

YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2010

	Unaudited 31 December 2010 RM'000	Audited 31 December 2009 RM'000 (restated)
ASSETS		
Property, plant and equipment	284,227	271,301
Quoted investments	23	23
Deferred tax assets	107	268
Goodwill	1,438	1,438
Total non-current assets	285,795	273,030
Inventories	137,930	135,749
Property held for sale	323	323
Trade and other receivables	87,594	63,443
Current tax assets	441	869
Cash and cash equivalents	26,298	19,710
Total current assets	252,586	220,094
Total assets	538,381	493,124
EQUITY		
Share capital	101,787	90,924
Reserves	70,116	63,478
Total equity attributable to owners of the Company	171,903	154,402
Minority interest	15,620	12,660
Total equity	187,523	167,062
LIABILITIES		
Loans and borrowings	85,732	88,479
Deferred tax liabilities	17,511	14,499
Employee benefits	2,920	2,569
Total non-current liabilities	106,163	105,547
Trade and other payables	25,158	23,259
Loans and borrowings	219,117	196,861
Current tax liabilities	420	395
Total current liabilities	244,695	220,515
Total liabilities	350,858	326,062
Total equity and liabilities	538,381	493,124
Net Assets per ordinary share of RM0.50 each attributable to owners of the Company (sen)	88	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 31 December 2010 - unaudited

	3 months ended 31 Dec		Year to date ended 31 Dec	
	2010	2009	2010	2009
	RM'000	RM'000	RM'000	RM'000
Revenue	119,100	94,566	466,399	341,483
Cost of sales	(109,659)	(72,334)	(409,043)	(286,896)
Gross profit	9,441	22,232	57,356	54,587
Other income	1,717	(77)	3,751	909
Selling and distribution expenses	(1,458)	(1,197)	(5,641)	(4,564)
Administrative expenses	(7,223)	(8,534)	(24,707)	(24,566)
Interest expense	(3,521)	(2,869)	(13,493)	(10,791)
Profit/(loss) before taxation	(1,044)	9,555	17,266	15,575
Income tax expense	(57)	(2,258)	(4,749)	(5,218)
Profit/(loss) and total comprehensive income for the period	(1,101)	7,297	12,517	10,357
Attributable to:				
Owners of the Company	(2,332)	6,810	9,557	9,938
Minority interests	1,231	487	2,960	419
Profit/(loss) and total comprehensive income for the period	(1,101)	7,297	12,517	10,357
Basic earnings/(loss) per ordinary share of RM0.50 each (sen)	(1.19)	3.48	4.89	5.08
Diluted earnings/(loss) per ordinary share of RM0.50 each (sen)	(1.16)	-	4.81	-

(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 31 December 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>										
At 1 January 2010	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 and total comprehensive income for the year	-	-	-	-	-	-	9,557	9,557	2,960	12,517
Dividend paid to owners of the Company	-	-	-	-	-	-	(4,888)	(4,888)	-	(4,888)
At 31 December 2010	<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>53,453</u>	<u>171,903</u>	<u>15,620</u>	<u>174,691</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 and total comprehensive income for the year	-	-	-	-	-	-	9,938	9,938	419	10,357
Dividend paid to owners of the Company	-	-	-	-	-	-	(1,466)	(1,466)	-	(1,466)
At 31 December 2009	<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 31 December 2010 - unaudited

	Period ended 31 December	
	2010	2009
	RM'000	RM'000
Cash flows from operating activities		
Profit/(loss) before taxation	17,266	15,575
Adjustments for:		
Depreciation of property, plant and equipment	18,858	18,591
Dividend income	(1)	-
Gain on disposal of property, plant & equipment	(328)	(121)
Fixed assets written down	-	2,049
Interest expense	13,493	10,791
Interest income	(487)	(660)
Provision for retirement benefits	372	338
Unrealised foreign exchange gain	(79)	(246)
Operating profit before changes in working capital	49,094	46,317
Changes in working capital:		
Properties held for sale	-	165
Inventories	(2,182)	(44,645)
Trade and other receivables	(23,779)	(743)
Trade and other payables	1,507	12,460
Cash generated from operations	24,640	13,554
Income tax paid	(1,123)	266
Interest paid	(7,613)	(5,206)
Interest received	185	300
Retirement benefits paid	(21)	(54)
Net cash from operating activities	16,068	8,860
Cash flows from investing activities		
Acquisition of property, plant and equipment	(32,005)	(10,319)
Proceeds from disposal of property, plant & equipment	568	677
Interest received	303	373
Dividend received	1	-
Increase in deposits pledged with banks	(1,344)	(2,047)
Net cash used in investing activities	(32,477)	(11,316)

YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 31 December 2010 - unaudited

	Period ended 31 December	
	2010	2009
	RM'000	RM'000
Cash flows from financing activities		
Net proceeds from/(repayment of) loans	7,751	(12,763)
Net proceeds from bankers' acceptances and revolving credits	10,778	20,413
Repayment of finance leases	(7,666)	(5,829)
Interest paid	(5,881)	(5,585)
Proceed from issuance of shares to minority shareholders	-	1,400
Proceed from issuance of RCPS	12,832	-
Dividend paid to shareholders of the Company	(4,888)	(1,466)
Net cash from/(used in) financing activities	<u>12,926</u>	<u>(3,830)</u>
Net increase/(decrease) in cash and cash equivalents	(3,483)	(6,286)
Cash and cash equivalents at beginning of year	<u>702</u>	<u>6,988</u>
Cash and cash equivalents at end of year	<u>(2,781)</u>	<u>702</u>
Cash and cash equivalents comprise:		
Fixed deposits (excluding deposits pledged)	1,264	1,238
Cash and bank balances	12,228	7,011
Bank overdrafts	<u>(16,273)</u>	<u>(7,547)</u>
	<u>(2,781)</u>	<u>702</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)