

# YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2011

	Unaudited 31 December 2011 RM'000	Audited 31 December 2010 RM'000
<b>ASSETS</b>		
Property, plant and equipment	317,024	284,227
Quoted investments	23	23
Deferred tax assets	83	107
Goodwill	-	1,438
<b>Total non-current assets</b>	<u>317,130</u>	<u>285,795</u>
Inventories	117,537	137,930
Property held for sale	323	323
Trade and other receivables	72,194	87,591
Current tax assets	1,194	441
Cash and cash equivalents	21,891	26,298
<b>Total current assets</b>	<u>213,139</u>	<u>252,583</u>
<b>Total assets</b>	<u><u>530,269</u></u>	<u><u>538,378</u></u>
<b>EQUITY</b>		
Share capital	101,787	101,787
Reserves	49,348	70,121
<b>Total equity attributable to owners of the Company</b>	<u>151,135</u>	<u>171,908</u>
<b>Non-controlling interests</b>	<u>13,831</u>	<u>15,615</u>
<b>Total equity</b>	<u><u>164,966</u></u>	<u><u>187,523</u></u>
<b>LIABILITIES</b>		
Loans and borrowings	91,079	85,732
Deferred tax liabilities	12,146	17,511
Employee benefits	3,247	2,920
<b>Total non-current liabilities</b>	<u>106,472</u>	<u>106,163</u>
Trade and other payables	43,577	25,155
Loans and borrowings	215,157	219,117
Current tax liabilities	97	420
<b>Total current liabilities</b>	<u>258,831</u>	<u>244,692</u>
<b>Total liabilities</b>	<u><u>365,303</u></u>	<u><u>350,855</u></u>
<b>Total equity and liabilities</b>	<u><u>530,269</u></u>	<u><u>538,378</u></u>
Net Assets per ordinary share of RM0.50 each attributable to owners of the Company (sen)	77	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 31 December 2011 - unaudited

	3 months ended 31 Dec		Year to date ended 31 Dec	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>	104,021	119,100	429,397	466,399
Cost of sales	(106,121)	(109,659)	(406,388)	(409,043)
<b>Gross profit</b>	(2,100)	9,441	23,009	57,356
Other income	36	1,717	1,840	3,751
Selling and distribution expenses	(1,582)	(1,458)	(6,069)	(5,641)
Administrative expenses	(8,582)	(7,223)	(27,954)	(24,707)
Finance costs	(3,765)	(3,521)	(15,415)	(13,493)
<b>(Loss)/Profit before taxation</b>	(15,993)	(1,044)	(24,589)	17,266
Income tax expense	2,915	(57)	4,775	(4,749)
<b>(Loss)/Profit and total comprehensive (loss)/income for the period</b>	(13,078)	(1,101)	(19,814)	12,517
<b>Attributable to:</b>				
Owners of the Company	(10,762)	(2,332)	(17,859)	9,557
Non-controlling interests	(2,316)	1,231	(1,955)	2,960
<b>(Loss)/Profit and total comprehensive (loss)/income for the period</b>	(13,078)	(1,101)	(19,814)	12,517
Basic (loss)/earnings per ordinary share of RM0.50 each (sen)	(5.50)	(1.19)	(9.13)	4.89
Diluted (loss)/earnings per ordinary share of RM0.50 each (sen)	(5.50)	(1.16)	(8.83)	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 2010)

# YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 31 December 2011

	Attributable to owners of the Company											
	Non-distributable							Distributable		Total RM'000	Non-controlling Interests RM'000	Total Equity 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	Consolidation 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	-	-	-	-	-	-	-	(17,859)	(17,859)	(1,955)	(19,814)	
Dividend paid to owners of the Company	-	-	-	-	-	-	-	(2,743)	(2,743)	-	(2,743)	
Group Restructuring	-	-	-	-	1,022	(1,793)	8,515	(7,915)	(171)	171	-	
<b>At 31 December 2011</b>	<u>90,924</u>	<u>10,863</u>	<u>6,843</u>	<u>1,969</u>	<u>7,080</u>	<u>-</u>	<u>8,515</u>	<u>24,941</u>	<u>151,135</u>	<u>13,831</u>	<u>164,966</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>-</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 31 December 2011 - unaudited

	Period ended 31 December	
	2011	2010
	RM'000	RM'000
<b>Cash flows from operating activities</b>		
(Loss)/profit before taxation	(24,589)	17,266
Adjustments for:		
Depreciation of property, plant and equipment	20,106	18,858
Change in fair value of derivatives	-	-
Gain on disposal of property, plant & equipment	(222)	(328)
Dividend income	(1)	(1)
Finance costs	15,415	13,493
Finance income	(776)	(487)
Goodwill written off	1,438	-
Retirement benefits	367	372
Unrealised foreign exchange gain	-	(79)
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Operating profit before changes in working capital	11,738	49,094
Changes in working capital:		
Inventories	20,393	(2,182)
Trade and other receivables	15,395	(23,779)
Trade and other payables	18,422	1,507
	<hr/>	<hr/>
Cash generated from operations	65,948	24,640
Income tax paid	(1,641)	(1,123)
Interest paid	(8,897)	(7,613)
Interest received	379	185
Retirement benefits paid	(40)	(21)
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<b>Net cash generated from operating activities</b>	<u>55,749</u>	<u>16,068</u>

# YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 31 December 2011 - unaudited

	Period ended 31 December	
	2011	2010
	RM'000	RM'000
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(53,618)	(32,005)
Proceeds from disposal of property, plant & equipment	940	568
Interest received	396	303
Dividend received	1	1
Increase in deposits pledged with banks	(568)	(1,344)
<b>Net cash used in investing activities</b>	<u>(52,849)</u>	<u>(32,477)</u>
<b>Cash flows from financing activities</b>		
Net proceeds from loans	16,881	7,751
Net proceeds from bankers' acceptances and revolving credits	1,318	10,778
Repayment of finance leases	(8,574)	(7,666)
Interest paid	(6,518)	(5,881)
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>364</u>	<u>12,926</u>
<b>Net increase in cash and cash equivalents</b>	3,264	(3,483)
<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>483</u>	<u>(2,781)</u>
Cash and cash equivalents comprise:		
Fixed deposits (excluding deposits pledged)	1,299	1,264
Cash and bank balances	7,219	12,228
Bank overdrafts	(8,035)	(16,273)
	<u>483</u>	<u>(2,781)</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)