



YEW LEE PACIFIC GROUP BERHAD

Registration No. 202001036243 (1392564-D)
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2022**

YEW LEE PACIFIC GROUP BERHAD

Registration No. 202001036243 (1392564-D)

(Incorporated in Malaysia)

Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Third Quarter Ended 30 September 2022⁽¹⁾

	Note	Individual Quarter		Cumulative Quarter	
		Unaudited Current Quarter 30.09.2022 RM'000	Unaudited Preceding Year Corresponding Quarter ⁽²⁾ 30.09.2021 RM'000	Unaudited Current Year-to-date 30.09.2022 RM'000	Unaudited Preceding Year-to-date ⁽²⁾ 30.09.2021 RM'000
Revenue		6,104	N/A	24,347	N/A
Cost of sales		(3,980)	N/A	(16,594)	N/A
Gross profit		2,124	N/A	7,753	N/A
Other income		431	N/A	779	N/A
Administrative expenses ⁽³⁾		(1,419)	N/A	(7,689)	N/A
Selling and marketing expenses		(41)	N/A	(232)	N/A
Finance costs		(88)	N/A	(245)	N/A
Share of (loss) /profit of an associate		(7)	N/A	78	N/A
Other expenses		(42)	N/A	(51)	N/A
Profit before tax	B12	958	N/A	393	N/A
Income tax	B5	(194)	N/A	(802)	N/A
Profit / (Loss) after tax		764	N/A	(409)	N/A
Other comprehensive income:					
Item that may be reclassified subsequently to profit or loss					
- Foreign currency translation of foreign operation		(8)	N/A	(2)	N/A
Total comprehensive income / (loss) for the financial period		756	N/A	(411)	N/A
Profit / (Loss) attributable to:					
- Owners of the Company		764	N/A	(408)	N/A
- Non-controlling interest		-	N/A	(1)	N/A
		764	N/A	(409)	N/A
Total comprehensive profit / (loss) attributable to:					
- Owners of the Company		756	N/A	(411)	N/A
- Non-controlling interest		-	N/A	-	N/A
		756	N/A	(411)	N/A
Earnings / (Loss) per share ("EPS") / ("LPS")					
- Basic (Sen) ⁽⁵⁾	B11	0.14	N/A	(0.08)	N/A
- Diluted (Sen) ⁽⁵⁾	B11	0.14	N/A	(0.08)	N/A

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Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Third Quarter Ended 30 September 2022⁽¹⁾ (Continued)**NOTES:**

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus dated 17 May 2022 ("Prospectus") and the accompanying explanatory notes attached to this interim financial report.
- (2) This is the third interim financial report on Company's unaudited condensed consolidated financial results for the third quarter ended 30 September 2022 announced in compliance with the ACE Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"). As such, there are no comparative figures for the preceding year's corresponding quarter and preceding year's corresponding year-to-date.
- (3) For illustration purposes, the Company's normalised financial performance excluding the one-off listing expenses (RM2.7mil) is as follow:

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Unaudited Current Quarter</u> 30.09.2022 RM'000	<u>Unaudited Preceding Year Corresponding Quarter</u> ⁽²⁾ 30.09.2021 RM'000	<u>Unaudited Year-to-date</u> 30.09.2022 RM'000	<u>Unaudited Preceding Year-to-date</u> ⁽²⁾ 30.09.2021 RM'000
Profit before tax	958	N/A	393	N/A
Add / (over): One-off listing expenses, net ⁽⁴⁾	(501)	N/A	2,654	N/A
Adjusted profit before tax	<u>457</u>	<u>N/A</u>	<u>3,047</u>	<u>N/A</u>

- (4) There is an addition of RM532,125 being the listing expenses overcharged into statement of profit and loss account in the preceding quarter period now being adjusted into equity from statement of profit and loss account for the current quarter period under review.
- (5) Basic and diluted share is calculated based on the share capital of 532,435,600 shares in issue as at 30 September 2022. There are no dilutive instruments as at the end of the current quarter.

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YEW LEE PACIFIC GROUP BERHAD

Registration No. 202001036243 (1392564-D)

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Unaudited Condensed Consolidated Statement of Financial Position**As At 30 September 2022 ⁽¹⁾**

	Unaudited As at 30.09.2022 RM'000	Audited As at 31.12.2021 RM'000
	Note	
Non-current assets		
Property, plant and equipment	10,937	10,110
Right-of-use assets	7,610	8,524
Investment in an associate	449	446
	<u>18,996</u>	<u>19,080</u>
Current assets		
Inventories	7,151	6,873
Trade receivables	5,075	9,160
Other receivables, deposits and prepayments	146	571
Tax recoverable	-	269
Short-term money market fund	33,073	-
Fixed deposits with licensed banks	7,030	11,076
Cash and bank balances	15,045	8,737
	<u>67,520</u>	<u>36,686</u>
Total assets	<u>86,516</u>	<u>55,766</u>
Equity attributable to owners of the Company		
Share capital	66,998	- ⁽³⁾
Invested equity	-	350
Merger Reserves	(31,197)	-
Foreign currency translation reserve	(63)	(61)
Retained earnings	39,270	41,276
	<u>75,008</u>	<u>41,567</u>
Non-controlling interests	- ⁽³⁾	- ⁽³⁾
Total equity	<u>75,008</u>	<u>41,565</u>
Non-current liabilities		
Bank borrowings	B8 6,779	7,936
Lease liabilities	-	485
Deferred tax liabilities	896	882
	<u>7,675</u>	<u>9,303</u>
Current liabilities		
Trade payables	2,877	2,733
Other payables and accruals	578	1,505
Bank borrowings	B8 292	358
Lease liabilities	73	302
Tax payable	13	-
	<u>3,833</u>	<u>4,898</u>
Total liabilities	<u>11,508</u>	<u>14,201</u>
Total equity and liabilities	<u>86,516</u>	<u>55,766</u>
Net assets per share (Sen) ⁽²⁾	<u>14.09</u>	<u>10.41</u>
Gearing ratio (times)	<u>0.09</u>	<u>0.22</u>

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**Unaudited Condensed Consolidated Statement of Financial Position
As At 30 September 2022⁽¹⁾ (Continued)****NOTES:**

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Financial Position are disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per share as at 30 September 2022 is calculated based on the number of ordinary shares in issue of 532,435,600 shares which restated to reflect the enlarged number of shares after the Company listed on 7 June 2022. The net assets per share as at 31 December 2021 is calculated based on the number of ordinary shares in issue of 399,326,700 shares.
- (3) Represents less than RM1,000.

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YEW LEE PACIFIC GROUP BERHAD

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**Unaudited Condensed Consolidated Statements of Changes in Equity
for the Period Ended 30 September 2022⁽¹⁾**

	----- Attributable to Owners of the Company -----								
	-----Non-Distributable-----				Distributable		Sub-Total RM'000	Non-Controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Invested Equity RM'000	Merger Reserves RM'000	Foreign Currency Translation Reserve RM'000	Retained Earnings RM'000				
Balance as at 31 December 2021/ 1 January 2022 (Audited)	-	350	-	(61)	41,276	41,565	-	41,565	
Transaction with owners:									
Acquisition of subsidiaries	-	(350)	(31,197)	-	-	(31,547)	-	(31,547)	
Issuance of shares pursuant to acquisition of subsidiaries	31,547	-	-	-	-	31,547	-	31,547	
Issuance of share pursuant to public issue	37,270	-	-	-	-	37,270	-	37,270	
Less: Transaction cost related to IPO issuance ⁽³⁾	(1,819)	-	-	-	-	(1,819)	-	(1,819)	
Dividend paid	-	-	-	-	(1,597)	(1,597)	-	(1,597)	
Loss for the financial period	-	-	-	-	(409)	(409)	_(2)	(409)	
Foreign currency translations differences	-	-	-	(2)	-	(2)	_(2)	(2)	
Other comprehensive income / (loss)	-	-	-	_(2)	-	_(2)	-	_(2)	
Total comprehensive loss for the financial period	-	-	-	(2)	(409)	(411)	_(2)	(411)	
Balance as at 30 September 2022	66,998	-	(31,197)	(63)	39,270	75,008	_(2)	75,008	

NOTES :

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.
- (2) Represents less than RM1,000.
- (3) There is an addition of RM532,125 being the listing expenses overcharged into statement of profit and loss account in the preceding quarter period now being adjusted into equity from statement of profit and loss account for the current quarter period under review.

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**Unaudited Condensed Consolidated Statements of Cash Flows
for the Period Ended 30 September 2022⁽¹⁾**

	Current Year-to-date 30.09.2022 RM'000	Preceding Year-to-date⁽²⁾ 30.09.2021 RM'000
Cash flow from operating activities		
Profit before tax	393	N/A
Adjustment for: -		
Amortisation of right-of-use assets	217	N/A
Impairment on trade receivables	53	N/A
Depreciation of property, plant and equipment	854	N/A
Finance costs	245	N/A
Interest income	(205)	N/A
Property, plant and equipment written off	1	N/A
Loss on disposal of property, plant and equipment	5	N/A
Share of result of an associate	(78)	N/A
Unrealised gain on foreign exchange	(14)	N/A
Operating profit before working capital changes	1,471	N/A
Changes in working capital:		
Inventories	(211)	N/A
Trade and other receivables	4,461	N/A
Trade and other payables	(773)	N/A
Cash generated from operations	4,948	N/A
Tax paid	(506)	N/A
Net cash generated from operating activities	4,442	N/A
Cash flow from investing activities		
Purchase of property, plant and equipment	(990)	N/A
Interest received	205	N/A
Net cash used in investing activities	(785)	N/A
Cash flow from financing activities		
Dividend paid	(1,597)	N/A
Finance costs paid	(245)	N/A
Issuance of IPO shares, net	35,451	N/A
Placement of short-term money market fund	(33,073)	N/A
Repayment of lease liabilities	(714)	N/A
Repayment of term loans, net	(1,222)	N/A
Net cash used in financing activities	(1,400)	N/A
Net increase in cash and cash equivalents	2,257	N/A
Effect of foreign currency translation	5	N/A
Cash and cash equivalents at beginning of the financial period	19,813	N/A
Cash and cash equivalents at end of the financial period	22,075	N/A

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**Unaudited Condensed Consolidated Statements of Cash Flows
for the Period Ended 30 September 2022⁽¹⁾ (Continued)**

NOTES:

- (1) The basic of preparation of the Unaudited Condensed Consolidated Statements of Cash Flows is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.
- (2) This is the third interim financial report on the Company's unaudited condensed consolidated financial results for the third quarter ended 30 September 2022 announced in compliance with the Listing Requirements. As the Company was listed on the ACE Market of Bursa Securities on 7 June 2022, there are no comparative figures for the preceding year's corresponding period.

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PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING

Notes To the Unaudited Interim Financial Report for the Second Quarter Ended 30 September 2022

A1. BASIS OF PREPARATION

The interim financial report of Yew Lee Pacific Group Berhad (“Yew Lee” or “the Company”) and its subsidiaries (“the Group”) are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Boards and Rule 9.22 of the Listing Requirements.

This is the third interim financial report on the Company’s unaudited condensed consolidated financial results for the third quarter ended 30 September 2022 announced in compliance with the Listing Requirements and hence, there are no comparative figures for the preceding year’s corresponding quarter and preceding year’s corresponding year-to-date.

The interim financial report should be read in conjunction with the Accountants’ Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.

A2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and presentation adopted for the interim financial statements are consistent with those adopted as disclosed in the Accountants’ Report in the Prospectus.

The new and amended standards and interpretations that are issued, but not yet effective and have not been adopted by the Group are as follow:

MFRS (Including the Consequential Amendments)		Effective Date
MFRS 17 and amendments to MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current and Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108	Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities Arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 and 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The Group plans to apply the abovementioned MFRSs and amendments to MFRSs from the beginning of the financial year where they become effective, if applicable to the Group.

The adoption of the above MFRSs and amendments to MFRSs are expected to have no material impact on the financial statements of the Group in the period of initial application.

A3. MATERIAL CHANGES IN ACCOUNTING ESTIMATES

There were no material changes in accounting estimates during the current financial quarter under review.

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PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING (CONTINUED)

A4. AUDITORS’ REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors’ report for the preceding financial year ended 31 December 2021 was issued without any qualifications.

A5. SEASONAL OR CYCLICAL FACTORS

The nature of the Group’s business was not subject to any seasonal and cyclical factors during the current financial quarter under review.

A6. ITEMS OR INCIDENCE OF AN UNUSUAL NATURE

There were no material and unusual items affecting assets, liabilities, equity, net income or cash flows during the financial quarter under review.

A7. MATERIAL SUBSEQUENT EVENT

There were no other material events subsequent to the end of the current financial quarter under review that have not been reflected in the interim financial report.

A8. DEBT AND EQUITY SECURITIES

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter under review.

A9. DIVIDEND PAID

The first interim single-tier dividend of RM 0.003 per ordinary share amounting to RM 1,597,307 in respect of the financial year ending 31 December 2022 was paid on 12 July 2022.

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PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING (CONTINUED)

A10. SEGMENTAL INFORMATION

The Group is principally engaged and organised into business units based on business by product related activities and has three reportable segments as follows:

- (a) Manufacturing segment – Consist mainly the manufacturing of industrial brushes; and
- (b) Trading segment – Consist of trading of industrial hardware and machinery parts.
- (c) Investment holding

The Group operates predominantly in Malaysia and hence, no geographical segment presented.

	Manufacturing segment RM'000	Trading segment RM'000	Investment holding RM'000	Elimination RM'000	Total RM'000
30.09.2022					
Revenue					
External revenue	3,842	2,266	-	(4)	6,104
Inter-segment revenue	(2)	(2)	-	4	-
	<u>3,840</u>	<u>2,264</u>	<u>-</u>	<u>-</u>	<u>6,104</u>
Results					
Segment profit / (loss)	661	(184)	576	-	1053
Finance costs	(54)	(34)	-	-	(88)
Share of loss of an associate	(7)	-	-	-	(7)
Segment profit / (loss) before tax	<u>600</u>	<u>(218)</u>	<u>576</u>	<u>-</u>	<u>958</u>
Tax expenses / (over)	(228)	34	-	-	(194)
Segment profit / (loss) after tax	<u>372</u>	<u>(184)</u>	<u>576</u>	<u>-</u>	<u>764</u>

Note 1

Note 1:

There is an addition of RM532,125 being the listing expenses overcharged into statement of profit and loss account in the preceding quarter period now being adjusted into equity from statement of profit and loss account for the current quarter period under review.

A11. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There was no valuation of property, plant and equipment in the current financial quarter under review.

A12. CHANGES IN THE COMPOSITION OF THE GROUP

There were no material changes in the composition of the Group for the current financial quarter under review.

A13. CAPITAL COMMITMENTS

There were no material capital commitments incurred or known to be incurred for the current financial quarter under review.

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PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING (CONTINUED)

A14. CONTINGENT ASSETS OR CONTINGENT LIABILITIES

There were no contingent assets and contingent liabilities as at the date of this interim financial report.

A15. SIGNIFICANT RELATED PARTY TRANSACTIONS

There were no related party transactions in the current financial quarter under review.

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PART B – EXPLANATORY NOTES PERSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

Notes To the Unaudited Condensed Consolidated Interim Financial Report for the Third Quarter Ended 30 September 2022

B1. REVIEW OF PERFORMANCE

The group recorded a revenue of RM6.1 million with a gross profit of RM2.1 million for the current financial quarter under review. Contribution of revenue for the current financial quarter came from manufacturing activities of RM3.8 million and trading activities of RM2.3 million respectively.

The Group is reporting individual quarterly profit before tax of RM1.0 million, with a cumulative quarter profit of RM0.4 million.

Worthwhile noting that stripping off the one-off listing expenses of RM2.7 million, the Group is reporting a cumulative quarter profit of RM3.0 million.

This is the third interim financial report on the Group's unaudited condensed consolidated financial results for third quarter ended 30 September 2022 announced in compliance with the Listing Requirements and as such, there are no comparative figures for the immediate preceding year quarter's results.

B2. PERFORMANCE COMPARISON WITH PRECEDING QUARTER'S RESULTS

	<u>Individual Quarter</u>		<u>Variance</u>	
	<u>Unaudited Current Quarter</u> <u>30.09.2022</u> <u>RM'000</u>	<u>Unaudited Preceding Quarter</u> <u>30.06.2022</u> <u>RM'000</u>	<u>RM'000</u>	<u>%</u>
Revenue	6,104	8,445	(2,341)	(28)
Profit / (Loss) before tax	958	(2,153)	3,111	>100
Profit / (Loss) after tax	764	(2,396)	3,160	>100

The Group recorded revenue of RM6.1 million in the third quarter ended 30 September 2022 as compared to the preceding quarter of RM8.4 million representing a decrease of 28%. The decrease in revenue is mainly due to lesser sales order received from local and overseas customer particularly from Vietnam and Thailand.

The Group recorded a gross profit margin of 35% in the third quarter ended 30 September 2022 as compared to preceding quarter of 29% mainly due to success procurement plan in purchasing raw material (stock up in advance) with better price together with lower forex exchange rate. In addition, the direct labour cost especially overtime cost was lower as a result of control in production during financial quarter under review had also contributed to the better margin.

The Group posted profit attributable to equity holders of the Company of RM0.7 million in the current quarter as compared to a loss of RM2.4 million in the preceding quarter. The Group is sustaining and generating profit from current operation activities.

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PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B3. PROSPECTS AND OUTLOOK FOR THE CURRENT FINANCIAL YEAR

As disclosed in the Prospectus of the Company dated 17 May 2022, the Group will implement the following future plans:

- a) to expand our range of industrial brushes by developing customisable industrial brushes and continue to strengthen our market position in the industrial brush industry in Malaysia;
- b) to improve our manufacturing efficiency and automate our manufacturing processes by acquiring additional automated machineries and equipment to support the long-term growth of our business;
- c) to expand our trading of industrial hardware and machinery parts business segment especially in the central and southern regions of Peninsular Malaysia; and
- d) to expand our geographical presence to international markets.

Aside to the above future plan, the Group is exploring to market to other industries namely to semiconductor, timber, glass and agricultural sector to expand its customer base.

B4. VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT

The Group did not issue any profit forecast or profit guarantee in the current financial quarter under review.

B5. INCOME TAX EXPENSE

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Unaudited Current Year Quarter 30.09.2022 RM'000	Unaudited Preceding Year Corresponding Quarter ⁽¹⁾ 30.09.2021 RM'000	Unaudited Current Year- to-date 30.09.2022 RM'000	Unaudited Preceding Year Corresponding Year-to-date⁽¹⁾ 30.09.2021 RM'000
In respect of current period:				
Income tax expense	194	N/A	802	N/A
Effective tax rate (%)	20	N/A	>(100)	N/A
Statutory tax rate (%)	24	N/A	24	N/A

NOTES:

- (1) This is the third interim financial report on the Company's unaudited condensed consolidated financial results for the third quarter ended 30 September 2022 announced in compliance with the Listing Requirements and hence, there are no comparative figures for the preceding year's corresponding quarter and preceding year's corresponding year-to-date.
- (2) Income tax expense is recognised based on management's best estimate.

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PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B6. STATUS OF CORPORATE PROPOSALS

The Company had on 25 October 2022 announced the following proposal:

- a) proposed bonus issue of warrants on the basis of 1 Warrant for every 2 existing ordinary shares in Yew Lee held by the entitled shareholders of the Company on an entitlement date to be determined and announced later (“Proposed Bonus Issue of Warrants”); and
- b) proposed establishment of an employees’ share option scheme (“ESOS”) of up to thirty percent (30%) of the total number of issued shares of Yew Lee (excluding treasury shares, if any) at any point of time during the duration of the ESOS for the eligible employees and Directors of Yew Lee and its subsidiaries (excluding dormant subsidiaries, if any) (“Proposed ESOS”).

The Proposals has been submitted to Bursa Securities on 10 November and are subject to the approval from Bursa Securities, shareholders of the Company at an extraordinary general meeting and other relevant authorities, if any.

B7. UTILISATION PROCEEDS FROM IPO

As at 30 September 2022, the status of the utilisation of proceeds arising from IPO amounting to approximately RM 37.27 million is stated in the following manner:

<u>Utilisation of proceeds</u>	<u>Propose Utilisation RM'000</u>	<u>Actual Utilisation RM'000</u>	<u>Unutilised Amount RM'000</u>	<u>Estimated timeframe for utilisation from Listing</u>
Purchase of additional manufacturing machineries and equipment	10,900	1,253	9,647	Within 12 months
Construction of new warehouse facility and office building	7,300	37	7,263	Within 24 months
Renovation of New Office	1,800	-	1,800	Within 36 months
Repayment of bank borrowings	8,900	1,673	7,227	Within 12 months
Working capital requirements	4,570	2,620	1,950	Within 8 months
Estimated listing expenses	3,800	2,654	1,146	Within 1 month
	37,270	8,737	29,033	

The utilisation of proceeds disclosed above should be read in conjunction with the Prospectus of the Company dated 17 May 2022.

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PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**B8. BANK BORROWINGS**

	Unaudited As at 30.09.2022 RM'000	Audited As at 31.12.2021 RM'000
<u>Current</u>		
Lease liabilities	73	302
Term loans	292	358
	365	660
<u>Non-current</u>		
Lease liabilities	-	485
Term loans	6,779	7,936
	6,779	8,421

The bank borrowings are secured and denominated in Ringgit Malaysia.

B9. MATERIAL LITIGATION

There were no material litigation involving the Group as at 30 September 2022.

B10. DIVIDEND PAYABLE

Saved as disclosed in A9, there was no dividend declared for the financial quarter under review.

B11. EARNING / (LOSS) PER SHARE

The basic and diluted EPS / LPS for the current financial quarter and financial year-to-date are computed as follows:

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Unaudited Current Year Quarter 30.09.2022 RM'000	Unaudited Preceding Year Corresponding Quarter ⁽¹⁾ 30.09.2021 RM'000	Unaudited Current Year-to-date 30.09.2022 RM'000	Unaudited Preceding Year Year-to-date ⁽¹⁾ 30.09.2021 RM'000
Profit / (Loss) attributable to the Owners of the Company	756	N/A	(411)	N/A
Number of ordinary shares	532,436	N/A	532,436	N/A
Basic EPS / LPS (Sen) ⁽²⁾	0.14	N/A	(0.08)	N/A
Diluted EPS / LPS (Sen) ⁽²⁾	0.14	N/A	(0.08)	N/A

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PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**B11. EARNING / (LOSS) PER SHARE (Continued)****NOTES:**

- (1) This is the third interim financial report on the Company's unaudited condensed consolidated financial results for the third quarter ended 30 September 2022 announced in compliance with the Listing Requirements and hence, there are no comparative figures for the preceding year's corresponding quarter and preceding year's corresponding year-to-date.
- (2) Basic and diluted share is calculated based on the share capital of 532,435,600 shares in issue as at 30 September 2022. There are no dilutive instruments as at the end of the current quarter.

B12. NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND OTHER COMPREHENSIVE INCOME

Profit or loss before tax is arrived after charging/(crediting):

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Unaudited Current Year Quarter 30.09.2022 RM'000</u>	<u>Unaudited Preceding Year Corresponding Quarter ⁽¹⁾ 30.09.2021 RM'000</u>	<u>Unaudited Current Year-to-date 30.09.2022 RM'000</u>	<u>Unaudited Preceding Year Year-to-date ⁽¹⁾ 30.09.2021 RM'000</u>
Depreciation of property, plant and equipment	359	N/A	854	N/A
Amortisation of right-of-use assets	5	N/A	217	N/A
Interest income	(93)	N/A	(205)	N/A
Unrealised loss / (gain) on foreign exchange	(10)	N/A	(14)	N/A
Loss on disposal of property, plant and equipment	5	N/A	5	N/A
Interest expense	88	N/A	245	N/A
Rental expense	3	N/A	7	N/A
Impairment on trade receivables	53	N/A	53	N/A
Property, plant and equipment written off	1	N/A	1	N/A

NOTE:

- (1) This is the third interim financial report on the Company's unaudited condensed consolidated financial results for the third quarter ended 30 September 2022 announced in compliance with the Listing Requirements and hence, there are no comparative figures for the preceding year's corresponding period.

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**PART B – EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**

B13. Authorisation for Issue

The interim financial report was authorised for issue by the Board of Directors of the Company in accordance with a resolution passed by the Board of Directors on 30 Nov 2022.

**BY ORDER OF THE BOARD
YEW LEE PACIFIC GROUP BERHAD**