



YBS INTERNATIONAL BERHAD

(Company No: 582043-K)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME For the six months ended 30 September 2019 - unaudited

	Current quarter Three months ended 30 September		Cumulative quarter Six months ended 30 September	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Revenue	19,503	19,171	36,926	37,757
Cost of sales	(15,882)	(15,255)	(30,848)	(30,826)
Gross profit	3,621	3,916	6,078	6,931
Other operating income	294	449	708	1,320
Selling and distribution expenses	(255)	(157)	(428)	(325)
Administrative expenses	(2,140)	(2,074)	(4,140)	(3,806)
Other operating expenses	(17)	(70)	(135)	(188)
Operating profit	1,503	2,064	2,083	3,932
Finance costs	(160)	(168)	(331)	(354)
Profit before tax	1,343	1,896	1,752	3,578
Income tax expense	(510)	(503)	(704)	(998)
Profit after tax for the period	833	1,393	1,048	2,580
Other comprehensive expenses <i>Item that may be reclassified subsequently to profit or loss</i>				
Foreign currency exchange differences on translation of foreign operations	44	(83)	(77)	(98)
Total comprehensive income for the period	877	1,310	971	2,482
Profit after tax attributable to:				
Owners of the Company	913	1,460	1,240	2,751
Non-controlling interests	(80)	(67)	(192)	(171)
Profit after tax for the period	833	1,393	1,048	2,580
Total comprehensive income attributable to:				
Owners of the Company	957	1,378	1,163	2,654
Non-controlling interests	(80)	(68)	(192)	(172)
Total comprehensive income for the period	877	1,310	971	2,482



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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (continued) For the six months ended 30 September 2019 - unaudited

	Current quarter		Cumulative quarter	
	Three months ended		Six months ended	
	30 September		30 September	
	2019	2018	2019	2018
	RM'000	RM'000	RM'000	RM'000
Earnings per share attributable to owners of the Company (sen per share)				
Basic	0.38	0.60	0.52	1.14
Diluted	-	-	-	-

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 March 2019 and the accompanying notes attached to the interim financial statements.



YBS INTERNATIONAL BERHAD

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2019

	30 September 2019 (Unaudited) RM'000	31 March 2019 (Audited) RM'000
Non-current assets		
Property, plant and equipment	29,689	33,053
Investment properties	630	638
Prepaid lease rentals	-	1,699
Right-of-use assets	6,044	-
Goodwill	10,656	10,656
Deferred tax assets	473	526
Other receivables, deposits and prepayments	248	232
	<u>47,740</u>	<u>46,804</u>
Current assets		
Inventories	11,666	12,143
Trade receivables	12,715	12,312
Other receivables, deposits and prepayments	1,550	1,796
Amount owing by related parties	47	13
Current tax assets	451	600
Fixed deposits with licensed banks	1,302	1,216
Cash and bank balances	8,780	6,707
	<u>36,511</u>	<u>34,787</u>
Total assets	<u>84,251</u>	<u>81,591</u>
Equity		
Share capital	35,116	35,116
Treasury shares	(291)	(146)
Reserves	24,096	22,933
Equity attributable to owners of the Company	<u>58,921</u>	<u>57,903</u>
Non-controlling interests	686	878
Total equity	<u>59,607</u>	<u>58,781</u>
Non-current liabilities		
Borrowings	1,690	2,015
Lease liabilities	1,091	-
Deferred tax liabilities	1,429	1,273
Deferred income on government grants	651	684
	<u>4,861</u>	<u>3,972</u>
Current liabilities		
Trade payables	7,957	5,796
Other payables and accruals	4,970	5,836
Amount owing to related parties	328	110
Bank overdrafts	1,777	1,826
Borrowings	3,697	5,270
Lease liabilities	981	-
Current tax liabilities	73	-
	<u>19,783</u>	<u>18,838</u>
Total liabilities	<u>24,644</u>	<u>22,810</u>
Total equity and liabilities	<u>84,251</u>	<u>81,591</u>



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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

As at 30 September 2019

	30 September 2019 (Unaudited) RM'000	31 March 2019 (Audited) RM'000
Net assets per share attributable to owners of the Company (RM)	<u>0.25</u>	<u>0.24</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 March 2019 and the accompanying notes attached to the interim financial statements.



YBS INTERNATIONAL BERHAD

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2019 - unaudited

	Share capital RM'000	Treasury shares RM'000	<u>Non- distributable</u> Exchange fluctuation reserve RM'000	<u>Distributable</u> Retained profits RM'000	Equity attributable to owners of the company RM'000	Non- controlling interests RM'000	Total equity RM'000
At 1 April 2019	35,116	(146)	621	22,312	57,903	878	58,781
Total comprehensive income/(expenses) for the period							
Profit after tax for the period	-	-	-	1,240	1,240	(192)	1,048
Other comprehensive expenses: - Foreign currency exchange differences on translation of foreign operations	-	-	(77)	-	(77)	-	(77)
	-	-	(77)	1,240	1,163	(192)	971
Transactions with owners							
Purchase of treasury shares	-	(145)	-	-	(145)	-	(145)
At 30 September 2019	35,116	(291)	544	23,552	58,921	686	59,607



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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

For the six months ended 30 September 2019 - unaudited

	<u>Share capital</u> RM'000	<u>Non-distributable</u> Exchange fluctuation reserve RM'000	<u>Distributable</u> Retained profits RM'000	<u>Equity attributable to owners of the company</u> RM'000	<u>Non-controlling interests</u> RM'000	<u>Total equity</u> RM'000
At 1 April 2018	35,116	598	19,638	55,352	1,083	56,435
Total comprehensive income/(expenses) for the period						
Profit after tax for the period	-	-	2,751	2,751	(171)	2,580
Other comprehensive expenses: - Foreign currency exchange differences on translation of foreign operations	-	(97)	-	(97)	(1)	(98)
	-	(97)	2,751	2,654	(172)	2,482
Changes in ownership interests in a subsidiary	-	-	-	-	(98)	(98)
At 30 September 2018	35,116	501	22,389	58,006	813	58,819

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2019 and the accompanying notes attached to the interim financial statements.



YBS INTERNATIONAL BERHAD

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2019 – unaudited

	Six months ended 30 September	
	2019 RM'000	2018 RM'000
Cash flows from operating activities		
Profit before tax	1,752	3,578
Adjustments for:		
Depreciation of property, plant and equipment	2,068	2,190
Amortisation of prepaid lease rentals	-	52
Depreciation of investment properties	7	7
Depreciation of right-of-use assets	453	-
Amortisation of deferred income on government grants	(33)	(11)
Finance costs	331	354
Interest income	(33)	(15)
Gain on disposal of property, plant and equipment	-	(3)
Unrealised gain on foreign exchange	(21)	(586)
Operating profit before working capital changes	4,524	5,566
Changes in working capital:		
Inventories	476	(131)
Trade and other receivables, deposits and prepayments	(88)	1,124
Trade and other payables and accruals	1,427	(2,010)
Related parties	108	19
Cash generated from operations	6,447	4,568
Interest paid	(331)	(354)
Interest received	33	15
Tax paid	(538)	(796)
Tax refund	266	19
Net cash from operating activities	5,877	3,452
Cash flows for investing activities		
Purchase of property, plant and equipment	(1,633)	(1,589)
Proceeds from disposal of property, plant and equipment	-	3
Net cash for investing activities	(1,633)	(1,586)
Cash flows for financing activities		
Acquisition of non-controlling interests	-	(140)
Purchase of treasury shares	(145)	-
Drawdown of additional term loans	1,293	1,888
Drawdown of bankers' acceptances	4,470	4,134
Repayment of bankers' acceptances	(4,478)	(3,989)
Repayment of lease liabilities	(627)	(463)
Repayment of term loans	(2,623)	(3,002)
Placement of fixed deposits pledged as securities	(3)	(4)
Advance from related parties	76	93
Net cash for financing activities	(2,037)	(1,483)
Net increase in cash and cash equivalents	2,207	383
Effect of exchange differences	(2)	143
Cash and cash equivalents at beginning of financial period	6,000	4,284
Cash and cash equivalents at 30 September	8,205	4,810



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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued) For the six months ended 30 September 2019 – unaudited

	Six months ended 30 September	
	2019	2018
	RM'000	RM'000
Cash and cash equivalents comprise of:		
Cash and bank balances	8,780	6,235
Fixed deposits with licensed banks	1,302	699
Bank overdrafts	(1,777)	(2,027)
Pledged deposits	(100)	(97)
	<u>8,205</u>	<u>4,810</u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 March 2019 and the accompanying notes attached to the interim financial statements.



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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

A. Notes pursuant to Malaysian Financial Reporting Standard 134 *Interim Financial Reporting*

A1. Basis of preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board and paragraph 9.22 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board and should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2019.

The consolidated financial statements of the Group for the year ended 31 March 2019 are available upon request from the Company’s registered office at 57-G Persiaran Bayan Indah, Bayan Bay, Sungai Nibong, 11900 Penang.

The notes attached to the condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 March 2019.

A2. Significant accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 March 2019, except with the adoption of the following MFRSs, Amendments and/or IC Interpretations effective for financial periods beginning on or after 1 January 2019:

- MFRS 16 Leases
- Amendments to MFRS 3 Business Combinations – Previously Held Interest in a Joint Operation (Annual Improvements to MFRSs 2015-2017 Cycle)
- Amendments to MFRS 9 Financial Instruments – Prepayment Features with Negative Compensation
- Amendments to MFRS 11 Joint Arrangements – Previously Held Interest in a Joint Operation (Annual Improvements to MFRSs 2015-2017 Cycle)
- Amendments to MFRS 112 Income Taxes – Income Tax Consequences of Payments on Financial Instruments Classified as Equity (Annual Improvements to MFRSs 2015-2017 Cycle)
- Amendments to MFRS 119 Employee Benefits – Plan Amendment, Curtailment or Settlement
- Amendments to MFRS 123 Borrowing Costs – Borrowing Costs Eligible for Capitalisation (Annual Improvements to MFRSs 2015-2017 Cycle)
- Amendments to MFRS 128 Investments in Associates and Joint Ventures – Long-term Interests in Associates and Joint Ventures
- IC Interpretation 23 Uncertainty over Income Tax Treatments

The adoption of the above standards, interpretations or amendments are not expected to have material financial impact to the financial statements of the Group except as mentioned below:

MFRS 16 Leases

MFRS 16 replaces MFRS 117 Leases, IC Interpretation 4 Determining whether an Arrangement contains a Lease, IC Interpretation 115 Operating Lease – Incentives and IC Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.



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A2. Significant accounting policies (continued)

MFRS 16 Leases (continued)

MFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under MFRS 117.

A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligations to make lease payments. The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions), less accumulated depreciation and impairment losses, adjusted for any re-measurement of the lease liability. The lease liability is initially measured at present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications. There are recognitions exemptions for short-term leases and leases of low-value items.

Lessor accounting remains similar to the current standard which continues to be classified as finance or operating lease.

The Group adopted MFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 April 2019, comparatives are not restated. The Group recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets.

The Group recognised the carrying amount of the prepaid lease rentals, leasehold land and assets acquired under hire purchase arrangements as at 31 March 2019 as the carrying amount of the right-of-use assets at the date of initial application.

The following table presents the impact of changes to the consolidated statement of financial position of the Group resulting from the adoption of MFRS 16 as at 1 April 2019:

Group	As at 31.03.2019 RM'000	Reclassifications RM'000	As at 01.04.2019 RM'000
Non-current assets			
Property, plant and equipment	33,053	(2,916)	30,137
Prepaid lease rentals	1,699	(1,699)	-
Right-of-use assets	-	6,734	6,734
Non-current liabilities			
Borrowings	2,015	(180)	1,835
Lease liabilities	-	1,651	1,651
Current liabilities			
Borrowings	5,270	(379)	4,891
Lease liabilities	-	1,027	1,027

The lease liabilities as at 1 April 2019 can be reconciled to the operating lease commitments as at 31 March 2019 as follows:

	RM'000
Operating lease commitments as at 31 March 2019	2,343
Add: Option of extension of lease	340
Less: Commitments relating to short-term leases	(13)
	<hr/> 2,670
Incremental borrowing rate as at 1 April 2019	7.22% - 15.75%
	<hr/> 2,119
Reclassification of borrowings to lease liabilities	559
Lease liabilities as at 1 April 2019	<hr/> <hr/> 2,678



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A3. Seasonal or cyclical factors

The Group's operations were not significantly affected by any seasonal or cyclical factors.

A4. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the period under review.

A5. Changes in estimates

There were no changes in estimates that have had a material effect for the period under review.

A6. Debt and equity securities

There were no issues, cancellations, repurchases, resale and repayments of debt and equity securities except for the following:

During the financial period, the Company has purchased 1,050,000 of its issued ordinary shares from the open market at an average price of RM0.14 per share. The total consideration paid for the purchase including transactions costs was RM145,335. The ordinary shares purchased are held as treasury shares in accordance with Section 127(6) of the Companies Act 2016.

As at 30 September 2019, a total of 2,108,800 ordinary shares are held as treasury shares by the Company. None of the treasury shares were resold during the financial period.

A7. Dividends paid

There were no dividends paid during the period under review.

A8. Segment information

The Group is organised and managed into business units based on its products and services as follows:

- i. Precision engineering - Involved in the design and manufacture of high precision moulds, tools and dies.
- ii. Precision plastic injection moulding - Engaged in the precision engineering plastic injection moulding and sub-assembly.
- iii. Precision machining and stamping - Involved in the manufacture and sale of precision machining and stamping components for the telecommunication, industrial sensors, switches, electronic equipment and other industries and the provision of related specialised engineering services.
- iv. Others – Involved in the manufacture and assembly of electronic components and manufacture of paper honeycomb products.

There have been no changes in the basis of measurement of segment profit or loss from the last annual financial statements.



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A8. Segment information (continued)

Information in respect of the Group's reportable segments for the period ended 30 September 2019 was as follows:

	Precision engineering RM'000	Precision plastic injection moulding RM'000	Precision machining and stamping RM'000	Others RM'000	Total RM'000
External revenue	4,759	6,118	22,762	3,287	36,926
Inter-segment revenue	4,052	563	108	-	4,723
Reportable segment profit/(loss)	827	853	2,511	195	4,386
Reportable segment assets	22,878	14,249	47,323	4,609	89,059
Reportable segment liabilities	9,278	2,221	19,897	2,586	33,982

Reconciliation of reportable segment profit:

	Period to date RM'000
Total profit for reportable segments	4,386
Depreciation and amortisation	(2,528)
Finance costs	(331)
Interest income	33
Unallocated corporate expenses	(199)
Elimination of inter-segment profits	391
Consolidated profit before tax	1,752

A9. Events after the end of the interim period

Save as disclosed in Note B7, there were no events after the current period ended 30 September 2019 that has not been reflected in this quarterly report.

A10. Changes in the composition of the Group

There were no changes in the composition of the Group for the current period ended 30 September 2019.



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A11. Capital expenditure

The major additions of property, plant and equipment during the current quarter and period ended 30 September 2019 were as follows:

	Current quarter RM'000	Period to date RM'000
Additions	1,060	1,390

A12. Material commitments

As at 30 September 2019, the Group has the following material commitments:

	RM'000
Contracted but not provided for:	
Capital expenditure	60

A13. Changes in contingent liabilities or contingent assets

There were no contingent liabilities or contingent assets arising since the end of the last annual reporting period.

A14. Related party transactions

Related party transactions have been entered into in the normal course of business under normal trade terms. The related party transaction of the Group was as follows:

	Current quarter RM'000	Period to date RM'000
Transactions with company in which Director have substantial interest		
- Sales of goods	87	129
- Purchases of goods	179	286



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B. Notes pursuant to Chapter 9, Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad

B1. Performance review

Financial performance

	Current quarter		Period to date	
	Six months ended		Six months ended	
	30 September		30 September	
	2019	2018	2019	2018
	RM'000	RM'000	RM'000	RM'000
Revenue:				
Precision engineering	2,440	3,312	4,759	6,832
Precision plastic injection moulding	3,278	3,860	6,118	9,285
Precision machining and stamping	12,104	11,634	22,762	20,942
Others	1,681	365	3,287	698
	<u>19,503</u>	<u>19,171</u>	<u>36,926</u>	<u>37,757</u>
Gross profit	3,621	3,916	6,078	6,931
Profit before tax	1,343	1,896	1,752	3,578
Profit after tax	833	1,393	1,048	2,580

The Group reported revenue of RM36.926 million for the current period ended 30 September 2019, representing a decrease of 2.2% as compared to the prior corresponding period ended 30 September 2018. The decline was mainly due to the drop in the revenue from the precision plastic injection moulding segment. For the current quarter ended 30 September 2019, the Group achieved revenue of RM19.503 million as compared to the prior year corresponding quarter of RM19.171 million. The increase was attributable to increase in revenue contribution from the precision machining and stamping segment and the manufacture of electronic components.

The Group's profit before tax for the current period amounted to RM1.752 million and RM1.343 million as compared to RM3.578 million and RM1.896 million respectively in the prior year corresponding period. The decline in profit before tax was mainly due to drop in the Group's revenue.

Precision engineering segment

Revenue from the precision engineering segment for the current period and quarter ended 30 September 2019 decreased by 30.3% and 26.3% respectively as compared to previous year's corresponding period due to reduced orders from one of its major customer and increase in inter-segment revenue.

Precision plastic injection moulding segment

Revenue for the current period and quarter ended 30 September 2019 declined by 34.1% and 15.1% respectively as compared to previous year's corresponding period due to reduced orders from its customers. The trade war that erupted in March last year coupled with the slowing global economy continue to impact the precision plastic injection moulding segment.

Precision machining and stamping segment

Total revenue for the current period and quarter ended 30 September 2019 increased by 8.7% and 4.0% as compared to previous year's corresponding period. The increase was mainly due to increase in orders for its stamping and machining parts.



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B1. Performance review (continued)

Gross profit

The Group's gross profit for the current quarter and period ended 30 September 2019 amounted to RM3.621 million and RM6.078 million respectively.

For the 6-month period, the decline in gross profit was in tandem with the lower revenue recorded. For the current quarter, the gross profit has dropped as compared to last year corresponding quarter despite an increase in revenue mainly due to increase in the revenue contribution from lower profit margin products.

B2. Comment on material change in profit before tax

	Current quarter RM'000	Preceding quarter RM'000	Variance	
			RM'000	%
Revenue	19,503	17,423	2,080	11.9
Profit before tax	1,343	409	934	228.4

The Group recorded a profit before tax of RM1.343 million for the current quarter ended 30 September 2019 as compared to RM0.409 million recorded in the previous quarter ended 30 June 2019. The increase in profit before tax was in tandem with the increase in revenue for the current quarter.

B3. Future prospects

Business environment remains challenging. The prolonged US-China trade tensions, volatile markets and sliding business investment have all sparked worries of a looming economic downturn.

Besides, any significant movement in the exchange rate between Ringgit Malaysia and United States Dollar may result in foreign exchange gains or losses, which may also affect the Group's performance.

Premised on the above, the Group remains cautious on the overall outlook for financial year ending 2020.

B4. Statement by the Board of Directors on revenue or profit estimate, forecast, projection or internal targets

The Group did not announce any revenue or profit estimate, forecast, projection or internal targets for the financial period ended 30 September 2019.

B5. Variance of actual profit from profit forecast or shortfall in the profit guarantee (only applicable to the final quarter for corporations which have previously announced or disclosed a profit forecast or profit guarantee in a public document)

Not applicable.



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B6. Income tax expense

	Current quarter RM'000	Period to date RM'000
Income tax	351	494
Deferred tax	159	210
	<u>510</u>	<u>704</u>

The effective tax rate of the Group is higher than the statutory tax rate of 24% mainly due to certain expenses which were not deductible for income tax purposes, losses of certain subsidiaries cannot be set off against taxable profits generated by the other subsidiaries and under provision of tax in prior years.

B7. Status of corporate proposals

Save as disclosed below, there is no outstanding uncompleted corporate proposals as at the date of this quarterly report.

On 29 October 2019, Affin Hwang Investment Bank Berhad (“Affin Hwang IB”) had on behalf of the Board, announced that Oriental Fastech Manufacturing Sdn Bhd (“OFM”), a wholly owned subsidiary of YBS International Berhad (“YBS”), had on 29 October 2019 accepted the letter of offer dated 25 October 2019 (“Letter of Offer”) from Penang Development Corporation (“PDC”) in relation to the proposed acquisition by OFM of a piece of industrial land together with the building erected thereon known as Plot 300 at Penang Science Park, Penang (“Property”) from PDC for a total purchase consideration of RM24,029,874 to be satisfied entirely by cash (“Proposed Acquisition”).

The Property comprises an area of approximately 10.03 acres (equivalent to approximately 436,906.80 square feet). The Property is under a leasehold title which was issued by the Land Office on 20 May 2008. The lease has another forty-nine (49) years remaining and will expire on 19 May 2068.

The Proposed Acquisition shall be subject to a formal sale and purchase agreement (“SPA”) to be entered into between OFM and PDC by 28 February 2020.

OFM has paid the earnest deposit of RM2,402,987.40, being 10% of the purchase consideration for the Proposed Acquisition (“Earnest Deposit”). The Earnest Deposit is considered as part of the purchase consideration and is only refundable in the event OFM fails to execute the SPA due to failure in obtaining the approval of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the shareholders of YBS at an extraordinary general meeting (“EGM”) of the Company to be convened in relation to the Proposed Acquisition. Pursuant thereto, OFM will only enter into the SPA with PDC subsequent to YBS obtaining the relevant approvals from Bursa Securities as well as its shareholders’ approval at an EGM to be convened for the Proposed Acquisition.



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B8. Borrowings and debt securities

The Group's loans and borrowings as at the end of the reporting period were as follows:

	As at 30 September 2019		
	Short term RM'000	Long term RM'000	Total RM'000
<i>Secured</i>			
Bank overdrafts	1,777	-	1,777
Bankers' acceptance	2,435	-	2,435
Term loans	1,262	1,690	2,952
	<u>5,474</u>	<u>1,690</u>	<u>7,164</u>

	As at 30 September 2018		
	Short term RM'000	Long term RM'000	Total RM'000
<i>Secured</i>			
Bank overdrafts	2,027	-	2,027
Bankers' acceptance	2,525	-	2,525
Finance lease liabilities	770	518	1,288
Term loans	3,881	1,974	5,855
	<u>9,203</u>	<u>2,492</u>	<u>11,695</u>

Loans and borrowings denominated in currencies other than Ringgit Malaysia were as follows:

	As at 30 September 2019		
	Short term RM'000	Long term RM'000	Total RM'000
United States Dollar	543	-	543
Vietnamese Dong	434	-	434

	As at 30 September 2018		
	Short term RM'000	Long term RM'000	Total RM'000
United States Dollar	1,022	-	1,022
Vietnamese Dong	744	-	744
Indian Rupees	33	-	33

B9. Material litigation

The Group is not engaged in any material litigation either as plaintiff or defendant and the Directors do not have any knowledge of any proceedings pending or threatened against the Group as at the date of this quarterly report.

B10. Dividends

The Directors do not recommend any dividend for the period under review.



YBS INTERNATIONAL BERHAD

(Company No: 582043-K)
(Incorporated in Malaysia)

B11. Earnings per share

Basic earnings per ordinary share

The calculation of basic earnings per ordinary share for the current quarter and financial period to date was based on the profit attributable to owners of the Company and the weighted average number of ordinary shares in issue, excluding treasury shares, in the respective periods as follows:

	Current quarter	Period to date
Profit attributable to owners of the Company (RM'000)	913	1,240
Weighted average number of ordinary shares in issue (units)	239,886,185	240,327,988
Basic earnings per ordinary share (sen)	<u>0.38</u>	<u>0.52</u>

Diluted earnings per ordinary share

Not applicable.

B12. Auditor's report on preceding annual financial statements

The auditor's report on the audited financial statements for the year ended 31 March 2019 was not qualified.

B13. Profit for the period

	Current quarter RM'000	Period to date RM'000
Profit for the period is arrived at after charging:		
Foreign currency exchange losses	17	135
Depreciation	1,254	2,528
Finance costs	160	331
and after crediting:		
Amortisation of deferred income on government grants	17	33
Foreign currency exchange gain	93	335
Interest income	17	33

Other than the above, there were no other income including investment income, provision for and write off of receivables, provision for and write off of inventories, gain or loss on disposal of quoted or unquoted investments or properties, impairment of assets, gain or loss on derivatives and exceptional items for the current quarter and period ended 30 September 2019.

B14. Derivative financial instruments

The Group does not have any derivative financial instruments at the end of the reporting period.

B15. Fair value changes of financial liabilities

The Group does not have any financial liabilities that are measured at fair value through profit or loss.