



YEW LEE PACIFIC GROUP BERHAD

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

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 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 Fourth Quarter Ended 31 December 2022⁽¹⁾

	Note	Individual Quarter		Cumulative Quarter	
		Unaudited Current Quarter 31.12.2022 RM'000	Unaudited Preceding Year Corresponding Quarter ⁽²⁾ 31.12.2021 RM'000	Unaudited Current Year-to-date 31.12.2022 RM'000	Audited Preceding Year-to-date 31.12.2021 RM'000
Revenue		5,327	N/A	29,674	45,525
Cost of sales		(4,029)	N/A	(20,623)	(26,909)
Gross profit		1,298	N/A	9,051	18,616
Other income		397	N/A	1,176	808
Administrative expenses		(2,511)	N/A	(10,200)	(6,390)
Selling and marketing expenses		53	N/A	(179)	(336)
Finance costs		(41)	N/A	(286)	(277)
Share of (loss) /profit of an associate		(133)	N/A	(55)	224
Other expenses		(408)	N/A	(459)	(62)
(Loss)/ Profit before tax ⁽³⁾	B12	(1,345)	N/A	(952)	12,636
Income tax	B5	215	N/A	(587)	(2,470)
(Loss)/ Profit after tax		(1,130)	N/A	(1,539)	10,113
Other comprehensive (loss)/ income:					
- Actuarial income on provisions of employee benefits obligation		-	N/A	-	2
- Foreign currency translation of foreign operation		(1)	N/A	(3)	5
- Share of other comprehensive loss of an associate		7	N/A	7	(24)
Total comprehensive (loss)/ profit for the financial period/ year		(1,124)	N/A	(1,535)	10,096
(Loss)/ profit attributable to:					
- Owners of the Company		(1,130)	N/A	(1,539)	10,116
- Non-controlling interest		- ⁽⁶⁾	N/A	- ⁽⁶⁾	(3)
		(1,130)	N/A	(1,539)	10,113
Total comprehensive (loss)/ profit attributable to:					
- Owners of the Company		(1,124)	N/A	(1,535)	10,099
- Non-controlling interest		- ⁽⁶⁾	N/A	- ⁽⁶⁾	(3)
		(1,124)	N/A	(1,535)	10,096
Earnings / (Loss) per share ("EPS" / "LPS")					
- Basic (Sen) ⁽⁴⁾	B11	(0.21)	N/A	(0.29)	2.53
- Diluted (Sen) ⁽⁵⁾	B11	(0.21)	N/A	(0.29)	1.90

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Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Fourth Quarter Ended 31 December 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 fourth interim financial report on Company's unaudited condensed consolidated financial results for the fourth quarter ended 31 December 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.
- (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>	
	Unaudited Current Quarter 31.12.2022 RM'000	Unaudited Preceding Year Corresponding Quarter ⁽²⁾ 31.12.2021 RM'000	Unaudited Current Year-to-date 31.12.2022 RM'000	Audited Preceding Year-to-date 31.12.2021 RM'000
Loss before tax	(1,345)	N/A	(952)	N/A
Add : One-off listing expenses, net	-	N/A	2,654	N/A
Adjusted (loss)/ profit before tax	(1,345)	N/A	1,702	N/A

- (4) Basic LPS of the Company for the current financial quarter and financial year-to-date ended 31 December 2022 is calculated based on the Company's share capital of 532,435,600 ordinary shares as at 31 December 2022. For the preceding financial year-to-date ended 31 December 2021, the basic EPS is calculated based on the Company's share capital of 399,326,700 ordinary shares after the acquisition of Yew Lee Pacific Manufacturer Sdn Bhd and Yew Lee Pacific Holding Sdn Bhd.
- (5) Diluted LPS of the Company for the current financial quarter and financial year-to-date ended 31 December 2022 is calculated equivalent to the basic LPS as the Company does not have any convertible options as at 31 December 2022. For the preceding financial year-to-date ended 31 December 2021, the diluted EPS is calculated based on the Company's share capital of 532,435,600 ordinary shares that shall be listed on the ACE Market of Bursa Securities on 7 June 2022.
- (6) Represents less than RM1,000.

YEW LEE PACIFIC GROUP BERHAD

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Unaudited Condensed Consolidated Statement of Financial Position**As At 31 December 2022** ⁽¹⁾

	Note	Unaudited As at 31.12.2022 RM'000	Audited As at 31.12.2021 RM'000
Non-current assets			
Property, plant and equipment		10,739	10,110
Right-of-use assets		7,557	8,524
Investment in an associate company		359	446
		18,655	19,080
Current assets			
Inventories		5,778	6,873
Trade receivables		3,899	9,160
Other receivables, deposits and prepayments		245	571
Tax recoverable		364	269
Short-term money market fund		30,125	-
Fixed deposits with licensed banks		14,030	11,076
Cash and bank balances		7,928	8,737
		62,369	36,686
Total assets		81,024	55,766
Equity			
Share capital		66,966	_ (3)
Invested equity		-	350
Merger reserves		(31,197)	-
Foreign currency translation reserves		(57)	(61)
Retained earnings		38,140	41,276
		73,852	41,567
Non-controlling interests		_ (3)	_ (3)
Total equity		73,852	41,565
Non-current liabilities			
Bank borrowings	B8	2,667	7,936
Lease liabilities		41	485
Deferred tax liabilities		1,007	882
		3,715	9,303
Current liabilities			
Trade payables		2,194	2,733
Other payables and accruals		1,122	1,505
Bank borrowings	B8	116	358
Lease liabilities		25	302
		3,457	4,898
Total liabilities		7,172	14,201
Total equity and liabilities		81,024	55,766
Net assets per share (Sen) ⁽²⁾		13.87	10.41
Gearing ratio (times)		0.04	0.22

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**Unaudited Condensed Consolidated Statement of Financial Position
As At 31 December 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 is calculated based on the number of ordinary shares in issue of 532,435,600 shares as at 31 December 2022. The number of ordinary shares used in calculating the net asset per share as at 31 December 2021 has been restated after the Company listed on 7 June 2022.
- (3) Represents less than RM1,000.

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**Unaudited Condensed Consolidated Statements of Changes in Equity
for the Period Ended 31 December 2022⁽¹⁾**

	----- Attributable to Owners of the Company -----					Sub-Total RM'000	Non-Controlling Interest RM'000	Total Equity RM'000
	-----Non-Distributable-----			Distributable				
	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	(1,851)	-	-	-	-	(1,851)	-	(1,851)
Dividend paid	-	-	-	-	(1,597)	(1,597)	-	(1,597)
Loss for the financial year	-	-	-	-	(1,539)	(1,539)	_(2)	(1,539)
Other comprehensive income	-	-	-	4	-	4	_(2)	4
Total comprehensive profit/ (loss) for the financial year	-	-	-	4	(1,539)	(1,535)	_(2)	(1,535)
Balance as at 31 December 2022	66,966	-	(31,197)	(57)	38,140	73,852	_(2)	73,852

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.

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**Unaudited Condensed Consolidated Statements of Cash Flows
for the Period Ended 31 December 2022⁽¹⁾**

	Unaudited Current Year-to-date 31.12.2022 RM'000	Audited Preceding Year-to-date 31.12.2021 RM'000
Cash flow from operating activities		
(Loss)/profit before tax	(952)	12,583
Adjustment for: -		
Amortisation of right-of-use assets	243	587
Depreciation of property, plant and equipment	1,205	1,029
Finance costs	286	277
Gain on disposal of property, plant and equipment	(31)	(11)
Gain on termination of a lease contract	-	(2)
Impairment on trade receivables	431	-
Interest income	(248)	(184)
Increase/(decrease) in provision for employee benefits obligation	-	(16)
Inventories written down/(back), net	318	(90)
Property, plant and equipment written off	1	19
Reversal of impairment on trade receivables	-	(6)
Share of result of an associate loss/ (gain)	55	(224)
Unrealised loss on foreign exchange	20	32
Operating profit before working capital changes	1,328	13,994
Changes in working capital:		
Inventories	817	(2,103)
Trade and other receivables	5,138	(262)
Trade and other payables	(923)	(3,108)
Provision for employee benefits obligation	-	(2)
Cash generated from operations	6,360	8,519
Tax paid	(558)	(3,496)
Net cash generated from operating activities	5,802	5,023
Cash flow from investing activities		
Interest received	248	108
Proceeds from disposal of property, plant and equipment	32	120
Purchase of property, plant and equipment	(1,112)	(4,988)
Purchase of right-of-use assets	-	(164)
Net cash used in investing activities	(832)	(4,924)
Cash flow from financing activities		
Dividend paid	(1,597)	(3,000)
Finance costs paid	(286)	(277)
Issuance of shares, net	35,419	(2) ₋
Placement of short-term money market fund, net	(30,125)	-
Repayment of lease liabilities	(721)	(777)
(Repayment)/ drawdown of term loans, net	(5,511)	3,756
Net cash used in financing activities	(2,821)	(298)
Net increase/ (decrease) in cash and cash equivalents	2,149	(199)
Effect of foreign currency translation	(4)	(2) ₋
Cash and cash equivalents at beginning of the financial year	19,813	20,012
Cash and cash equivalents at end of the financial year	21,958	19,813

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**Unaudited Condensed Consolidated Statements of Cash Flows
for the Period Ended 31 December 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) Represents less than RM1,000.

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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 Fourth Quarter Ended 31 December 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 fourth interim financial report on the Company’s unaudited condensed consolidated financial results for the fourth quarter ended 31 December 2022 announced in compliance with the Listing Requirements and hence, there are no comparative figures for the preceding year’s corresponding quarter.

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

There were no dividends paid during the 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)

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
31.12.2022					
Revenue					
External revenue	3,322	2,009	-	(4)	5,327
Inter-segment revenue	(2)	(2)	-	4	-
	<u>3,320</u>	<u>2,007</u>	<u>-</u>	<u>-</u>	<u>5,327</u>
Results					
Segment loss	(641)	(350)	(180)	-	(1,171)
Finance costs	(11)	(30)	-	-	(41)
Share of loss of an associate	(133)	-	-	-	(133)
	<u>(785)</u>	<u>(380)</u>	<u>(180)</u>	<u>-</u>	<u>(1,345)</u>
Segment loss before tax	(785)	(380)	(180)	-	(1,345)
Tax expenses / (over)	122	93	-	-	215
	<u>(663)</u>	<u>(287)</u>	<u>(180)</u>	<u>-</u>	<u>(1,130)</u>

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.

A14. CONTINGENT ASSETS OR CONTINGENT LIABILITIES

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

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

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 Fourth Quarter Ended 31 December 2022

B1. REVIEW OF PERFORMANCE

The group recorded a revenue of RM5.3 million with a gross profit of RM1.3 million for the current financial quarter under review. Contribution of revenue for the current financial quarter came from manufacturing activities of RM3.3 million and trading activities of RM2.0 million respectively.

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

Worthwhile noting that stripping off the one-off listing expenses of RM2.7 million, the Group is reporting a cumulative quarter profit before tax of RM1.7 million.

This is the fourth interim financial report on the Group's unaudited condensed consolidated financial results for fourth quarter ended 31 December 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>31.12.2022</u> <u>RM'000</u>	<u>Unaudited Preceding Quarter</u> <u>30.09.2022</u> <u>RM'000</u>	<u>RM'000</u>	<u>%</u>
Revenue	5,327	6,104	(777)	(13)
Profit / (Loss) before tax	(1,345)	958	(2,303)	>100
Profit / (Loss) after tax	(1,130)	764	(1,894)	>100

The Group recorded revenue of RM5.3 million in the fourth quarter ended 31 December 2022 as compared to the preceding quarter of RM6.1 million representing a decrease of 13%. 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 24% in the fourth quarter ended 31 December 2022 as compared to preceding quarter of 35% mainly due to the sale order for certain customise products which contributed better margin have been decreased. In addition, the decrease of margin was also impacted by the inventories written down under current quarter review.

The Group posted loss attributable to equity holders of the Company of RM1.1 million in the current quarter as compared to a profit of RM0.8 million in the preceding quarter. The loss incurred in the current quarter mainly due to variety provision and accrual expenses (RM0.3 million), impairment of trade receivables (RM0.4 million) and inventories written down (RM0.3 million) being charged into current quarter under review. However, the Group is generating gross operating profit from core operation activities. The Group will keep monitoring closely to adapt into new challenge of market diversification in other industries.

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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>	
	<u>Unaudited</u> <u>Current Year</u> <u>Quarter</u> <u>31.12.2022</u> <u>RM'000</u>	<u>Unaudited</u> <u>Preceding Year</u> <u>Corresponding</u> <u>Quarter ⁽¹⁾</u> <u>31.12.2021</u> <u>RM'000</u>	<u>Unaudited</u> <u>Current Year-</u> <u>to-date</u> <u>31.12.2022</u> <u>RM'000</u>	<u>Audited</u> <u>Preceding Year</u> <u>Corresponding</u> <u>Year-to-date</u> <u>31.12.2021</u> <u>RM'000</u>
In respect of current period:				
Income tax expense/ (credit)	(319)	N/A	483	2,291
Deferred tax expense	104	N/A	104	177
Effective tax rate (%)	(16)	N/A	62	20
Statutory tax rate (%)	24	N/A	24	24

NOTES:

- (1) This is the fourth interim financial report on the Company's unaudited condensed consolidated financial results for the fourth quarter ended 31 December 2022 announced in compliance with the Listing Requirements and hence, there are no comparative figures for the preceding year's corresponding quarter.

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

B5. INCOME TAX EXPENSE (Continue)

- (2) Income tax expense is recognised based on management's best estimate.

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 have been submitted to Bursa Securities on 10 November and approval from Bursa Securities have been granted on 12 December 2022.

The Proposed Bonus Issue of Warrants was approved by the shareholders at the EGM held on 6 January 2023 and the bonus issue of warrants has been completed following the listing and quotation on the ACE Market of Bursa Securities on 9 February 2023.

B7. UTILISATION PROCEEDS FROM IPO

As at 31 December 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	1,388	9,512	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	5,946	2,954	Within 12 months
Working capital requirements	4,570	2,625	1,945	Within 8 months
Estimated listing expenses	3,800	3,800	-	Within 1 month
	37,270	13,796	23,474	

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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(Incorporated in Malaysia)

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

	Unaudited	Audited
	As at	As at
	31.12.2022	31.12.2021
	RM'000	RM'000
<u>Current</u>		
Lease liabilities	25	302
Term loans	116	358
	<u>141</u>	<u>660</u>
<u>Non-current</u>		
Lease liabilities	41	485
Term loans	2,667	7,936
	<u>2,708</u>	<u>8,421</u>

The bank borrowings are secured and denominated in Ringgit Malaysia.

B9. MATERIAL LITIGATION

There were no material litigation involving the Group as at 31 December 2022.

B10. DIVIDEND PAYABLE

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

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YEW LEE PACIFIC GROUP BERHAD

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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. (LOSS)/ EARNINGS PER SHARE**

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

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Unaudited</u>	<u>Unaudited</u>	<u>Unaudited</u>	<u>Audited</u>
	<u>Current Year</u>	<u>Preceding Year</u>	<u>Current</u>	<u>Preceding Year</u>
	<u>Quarter</u>	<u>Corresponding</u>	<u>Year-to-date</u>	<u>Year-to-date</u>
	<u>31.12.2022</u>	<u>Quarter ⁽¹⁾</u>	<u>31.12.2022</u>	<u>31.12.2021</u>
	<u>RM'000</u>	<u>31.12.2021</u>	<u>RM'000</u>	<u>RM'000</u>
		<u>RM'000</u>		
(Loss)/ profit				
attributable to the	(1,130)	N/A	(1,539)	10,116
Owners of the				
Company				
Number of ordinary	532,436	N/A	532,436	399,327
shares (in thousand)				
Basic (LPS)/ EPS (Sen) ⁽²⁾	(0.21)	N/A	(0.29)	2.53
Diluted (LPS)/ EPS (Sen) ⁽³⁾	(0.21)	N/A	(0.29)	1.90

NOTES:

- (1) This is the fourth interim financial report on the Company's unaudited condensed consolidated financial results for the fourth quarter ended 31 December 2022 announced in compliance with the Listing Requirements and hence, there are no comparative figures for the preceding year's corresponding quarter.
- (2) Basic LPS of the Company for the current financial quarter and financial year-to-date ended 31 December 2022 is calculated based on the Company's share capital of 532,435,600 ordinary shares as at 31 December 2022. For the preceding financial year-to-date ended 31 December 2021, the basic EPS is calculated based on the Company's share capital of 399,326,700 ordinary shares after the acquisition of Yew Lee Pacific Manufacturer Sdn Bhd and Yew Lee Pacific Holding Sdn Bhd.
- (3) Diluted LPS of the Company for the current financial quarter and financial year-to-date ended 31 December 2022 is equivalent to the basic LPS as the Company does not have any convertible options as at 31 December 2022. For the preceding financial year-to-date ended 31 December 2021, the diluted EPS is calculated based on the Company's share capital of 532,435,600 ordinary shares that shall be listed on the ACE Market of Bursa Securities on 7 June 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)**B12. NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

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

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Unaudited</u> Current Year Quarter 31.12.2022 RM'000	<u>Unaudited</u> Preceding Year Corresponding Quarter ⁽¹⁾ 31.12.2021 RM'000	<u>Unaudited</u> Current Year-to-date 31.12.2022 RM'000	<u>Audited</u> Preceding Year Year-to-date 31.12.2021 RM'000
Depreciation of property, plant and equipment	351	N/A	1,205	1,029
Amortisation of right-of-use assets	26	N/A	243	587
Interest income	(43)	N/A	(248)	(183)
Provision for employee benefits obligation	-	N/A	-	(16)
Unrealised loss on foreign exchange	34	N/A	20	32
Gain on disposal of property, plant and equipment, (net)	(36)	N/A	(31)	(11)
Interest expense	41	N/A	286	277
Rental expense	3	N/A	10	1
Impairment/ (Reversal of impairment) on trade receivables	378	N/A	431	(6)
Property, plant and equipment written off	-	N/A	1	19

NOTE:

- (1) This is the fourth interim financial report on the Company's unaudited condensed consolidated financial results for the fourth quarter ended 31 December 2022 announced in compliance with the Listing Requirements and hence, there are no comparative figures for the preceding year's corresponding quarter.

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 28 February 2023.

BY ORDER OF THE BOARD
YEW LEE PACIFIC GROUP BERHAD