



**YX PRECIOUS METALS BHD (202101001245) (1401543-M)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023**

**(The figures have not been audited)**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 JUNE 2023**

	Note	Individual Quarter		Year-to-date	
		3 months ended		6 months ended	
		30/6/2023	30/6/2022	30/6/2023	30/6/2022
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	61,806	90,372	124,377	151,097
Cost of sales		(56,560)	(84,149)	(113,813)	(139,337)
<b>Gross profit</b>		<b>5,246</b>	<b>6,223</b>	<b>10,564</b>	<b>11,760</b>
Other income		164	11	236	13
Selling and distribution expenses		(316)	(363)	(749)	(727)
Administrative expenses		(1,291)	(3,234)	(2,606)	(4,143)
Net loss on impairment of financial assets		(2)	(10)	(29)	(10)
Other expenses		-	(41)	(2)	(97)
<b>Profit from operations</b>		<b>3,801</b>	<b>2,586</b>	<b>7,414</b>	<b>6,796</b>
Finance costs		(16)	(199)	(72)	(411)
<b>Profit before tax</b>	<b>B13</b>	<b>3,785</b>	<b>2,387</b>	<b>7,342</b>	<b>6,385</b>
Taxation	B4	(952)	(1,052)	(1,853)	(2,012)
<b>Profit for the financial period/year</b>		<b>2,833</b>	<b>1,335</b>	<b>5,489</b>	<b>4,373</b>
Profit attributable to:-					
Owners of the parent		2,833	1,335	5,489	4,373
Non-controlling interests		-	-	-	-
		<b>2,833</b>	<b>1,335</b>	<b>5,489</b>	<b>4,373</b>
Earnings per ordinary share attributable to equity holders of the parent (sen):-					
Basic earnings per share	B12	0.76	0.36	1.47	1.18
Diluted earnings per share	B12	0.76	0.36	1.47	1.18

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**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023****(The figures have not been audited)****CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 JUNE 2023 (Cont'd)**

Note	Individual Quarter		Year-to-date	
	3 months ended		6 months ended	
	30/6/2023	30/6/2022	30/6/2023	30/6/2022
	RM'000	RM'000	RM'000	RM'000
Profit for the financial period/year	2,833	1,335	5,489	4,373
Other comprehensive income	-	-	-	-
<b>Total comprehensive income</b>	<b>2,833</b>	<b>1,335</b>	<b>5,489</b>	<b>4,373</b>
<b>Total comprehensive income attributable to:-</b>				
Owners of the parent	2,833	1,335	5,489	4,373
Non-controlling interests	-	-	-	-
	<b>2,833</b>	<b>1,335</b>	<b>5,489</b>	<b>4,373</b>

The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2022 as disclosed in the Company's Annual Report 2022 and the accompanying explanatory notes attached to this interim financial report.

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**YX PRECIOUS METALS BHD (202101001245) (1401543–M)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023****(The figures have not been audited)****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2023**

	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>As At</b>	<b>As At</b>
	<b>30/6/2023</b>	<b>31/12/2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	3,487	3,645
Right-of-use asset	1,118	787
Deferred tax assets	38	38
	<u>4,643</u>	<u>4,470</u>
<b>Current assets</b>		
Inventories	61,777	64,328
Trade and other receivables	26,809	12,383
Current tax assets	316	28
Cash and bank balances	11,451	25,884
	<u>100,353</u>	<u>102,623</u>
<b>TOTAL ASSETS</b>	<u>104,996</u>	<u>107,093</u>
<b>EQUITY AND LIABILITIES</b>		
Share capital/Invested equity	82,889	82,889
Reserves	19,013	16,501
<b>TOTAL EQUITY</b>	<u>101,902</u>	<u>99,390</u>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Lease liabilities	637	522
Deferred tax liabilities	251	251
	<u>888</u>	<u>773</u>
<b>Current Liabilities</b>		
Trade and other payables	1,784	1,854
Borrowings	-	4,765
Lease liabilities	422	199
Current tax liabilities	-	112
	<u>2,206</u>	<u>6,930</u>
<b>TOTAL LIABILITIES</b>	<u>3,094</u>	<u>7,703</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>104,996</u>	<u>107,093</u>
<b>Net assets per share (RM)</b>	0.27	0.27

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2022 as disclosed in the Company's Annual Report 2022 and the accompanying explanatory notes attached to this interim financial report.

**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023**

**(The figures have not been audited)**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30 JUNE 2023**

	-----Attributable To Owners Of The Parent-----			Total RM'000
	---Non Distributable---	Distributable		
	Share Capital/ Invested equity RM'000	Merger Reserve RM'000	Retained Earnings RM'000	
<b>Balance as at 1 January 2023</b>	82,889	(34,500)	51,001	99,390
Profit for the financial year	-	-	5,489	5,489
Other comprehensive income, net of tax	-	-	-	-
	-	-	5,489	5,489
<i>Transactions with owners</i>				
Dividend paid	-	-	(2,977)	(2,977)
<b>Balance as at 30 June 2023</b>	82,889	(34,500)	53,513	101,902
<b>Balance as at 1 January 2022</b>	17,600	-	41,600	59,200
Profit for the financial year	-	-	4,373	4,373
Other comprehensive income, net of tax	-	-	-	-
	-	-	4,373	4,373
<i>Transactions with owners</i>				
Effect of business combination under common control:				
- elimination of subsidiaries' share capital	(17,600)	(34,500)	-	(52,100)
Ordinary shares issued	83,361	-	-	83,361
Ordinary share issuance expenses	(472)	-	-	(472)
<b>Balance as at 30 June 2022</b>	82,889	(34,500)	45,973	94,362

The Unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2022 as disclosed in the Company's Annual Report 2022 and the accompanying explanatory notes attached to this interim financial report.

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(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023****(The figures have not been audited)****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 30 JUNE 2023**

	<b>6 months ended</b>	
	<b>30/6/2023</b>	<b>30/6/2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	7,342	6,385
Adjustments for:-		
Depreciation of right-of-use asset	248	123
Depreciation of property, plant and equipment	297	195
Impairment of trade and other receivables	80	128
Interest income	(35)	-
Net unrealised (gain)/loss on foreign exchange	(1)	8
Reversal on impairment of trade and other receivables	(51)	(118)
Finance costs	72	411
	<hr/>	<hr/>
Operating profit before changes in working capital	7,952	7,132
Inventories	2,552	1,964
Trade and other receivables	(7,813)	(11,962)
Trade and other payables	(70)	(1,130)
	<hr/>	<hr/>
Cash generated from operations	2,621	(3,996)
Interest paid	(40)	(396)
Tax paid	(2,253)	(678)
	<hr/>	<hr/>
Net cash from/(used in) operating activities	328	(5,070)
	<hr/>	<hr/>
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>		
Interest income	35	-
Purchase of property, plant and equipment	(140)	(577)
Addition of right-of-use assets	(28)	-
	<hr/>	<hr/>
Net cash used in investing activities	(133)	(577)
	<hr/>	<hr/>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Lease interest paid	(32)	(15)
Deposit placed with a licenced bank	(6,646)	-
Dividend paid	(2,977)	-
Proceeds from issuance of ordinary shares	-	31,261
Share issuance expenses	-	(472)
Net (repayments)/drawdown of short term borrowings	(4,765)	65
Net repayments of lease liabilities	(213)	(110)
	<hr/>	<hr/>
Net cash (used in)/from financing activities	(14,633)	30,729
	<hr/>	<hr/>

**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023**  
**(The figures have not been audited)**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 30 JUNE 2023 (Cont'd)**

	<b>6 months ended</b>	
	<b>30/6/2023</b>	<b>30/6/2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	(14,438)	25,082
<b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	25,884	8,214
<b>EFFECT OF EXCHANGE RATES CHANGES</b>	5	*
<b>CASH &amp; CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<u>11,451</u>	<u>33,296</u>

**Represented by:-**

**CASH AND CASH EQUIVALENTS**

Cash and bank balances	11,451	33,296
Bank overdrafts	-	-
	<u>11,451</u>	<u>33,296</u>

**Note:**

\* Amount is less than RM1,000.

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2022 as disclosed in the Company's Annual Report 2022 and the accompanying explanatory notes attached to this interim financial report.

# YX PRECIOUS METALS BHD (202101001245) (1401543–M)

(Incorporated in Malaysia)

## INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023

(The figures have not been audited)

### PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

#### A1. BASIS OF PREPARATION

The interim financial report of YX Precious Metals Bhd (“YXPM” or “Company”) and its subsidiaries (“Group”) are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) 134: *Interim Financial Reporting* and Rule 9.22 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”).

This interim financial report should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2022 as disclosed in the Company’s Annual Report 2022 and the accompanying notes attached to this interim financial report.

#### A2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted and disclosed in the Group’s audited financial statements for the financial year ended 31 December 2022.

The following MFRSs, Amendment to MFRSs and IC Interpretation have been issued but has not been early adopted by the Group.

Title	Effective Date
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendment to MFRS 16 <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

#### A3. AUDITORS’ REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors’ report for the preceding annual financial statements of the Group was not subject to any qualification.

#### A4. SEASONAL OR CYCLICAL FACTORS

The Group’s business traditionally picks up before the main festive seasons in Malaysia.

#### A5. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current quarter under review and year-to-date.

#### A6. MATERIAL CHANGES IN ESTIMATES

There were no material changes in the estimates during the current quarter under review and year-to-date.

**YX PRECIOUS METALS BHD (202101001245) (1401543–M)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023****(The figures have not been audited)****PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)****A7. ISSUANCES, REPURCHASES AND REPAYMENTS OF DEBTS AND EQUITY INSTRUMENTS**

There were no issuances, cancellations, repurchases, resale and repayment of debts and equity securities during the current quarter under review and year-to-date.

**A8. DIVIDEND PAID**

A first and final single tier dividend of 0.80 sen per ordinary share for the financial year ended 31 December 2022 amounting to RM2,977,200.00 was declared on 7 April 2023 and paid on 2 June 2023 to shareholders whose names appeared in Company's record of depositors on 18 May 2023.

No dividend was paid for the preceding year corresponding period.

**A9. OPERATING SEGMENTAL INFORMATION**

The business activities of the Group are predominantly located in Malaysia and as such, segment reporting by geographical location is not presented.

The Group has two reportable segments as follows:

**Segments**

Wholesale	Wholesaling of gold jewellery and other related products and services
Design and manufacture	Design and manufacturing of gold jewellery and other related products and services

Analysis of the Group's segment information for the current quarter and year-to-date under review is as follows:

	<b>Individual Quarter 3 months ended</b>			<b>Year-to-date 6 months ended</b>		
	<b>Wholesale RM'000</b>	<b>Design and Manufacture RM'000</b>	<b>Total RM'000</b>	<b>Wholesale RM'000</b>	<b>Design and Manufacture RM'000</b>	<b>Total RM'000</b>
<b>30 June 2023</b>						
<b>Revenue</b>						
Total sales	48,650	17,637	66,287	106,122	24,135	130,257
Inter-segment sales	(2,936)	(1,545)	(4,481)	(2,936)	(2,944)	(5,880)
External sales	45,714	16,092	61,806	103,186	21,191	124,377
<b>Results</b>						
Profit before tax	2,482	1,303	3,785	5,243	2,099	7,342
Tax expense	(635)	(317)	(952)	(1,340)	(513)	(1,853)
Profit for the period	1,847	986	2,833	3,903	1,586	5,489
<b>30 June 2022</b>						
<b>Revenue</b>						
Total sales	86,863	6,884	93,747	144,479	15,832	160,311
Inter-segment sales	(275)	(3,100)	(3,375)	(1,786)	(7,428)	(9,214)
External sales	86,588	3,784	90,372	142,693	8,404	151,097



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**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023****(The figures have not been audited)****PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)****A9. OPERATING SEGMENTAL INFORMATION (Cont'd)**

30 June 2022	Individual Quarter 3 months ended			Year-to-date 6 months ended		
	Wholesale RM'000	Design and Manufacture RM'000	Total RM'000	Wholesale RM'000	Design and Manufacture RM'000	Total RM'000
<b>Results</b>						
Profit before tax	1,804	583	2,387	5,107	1,278	6,385
Tax expense	(917)	(135)	(1,052)	(1,711)	(301)	(2,012)
Profit for the period	887	448	1,335	3,396	977	4,373
<b>Assets and liabilities as at 30 June 2023</b>						
<b>Assets</b>						
Segment assets				77,439	27,203	104,642
Unallocated assets						354
						<u>104,996</u>
<b>Liabilities</b>						
Segment liabilities				1,505	1,338	2,843
Unallocated liabilities						251
						<u>3,094</u>
<b>30 June 2022</b>						
<b>Assets</b>						
Segment assets				92,443	22,390	114,833
Unallocated assets						61
						<u>114,894</u>
<b>Liabilities</b>						
Segment liabilities				14,544	3,875	18,419
Unallocated liabilities						2,113
						<u>20,532</u>

**A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT**

There was no valuation of property, plant and equipment during the current quarter under review and year-to-date.

**A11. SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE CURRENT QUARTER**

There were no significant events subsequent to the end of the current quarter under review.

**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023**  
**(The figures have not been audited)**

**PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont’d)**

**A12. CHANGES IN THE COMPOSITION OF THE GROUP**

On 5 June 2023, Gemas Precious Metals Industries Sdn Bhd, a wholly-owned subsidiary of the Company, has incorporated a wholly-owned subsidiary company in Socialist Republic of Vietnam, namely YX Precious Metal (Vietnam) Ltd (“**YX Vietnam**”) with paid-up share capital of USD500,000. YX Vietnam is currently inactive and the intended principal activity is manufacturing of 916 gold jewellerys and related products and services.

Other than the above, there were no changes to the composition of the Group during the current quarter under review and year-to-date.

**A13. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

There were no contingent liabilities or contingent assets as at 30 June 2023.

**A14. CAPITAL COMMITMENT**

Capital commitment as at 30 June 2023 is as follows:

	<b>RM’000</b>
Capital expenditure in respect of purchase of property, plant and equipment:	
Approved but not contracted for	<u>7,437</u>

Save as disclosed above, there were no other material commitments as at 30 June 2023.

**A15. SIGNIFICANT RELATED PARTY TRANSACTIONS**

Save as disclosed below, there were no other significant related party transactions during the current quarter and year-to-date under review:

	<b>Individual Quarter</b>		<b>Year-to-date</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>30/6/2023</b>	<b>30/6/2022</b>	<b>30/6/2023</b>	<b>30/6/2022</b>
	<b>RM’000</b>	<b>RM’000</b>	<b>RM’000</b>	<b>RM’000</b>
<b>Related companies</b>				
Sales of goods	13,167	10,156	24,719	10,631
Purchase of goods	13,359	7,573	20,301	7,573
Hedging cost on gold price fluctuations	72	-	110	-
Rental of server	1	-	2	-
Dividend paid	2,084	-	2,084	-
<b>Related parties</b>				
Sales of goods	9	311	9	521
Purchase of goods	-	148	-	195
Purchase of manufacturing tools	24	17	51	26
Rental of premises	58	70	116	111

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**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023****(The figures have not been audited)****PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****B1. PERFORMANCE REVIEW*****Comparison between current quarter and previous year corresponding quarter***

	Individual Quarter 3 months ended			
	30/6/2023 RM'000	30/6/2022 RM'000	Variance	
			RM'000	%
<b>Revenue</b>				
Wholesale	45,714	86,588	(40,874)	(47.21)
Design and Manufacture	16,092	3,784	12,308	325.26
<b>Total</b>	<b>61,806</b>	<b>90,372</b>	<b>(28,566)</b>	<b>(31.61)</b>
<b>Profit before tax</b>				
Wholesale	2,482	1,804	678	37.58
Design and Manufacture	1,303	583	720	123.50
<b>Total</b>	<b>3,785</b>	<b>2,387</b>	<b>1,398</b>	<b>58.57</b>

The Group recorded a decrease in revenue of RM28.57 million or 31.61% to RM61.81 million as compared to previous year corresponding quarter. The decrease was due mainly to lower demand from customers from Peninsular Malaysia and East Malaysia from the wholesale segment. However, the decrease was cushioned by higher revenue generated from design and manufacture segment of RM12.31 million, arising from higher gold jewellery volume sold to customers from Peninsular Malaysia.

Notwithstanding the above, the Group's profit before tax increased by RM1.40 million or 58.57% to RM3.79 million as compared to previous year corresponding quarter due mainly to lower administrative expenses incurred amounting to RM1.94 million. Higher administrative expenses recorded in previous year corresponding quarter was due to a one-off IPO expenses incurred amounting to RM2.31 million.

***Comparison between current financial year-to-date and previous financial year-to-date***

	Year-to-date 6 months ended			
	30/6/2023 RM'000	30/6/2022 RM'000	Variance	
			RM'000	%
<b>Revenue</b>				
Wholesale	103,186	142,693	(39,507)	(27.69)
Design and Manufacture	21,191	8,404	12,787	152.15
<b>Total</b>	<b>124,377</b>	<b>151,097</b>	<b>(26,720)</b>	<b>(17.68)</b>
<b>Profit before tax</b>				
Wholesale	5,243	5,107	136	2.66
Design and Manufacture	2,099	1,278	821	64.24
<b>Total</b>	<b>7,342</b>	<b>6,385</b>	<b>957</b>	<b>14.99</b>

The Group recorded a decrease in revenue of RM26.72 million or 17.68% to RM124.38 million as compared to previous financial year-to-date. The decrease was due mainly to lower demand from customers from Peninsular Malaysia and East Malaysia from the wholesale segment. However, the decrease was cushioned by higher revenue generated from design and manufacture segment of RM12.79 million, arising from higher gold jewellery volume sold to customers from Peninsular Malaysia.

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(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023****(The figures have not been audited)****PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)****B1. PERFORMANCE REVIEW (continued)**

Notwithstanding the above, the Group's profit before tax increased by RM0.96 million or 14.99% to RM7.34 million as compared to previous financial year-to-date due mainly to lower administrative expenses incurred amounting to RM1.54 million. Higher administrative expenses recorded in previous financial year-to-date was due to a one-off IPO expenses incurred amounting to RM2.31 million.

**Comparison between current quarter and immediate preceding quarter**

	3 months ended		Variance	
	30/6/2023 RM'000	31/3/2023 RM'000	RM'000	%
Revenue	61,806	62,571	(765)	(1.22)
Profit before tax	3,785	3,557	228	6.41

The Group's revenue for the current quarter ended 30 June 2023 has decreased slightly by RM0.77 million or 1.22% to RM61.81 million as compared to the immediate preceding quarter due mainly to lower sales volume of gold jewellery from the wholesale segment as a result of lower demands from customers.

The Group recorded a higher profit before tax of RM3.79 million in the current quarter, representing an increase of RM0.23 million or 6.41% as compared to the immediate preceding quarter. The increase in profit before tax was due mainly to higher gross profit margin arising from higher average selling price, coupled with lower selling and distribution expenses incurred.

**B2. COMMENTARY ON PROSPECTS**

The Group anticipates that business conditions would remain challenging, primarily influenced by geo-political risks, the fluctuations of global gold prices, foreign exchange rate and local jewellery demands with such uncertainties continuing to affect the global and local markets.

The Group remains vigilant and will take necessary measures to meet the challenges ahead. The Group expects the financial performance for the financial year 2023 to be satisfactory.

**B3. PROFIT FORECAST, PROFIT ESTIMATE OR PROFIT GUARANTEE**

The Group has not issued any profit forecast, profit estimate or profit guarantee in any public document.

**B4. TAXATION**

	Individual Quarter 3 months ended		Year-to-date 6 months ended	
	30/6/2023 RM'000	30/6/2022 RM'000	30/6/2023 RM'000	30/6/2022 RM'000
Current taxation	952	1,056	1,853	2,012
Deferred taxation	-	(4)	-	-
	952	1,052	1,853	2,012
Effective tax rate (%)	25.15	44.07	25.24	31.51
Statutory tax rate (%)	24.00	24.00	24.00	24.00

**YX PRECIOUS METALS BHD (202101001245) (1401543–M)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023****(The figures have not been audited)****PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)****B4. TAXATION (continued)**

The effective tax rate of the Group for the current quarter and financial year-to-date are higher than the statutory tax rate of 24.00% due mainly to certain expenses incurred which are not deductible for tax purposes.

**B5. CORPORATE PROPOSALS**

There were no corporate proposals announced by the Company but not completed as at the date of this interim financial report.

**B6. UTILISATION OF PROCEEDS FROM IPO**

The status of utilisation of proceeds from IPO as at 30 June 2023 are as follows:

<b>Purposes</b>	<b>Proposed utilisation</b>	<b>Actual utilisation</b>	<b>Balance unutilised</b>	<b>Deviation</b>	<b>Estimated time frame for use (from the Listing Date)</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	
Purchase of new machinery and equipment for expansion of hollow gold jewellery range	4,400	-	4,400	-	Within 24 months
Expansion and upgrading of operational facilities	2,500	85	2,415	-	Within 24 months
Working capital					
- Purchase of raw materials	20,861	21,389	-	528 <sup>(i)</sup>	Within 12 months
Estimated listing expenses	3,500	2,972	-	(528) <sup>(i)</sup>	Within 3 months
<b>Total</b>	<b>31,261</b>	<b>24,446</b>	<b>6,815</b>	<b>-</b>	

The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 30 May 2022.

**Note:**

- (i) Pursuant to Section 4.4.4 of the Company's Prospectus dated 30 May 2022, if the actual listing expenses are higher than budgeted, the deficit will be funded by internally generated funds. Conversely, if the actual listing expenses are lower than budgeted, the excess will be used for working capital purposes.

As such, the excess of RM0.53 million was utilised for working capital purposes.

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As at 30 June 2023, the Group does not have any borrowings.

	<b>30/6/2023</b>	<b>30/6/2022</b>
	<b>RM’000</b>	<b>RM’000</b>
<b>Unsecured</b>		
<b>Current</b>		
Bankers’ acceptances	-	9,735
Revolving credit	-	7,000
	<u>-</u>	<u>16,735</u>
<b>Non-current</b>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>16,735</u>

**B8. DERIVATIVE FINANCIAL INSTRUMENTS**

As at 30 June 2023, the Group does not have any derivative financial instruments.

**B9. FAIR VALUE OF FINANCIAL LIABILITIES**

There was no gain or loss arising from fair value changes of financial liabilities for the current quarter under review and year-to-date as the Group did not have any financial liabilities measured at fair value.

**B10. CHANGES IN MATERIAL LITIGATIONS**

There were no material litigations during the current quarter under review up to the date of this interim financial report.

**B11. DIVIDEND PAYABLE**

No dividend has been declared or recommended for payment by the Board of Directors of the Company during the current quarter under review.

**B12. EARNINGS PER SHARE**

	<b>Individual Quarter</b>		<b>Year-to-date</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>30/6/2023</b>	<b>30/6/2022</b>	<b>30/6/2023</b>	<b>30/6/2022</b>
	<b>RM’000</b>	<b>RM’000</b>	<b>RM’000</b>	<b>RM’000</b>
Consolidated profit for the financial period attributable to equity holders of the parent	2,833	1,335	5,489	4,373
Number of ordinary shares in issue (’000)	372,150	372,150	372,150	372,150
Diluted number of ordinary shares (’000)	372,150	372,150	372,150	372,150
Basic earnings per share (sen)	0.76	0.36	1.47	1.18
Diluted earnings per share (sen)	<u>0.76</u>	<u>0.36</u>	<u>1.47</u>	<u>1.18</u>

There are no dilutive instruments at the end of the financial period.

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**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023****(The figures have not been audited)****PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)****B13. PROFIT BEFORE TAX**

Profit before tax is arrived at after charging:

	<b>Individual Quarter 3 months ended</b>		<b>Year-to date 6 months ended</b>	
	<b>30/6/2023</b>	<b>30/6/2022</b>	<b>30/6/2023</b>	<b>30/6/2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Depreciation of property, plant and equipment	149	100	297	195
Depreciation of right-of-use asset	124	62	248	123
Finance costs	16	199	72	411
Net realised and unrealised loss/ (gain) on foreign exchange	3	37	(2)	93

Save for the above, the other disclosure items as required under Rule 16, Part A of Appendix 9B of the Listing Requirements are not applicable.

By Order of the Board

Secretary

Teoh Kok Jong (LS 04719/ PC No. 201908001451)

Dated : 22 August 2023