

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

| | 3 MONTHS ENDED | | 6 MONTHS ENDED | |
|--|-----------------------|-------------------|-----------------------|-------------------|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| | (RM'000) | (RM'000) | (RM'000) | (RM'000) |
| Revenue | 18,364 | 29,200 | 31,626 | 78,588 |
| Cost of sales | <u>(11,022)</u> | <u>(19,765)</u> | <u>(22,321)</u> | <u>(59,090)</u> |
| Gross profit | 7,342 | 9,435 | 9,305 | 19,498 |
| Other income | 1,852 | 1,539 | 2,182 | 1,479 |
| Other expenses | <u>(5,158)</u> | <u>(6,580)</u> | <u>(10,007)</u> | <u>(10,526)</u> |
| Operating profit | 4,036 | 4,394 | 1,480 | 10,451 |
| Finance costs | <u>(3,717)</u> | <u>(3,557)</u> | <u>(7,530)</u> | <u>(6,801)</u> |
| Profit/(Loss) before tax | 319 | 837 | (6,050) | 3,650 |
| Taxation | <u>(199)</u> | <u>670</u> | <u>(207)</u> | <u>(382)</u> |
| Profit/(Loss) for the period | 120 | 1,507 | (6,257) | 3,268 |
| Other comprehensive income, net of tax | - | - | - | - |
| Total comprehensive income/(expense) for the period | <u>120</u> | <u>1,507</u> | <u>(6,257)</u> | <u>3,268</u> |
| Net profit/(loss) attributable to : | | | | |
| Equity holders of the Company | 81 | 1,555 | (6,239) | 3,367 |
| Non-controlling interest | <u>39</u> | <u>(48)</u> | <u>(18)</u> | <u>(99)</u> |
| | <u>120</u> | <u>1,507</u> | <u>(6,257)</u> | <u>3,268</u> |
| Total comprehensive income/(expense) attributable to: | | | | |
| Equity holders of the Company | 81 | 1,555 | (6,239) | 3,367 |
| Non-controlling interest | <u>39</u> | <u>(48)</u> | <u>(18)</u> | <u>(99)</u> |
| | <u>120</u> | <u>1,507</u> | <u>(6,257)</u> | <u>3,268</u> |
| Profit/(Loss) per share attributable to equity holders of the Company (sen) | | | | |
| -Basic | <u>0.02</u> | <u>0.41</u> | <u>(1.65)</u> | <u>0.97</u> |
| -Diluted | <u>0.02</u> | <u>0.40</u> | <u>NA</u> | <u>0.93</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 2023)

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

| | (Unaudited) As at 31.12.2023 RM'000 | (Audited) As at 30.06.2023 RM'000 |
|--|--|--|
| ASSETS | | |
| Non-Current Assets | | |
| Property, plant and equipment | 377,322 | 382,419 |
| Right-of-use assets | 1,614 | 1,819 |
| | <u>378,936</u> | <u>384,238</u> |
| Current Assets | | |
| Inventories | 225,987 | 226,371 |
| Contract costs | 5,162 | 5,347 |
| Trade receivables | 11,773 | 15,314 |
| Other receivables | 66,972 | 79,238 |
| Current tax assets | 454 | 749 |
| Cash and cash equivalents | 5,564 | 5,132 |
| | <u>315,912</u> | <u>332,151</u> |
| TOTAL ASSETS | <u>694,848</u> | <u>716,389</u> |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| Share Capital | | |
| Ordinary shares | 727,885 | 727,885 |
| Irredeemable convertible preference shares | 11,248 | 11,248 |
| Reserves | | |
| Accumulated losses | (482,868) | (476,629) |
| | <u>256,265</u> | <u>262,504</u> |
| Non-controlling interests | (3,816) | (3,798) |
| Total Equity | <u>252,449</u> | <u>258,706</u> |
| Non-Current Liabilities | | |
| Lease liabilities | 187 | 333 |
| Loans and borrowings | 130,280 | 140,081 |
| | <u>130,467</u> | <u>140,414</u> |
| Current Liabilities | | |
| Contract liabilities | 15,195 | 24,527 |
| Trade payables | 112,862 | 87,135 |
| Other payables | 89,123 | 123,267 |
| Deferred revenue | 44,284 | 34,647 |
| Lease liabilities | 377 | 472 |
| Current tax liabilities | 410 | 279 |
| Loans and borrowings | 29,171 | 26,270 |
| Bank overdraft | 20,510 | 20,672 |
| | <u>311,932</u> | <u>317,269</u> |
| Total Liabilities | <u>442,399</u> | <u>457,683</u> |
| TOTAL EQUITY AND LIABILITIES | <u>694,848</u> | <u>716,389</u> |
| Net Assets per share (RM) | 0.67 | 0.68 |

(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 2023)

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

| | 6 months ended 31.12.2023 (RM'000) | 6 months ended 31.12.2022 (RM'000) |
|---|---|---|
| Cash flows from operating activities | | |
| (Loss)/Profit before taxation | (6,050) | 3,650 |
| Adjustments for:- | | |
| Non-cash items | 5,422 | 786 |
| Non-operating items | 6,686 | 6,736 |
| Operating profit before changes in working capital | <u>6,058</u> | <u>11,172</u> |
| Changes in working capital | | |
| Inventories | 384 | 48,077 |
| Contract costs | 185 | 12,626 |
| Contract assets | - | 9,701 |
| Receivables | 16,614 | 7,009 |
| Contract liabilities | (9,333) | (11,977) |
| Payables | 1,199 | (59,485) |
| Cash generated from operations | <u>15,107</u> | <u>17,123</u> |
| Finance costs | (7,530) | (6,801) |
| Interest income | 19 | 64 |
| Net tax refund/(paid) | 218 | (110) |
| Net cash generated from operating activities | <u>7,814</u> | <u>10,276</u> |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (139) | (18) |
| Net cash used in investing activities | <u>(139)</u> | <u>(18)</u> |
| Cash flows from financing activities | | |
| Repayment of lease liabilities | (240) | (198) |
| Net repayment of loans and borrowings | (6,901) | (3,841) |
| Net cash used in financing activities | <u>(7,141)</u> | <u>(4,039)</u> |
| Net increase in cash & cash equivalents | 534 | 6,219 |
| Cash and cash equivalents at beginning of period | (15,540) | (20,375) |
| Effect of foreign exchange difference | 60 | - |
| Cash and cash equivalents at end of period | <u>(14,946)</u> | <u>(14,156)</u> |
| Cash and cash equivalents comprise: | | |
| Cash and bank balances | 4,645 | 5,842 |
| Fixed deposits | 919 | - |
| Bank overdraft | (20,510) | (19,998) |
| | <u>(14,946)</u> | <u>(14,156)</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 2023)

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

| | ←— Attributable to equity holders of the Company —→ | | | | | |
|---|---|---|-----------------------------------|-------------------|--|-----------------------------|
| | ←— Non-distributable —→ | | Distributable | | | |
| | Ordinary shares (RM'000) | Irredeemable convertible preference shares (RM'000) | Accumulated losses (RM'000) | Total (RM'000) | Non- controlling interests (RM'000) | Total equity (RM'000) |
| At 1 July 2022 | 718,313 | 20,820 | (454,868) | 284,265 | (3,571) | 280,694 |
| Total comprehensive income for the period | - | - | 3,367 | 3,367 | (99) | 3,268 |
| Issuance of ordinary shares - exercise of ICPS conversion rights | 9,492 | (9,492) | - | - | - | - |
| At 31 December 2022 | <u>727,805</u> | <u>11,328</u> | <u>(451,501)</u> | <u>287,632</u> | <u>(3,670)</u> | <u>283,962</u> |
| At 1 July 2023 | 727,885 | 11,248 | (476,629) | 262,504 | (3,798) | 258,706 |
| Total comprehensive expense for the period | - | - | (6,239) | (6,239) | (18) | (6,257) |
| At 31 December 2023 | <u>727,885</u> | <u>11,248</u> | <u>(482,868)</u> | <u>256,265</u> | <u>(3,816)</u> | <u>252,449</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 2023)

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 2023.

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 2023.

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 2023 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 December 2023.

A6. Changes in Estimates

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

A8. Dividends Paid

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

A9. Changes in Composition of the Group

There were no changes in the composition of the Group during the financial period ended 31 December 2023.

A10. Contingent Liabilities

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

A11. Commitments

| | As at 31.12.2023 RM'000 |
|--|--|
| Approved and contracted for: | |
| Commitment for acquisition of a development land and its related costs | 9,000 |
| | ===== |

A12. Related Party Transactions

| | 6 Months Ended 31.12.2023 RM'000 |
|---|---|
| <i>Transaction with company which certain directors of the Company have interest:</i> | |
| i) Rental received for use of theatre and/or surrounding areas | 752 |
| ii) Hotel and related hospitality services | 384 |
| | ===== |

A13. Segment Reporting

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

| | Property development RM'000 | Property investment RM'000 | Other operations RM'000 | Elimination RM'000 | Total RM'000 |
|---|-----------------------------------|----------------------------------|-------------------------------|-----------------------|-----------------|
| External sales | 11,448 | 20,178 | - | - | 31,626 |
| Inter-segment | - | 37 | 6,840 | (6,877) | - |
| Total | 11,448 | 20,215 | 6,840 | (6,877) | 31,626 |
| Gross profit | 2,300 | 7,056 | 6,826 | (6,877) | 9,305 |
| Other income | 1,706 | 446 | 10 | 20 | 2,182 |
| Other expenses | (2,024) | (7,941) | (6,919) | 6,877 | (10,007) |
| Operating profit/(loss) | 1,982 | (439) | (83) | 20 | 1,480 |
| Finance costs | | | | | <u>(7,530)</u> |
| Loss before tax | | | | | (6,050) |
| Taxation | | | | | <u>(207)</u> |
| Loss after tax | | | | | (6,257) |
| Non-controlling interest | | | | | <u>18</u> |
| Loss for the period | | | | | <u>(6,239)</u> |
| Other information | | | | | |
| Segment assets | 340,201 | 352,581 | 1,612 | - | 694,394 |
| Unallocated corporate assets | | | | | <u>454</u> |
| Total consolidated corporate assets | | | | | <u>694,848</u> |
| Segment liabilities | 300,920 | 105,715 | 35,354 | - | 441,989 |
| Unallocated corporate liabilities | | | | | <u>410</u> |
| Total consolidated corporate liabilities | | | | | <u>442,399</u> |

A14. Material Events subsequent to the End of Financial Period

There were no material events after 31 December 2023 till 19 February 2024 (the latest practicable date (“LPD”) which is not earlier than 7 days from the date of issue of this interim financial report).

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 are analysed as follows:

| | 3 MONTHS ENDED | | | 6 MONTHS ENDED | | |
|---------------------------------|--------------------|--------------------|-------------------|--------------------|--------------------|-------------------|
| | 31.12.23 RM'000 | 31.12.22 RM'000 | Changes RM'000 | 31.12.23 RM'000 | 31.12.22 RM'000 | Changes RM'000 |
| Revenue | | | | | | |
| Property Development | 6,757 | 29,059 | (22,302) | 11,448 | 78,280 | (66,832) |
| Property Investment | 11,607 | 141 | 11,466 | 20,178 | 308 | 19,870 |
| Other Operations | - | - | - | - | - | - |
| | 18,364 | 29,200 | (10,836) | 31,626 | 78,588 | (46,962) |
| Profit/(Loss) Before Tax | | | | | | |
| Property Development | 1,801 | 2,020 | (219) | 1,382 | 10,371 | (8,989) |
| Property Investment | (2,300) | (333) | (1,967) | (6,718) | (3,735) | (2,983) |
| Other Operations | 818 | (850) | 1,668 | (714) | (2,986) | 2,272 |
| | 319 | 837 | (518) | (6,050) | 3,650 | (9,700) |

(a) Performance of the current quarter against the same quarter in the preceding year (2Q 2024 vs 2Q 2023)

Property Development

The Group recorded revenue of RM6.8 million and PBT of RM1.8 million for the current quarter ended 31 December 2023, compared to revenue of RM29.1 million and PBT of RM2.0 million in the preceding year quarter.

The lower revenue recognised in the current quarter from the property development segment was mainly due to the completion and handover of The Apple and Amber Cove projects in last financial year.

Property Investment

Courtyard by Marriott Melaka has commenced its hotel operation on 8 April 2023 and has been in full operation for the current quarter, contributing significantly to the higher revenue recognised in the property investment segment.

(b) Performance of the current period to-date against the preceding period to-date (2Q PTD 2024 vs 2Q PTD 2023)

Property Development

During the financial period to-date, the Group recorded revenue of RM11.4 million and PBT of RM1.4 million, compared to revenue of RM78.3 million and PBT of RM10.4 million in the preceding year quarter. The overall decreased financial performance in 2Q PTD 2024 as compared to 2Q PTD 2023 is as mentioned above.

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 RM0.3 million as compared to RM6.4 million loss before tax reported in the preceding quarter ended 30 September 2023. The improved financial performance for the current quarter was mainly due to new sales secured from completed units and improved progress of ongoing development projects

B3. Prospects for the Current Financial Year ("FY 2024")

In the face of challenges posed by higher interest rates, ongoing inflation, and an oversupply of properties across various markets and segments, the Group is steadfast in its strategies for the property segment. These strategies focus on advancing development projects for timely completion, rebranding and introducing refreshed offerings to attract a diverse customer group, and effectively monetizing existing inventories.

As for the property investment segment, the Group continues to proactively implement measures, positioning the Encore Melaka Theatre to leverage the pent-up demand in the tourism sector. This collaboration has attracted considerable attention from both local and international media. The recommencement of daily shows at Encore Melaka is anticipated to be a positive contributor to the Group's financial performance through increased ticket sales. Looking ahead, the Group aims to pursue further collaborations with various international and local shows, thereby enhancing earnings through ticket sales, rental income, and other ancillary income.

Aside from Encore Melaka, the Group's first international and business luxury brand under Marriott International, Courtyard by Marriott Melaka which already commenced hotel operation in April 2023 is also expected to be profitable in FY 2024. Leveraging on the Marriott's luxury hotel brand as the world's largest well-known hotel chain, Courtyard by Marriott Melaka has achieved commendable occupancy rate since its commencement of business on 8 April 2023 and generated positive cashflow to the Group. The Group is optimistic that this hotel operation will generate additional revenue stream for the Group in FY 2024.

Overall, the Group expect the business environment to remain challenging for FY 2024. Nevertheless, with all the current business segments on the right track, the Group is cautiously optimistic about performance for FY 2024. The Group remain committed to seizing any emerging business opportunities to drive further growth and success.

B4. Variance of Actual Profit from Forecast Profit

Not applicable as no profit forecast was published.

B5. Status of Corporate Proposals

There were no corporate proposals that have been announced by the Company and which were not completed as at 19 February 2024 (the latest practicable date (“LPD”) which is not earlier than 7 days from the date of issue of this interim financial report), except for the following:

- (a) On 22 December 2021, the Company had secured shareholders’ approval for the issuance of up to 180,000,000 Redeemable Convertible Preference Shares in YTB (“RCPS”) at an issue price of RM1.00 per RCPS. As of todate, the Company has raised the proceeds of RM7.0 million from the issuance of RCPS and subsequently, a total conversion shares of 70,000,000 new ordinary shares of the Company were allotted.
- (b) On 9 May 2023, the Company had obtained Bursa Malaysia Securities Berhad’s approval for the listing of and quotation for up to 57,591,600 new YTB shares to be issued pursuant to the Proposed Private Placement. The Company has until 8 May 2024 to implement the Proposed Private Placement.

B6. Material Litigation

The Group was not engaged in any material litigation as at 19 February 2024 (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 December 2023.

B8. Taxation

| | 3 Months Ended | | 6 Months Ended | |
|------------------------------|----------------|--------------|----------------|------------|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Income tax | | | | |
| - current quarter | 199 | (670) | 207 | 382 |
| Tax expenses for the quarter | <u>199</u> | <u>(670)</u> | <u>207</u> | <u>382</u> |

The Group’s effective tax rate for the current quarter is higher than the statutory tax rate mainly due to deferred tax assets not recognised for loss making subsidiaries.

B9. Group Borrowings

| | As at 31.12.2023 (RM'000) |
|----------------------------|--|
| <u>Current</u> | |
| Bank overdraft (unsecured) | 20,510 |
| Term loans (secured) | <u>29,171</u> |
| | 49,681 |
| <u>Non-Current</u> | |
| Term loans (secured) | <u>130,280</u> |
| Total | <u><u>179,961</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 31.12.2023 RM'000 | 6 Months Ended 31.12.2023 RM'000 |
|--|---|---|
| Notes to the Statement of Comprehensive | | |
| Income comprises:- | | |
| Interest income | 10 | 19 |
| Interest expenses | (3,708) | (7,515) |
| Depreciation of property, plant, equipment | (2,610) | (5,222) |
| Depreciation of right-of-use assets | (103) | (200) |

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. Profit/(Loss) Per Share**a. Basic**

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

| | 3 Months Ended | | 6 Months Ended | |
|--|-----------------------|-------------------|-----------------------|-------------------|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Net profit/(loss) attributable to equity holders of the Company | <u>81</u> | <u>1,555</u> | <u>(6,239)</u> | <u>3,367</u> |
| Weighted average number of ordinary shares in issue ('000) | <u>378,117</u> | <u>378,097</u> | <u>378,117</u> | <u>347,333</u> |
| Basic profit/(loss) per share attributable to equity holders of the Company (Sen) | <u>0.02</u> | <u>0.41</u> | <u>(1.65)</u> | <u>0.97</u> |

B11. Profit/(Loss) Per Share (Cont'd)

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 | | 6 Months Ended | |
|---|----------------|----------------|----------------|----------------|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Net profit/(loss) attributable to equity holders of the Company | <u>81</u> | <u>1,555</u> | <u>(6,239)</u> | <u>3,367</u> |
| Weighted average number of ordinary shares in issue ('000) | 378,117 | 378,097 | 378,117 | 347,333 |
| Effect of conversion of ICPS ('000) | 14,060 | 14,160 | 14,060 | 14,160 |
| Adjusted weighted average number of ordinary shares ('000) | <u>392,177</u> | <u>392,257</u> | <u>392,177</u> | <u>361,493</u> |
| Diluted earnings per share attributable to equity holders of the Company (Sen) | <u>0.02</u> | <u>0.40</u> | <u>N/A</u> | <u>0.93</u> |

By Order of the Board,
Datuk Wira Boo Kuang Loon
Executive Director / Chief Executive Officer
Date: 23 February 2024