

JK YAMING INTERNATIONAL HOLDINGS LTD

Unaudited Second Quarter Financial Statement

PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

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

(i) Income Statement for the Second quarter and First Half Year ended 30 June 2008.

GROUP	SECOND QUARTER			FIRST HALF		
	2008	2007	Increase / (Decrease)	2008	2007	Increase / (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	45,115	32,702	38.0	89,246	68,470	30.3
Cost of sales	(38,072)	(28,508)	33.5	(75,359)	(59,607)	26.4
Gross profit	7,043	4,194	67.9	13,887	8,863	56.7
Other gains - miscellaneous(net)	946	317	198.4	984	336	192.9
Selling, general and administration expenses	(3,752)	(3,270)	14.7	(7,133)	(6,501)	9.7
Other expenses - (Legal)	(101)	(322)	(68.6)	(700)	(452)	54.9
Finance costs	(457)	(632)	(27.7)	(900)	(930)	(3.2)
Share of loss of associate company	(70)	-	N.M	(89)	-	N.M
Profit before income tax	3,609	287	1,157.5	6,049	1,316	359.7
Income tax expenses	(808)	(203)	298.0	(1,512)	(391)	286.7
Profit for the period	2,801	84	3,234.5	4,537	925	390.5
Attributable to:						
Equity holders of the Company	2,217	71	3,022.5	3,197	749	326.8
Minority interests	584	13	4,392.3	1,340	176	661.4
	2,801	84	3,234.5	4,537	925	390.5

N.M.*: Not Meaningful

(ii) Notes to Income Statement

GROUP	SECOND QUARTER			FIRST HALF		
	2008	2007	Increase / (Decrease)	2008	2007	Increase / (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Depreciation and amortisation	1,257	1,272	(1.2)	2,550	2,575	(1.0)
Foreign exchange gain	(555)	(221)	151.1	(355)	(1,199)	(70.4)
Interest on borrowings	520	468	11.1	940	784	19.9
Interest income	(38)	(7)	442.9	(74)	(57)	29.8

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.

Balance Sheet	Group		Company	
	30.6.2008	31.12.2007	30.6.2008	31.12.2007
	S\$'000	S\$'000	S\$'000	S\$'000
Share capital	40,862	40,862	40,862	40,862
Reserves	17,148	13,681	3,667	1,785
Share capital and reserves	58,010	54,543	44,529	42,647
Minority interests	13,610	13,332	-	-
Total equity	71,620	67,875	44,529	42,647
Represented by:-				
Non-Current Assets:				
Investment in subsidiaries	-	-	44,924	47,042
Investment in associate	1,671	-	2,118	-
Property, plant and equipment	44,239	46,682	1,497	1,592
Investment properties	7,258	7,237	-	-
Intangible assets	743	741	-	-
Total non-current assets	53,911	54,660	48,539	48,634
Current Assets:				
Inventories	27,572	34,032	-	-
Trade receivables	21,406	21,937	-	-
Other receivables	7,530	4,826	2,208	1,101
Amount owing by related parties	11,053	13,935	-	-
Cash and cash equivalents	17,298	9,452	-	-
Total current assets	84,859	84,182	2,208	1,101
Current Liabilities:				
Trade payables	19,683	22,448	-	-
Other payables	10,150	9,937	787	820
Amount due to related parties	6,533	10,792	-	-
Borrowings	27,734	24,882	3,841	4,063
Income tax liabilities	1,460	703	-	-
Total current liabilities	65,560	68,762	4,628	4,883
Total net current assets/(liabilities)	19,299	15,420	(2,420)	(3,782)
Non-Current Liabilities:				
Borrowings	1,590	2,205	1,590	2,205
Total net assets	71,620	67,875	44,529	42,647

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

Amount repayable in one year or less, or on demand

Group			
As at 30.6.2008		As at 31.12.2007	
Secured	Unsecured	Secured	Unsecured
S\$3,817,000	S\$ 23,917,000	S\$ 3,166,000	S\$ 21,716,000

Amount repayable after one year

Group			
As at 30.6.2008		As at 31.12.2007	
Secured	Unsecured	Secured	Unsecured
S\$1,531,000	S\$ 59,000	S\$2,138,000	S\$67,000

Details of any collateral

(a) Included in bank loans of the Group are loans by the parent company amounted approximately S\$2.1 million, which are secured by mortgages over the Group's freehold property.

(b) Another bank loan of S\$3.2 million is secured by legal mortgage of the Group's office buildings in China.

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

SECOND QUARTER

GROUP	2008	2007
	S\$'000	S\$'000
Cash flow from operation activities		
Profit before income tax	3,609	287
Adjustment for non-cash items		
Depreciation of property, plant & equipments	1,226	1,226
Amortisation of intangible assets	31	46
Gain on disposal of property, plant and equipments	(228)	-
Share of losses of associate company	70	-
Interest expense	520	468
Interest income	(38)	(7)
Exchange differences/ unrealised translation (gain)/losses	342	(221)
Operating profit before working capital change	5,532	1,799
(Increase)/ decrease in		
- inventories	(133)	(3,059)
- trade receivables	(224)	(1,418)
- other receivables	(705)	563
- other current assets	(400)	(800)
- amount due from related parties	2,192	1,436
Increase / (decrease) in		
- trade payables	6,863	3,828
- other payables	(2,117)	(48)
- amount due to related parties	(4,378)	(737)
- payable to directors	-	(50)
Cash generated from operations	6,630	1,514
Interest received	38	7
Interest paid	(520)	(468)
Income tax paid	(431)	47
Net cash from operating activities	5,717	1,100

Cash flow from investing activities		
Proceeds from sales of property, plant & equipments	971	17
Purchase of non-current assets	(391)	(507)
Net cash generated from/(used in) investing activities	580	(490)
Cash flow from financing activities		
Payment of dividends to minority interest	-	(56)
Proceed from loan and borrowing	3,943	1,187
Repayment of borrowing	(7,566)	(580)
Dividend paid during the year	-	(1,218)
Net cash used in financing activities	(3,623)	(667)
Net increase/(decrease) in cash and cash equivalents	2,674	(57)
Effects of exchange rate changes on cash and cash equivalents	83	167
Cash and cash equivalents at beginning of period	14,541	6,181
Cash and cash equivalents at end of period	17,298	6,291

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

GROUP	Group Figures							
	Share Capital	Other Reserve	Revaluation reserves	Non-distributable reserves	Translation adjustment account	Retained earnings	Minority Interest	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 January 2007	40,862	6,372	546	2,716	(5,037)	7,547	12,585	65,591
Foreign currency translation	-	-	-	-	(1,184)	-	(541)	(1,725)
Net profit for the period	-	-	-	-	-	678	163	841
Total recognised gains for the financial period	40,862	6,372	546	2,716	(6,221)	8,225	12,207	64,707
Transfer from retained profits to statutory reserves	-	-	-	829	-	(829)	-	-
Balance as at 31 March 2007	40,862	6,372	546	3,545	(6,221)	7,396	12,207	64,707

Balance as at 1 Apr 2007	40,862	6,372	546	3,545	(6,221)	7,396	12,207	64,707
Foreign currency translation	-	-	-	-	1,617	-	160	1,777
Net profit for the period	-	-	-	-	-	71	13	84
Total recognised gains for the financial period	40,862	6,372	546	3,545	(4,604)	7,467	12,380	66,568
Dividend paid during the period	-	-	-	-	-	(1,218)	(56)	(1,274)
Transfer from retained profits to statutory reserves	-	-	-	24	-	(24)	-	-
Balance as at 30 Jun 2007	40,862	6,372	546	3,569	(4,604)	6,225	12,324	65,294

GROUP	Group Figures							
	Share Capital	Other Reserve	Revaluation reserves	Non-distributable reserves	Translation adjustment account	Retained earnings	Minority Interest	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 January 2008	40,862	6,372	569	3,578	(4,451)	7,613	13,332	67,875
Foreign currency translation	-	-	-	-	(232)	-	(349)	(581)
Deemed disposal of an subsidiary	-	-	-	-	-	-	(770)	(770)
Net profit for the period	-	-	-	-	-	980	756	1,736
Total recognised gains for the financial period	40,862	6,372	569	3,578	(4,683)	8,593	12,969	68,260
Transfer from retained profits to statutory reserves	-	-	-	923	-	(923)	-	-
Balance as at 31 March 2008	40,862	6,372	569	4,501	(4,683)	7,670	12,969	68,260
Balance as at 1 April 2008	40,862	6,372	569	4,501	(4,683)	7,670	12,969	68,260
Foreign currency translation	-	-	-	-	502	-	57	559
Net profit for the period	-	-	-	-	-	2,217	584	2,801
Total recognised gains for the financial period	40,862	6,372	569	4,501	(4,181)	9,887	13,610	71,620
Transfer from retained profits to statutory reserves	-	-	-	69	-	(69)	-	-
Balance as at 30 June 2008	40,862	6,372	569	4,570	(4,181)	9,818	13,610	71,620

COMPANY	Company Figures		
	Share Capital	Retained earnings	Total Equity
	S\$'000	S\$'000	S\$'000
Balance as at 1 January 2007	40,862	2,532	43,394
Net profit for the year	-	2,051	2,051
Balance as at 31 March 2007	40,862	4,583	45,445
Balance as at 1 April 2007	40,862	4,583	45,445
Dividend paid during the period	-	(1,218)	(1,218)
Net loss for the period	-	(558)	(558)
Balance as at 30 June 2007	40,862	2,807	43,669
Balance as at 1 January 2008	40,862	1,785	42,647
Net profit for the period	-	2,169	2,169
Balance as at 31 March 2008	40,862	3,954	44,816

Balance as at 1 April 2008	40,862	3,954	44,816
Net loss for the period	-	(287)	(287)
Balance as at 30 June 2008	40,862	3,667	44,529

Non-distributable reserves represent amounts set aside in compliance with local laws in People's Republic of China ("PRC") where the Group operates. The amounts comprise enterprise expansion fund and general reserve fund.

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, 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.

There was no change in the Company's share capital during the Second quarter ended 30 June 2008.

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard).

The figures have not been audited nor reviewed by our auditors.

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

Not applicable.

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

The Group has adopted the same accounting policies and method of computation in the financial statements for the current reporting period compared to the audited financial statements for the financial year ended 31 December 2007.

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

Not applicable.

6. Earnings 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.

GROUP	SECOND QUARTER		FIRST HALF	
	2008	2007	2008	2007
(i) Based on the weighted average number of ordinary shares on issue	1.09 cents	0.03 cents	1.58 cents	0.37 cents
(ii) On a fully diluted basis	N.A.	N.A.	N.A.	N.A.
Weighted average number of ordinary shares on issue applicable to basic earnings per share	202,948,180	202,948,180	202,948,180	202,948,180

* The company does not have any dilutive instruments as at 30 June 2008.

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 period reported on and (b) immediately preceding financial year.

GROUP	Group		Company	
	30.6.2008	31.12.2007	30.6.2008	31.12.2007
Net asset value per ordinary share at the end of the financial period	28.6 cents	26.9 cents	21.9 cents	21.0 cents

Note:

Net asset value per ordinary share as at 30 June 2008 and 31 December 2007 were calculated based on the number of shares issued as at those dates of 202,948,180 of S\$0.20 per share each.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

SECOND QUARTER

Group revenue for the second quarter ended 30 June 2008 increased by 38% to S\$45.1 million as compared to S\$32.7 million in the previous corresponding period.

Fueled by the significant increase in the demand for the energy saving induction lamps, revenue from electrical lighting products rose 36.9% from S\$14.6 million to S\$20.0 million while the wire harness products rose 39% from S\$17.2 million to S\$23.9 million. Revenue from multi – layer ceramic heater products increased by 29.8% from S\$878,000 to S\$1.1 million.

Gross margin improved from 12.8% to 15.6% was due to the improved sales of higher margin electrical lighting products such as induction lamp, aluminum wire ballast and wire harness products.

The Group achieved a profit before tax of S\$3.6 million in the second quarter as compared to S\$287,000 in the previous corresponding period .General administration and selling expenses rose by 14.7% from S\$3.3 million to S\$3.8 million. Finance cost lowered to S\$457,000 from S\$632,000 with the increased bank borrowings from S\$28.3 million to S\$29.3 million giving rise to higher interest expenses but was offset by foreign exchange gain, resulting in a net reduction in finance cost.

FIRST HALF YEAR

Group revenue for the first half year of 2008 increased by 30.3% to S\$89.2 million from S\$68.5 million in the previous corresponding period. The increase came from the 3 main core products wire harness, the electrical lighting and semi- conductor products.

Revenue of wire harness products increased by 34.5% from S\$38.6 million to S\$51.9 million, electrical lighting products increased by 25.1% from S\$27.9 million to S\$34.9 million and multi-layer ceramic heater products increased by 26.3% from S\$1.9 million to S\$2.4 million.

Gross margin for the first six months improved from 12.9% to 15.6%.The improvement came from the higher sales of the electrical lighting products such as induction lamp and the low cost aluminum ballast where the margin of these products are higher than the other traditional lighting products. Revenue from the sales of induction lamp has improved from S\$2.1 million to S\$5.9 million in the first six months of 2008.

Group profit before tax surged 359.7% from S\$1.3 million in the previous corresponding period to a profit of S\$6.0 million. The main driver was the improved sales of higher margin electrical products such as induction lamp with strong growth in the first six months of 2008. Selling and administration cost rose by 9.7% only resulted from cost reduction measures taken by the management.

Total current assets increased marginally from S\$84.2 million to S\$84.9 million attributed to the increased in other receivables of S\$2.7 million and bank balance of S\$7.8 million but offset by reduction in inventories of S\$6.5 million and S\$2.9 million from amount owing by related parties.

Total current liabilities decreased by S\$3.2 million from S\$68.8 million to S\$65.6 million mainly due to decrease in trade payables of S\$2.8 million and S\$4.3 million of amount due to related parties and offset by the increase in bank borrowings of S\$2.9 million. Short term loans increased due to working capital requirement largely due to the increased production of induction lamp.

Total long term bank loan was reduced from S\$2.2 million to S\$1.6 million. Total net assets increased by S\$ 3.7 million in tandem with the net profit of S\$ 4.5 million achieved in the 1H 2008.

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

Not applicable.

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 affect the group in the next reporting period and the next 12 months.

Efforts in the promotion and marketing of energy saving and environmentally friendly lighting products induction lamp have shown strong growth in the first half of 2008. With the ongoing global measures in energy conservation, our induction lamp and HID electronic ballast are well placed to be able to gain bigger market share both in domestic China market as well as USA, Europe and Asia. In China, revenue from highway and tunnel lightings contracts continued to gain momentum in the 1H 2008.

Revenue from wire harness product improved since 2H 2007 due to increased confirmed order by our Japanese customer and revenue for FY 2008 is expected to be higher than FY 2007.

The Group will focus on the expansion of our induction lamp production capabilities to gain larger market share. Our plant in Nanping, China is currently expanding its production facilities to increase the production of induction lamp to meet the rising demand for these products. A new production line capable of doubling our current production should be in place by 4Q 2008. The increase in production line will translate into increment in revenue for this segment going forward.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? No

Name of Dividend: -
Dividend Type: -
Dividend Rate: -
Par Value of Share: -
Tax Rate: -

(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

The date payable for the dividend will be

Not applicable

(d) Books closure date

Not applicable

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

Not applicable.

13. Interested Person Transactions for the Period Ended 30 June 2008.

Aggregate value of all transactions conducted under a shareholders' mandate approved at the AGM on 26 April 2007 pursuant to Rule 920 of the SGX-ST Listing Manual.

	2008 <u>S\$ '000</u>	2007 <u>S\$ '000</u>
Juan Kuang Holdings Sdn Bhd (Group)	258	296
Juan Kuang Pte Ltd	107	102

CONFIRMATION BY THE BOARD

We, Ang Chiong Chai and Tan Boon Kiat being two directors of JK Yaming International Holdings Limited do hereby confirm on behalf of the directors that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the second quarter 2008 financial results to be false or misleading.

On behalf of the directors

Ang Chiong Chai
Executive Chairman

Tan Boon Kiat
Director

13/08/2008