

YONG TAI BERHAD
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2023

	3 MONTHS ENDED		9 MONTHS ENDED	
	31.03.2023 (RM'000)	31.03.2022 (RM'000)	31.03.2023 (RM'000)	31.03.2022 (RM'000)
Revenue	21,855	3,508	100,443	25,544
Cost of sales	<u>(10,285)</u>	<u>(9,425)</u>	<u>(69,375)</u>	<u>(34,654)</u>
Gross profit/(loss)	11,570	(5,917)	31,068	(9,110)
Other income	1,100	1,837	2,579	4,945
Other expenses	<u>(3,795)</u>	<u>(2,729)</u>	<u>(14,321)</u>	<u>(7,827)</u>
Operating profit/(loss)	8,875	(6,809)	19,326	(11,992)
Impairment loss	-	(117,905)	-	(198,535)
Finance costs	<u>(3,503)</u>	<u>(1,472)</u>	<u>(10,304)</u>	<u>(4,214)</u>
Profit/(Loss) before tax	<u>5,372</u>	<u>(126,186)</u>	<u>9,022</u>	<u>(214,741)</u>
Taxation	<u>(5,904)</u>	<u>682</u>	<u>(6,286)</u>	<u>(572)</u>
(Loss)/Profit for the period	<u>(532)</u>	<u>(125,504)</u>	<u>2,736</u>	<u>(215,313)</u>
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive (expense)/income for the period	<u>(532)</u>	<u>(125,504)</u>	<u>2,736</u>	<u>(215,313)</u>
Net (loss)/profit attributable to :				
Equity holders of the Company	(472)	(121,540)	2,895	(211,338)
Non-controlling interest	<u>(60)</u>	<u>(3,964)</u>	<u>(159)</u>	<u>(3,975)</u>
Total comprehensive (expense)/income attributable to:	<u>(532)</u>	<u>(125,504)</u>	<u>2,736</u>	<u>(215,313)</u>
Equity holders of the Company	(472)	(121,540)	2,895	(211,338)
Non-controlling interest	<u>(60)</u>	<u>(3,964)</u>	<u>(159)</u>	<u>(3,975)</u>
	<u>(532)</u>	<u>(125,504)</u>	<u>2,736</u>	<u>(215,313)</u>
(Loss)/Earnings per share attributable to equity holders of the Company (sen)				
-Basic	<u>(0.12)</u>	<u>(8.90)</u>	<u>0.81</u>	<u>(15.61)</u>
-Diluted	<u>(0.11)</u>	<u>N/A</u>	<u>0.78</u>	<u>N/A</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 2022)

YONG TAI BERHAD
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	(Unaudited) As at 31.03.2023 RM'000	(Audited) As at 30.06.2022 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	117,573	394,902
Investment Property	273,155	-
Right-of-use assets	472	2,048
Deferred tax assets	-	6,150
	<u>391,200</u>	<u>403,100</u>
Current Assets		
Inventories	217,738	269,262
Contract costs	6,056	19,346
Contract assets	-	25,452
Trade receivables	24,776	21,235
Other receivables	99,883	69,524
Current tax assets	749	659
Cash and cash equivalents	3,882	2,151
	<u>353,084</u>	<u>407,629</u>
TOTAL ASSETS	<u>744,284</u>	<u>810,729</u>
EQUITY AND LIABILITIES		
Equity		
Share Capital		
Ordinary shares	727,805	718,313
Irredeemable convertible preference shares	11,328	20,820
Reserves		
Accumulated losses	(451,973)	(454,868)
	<u>287,160</u>	<u>284,265</u>
Non-controlling interests	(3,730)	(3,571)
Total Equity	<u>283,430</u>	<u>280,694</u>
Non-Current Liabilities		
Lease liabilities	362	631
Loans and borrowings	142,646	148,639
	<u>143,008</u>	<u>149,270</u>
Current Liabilities		
Contract liabilities	31,289	52,977
Trade payables	83,588	79,344
Other payables	110,349	169,550
Deferred revenue	43,616	33,369
Lease liabilities	369	397
Bank overdraft	21,887	22,526
Loans and borrowings	26,259	22,135
Current tax liabilities	489	467
	<u>317,846</u>	<u>380,765</u>
Total Liabilities	<u>460,854</u>	<u>530,035</u>
TOTAL EQUITY AND LIABILITIES	<u>744,284</u>	<u>810,729</u>
Net Assets per share (RM)	0.75	0.20

(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 2022)

YONG TAI BERHAD
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2023

	9 months ended 31.03.2023 (RM'000)	9 months ended 31.03.2022 (RM'000)
Cash flows from operating activities		
Profit/(Loss) before taxation	9,022	(214,741)
Adjustments for:-		
Non-cash items	1,099	152,043
Non-operating items	10,235	4,204
Operating profit/(loss) before changes in working capital	<u>20,356</u>	<u>(58,494)</u>
Changes in working capital		
Inventories	51,523	32,163
Contract costs	13,290	(382)
Contract assets	25,452	3,900
Receivables	(27,057)	13,033
Contract liabilities	(21,687)	44,239
Payables	(46,882)	(24,785)
Cash generated from operations	<u>14,995</u>	<u>9,674</u>
Finance costs	(10,304)	(4,214)
Interest income	69	9
Net tax (paid)/refund	(204)	628
Net cash generated from operating activities	<u>4,556</u>	<u>6,097</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(18)	(8,338)
Proceeds from disposal of property, plant and equipment	-	140
Net cash used in investing activities	<u>(18)</u>	<u>(8,198)</u>
Cash flows from financing activities		
Net proceeds from issuance of ordinary shares	-	2,375
Drawdown of loans and borrowings	10,245	6,341
Repayment of lease liabilities	(297)	(54)
Repayment of loans and borrowings	(12,116)	(8,634)
Net cash (used in)/generated from financing activities	<u>(2,168)</u>	<u>28</u>
Net increase/(decrease) in cash & cash equivalents	2,370	(2,073)
Cash and cash equivalents at beginning of period	<u>(20,375)</u>	<u>(20,829)</u>
Cash and cash equivalents at end of period	<u>(18,005)</u>	<u>(22,902)</u>
Cash and cash equivalents comprise:		
Cash and bank balances	3,882	478
Bank overdraft	(21,887)	(23,380)
	<u>(18,005)</u>	<u>(22,902)</u>

(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 2022)

YONG TAI BERHAD
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2023

	←— Attributable to equity holders of the Company —→			Total	Non- controlling interests	Total equity
	←— Non-distributable —→	Irredeemable convertible preference shares	Distributable Accumulated losses			
	Ordinary shares (RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
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	<u>668,008</u>	<u>20,850</u>	<u>(319,574)</u>	<u>369,284</u>	<u>(3,694)</u>	<u>365,590</u>
At 1 July 2022	718,313	20,820	(454,868)	284,265	(3,571)	280,694
Total comprehensive income for the period	-	-	2,895	2,895	(159)	2,736
Issuance of ordinary shares						
- exercise of ICPS conversion rights	9,492	(9,492)	-	-	-	-
At 31 March 2023	<u>727,805</u>	<u>11,328</u>	<u>(451,973)</u>	<u>287,160</u>	<u>(3,730)</u>	<u>283,430</u>

(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022)

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 2022.

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 2022.

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 2022 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 2023.

A6. Changes in Estimates

There were no material changes in estimates for the financial period ended 31 March 2023.

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 2023 except for :

- i. Conversion of 11,865,560 irredeemable convertible preference shares (“ICPS”) into 2,373,112 new consolidated ordinary shares pursuant to the exercise of conversion rights of ICPS 2016/2026; and
- ii. Completion of the issuance 92,000,000 new ordinary shares at an issue price of RM0.50 per ordinary share pursuant to the settlement of debt owing to creditors by the Group.

A8. Dividends Paid

There was no payment of dividend during the financial period ended 31 March 2023.

A9. Changes in Composition of the Group

There were no changes in the composition of the Group during the current financial period ended 31 March 2023 except for the incorporation of YTB Lifestyle Mall Sdn Bhd (“YTBLM”) as a 100% owned subsidiary of the Company on 7 November 2022. YTBLM has an issued and paid up share capital of RM1.00 comprising of 1 ordinary share.

A10. Contingent Liabilities

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

A11. Commitments

	As at
	31.03.2023
	RM’000
Approved and contracted for:	
Commitment for acquisition of development land	6,500
	=====

A12. Significant Related Party Transactions

There were no significant related party transactions during the financial period ended 31 March 2023.

A13. Segment Reporting

The segmental analysis for the financial period ended 31 March 2023 is as follows:

	Property development RM'000	Property investment RM'000	Other operations RM'000	Elimination RM'000	Total RM'000
External sales	99,984	459	-	-	100,443
Inter-segment	-	-	7,995	(7,995)	-
Total	99,984	459	7,995	(7,995)	100,443
Gross profit/(loss)	37,519	(5,528)	7,072	(7,995)	31,068
Other income	1,452	800	327	-	2,579
Other expenses	(10,332)	(1,333)	(10,651)	7,995	(14,321)
Operating profit/(loss)	28,639	(6,061)	(3,252)	-	19,326
Finance costs					(10,304)
Profit before tax					9,022
Taxation					(6,286)
Profit after tax					2,736
Non-controlling interest					159
Profit for the period					2,895
Other information					
Segment assets	383,042	356,950	3,543	-	743,535
Unallocated corporate assets					749
Total consolidated corporate assets					744,284
Segment liabilities	326,736	106,459	27,170	-	460,365
Unallocated corporate liabilities					489
Total consolidated corporate liabilities					460,854

A14. Material Events subsequent to the End of Financial Period

There were no material events after 31 March 2023 till 19 May 2023 (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		
	31.03.23 RM'000	31.03.22 RM'000	Changes RM'000	31.03.23 RM'000	31.03.22 RM'000	Changes RM'000
Revenue						
Property Development	21,704	3,497	18,207	99,984	25,451	74,533
Property Investment	151	3	148	459	19	440
Other Operations	-	8	(8)	-	74	(74)
	21,855	3,508	18,347	100,443	25,544	74,899
Profit/(Loss) From Operations						
Property Development	11,893	1,969	9,924	22,772	3,136	19,636
Property Investment	(5,176)	(4,665)	(511)	(9,419)	(13,790)	4,371
Other Operations	(1,345)	(5,585)	4,240	(4,331)	(5,552)	1,221
	5,372	(8,281)	13,653	9,022	(16,206)	25,228
Impairment Loss	-	(117,905)	117,905	-	(198,535)	198,535
Profit/(Loss) Before Tax	5,372	(126,186)	131,558	9,022	(214,741)	223,763

(a) Performance of the current quarter against the same quarter in the preceding year (3Q 2023 vs 3Q 2022)

Property Development

The Group recorded revenue of RM21.70 million and PBT of RM11.89 million for the current quarter ended 31 March 2023 as compared to revenue of RM3.50 million and PBT of RM1.97 million in the preceding year quarter.

The increase in revenue and PBT in 3Q 2023 as compared to 3Q 2022 from the property development segment was mainly due to the contribution from the sales of completed units and ongoing development projects as well as cost savings realised from the value engineering of completed projects.

Property Investment

Revenue recognized for the current quarter consists of rental income and our share of ticket sale through collaboration with event organisers at Encore Melaka. The significant loss incurred for the current quarter was mainly represented by pre-operation expenses from Courtyard by Marriott Melaka and non-operating expenses from theatre which are fixed overhead in nature.

B1. Review of Group Performance (cont'd)

(b) Performance of the current period to-date against the preceding period to-date (3Q PTD 2023 vs 3Q PTD 2022)

Property Development

During the financial period to-date, the Group achieved revenue of RM99.98 million and PBT of RM22.77 million as compared to revenue of RM25.45 million and PBT of RM3.14 million in the preceding period to-date.

The overall improved financial performance in 3Q PTD 2023 as compared to 3Q PTD 2022 are mainly contributed from completion and handover of Amber Cove in October 2022 and the sales from the completed property units and on-going development projects.

Property Investment

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

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

The Group's current quarter profit before tax was RM5.37 million as compared to RM0.84 million profit before tax reported in the preceding quarter ended 31 December 2022. The improved financial performance for the current quarter was mainly due to new sales secured from completed units and ongoing development projects as well as cost savings realised from the value engineering of completed projects.

B3. Prospects for the Current Financial Year ("FY 2023")

The Group recorded RM100 million of revenue for the 9 months period ended 31 March 2023, which are mainly contributed from completion and handover of Amber Cove in October 2022 as well as the sales of completed property units and on-going development projects.

Following the completion of Amber Cove serviced apartments, which is ahead of the contractual period, the Group will focus on completing the next ongoing development project, namely Impression U-Thant which is targeted to deliver vacant possession by end of year 2023. As at 31 March 2023, the Group has total unbilled revenue of RM133 million.

The Group will continue working with various local and international show producers on events or shows at Encore Melaka that could boost earnings through rental income and potentially drive ancillary income from merchandise sales, accommodation and broadcasting revenue. In addition, the Group will collaborate with other parties to deliver immersive and interactive art and technology exhibition at Encore Melaka in order to maximise the utilisation of the theatre.

Further, on 8 April 2023, Courtyard by Marriott Melaka – a luxury international business hotel with 287 rooms located in the heart of a UNESCO World Heritage City, Melaka, commenced its hotel operation. The Group is optimistic that this new hotel operation will generate additional revenue stream for the Group.

Overall, the Group expects the business environment to remain challenging for FY 2023, especially with the further increase of Overnight Policy Rate by Bank Negara Malaysia which would increase the cost of borrowing and hence, housing becomes less affordable. Nonetheless, the Group will continue to scout for new land bank in strategic locations for joint venture arrangement, plan launching of affordable priced development projects and undertake any other business opportunities that may emerge.

B4. Variance of Actual Profit from Forecast Profit

Not applicable as no profit forecast was published.

B5. Status of Corporate Proposals

There were no other corporate proposals that have been announced by the Company and which were not completed as at 19 May 2023 (the latest practicable date (“LPD”)) which is not earlier than 7 days from the date of issue of this interim financial report).

B6. Material Litigation

The Group was not engaged in any material litigation as at 19 May 2023 (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 2023.

B8. Taxation

	3 Months Ended		9 Months Ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	RM'000	RM'000	RM'000	RM'000
Income tax				
- current quarter	(33)	92	349	1,346
- (over)/under provision in prior year	(213)	(774)	(213)	(774)
Deferred taxation	6,150	-	6,150	-
Tax expenses for the quarter/period	<u>5,904</u>	<u>(682)</u>	<u>6,286</u>	<u>572</u>

The Group’s effective tax rate for 3Q 2023 and 3Q PTD 2023 is higher than the statutory tax rate mainly due to certain non-tax deductible expenses and non-recognition of deferred tax assets arising from certain loss making entities.

B9. Group Borrowings

	As at 31.03.2023 (RM'000)
<u>Current</u>	
Bank overdraft (unsecured)	21,887
Term loans (secured)	<u>26,259</u>
	48,146
<u>Non-Current</u>	
Term loans (secured)	<u>142,646</u>
Total	<u><u>190,792</u></u>

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

B10. Notes to the Statement of Comprehensive Income

	3 Months Ended 31.03.2023 RM'000	9 Months Ended 31.03.2023 RM'000
Notes to the Statement of Comprehensive		
Income comprises:-		
Interest income	5	69
Interest expenses	(3,503)	(10,304)
Depreciation of property, plant, equipment	(262)	(813)
Depreciation of right-of-use assets	(52)	(286)

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 profit/(loss) for the current quarter 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	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	RM'000	RM'000	RM'000	RM'000
Net (loss)/profit attributable to equity holders of the Company	<u>(472)</u>	<u>(121,540)</u>	<u>2,895</u>	<u>(211,338)</u>
Weighted average number of ordinary shares in issue ('000)	<u>378,097</u>	<u>1,365,249</u>	<u>357,587</u>	<u>1,354,067</u>
Basic (loss)/earnings per share attributable to equity holders of the Company (Sen)	<u>(0.12)</u>	<u>(8.90)</u>	<u>0.81</u>	<u>(15.61)</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 full exercise of the Warrants, adjusted for the number of such shares that would have been issued at fair value. However, in the event that the potential exercise of the Warrants gives rise to an anti-dilutive effect on earnings per share, the potential exercise of the Warrants is not taken into account in calculating diluted earnings per share.

	3 Months Ended		9 Months Ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	RM'000	RM'000	RM'000	RM'000
Net (loss)/profit attributable to equity holders of the Company	<u>(472)</u>	<u>(121,540)</u>	<u>2,895</u>	<u>(211,338)</u>
Weighted average number of ordinary shares in issue ('000)	378,097	1,365,249	357,587	1,354,067
Effect of conversion of ICPS ('000)	14,160	-	14,160	-
Adjusted weighted average number of ordinary shares ('000)	<u>392,257</u>	<u>1,365,249</u>	<u>371,747</u>	<u>1,354,067</u>
Diluted (loss)/earnings per share attributable to equity holders of the Company (Sen)	<u>(0.11)</u>	<u>N/A</u>	<u>0.78</u>	<u>N/A</u>

By Order of the Board,
Datuk Wira Boo Kuang Loon
Executive Director
Date: 26 May 2023