

# YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2010

	Unaudited 30 September 2010 RM'000	Audited 31 December 2009 RM'000
<b>ASSETS</b>		
Property, plant and equipment	282,580	267,867
Prepaid lease payments	3,391	3,434
Quoted investments	23	23
Deferred tax assets	273	268
Goodwill	1,438	1,438
<b>Total non-current assets</b>	<b>287,705</b>	<b>273,030</b>
Inventories	177,879	135,749
Property held for sale	323	323
Trade and other receivables	77,653	63,443
Current tax assets	478	869
Cash and bank balances	24,005	19,710
<b>Total current assets</b>	<b>280,338</b>	<b>220,094</b>
<b>Total assets</b>	<b>568,043</b>	<b>493,124</b>
<b>EQUITY</b>		
Ordinary Share capital	90,924	90,924
Redeemable Convertible Preference Shares	10,863	-
Reserves	72,448	63,478
<b>Total equity attributable to owners of the Company</b>	<b>174,235</b>	<b>154,402</b>
<b>Minority interest</b>	<b>14,389</b>	<b>12,660</b>
<b>Total equity</b>	<b>188,624</b>	<b>167,062</b>
<b>LIABILITIES</b>		
Loans and borrowings	105,614	88,479
Deferred tax liabilities	17,537	14,499
Employee benefits	2,569	2,569
<b>Total non-current liabilities</b>	<b>125,720</b>	<b>105,547</b>
Trade and other payables	22,639	23,259
Loans and borrowings	230,265	196,861
Current tax liabilities	795	395
<b>Total current liabilities</b>	<b>253,699</b>	<b>220,515</b>
<b>Total liabilities</b>	<b>379,419</b>	<b>326,062</b>
<b>Total equity and liabilities</b>	<b>568,043</b>	<b>493,124</b>
Net Assets per share of RM0.50 each attributable to owners of the Company (sen)	89	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 September 2010 - unaudited

	3 months ended 30 Sept		Year to date ended 30 Sept	
	2010	2009	2010	2009
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>	104,986	92,553	347,299	246,917
Cost of sales	(93,254)	(74,204)	(299,385)	(214,562)
<b>Gross profit</b>	11,732	18,349	47,914	32,355
Other income	1,111	568	2,035	986
Selling and distribution expenses	(1,293)	(1,315)	(4,183)	(3,367)
Administrative expenses	(5,884)	(5,046)	(17,484)	(16,032)
Interest expense	(3,068)	(2,397)	(9,972)	(7,922)
<b>Profit/(loss) before taxation</b>	2,598	10,159	18,310	6,020
Income tax expense	(757)	(2,158)	(4,692)	(2,960)
<b>Profit/(loss) for the period</b>	1,841	8,001	13,618	3,060
<b>Attributable to:</b>				
Owners of the Company	1,786	7,145	11,889	3,128
Minority interests	55	856	1,729	(68)
<b>Profit/(loss) for the period</b>	1,841	8,001	13,618	3,060
<b>Basic earnings/(loss) per ordinary share of RM0.50 each (sen)</b>	0.91	3.65	6.08	1.60
<b>Diluted earnings/(loss) per ordinary share of RM0.50 each (sen)</b>	0.88	3.65	6.00	1.60

(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 September 2010

	Attributable to Owners of the Company							Total	Minority Interest	Total Equity
	Non-distributable					Distributable				
	Ordinary Share Capital RM'000	RCPS* RM'000	Warrant Reserve RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Capital Reserve RM'000	Retained Profits RM'000			
<i>Unaudited</i>										
<b>At 1 January 2010</b>	90,924	-	6,843	-	6,058	1,793	48,784	154,402	12,660	167,062
RCPS issued	-	10,863	-	1,969	-	-	-	12,832	-	-
Profit for the period	-	-	-	-	-	-	11,889	11,889	1,729	13,618
Dividend paid	-	-	-	-	-	-	(4,888)	(4,888)	-	(4,888)
<b>At 30 September 2010</b>	<u>90,924</u>	<u>10,863</u>	<u>6,843</u>	<u>1,969</u>	<u>6,058</u>	<u>1,793</u>	<u>55,785</u>	<u>174,235</u>	<u>14,389</u>	<u>175,792</u>
<i>Audited</i>										
<b>At 1 January 2009</b>	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)
<b>At 31 December 2009</b>	<u>90,924</u>	<u>-</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>

\*Redeemable Convertible Preference Shares of RM0.50 each

(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 September 2010 - unaudited

	Period ended 30 September	
	2010	2009
	RM'000	RM'000
<b>Cash flows from operating activities</b>		
Profit/(loss) before taxation	18,310	6,020
Adjustments for:		
Depreciation of property, plant and equipment	13,837	13,651
Amortisation of prepaid lease payments	59	60
Change in fair value of derivatives	(77)	-
Dividend income	(1)	-
Gain on disposal of property, plant & equipment	(261)	(295)
Fixed assets written off	-	14
Interest expense	9,972	7,927
Interest income	(394)	(380)
Operating profit before changes in working capital	41,445	26,997
Changes in working capital:		
Properties held for sale	-	165
Inventories	(42,130)	10,298
Trade and other receivables	(13,808)	4,272
Trade and other payables	(1,021)	20,362
Cash (used in)/generated from operations	(15,514)	62,094
Income tax paid	(868)	(554)
Interest paid	(5,579)	(3,659)
Interest received	135	185
<b>Net cash (used in)/from operating activities</b>	<b>(21,826)</b>	<b>58,066</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(29,926)	(4,824)
Proceeds from disposal of property, plant & equipment	502	656
Interest received	259	194
Dividend received	1	-
Increase in deposits pledged with banks	(1,299)	(1,956)
<b>Net cash used in investing activities</b>	<b>(30,463)</b>	<b>(5,930)</b>

# YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 30 September 2010 - unaudited

	Period ended 30 September	
	2010	2009
	RM'000	RM'000
<b>Cash flows from financing activities</b>		
Net proceeds from/(repayment of) loans	11,130	(8,152)
Net proceeds from/(repayment of) bankers' acceptances and revolving credits	41,439	(21,918)
Repayment of finance leases	(4,841)	(5,060)
Interest paid	(4,393)	(4,267)
Proceed from issuance of RCPS	12,832	-
Dividend paid to shareholders of the Company	(4,888)	(1,466)
<b>Net cash from/(used in) financing activities</b>	<u>51,279</u>	<u>(40,863)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	(1,010)	11,273
<b>Cash and cash equivalents at beginning of year</b>	<u>702</u>	<u>6,988</u>
<b>Cash and cash equivalents at end of year</b>	<u>(308)</u>	<u>18,261</u>
Cash and cash equivalents comprise:		
Fixed deposits (excluding deposits pledged)	1,264	1,196
Cash and bank balances	9,981	17,516
Bank overdrafts	(11,553)	(451)
	<u>(308)</u>	<u>18,261</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)**