## JK YAMING INTERNATIONAL HOLDINGS LTD

## Unaudited Group Full Year Financial Statement And Dividend Announcement

**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 year ended 31 December 2006

| GROUP | 2006 | 2005 | Increase / (Decrease) |
|---|---|---|---|
| | S$'000 | S$'000 | % |
| Revenue | 139,487 | 137,057 | 1.8 |
| Cost of sales | (121,286) | (120,727) | 0.5 |
| Gross profit | 18,201 | 16,330 | 11.5 |
| Other income including interest income,net | 1,996 | 2,793 | (28.5) |
| Selling, general and administration expenses | (12,775) | (12,016) | 6.3 |
| Other expenses (legal) | (1,141) | (498) | 129.1 |
| Finance costs | (1,658) | (826) | 100.7 |
| Share of results of an associated company | - | (113) | N.M* |
| Profit before tax | 4,623 | 5,670 | (18.5) |
| Tax | (930) | (902) | 3.1 |
| **Net profit for the period** | **3,693** | **4,768** | **(22.5)** |
| | | | |
| Attributable to: | | | |
| **Equity holders of the Company** | **2,156** | **3,343** | **(35.5)** |
| **Minority interests** | **1,537** | **1,425** | **7.9** |
| **Net profit for the period** | **3,693** | **4,768** | **(22.5)** |

N.M.*: Not Meaningful

(ii) Notes to Income Statement

| GROUP | 2006 | 2005 | Increase / (Decrease) |
|---|---|---|---|
| | S$'000 | S$'000 | % |
| Depreciation and amortisation | (5,573) | (5,155) | 8.1 |
| Provision for doubtful debts | (323) | (800) | (59.6) |
| Foreign exchange (loss)/gain | (380) | 299 | (227.1) |
| (Loss)/Gain on disposal of property, plant & equipment | (303) | 10 | N.M*. |
| Interest on borrowings | (1,279) | (719) | 77.9 |
| Interest income | 47 | 25 | 88.0 |
| Investment property revaluation gain | 396 | 1,103 | (64.1) |

N.M* : 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.**

| **Balance Sheet** | Group | | Company | |
|---|---|---|---|---|
| | 31.12.2006 | 31.12.2005 | 31.12.2006 | 31.12.2005 |
| | S$'000 | S$'000 | S$'000 | S$'000 |
| | | | | |
| Share capital | 40,862 | 40,862 | 40,862 | 40,862 |
| **Reserves** | **12,147** | **14,806** | 2,532 | 4,593 |
| Share capital and reserves | 53,009 | 55,668 | 43,394 | 45,455 |
| **Minority interests** | **12,582** | **12,812** | - | - |
| | 65,591 | 68,480 | 43,394 | 45,455 |
| Represented by:- | | | | |
| Non-Current Assets: | | | | |
| Property, plant and equipment | 47,482 | 51,275 | 1,657 | 1,721 |
| Investment in subsidiaries | - | - | 47,042 | 47,042 |
| Investment property | 7,317 | 7,281 | - | - |
| Other non-current assets | 676 | 837 | - | - |
| | 55,475 | 59,393 | 48,699 | 48,763 |
| Current Assets: | | | | |
| Inventories | 27,436 | 28,477 | - | - |
| Trade debtors | 22,784 | 20,038 | **-** | **-** |
| Other debtors and receivables | 4,518 | 5,320 | 6 | 6 |
| Amounts due from subsidiaries | - | - | 1,967 | 1,624 |
| Amounts due from related parties | 12,373 | 11,197 | - | - |
| Cash and bank balances | 7,930 | 7,144 | 162 | 413 |
| | 75,041 | 72,176 | 2,135 | 2,043 |
| | | | | |
| Current Liabilities: | | | | |
| Borrowings | 23,070 | 19,763 | 3,837 | 1,326 |

| | | | | |
|---|---|---|---|---|
| Trade creditors | 21,262 | 19,020 | - | - |
| Other creditors and payables | 7,649 | 8,244 | 687 | 398 |
| Amounts due to related parties | 9,055 | 9,459 | - | - |
| Current income tax liabilities | 785 | 873 | - | 100 |
| Deferred tax liabilities | 158 | - | - | - |
| Payable to directors | 30 | 323 | - | 183 |
| | 62,009 | 57,682 | 4,524 | 2,007 |
| | | | | |
| Net Current Assets | 13,032 | 14,494 | (2,389) | 36 |
| | | | | |
| Non-Current Liabilities: | | | | |
| Borrowings | 2,916 | 5,407 | 2,916 | 3,344 |
| | | | | |
| Net Assets | 65,591 | 68,480 | 43,394 | 45,455 |

**1(b)(ii) Aggregate amount of group's borrowings and debt securities.**
**Amount repayable in one year or less, or on demand**

| As at 31/12/2006 | | As at 31/12/2005 | |
|---|---|---|---|
| Secured | Unsecured | Secured | Unsecured |
| S$ 386,000 | S$ 22,684,000 | S$ 273,000 | S$ 19,490,000 |

**Amount repayable after one year**

| As at 31/12/2006 | | As at 31/12/2005 | |
|---|---|---|---|
| Secured | Unsecured | Secured | Unsecured |
| S$ 2,807,000 | S$ 109,000 | S$ 3,344,000 | S$ 2,063,000 |

**Details of any collateral**

(a) Included in bank loans of the Group are loans by the parent company amounted approximately $3.2 million, which are secured by mortgages over the Group's freehold property.

(b) As at 31 December 2006, the Group provided guarantees of approximately $1.1 million to a corporation in which one of the Company's Directors has an interest. That corporation in return has guaranteed approximately $4.6 million of the Group's bank borrowings.

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

| **GROUP** | 2006 | 2005 |
|---|---|---|
| | S$'000 | S$'000 |
| **Cash flow from operation activities** | | |
| Profit after tax | 3,693 | 4,768 |
| Adjustment for non-cash items | | |
| Depreciation of property, plant & equipment | 5,414 | 5,058 |
| Amortisation of other non-current assets | 159 | 97 |
| Share of loss an associated company | - | 113 |
| Interest expense | 1,279 | 719 |
| Interest income | (47) | (25) |
| Investment property revaluation gain | (396) | (1,103) |
| Tax | 930 | 902 |
| Negative Goodwill | - | (603) |
| Loss/(Gain) on disposal of property, plant and | 297 | (10) |

| | | |
|---|---|---|
| equipment | | |
| Operating profit before working capital change | 11,329 | 9,916 |
| | | |
| (Increase )/ decrease in | | |
| - inventories | 1,041 | 118 |
| - trade debtors | (2,746) | (703) |
| - other debtors and receivables | 801 | 4,386 |
| - amount due from related parties | (1,176) | (1,422) |
| - long term receivable | - | 789 |
| - other non-current assets | (11) | (241) |
| Increase / (decrease) in | | |
| - trade creditors | 2,242 | 916 |
| - other creditors and payables | (446) | (3,973) |
| - amount due to related parties | (404) | (3,073) |
| - payable to directors | (293) | 43 |
| - unrealized translation (loss)/gain | (2,278) | 134 |
| | | |
| Cash generated from operations | 8,073 | 6,890 |
| | | |
| Income tax paid | (1,072) | (715) |
| | | |
| **Net cash inflows from operating activities** | 7,001 | 6,175 |
| | | |
| **Cash flow from investing activities** | | |
| Proceeds from sale of property, plant & equipment | 28 | 1,435 |
| Payment for purchase of non-current assets | (4,109) | (8,010) |
| Payment for acquiring subsidiary | - | (2,302) |
| Interest received | 47 | 25 |
| | | |
| **Net cash outflows from investing activities** | (4,034) | (8,852) |
| | | |
| **Cash flow from financing activities** | | |
| Increase in amount due to related parties | - | 808 |
| Proceeds from minority interest | - | 35 |
| Dividends paid to minority interest | (777) | (1,387) |
| Proceeds from borrowings | 20,662 | 28,378 |
| Interest paid | (1,279) | (719) |
| Repayment of borrowing | (18,666) | (22,793) |
| Dividends paid to shareholders | (2,435) | (2,435) |
| | | |
| **Net cash (outflows)/inflows from financing activities** | (2,495) | 1,887 |
| | | |
| Net increase/(decrease) in cash and cash equivalents | 458 | (790) |
| Effects of exchange rate changes on cash and cash equivalents | 328 | 299 |
| Cash and cash equivalents at beginning of period | 7,144 | 7,635 |
| **Cash and cash equivalents at end of period** | 7,930 | 7,144 |

**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 | Share Capital | Other Reserve | Revaluation Reserve | Retained Profits | Non-distributable reserves | Translation Reserve | 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 2005 | 40,862 | 6,372 | - | 8,560 | 1,084 | (4,516) | 12,027 | 64,389 |
| Transfer of reserve: | | | | | | | | - |
| Foreign currency translation | - | - | - | - | - | 1,852 | 747 | 2,599 |
| Dividend paid during the year | - | - | - | (2,435) | | | (1,387) | (3,822) |
| Revaluation surplus | - | | 546 | - | - | - | - | 546 |
| Net profit for the period | - | - | - | 3,343 | - | - | 1,425 | 4,768 |
| Addition from subsidiary acquisition | - | - | - | - | - | - | - | - |
| Transfer from retained profits | - | - | - | (682) | 682 | - | - | - |
| Balance as at 31 December 2005 | 40,862 | 6,372 | 546 | 8,786 | 1,766 | (2,664) | 12,812 | 68,480 |
| | | | | | | | | |
| | | | | | | | | |
| Balance as at 1 January 2006 | 40,862 | 6,372 | 546 | 8,786 | 1,766 | (2,664) | 12,812 | 68,480 |
| Transfer of reserve: | | | | | | | | - |
| Foreign currency translation | - | - | - | - | - | (2,380) | (982) | (3,362) |
| Dividend paid during the year | - | - | - | (2,435) | | | (785) | (3,220) |
| Revaluation surplus | - | | - | - | - | - | - | - |
| Net profit for the period | - | - | - | 2,156 | - | - | 1,537 | 3,693 |
| Prior year adjustment | - | - | - | - | - | - | - | - |
| Transfer from retained profits | - | - | - | (950) | 950 | - | - | - |
| Balance as at 31 December 2006 | 40,862 | 6,372 | 546 | 7,557 | 2,716 | (5,044) | 12,582 | 65,591 |

| COMPANY | Share Capital | Retained Profits | Total Equity |
|---|---|---|---|
| | S$'000 | S$'000 | S$'000 |
| | | | |
| Balance as at 1 January 2005 | 40,862 | 6,043 | 46,905 |
| Dividend paid during the year | - | (2,435) | (2,435) |
| Net profit for the year | - | 985 | 985 |
| Balance as at 31 December 2005 | 40,862 | 4,593 | 45,455 |
| | | | |
| Balance as at 1 January 2006 | 40,862 | 4,538 | 45,400 |
| Dividend paid during the year | - | (2,435) | (2,435) |
| Net profit for the year | - | 429 | 429 |
| Balance as at 31 December 2006 | 40,862 | 2,532 | 43,394 |

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 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 financial year ended 31 December 2006.

**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.**

Except as disclosed in paragraph 5 below, the Group has adopted the same accounting policies and method of computation in the financial statements for the current financial year compared to the audited financial statements for the financial year ended 31 December 2005.

**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**

In 2006, the Group and Company adopted the following applicable Financial Reporting Standards ("FRS") and Interpretations to FRS ("INT FRS").
There are no material adjustments arising from the adoption of the FRS and INT FRS listed below:

| | |
|---|---|
| FRS 19 (Amendment) | Employee Benefits |
| FRS 21 (Amendment) | The Effects of Changes in Foreign Exchange Rates |
| FRS 32 (Amendment) | Financial Instruments: Disclosures and Presentations |
| FRS 39 (Amendment) | Financial Instruments: Recognition and Measurement |
| INT FRS 104 | Determining whether an Arrangement contains a Lease |

Operations
The Group and the Company have also early adopted the revised Financial Reporting Standards ("FRS") 40: Investment Property in FY2005. By applying the fair value method, the Group has recognized the gain of the re-valuation of its investment properties in the Group's income statement. The valuation was conducted by independent valuers.
The adoption of the above FRS, except for FRS 40 as disclosed, did not have any material impact on the Group's and the Company's financial statements.

**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** | 2006 | 2005 |
|---|---|---|
| (i) Based on the weighted average number of ordinary shares on issue | 1.06 cents | 1.65 cents |
| (ii) On a fully diluted basis | N.A. | N.A. |
| Weighted average number of ordinary shares on issue applicable to basic earnings per share | 202,948,180 | 202,948,180 |

* The company does not have any dilutive instruments as at 31 December 2006.

**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 | | Company | |
|---|---|---|---|---|
| | 31.12.2006 | 31.12.2005 | 31.12.2006 | 31.12.2005 |
| Net asset value per ordinary share at the end of the financial year | 26.0 cents | 27.4 cents | 21.4 cents | 22.4 cents |

**Note:**
Net asset value per ordinary share as at 31 December 2006 and 31 December 2005 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.**

**Turnover**

| **Q4 2006 Turnover** | Q4 2006 | Q4 2005 | Growth | Increase |
|---|---|---|---|---|
| | S$'000 | S$'000 | S$'000 | % |
| Electrical Lighting | 18,671 | 11,810 | 6,861 | 58% |
| Wire Harness | 25,861 | 20,756 | 5,105 | 25% |
| Semi - Conductor | 1,357 | 644 | 713 | 111% |
| Total | 45,889 | 33,210 | 12,679 | 38% |

For the 4th quarter, the Group turnover surged by 38% over the same period last year with improvement from the 3 core business divisions (a) Wire harness and (b) Electrical lighting products (c) the multi – layer ceramic heater produced by the Semi-conductor division.

(a) Wire harness. Since the beginning of 2006, sales volume of wire harness has suffered with reduction of 22% in Q1 and 24% in Q2 2006 against the same period 2005. Although Q3 sales has strengthened but still a reduction of 4 % compared with Q3 2005. However, Q4 sales have turnaround with sales volume increased by 25% against Q4 2005. Strong revenue growth was reported in Q4 resulted from agreement reached with our major customer Sumitomo Wiring System, Japan.

(b) Electrical lighting products. We have seen substantial increase in demand for induction lamp, electronic ballast and aluminum wire ballast in the Q4 2006 from overseas market. Export demand largely came from USA, Europe and Korea which increased the Q4 2006 sales by 58% against Q4 2005.

(c) Semi – Conductor. The new multi- layer ceramic heater took off positively in December and currently demand outstrips our maximum production output. We are in the process to increase production to meet the increased order by adding another 3 production lines in the near future.

| FY 2006 Turnover | 2006 | 2005 | Growth/(Decline) | Increase / (Decrease) |
|---|---|---|---|---|
| | S$'000 | S$'000 | S$'000 | % |
| Electrical lighting | 52,022 | 46,330 | 5,692 | 12.3 |
| Wire Harness | 82,679 | 88,050 | (5,371) | (6.1) |
| Semi - Conductor | 4,786 | 2,677 | 2,109 | 78.8 |
| Total | 139,487 | 137,057 | 2,430 | 1.8 |

The Group achieved a marginal 1.8% increase in sales for 2006. Sales for wire-harness dropped by 6% from S$88.1 million to S$82.7 million due to the low demand in the first half of 2006. Sales gradually picked up in Q3 and finally sales in Q4 2006 exceeded Q4 2005 by 25%. We expect demand will continue into 2007 after successful negotiation with our major Japanese customer.

Sales of Electrical lighting products surged by 12.3% with substantial increases from new products, such as aluminum wire ballast, electronic ballast and induction lamp. This was largely boosted by overseas order from USA, Europe and Korea.

The successful launch of our new product multi – layer ceramic heater has surged from S$0.9 million in Q3 2006 to S$1.4 million in Q4 2006. Full year 2006 sales increased by 79% from S$2.7 million in FY 2005 to S$4.8 million in FY 2006. We are encouraged by this breakthrough and are in the process to increase production to meet the new demand.

**Profit Before Tax**

Group profit before tax decreased by 18.5% from S$5.7 million in FY 2005 to S$4.6 million in FY 2006. The reduction in the profit before tax of S$1.1 million can be attributed to the followings:

(a) Legal expenses of S$1.14 million incurred for legal suit in United States of America
(b) Increased material cost due to escalation of copper price.
(c) Increase in admin expenses due to higher wages and depreciation cost.
(d) Increases in distribution and manpower in line with the increase in sales volume in the electrical and semi-conductor divisions.

Sales of certain products with higher margin such as the aluminum wire ballast, electronic ballast, induction lamp and the new multi – layer ceramic heater have offset some of the losses contributed by the abovementioned cost increase. The gross margin has improved from 11.9% in FY 2005 to 13% in FY 2006.

**Net Profit**

Net profit after tax declined by 23% to S$3.7 million in FY2006 as compared to S$4.8 million in FY 2005. Higher effective tax rate of 20% was provided against 16% for FY 2005 due to provision of deferred tax and the lower profit earned by subsidiaries with tax – exempted holidays.

**Balance Sheet and Cash Flow**

Cash and cash equivalents were S$7.9 million as at 31 December 2006 representing 10.6% of our total asset compared to S$7.3 million or 10.1% of total asset as of 31 December 2005.

Trade receivable accounts increased by 13.7% from S$20 million in FY 2005 to S$22.8 million in FY 2006. The increase was largely due to the increase in sales of S$12.7 million in Q4 2006.

Trade payable accounts reduced by 8.7% from S$19 million to S$17.4 million whereas bank borrowings increased by 3% from S$25.2 million to S$25.9 million to finance working capital requirements.

Net tangible asset decreased by 4.8% from S$55.7 million to S$53.0 million mainly due to the loss in translation resulted from the strengthening of Singapore dollars against the Chinese RMB.

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

Despite the strong come back in Q4 2006 with sales of S$45.9 million against S$33.2 million in Q4 2005, the full year profit before tax reduced by 18.5% from S$5.7 million to S$4.6 million. This is in line with the profit guidance announcement on 4th May 2006 and a profit warning announcement on 1 Aug 2006 that the results of the Group will be significantly affected by the high material costs and the additional legal costs in defending a legal suit in USA.

### 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.

In early part of 2006, the Group has taken steps to focus on promoting and marketing lighting products with lower material cost such as the newly launched aluminum wire ballast vis a vis the conventional copper wire ballast. The acceptance of the new aluminum wire ballast was more prominent where sales surged by 39% in Q4 against Q3 2006. The gross profit margin of aluminum wire ballast is about 24% higher than the copper wire ballast. Currently we have achieved about 41% ballast sales which are aluminum made. This is promising as the sales approaching the 50% mark and reflects more consumers are willing to switch to aluminum wire ballast. The sales of electronic ballast and induction lamps are also taking off with sales increased of 460% for the electronic ballast to S$1.6 million from S$300,000 in 2005. The Group is aggressively promoting the sales of induction lamps and has managed to penetrate into USA, Europe and Korea market recently. The next target will be Middle East, Canada and Mexico. With continuous efforts by our R&D department, the new product multi – layer ceramic heater has been commercially accepted as shown in the Q4 2006 results and production has been full since December. We expect sales will continue to be strong into 2007 while management is making arrangement to increase production facilities. The sales of wire harness products have also returned to satisfactory level in December after successful negotiation with our major Japanese customer.

The Group is currently defending a lawsuit brought against the parent company and its subsidiaries Fujian Juan Kuang Yaming Electrical Limited and Anhui Juan Kuang Electrical Co.,Ltd by Seague Electronics Inc and Shine Capacitor LLC in the United States of America. The directors are of the view that the claims lack merit and have appointed international law firm in the United Sates to act as legal counsel to defend the claims.

Going forward, the Group expects to continue benefiting from growing demand in wire harness, electrical lighting products and multi – layer ceramic heater which shall keep our plants in full swing for the next 12 months. We are very encouraged by the improved Q4 results and will continue to expand our product line and market our environmental friendly lighting products.

The Group is optimistic of its prospects for 2007.

### 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: $0.20
Tax Rate: -

The Directors recommended a tax-exempted Final Dividend of 3.0% in respect of the financial year ended 31 December 2006.

***(b) Corresponding Period of the Immediately Preceding Financial Year***

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

A tax-exempted Final Dividend of 6.0% was declared in respect of the financial year ended 31 December 2005.

***(c) Date payable***

The date payable for the dividend will be announced at a later date.

*(d) Books closure date*
Notice of books closure for determining shareholders' entitlement of the proposed dividend will be announced at a later date.

**12. If no dividend has been declared / recommended, a statement to that effect.**
Not applicable.

**PART 2 - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**
**(This part is not applicable to Q1,Q2,Q3 or Half Year Results)**

**13. Segment revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

| | | Turnover | | Operating profit | |
|---|---|---|---|---|---|
| | | S$'000 | S$'000 | S$'000 | S$'000 |
| | | **2006** | **2005** | **2006** | **2005** |
| Segment by Product | | | | | |
| Lighting products | | 52,022 | 46,330 | 2,754 | 1,896 |
| Wire harness | | 82,679 | 88,050 | 2,234 | 3,270 |
| Semi conductor | | 4,786 | 2,677 | 1,293 | (123) |
| Unallocated gain | | - | - | - | 1,706 |
| | | 139,487 | 137,057 | 6,281 | 6,749 |
| Segment by Region | | | | | |
| China | | 17,079 | 19,775 | | |
| Japan | | 79,390 | 87,540 | | |
| Others | | 43,018 | 29,742 | | |
| | | 139,487 | 137,057 | | |

**14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

Business Segments
In FY 2006 the electrical lighting segment has done well with sales growth of 15.2% while the sales of the wire harness segment dropped by 7.5%. Sales of the electrical lighting products contributed 38% while the wire harness contributed 58% to the Group revenue.

The semi-conductor segment was most promising with a record sales increase of 76% and contributed S$1-3 million to the Group operating profit. With the successful new product multi layer ceramic heater, this segment has good potential to grow and increase its share of contributions in 2007.

Geographical Segments
In FY2006, turnover from the China market reduced by 13.6% from $19.8 million in FY 2005 to S$17 million.
The reduction was mainly attributed to lower sales of lighting products to the local China market. The sales to Japan in FY 2006 reduced by 9.3% from S$87.5 million to S$79.4 million. This was resulted from the reduced order by its main customer Sumitomo Wiring System Ltd. Japan.

Sales of electrical lighting products to Europe, USA and Korea were good as our environmental friendly lighting products are making good progress into these regions. The total sales to other region surged 45% from S$29.7 million to S$43 million during the year.

**15. A breakdown of sales**

| | | Group | | |
|---|---|---|---|---|
| | | S$'000 | | % |
| | | Year ended 31.12.2006 | Year ended 31.12.2005 | Increase / (Decrease) |
| ( a ) | Sales reported for first half year | 60,687 | 75,885 | (20) |
| ( b ) | Operating profit/(loss) after tax before deducting minority interests reported for first half year | (309) | 3,051 | (110) |
| ( c ) | Sales reported for second half year | 78,800 | 61,172 | 29 |
| ( d ) | Operating profit/(loss) after tax before deducting minority interests reported for second half year | 4,002 | 1,717 | 133 |

**16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year**
**Total Annual Dividend (Refer to Para 16 of Appendix 7.2 for the required details)**

| | Latest Full Year | Previous Full Year |
|---|---|---|
| | S$'000 | S$'000 |
| Ordinary | 2,435 | 2,435 |
| Total | 2,435 | 2,435 |

**17. Interested Person Transactions for the Financial Year Ended 31 December 2006.**
Aggregate value of all transactions conducted under a shareholders' mandate approved at the AGM on 26 April 2006 pursuant to Rule 920 of the SGX-ST Listing Manual.

| | 2006<br>S$ '000 | 2005<br>S$ '000 |
|---|---|---|
| Juan Kuang Holdings Sdn Bhd | 512 | 699 |
| Juan Kuang Pte Ltd | 232 | 279 |

**BY ORDER OF THE BOARD**

Ang Chiong Chai
Executive Chairman
01/03/2007