

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

(Incorporated in Malaysia)

SUMMARY OF KEY INFORMATION (Per Bursa's Template)
FOR THE SECOND QUARTER ENDED 30 JUNE 2023

	----- INDIVIDUAL QUARTER -----		----- CUMULATIVE QUARTER -----	
	Current Year Quarter 30 Jun 2023	Preceding Year Corresponding Quarter 30 Jun 2022	Current Year To-date 30 Jun 2023	Preceding Year Corresponding Period 30 Jun 2022
	RM'000	RM'000	RM'000	RM'000
Revenue	21,531	28,845	22,687	42,631
Profit / (Loss) Before Tax	9,001	8,857	7,461	11,009
Profit / (Loss) For The Period	6,440	6,811	4,924	8,277
Profit / (Loss) Attributable To Ord. Equity Holders of the Parent	6,440	6,810	4,924	8,273
Basic Earnings / (Loss) Per Share (Sen)	2.95	3.12	2.25	3.79
Proposed / Declared Dividend Per Share (Sen)	-	-	-	-
<u>ADDITIONAL INFORMATION</u>				
Interest income	119	64	239	112
Interest expenses	(490)	(168)	(607)	(376)
	AS AT END OF CURRENT QUARTER 30 Jun 2023		AS AT PRECEDING FINANCIAL YEAR 31 Dec 2022	
Net Assets Per Share Attributable To Ord. Equity Holders of the Parent (RM)	1.45		1.43	

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

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 30 JUNE 2023**

	----- INDIVIDUAL QUARTER -----		----- CUMULATIVE QUARTER -----	
	Current Year Quarter 30 Jun 2023	Preceding Year Corresponding Quarter 30 Jun 2022	Current Year To-date 30 Jun 2023	Preceding Year Corresponding Period 30 Jun 2022
	RM'000	RM'000	RM'000	RM'000
Revenue	21,531	28,845	22,687	42,631
Operating expenses	(12,679)	(19,951)	(15,473)	(31,570)
Other operating income	520	67	615	212
Profit From Operations	9,372	8,961	7,829	11,273
Interest income	119	64	239	112
Interest expenses	(490)	(168)	(607)	(376)
Profit Before Tax	9,001	8,857	7,461	11,009
Taxation	(2,561)	(2,046)	(2,537)	(2,732)
Profit For The Period	6,440	6,811	4,924	8,277
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	6,440	6,811	4,924	8,277
Attributable to:				
Equity holders of the parent	6,440	6,810	4,924	8,273
Non-controlling interests	*	1	*	4
	6,440	6,811	4,924	8,277
Total Comprehensive Income / (Loss) attributable to equity holders of the parent :				
Basic Earnings per share (Sen)	2.95	3.12	2.25	3.79

(*) 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 30 JUNE 2023

	As at end of Current Quarter 30 Jun 2023	As at Preceding Year Ended 31 Dec 2022
	RM'000	RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	1,334	1,198
Investment property	17,311	17,427
Land held for property development	214,224	206,286
Deferred tax assets	-	2,397
	232,869	227,308
CURRENT ASSETS		
Inventories	8,955	10,110
Property development expenditure	15,499	15,853
Contract assets	-	35,869
Trade receivables	47,828	5,017
Other receivables, deposits and prepayments	39,889	10,054
Current tax assets	749	1,163
Cash and cash equivalents	32,556	80,686
	145,476	158,752
TOTAL ASSETS	378,345	386,060
EQUITY AND LIABILITIES		
Equity attributable to equity holders of parent -		
Share capital	218,478	218,478
Retained earnings	98,565	93,641
	317,043	312,119
NON-CONTROLLING INTEREST	509	509
TOTAL EQUITY	317,552	312,628
NON-CURRENT LIABILITIES		
Obligation under finance leases (Long Term)	359	269
Bank borrowings (Long Term)	25,713	28,288
Deferred tax liabilities	8,502	8,407
	34,574	36,964
CURRENT LIABILITIES		
Contract liabilities	298	-
Trade payables	15,010	10,881
Other payables and accruals	3,736	14,617
Obligation under finance leases (Short Term)	216	182
Bank borrowings (Short Term)	5,298	7,604
Current tax liabilities	1,661	3,184
	26,219	36,468
TOTAL LIABILITIES	60,793	73,432
TOTAL EQUITY AND LIABILITIES	378,345	386,060
Net assets / share attributable to ordinary equity holders of the parent (RM)	1.45	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.

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SECOND QUARTER ENDED 30 JUNE 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 after tax	-	4,924	-	4,924
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	-	4,924	-	4,924
Transaction with owners :				
Dividend paid	-	-	-	-
Total transactions with owners	-	-	-	-
Balance as at 30 Jun 2023	218,478	98,565	509	317,552
Preceding Year's Corresponding Quarter				
Balance as at 1 January 2022	218,478	83,927	501	302,906
Profit after tax	-	8,273	4	8,277
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	-	8,273	4	8,277
Transaction with owners :				
Dividend paid	-	-	-	-
Total transactions with owners	-	-	-	-
Balance as at 30 Jun 2022	218,478	92,200	505	311,183

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.

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SECOND QUARTER ENDED 30 JUNE 2023**

	Current Quarter Ended 30 Jun 2023	Preceding Year Quarter 30 Jun 2022
	RM'000	RM'000
PROFIT BEFORE TAX	7,461	11,009
Depreciation on property, plant and equipment	148	140
Amortisation of investment property	116	116
Loss on disposal of property, plant and equipment	2	2
Interest on obligation under finance leases	13	6
Bank borrowings' interest	594	201
Interest income	(239)	(64)
Gain on foreign exchange	(411)	(193)
Operating Profit Before Working Capital Changes	7,684	11,217
CHANGES IN WORKING CAPITAL :		
Decrease/(Increase) in inventories	1,155	10,784
Decrease/(Increase) in property development costs	354	14,634
Decrease/(Increase) in contract assets/liabilities	36,167	(7,919)
Decrease/(Increase) in receivables	(72,646)	5,068
(Decrease)/Increase in payables	(6,752)	(9,234)
Cash Flows (Used In) / Generated From Operations	(34,038)	24,550
Taxes paid	(1,154)	(1,291)
Net Cash Flows (Used In) / Generated From Operating Activities	(35,192)	23,259
INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(286)	(53)
Addition of land held for property development	(7,938)	(1,948)
Interest income	239	64
Net Cash Flows Used In Investing Activities	(7,985)	(1,937)
FINANCING ACTIVITIES		
Repayment of obligation under finance lease	124	(108)
Repayment of bank borrowings	(4,881)	(6,660)
Interest on obligation under finance leases	(13)	(6)
Bank borrowings' interest	(594)	(201)
Net Cash Flows Used In Financing Activities	(5,364)	(6,975)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(48,541)	14,347
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	80,686	39,448
Effects of exchange rate changes on cash and cash equivalents	411	193
CASH AND CASH EQUIVALENTS AT END OF PERIOD	32,556	53,988
Cash and cash equivalents comprise the followings :		
Cash and bank balances	16,182	37,775
Fixed deposits with licensed banks (*)	16,374	16,213
	32,556	53,988

(*) : Included in the fixed deposits with licensed banks are deposits amounting to RM6.436M (2022 : RM6.188M) 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 SECOND QUARTER ENDED 30 JUNE 2023**

1. BASIS OF PREPARATION

The Interim Financial Statements for the second quarter ended 30 June 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 SECOND QUARTER ENDED 30 JUNE 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 SECOND QUARTER ENDED 30 JUNE 2023****9. PROFIT BEFORE TAX**

The following items have been included in arriving at profit before tax :

	---- Individual Quarter ----		---- Cumulative Quarter ----	
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	RM'000	RM'000	RM'000	RM'000
Depreciation on property, plant and equipment	74	70	148	140
Amortisation of investment property	58	58	116	116
Loss on disposal of property, plant and equipment	2	-	2	2
Gain on foreign exchange	(386)	(193)	(411)	(235)

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 30 June 2023 are as follows :

	Property Investment & Others RM'000	Property Development RM'000	GROUP RM'000
Segment Revenue - External	369	22,318	22,687
Segment Results	(704)	8,533	7,829
Interest Income			239
Interest Expenses			(607)
Profit Before Tax			7,461
Taxation			(2,537)
Profit for the Period			4,924

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 SECOND QUARTER ENDED 30 JUNE 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 30 June 2023.

	Individual Quarter		Changes RM'000
	Current Year Current Quarter 30 Jun 2023 ("Q2FY23") RM'000	Preceding Year Corresponding Quarter 30 Jun 2022 ("Q2FY22") RM'000	
Revenue	21,531	28,845	(7,314)
Operating Profit	9,506	9,090	416
Profit Before Interest and Tax	9,490	9,025	465
Profit Before Tax ("PBT"/"LBT")	9,001	8,857	144
Profit After Tax ("PAT"/"LAT")	6,440	6,811	(371)
Profit Attributable to Ordinary Equity Holders of the Parent	6,440	6,810	(370)

The Group's revenue decreased by RM7.31 million to RM21.53 million for the current Q2FY23, in comparison to RM28.85 million in the preceding year's corresponding Q2FY22. The decrease in the Group's revenue was mainly due to the low inventory for sale and the absence of a new project launch.

The Group's PAT reduced by 5.4% to RM6.44 million in the current Q2FY23 as compared to a PAT of RM6.81 million reported in the preceding year's corresponding Q2Y22 due to the reasons above-mentioned.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 30 JUNE 2023****16. FINANCIAL REVIEW FOR CURRENT QUARTER AND FINANCIAL YEAR-TO-DATE (Cont'd)**

	Cumulative Quarter (Year-To-Date)		Changes RM'000
	Current Year Current Year-To-Date 30 Jun 2023 ("YTD2023") RM'000	Preceding Year Corresponding Year-To-Date 30 Jun 2022 ("YTD2022") RM'000	
Revenue	22,687	42,631	(19,944)
Operating Profit	8,099	11,531	(3,432)
Profit Before Interest and Tax	8,068	11,385	(3,317)
Profit Before Tax ("PBT")	7,461	11,009	(3,548)
Profit After Tax ("PAT/(LAT)")	4,924	8,277	(3,353)
Profit Attributable to Ordinary Equity Holders of the Parent	4,924	8,273	(3,349)

The Group's YTD2023 revenue was shrunken by RM19.94 million or 46.8%. This was primarily due to the lower revenue generated in the immediate preceding Q1FY23. On the back of the reduced revenue, the Group's PAT declined by RM3.35 million or 40.5%.

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

	Current Quarter 30 Jun 2023 ("Q2FY23") RM'000	Immediate Preceding Quarter 31 Mar 2023 ("Q1FY23") RM'000	Changes RM'000
Revenue	21,531	1,155	20,376
Operating Profit/(Loss)	9,506	(1,408)	10,914
Profit/(Loss) Before Interest and Tax	9,491	(1,424)	10,915
Profit/(Loss) Before Tax ("PBT")	9,001	(1,540)	10,541
Profit/(Loss) After Tax ("PAT")	6,440	(1,517)	7,957
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	6,440	(1,517)	7,957

The Group reported a higher revenue of RM20.37 million for the current Q2FY23 at RM21.53 million, as compared to RM1.15 million for the immediate preceding Q1FY23. The delivery of vacant possession to purchasers of Project Trifolia in current Q2FY23, particularly for Perumahan Penjawat Awam Malaysia ("PPAM") units, attributed to a significant increase in the revenue.

Arising from the rise in revenue, the Group's PAT increased by RM7.96 million at RM6.44 million in the current Q2FY23 as compared to a loss of RM1.52 million reported in the immediate preceding quarter Q1FY23 due to the reasons above-mentioned.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 30 JUNE 2023****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 will be launching the sale of Block A (120 units) of Project Trifolia in 3rd Quarter this year. The construction works of the entire Block A, have been fully completed with the issuance of Certificate of Completion and Compliance.

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 RM'000	Current Year-To-Date RM'000
Income tax expense :-		
Estimated current year tax	(41)	(45)
Under provision in prior year	-	-
	(41)	(45)
Deferred tax :-		
Reversal of deferred tax liabilities	170	177
Recognition of deferred tax assets	(2,690)	(2,669)
	(2,520)	(2,492)
	(2,561)	(2,537)

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 SECOND QUARTER ENDED 30 JUNE 2023****23. TRADE RECEIVABLES**

	----- GROUP -----	
	As At 30 Jun 2023	As At 31 Dec 2022
	RM'000	RM'000
Property Development	47,828	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 30 June 2023 are analysed as follows :

<u>Secured</u>	<u>Short Term</u>	<u>Long Term</u>	<u>TOTAL</u>
	RM'000	RM'000	RM'000
Term Loan	5,298	25,713	31,011
Hire Purchase	216	359	575
TOTAL BORROWINGS	5,514	26,072	31,586

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.

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(Incorporated in Malaysia)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 30 JUNE 2023**

28. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the comprehensive income 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 income attributable to equity holders of the parent (RM'000)	6,440	4,924
Weighted average number of ordinary share in issue ('000)	218,478	218,478
Earnings per share (sen)	2.95	2.25

By Order of the Board

Chang Ngee Chuang (MAICSA 7077854)
Secretary
Kuala Lumpur

Date : 30 Aug 2023