

YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012 - UNAUDITED

	30 June 2012	31 December 2011
	RM'000	RM'000
ASSETS		
Property, plant and equipment	314,612	324,498
Quoted investments	23	23
Deferred tax assets	248	83
Total non-current assets	314,883	324,604
Inventories	156,349	117,537
Property held for sale	323	323
Trade and other receivables	92,368	73,719
Current tax assets	1,149	1,194
Cash and cash equivalents	33,356	21,891
Total current assets	283,545	214,664
Total assets	598,428	539,268
EQUITY		
Share capital	101,787	101,787
Share premium	1,969	1,969
Reserves	50,050	53,767
Total equity attributable to owners of the Company	153,806	157,523
Non-controlling interests	14,428	14,700
Total equity	168,234	172,223
LIABILITIES		
Loans and borrowings	88,630	91,079
Deferred tax liabilities	11,138	12,180
Employee benefits	3,247	3,247
Total non-current liabilities	103,015	106,506
Trade and other payables	89,589	45,285
Loans and borrowings	237,536	215,157
Current tax liabilities	54	97
Total current liabilities	327,179	260,539
Total liabilities	430,194	367,045
Total equity and liabilities	598,428	539,268
Net Assets per ordinary share of RM0.50 each attributable to owners of the Company (sen)	79	81

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2011)

YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period ended 30 June 2012 - Unaudited

	3 months ended 30 June		Year to date ended 30 June	
	2012	2011	2012	2011
	RM'000	RM'000	RM'000	RM'000
Revenue	131,815	115,961	233,635	227,716
Cost of sales	(121,778)	(102,826)	(215,483)	(205,574)
Gross profit	10,037	13,135	18,152	22,142
Other income	1,514	274	2,245	952
Selling and distribution expenses	(2,077)	(1,629)	(3,912)	(3,093)
Administrative expenses	(6,175)	(6,393)	(12,836)	(13,196)
Finance costs	(4,672)	(3,727)	(8,756)	(8,090)
(Loss)/Profit before taxation	(1,373)	1,660	(5,107)	(1,285)
Income tax expense	380	(346)	1,118	14
(Loss)/Profit and total comprehensive (loss)/income for the period	(993)	1,314	(3,989)	(1,271)
Attributable to:				
Owners of the Company	(1,556)	876	(3,717)	(2,388)
Non-controlling interests	563	438	(272)	1,117
(Loss)/Profit and total comprehensive (loss)/income for the period	(993)	1,314	(3,989)	(1,271)
Basic (loss)/earnings per ordinary share of RM0.50 each (sen)	(0.80)	0.45	(1.90)	(1.22)
Diluted (loss)/earnings per ordinary share of RM0.50 each (sen)	-	0.44	-	(1.16)

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2011)

YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 June 2012 - Unaudited

	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				
At 1 January 2012	90,924	10,863	6,843	1,969	-	1,793	45,131	157,523	14,700	172,223	
Total comprehensive loss for the period	-	-	-	-	-	-	(3,717)	(3,717)	(272)	(3,989)	
At 30 June 2012	<u>90,924</u>	<u>10,863</u>	<u>6,843</u>	<u>1,969</u>	<u>-</u>	<u>1,793</u>	<u>41,414</u>	<u>153,806</u>	<u>14,428</u>	<u>168,234</u>	
At 1 January 2011	90,924	10,863	6,843	1,969	-	1,793	66,020	178,412	16,521	194,933	
Total comprehensive income for the year	-	-	-	-	-	-	(17,969)	(17,969)	(1,981)	(19,950)	
Dividend paid to owners of the Company	-	-	-	-	-	-	(2,743)	(2,743)	-	(2,743)	
Changes arises from Group restructuring	-	-	-	-	-	-	(177)	(177)	160	(17)	
At 31 December 2011	<u>90,924</u>	<u>10,863</u>	<u>6,843</u>	<u>1,969</u>	<u>-</u>	<u>1,793</u>	<u>45,131</u>	<u>157,523</u>	<u>14,700</u>	<u>172,223</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 2011)

YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 30 June 2012 - Unaudited

	Period ended 30 June	
	2012	2011
	RM'000	RM'000
Cash flows from operating activities		
Loss before taxation	(5,107)	(1,285)
Adjustments for:		
Depreciation of property, plant and equipment	9,665	9,901
Gain on disposal of property, plant & equipment	(1,464)	(2)
Finance costs	8,756	8,130
Finance income	(367)	(391)
Operating profit before changes in working capital	11,483	16,353
Changes in working capital:		
Inventories	(38,813)	(20,657)
Trade and other receivables	(6,457)	(12,456)
Trade and other payables	44,304	3,484
Cash generated from/(used in) operations	10,517	(13,276)
Income tax refund/(paid)	(86)	(877)
Interest paid	(5,466)	(4,970)
Interest received	156	211
Net cash generated from/(used in) operating activities	5,121	(18,912)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(11,360)	(24,955)
Proceeds from disposal of property, plant & equipment	1,211	147
Interest received	211	179
Increase in deposits pledged with banks	(4,498)	(386)
Acquisition of subsidiary, net of cash	(358)	-
Net cash used in investing activities	(14,794)	(25,015)

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 30 June 2012 - Unaudited

	Period ended 30 June	
	2012	2011
	RM'000	RM'000
Cash flows from financing activities		
Net proceeds from loans	(7,934)	9,896
Net proceeds from bankers' acceptances and revolving credits	26,192	54,360
Repayment of finance leases	(4,948)	(4,250)
Dividend paid to shareholders of the Company	-	(3,159)
Interest paid	(3,290)	(2,743)
Net cash from financing activities	<u>10,020</u>	<u>54,104</u>
Net increase in cash and cash equivalents	347	10,177
Cash and cash equivalents at beginning of year	<u>483</u>	<u>(2,781)</u>
Cash and cash equivalents at end of year	<u>830</u>	<u>7,396</u>
Cash and cash equivalents comprise:		
Fixed deposits (excluding deposits pledged)	1,299	1,264
Cash and bank balances	14,186	14,449
Bank overdrafts	(14,655)	(8,317)
	<u>830</u>	<u>7,396</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 December 2011)