

# YKGI HOLDINGS BERHAD

(Company No. 032939-U)

(formerly known as YUNG KONG GALVANISING INDUSTRIES BERHAD)

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 - UNAUDITED

	31 December 2013 RM'000	31 December 2012 RM'000 Audited
<b>ASSETS</b>		
Property, plant and equipment	309,848	310,167
Quoted investments	10	10
Deferred tax assets	146	-
<b>Total non-current assets</b>	<b>310,004</b>	<b>310,177</b>
Inventories	143,653	94,926
Trade and other receivables	117,375	83,572
Current tax assets	709	764
Cash and cash equivalents	28,655	33,023
	290,392	212,285
Assets classified as held for sale	-	26,661
<b>Total current assets</b>	<b>290,392</b>	<b>238,946</b>
<b>Total assets</b>	<b>600,396</b>	<b>549,123</b>
<b>EQUITY</b>		
Share capital	178,189	101,787
Share premium	1,969	1,969
Reserves	16,183	36,951
<b>Total equity attributable to owners of the Company</b>	<b>196,341</b>	<b>140,707</b>
<b>Non-controlling interests</b>	<b>-</b>	<b>11,306</b>
<b>Total equity</b>	<b>196,341</b>	<b>152,013</b>
<b>LIABILITIES</b>		
Loans and borrowings	45,330	65,758
Deferred tax liabilities	9,524	8,337
Employee benefits	5,354	5,207
<b>Total non-current liabilities</b>	<b>60,208</b>	<b>79,302</b>
Trade and other payables	109,159	76,880
Loans and borrowings	234,645	223,511
Current tax liabilities	43	28
	343,847	300,419
Liabilities classified as held for sale	-	17,389
<b>Total current liabilities</b>	<b>343,847</b>	<b>317,808</b>
<b>Total liabilities</b>	<b>404,055</b>	<b>397,110</b>
<b>Total equity and liabilities</b>	<b>600,396</b>	<b>549,123</b>
Net Assets per ordinary share of RM0.50 each attributable to owners of the Company (sen)	56	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

(Company No. 032939-U)

(formerly known as YUNG KONG GALVANISING INDUSTRIES BERHAD)

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period ended 31 December 2013 - Unaudited

	3 months ended 31 Dec		Year to date ended 31 Dec	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
		Audited		Audited
<b>Revenue</b>	136,262	124,160	560,389	461,744
Cost of sales	(127,103)	(121,928)	(509,520)	(437,673)
<b>Gross profit</b>	9,159	2,232	50,869	24,071
Other income	1,629	887	4,499	2,924
Selling and distribution expenses	(1,970)	(1,613)	(7,915)	(6,109)
Administrative expenses	(11,945)	(9,212)	(31,871)	(25,861)
Finance costs	(3,971)	(3,314)	(15,031)	(15,747)
<b>(Loss)/Profit before taxation</b>	(7,098)	(11,020)	551	(20,722)
Income tax expense	848	1,604	(1,377)	3,394
Profit/(Loss) from continuing operations	(6,250)	(9,416)	(826)	(17,328)
Profit/(Loss) from discontinued operation, net of tax	-	(129)	1,344	(1,415)
<b>Profit/(Loss) and total comprehensive income/(loss) for the period</b>	(6,250)	(9,545)	518	(18,743)
<b>Attributable to:</b>				
Owners of the Company	(6,250)	(7,601)	273	(15,349)
Non-controlling interests	-	(1,944)	245	(3,394)
<b>Profit/(Loss) and total comprehensive income/(loss) for the period</b>	(6,250)	(9,545)	518	(18,743)
Basic earnings/(loss) per ordinary share of RM0.50 each (sen)				
- From continuing operation	(1.79)	(3.29)	(0.36)	(6.14)
- From discontinued operation	-	(0.06)	0.45	(0.62)
	(1.79)	(3.35)	0.09	(6.76)
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 31 December 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			
<b>At 1 January 2013</b>	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
Retirement benefit	-	-	-	-	(146)	(146)	-	-
Total comprehensive profit for the period	-	-	-	-	273	273	245	518
<b>At 31 Dec 2013</b>	<b>167,326</b>	<b>10,863</b>	<b>6,842</b>	<b>1,969</b>	<b>9,341</b>	<b>196,341</b>	<b>-</b>	<b>196,487</b>
<b>At 1 January 2012</b>	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)
<b>At 31 December 2012</b>	<b>90,924</b>	<b>10,863</b>	<b>6,843</b>	<b>1,969</b>	<b>30,108</b>	<b>140,707</b>	<b>11,306</b>	<b>152,013</b>

\*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)

# YKGI HOLDINGS BERHAD

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## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 31 December 2013 - Unaudited

	Period ended 31 December	
	2013	2012
	RM'000	RM'000
<b>Cash flows from operating activities</b>		
Profit/(Loss) before tax from :		
Continuing operation	551	(20,722)
Discontinued operation	1,344	(1,324)
	<u>1,895</u>	<u>(22,046)</u>
Adjustments for:		
Depreciation of property, plant and equipment	18,435	18,754
Gain on disposal of property, plant & equipment	(1,836)	(1,761)
Gain on disposal of subsidiary	(1,317)	12
Finance costs	15,249	16,358
Finance income	(1,151)	(726)
Retirement benefits	113	543
	<u>31,388</u>	<u>10,673</u>
Operating profit before changes in working capital	31,388	10,673
Changes in working capital:		
Properties held for sale	2,085	(1,762)
Inventories	(46,594)	8,573
Trade and other receivables	(26,797)	(17,463)
Trade and other payables	38,230	34,023
	<u>(1,688)</u>	<u>34,044</u>
Cash (used in)/generated from operations	(1,688)	34,044
Income tax refund/(paid)	(16)	(294)
Interest paid	(9,337)	(11,264)
Interest received	447	242
Retirement benefit	(113)	(49)
<b>Net cash (used in)/generated from operating activities</b>	<u>(10,707)</u>	<u>22,679</u>

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## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 31 December 2013 - Unaudited

	Period ended 31 December	
	2013	2012
	RM'000	RM'000
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(25,150)	(19,129)
Proceeds from disposal of property, plant & equipment	3,067	15,200
Proceeds from disposal of subsidiary, net of cash equivalent	8,362	-
Interest received	703	484
Increase in deposits pledged with banks	(1,827)	(4,690)
<b>Net cash generated from/(used in) investing activities</b>	<u>(14,845)</u>	<u>(8,135)</u>
<b>Cash flows from financing activities</b>		
(Repayment of)//Net proceeds from loans	(16,829)	(21,208)
Net proceeds from bankers' acceptances and revolving credits	228	30,975
Repayment of finance leases	(4,791)	(9,153)
Interest paid	(5,912)	-
Proceed from issuance of shares	42,773	(5,094)
Acquisition of subsidiary	-	(358)
<b>Net cash generated from/(used in) financing activities</b>	<u>15,469</u>	<u>(4,838)</u>
<b>Net increase in cash and cash equivalents</b>	(10,083)	9,706
<b>Cash and cash equivalents at beginning of year</b>	<u>10,189</u>	<u>483</u>
<b>Cash and cash equivalents at end of year</b>	<u>106</u>	<u>10,189</u>
Cash and cash equivalents comprise:		
Fixed deposits (excluding deposits pledged)	1,383	1,341
Cash and bank balances	7,382	15,170
Bank overdrafts	(8,659)	(6,322)
	<u>106</u>	<u>10,189</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)