

YONG TAI BERHAD
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2022

	3 MONTHS ENDED		9 MONTHS ENDED	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue	3,508	34,592	25,544	82,944
Cost of sales	<u>(9,425)</u>	<u>(26,967)</u>	<u>(34,654)</u>	<u>(78,835)</u>
Gross (loss)/profit	(5,917)	7,625	(9,110)	4,109
Other income	1,837	446	4,945	11,523
Other expenses	<u>(2,729)</u>	<u>(6,102)</u>	<u>(7,827)</u>	<u>(9,163)</u>
Operating (loss)/profit	(6,809)	1,969	(11,992)	6,469
Impairment loss	(117,905)	-	(198,535)	-
Finance costs	<u>(1,472)</u>	<u>(1,079)</u>	<u>(4,214)</u>	<u>(3,905)</u>
(Loss)/Profit before tax	<u>(126,186)</u>	<u>890</u>	<u>(214,741)</u>	<u>2,564</u>
Taxation	<u>682</u>	<u>(498)</u>	<u>(572)</u>	<u>(1,045)</u>
(Loss)/Profit for the period	<u>(125,504)</u>	<u>392</u>	<u>(215,313)</u>	<u>1,519</u>
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive (expense)/income for the period	<u>(125,504)</u>	<u>392</u>	<u>(215,313)</u>	<u>1,519</u>
Net (Loss)/Profit attributable to :				
Equity holders of the Company	(121,540)	406	(211,338)	1,533
Non-controlling interest	<u>(3,964)</u>	<u>(14)</u>	<u>(3,975)</u>	<u>(14)</u>
	<u>(125,504)</u>	<u>392</u>	<u>(215,313)</u>	<u>1,519</u>
Total comprehensive (expense)/income attributable to:				
Equity holders of the Company	(121,540)	406	(211,338)	1,533
Non-controlling interest	<u>(3,964)</u>	<u>(14)</u>	<u>(3,975)</u>	<u>(14)</u>
	<u>(125,504)</u>	<u>392</u>	<u>(215,313)</u>	<u>1,519</u>
(Loss)/Earnings per share attributable to equity holders of the Company (sen)				
-Basic	<u>(8.90)</u>	<u>0.03</u>	<u>(15.61)</u>	<u>0.14</u>
-Diluted	<u>N/A</u>	<u>0.02</u>	<u>N/A</u>	<u>0.13</u>

(The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021)

YONG TAI BERHAD
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	(Unaudited) As at 31.03.2022 RM'000	(Audited) As at 30.06.2021 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	398,555	468,884
Right-of-use assets	1,900	1,956
Intangible assets	71,110	147,372
Deferred tax assets	4,600	1,720
	<u>476,165</u>	<u>619,932</u>
Current Assets		
Inventories	252,862	285,025
Contract costs	24,922	24,539
Contract assets	-	3,900
Trade receivables	43,155	25,874
Other receivables	65,824	96,137
Current tax assets	629	1,285
Cash and cash equivalents	478	2,780
	<u>387,870</u>	<u>439,540</u>
TOTAL ASSETS	<u><u>864,035</u></u>	<u><u>1,059,472</u></u>
EQUITY AND LIABILITIES		
Equity		
Share Capital		
Ordinary shares	668,008	665,539
Irredeemable convertible preference shares	20,850	20,944
Reserves		
Accumulated losses	(319,574)	(108,236)
	<u>369,284</u>	<u>578,247</u>
Non-controlling interests	(3,694)	281
Total Equity	<u><u>365,590</u></u>	<u><u>578,528</u></u>
Non-Current Liabilities		
Lease liabilities	557	564
Trade payables	-	1,732
Loans and borrowings	148,928	148,893
	<u>149,485</u>	<u>151,189</u>
Current Liabilities		
Contract liabilities	84,219	39,979
Trade payables	105,768	108,921
Other payables	112,942	132,763
Lease liabilities	334	381
Bank overdrafts	23,380	23,609
Loans and borrowings	20,880	23,207
Current tax liabilities	1,437	895
	<u>348,960</u>	<u>329,755</u>
Total Liabilities	<u>498,445</u>	<u>480,944</u>
TOTAL EQUITY AND LIABILITIES	<u><u>864,035</u></u>	<u><u>1,059,472</u></u>
Net Assets per share (RM)	0.27	0.43

(The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021)

YONG TAI BERHAD
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2022

	9 months ended 31.03.2022 (RM'000)	9 months ended 31.03.2021 (RM'000)
Cash flows from operating activities		
(Loss)/Profit before taxation	(214,741)	2,564
Adjustments for:-		
Non-cash items	152,043	9,855
Non-operating items	4,204	3,838
Operating (loss)/profit before changes in working capital	(58,494)	16,257
Changes in working capital		
Inventories	32,163	(40,323)
Contract costs	(382)	(13,028)
Contract assets	3,900	(212)
Receivables	13,033	(36,673)
Contract liabilities	44,239	62,586
Payables	(24,785)	(25,700)
Cash generated from/(used in) operations	9,674	(37,093)
Finance costs	(4,214)	(3,875)
Interest income	9	23
Net tax refund/(paid)	628	(589)
Net cash generated from/(used in) operating activities	6,097	(41,534)
Cash flows from investing activities		
Purchase of property, plant and equipment	(8,338)	(7,956)
Proceeds from disposal of property, plant and equipment	140	14
Net cash used in investing activities	(8,198)	(7,942)
Cash flows from financing activities		
Net proceeds from issuance of ordinary shares	2,375	68,322
Increase in pledged deposits	-	(5,661)
Drawdown of loans and borrowings	6,341	5,937
Net repayment of lease liability	(54)	(609)
Repayment of loans and borrowings	(8,634)	(23,636)
Net cash generated from financing activities	28	44,353
Net decrease in cash & cash equivalents	(2,073)	(5,123)
Cash and cash equivalents at beginning of period	(20,829)	(16,274)
Cash and cash equivalents at end of period	(22,902)	(21,397)
Cash and cash equivalents comprise:		
Cash and bank balances	478	2,077
Fixed deposits	-	5,661
Bank overdraft	(23,380)	(23,474)
	(22,902)	(15,736)
Less: Pledged deposits with licensed banks	-	(5,661)
	(22,902)	(21,397)

(The unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021)

YONG TAI BERHAD
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2022

	←— Attributable to equity holders of the Company —→			Total	Non- controlling interests	Total equity
	←— Non-distributable —→	Distributable	Irredeemable convertible preference shares			
	Ordinary shares (RM'000)	Irredeemable convertible preference shares (RM'000)	Accumulated losses (RM'000)	(RM'000)	(RM'000)	(RM'000)
At 1 July 2020	517,437	97,159	(97,498)	517,098	(2)	517,096
Effect of adoption of IFRIC Agenda Decision of MFRS 123	-	-	(2,447)	(2,447)	-	(2,447)
At 1 July 2020, as restated	517,437	97,159	(99,945)	514,651	(2)	514,649
Total comprehensive income for the period	-	-	1,533	1,533	(14)	1,519
Issuance of ordinary shares						
- special issue	8,680	-	-	8,680	-	8,680
- private placement	59,642	-	-	59,642	-	59,642
- exercise of ICPS conversion rights	67,056	(67,056)	-	-	-	-
At 31 March 2021	652,815	30,103	(98,412)	584,506	(16)	584,490
At 1 July 2021	665,539	20,944	(108,236)	578,247	281	578,528
Total comprehensive expense for the period	-	-	(211,338)	(211,338)	(3,975)	(215,313)
Issuance of ordinary shares						
- exercise of ICPS conversion rights	94	(94)	-	-	-	-
- exercise of RCPS conversion rights	2,375	-	-	2,375	-	2,375
At 31 March 2022	668,008	20,850	(319,574)	369,284	(3,694)	365,590

(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements the financial year ended 30 June 2021)

PART A - NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of Preparation

The interim financial report has been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134, "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad(" Bursa Malaysia").

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2021.

A2. Accounting Policies

The accounting policies and methods of computation applied in the unaudited condensed interim financial report are consistent with those adopted as disclosed in the audited financial statements of the Group for the financial year ended 30 June 2021.

The Group has adopted the new and revised Malaysian Financial Reporting Standards ("MFRSs") and IC Interpretations that became mandatory for the current reporting period. The adoption of these new and revised MFRSs and IC Interpretations does not result in significant changes in the accounting policies of the Group.

A3. Auditors' Report on Preceding Annual Financial Statements

The preceding audited financial statements for the financial year ended 30 June 2021 were unqualified.

A4. Seasonal or Cyclical Factors

The Group's operations were not significantly affected by any seasonal or cyclical factors.

A5. Unusual Items affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items for the financial period ended 31 March 2022.

A6. Changes in Estimates

There were no material changes in estimates for the financial period ended 31 March 2022.

A7. Debts and Equity Securities

There were no issuance and repayment of the debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the financial period ended 31 March 2022 except:

- i. Conversion of 118,177 irredeemable convertible preference shares (“ICPS”) into 118,177 new ordinary shares pursuant to the exercise of conversion rights of ICPS 2016/2026; and
- ii. Conversion of 2,500,000 redeemable convertible preference shares (“RCPS”) into 25,000,000 new ordinary shares pursuant to the exercise of conversion rights of RCPS.

A8. Dividends Paid

There was no payment of dividend during the financial period ended 31 March 2022.

A9. Changes in Composition of the Group

There were no changes in the composition of the Group during the current quarter and financial period to-date except for:

- i. Incorporation of YTB (Singapore) Pte. Ltd. (“YTBSG”) in Singapore as a 100% owned subsidiary of the Company on 7 September 2021. YTBSG has an issued and paid up share capital of SGD1.00 comprising 1 ordinary share; and
- ii. Acquisition of 2,000,000 ordinary shares of RM1.00 each in YTB Capital Berhad (“YTBC”) on 8 March 2022, for a cash consideration of RM2,000,000. As a result, YTBC became wholly-owned subsidiary of the Company.

A10. Contingent Liabilities

There were no contingent liabilities in respect of the Group since the last financial year.

A11. Commitments

	As at 31.03.2022 RM'000
Approved and contracted for:	
Commitment for construction of property, plant and equipment	40,932
	=====

A12. Significant Related Party Transactions

There were no significant related party transactions during the financial period ended 31 March 2022.

A13. Segment Reporting

The segmental analysis for the financial period ended 31 March 2022 is as follows:

	Property development RM'000	Property investment RM'000	Other operations RM'000	Elimination RM'000	Total RM'000
External sales	25,451	24	74	(5)	25,544
Inter-segment	-	-	7,380	(7,380)	-
Total	25,451	24	7,454	(7,385)	25,544
Gross profit/(loss)	4,157	(10,629)	4,747	(7,385)	(9,110)
Other income	4,299	588	58	-	4,945
Other expenses	(5,000)	(964)	(9,451)	7,588	(7,827)
Operating profit/(loss)	3,456	(11,005)	(4,646)	203	(11,992)
Impairment loss					(198,535)
Finance costs					(4,214)
Loss before tax					(214,741)
Taxation					(572)
Loss after tax					(215,313)
Non-controlling interest					3,975
Loss for the period					<u>(211,338)</u>
Other information					
Segment assets	342,583	509,590	6,633	-	858,806
Unallocated corporate assets					5,229
Total consolidated corporate assets					<u>864,035</u>
Segment liabilities	265,366	200,421	31,221	-	497,008
Unallocated corporate liabilities					1,437
Total consolidated corporate liabilities					<u>498,445</u>

A14. Material Events subsequent to the End of Financial Period

There were no material events after 31 March 2022 till 19 May 2022 (the latest practicable date (“LPD”) which is not earlier than 7 days from the date of issue of this interim financial report), except as disclosed below in Note B5.

PART B -ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Group Performance

Revenue and profit or loss before tax (“PBT” or “LBT”) of the respective operating business segments for the current quarter and financial period to-date are analysed as follows:

	3 MONTHS ENDED			9 MONTHS ENDED		
	31.03.22 RM'000	31.03.21 RM'000	Changes RM'000	31.03.22 RM'000	31.03.21 RM'000	Changes RM'000
Revenue						
Property Development	3,497	34,370	(30,873)	25,451	82,552	(57,101)
Property Investment	3	222	(219)	19	392	(373)
Other Operations	8	-	8	74	-	74
	3,508	34,592	(31,084)	25,544	82,944	(57,400)
(Loss)/Profit From Operations						
Property Development	1,969	5,399	(3,430)	3,136	15,332	(12,196)
Property Investment	(4,665)	(4,509)	(156)	(13,790)	(12,768)	(1,022)
Other Operations	(5,585)	-	(5,585)	(5,552)	-	(5,552)
	(8,281)	890	(9,171)	(16,206)	2,564	(18,770)
Impairment Loss	(117,905)	-	(117,905)	(198,535)	-	(198,535)
(Loss)/Profit Before Tax	(126,186)	890	(127,076)	(214,741)	2,564	(217,305)

(a) Performance of the current quarter against the same quarter in the preceding year (3Q 2022 vs 3Q 2021)

Property Development

The Group recorded revenue of RM3.50 million and profit of RM1.97 million for the current quarter ended 31 March 2022 as compared to revenue of RM34.37 million and profit of RM5.40 million in the preceding year quarter.

The decrease in revenue and profit from operation in 3Q 2022 as compared to 3Q 2021 from the property development segment was mainly due to slower construction works at project sites during the festive season. Furthermore, labour shortages due to the restriction on incoming foreign workers as part of the control measures to contain Covid-19 has significantly disrupted the work progress at sites and hence, lower revenue and profit recognition for 3Q 2022.

Property Investment

Encore Melaka theatre remains closed during the current quarter under review. The revenue recognised in 3Q 2022 was represented by rental income.

Due to zero ticket sales, the loss incurred of RM4.67 million came mainly from the non-operating expenses such as depreciation of theatre building, amortisation of intangible assets and finance cost incurred.

B1. Review of Group Performance (cont'd)

(b) Performance of the current period to-date against the preceding period to-date (3Q PTD 2022 vs 3Q PTD 2021)

Property Development

During the financial period to-date, the Group achieved revenue of RM25.45 million and profit of RM3.14 million as compared to revenue of RM82.55 million and PBT of RM15.33 million in the preceding year quarter.

The overall weaker financial performance in 3Q PTD 2022 as compared to 3Q PTD 2021 are as mentioned above.

Property Investment

The revenue and loss incurred during the financial period to-date are as mentioned above.

(c) Impairment Loss

Amidst the current pandemic and the outlook for both tourism and property development remains uncertain, the Group recognised impairment loss on hotel building post completion of construction amounting to RM71.12 million, inventories and other receivables of the Group totalling RM56.42 million as well as impairment on Encore Melaka related intangible assets amounting to RM71 million.

B2 Material Changes in the Quarterly Results compared to the results of the preceding Quarter

The Group's current quarter loss before tax was RM126.19 million as compared to RM83.08 million loss before tax reported in the preceding quarter ended 31 December 2021. The significant increase in loss before tax in the current quarter was mainly due to the recognition of impairment loss on intangible assets, inventories and other receivables totalling RM117.91 million as well as the lower profit recognition from all the on-going development projects.

B3. Prospects for the Current Financial Year ("FY 2022")

For FYE 30 June 2022, the Group's strategy is to stay focus completing all of its on-going development projects. The Group had completed and delivered vacant possession of The Apple in December 2021. Amber Cove and Impression U-Thant are also on track to complete and deliver vacant possession by third and fourth quarter of year 2022. With total unbilled revenue of RM271 million as at 31 March 2022, the property development segment shall provide earnings visibility to the Group over next two financial years.

Encore Melaka theatre reopened its door on 30 April 2022 as the country is transitioned to endemic phase and the country's borders are opened for all foreign visitors with further relaxation of Standard Operating Procedures. While the Group has previously focused on the Impression Series, the strategy has shifted towards a broader range of live entertainment,

art and cultural shows using its state-of-the-art theatrical capabilities. Beyond positioning itself as the venue for events, Encore Melaka will serve as a one-stop solution for all event staging needs and even cater for outdoor activities and marketing and ticketing sales. As the Government continues to reopen our international border and ease the process to travel into Malaysia, this will drive the recovery of our theatre business.

Whereas for the new venture into vaccine distribution, given that Malaysia has achieved overall high vaccination rate, the Group decided to explore the distribution of other healthcare products in order to generate diversified revenue stream for the Group.

As for gold mining operation, the exploration and preparation works have been completed and expect to commence production by end of May 2022. This will contribute positively to the Group's financial results for the financial year ending 30 June 2022.

B4. Variance of Actual Profit from Forecast Profit

Not applicable as no profit forecast was published.

B5. Status of Corporate Proposals

(a) The followings are the corporate proposals that have been announced by the Company and which were not completed as at 19 May 2022 (the latest practicable date ("LPD")) which is not earlier than 7 days from the date of issue of this interim financial report):

(i) On 17 May 2022, the Group announced to undertake the following corporate proposals:

- (1) Proposed consolidation of every 5 existing ordinary shares in Yong Tai Berhad ("YTB") into 1 YTB Share held by the entitled shareholders on an entitlement date to be determined and announced later ("Proposed Share Consolidation");
- (2) Proposed bonus issue of up to 103,098,378 free warrants in YTB on the basis of 1 Warrant for every 4 Consolidated Shares held by the entitled shareholders on an entitlement date to be determined and announced later ("Proposed Bonus Issue of Warrants"); and
- (3) Proposed settlement of an aggregate amount of RM46,000,000 debt owing to creditors by the Company and/or its subsidiary ("Settlement Amount"), via the issuance of 92,000,000 new YTB Shares ("Settlement Share(s)") ("Proposed Debt Settlement"). On the same date, the Company has entered into 19 debt settlement agreements with each of the creditors to settle the Settlement Amount of RM46 million owing by the Company and/or its subsidiaries to the creditors based on the cut-off date as at 13 May 2022, via the issuance of 92 million settlement shares at an issue price of RM0.5000 per share post completion of Proposed Shares Consolidation.

Barring any unforeseen circumstances and subject to the relevant approvals to be obtained from Bursa Securities and shareholders of the Company at an Extraordinary General Meeting to be convened, the Group expects to complete the corporate proposals by third quarter of year 2022.

- (b) Utilisation of proceeds raised from corporate proposals as at 31 March 2022 are as follow:

Proceeds totalling RM2.50 million were raised under the Redeemable Convertible Preference Shares (“RCPS”) exercise with the issuance of 5 equal sub-tranches of Tranche 1 comprising 2,500,000 RCPS with a principal amount of RM2,500,000 on 17 January 2022. The status of the utilisation of these proceeds is as set out below:

Purpose	Actual raised RM'000	Actual utilisation RM'000	Balance unutilised RM'000
Part financing the developments within Impression City	679	(679)	-
Part financing the development of Courtyard by Marriott Hotel	375	(375)	-
Future business projects	-	-	-
Part financing the cost in relation to the Collaboration	-	-	-
Working capital requirements	1,032	(1,032)	-
Estimated expenses in relation to the RCPS Issuance	414	(414)	-
Total	2,500	(2,500)	-

B6. Material Litigation

The Group was not engaged in any material litigation as at 19 May 2022 (the latest practicable date (“LPD”) which is not earlier than 7 days from the date of issue of this interim financial report).

B7. Dividends Declared

No interim dividend has been declared or paid in respect of the financial period ended 31 March 2022.

B8. Taxation

	3 Months Ended		9 Months Ended	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	RM'000	RM'000	RM'000	RM'000
Income tax				
- current quarter/period	92	497	1,346	1,044
- (over)/under provision in prior year	(774)	1	(774)	1
Tax expenses for the period	<u>(682)</u>	<u>498</u>	<u>572</u>	<u>1,045</u>

The Group's effective tax rate for 3Q PTD 2022 is lower than the statutory tax rate mainly due to deferred tax assets not recognized for subsidiaries which are at loss position.

B9. Group Borrowings

	As at 31.03.2022 (RM'000)
<u>Current</u>	
Bank overdraft (unsecured)	23,380
Term loans (secured)	<u>20,880</u>
	44,260
<u>Non-Current</u>	
Term loans (secured)	<u>148,928</u>
Total	<u>193,188</u>

All borrowings were denominated in Ringgit Malaysia as at the reporting date.

B10. Notes to the Statement of Comprehensive Income

	3 Months Ended	9 Months Ended
	31.03.2022 RM'000	31.03.2022 RM'000
Notes to the Statement of Comprehensive		
Income comprises:-		
Interest income	7	9
Gain on disposal of property, plant and equipment	-	139
Interest expenses	(1,472)	(4,214)
Depreciation of property, plant, equipment	(1,154)	(4,286)
Amortisation of intangible assets	(1,672)	(5,016)
Depreciation of right-of-use assets	(146)	(436)
Impairment loss on property, plant and equipment	-	(71,120)
Impairment loss on intangible assets	(71,529)	(71,529)
Impairment loss on other receivables	(48,322)	(55,883)

Other than the above, the items listed under Appendix 9B Note 16 of the listing Requirement of Bursa Malaysia Securities Berhad are not applicable.

B11. (Loss)/Earnings Per Share

a. Basic

(Loss)/Earnings per share has been calculated by dividing the Group's (loss)/profit for the current quarter and financial period to-date attributable to equity holders of the Company by the weighted average number of shares in issue during the financial period.

	3 Months Ended		9 Months Ended	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	RM'000	RM'000	RM'000	RM'000
Net (loss)/profit attributable to equity holders of the Company	<u>(121,540)</u>	<u>406</u>	<u>(211,338)</u>	<u>1,533</u>
Weighted average number of ordinary shares in issue ('000)	<u>1,365,249</u>	<u>1,240,703</u>	<u>1,354,067</u>	<u>1,090,852</u>
Basic (loss)/profit per share attributable to equity holders of the Company (Sen)	<u>(8.90)</u>	<u>0.03</u>	<u>(15.61)</u>	<u>0.14</u>

b. Diluted

Diluted earnings per share has been calculated by dividing the Group's profit attributable to equity holders of the Company by the weighted average number of shares that would have been in issue upon full conversion of irredeemable and redeemable convertible preference shares ("ICPS" and "RCPS") and adjusted for the number of such shares that would have been issued at fair value.

Diluted loss per share of the Group for the current quarter and financial period to-date were not presented as the above effect is anti-dilutive.

By Order of the Board,
Datuk Wira Boo Kuang Loon
Executive Director / Chief Executive Officer
Date: 26 May 2022