

YKGI HOLDINGS BERHAD

(Company No. 032939-U)

(formerly known as YUNG KONG GALVANISING INDUSTRIES BERHAD)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013 - UNAUDITED

	30 June 2013 RM'000	31 December 2012 RM'000 (restated)
ASSETS		
Property, plant and equipment	306,491	310,167
Quoted investments	10	10
Deferred tax assets	175	-
Total non-current assets	<u>306,676</u>	<u>310,177</u>
Inventories	154,188	94,926
Property held for sale	1,969	-
Trade and other receivables	109,823	83,572
Current tax assets	691	764
Cash and cash equivalents	45,975	33,023
	<u>312,646</u>	<u>212,285</u>
Assets classified as held for sale	-	26,661
Total current assets	<u>312,646</u>	<u>238,946</u>
Total assets	<u>619,322</u>	<u>549,123</u>
EQUITY		
Share capital	178,189	101,787
Share premium	1,969	1,969
Reserves	22,445	36,951
Total equity attributable to owners of the Company	<u>202,603</u>	<u>140,707</u>
Non-controlling interests	<u>-</u>	<u>11,306</u>
Total equity	<u>202,603</u>	<u>152,013</u>
LIABILITIES		
Loans and borrowings	62,727	65,758
Deferred tax liabilities	10,130	8,337
Employee benefits	5,207	5,207
Total non-current liabilities	<u>78,064</u>	<u>79,302</u>
Trade and other payables	120,094	76,880
Loans and borrowings	218,506	223,511
Current tax liabilities	55	28
	<u>338,655</u>	<u>300,419</u>
Liabilities classified as held for sale	-	17,389
Total current liabilities	<u>338,655</u>	<u>317,808</u>
Total liabilities	<u>416,719</u>	<u>397,110</u>
Total equity and liabilities	<u>619,322</u>	<u>549,123</u>
Net Assets per ordinary share of RM0.50 each attributable to owners of the Company (sen)	58	72

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012)

YKGI HOLDINGS BERHAD

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(formerly known as YUNG KONG GALVANISING INDUSTRIES BERHAD)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period ended 30 June 2013 - Unaudited

	3 months ended 30 June		Year to date ended 30 June	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
		Restated		Restated
Revenue	136,508	125,150	275,620	221,683
Cost of sales	(120,626)	(115,943)	(245,666)	(205,188)
Gross profit	15,882	9,207	29,954	16,495
Other income	543	1,283	1,312	1,805
Selling and distribution expenses	(1,796)	(1,539)	(3,887)	(2,822)
Administrative expenses	(6,380)	(5,338)	(12,711)	(11,006)
Finance costs	(3,759)	(4,535)	(7,543)	(8,470)
(Loss)/Profit before taxation	4,490	(922)	7,125	(3,998)
Income tax expense	(1,123)	380	(1,835)	1,078
Profit/(Loss) from continuing operations	3,367	(542)	5,290	(2,920)
Profit/(Loss) from discontinued operation, net of tax	983	(451)	1,344	(1,069)
Profit/(Loss) and total comprehensive income/(loss) for the period	4,350	(993)	6,634	(3,989)
Attributable to:				
Owners of the Company	4,350	(1,556)	6,389	(3,717)
Non-controlling interests	-	563	245	(272)
Profit/(Loss) and total comprehensive income/(loss) for the period	4,350	(993)	6,634	(3,989)
Basic earnings/(loss) per ordinary share of RM0.50 each (sen)				
- From continuing operation	1.09	(0.48)	2.01	(1.17)
- From discontinued operation	0.32	(0.20)	0.53	(0.47)
	1.41	(0.68)	2.54	(1.64)
Diluted earnings/(loss) per ordinary share of RM0.50 each (sen)				
- From continuing operation	-	-	-	-

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction
with the Annual Financial Report for the year ended 31 December 2012)

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 June 2013 - Unaudited

	Attributable to owners of the Company							
	Non-distributable				Distributable		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	Retained Profits RM'000	Total RM'000			
At 1 January 2013	90,924	10,863	6,843	1,969	30,108	140,707	11,306	152,013
Increase in investment in subsidiary	16,612	-	-	-	(5,061)	11,551	(11,551)	-
Issuance of shares through placement	43,953	-	-	-	-	43,953	-	43,953
Issuance of shares through Bonus Issue	15,833	-	-	-	(15,833)	-	-	-
Issuance of shares by exercise of warrants	4	-	(1)	-	-	3	-	3
Total comprehensive profit for the period	-	-	-	-	6,389	6,389	245	6,634
At 30 June 2013	<u>167,326</u>	<u>10,863</u>	<u>6,842</u>	<u>1,969</u>	<u>15,603</u>	<u>202,603</u>	<u>-</u>	<u>202,603</u>
At 1 January 2012	90,924	10,863	6,843	1,969	46,924	157,523	14,700	172,223
Total comprehensive loss for the period	-	-	-	-	(15,349)	(15,349)	(3,394)	(18,743)
Effect of actual loss on retirement benefit	-	-	-	-	(1,467)	(1,467)	-	(1,467)
At 31 December 2012	<u>90,924</u>	<u>10,863</u>	<u>6,843</u>	<u>1,969</u>	<u>30,108</u>	<u>140,707</u>	<u>11,306</u>	<u>152,013</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 2012)

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 30 June 2013 - Unaudited

	Period ended 30 June	
	2013	2012
	RM'000	RM'000
Cash flows from operating activities		
Profit/(Loss) before tax from :		
Continuing operation	7,125	(3,998)
Discontinued operation	1,344	(1,109)
	<u>8,469</u>	<u>(5,107)</u>
Adjustments for:		
Depreciation of property, plant and equipment	9,199	9,665
Gain on disposal of property, plant & equipment	(419)	(1,464)
Gain on disposal of subsidiary	(1,317)	-
Finance costs	7,759	8,756
Finance income	(664)	(367)
	<u>23,027</u>	<u>11,483</u>
Operating profit before changes in working capital	23,027	11,483
Changes in working capital:		
Properties held for sale	116	-
Inventories	(56,430)	(38,813)
Trade and other receivables	(22,799)	(6,457)
Trade and other payables	49,165	44,304
	<u>(6,921)</u>	<u>10,517</u>
Cash (used in)/generated from operations	(6,921)	10,517
Income tax refund/(paid)	132	(86)
Interest paid	(4,960)	(5,466)
Interest received	258	156
	<u>(11,491)</u>	<u>5,121</u>
Net cash (used in)/generated from operating activities	<u>(11,491)</u>	<u>5,121</u>

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 30 June 2013 - Unaudited

	Period ended 30 June	
	2013	2012
	RM'000	RM'000
Cash flows from investing activities		
Acquisition of property, plant and equipment	(8,649)	(11,360)
Proceeds from disposal of property, plant & equipment	597	1,211
Proceeds from disposal of subsidiary, net of cash equivalent	8,362	-
Interest received	406	211
Increase in deposits pledged with banks	(631)	(4,498)
Net cash generated from/(used in) investing activities	<u>85</u>	<u>(14,436)</u>
Cash flows from financing activities		
(Repayment of)//Net proceeds from loans	(8,994)	(7,934)
Net proceeds from bankers' acceptances and revolving credits	(6,513)	26,192
Repayment of finance leases	(2,295)	(4,948)
Interest paid	(2,800)	(3,290)
Proceed from issuance of shares	42,773	-
Acquisition of subsidiary	-	(358)
Net cash generated from financing activities	<u>22,171</u>	<u>9,662</u>
Net increase in cash and cash equivalents	10,765	347
Cash and cash equivalents at beginning of year	<u>10,189</u>	<u>483</u>
Cash and cash equivalents at end of year	<u>20,954</u>	<u>830</u>
 Cash and cash equivalents comprise:		
Fixed deposits (excluding deposits pledged)	1,341	1,299
Cash and bank balances	25,941	14,186
Bank overdrafts	(6,328)	(14,655)
	<u>20,954</u>	<u>830</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012)