

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 2007

GROUP	SECOND QUARTER			FIRST HALF		
	2007	2006	Increase / (Decrease)	2007	2006	Increase / (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Sales	32,702	29,164	12.1	68,470	60,687	12.8
Cost of sales	(28,508)	(25,686)	11.0	(59,607)	(53,567)	11.3
Gross profit	4,194	3,478	20.6	8,863	7,120	24.5
Other gains - miscellaneous(net)	317	291	8.9	336	874	(61.6)
Selling, general and administration expenses	(3,270)	(3,574)	(8.5)	(6,501)	(6,586)	(1.3)
Other expenses - (Legal)	(322)	(504)	(36.1)	(452)	(634)	(28.7)
Finance costs	(632)	(567)	11.5	(930)	(776)	19.8
Profit/ (loss) before income tax	287	(876)	N.M	1,316	(2)	N.M
Income tax expenses	(203)	(66)	207.6	(391)	(307)	27.4
Total profit/(loss)	84	(942)	N.M	925	(309)	N.M
Attributable to:						
Equity holders of the Company	71	(876)	N.M	749	(392.0)	N.M
Minority interests	13	(66)	N.M	176	83	112.0
	84	(942)	N.M	925	(309.0)	N.M

N.M.*: Not Meaningful

(ii) Notes to Income Statement

GROUP	SECOND QUARTER			FIRST HALF		
	2007	2006	Increase / (Decrease)	2007	2006	Increase / (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Depreciation and amortisation	1,226	1,182	3.7	2,504	2,422	3.4
Foreign exchange loss/(gain)	(221)	(892)	(75.2)	(1,199)	(1,078)	11.2
Interest on borrowings	468	248	88.7	784	407	92.6
Interest income	(7)	(11)	(36.4)	(57)	(23)	147.8

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	
	30.6.2007	30.6.2006	30.6.2007	30.6.2006
	S\$'000	S\$'000	S\$'000	S\$'000
Share capital	40,862	40,862	40,862	40,862
Reserves	12,108	11,951	2,807	3,384
Share capital and reserves	52,970	52,813	43,669	44,246
Minority interests	12,324	11,426	-	-
	65,294	64,239	43,669	44,246
Represented by:-				
Non-Current Assets:				
Investment in subsidiaries	-	-	47,042	47,042
Property, plant and equipment	47,577	49,459	1,624	1,728
Investment properties	7,499	7,047	-	-
Intangible assets	836	804	-	-
Long-term receivables	-	-	-	-
	55,912	57,310	48,666	48,770
Current Assets:				
Inventories	27,838	26,188	-	-
Trade receivables	22,663	22,575	-	-
Other receivables	6,407	5,455	2,262	2,096
Amount owing by related parties	8,702	8,105	-	-
Cash and cash equivalents	6,291	5,904	-	-
	71,901	68,227	2,262	2,096
Current Liabilities:				
Trade payables	22,314	22,732	-	-
Other payables	6,849	8,462	801	438
Amount due to related parties	4,924	3,991	-	-
Borrowings	25,452	22,636	3,580	3,173
Current income tax liabilities	102	468	-	-
Payable to directors	-	94	-	94
	59,641	58,383	4,381	3,705
Net Current Assets	12,260	9,844	(2,119)	(1,609)
Non-Current Liabilities:				
Borrowings	2,878	2,915	2,878	2,915
Net Assets	65,294	64,239	43,669	44,246

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

As at 30/6/2007		As at 31/12/2006	
Secured	Unsecured	Secured	Unsecured
S\$84,000	S\$25,368,000	S\$386,000	S\$ 22,684,000

Amount repayable after one year

As at 30/6/2007		As at 31/12/2006	
Secured	Unsecured	Secured	Unsecured
S\$ 2,769,000	S\$ 109,000	S\$ 2,807,000	S\$ 109,000

Details of any collateral

(a) Included in bank loans of the Group are loans by the parent company amounted approximately \$2.89 million, which are secured by mortgages over the Group's freehold property.

(b) Also included in bank loans of the Group is another bank loan in China amounted approximately \$2.0 million, which is secured by a legal mortgage over the office building of a subsidiary.

(c) As at 30 June 2007, the Group provided guarantees of approximately \$440,000 to a corporation in which one of the Company's Directors has an interest. That corporation in return has guaranteed approximately \$7.0 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	SECOND QUARTER	
	2007	2006
	S\$'000	S\$'000
Cash flow from operation activities		
Profit/(Loss) before tax	287	(876)
Adjustment for non-cash items		
Depreciation of property, plant & equipments	1,226	1,182
Amortisation of intangible assets	46	55
Interest expense	468	248
Interest income	(7)	(11)
Gain/(Loss) on disposal of property, plant and equipment	-	40
Operating profit before working capital change	2,020	638
(Increase)/ decrease in		
- inventories	(3,059)	(248)
- trade receivables	(1,418)	(1,734)
- other receivables	563	522
- amount due from related parties	1,436	1,597
- other non-current assets	(800)	316
Increase / (decrease) in		
- trade payable	3,828	5,133
- other payables	(48)	(242)
- amount due to related parties	(737)	(718)
- payable to directors	(50)	(148)
- Effect of exchange rate change	(221)	(892)
Cash generated from operations	1,514	4,224
Interest received	7	11
Interest paid	(468)	(248)
Income tax paid	47	(347)
Net cash from operating activities	1,100	3,640

Cash flow from investing activities		
Proceeds from sales of property, plant & equipments	17	-
Purchase of non-current assets	(507)	(174)
Net cash used in investing activities	(490)	(174)

Cash flow from financing activities		
Amount from related parties	-	96
Payment of dividends to minority interest	(56)	(61)
Proceed from loan and borrowing	1,187	2,704
Repayment of borrowing	(580)	(4,716)
Dividend paid during the year	(1,218)	(2,435)
Net cash used in financing activities	(667)	(4,412)
Net decrease in cash and cash equivalents	(57)	(946)
Effects of exchange rate changes on cash and cash equivalents	167	-
Cash and cash equivalents at beginning of period	6,181	6,850
Cash and cash equivalents at end of period	6,291	5,904

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							Total Equity
	Share Capital	Other Reserve	Revaluation reserves	Non-distributable reserves	Translation adjustment account	Retained earnings	Minority Interest	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 January 2006	40,862	6,372	546	1,766	(2,664)	8,786	12,812	68,480
Currency transaction	-	-	-	-	237	-	(1,383)	(1,146)
Net profit for the period	-	-	-	-	-	484	149	633
Total recognised gains for the financial period	40,862	6,372	546	1,766	(2,427)	9,270	11,578	67,967
Transfer from retained profits to statutory reserves	-	-	-	777	-	(777)	-	-
Dividend paid during the period	-	-	-	-	-	-	(728)	(728)
Balance as at 31 March 2006	40,862	6,372	546	2,543	(2,427)	8,493	10,850	67,239

Balance as at 1 Apr 2006	40,862	6,372	546	2,543	(2,427)	8,493	10,850	67,239
Net gains not recognised in the income statement -	-	-	-	-	-	-	-	-
Currency transaction	-	-	-	8	(273)	-	703	438
Net profit for the period	-	-	-	-	-	(876)	(66)	(942)
Total recognised gains for the financial period	40,862	6,372	546	2,551	(2,700)	7,617	11,487	66,735
Transfer from retained profits to statutory reserves	-	-	-	173	-	(173)	-	-
Dividend paid during the period	-	-	-	-	-	(2,435)	(61)	(2,496)
Balance as at 30 Jun 2006	40,862	6,372	546	2,724	(2,700)	5,009	11,426	64,239

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 April 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 June 2007	40,862	6,372	546	3,569	(4,604)	6,225	12,324	65,294

COMPANY	Company Figures		
	Share Capital	Retained Profits	Total Equity
	S\$'000	S\$'000	S\$'000
Balance as at 1 January 2006	40,590	4,538	45,400
Dividend paid during the period	-	-	-
Net loss for the period	-	(417)	(417)
Balance as at 31 March 2006	40,590	4,121	44,983
Balance as at 1 April 2006	40,862	4,121	44,983
Dividend paid during the period	-	(2,435)	(2,435)
Net profit for the period	-	1,698	1,698
Balance as at 30 June 2006	40,862	3,384	44,246
Balance as at 1 January 2007	40,862	2,532	43,394
Dividend paid during the period	-	-	-
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

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 Second quarter ended 30 June 2007.

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 financial year compared to the audited financial statements for the financial year ended 31 December 2006.

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	
	2007	2006	2007	2006
(i) Based on the weighted average number of ordinary shares on issue	0.03 cents	(0.43 cents)	0.37cents	(0.19 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 2007.

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	
	30.6.2007	31.12.2006	30.6.2007	31.12.2006
Net asset value per ordinary share at the end of the financial period	26.1 cents	26.0 cents	21.5 cents	21.4 cents

Note:

Net asset value per ordinary share as at 30 June 2007 and 31 December 2006 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 2007 increased by 12.1% to \$32.7 million as compared to \$29.2 million in the previous corresponding period.

The increase came from all divisions. The electrical lighting products rose 21.5% from \$11.8 million to \$14.3 million while the wire harness products rose 3% from \$16.7 million to \$17.2 million. Revenue from multi – layer ceramic heater products increased by 91.7% from \$458,000 to \$ 878,000.

Gross margin improved from 11.9% to 12.8% was due to the improved sales of higher margin electrical lighting products such as the induction lamp, HID electronic ballast and the aluminum wire ballast. However, overall gross margin was pulled down by the fall in margin in the wire harness products largely due to the increase in the price of copper.

The Group achieved a profit before tax of \$287,000 in the second quarter as compared to a loss of \$876,000 in the previous corresponding period .General administration and selling expenses reduced by 8.5% from \$3.6 million to \$3.3 million. Finance cost increased to \$632,000 from \$567,000 in tandem with the increased bank borrowings from \$25.6 million to \$28.3 million.

FIRST HALF YEAR

Group revenue for the first half year of 2007 increased by 12.8% to \$68.5 million from \$60.7 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 9% from \$35.4 million to \$ 38.6 million, electrical lighting products increased by 11.8% from \$24.5 million to \$27.4 million and multi-layer ceramic heater products increased by 193.5% from \$ 648,000 to \$1.9million.

Gross margin for the first six months improved from 11.7% to 12.9%.The improvement came from the sales of the electrical lighting products such as the induction lamp, HID electronic ballast 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 \$184,000 to \$2.1 million in the first six months of 2007. Overall margin was dampen by the increased in copper price affecting margin in the wire harness products.

Group profit before tax turned around from a loss of \$2,000 in the previous corresponding period to a profit of \$1.3 million. The main driver was the improved sales of higher margin electrical products such as induction lamp and HID electronic ballast with positive growth in the first six months of 2007. Selling and Administration cost has been reduced resulted from cost reduction measures taken by the management. Finance cost increased by 19.8% in tandem with the Increase in bank loans from \$25.6 million to \$28.3 million.

Total current assets increased by \$3.7 million from \$68.2 million to \$71.9 million attributed to the increased in inventories of \$1.6 million, trade debtors of \$1.4 million and the increase in bank balance of \$ 0.4 million.

Total current liabilities increased by \$1.6 million from \$58.4 million to \$60.0 million mainly due to the increase in bank borrowing from \$22.6 million to \$25.5 million and the decrease in other payables from \$8.4 million to \$6.8 million. Short term loans increase due to working capital requirement to increase production in certain products such as the ceramic heater.

Total long term loan has reduced marginally from \$2.9 million to \$2.87 million.

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 of energy saving and environmentally friendly lighting products such as the induction lamp and the HID electronic ballast have shown very positive growth in the first half of 2007. With the ongoing global measures in saving energy, 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 has gained momentum in the 1H 2007. This should continue into 2H 2007.

Wire harness product is expected to improve in 2H 2007 due to increased confirmed order by our Japanese customer.

The Group will continue its Research and Development efforts in the energy saving and environmentally friendly lighting products and semi conductor products in order to gain larger market share. Our plant in Nanping, China is currently expanding its production facilities to increase the production of induction lamp and HID electronic ballast to meet the rising demand for these products.

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 2007.

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.

	2007 S\$ '000	2006 S\$ '000
Juan Kuang Holdings Sdn Bhd	296	397
Juan Kuang Pte Ltd	102	99

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 2007 financial results to be false or misleading.

On behalf of the directors

Ang Chiong Chai
Executive Chairman

Tan Boon Kiat
Director

07/08/2007