

JK YAMING INTERNATIONAL HOLDINGS LTD

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 2005

GROUP	2005	2004	Increase / (Decrease)
	S\$'000	S\$'000	%
Revenue	137,057	120,486	13.8
Cost of sales	(120,727)	(104,703)	15.3
Gross profit	16,330	15,783	3.5
Other income including interest income (net)	2,793	1,435	94.6
Selling, general and administration expenses	(12,514)	(10,083)	24.1
Finance costs	(826)	(949)	(13.0)
Share of results of an associated company	(113)	-	N.M.*
Profit before tax	5,670	6,186	(8.3)
Tax	(902)	(351)	157.0
Net profit for the year	4,768	5,835	(18.3)
Attributable to:			
Equity holders of the Company	3,343	4,010	(16.6)
Minority interests	1,425	1,825	(21.9)
Net profit for the year	4,768	5,835	(18.3)

N.M* : Not meaningful

(ii) Notes to Income Statement

GROUP	2005	2004	Increase / (Decrease)
	S\$'000	S\$'000	%
Depreciation and amortisation	(5,155)	(3,961)	30.1
Provision for doubtful debts	(800)	(181)	342.0
Allowance for stock obsolescence and stocks written off	25	56	(55.4)
Foreign exchange gain / (loss)	299	(381)	178.5
Gain on disposal of property, plant & equipment	10	360	(97.2)
Gain on deemed disposal / disposal of equity share of subsidiary	-	278	N.M.*
Interest on borrowings	(719)	(900)	(20.1)
Interest income	25	57	(56.1)

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	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
	S\$'000	S\$'000	S\$'000	S\$'000
Share capital	40,590	40,590	40,590	40,590
Reserves	15,078	11,772	4,865	6,315
Share capital and Reserves	55,668	52,362	45,455	46,905
Minority interests	12,812	12,027	-	-
	68,480	64,389	45,455	46,905
Represented by:-				
Non-Current Assets:				
Property, plant and equipment	52,010	42,700	1,721	1,846
Investment in subsidiaries	-	-	47,042	44,636
Investment in an associated company	-	1,179	-	-
Investment property	6,554	5,209	-	-
Long-term receivable	-	789	-	-
Other non-current assets	837	596	-	-
	59,401	50,473	48,763	46,482
Current Assets:				
Inventories	28,469	28,446	-	-
Trade debtors	20,038	19,335	-	53
Other debtors and receivables	5,320	8,453	6	6
Amounts due from subsidiaries	-	-	1,624	1,585
Amounts due from related parties - Trade	10,759	9,337	-	-
Amounts due from related parties - non-trade	300	1,647	-	-
Cash and bank balances	7,282	7,635	413	353
	72,168	74,853	2,043	1,997
Current Liabilities:				
Interest-bearing loans and borrowings	19,809	11,800	1,326	122
Trade creditors	19,020	18,065	-	49
Other creditors and payables	8,043	10,765	398	81
Amounts due to related parties - Trade	8,765	10,590	-	-
Amounts due to related parties - non-trade	694	1,233	-	-
Current income tax liabilities	1,113	655	100	-
Payable to directors	284	241	183	241
	57,728	53,349	2,007	493
Net Current Assets	14,440	21,504	36	1,503
Non-Current Liabilities:				
Borrowings	5,361	7,588	3,344	1,081
Net Assets	68,480	64,389	45,455	46,905

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

Amount repayable in one year or less, or on demand

As at 31/12/2005		As at 31/12/2004	
Secured	Unsecured	Secured	Unsecured
S\$ 266,000	S\$ 19,543,000	S\$ 73,000	S\$ 11,727,000

Amount repayable after one year

As at 31/12/2005		As at 31/12/2004	
Secured	Unsecured	Secured	Unsecured
S\$ 3,147,000	S\$2,214,000	S\$ 857,000	S\$ 6,731,000

Details of any collateral

- 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.
- Also included in bank loans of the Group is another bank loan amounted approximately \$0.2 million, which is secured by a legal mortgage over the office building of a subsidiary, which valued at \$0.4 million.
- As at 31 December 2005, the Group provided guarantees of approximately \$1.9 million 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	2005	2004
	S\$'000	S\$'000
Cash flow from operation activities		
Profit before tax	5,670	6,186
Adjustment for non-cash items		
Depreciation of property, plant & equipments	5,058	3,836
Amortisation of other non-current assets	97	125
Share of loss of an associated company	113	-
Interest expense	719	900
Interest income	(25)	(57)
Revaluation gain on investment properties	(1,103)	-
Excess of acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost	(603)	-
Gain of disposal of equity interest	-	(278)
Gain on disposal of property, plant and equipment	(10)	(360)
Allowance for stock obsolescence	25	(56)
Allowance for impairment of trade receivable	800	181
Operating profit before working capital change	10,741	10,477
Increase / (decrease) in		
- inventories	93	(9,347)

- trade debtors	(1,503)	(560)
- other debtors and receivables	4,386	(439)
- amount due from related parties, trade and non-trade	(1,422)	(2,108)
- long term receivables	789	408
- other non-current assets	(241)	(174)
Increase / (decrease) in		
- trade creditors	916	5,768
- other creditors and payables	(3,973)	2,449
- payable to directors	43	(13)
- amount due to related parties	(3,073)	2,459
- effects of exchange rate changes	272	(1,145)
Cash generated from operations	7,028	7,775
Income tax paid	(715)	(875)
Net cash inflows from operating activities	6,313	6,900
Cash flow from investing activities		
Proceeds from sales of property, plant & equipments	1,435	1,412
Payment for purchase of non-current assets	(8,010)	(12,207)
Acquisition of a subsidiary, net of cash acquired	(2,302)	(1,179)
Interest received	25	57
Net cash outflows from investing activities	(8,852)	(11,917)
Cash flow from financing activities		
Increase in amount due to related parties	808	3,671
Proceeds from minority shareholders	35	1,469
Payment of dividends to minority shareholders	(1,387)	(789)
Proceed from loans and borrowings	28,378	12,455
Dividend paid during the year	(2,435)	(3,044)
Repayment of borrowing	(22,793)	(9,447)
Interest paid	(719)	(900)
Net cash inflows from financing activities	1,887	3415
Net decrease in cash and cash equivalents	(652)	(1,602)
Effects of exchange rate changes on cash and cash equivalents	299	(381)
Cash and cash equivalents at beginning of year	7,635	9,618
Cash and cash equivalents at end of year	7,282	7,635

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	* Share Premium	Other Reserve	Re-valuation reserves	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	S\$'000
Balance as at 1 January 2004	40,590	272	6,372	-	8,224	454	(2,706)	10,647	63,853
Transfer of reserve:									

Foreign currency translation	-	-	-	-	-	-	(1,810)	(445)	(2,255)
Net profit for the year	-	-	-	-	4,010	-	-	1,825	5,835
Dividend paid during the year	-	-	-	-	(3,044)	-	-	-	(3,044)
Transfer from retained profits	-	-	-	-	(630)	630	-	-	-
Balance as at 31 December 2004	40,590	272	6,372	-	8,560	1,084	(4,516)	12,027	64,389
Balance as at 1 January 2005	40,590	272	6,372	-	8,560	1,084	(4,516)	12,027	64,389
Transfer of reserve:									
Foreign currency translation	-	-	-	-	-	-	1,852	(640)	1,212
Net profit for the year	-	-	-	-	3,343	-	-	1,425	4,768
Dividend paid during the year	-	-	-	-	(2,435)	-	-	-	(2,435)
Revaluation surplus	-	-	-	546	-	-	-	-	546
Transfer from retained profits	-	-	-	-	(682)	682	-	-	-
Balance as at 31 December 2005	40,590	272	6,372	546	8,786	1,766	(2,664)	12,812	68,480

* Will be adjusted accordingly in the forthcoming Q1 2006 result, in line with the change in the law effective on 30 Jan 2006.

	Company Figures			
	Share Capital	* Share Premium	Retained Profits	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 January 2004	40,590	272	3,535	44,397
Transfer of reserve:				
Net profit for the year	-	-	5,552	5,552
Dividend paid during the year			(3,044)	(3,044)
Balance as at 31 December 2004	40,590	272	6,043	46,905
Balance as at 1 January 2005	40,590	272	6,043	46,905
Transfer of reserve:				
Net profit for the year	-	-	985	985
Dividend paid during the year			(2,435)	(2,435)
Balance as at 31 December 2005	40,590	272	4,593	45,455

* Will be adjusted accordingly in the forthcoming Q1 2006 result, in line with the change in the law effective on 30 Jan 2006.

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 2005.

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 2004.

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 2005, the Group and the Company adopted the following applicable Financial Reporting Standards ("FRS"). There is no material adjustment arising from the adoption of the FRS listed below:

FRS	1 (revised 2004)	Presentation of Financial Statements
FRS	2 (revised 2004)	Inventories
FRS	8 (revised 2004)	Accounting Policies, Changes in Accounting Estimates and Errors
FRS	10 (revised 2004)	Events after the Balance Sheet Date
FRS	16 (revised 2004)	Property, Plant and Equipment
FRS	17 (revised 2004)	Leases
FRS	24 (revised 2004)	Related Party Disclosures
FRS	27 (revised 2004)	Consolidated and Separate Financial Statements
FRS	28 (revised 2004)	Investment in Associates
FRS	32 (revised 2004)	Financial Instruments: Disclosure and Presentation
FRS	33 (revised 2004)	Earning per Share
FRS	36 (revised 2004)	Impairment of Assets
FRS	37 (revised 2004)	Provisions, Contingent Liabilities and Contingent Assets
FRS	38 (revised 2004)	Intangible Assets
FRS	39 (revised 2004)	Financial Instruments: Recognition and Measurement
FRS	103 (revised 2004)	Business Combinations
FRS	105 (revised 2004)	Non-current Assets Held for Sale and Discontinued Operations

The Group and the Company has 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.

	2005	2004
(i) Based on the weighted average number of ordinary shares on issue	1.65 cents	1.98 cents
(ii) On a fully diluted basis*	1.65 cents	1.98 cents
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 2005.

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	
	31.12.2005	31.12.2004	31.12.2005	31.12.2004
Net asset value per ordinary share at the end of the financial year	33.7 cents	31.7 cents	22.4 cents	23.1 cents

Note:

Net asset value per ordinary share as at 31 December 2005 and 31 December 2004 were calculated based on the number of shares issued as at those dates of 202,948,180 of S\$0.20 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

The Group reported a growth in turnover of 13.8% from \$120.5 million in FY2004 as comparable to \$137.1 million in FY2005.

The Group's turnover was generally attributable to an increase of 14.1% in sales of wire harness products to Japan from \$77.2 million in FY2004 to \$88.1 million in FY2005, and an increase of 13.2% in sales of electrical lighting products from \$43.3 million in FY2004 to \$49.0 million in FY2005.

Gross Profit

Gross profit for FY2005 increased by 3.5% to \$16.3 million as compared to \$15.8 million in FY2004 that is in line with the increase in sales, though gross profit margin decreased from 13.1% in FY2004 to 11.9% in FY2005. This was mainly due to market competition and the sustained increase in raw material cost in FY2005 following the recent higher global market price, especially for the prices of copper, stainless steel and aluminum.

Profit Before Tax

Group profit before tax decreased by 8.3% from \$6.2 million in FY2004 to \$5.7 million in FY2005. This can be attributed to the substantial increase in selling, general and administration expenses as compared to the previous financial year and additional costs resulting from sharing of loss of an associated company.

The 24.1% increase in selling, general and administration expenses from \$10.1 million in FY2004 to \$12.5 million in FY2005 was largely due to the increase in depreciation expense on additional plants and machinery investments in FY2005, increase in manpower, overhead and distribution expenses that were in line with the substantial increase in sales volume, and the estimated legal expenses of \$0.5 million for the legal suit in the United States of America.

On the other hand, the Group achieved higher other income of \$2.8 million or 94.6% in FY2005 from the \$1.4 million in FY2004. The higher other income was mainly due to:

- Gain on revaluation of investment property, of approximately \$1.1 million as a result of early adoption of FRS 40(See note 5 above).
- Negative goodwill resulting from the acquisition of a subsidiary of approximately \$0.6 million.

Net Profit

Net profit after tax declined by 18.3% to \$4.8 million in FY2005 as compared to \$5.8 million in FY2004, after accounting for a increase in effective tax rate of 15.9% in FY2005 as compared to the effective tax rate of 5.7% in FY2004. The increase in effective tax rate from the same financial year under review was due mainly to the effect of the expired income tax-exemption in the subsidiaries and the lower profit earned by subsidiaries with tax-exempted holidays.

Balance Sheet and Cash Flow

Increase in property, plant and equipment of \$9.3 million or 21.8% from \$42.7 million in FY2004 to \$52.0 million in FY2005 was mainly due to additions of new plants and machineries in China, along with the acquisition of a new subsidiary.

The increase in investment properties of 26.9% or approximately \$1.4 million from \$5.2 million in FY2004 to \$6.6 million in FY2005, was contributed from the increase of the fair value of investment properties for commercial properties at Aufong Gardens in Fuzhou and Shanghai duty-free zone.

The Group's trade receivable and trade payable accounts increased in FY2005 compared to FY2004, which is in line with the higher sales during the year. Trade receivable account increased by 3.6% from \$19.3 million in FY2004 to \$20.0 million, and trade payable account increased by 5.0% from \$18.1 million in FY2004 to \$19.0 million in FY2005. The increase in trade receivable is partially offset by increase in provision for doubtful debts of approximately \$0.8 Million.

The Group's overall cash and cash equivalents decreased by 3.9% from \$7.6 million in FY2004 to \$7.3 million was mainly due to the payment of additions of new plants and acquisition of new equipments for its operations.

Interest bearing loans and borrowings increased by \$8.0 million from \$11.8 million in FY2004 to \$19.8 million in FY2005 mainly to finance working capital requirements, additional investments in plants expansion and equipments, and acquisition of a new subsidiary.

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

The actual sales reported for the second half-year decreased by 19.4% from \$75.9 million in the first half of FY2005 to \$61.2 million in the second half of FY2005. The operating profit after tax for the second half year has decreased 45.2% from \$3.1 million to \$1.7 million. This is primarily due to the following occurrences in the second half-year in FY2005:

- a. Losses incurred by the newly acquired subsidiary, Fujian Juan Kuang Metal Industrial Co. Ltd ("JKMI") of approximately \$0.3 million.
- b. Losses incurred by our semi-conductor manufacturing subsidiary, Fujian Minhang Electronics Company Ltd ("MHDZ") of approximately \$0.2 million. According to the agreement with a third party operator which runs the commercial sector of this subsidiary, the operator would be required to reimburse the losses. The directors have deferred the recognition of the reimbursement until the actual cash was collected so to be on prudence grounds.
- c. The unexpected decrease in last quarter sales from our capacitor-manufacturing subsidiary, Anhui Juan Kuang Electric Co Ltd, due to change in product requirements and delay in sales orders from our customers. The decline in sales orders has caused the subsidiary to lose approximately \$0.4 million in the second half of the year. The directors expected the sales orders to regain back to normal levels in due course.
- d. Estimated legal expenses for legal suit in United States of America for approximately \$0.5 million.
- e. Additional provision for doubtful debts of \$0.8 million for the customers of the subsidiaries.

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.

The business environment that the Group operates in has become increasingly competitive in the last few years. Raw material prices increased substantially which had adverse impact on the Group's profit margins. The Group has adjusted its core electrical lighting products range to focus on profitable items and revised its pricing structure to ensure competitiveness to counteract the increase in raw material costs.

Despite the tough competition and adverse market condition, the directors of the Group remains committed to its long-term growth strategy of reinforcing its solid business base in the People's Republic of China and exploring new market opportunities in other global markets for its electrical lighting products and wire harness products.

As part of the effort to grow our core business in both China and overseas markets, the Group has undertaken the following initiatives: -

- Continuous engagement in research & development projects for new electrical lighting products.
- Further construction of new production facilities and extension to existing facilities for new electrical lighting products.
- Additional acquisitions of new businesses to diversify the Group's investments.

- Constant rationalization of the corporate structure, particularly the Shanghai subsidiaries.
- Continuous formation of strategic alliances with major international companies for collaboration in manufacturing, including OEM arrangements.
- Further trial production and sale of our new product, electrodeless lamp, in China and overseas markets, particularly in the US.
- Increase marketing of HID electronic ballast, capacitor and electrical lighting products for both PRC and overseas markets.
- Implementation of an advanced computerized system to enhance our resource utilization, improve Just-In-time delivery and minimize inventory risks.
- Setting up of new research & development department in the Company to assist the Group to commercialize its new lighting products.
- Use of a new trading subsidiary in Singapore to support the Group's business developments and marketing strategy in international markets.

With the above-mentioned efforts, the directors are of the opinion that sales from its domestic and international markets including the US market for its electrical lighting products will continue to increase. The directors also perceive the growth in wire harness products from the joint venture partner to be moderately steady in FY2006. The Group therefore expects current sales growth to continue into FY2006.

The directors expect the Group profit to be driven by the sales of its new electrical lighting products businesses domestically and internationally, and persist in strengthening its core business fundamentals on the whole in FY2006.

In FY2005, the Group defended a lawsuit brought against the parent company and its subsidiaries Fujian Juan Kuang Yaming Electric Limited and Anhui Juan Kuang Electric Co Ltd by Segue Electronics Inc and Shine Capacitors LLC in the United States of America. The Group has appointed an international law firm based in the United States to act as its legal Counsel in the lawsuit. The Group has disclosed Information about the lawsuit via its announcements on 22 July and 26 July 2005, the Group has also made subsequent announcements of further information regarding this lawsuit on 16 August and 1 October 2005. The directors are of the view that the claims lack merit, and the Group will therefore defend the claims vigorously.

The directors expect the Group's business to be carried on as usual and the current growth of sales to continue into FY2006, other than the pending legal suit in USA. As such, the Group expects to achieve reasonable performance in FY2006, barring any unforeseen circumstances.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes

Name of Dividend:	Final
Dividend Type:	Cash
Dividend Rate:	6.0%
Par Value of Share:	\$0.20
Tax Rate:	Exempted

(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 2004.

(c) Date payable

The Directors have declared a tax-exempted Final Dividend of 6.0% in respect of the financial year ended 31 December 2005. 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
	2005	2004	2005	2004
Segment by Product				
Electrical lighting	46,215	42,198	1,896	3,644
Wire Harness	88,050	77,201	3,267	3,085
Low voltage electrical	115	281	3	(29)
Semi-conductor	2,677	806	(123)	157
Unallocated gain	-	-	1,706	278
	137,057	120,486	6,749	7,135
Segment by Region				
China	19,775	31,105		
Japan	87,540	76,196		
Others	29,742	13,185		
	137,057	120,486		

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

During the year, turnover of the Group's electrical lighting segment grew by 9.5% while the Group's wire harness segment grew by 14.1%. Sales of the wire harness segment represents 64.2% of the Group total turnover in FY2005 and 48.4% of the Group profit. Consequently, the Group's wire harness product segment has exceeded the electrical lighting segment on the Group's revenue as the major contributor and as the major source for the Group profit. The Group's electrical lighting products segment currently

contributed about 33.7% of the Group's overall turnover and 28.1% of the Group's operating profit.

In FY2005, the semi-conductor segment registered an increase in turnover and but recorded an operating loss due mainly to the increase in research and development expenses and the change of products and sales mix.

Unallocated gain of \$1.7 million were gains on revaluation of investment property, of approximately \$1.1 million as a result of early adoption of FRS 40(See note 5 above), and negative goodwill resulting from the acquisition of a subsidiary of approximately \$0.6 million.

Geographical Segments

In FY2005, turnover from the China market decreased 36.4% from \$31.1 million in FY2004 to \$19.8 million. The decrease was mainly attributed to the sales of electrical lighting products in China market.

In FY2005, Sales to Japan in FY2005 increased by about 14.8% from \$76.2 million to \$87.5 million, as compared to FY2004. This was contributed by the increase in sales of wire harness products to Sumitomo Wiring Systems Ltd, Japan.

Sales of electrical products to other regions, which include South East Asia, Europe and USA, have been encouraging. The Group plans to further expand its network and direct presence in North America and Europe by associating with international business alliances. The Group expects the sales in these regions would continue to have reasonable growth in the future.

15. A breakdown of sales

		Group		
		S\$'000		%
		Year ended 31.12.2005	Year ended 31.12.2004	Increase / (Decrease)
(a)	Sales reported for first half year	75,885	58,493	29.7
(b)	Operating profit/(loss) after tax before deducting minority interests reported for first half year	3,051	3,541	(13.8)
(c)	Sales reported for second half year	61,172	61,993	(1.3)
(d)	Operating profit/(loss) after tax before deducting minority interests reported for second half year	1,717	2,294	(25.2)

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	3,044
Preference	-	-
Total	2,435	3,044

17. Interested Person Transactions for the Financial Year Ended 31 December 2005.

Aggregate value of all transactions conducted under a shareholders' mandate approved at the AGM on 27 April 2005 pursuant to Rule 920 of the SGX-ST Listing Manual.

	2005 S\$ '000	2004 S\$ '000
Juan Kuang Holdings Sdn Bhd	699	688
Juan Kuang Pte Ltd	279	215

BY ORDER OF THE BOARD

Ang Chiong Chai
Executive Chairman
17/02/2006