

# YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2011

	Unaudited 30 September 2011 RM'000	Audited 31 December 2010 RM'000
<b>ASSETS</b>		
Property, plant and equipment	312,605	284,227
Quoted investments	23	23
Deferred tax assets	17	107
Goodwill	1,438	1,438
<b>Total non-current assets</b>	<u>314,083</u>	<u>285,795</u>
Inventories	117,104	137,930
Property held for sale	323	323
Trade and other receivables	76,425	87,591
Current tax assets	1,051	441
Cash and cash equivalents	21,749	26,298
<b>Total current assets</b>	<u>216,652</u>	<u>252,583</u>
<b>Total assets</b>	<u><u>530,735</u></u>	<u><u>538,378</u></u>
<b>EQUITY</b>		
Share capital	101,787	101,787
Reserves	60,144	70,121
<b>Total equity attributable to owners of the Company</b>	<u>161,931</u>	<u>171,908</u>
<b>Non-controlling interests</b>	<u>16,113</u>	<u>15,615</u>
<b>Total equity</b>	<u><u>178,044</u></u>	<u><u>187,523</u></u>
<b>LIABILITIES</b>		
Loans and borrowings	106,281	85,732
Deferred tax liabilities	14,963	17,511
Employee benefits	2,920	2,920
<b>Total non-current liabilities</b>	<u>124,164</u>	<u>106,163</u>
Trade and other payables	14,648	25,155
Loans and borrowings	213,742	219,117
Current tax liabilities	137	420
<b>Total current liabilities</b>	<u>228,527</u>	<u>244,692</u>
<b>Total liabilities</b>	<u><u>352,691</u></u>	<u><u>350,855</u></u>
<b>Total equity and liabilities</b>	<u><u>530,735</u></u>	<u><u>538,378</u></u>
Net Assets per ordinary share of RM0.50 each attributable to owners of the Company (sen)	83	88

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2010)

# YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period ended 30 September 2011 - unaudited

	3 months ended 30 Sept		Year to date ended 30 Sept	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>	97,660	104,986	325,376	347,299
Cost of sales	(94,693)	(93,254)	(300,267)	(299,385)
<b>Gross profit</b>	2,967	11,732	25,109	47,914
Other income	852	1,111	1,804	2,035
Selling and distribution expenses	(1,394)	(1,293)	(4,487)	(4,183)
Administrative expenses	(6,176)	(5,884)	(19,372)	(17,484)
Finance costs	(3,560)	(3,068)	(11,650)	(9,972)
<b>(Loss)/Profit before taxation</b>	(7,311)	2,598	(8,596)	18,310
Income tax expense	1,846	(757)	1,860	(4,692)
<b>(Loss)/Profit and total comprehensive (loss)/income for the period</b>	(5,465)	1,841	(6,736)	13,618
<b>Attributable to:</b>				
Owners of the Company	(4,709)	1,786	(7,097)	11,889
Non-controlling interests	(756)	55	361	1,729
<b>(Loss)/Profit and total comprehensive (loss)/income for the period</b>	(5,465)	1,841	(6,736)	13,618
Basic (loss)/earnings per ordinary share of RM0.50 each (sen)	(2.41)	0.91	(3.63)	6.08
Diluted (loss)/earnings per ordinary share of RM0.50 each (sen)	(2.41)	0.88	(3.48)	6.00

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2010)

# YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 September 2011

	Attributable to owners of the Company									Non-controlling Interests RM'000	Total Equity RM'000
	Non-distributable						Distributable		Total RM'000		
	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 2011</b>	90,924	10,863	6,843	1,969	6,058	1,793	53,458	171,908	15,615	187,523	
Total comprehensive loss for the year	-	-	-	-	-	-	(7,097)	(7,097)	361	(6,736)	
Dividend paid to owners of the Company	-	-	-	-	-	-	(2,743)	(2,743)	-	(2,743)	
Acquisition of non-controlling interests by a subsidiary	-	-	-	-	(261)	1,092	(968)	(137)	137	-	
<b>At 30 September 2011</b>	<u>90,924</u>	<u>10,863</u>	<u>6,843</u>	<u>1,969</u>	<u>5,797</u>	<u>2,885</u>	<u>42,650</u>	<u>161,931</u>	<u>16,113</u>	<u>178,044</u>	
<i>Audited</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	-	12,832	
Total comprehensive income for the year	-	-	-	-	-	-	9,562	9,562	2,955	12,517	
Dividend paid to owners of the Company	-	-	-	-	-	-	(4,888)	(4,888)	-	(4,888)	
<b>At 31 December 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>53,458</u>	<u>171,908</u>	<u>15,615</u>	<u>187,523</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 2010)

# YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 30 September 2011 - unaudited

	Period ended 30 September	
	2011	2010
	RM'000	RM'000
<b>Cash flows from operating activities</b>		
(Loss)/profit before taxation	(8,596)	18,310
Adjustments for:		
Depreciation of property, plant and equipment	14,907	13,896
Change in fair value of derivatives	-	(77)
Gain on disposal of property, plant & equipment	(186)	(261)
Dividend income		(1)
Finance costs	11,650	9,972
Finance income	(621)	(394)
	<u>17,154</u>	<u>41,445</u>
Operating profit before changes in working capital	17,154	41,445
Changes in working capital:		
Inventories	20,826	(42,130)
Trade and other receivables	11,238	(13,808)
Trade and other payables	(10,507)	(1,021)
	<u>38,711</u>	<u>(15,514)</u>
Cash generated from/(used in) operations	38,711	(15,514)
Income tax paid	(1,490)	(868)
Interest paid	(6,841)	(5,579)
Interest received	367	135
	<u>30,747</u>	<u>(21,826)</u>
<b>Net cash generated from/(used in) used in operating activities</b>	<u>30,747</u>	<u>(21,826)</u>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(43,967)	(29,926)
Proceeds from disposal of property, plant & equipment	870	502
Interest received	254	259
Dividend received	-	1
Increase in deposits pledged with banks	(495)	(1,299)
	<u>(43,338)</u>	<u>(30,463)</u>
<b>Net cash used in investing activities</b>	<u>(43,338)</u>	<u>(30,463)</u>

# YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 30 September 2011 - unaudited

	Period ended 30 September	
	2011	2010
	RM'000	RM'000
<b>Cash flows from financing activities</b>		
Net proceeds from loans	14,390	11,130
Net proceeds from bankers' acceptances and revolving credits	8,115	41,439
Repayment of finance leases	(6,403)	(4,841)
Interest paid	(4,809)	(4,393)
Proceed from issuance of RCPS	-	12,832
Dividend paid to shareholders of the company	(2,743)	(4,888)
<b>Net cash from financing activities</b>	<u>8,550</u>	<u>51,279</u>
<b>Net increase in cash and cash equivalents</b>	(4,041)	(1,010)
<b>Cash and cash equivalents at beginning of year</b>	<u>(2,781)</u>	<u>702</u>
<b>Cash and cash equivalents at end of year</b>	<u>(6,822)</u>	<u>(308)</u>
Cash and cash equivalents comprise:		
Fixed deposits (excluding deposits pledged)	1,299	1,264
Cash and bank balances	7,150	9,981
Bank overdrafts	(15,271)	(11,553)
	<u>(6,822)</u>	<u>(308)</u>

**(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 December 2010)**