

YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

CONDENSED CONSOLIDATED BALANCE SHEET

AT 30 JUNE 2008

	Unaudited 30 June 2008 RM'000	Audited 31 December 2007 RM'000
ASSETS		
Property, plant and equipment	276,433	265,557
Prepaid lease payments	3,700	3,740
Quoted investments	23	23
Deferred tax assets	307	276
Goodwill	1,438	1,438
Total non-current assets	<u>281,901</u>	<u>271,034</u>
Inventories	95,615	116,005
Properties held for sale	2,758	2,758
Trade and other receivables	100,822	94,014
Current tax assets	1,129	1,185
Cash and cash equivalents	31,448	22,807
Total current assets	<u>231,772</u>	<u>236,769</u>
Total assets	<u><u>513,673</u></u>	<u><u>507,803</u></u>
EQUITY		
Share capital	65,178	65,178
Reserves	72,757	58,574
Total equity attributable to the equity holders of the company	<u>137,935</u>	<u>123,752</u>
Minority interests	<u>12,282</u>	<u>9,688</u>
Total equity	<u><u>150,217</u></u>	<u><u>133,440</u></u>
LIABILITIES		
Loans and borrowings	115,830	112,011
Deferred tax liabilities	13,117	9,594
Employee benefits	2,169	2,169
Total non-current liabilities	<u>131,116</u>	<u>123,774</u>
Trade and other payables	36,751	26,345
Loans and borrowings	193,428	223,940
Current tax liabilities	2,161	304
Total current liabilities	<u>232,340</u>	<u>250,589</u>
Total liabilities	<u><u>363,456</u></u>	<u><u>374,363</u></u>
Total equity and liabilities	<u><u>513,673</u></u>	<u><u>507,803</u></u>
Net Assets per share of RM0.50 each attributable to ordinary equity holders of the company (sen)	106	95

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 31st December 2007)

YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

CONDENSED CONSOLIDATED INCOME STATEMENTS

For the period ended 30 June 2008

	3 months ended 30 June		Year to date ended 30 June	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Revenue	141,865	117,960	263,243	216,411
Cost of sales	(114,601)	(101,393)	(220,236)	(190,669)
Gross profit	27,264	16,567	43,007	25,742
Other income	1,545	304	2,757	650
Selling and distribution expenses	(1,791)	(1,277)	(3,541)	(2,505)
Administrative expenses	(6,000)	(4,497)	(11,037)	(8,683)
Interest expense	(3,967)	(4,294)	(7,524)	(7,029)
Profit before taxation	17,051	6,803	23,662	8,175
Tax expense	(4,288)	(1,691)	(5,945)	(2,035)
Profit for the period	12,763	5,112	17,717	6,140
Attributable to:				
Equity holders of the company	11,074	4,488	15,486	5,225
Minority interests	1,689	624	2,231	915
	12,763	5,112	17,717	6,140
Basic earnings per ordinary share of RM0.50 each (sen)	8.49	3.44	11.88	4.01
Diluted earnings per ordinary share of RM0.50 each (sen)	-	-	-	-

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 31st December 2007)

YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 June 2008

	Attributable to Equity Holders of the Company							Total Equity RM'000
	Non-distributable				Distributable		Minority Interests RM'000	
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Capital Reserve RM'000	Retained Profits RM'000	Total RM'000		
At 1 January 2008	65,178	500	11,475	1,793	44,806	123,752	9,688	133,440
Shares issued by a subsidiary	-	-	-	-	-	-	798	798
Realisation of revaluation reserve	-	-	(17)	-	17	-	-	-
Net profit for the period	-	-	-	-	15,486	15,486	2,231	17,717
Total recognised income and expense for the period	-	-	(17)	-	15,503	15,486	2,231	17,717
Dividends paid to:								
- shareholders of the company	-	-	-	-	(1,303)	(1,303)	-	(1,303)
- minority shareholders	-	-	-	-	-	-	(435)	(435)
At 30 June 2008	<u>65,178</u>	<u>500</u>	<u>11,458</u>	<u>1,793</u>	<u>59,006</u>	<u>137,935</u>	<u>12,282</u>	<u>150,217</u>
At 1 January 2007	65,178	500	691	1,793	32,952	101,114	5,826	106,940
Shares issued by a subsidiary	-	-	-	-	-	-	2,930	2,930
Revaluation of land	-	-	10,818	-	-	10,818	870	11,688
Realisation of revaluation reserve	-	-	(34)	-	34	-	-	-
Net profit for the year	-	-	-	-	14,427	14,427	1,490	15,917
Total recognised income and expense for the year	-	-	10,784	-	14,461	25,245	2,360	27,605
Acquisition of additional interest in existing subsidiaries	-	-	-	-	-	-	(173)	(173)
Dividends paid to:								
- shareholders of the company	-	-	-	-	(2,607)	(2,607)	-	(2,607)
- minority shareholders	-	-	-	-	-	-	(1,255)	(1,255)
At 31 December 2007	<u>65,178</u>	<u>500</u>	<u>11,475</u>	<u>1,793</u>	<u>44,806</u>	<u>123,752</u>	<u>9,688</u>	<u>133,440</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with
the Annual Financial Report for the year ended 31st December 2007)

YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the period ended 30 June 2008

	2008	2007
	RM'000	RM'000
Cash flows from operating activities		
Profit before taxation	23,662	8,175
Adjustments for:		
Depreciation of property, plant and equipment	8,237	6,956
Amortisation of prepaid lease payments	40	40
Gain on disposal of property, plant & equipment	(170)	(98)
Interest expense	7,524	7,029
Interest income	(308)	(206)
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Operating profit before changes in working capital	38,985	21,896
Changes in working capital:		
Inventories	20,390	(7,153)
Trade and other receivables	(6,808)	(14,705)
Trade and other payables	12,361	10,447
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Cash generated from operations	64,928	10,485
Income tax (paid)/refund	(541)	516
Interest paid	(4,209)	(5,188)
Interest received	276	193
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Net cash generated from operating activities	60,454	6,006
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Cash flows from investing activities		
Acquisition of property, plant and equipment	(19,113)	(30,641)
Proceeds from disposal of property, plant & equipment	171	108
Interest received	31	13
Increase in deposits pledged with banks	(2,073)	(393)
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Net cash used in investing activities	(20,984)	(30,913)
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YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the period ended 30 June 2008

	2008	2007
	RM'000	RM'000
Cash flows from financing activities		
(Repayment of)/net proceed from loans	(979)	1,157
(Repayment of)/net proceed from bankers' acceptances and revolving credit	(21,005)	35,127
Repayment of hire purchase loans	(2,750)	(704)
Interest paid	(3,314)	(1,840)
Dividend paid to:		
- shareholders of the Company	(3,259)	(652)
- minority shareholders	(435)	-
Proceeds from issuance of shares to minority shareholders	798	770
Net cash (used in)/generated from financing activities	<u>(30,944)</u>	<u>33,858</u>
Net increase in cash and cash equivalents	8,526	8,951
Cash and cash equivalents at beginning of year	<u>2,506</u>	<u>2,816</u>
Cash and cash equivalents at end of year	<u><u>11,032</u></u>	<u><u>11,767</u></u>
Cash and cash equivalents comprise:		
Fixed deposits (excluding deposits pledged)	1,155	1,114
Cash and bank balances	21,568	16,856
Bank overdrafts	(11,691)	(6,203)
	<u><u>11,032</u></u>	<u><u>11,767</u></u>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31st December 2007)