

YKGI HOLDINGS BERHAD

(Company No. 032939-U)

(formerly known as YUNG KONG GALVANISING INDUSTRIES BERHAD)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2014 - UNAUDITED

	31 March 2014 RM'000	31 December 2013 RM'000
ASSETS		
Property, plant and equipment	306,985	309,851
Quoted investments	10	10
Total non-current assets	306,995	309,861
Inventories	171,056	153,617
Trade and other receivables	113,173	110,419
Current tax assets	712	665
Derivative financial assets	509	1,108
Cash and cash equivalents	28,329	29,397
Total current assets	313,779	295,206
Total assets	620,774	605,067
EQUITY		
Share capital	185,032	185,032
Share premium	1,969	1,969
Reserves	9,991	9,872
Total equity attributable to owners of the Company	196,992	196,873
LIABILITIES		
Loans and borrowings	45,253	44,952
Deferred tax liabilities	9,370	9,342
Employee benefits	4,844	4,844
Total non-current liabilities	59,467	59,138
Trade and other payables	111,108	113,625
Loans and borrowings	253,176	235,387
Current tax liabilities	31	44
Total current liabilities	364,315	349,056
Total liabilities	423,782	408,194
Total equity and liabilities	620,774	605,067
Net Assets per ordinary share of RM0.50 each attributable to owners of the Company (sen)	57	57

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2013)

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period ended 31 March 2014 - Unaudited

	3 months ended 31 Mar		Year to date ended 31 Mar	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Revenue	126,631	139,112	126,631	139,112
Cost of sales	(116,003)	(125,040)	(116,003)	(125,040)
Gross profit	10,628	14,072	10,628	14,072
Other income	622	769	622	769
Selling and distribution expenses	(1,761)	(2,091)	(1,761)	(2,091)
Administrative expenses	(5,765)	(6,331)	(5,765)	(6,331)
Finance costs	(3,556)	(3,784)	(3,556)	(3,784)
Profit before taxation	168	2,635	168	2,635
Income tax expense	(49)	(712)	(49)	(712)
Profit from continuing operations	119	1,923	119	1,923
Profit from discontinued operation, net of tax	-	360	-	360
Profit and total comprehensive income for the period	119	2,283	119	2,283
Attributable to:				
Owners of the Company	119	2,038	119	2,038
Non-controlling interests	-	245	-	245
Profit and total comprehensive income for the period	119	2,283	119	2,283
Basic earnings per ordinary share of RM0.50 each (sen)				
- From continuing operation	0.03	0.74	0.03	0.74
- From discontinued operation	-	0.16	-	0.16
	0.03	0.90	0.03	0.90
Diluted earnings 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 2013)

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 31 March 2014 - Unaudited

	Attributable to owners of the Company							
	Non-distributable				Distributable		Non-controlling	Total Equity
	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 2014	174,169	10,863	-	1,969	9,872	196,873	-	196,873
Total comprehensive profit for the period	-	-	-	-	119	119	-	119
At 31 Mar 2014	<u>174,169</u>	<u>10,863</u>	<u>-</u>	<u>1,969</u>	<u>9,991</u>	<u>196,992</u>	<u>-</u>	<u>196,992</u>
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)	-	-	4	-	4
Expiry of warrants	6,843	-	(6,843)	-	-	-	-	-
Remeasurement of retirement benefit	-	-	-	-	403	403	-	403
Total comprehensive profit for the period	-	-	-	-	255	255	245	500
At 31 December 2013	<u>174,169</u>	<u>10,863</u>	<u>-</u>	<u>1,969</u>	<u>9,872</u>	<u>196,873</u>	<u>-</u>	<u>196,873</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 2013)

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 31 March 2014 - Unaudited

	Period ended 31 March	
	2014	2013
	RM'000	RM'000
Cash flows from operating activities		
Profit/(Loss) before tax from :		
Continuing operation	168	2,635
Discontinued operation	-	361
	<u>168</u>	<u>2,996</u>
Adjustments for:		
Depreciation of property, plant and equipment	5,042	4,626
Gain on disposal of property, plant & equipment	-	(296)
Gain on disposal of subsidiary	-	-
Finance costs	3,556	3,870
Finance income	(571)	(366)
	<u>8,195</u>	<u>10,830</u>
Operating profit before changes in working capital	8,195	10,830
Changes in working capital:		
Properties held for sale	-	116
Inventories	(17,439)	(32,980)
Trade and other receivables	(2,155)	(8,913)
Trade and other payables	(2,518)	53,935
	<u>(13,917)</u>	<u>22,988</u>
Cash (used in)/generated from operations	(13,917)	22,988
Income tax refund/(paid)	(81)	217
Interest paid	(1,982)	(2,439)
Interest received	120	174
	<u>(15,860)</u>	<u>20,940</u>
Net cash (used in)/generated from operating activities	<u>(15,860)</u>	<u>20,940</u>

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 31 March 2014 - Unaudited

	Period ended 31 March	
	2014	2013
	RM'000	RM'000
Cash flows from investing activities		
Acquisition of property, plant and equipment	(2,224)	(6,591)
Proceeds from disposal of property, plant & equipment	49	407
Interest received	451	192
Increase in deposits pledged with banks	(446)	(363)
Net cash generated from/(used in) investing activities	<u>(2,170)</u>	<u>(6,355)</u>
Cash flows from financing activities		
(Repayment of)//Net proceeds from loans	(2,862)	(4,570)
Net proceeds from bankers' acceptances and revolving credits	26,734	(7,876)
Repayment of finance leases	(917)	(1,159)
Interest paid	(1,574)	(1,432)
Net cash generated from/(used in) financing activities	<u>21,381</u>	<u>(15,037)</u>
Net increase in cash and cash equivalents	3,351	(452)
Cash and cash equivalents at beginning of year	<u>106</u>	<u>10,189</u>
Cash and cash equivalents at end of year	<u>3,457</u>	<u>9,737</u>
Cash and cash equivalents comprise:		
Fixed deposits (excluding deposits pledged)	1,383	1,341
Cash and bank balances	6,609	13,696
Bank overdrafts	(4,535)	(5,300)
	<u>3,457</u>	<u>9,737</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 December 2013)