

YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2010

	Unaudited 30 June 2010 RM'000	Audited 31 December 2009 RM'000
ASSETS		
Property, plant and equipment	271,742	267,867
Prepaid lease payments	3,394	3,434
Quoted investments	23	23
Deferred tax assets	273	268
Goodwill	1,438	1,438
Total non-current assets	276,870	273,030
Inventories	207,510	135,749
Property held for sale	323	323
Trade and other receivables	88,362	63,443
Current tax assets	467	869
Cash and bank balances	23,500	19,710
Total current assets	320,162	220,094
Total assets	597,032	493,124
EQUITY		
Share capital	90,924	90,924
Reserves	68,694	63,478
Total equity attributable to owners of the Company	159,618	154,402
Minority interest	14,334	12,660
Total equity	173,952	167,062
LIABILITIES		
Loans and borrowings	100,377	88,479
Deferred tax liabilities	16,834	14,499
Employee benefits	2,569	2,569
Total non-current liabilities	119,780	105,547
Trade and other payables	45,081	23,259
Loans and borrowings	257,043	196,861
Current tax liabilities	1,176	395
Total current liabilities	303,300	220,515
Total liabilities	423,080	326,062
Total equity and liabilities	597,032	493,124
Net Assets per share of RM0.50 each attributable to owners of the Company (sen)	82	79

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2009)

YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period ended 30 June 2010 - unaudited

	3 months ended 30 June		Year to date ended 30 June	
	2010	2009	2010	2009
	RM'000	RM'000	RM'000	RM'000
Revenue	124,855	82,329	242,313	154,364
Cost of sales	(106,053)	(71,824)	(206,131)	(140,358)
Gross profit	18,802	10,505	36,182	14,006
Other income	421	92	924	418
Selling and distribution expenses	(1,427)	(1,045)	(2,890)	(2,052)
Administrative expenses	(6,080)	(4,215)	(11,600)	(10,986)
Interest expense	(3,963)	(2,596)	(6,903)	(5,525)
Profit/(loss) before taxation	7,753	2,741	15,713	(4,139)
Income tax expense	(1,882)	(821)	(3,935)	(802)
Profit/(loss) for the period	<u>5,871</u>	<u>1,920</u>	<u>11,778</u>	<u>(4,941)</u>
Attributable to:				
Owners of the Company	4,943	2,196	10,104	(4,018)
Minority interests	928	(276)	1,674	(923)
Profit/(loss) for the period	<u>5,871</u>	<u>1,920</u>	<u>11,778</u>	<u>(4,941)</u>
Basic earnings/(loss) per ordinary share of RM0.50 each (sen)	<u>2.53</u>	<u>1.12</u>	<u>5.17</u>	<u>(2.05)</u>
Diluted earnings/(loss) per ordinary share of RM0.50 each (sen)	<u>2.48</u>	<u>1.12</u>	<u>5.13</u>	<u>(2.05)</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2009)

YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 June 2010

	Attributable to Owners of the Company							Minority Interest RM'000	Total Equity RM'000
	Non-distributable				Distributable				
	Share Capital RM'000	Warrant Reserve RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Capital Reserve RM'000	Retained Profits RM'000	Total RM'000		
<i>Unaudited</i>									
At 1 January 2010	90,924	6,843	-	6,058	1,793	48,784	154,402	12,660	167,062
Profit for the period	-	-	-	-	-	10,104	10,104	1,674	11,778
Dividend paid	-	-	-	-	-	(4,888)	(4,888)	-	(4,888)
At 30 June 2010	<u>90,924</u>	<u>6,843</u>	<u>-</u>	<u>6,058</u>	<u>1,793</u>	<u>54,000</u>	<u>159,618</u>	<u>14,334</u>	<u>173,952</u>
<i>Audited</i>									
At 1 January 2009	90,924	6,843	-	6,058	1,793	40,312	145,930	10,841	156,771
Rights issue by subsidiary	-	-	-	-	-	-	-	1,400	1,400
Profit for the year	-	-	-	-	-	9,938	9,938	419	10,357
Dividend paid	-	-	-	-	-	(1,466)	(1,466)	-	(1,466)
At 31 December 2009	<u>90,924</u>	<u>6,843</u>	<u>-</u>	<u>6,058</u>	<u>1,793</u>	<u>48,784</u>	<u>154,402</u>	<u>12,660</u>	<u>167,062</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2009)

YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 30 June 2010 - unaudited

	Period ended 30 June	
	2010	2009
	RM'000	RM'000
Cash flows from operating activities		
Profit/(loss) before taxation	15,712	(4,139)
Adjustments for:		
Depreciation of property, plant and equipment	9,149	9,077
Amortisation of prepaid lease payments	39	40
Change in fair value of derivatives	173	-
Gain on disposal of property, plant & equipment	(9)	(207)
Interest expense	6,904	5,525
Interest income	(232)	(210)
Operating profit before changes in working capital	31,736	10,086
Changes in working capital:		
Properties held for sale	-	165
Inventories	(71,761)	20,290
Trade and other receivables	(24,517)	2,167
Trade and other payables	21,421	8,654
Cash (used in)/generated from operations	(43,121)	41,362
Income tax paid	(421)	(418)
Interest paid	(4,149)	(2,691)
Interest received	132	146
Net cash (used in)/from operating activities	(47,559)	38,399
Cash flows from investing activities		
Acquisition of property, plant and equipment	(14,298)	(4,138)
Proceeds from disposal of property, plant & equipment	163	211
Interest received	101	75
Increase in deposits pledged with banks	(101)	(1,873)
Net cash used in investing activities	(14,135)	(5,725)

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(Company No. 032939-U)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 30 June 2010 - unaudited

	Period ended 30 June	
	2010	2009
	RM'000	RM'000
Cash flows from financing activities		
Net proceeds from/(repayment of) loans	7,981	(6,731)
Net proceeds from/(repayment of) bankers' acceptances and revolving credits	63,867	(24,094)
Repayment of finance leases	(3,467)	(3,351)
Interest paid	(2,755)	(2,845)
Dividend paid to shareholders of the Company	(4,888)	(1,466)
Net cash from/(used in) financing activities	<u>60,738</u>	<u>(38,487)</u>
Net increase/(decrease) in cash and cash equivalents	(956)	(5,813)
Cash and cash equivalents at beginning of year	<u>702</u>	<u>6,988</u>
Cash and cash equivalents at end of year	<u>(254)</u>	<u>1,175</u>
Cash and cash equivalents comprise:		
Fixed deposits (excluding deposits pledged)	1,238	1,196
Cash and bank balances	10,700	11,036
Bank overdrafts	<u>(12,192)</u>	<u>(11,057)</u>
	<u>(254)</u>	<u>1,175</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 December 2009)