

JK YAMING INTERNATIONAL HOLDINGS LTD

DILUTION OF INVESTMENT IN FUJIAN JUAN KUANG WIREHARNESSE ELECTRIC LIMITED

The Board of Directors of JK Yaming International Holdings Ltd (the "Company") wishes to inform that the Company currently has an effective equity interest of 69.23% in the capital of Fujian Juan Kuang Wireharness Electric Limited ("JKE"). The Company has on 20 December 2007 entered into a joint-venture agreement with Henan Tianhai Electric Co., Ltd ("HTECL"), a PRC wholly owned subsidiary of China Auto Electronics Group Limited, a company listed on the SGX, whereby HTECL will invest US\$1.8 million in cash into the capital of JKE to fund the operational expansion and working capital of JKE.

Upon the completion of the joint venture agreement, the registered capital of JKE will be increased from US\$3 million to US\$4.8 million and the effective equity interest of the Company in JKE will be diluted from 69.23% to 34.62%, resulting JKE becoming an associate of the Company. The Board is of the opinion that the joint co-operation and synergy with HTECL and the injection of working capital will benefit JKE.

The above investment by HTECL in the capital of JKE is not expected to have any significant impact on the earnings and net tangible assets of the Company for the financial year ending 31 December 2007. None of the Directors or substantial shareholders of the Company has any interest in the above transaction.

Submitted by Ang Chiong Chai, Executive Chairman on 7 January 2008 to the SGX