

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SECOND QUARTER ENDED 30 JUNE 2012**

	Note	Individual Quarter 3 months ended 30 June		Cumulative Quarter 6 months ended 30 June	
		2012 RM	2011 RM	2012 RM	2011 RM
Continuing Operations					
Revenue	13	1,483,847	2,336,259	3,369,557	4,972,412
Cost of Sales		<u>(1,355,170)</u>	<u>(1,536,378)</u>	<u>(3,134,300)</u>	<u>(3,330,022)</u>
Gross Profit		128,677	799,881	235,257	1,642,390
Other Operating Income		36,832	26,863	59,687	1,365,371
Selling and Distribution Costs		(8,000)	(6,000)	(8,000)	(6,000)
Administrative Expenses		(191,069)	(188,202)	(351,333)	(456,009)
Other Operating Expenses		(453,763)	(299,768)	(820,338)	(575,558)
(Loss) / Profit for the period from continuing operations		<u>(487,323)</u>	<u>332,774</u>	<u>(884,727)</u>	<u>1,970,194</u>
Finance Costs		(9,599)	(6,039)	(18,663)	(6,193)
Gain on Financial Assets Measured at Fair Value	22	-	11,539	-	-
Share of Results of Associate Company		(34,561)	(21,022)	(70,634)	(55,217)
(Loss) / Profit Before Tax	14	<u>(531,483)</u>	<u>317,252</u>	<u>(974,024)</u>	<u>1,908,784</u>
Income Tax Expense	17	(4,546)	(12,868)	2,136	(19,956)
(Loss) / Profit for the period		<u>(536,029)</u>	<u>304,384</u>	<u>(971,888)</u>	<u>1,888,828</u>
Profit attributable to :					
Shareholders of the company		(589,212)	318,597	(1,047,980)	1,931,309
Minority interests		53,183	(14,213)	76,092	(42,481)
(Loss) / Profit for the period		<u>(536,029)</u>	<u>304,384</u>	<u>(971,888)</u>	<u>1,888,828</u>
Other comprehensive income					
Exchange differences on translation of foreign operation		106,529	15,310	38,365	(41,639)
Total Comprehensive Income for the period		<u>(429,500)</u>	<u>319,694</u>	<u>(933,523)</u>	<u>1,847,189</u>
Total comprehensive income attributable to:					
Shareholders of the Parent		(482,683)	333,907	(1,009,615)	1,889,670
Minority interests		53,183	(14,213)	76,092	(42,481)
		<u>(429,500)</u>	<u>319,694</u>	<u>(933,523)</u>	<u>1,847,189</u>
Earnings per share attributable to owners of the parent (in sen)					
Basic EPS	27	-0.33	0.20	-0.61	1.19

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

**NOTES TO CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SECOND QUARTER ENDED 30 JUNE 2012**

	Individual Quarter 3 months ended 30 June 2012 <u>RM</u>	Cumulative Quarter 6 months ended 30 June 2011 <u>RM</u>
(a) Interest income	7,180	17,922
(b) Other income including investment income	683	1,396
(c) Gain / (Loss) on disposal of quoted / unquoted investment or properties	n/a	n/a
(d) Gain / (Loss) on foreign exchange	(1,143)	(2,070)
(e) Gain / (Loss) on derivatives	n/a	n/a
(f) Interest expense	9,599	18,663
(g) Depreciation	37,653	59,397
(h) Amortization	322,498	617,098
(i) Provision for and write-off of receivables	(7,672)	539,039
(j) Provision for and write-off of inventories	n/a	n/a
(k) Exceptional item	n/a	n/a

n/a denotes not applicable

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2012

	Note	30 June 2012 (Unaudited) RM	31 December 2011 (Audited) RM
ASSETS			
Non-Current Assets			
Property, Plant and Equipment		5,370,565	5,226,058
Investment Property		287,377	287,615
Goodwill and Other Intangible Assets		6,227,291	6,286,908
Investment in Associate Company		725,837	796,471
Other Investments		1	1
		<u>12,611,071</u>	<u>12,597,053</u>
Current Assets			
Trade and Other Receivables	22	4,976,385	4,430,447
Short Term Investment		99,541	98,145
Amount Owing by Associate Company		10,800	-
Current Tax Assets		18,983	18,285
Cash and Cash Equivalents	19	1,698,879	2,494,363
		<u>6,804,588</u>	<u>7,041,240</u>
TOTAL ASSETS		<u>19,415,659</u>	<u>19,638,293</u>
EQUITY AND LIABILITIES			
Equity			
Share Capital		15,997,740	15,997,740
Share Premium Reserve, non-distributable		2,353,327	2,353,327
Exchange Translation Reserve, non-distributable		(91,234)	(129,599)
(Accumulated Loss) / Retained Profit		(2,586,863)	(1,538,883)
Equity attributable to shareholders of the Company		<u>15,672,970</u>	<u>16,682,585</u>
Minority Interests		228,908	152,816
TOTAL EQUITY		<u>15,901,878</u>	<u>16,835,401</u>
Non-Current Liabilities			
Loan	20	748,707	756,967
Hire Purchase Liabilities	20	45,496	-
Deferred Tax Liabilities		409	409
		<u>794,612</u>	<u>757,376</u>
Current Liabilities			
Loan	20	16,040	15,573
Hire Purchase Liabilities	20	26,003	4,578
Trade and Other Payables	22	1,710,628	1,609,417
Current Tax Liabilities		-	-
Deferred Revenue		966,498	415,948
		<u>2,719,169</u>	<u>2,045,516</u>
TOTAL LIABILITIES		<u>3,513,781</u>	<u>2,802,892</u>
TOTAL EQUITY AND LIABILITIES		<u>19,415,659</u>	<u>19,638,293</u>
Net assets per share attributable to ordinary equity holders of the parent (sen)		9.80	10.43

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

YGL CONVERGENCE BERHAD (649013-W)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SECOND QUARTER ENDED 30 JUNE 2012**

	Note	Share Capital RM	Share Premium RM	Exchange Translation Reserve RM	Retained Earnings RM	Total RM	Minority Interests RM	Total Equity RM
<i>Audited</i>								
At 1 January 2011		15,997,740	2,353,327	(229,331)	(3,212,550)	14,909,186	114,928	15,024,114
Reconsolidation of subsidiary		-	-	3,912	(511,577)	(507,665)	53,506	(454,159)
Total comprehensive income		-	-	95,820	2,185,244	2,281,064	(15,618)	2,265,446
At 31 December 2011		<u>15,997,740</u>	<u>2,353,327</u>	<u>(129,599)</u>	<u>(1,538,883)</u>	<u>16,682,585</u>	<u>152,816</u>	<u>16,835,401</u>
<i>Unaudited</i>								
At 1 January 2012		15,997,740	2,353,327	(129,599)	(1,538,883)	16,682,585	152,816	16,835,401
Other comprehensive income		-	-	38,365	-	38,365	-	38,365
Net loss for the year		-	-	-	(1,047,980)	(1,047,980)	76,092	(971,888)
At 30 June 2012		<u>15,997,740</u>	<u>2,353,327</u>	<u>(91,234)</u>	<u>(2,586,863)</u>	<u>15,672,970</u>	<u>228,908</u>	<u>15,901,878</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SECOND QUARTER ENDED 30 JUNE 2012

Note	6 MONTHS ENDED 30 JUNE (UNAUDITED) 2012 RM	YEAR ENDED 31 DECEMBER (AUDITED) 2011 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / Profit before taxation	(974,024)	2,173,274
Adjustments for:-		
Depreciation of property, plant and equipment	59,278	185,105
Depreciation of investment property	119	477
Amortisation of software development costs	617,098	1,216,539
Share of result of associates	70,634	151,479
Bad debts written off	5,957	40,420
Allowance for doubtful debts	-	-
Allowance for doubtful debts written back	-	(9,225)
Restatement of investment in subsidiary	-	(1,314,404)
Loss on financial instruments measured at fair value	-	-
Unrealised loss on foreign exchange	2,534	55,871
Dividend income	(1,396)	(2,704)
Interest income	(19,318)	(34,848)
Interest expense	17,929	26,887
Hire purchase term charges	734	925
Operating (loss) / profit before working capital changes	<u>(220,455)</u>	<u>2,489,796</u>
Changes in software development costs	(552,156)	(1,295,810)
Receipts from customers	4,137,908	5,566,067
Changes in receivables	(4,701,476)	(7,122,296)
Payments to suppliers, contractors and employees	(2,763,586)	(3,943,485)
Changes in payables	2,889,010	4,369,016
Changes in deferred revenue	550,550	(186,153)
Cash used in operations	<u>(660,205)</u>	<u>(122,865)</u>
Interest received	19,318	34,848
Dividend received	1,396	2,704
Interest paid	(17,929)	(26,887)
Tax paid	2,136	(3,648)
Net cash used in operating activities	<u>(655,284)</u>	<u>(115,848)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(203,945)	(342,007)
Purchase of investment in associate	-	-
Investment in subsidiary	-	-
Purchase of other investment	-	-
Purchase of other investment	-	-
Net cash used in investing activities	<u>(203,945)</u>	<u>(342,007)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from hire purchase	78,000	-
Proceeds from term loan	-	780,000
Payment of term loan instalments	(7,793)	(7,460)
Payment of hire purchase instalments	(11,079)	(55,534)
Hire purchase term charges paid	(734)	(925)
Consolidation of subsidiary, net cash	-	80,621
Net cash from / (used in) financing activities	<u>58,394</u>	<u>796,702</u>
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	<u>(800,835)</u>	<u>338,847</u>
EFFECT OF CHANGES IN EXCHANGE RATES	5,351	14,017
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	2,494,363	2,141,499
CASH AND CASH EQUIVALENTS CARRIED FORWARD	<u>1,698,879</u>	<u>2,494,363</u>
Represented by:		
TIME DEPOSITS	861,747	1,454,690
CASH AND BANK BALANCES	<u>837,132</u>	<u>1,039,673</u>
	<u>1,698,879</u>	<u>2,494,363</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING

1. First-Time Adoption of Malaysian Financial Reporting Standards (“MFRSs”)

The interim financial report is unaudited and has been prepared in compliance with MFRS 134, Interim Financial Reporting and Appendix 9B, para 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad for the ACE Market. For the periods up to and including the year ended 31 December 2011, the Group prepared its financial statements in accordance with Financial Reporting Standards (“FRSs”).

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2011. The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2011.

This interim financial report is the Group’s first MFRS condensed consolidated interim financial report for part of the period covered by the Group’s first MFRS annual financial report for the year ending 31 December 2012 and MFRS 1 First - Time Adoption of Malaysian Financial Reporting Standards (“MFRS 1”) has been applied. In presenting its opening MFRS Statement of Financial Position as at 1 January 2011, which is also the transition date, the Group is required to restate the comparative financial statements to amounts reflecting the application of the MFRS framework. The adjustments on transition will be made directly in opening retained earnings. The transition to MFRS framework does not have any financial impact to this interim report.

The following new MFRSs, Amendments to MFRS and IC Interpretations are applicable from the financial year beginning on 1 January 2012:

- MFRS 1, First Time Adoption of Malaysian Financial Reporting Standards
- MFRS 2, Share-based Payment Transactions
- MFRS 3, Business Combinations
- MFRS 5, Non-current Assets Held for Sale and Discontinued Operations
- MFRS 7, Financial Instruments: Disclosures
- MFRS 8, Operating Segments
- MFRS 101, Presentation of Financial Statements
- MFRS 102, Inventories
- MFRS 107, Statement of Cash Flows
- MFRS 108, Accounting Policies, Changes in accounting Estimates and Errors
- MFRS 110, Events After the Reporting Period
- MFRS 112, Income Taxes
- MFRS 116, Property, Plant and Equipment
- MFRS 117, Leases
- MFRS 118, Revenue
- MFRS 119, Employee Benefits
- MFRS 121, The Effect of Changes in Foreign Exchange Rates
- MFRS 123, Borrowing Costs
- MFRS 124, Related Party Disclosures
- MFRS 132, Financial Instruments: Presentation
- MFRS 133, Earnings Per Share
- MFRS 134, Interim Financial Reporting
- MFRS 136, Impairment of Assets
- MFRS 137, Provisions, Contingent Liabilities and Contingent Assets
- MFRS 138, Intangible Assets
- MFRS 139, Financial Instruments: Recognition and Measurement
- MFRS 140, Investment Property

Amendments to MFRS 1,	Severe Hyper inflation and removal of fixed dates for First-time Adopters
Amendments to MFRS 7,	Disclosures – Transfer of Financial Assets
Amendments to MFRS 112,	Deferred Tax: Recovery of Underlying Assets
IC Interpretation 4,	Determining whether an Arrangement contains a Lease
IC Interpretation 10,	Interim Financial Reporting and Impairment
IC Interpretation 17,	Distribution of Non-cash Assets to Owners
IC Interpretation 18,	Transfer of Assets from Customers
IC Interpretation 19,	Extinguishing Financial Liabilities with Equity Instruments

Amendments to MFRS which has been issued by MASB and effective beginning on 1 July 2012:

Amendments to MFRS 101, Presentation of Items of Other Comprehensive Income

The application of the above MFRSs, Amendments to MFRSs and Interpretations did not result in any significant changes in accounting policies and presentation of the financial results of the Group.

2. Auditors’ Report of Preceding Annual Financial Statements

The auditors’ report of the preceding financial year was not subject to any qualification.

3. Seasonality or Cyclicity of Interim Operations

The business of the Group was not affected by any significant seasonal or cyclical factors.

4. Unusual Items due to their Nature, Size or Incidence

There were no unusual items in the financial statements in the current financial quarter under review.

5. Material Changes in Estimates

There were no changes in estimates that have had a material effect in the current financial quarter under review.

6. Issues, Repurchases and Repayment of Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities, share buy-back, share cancellation, shares held as treasury shares and resale of treasury shares for the current financial quarter under review.

7. Dividend Paid

No dividends were paid in the current quarter under review.

**Ygi Convergence Berhad (649013-W) (“Ygi” or “Group”)
Quarterly report for the second quarter ended 30 June 2012**

8. Segmental Information

Segmental information was provided for the operations in Malaysia and Asia Pacific region.

	3 months ended 30 June		Cumulative 6 months ended 30 June	
	2012	2011	2012	2011
<u>Segment Revenue</u>				
Revenue from operations:				
Malaysia	452,101	1,589,852	1,469,020	3,052,968
Asia Pacific	1,031,746	746,407	1,900,537	1,919,444
Total revenue	1,483,847	2,336,259	3,369,557	4,972,412
Elimination of inter-segment sales	-	-	-	-
External sales	1,483,847	2,336,259	3,369,557	4,972,412
Interest revenue	7,180	8,196	17,922	16,110

	3 months ended 30 June		Cumulative 6 months ended 30 June	
	2012	2011	2012	2011
<u>Segment Results</u>				
Results from operations:				
Malaysia	(632,776)	468,358	(1,179,286)	2,196,549
Asia Pacific	145,453	(135,584)	294,559	(226,355)
	(487,323)	332,774	(884,727)	1,970,194
Finance cost	(9,599)	(6,039)	(18,663)	(6,193)
Share of associate's profit / (loss)	(34,561)	(21,022)	(70,634)	(55,217)
Tax expense	(4,546)	(12,868)	2,136	(19,956)
Loss on financial instruments	-	11,539	-	-
Minority interests	(53,183)	14,213	(76,092)	42,481
Total results	(589,212)	318,597	(1,047,980)	1,931,309

9. Valuations of Property, Plant & Equipment

The valuations of property, plant and equipment have been brought forward, without amendments from the financial statements for the financial year ended 31 December 2011.

10. Events After the Statement of Financial Position Date

There were no other material events subsequent to the end of the current financial quarter under review to the date of this announcement.

11. Changes in the Composition of the Group

There were no changes in the composition of the Group in the current quarter under review.

12. Changes in Contingent Liabilities

There is no contingent liability as at 27 August 2012 (the latest practicable date not earlier than 7 days from the date of issue of this financial result).

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

13. Review of Performance

Group

For the quarter under review, Ygl Group recorded a revenue of RM1,483,847 which was a decrease of 36.5% as compared to a revenue of RM2,336,259 achieved in the preceding year corresponding quarter ended 30 June 2011. Gross profit for the quarter under review was RM128,677 as compared to gross profit of RM799,881 for the preceding year corresponding quarter which was a decrease of 83.9%. The decrease in gross profit was due to lower revenue attained during the quarter while the direct overheads were maintained.

Malaysia Segment

For the quarter under review, the Malaysia segment recorded a revenue of RM452,101 which was a decrease of 71.6% as compared to a revenue of RM1,589,852 achieved in the preceding year corresponding quarter ended 30 June 2011. Loss from operations for the quarter under review was RM632,776 as compared to profit from operations of RM468,358 for the preceding year corresponding quarter which was a decrease of 235%. The loss from operations in this quarter was due to lower revenue attained whereas the direct overheads remained the same.

Asia Pacific Segment

For the quarter under review, the Asia Pacific segment recorded a revenue of RM1,031,746 which was an increase of 38.2% as compared to a revenue of RM746,407 achieved in the preceding year corresponding quarter ended 30 June 2011. Profit from operations for the quarter under review was RM145,453 as compared to loss from operations of RM135,584 for the preceding year corresponding quarter which was an increase of 207%. The increase in profit from operations was due to higher turnover and improved project costs control by the overseas segment.

14. Material Changes in Profit Before Tax Against Preceding Quarter

There was a loss before tax of RM531,483 for the quarter under review as compared to a loss of RM442,541 recorded in the preceding first quarter ended 31 March 2012, which was an increase of 20.1%. This was due to lower revenue achieved during the quarter with no significant changes to the direct cost structure.

15. Corporate Proposals

There are no other corporate proposals announced but not completed as at the date of announcement as at 27 August 2012 (the latest practicable date not earlier than 7 days from the date of issue of this financial result).

16. Prospects for 2012

Despite the economic headwinds from the US and Europe half way into the year 2012, demand for software applications is expected to stay resilient in the midst of moderate economic growth. Ygl is optimistic that there are areas of opportunity for its range of niche proprietary solutions. Spending on software solutions and services is expected to slowly grow based on the increase in dependency on information technology and automated systems.

17. Taxation

	Current Quarter 30 June 2012 RM	Cumulative Quarter 30 June 2012 RM
Current tax expense		
Malaysian income tax	(4,998)	2,004
Foreign tax	452	132
	<hr/> 4,546	<hr/> 2,136
Deferred tax	-	-
Total income tax expense	<hr/> <hr/> (4,546)	<hr/> <hr/> 2,136

There was a tax expense despite the net loss position of the Group as certain companies within the Group are still subject to income tax.

18. Status on Utilisation of Proceeds

Not applicable.

19. Cash and cash equivalents

	As at 30 June 2012 RM'000
Time deposits	862
Cash and bank balances	837
	<hr/> <hr/> 1,699

20. Company Borrowings and Debt Securities

The Group’s borrowings are as follows:

	As at 30 June 2012 RM	As at 30 June 2011 RM
<u>Payable within 12 months</u>		
Secured - Term Loan	16,040	17,535
Secured - Hire purchase liability	26,003	32,345
	42,043	49,880
<u>Payable after 12 months</u>		
Secured - Term Loan	748,707	759,612
Secured - Hire purchase liability	45,496	-
	794,203	759,612
Total	836,246	809,492

The Group does not have any foreign currency borrowings.

21. Capital Commitment

The Group’s objectives when managing capital are to maintain a strong capital base and to safeguard the Group’s ability to continue as a going concern, so as to maintain shareholder, stakeholder and market confidence and to sustain future development of the business.

As at 27 August 2012 (the latest practicable date not earlier than 7 days from the date of issue of this financial result), the Group has no material capital commitment in respect of property, plant and equipment.

22. Financial Instruments

The Company has classified its financial assets in the following categories:

	At Fair Value through profit or loss RM	Loans and Receivables RM	Total RM
As at 30 June 2012			
Account receivables	-	2,066,787	2,066,787
Other receivables, prepayments and deposits paid	-	2,920,398	2,929,398
Short term investment	99,541	-	99,541
Cash and cash equivalents	-	1,698,879	1,698,879
	99,541	6,686,064	6,785,605
	99,541	6,686,064	6,785,605

The Company has classified its financial liabilities in the following categories:

	Financial Liabilities at amortised cost RM
As at 30 June 2012	
Account payables	694,597
Other payables, accruals and deposits received	1,016,031
Term loan	764,747
Hire purchase liabilities	71,499

	2,546,874
	=====

All other financial instruments are carried at amounts not materially different from their fair values as at 30 June 2012.

Financial Risk Management Objectives and Policies

The Group's operating, investing and financing activities expose it to currency risk, interest rate risk, price risk, credit risk and liquidity risk. The chief executive office, supported by the management team, assesses and makes recommendations to the board for risk management purposes. The methods used to assess financial risks include statistical analysis and financial models. The Board has identified the following financial risk management objectives and policies:

- a) To minimize the group's exposure to foreign currency exchange rates and future cash flow risks;
- b) To accept reasonable level of price risk and credit risk that commensurate with the expected returns of the underlying operations and activities; and
- c) To minimize liquidity risk by proper cash flow planning, management and control.

The Group's risk management policies include:

- a) Credit controls which include evaluation, acceptance, monitoring and feedback to ensure reasonable credit worthy customers are accepted; and
- b) Money market instruments, short term deposits and bank overdrafts to manage liquidity risk.

The Group does not have a formal policy on future or exchange contracts or hedge activities as foreign currency transactions are dealt directly by the respective overseas subsidiary companies.

There have been no significant changes on the Group's exposure to financial risks from the previous year. Neither have there been any changes to the Group's risk management objectives and policies from the previous year.

The Company does not deal in any derivative financial instruments in the quarter under review as such there was no derivative financial instrument reported and no other comprehensive income reported in the financial statements in the quarter under review except those that were of loans and receivables in nature.

Trade Receivables

Analysis of financial assets past due but not impaired:

Past due	RM
Up to 90 days	940,654
>90 to 180 days	553,482
>180 to 360 days	145,584
>360 days	427,067
Total past due amount	<u>2,066,787</u>

The financial assets are classified as impaired asset when they are more than 360 days past due and after impairment tests reveal that their recovery is doubtful. Adequate impairment losses have been allowed for these impairment assets.

Loans and Advances

These non-derivative financial assets and liabilities are measured at amortised cost using the effective interest method where the initial amounts are measured at fair value. Gains or losses arisen from the fair value measurement with the related interest income or expense are recognised in the statement of comprehensive income. The effective discount rate used was 4.7% over expected five years of repayment. The discounted amounts arisen from inter company advances were eliminated in the consolidation of accounts at group level.

23. Significant Related Party Transactions

For the second quarter ended 30 June 2012, there was no significant related party transaction entered by the Group.

24. Material Litigation

Neither the Company nor its subsidiary companies is engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiary companies and the Board does not know of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or its subsidiary companies.

25. Profit Estimate/Forecast

Not applicable.

26. Dividend

The Board did not declare any dividend payments for the current financial quarter under review.

27. Earnings Per Share

The basic earnings per share of the Group is calculated by dividing the net profit for the period by the weighted average number of ordinary shares.

	3 months ended 30 June		Cumulative 6 months ended 30 June	
	2012	2011	2012	2011
Profits/(Loss) for the period attributable to shareholders (RM)	(531,483)	317,252	(974,024)	1,908,784
Weighted average number of ordinary shares in issue	159,977,400	159,977,400	159,977,400	159,977,400
Basic earnings/(loss) per share (sen)	(0.33)	0.20	(0.61)	1.19

28. Realised and Unrealised Accumulated Losses

The disclosure as required by Bursa Malaysia Securities Berhad on the realized and unrealised unappropriated profits or accumulated losses is as follows:

	As at 30 June 2012 RM	As at 31 December 2011 RM
Total accumulated profits / (losses) of Ygl and its subsidiaries:		
Realised	(1,835,166)	(804,483)
Unrealised	(2,534)	(55,871)
	(1,837,700)	(860,354)
Total share of accumulated losses from associated company:		
Realised	(749,163)	(678,529)
Unrealised	-	-
	(2,586,863)	(1,538,883)
Less: Consolidation adjustments	-	-
Total group accumulated profits / (losses) as per consolidated accounts	(2,586,863)	(1,538,883)