

Y&G CORPORATION BHD. [Registration No. : 196501000612 (6403-X)]

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2023**

	----- INDIVIDUAL QUARTER -----		----- CUMULATIVE QUARTER -----	
	Current Year Quarter 31 Mar 2023	Preceding Year Corresponding Quarter 31 Mar 2022	Current Year To-date 31 Mar 2023	Preceding Year Corresponding Period 31 Mar 2022
	RM'000	RM'000	RM'000	RM'000
Revenue	1,155	13,786	1,155	13,786
Operating expenses	(2,794)	(11,619)	(2,794)	(11,619)
Other operating income	95	145	95	145
Profit / (Loss) From Operations	(1,544)	2,312	(1,544)	2,312
Interest income	120	48	120	48
Interest expenses	(116)	(208)	(116)	(208)
Profit / (Loss) Before Tax	(1,540)	2,152	(1,540)	2,152
Taxation	23	(686)	23	(686)
Profit / (Loss) For The Period	(1,517)	1,466	(1,517)	1,466
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income / (Loss)	(1,517)	1,466	(1,517)	1,466
Attributable to:				
Equity holders of the parent	(1,517)	1,463	(1,517)	1,463
Non-controlling interests	*	3	*	3
	(1,517)	1,466	(1,517)	1,466
Total Comprehensive Income / (Loss) attributable to equity holders of the parent :				
Basic Earnings/(Loss) per share (Sen)	(0.69)	0.67	(0.69)	0.67

(*) Less than RM1,000

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the Year Ended 31 Dec 2022 and the accompanying notes attached to the Interim Financial Statements.

Y&G CORPORATION BHD. [Registration No. : 196501000612 (6403-X)]

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

	As at end of Current Quarter 31 Mar 2023	As at Preceding Year Ended 31 Dec 2022
	RM'000	RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	1,406	1,198
Investment property	17,369	17,427
Land held for property development	213,233	206,286
Deferred tax assets	2,418	2,397
	234,426	227,308
CURRENT ASSETS		
Inventories	10,110	10,110
Property development expenditure	15,959	15,853
Contract assets	34,745	35,869
Trade receivables	967	5,017
Other receivables, deposits and prepayments	38,048	10,054
Current tax assets	1,162	1,163
Cash and cash equivalents	53,350	80,686
	154,341	158,752
TOTAL ASSETS	388,767	386,060
EQUITY AND LIABILITIES		
Equity attributable to equity holders of parent -		
Share capital	218,478	218,478
Retained earnings	92,124	93,641
	310,602	312,119
NON-CONTROLLING INTEREST	509	509
TOTAL EQUITY	311,111	312,628
NON-CURRENT LIABILITIES		
Obligation under finance leases (Long Term)	414	269
Bank borrowings (Long Term)	27,000	28,288
Deferred tax liabilities	8,400	8,407
	35,814	36,964
CURRENT LIABILITIES		
Trade payables	16,337	10,881
Other payables and accruals	14,912	14,617
Obligation under finance leases (Short Term)	220	182
Bank borrowings (Short Term)	8,247	7,604
Current tax liabilities	2,126	3,184
	41,842	36,468
TOTAL LIABILITIES	77,656	73,432
TOTAL EQUITY AND LIABILITIES	388,767	386,060
Net assets / share attributable to ordinary equity holders of the parent (RM)	1.42	1.43

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the Year Ended 31 Dec 2022 and the accompanying notes attached to the Interim Financial Statements.

Y&G CORPORATION BHD. [Registration No. : 196501000612 (6403-X)]

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 31 MARCH 2023**

	Share capital	Retained earnings	Non - controlling interest	TOTAL EQUITY
	RM'000	RM'000	RM'000	RM'000
Current Quarter				
Balance as at 1 January 2023	218,478	93,641	509	312,628
Profit / (Loss) after tax	-	(1,517)	-	(1,517)
Other Comprehensive Income	-	-	-	-
Total Comprehensive Loss	-	(1,517)	-	(1,517)
Transaction with owners :				
Dividend paid	-	-	-	-
Total transactions with owners	-	-	-	-
Balance as at 31 Mar 2023	218,478	92,124	509	311,111
Preceding Year's Corresponding Quarter				
Balance as at 1 January 2022	218,478	83,927	501	302,906
Profit after tax	-	1,463	3	1,466
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	-	1,463	3	1,466
Transaction with owners :				
Dividend paid	-	-	-	-
Total transactions with owners	-	-	-	-
Balance as at 31 Mar 2022	218,478	85,390	504	304,372

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the Year Ended 31 Dec 2022 and the accompanying notes attached to the Interim Financial Statements.

Y&G CORPORATION BHD. [Registration No. : 196501000612 (6403-X)]

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 31 MARCH 2023**

	Current Quarter Ended 31 Mar 2023	Preceding Year Quarter 31 Mar 2022
	RM'000	RM'000
(LOSS) / PROFIT BEFORE TAX	(1,540)	2,152
Depreciation on property, plant and equipment	74	70
Amortisation of investment property	58	58
Loss on disposal of property, plant and equipment	-	2
Interest on obligation under finance leases	6	6
Bank borrowings' interest	110	201
Interest income	(120)	(48)
Gain on foreign exchange	(25)	(41)
Operating (Loss) / Profit Before Working Capital Changes	(1,437)	2,400
CHANGES IN WORKING CAPITAL :		
Decrease/(Increase) in inventories	-	4,008
Decrease/(Increase) in property development costs	(106)	4,528
Decrease/(Increase) in contract assets/liabilities	1,124	(1,300)
Decrease/(Increase) in receivables	(23,944)	18,383
(Decrease)/Increase in payables	5,751	(4,211)
Cash Flows (Used In) / Generated From Operations	(18,612)	23,808
Taxes paid	(1,062)	(827)
Net Cash Flows (Used In) / Generated From Operating Activities	(19,674)	22,981
INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(282)	(7)
Addition of land held for property development	(6,947)	(833)
Interest income	120	48
Net Cash Flows Used In Investing Activities	(7,109)	(792)
FINANCING ACTIVITIES		
Repayment of obligation under finance lease	183	(62)
Repayment of bank borrowings	(645)	(3,555)
Interest on obligation under finance leases	(6)	(6)
Bank borrowings' interest	(110)	(201)
Net Cash Flows Used In Financing Activities	(578)	(3,824)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(27,361)	18,365
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	80,686	39,448
Effects of exchange rate changes on cash and cash equivalents	25	41
CASH AND CASH EQUIVALENTS AT END OF PERIOD	53,350	57,854
Cash and cash equivalents comprise the followings :		
Cash and bank balances	37,269	41,890
Fixed deposits with licensed banks (*)	16,081	15,964
	53,350	57,854

(*) : Included in the fixed deposits with licensed banks are deposits amounting to RM6.209M (2022 : RM5.982M) pledged to licensed banks as securities for banking facilities granted to certain subsidiaries

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the Year Ended 31 Dec 2022 and the accompanying notes attached to the Interim Financial Statements)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2023

1. BASIS OF PREPARATION

The Interim Financial Statements for the first quarter ended 31 March 2023 are unaudited and have been prepared in accordance with the requirements of MFRS 134 – "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"). The Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2022.

These explanatory notes attached to the Interim Financial Statements provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2022.

2. CHANGES IN ACCOUNTING POLICIES

The accounting policies and methods of computation adopted by the Group in preparing this Interim Financial Statements are consistent with those adopted in the Audited Financial Statements for the year ended 31 December 2022.

On 1 January 2021, the Group has adopted the following new and amended Malaysian Financial Reporting Standards ("MFRSs") and Issues Committee ("IC") Interpretation mandatory for annual financial periods beginning on or after 1 January 2021 :

Amendments to MFRS 4, MFRS 7, MFRS 9, MFRS 16 and MFRS 139	Interest Rate Benchmark Reform - Phase 2
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The adoption of the new and amended MFRSs that came into effect during the financial quarter under review do not have any material effect on the financial performance or position of the Group.

The following Standards, Amendments and IC Interpretations have been issued by the MASB but have not been effective and have not been adopted by the Group :

Effective for the financial periods beginning on or after 1 January 2022

Amendments to MFRS 1, MFRS 9 and MFRS 141	Annual Improvements to MFRSs 2018 - 2020 Cycle
Amendments to MFRS 3	Reference to the Conceptual Framework
Amendments to MFRS 116	Property, Plant and Equipment - Proceeds before intended use
Amendments to MFRS 137	Onerous Contracts - Cost of Fulfilling a Contract

Effective for the financial periods beginning on or after 1 January 2023

MFRS 17 and Amendments to MFRS 17	Insurance Contracts
Amendment to MFRS 17	Initial Application of MFRS 17 and MFRS 9 - Comparative Information
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 101	Disclosure of Accounting Policies
Amendments to MFRS 101	Classification of Liabilities as Current or Non-Current
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2023**

2. CHANGES IN ACCOUNTING POLICIES (Cont'd)

Effective date to be announced

Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

3. AUDITORS' REPORT ON PRECEDING AUDITED FINANCIAL STATEMENTS

The auditors' report on the Audited Financial Statements for the year ended 31 December 2022 was not subject to any qualification.

4. SEASONAL OR CYCLICAL FACTORS

The business operations of the Group for the current financial quarter and year-to-date were not subject to any seasonal or cyclical factors.

5. UNUSUAL ITEMS

There were no unusual items which have a material effect on the assets, liabilities, equity, net income or cash flow of the Group for the current financial quarter and year-to-date.

6. CHANGES IN ESTIMATES

There were no changes in estimates of amounts reported in prior financial years which may have a material effect in the current financial quarter.

7. DEBT, EQUITY AND CONVERTIBLE SECURITIES

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

8. DIVIDEND PAID

The Company did not make any payment of dividends during the current financial quarter.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2023****9. PROFIT / (LOSS) BEFORE TAX**

The following items have been included in arriving at profit / (loss) before tax :

	----- Individual Quarter -----		--- Cumulative Quarter ---	
	31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022
	RM'000	RM'000	RM'000	RM'000
Depreciation on property, plant and equipment	74	70	74	70
Amortisation of investment property	58	58	58	58
Loss on disposal of property, plant and equipment	-	2	-	2
Gain on foreign exchange	(25)	(42)	(25)	(42)

Save for the items disclosed in the Statement of Comprehensive Income and the note above, other items pursuant to Appendix 9B Note 16 of the MMLR are not applicable.

10. SEGMENTAL INFORMATION

The analysis of the Group's operations for the current financial year-to-date ended 31 March 2023 are as follows :

	Property Investment & Others RM'000	Property Development RM'000	GROUP RM'000
Segment Revenue - External	184	971	1,155
Segment Results	(657)	(887)	(1,544)
Interest Income			120
Interest Expenses			(116)
Loss Before Tax			(1,540)
Taxation			23
Loss for the Period			(1,517)

11. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The valuation of property, plant and equipment has been brought forward without any amendments from the Audited Financial Statements for the year ended 31 December 2022.

12. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE PERIOD UNDER REVIEW

There were no material events subsequent to the end of the current financial quarter that have not been reflected in the Interim Financial Statements as at the date of this Quarterly Report.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2023****13. CHANGES IN COMPOSITION OF THE GROUP**

There was no material change in the composition of the Group for the current financial quarter and year to-date.

14. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Save and except as disclosed under Note 20 (Taxation) below, there was no material contingent liabilities and/or contingent assets as at the date of this Quarterly Report.

15. CAPITAL COMMITMENTS

There was no material capital commitments which are not provided for in the Interim Financial Statements as at the date of this Quarterly Report.

16. FINANCIAL REVIEW FOR CURRENT QUARTER AND FINANCIAL YEAR-TO-DATE

The Group's revenue was mainly derived from the development activities for the current financial quarter and year-to-date ended 31 March 2023.

	Individual Quarter and Cumulative Quarter (Year-To-Date)		Changes RM'000
	Current Year Current Quarter and Year-To-Date 31 Mar 2023 ("Q1FY23") and YTD2023") RM'000	Preceding Year Corresponding Quarter and Year-To-Date 31 Mar 2022 ("Q1FY22") and YTD2022") RM'000	
Revenue	1,155	13,786	(12,631)
Operating (Loss)/Profit	(1,408)	2,442	(3,850)
(Loss)/Profit Before Interest and Tax	(1,424)	2,360	(3,784)
(Loss)/Profit Before Tax ("PBT")	(1,540)	2,152	(3,692)
(Loss)/Profit After Tax ("PAT")	(1,517)	1,466	(2,983)
(Loss)/Profit Attributable to Ordinary Equity Holders of the Parent	(1,517)	1,463	(2,980)

The Group's revenue was decreased by RM12.63 million to RM1.15 million for the current Q1FY23, in comparison to RM13.79 million in the preceding year's corresponding Q1FY22. The slump of the Group's revenue was mainly due to the low inventory for sale and absence of new project launch.

The Group's PAT reduced by 203.5% to loss of RM1.52 million in the current Q1FY23 as compared to a profit of RM1.47 million reported in the preceding year's corresponding Q4FY22 due to the reasons as above-mentioned.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2023****16. FINANCIAL REVIEW FOR CURRENT QUARTER AND FINANCIAL YEAR-TO-DATE (Cont'd)**

Under the new accounting standard MFRS15, the revenues generated from the existing PPAM Scheme Project are amounting to RM0.19 million for the current Q1FY23 and YTD2023, could not be recognised until the Project complete and hand-over to the Purchasers (which is expected in the second quarter of Year 2023). Had these revenues been recognised, the Group's revenues for the current Q1FY23 and YTD2023 would have been RM1.35 million.

17. FINANCIAL REVIEW FOR CURRENT QUARTER COMPARED WITH IMMEDIATE PRECEDING QUARTER

	Current Quarter 31 Mar 2023 ("Q1FY23") RM'000	Immediate Preceding Quarter 31 Dec 2022 ("Q4FY22") RM'000	Changes RM'000
Revenue	1,155	5,251	(4,096)
Operating (Loss)/Profit	(1,408)	505	(1,913)
(Loss)/Profit Before Interest and Tax	(1,424)	563	(1,987)
(Loss)/Profit Before Tax ("PBT")	(1,540)	391	(1,931)
Loss After Tax ("PAT")	(1,517)	(149)	(1,368)
Loss Attributable to Ordinary Equity Holders of the Parent	(1,517)	(151)	(1,366)

The Group reported a lower revenue of RM1.16 million for the current Q1FY23, reduced by RM4.10 million or 78% , as compared to RM5.25 million reported in the immediate preceding Q4FY22 due to the reasons as above mentioned.

Arising from the slid in revenue, the Group's PBT reduced by RM1.93 million to a loss of RM1.54 million in the current Q1FY23 as compared to a profit of RM0.39 million reported in the immediate preceding quarter Q4FY22.

18. PROSPECTS

In 2023, as a highly open economy, Malaysia's economic prospect is heavily dependent on global economic developments. We foresee that the economic pressures, most notably an increase in global inflation and tighter global financial conditions that may raise the operating and input costs to businesses. While there are uncertainties and challenges, the Group remain vigilant in monitoring the economic progress locally and globally, and optimistic that there is still pent-up demand for well-planned properties in strategic locations. The Group will remain prudently and closely track the market sentiments before launching new projects to meet the demand at all times.

The Group's unbilled sales stood at RM46.38 million as at 31 Mar 2023, which is expected to continue to contribute positively to the Group's earnings in the near future.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2023****19. PROFIT FORECAST AND PROFIT GUARANTEE**

Not applicable as the Company did not issue any profit forecast and/or profit guarantee.

20. TAXATION

The taxation charge for the Group are as follows :

	Current Quarter and Current Year-To-Date RM'000
Income tax expense :-	
Estimated current year tax	(5)
Under provision in prior year	-
	(5)
Deferred tax :-	
Reversal of deferred tax liabilities	7
Recognition of deferred tax assets	21
	28
	23

The Group's effective tax rates for both the current financial quarter and year-to-date are higher than the Malaysian statutory tax rate of 24% primarily due to the progressive amortization (through charging out as part of development costs) of the development projects' revaluation surplus, which is not deductible for tax purposes coupled with the non-group tax relief to the Group.

21. SALE OF UNQUOTED INVESTMENTS AND PROPERTIES

There was no sale of unquoted investments and/or properties for the current financial quarter and year-to-date.

22. QUOTED SECURITIES

There was no purchase or disposal of quoted securities for the current financial quarter and year-to-date.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2023****23. TRADE RECEIVABLES**

	GROUP	
	As At 31 Mar 2023 RM'000	As At 31 Dec 2022 RM'000
Property Development	967	5,017

Trade receivables comprise receivables from property development.

The trade receivables from property development comprises progress billings receivable from on-going development projects and received retention sums of completed development projects held by the solicitors as stakeholder in pursuant to the sale and purchase agreements. The progress billings are due within 21 days while, the retention sums are due upon the expiry of the defect liability period of 12 to 24 months. Other credit terms are assessed and approved on a case-to-case basis.

The trade receivables from the progress billings are creditworthy debtors with mainly good payment records and have obtained and/or in the process of obtaining end financing to fund their purchase of the Group's development properties.

24. GROUP BORROWINGS AND DEBT SECURITIES

The Group's borrowings and debts securities as at 31 March 2023 are analysed as follows :

<u>Secured</u>	<u>Short Term</u> RM'000	<u>Long Term</u> RM'000	<u>TOTAL</u> RM'000
Term Loan			
- USD	3,538	-	3,538
- RM	4,709	27,000	31,709
Total Bank Borrowings	8,247	27,000	35,247
Hire Purchase			
- RM	220	414	634
TOTAL BORROWINGS	8,467	27,414	35,881

25. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There was no financial instrument with off balance sheet risk as at the date of this Quarterly Report.

26. MATERIAL LITIGATION

There was no material litigation as at the date of this Quarterly Report.

27. DIVIDEND

The Board of Directors does not recommend any dividend for the current financial quarter and year-to-date.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2023**

28. LOSS PER SHARE

Basic loss per share is calculated by dividing the comprehensive loss attributable to equity holders of the parent for the current financial quarter and year-to-date by the weighted average of ordinary shares in issue during the said quarter and year-to-date.

	Individual Quarter	Cumulative Quarter
Total comprehensive loss attributable to equity holders of the parent (RM'000)	(1,517)	(1,517)
Weighted average number of ordinary share in issue ('000)	218,478	218,478
Loss per share (sen)	(0.69)	(0.69)

By Order of the Board

Chang Ngee Chuang (MAICSA 7077854)
Secretary
Kuala Lumpur

Date : 31 May 2023