due to the Group's recognition of amortisation charges on the intellectual property from the Acquisition [please refer to Note 1 of paragraph 1(a)], and full impact of depreciation charge for property, plant and equipment acquired towards end of FY2010.

Other operating expenses increased S\$0.5 million to S\$6.9 million (1H2010: S\$6.4 million), mainly due to higher utilities charges (in line with increased production), freight charges, factory rentals and commissions payable to sales representative. The increase in operating expenses was partially offset by a foreign exchange gain of S\$0.6 million (1H2010: loss of S\$0.1 million), and allowance for doubtful debts of S\$0.4 million recognised in 1H2010 which is not recurring in current period.

Review of Group Performance (cont'd)

Consolidated Statement of Comprehensive Income (cont'd)

The Group's profit before income tax decreased 5% compared to 1H2010. However, had the fair valuation exercise in relation to the Acquisition been completed on 31 March 2010, the Group would have recorded amortisation of the intangible assets and the additional depreciation of the machinery and equipment amounting to S\$290,000 in the statement of comprehensive income of 1H2010 [please refer to Note 1 of paragraph 1(a)]. As such, profit before income tax in 1H2011 would be approximately the same as that of 1H2010.

Tax expenses increased as a result of higher estimated taxable profit recorded by our Thailand subsidiary.

Statement of Financial Position

Cash and bank balances

Decrease in cash and bank balances was mainly due to purchases of plant and equipment, repayments of borrowings and dividend payout partially offset from net cash generated from profitable operations.

Trade receivables

Trade receivables decreased from S\$20.4 million as at 31 December 2010 to S\$19.6 million as at 30 June 2011 despite the increase of turnover due to our continuous effort on credit control.

Inventories

Inventories decreased from S\$9.5 million as at 31 December 2010 to S\$8.2 million as at 30 June 2011 mainly due to lower stock balance from our instrumental business sector.

Property, plant and equipment

Property, plant and equipment decreased by approximately S\$1.2 million from S\$34.0 million as at 31 December 2010 to S\$32.8 million as at 30 June 2011. The decrease was mainly due to depreciation charges of S\$2.8 million, translation differences of S\$0.7 million and disposal of machineries of S\$0.1 million, offset by addition of plant and machinery of S\$2.4 million.

Intangible assets

Intangible assets comprise intellectual properties, development costs, goodwill on acquisition of businesses and club memberships. Decrease in intangible assets by S\$0.1 million was mainly due to amortisation charge of S\$0.5 million. It was partially offset by capitalisation of development cost of S\$0.4 million from our instrument business segment.

Bank overdrafts, loans and finance leases

Total borrowings decreased by S\$1.0 million from S\$13.8 million as at 31 December 2010 to S\$12.8 million as at 30 June 2011. Decrease was mainly due to repayment of borrowings amounting to S\$2.0 million, offset by draw-down of new hire purchases amounting to S\$1.0 million.

Trade payables

Decrease in trade payables to S\$11.2 million from S\$13.4 million was mainly due to payments to creditors.

Consolidated Statement of Cash Flows

In 1H2011, net cash from operating activities increased 280% from S\$1.2 million to S\$4.5 million, while the Group recorded net cash outflows from investing activities and financing activities of S\$2.6 million and S\$2.2 million respectively.

The increase in net cash from operating activities is mainly due to cash generated from profitable operations. The net cash used in investing activities is mainly due to addition of property, plant and equipment for expansion of business. The net cash used in financing activities is mainly due to repayment of borrowings and dividend payout.

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

With reference to our result announcement to Singapore Exchange Securities Trading Limited ("SGX") on 24 February 2011, we stated that "barring unforeseen circumstances the Group expects its financial year ending 31 December 2011 ("FY2011") performance to exceed that of FY2010 (excluding the net impact of S\$4.0 million resulting from fair valuation of the acquisition stated in Section 1(a), Note 4)".

The Group foresees challenges in meeting the above mentioned prospect statement made on 24 February 2011 due to supply chain disruptions caused by the earthquake and tsunami in Japan, rising oil prices, weakening of US Dollar and regional currencies, slower global demand for motor vehicles and inflationary pressures in China and current uncertainty in the global economy in particular in the United States and Europe.

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

With revenue generated outside Singapore accounting for approximately 98% of the Group total turnover, a strong SGD will translate to lower sales and profit contributed by overseas subsidiaries. The weakening of US Dollar and regional currencies may continue to weigh down on the Group's revenue and margin.

The plastics injection mouldings division, which accounted for 73% of 1H2011 (71% of FY2010) revenues, has performed well despite a rise in resin prices compared to a year ago due to oil price increases triggered by political uncertainty in the Middle East. The Group has partially mitigated this increase by improving production efficiency, cutting other costs and consolidating operations to improve economies of scale.

The Group will be relocating its Singapore-based stepper motor operations, under the brand name of "Zelor", to Zhuhai, in southern China, in 2H2011. The move is designed to integrate the "Zelor" product line with "JST" operations (which were acquired in March 2010), to improve overall cost and operational efficiencies.

While the Group expects to remain profitable for FY2011, the full-year profit may be lower compared to FY2010. However, the Group is optimistic about its on-going automotive programmes and remains confident about the outlooks of the automotive industry in the medium to longer term as well as its own resilience.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

The Company did not recommend or declare any dividend for the financial period ended 30 June 2011.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

The Company did not recommend or declare any dividend for the financial period ended 30 June 2010.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend for the six months ended 30 June 2011 is declared or recommended.

13 Interested Person Transactions

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted during the financial period under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Nil	Nil	Nil

Note: Rule 920(1)(a)(ii) of the Listing Manual – An issuer must announce the aggregate value of transactions conducted pursuant to the general mandate for interested person transactions for the financial periods which it is required to report on pursuant to Rule 705.

STATEMENT BY DIRECTORS PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

On behalf of the Board of Directors of the Company, we confirm, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited first half financial results for the period ended 30 June 2011 to be false or misleading in any material respect.

On behalf of the Board of Directors

Wong Keng Yin
Executive Chairman

Koh Ing Chin
Executive Director/ Chief Financial Officer

BY ORDER OF THE BOARD

Wong Keng Yin
Executive Chairman
12 August 2011