



Y.S.P. SOUTHEAST ASIA HOLDING BHD. (Company no : 200101017024 (552781-X))

(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE QUARTER ENDED 31 MARCH 2022

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Y.S.P. SOUTHEAST ASIA HOLDING BHD. (Company no : 200101017024 (552781-X))

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME

FOR THE QUARTER ENDED 31 MARCH 2022

	Quarter ended	
	31/03/2022 RM'000	31/03/2021 RM'000
Revenue	81,536	71,201
Cost of sales	(49,292)	(45,038)
Gross profit	32,244	26,163
Other income	658	2,647
Selling & Distribution expenses	(17,183)	(17,588)
Administrative expenses	(5,603)	(6,099)
Other expenses	(172)	(362)
Results from operating activities	9,944	4,761
Finance income	272	171
Finance cost	(454)	(571)
Share of result of associate	(6)	2
Profit before tax	9,756	4,363
Income tax expense	(3,134)	(1,592)
Profit for the period	6,622	2,771
Other comprehensive income, net of tax		
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation differences for foreign operations	(83)	(455)
Total other comprehensive income / (expenses) for the period	(83)	(455)
Total comprehensive income for the period	6,539	2,316



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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME (CONTINUED)**

FOR THE QUARTER ENDED 31 MARCH 2022

	Quarter ended	
	31/03/2022	31/03/2021
	RM'000	RM'000
Attributable to:		
Owners of the Company	6,514	2,792
Non-controlling interests	108	(21)
Profit for the period	6,622	2,771
Total comprehensive income attributable to:		
Owners of the Company	6,432	2,335
Non-controlling interests	107	(19)
Total comprehensive income for the period	6,539	2,316
Earnings per share (EPS) attributable to owners of the Company (sen):		
Basic EPS	4.62	2.00
Diluted EPS	4.62	2.00

Included in the profit for the period are:

	Quarter ended	
	31/03/2022	31/03/2021
	RM'000	RM'000
interest income	(272)	(171)
other income including investment income	(20)	(19)
interest expenses	454	571
depreciation and amortisation	3,880	3,961
provision for and (write back) / write off of receivables	181	95
written down and (write back) / write off of inventories	(21)	324
foreign exchange loss or (gain)	(1,233)	(2,004)

The above consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2021.



Y.S.P. SOUTHEAST ASIA HOLDING BHD. (Company no : 200101017024 (552781-X))
(Incorporated in Malaysia)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	As at 31/03/2022 RM'000 <i>Unaudited</i>	As at 31/12/2021 RM'000 <i>Audited</i>
ASSETS		
Property, plant and equipment	133,454	135,934
Intangible assets	4,886	4,908
Investment in associates	278	1,395
Deferred tax assets	128	124
Non-current Assets	<u>138,746</u>	<u>142,361</u>
Inventories	101,409	108,518
Trade receivables	72,113	58,394
Other receivables	21,748	14,835
Amount due from affiliated companies	383	183
Amount due from an associate	71	108
Current tax assets	1,247	2,951
Cash & cash equivalents	123,124	120,401
Current Assets	<u>320,095</u>	<u>305,390</u>
TOTAL ASSETS	<u>458,841</u>	<u>447,751</u>
EQUITY AND LIABILITIES		
Share capital	151,963	151,963
Other reserves	3,255	3,337
Retained earnings	197,716	191,202
Equity Attributable to Owners of the Company	<u>352,934</u>	<u>346,502</u>
Non-controlling interests	5,468	5,361
Total Equity	<u>358,402</u>	<u>351,863</u>
Deferred taxation	10,927	10,563
Loans and borrowings	21,311	22,607
Post-employment benefits	606	604
Lease liabilities	1,185	1,428
Non-current Liabilities	<u>34,029</u>	<u>35,202</u>
Trade payables	19,189	15,229
Other payables	19,066	17,094
Refund liability	1,410	1,543
Amount due to affiliated companies	2,755	2,445
Loans and borrowings	20,477	21,031
Current tax liabilities	539	453
Lease liabilities	2,974	2,891
Current Liabilities	<u>66,410</u>	<u>60,686</u>
Total Liabilities	<u>100,439</u>	<u>95,888</u>
TOTAL EQUITY AND LIABILITIES	<u>458,841</u>	<u>447,751</u>
Net assets per share attributable to owners of the Company (RM)	2.50	2.46

The above consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2021.



Y.S.P. SOUTHEAST ASIA HOLDING BHD. (Company no : 200101017024 (552781-X))
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 MARCH 2022

← Attributable to owners of the Company →
← Non-distributable → Distributable

RM'000	Share capital	Exchange fluctuation reserve	Share option reserve	Retained earnings	Total	Non-controlling interest	Total equity
At 1 January 2021	151,641	926	2,798	187,230	342,595	5,596	348,191
Foreign currency translation differences for foreign operations	-	(457)	-	-	(457)	2	(455)
Total other comprehensive income for the period	-	(457)	-	-	(457)	2	(455)
Profit for the period	-	-	-	2,792	2,792	(21)	2,771
Total comprehensive income for the period	-	(457)	-	2,792	2,335	(19)	2,316
Issuance of ordinary shares pursuant to ESOS	15	-	-	-	15	-	15
Total transactions with owners of the Company	15	-	-	-	15	-	15
Transfer to share capital for share options exercised	3	-	(3)	-	-	-	-
At 31 March 2021	151,659	469	2,795	190,022	344,945	5,577	350,522
At 1 January 2022	151,963	662	2,675	191,202	346,502	5,361	351,863
Foreign currency translation differences for foreign operations	-	(82)	-	-	(82)	(1)	(83)
Total other comprehensive income for the period	-	(82)	-	-	(82)	(1)	(83)
Profit for the period	-	-	-	6,514	6,514	108	6,622
Total comprehensive income for the period	-	(82)	-	6,514	6,432	107	6,539
At 31 March 2022	151,963	580	2,675	197,716	352,934	5,468	358,402

The above consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2021.



Y.S.P. SOUTHEAST ASIA HOLDING BHD. (Company no : 200101017024 (552781-X))
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 MARCH 2022

	Quarter ended	
	31/03/2022	31/03/2021
	RM '000	RM '000
Cash flows from operating activities		
Profit before tax	9,756	4,363
Other adjustments	4,100	2,193
Operating profit before changes in working capital	<u>13,856</u>	<u>6,556</u>
Net change in current assets	(13,417)	2,795
Net change in current liabilities	6,329	1,954
Cash generated from operations	<u>6,768</u>	<u>11,305</u>
Tax paid	(988)	(2,287)
Net cash generated from operating activities	<u>5,780</u>	<u>9,018</u>
Cash flows from investing activities		
Interest received	272	171
Proceeds from disposal of property, plant and equipment	3	10
Purchase of property, plant and equipment	(179)	(3,813)
Net cash used in investing activities	<u>96</u>	<u>(3,632)</u>
Cash flows from financing activities		
Interest paid	(454)	(571)
Proceeds from issuance of ordinary shares-ESOS, net of expenses	-	15
Drawdown of term loans / revolving credit	-	9,067
Repayment of term loans / hire purchase creditors	(2,042)	(5,682)
Payment of lease liabilities	(936)	(895)
Net cash (used in) / from financing activities	<u>(3,432)</u>	<u>1,934</u>
Net increase in cash and cash equivalents	2,444	7,320
Effect on foreign exchange rate changes	279	695
Cash and cash equivalents at 1 January	120,401	86,889
Cash and cash equivalents at 31 March	<u>123,124</u>	<u>94,904</u>
	31/03/2022	31/03/2021
	RM '000	RM '000
Composition of cash and cash equivalents		
Cash and bank balances	62,680	48,074
Fixed deposits with licensed banks	60,444	46,830
	<u>123,124</u>	<u>94,904</u>



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NOTES TO THE INTERIM FINANCIAL REPORT - 31 MARCH 2022

A1 Basis of Preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134 and IAS 34 "Interim Financial Reporting" and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2021. The explanatory notes attached to the condensed report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2021.

A2 Changes in Accounting Policies

The accounting policies and method of computation adopted for the condensed interim financial statements are consistent with those adopted for the annual audited financial statements for the year ended 31 December 2021

Standards, Amendments and Annual Improvements to Standards that are applicable and effective to the Group beginning on 1 January 2022 are as follows:

- Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to MFRS 3, Business Combinations – Reference to the Conceptual Framework
- Amendments to MFRS 9, Financial Instruments (Annual Improvements to MFRS Standards 2018–2020)
- Amendments to Illustrative Examples accompanying MFRS 16, Leases (Annual Improvements to MFRS Standards 2018–2020)
- Amendments to MFRS 116, Property, Plant and Equipment – Proceeds before Intended Use
- Amendments to MFRS 137, Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract
- Amendments to MFRS 141, Agriculture (Annual Improvements to MFRS Standards 2018–2020)*

Standards, Amendments and Annual Improvements to Standards that are applicable and effective to the Group beginning on 1 January 2023 are as follows:

- MFRS 17, Insurance Contracts
- Amendments to MFRS 101, Presentation of Financial Statements – Classification of Liabilities as Current or Non-current
- Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates
- Amendments to MFRS 112, Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Standards, Amendments and Annual Improvements to Standards that are applicable and effective to the Group beginning on or after a date yet to be confirmed are as follows:

- Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Group plans to apply the abovementioned accounting standards, interpretations and amendments:

- from the annual period beginning on 1 January 2021 for those amendments that are effective for annual periods beginning on or after 1 January 2021.
- from the annual period beginning on 1 January 2022 for those amendments that are effective for annual periods beginning on or after 1 April 2021.
- from the annual period beginning on 1 January 2022 for those amendments that are effective for annual periods beginning on or after 1 January 2022, except for amendments marked as ["**"] which are not applicable to the Group.
- from the annual period beginning on 1 January 2023 for the accounting standard and amendments that are effective for annual periods beginning on or after 1 January 2023, except for MFRS 17 which is not applicable to the Group.

The initial application of the amendments to standards does not have any material financial impact to the current period and prior period financial statements of the Group.

A3 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited financial statements for the year ended 31 December 2021 was not qualified.

A4 Seasonal or Cyclical Factors

The Group's operations are not materially affected by any seasonal or cyclical factors.

A5 Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter ended 31 March 2022.

A6 Material Changes in Estimates

There were no changes in estimates that have any material effect on the quarter ended 31 March 2022.

A7 Debt and Equity Securities

During the quarter ended 31 March 2022, the Company has no new issued ordinary shares pursuant to the exercise of Company's ESOS.

A8 Dividends Paid

No dividend was paid during the quarter ended 31 March 2022.

A9 Segment Information

The Group is organised based on three major business segments as described below. The basis of segmentation was based on information reported internally to the Managing Director of the Group.

Performance is measured based on segment profit before tax and the total of segment assets are measured based on all assets (including goodwill) of a segment that are reviewed by the Group. Segment total asset is used to measure the return of assets of each segment.

There are no changes in the segment reported in the last audited financial statements.

Year-to-date ended 31 March 2022	Investment holding RM'000	Trading RM'000	Manufacturing RM'000	Inter-company Elimination RM'000	Total RM'000
Revenue from external customer	-	12,538	68,998	-	81,536
Inter-segment revenue	-	230	7,887	(8,117)	-
Total revenue	-	12,768	76,885	(8,117)	81,536
Segment profit before tax	537	2,014	9,903	(2,698)	9,756
Segment assets	201,429	62,052	410,402	(215,042)	458,841
Segment liabilities	7,629	34,406	201,827	(143,423)	100,439

Year-to-date ended 31 March 2021	Investment holding RM'000	Trading RM'000	Manufacturing RM'000	Inter-company Elimination RM'000	Total RM'000
Revenue from external customer	-	10,137	61,064	-	71,201
Inter-segment revenue	-	234	9,974	(10,208)	-
Total revenue	-	10,371	71,038	(10,208)	71,201
Segment profit / (loss) before tax	998	1,003	5,642	(3,280)	4,363
Segment assets	208,917	65,241	413,159	(230,779)	456,538
Segment liabilities	10,416	36,979	210,235	(151,614)	106,016

Geographical segments	Total revenue	
	31/03/2022 RM'000	31/03/2021 RM'000
Malaysia	61,446	53,318
Singapore	7,527	6,101
Vietnam	3,951	4,548
Philippines	745	461
Cambodia	2,012	1,113
Myanmar	162	-
Brunei	1,307	550
Indonesia	1,315	1,302
Thailand	-	883
Africa	1,778	1,549
Other countries	1,293	1,376
	<u>81,536</u>	<u>71,201</u>

Investment holding 1Q22 vs 1Q21

Investment holding segment reported a lower profit before tax at RM0.5 million in 1Q22 compared to RM1.0 million in 1Q21 mainly attributed to the weakening of Ringgit against US Dollar during the quarter under review.

Trading 1Q22 vs 1Q21

Trading segment reported a higher profit before tax of RM2.0 million in 1Q22 compared to a profit before tax of RM1.0 million in 1Q21 due to improve sales at the Over-the-counter products during the quarter under review.

Manufacturing 1Q22 vs 1Q21

Manufacturing segment recorded revenue of RM76.9 million in 1Q22, 8.2% higher than the revenue of RM71.0 million recorded in 1Q21. The profit before tax for 1Q22 posted higher at RM9.9 million compared to RM5.6 million in 1Q21. This was mainly due to increase in sales revenue from local market during the period under review.

A10 Valuations of Property, Plant and Equipment

Property, plant and equipment of the Group are stated at cost less accumulated depreciation and any accumulated impairment losses where applicable.

There is no revaluation of property, plant and equipment during the period under review.

A11 Subsequent Events

There were no changes in the composition of the Group for the period under review.

A12 Changes in the Composition of the Group

There were no changes in the composition of the Group for the period under review, except for the following:

The Group received notification from the China (Shanghai) Pilot Free Trade Zone that the Company's 40%-owned associate, Globecare Trading (Shanghai) Co., Ltd. ("GTC"), which has ceased its business operation in year 2020 had been dissolved.

The dissolution of GTC has no material effect on the earnings per share and net assets per share of the Group for the financial year ended 31 December 2022.

A13 Contingent Liabilities

There were no significant changes in contingent liabilities since 31 December 2021.

A14 Capital Commitment

Capital commitment expenditure not provided for in the condensed report as at the end of the financial period were as follows:

	Contracted but not provided for RM'000
Plant & machinery and other assets	<u>1,732</u>

A15 Related Party Transactions

Significant related party transactions are as follows:

	Quarter ended	
	31/03/2022 RM'000	31/03/2021 RM'000
<u>Corporation related to substantial shareholder</u>		
Purchase of pharmaceutical products	426	1,000
Consultancy fees payable	<u>15</u>	<u>8</u>
<u>Companies in which certain Directors have interest</u>		
Purchase of raw materials	2,204	2,665
Sales of pharmaceutical products	<u>(235)</u>	<u>(156)</u>

A16 Financial Instruments

The carrying amounts of cash and cash equivalents, short term receivables and payables and short-term borrowings approximate their fair values due to the relatively short term nature of these financial instruments.

The fair values of other financial assets and liabilities not carried at fair value, together with the carrying amounts shown in the statements of financial position, are as follows:

	As at 31/03/2022		As at 31/12/2021	
	Carrying amount	Fair value	Carrying amount	Fair value
	RM'000	RM'000	RM'000	RM'000
Long term loans and borrowings	18,186	17,432	19,032	18,272
Long term hire purchase creditors	<u>3,126</u>	<u>3,003</u>	<u>3,688</u>	<u>3,475</u>

**PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD**

B1 Review of Performance

	Quarter ended		Variance	
	31/03/2022 RM'000	31/03/2021 RM'000	RM'000	%
Revenue	81,536	71,201	10,335	14.5
Operating profit	9,944	4,761	5,183	108.9
Profit before interest and tax	9,938	4,763	5,175	108.7
Profit before tax	9,756	4,363	5,393	123.6
Profit after tax	6,622	2,771	3,851	139.0
Profit attributable to owners of the Company	6,514	2,792	3,722	133.3

The Group's revenue grew 14.5% to RM81.5 million from RM71.2 million when compared to the same period last year due to increase in demand from local market.

For the quarter ended 31 March 2022, the Group recorded a higher profit before tax of RM9.8 million compared to RM4.4 million in the same period last year which was attributed to improve productivity and increase in demand from local market.

B2 Comparison with the Preceding Quarter's Results

	Qtr 1 (31/03/2022) RM'000	Qtr 4 (31/12/2021) RM'000	Variance	
			RM'000	%
Revenue	81,536	73,885	7,651	10.4
Operating profit	9,944	6,390	3,554	55.6
Profit before interest and tax	9,938	6,374	3,564	55.9
Profit before tax	9,756	6,139	3,617	58.9
Profit after tax	6,622	3,528	3,094	87.7
Profit attributable to owners of the Company	6,514	3,670	2,844	77.5

The Group's revenue grew 10.4% to RM81.5 million for the current quarter as compared to RM73.9 million for the immediate preceding quarter ("4Q21") which was mainly attributed to increase in demand from local market.

The Group's profit before tax reported higher at RM9.8 million as compared to RM6.1 million for the immediate preceding quarter due to lower selling and advertising expenses and increase in demand from local market during the quarter under review .

B3 Prospects of the Group

Driven by the progressive rollout of vaccinations and lifting of movement restrictions, the Group's revenue grew 14.5% in first-quarter 2022 despite the challenges arising from the Covid-19 pandemic.

For the quarter ended 31 March 2022, the Group's reported a 14.5% increase in revenue to RM81.5 million from RM71.2 million in the same period last year. The Group's profit before tax jumped 123.6% to RM9.8 million from RM4.4 million in the same period last year mainly attributed to improve productivity and increase in demand from local market.

The Group is optimistic of a more promising year ahead in view of the reopening of the economic sectors, and will continue its efforts to improve operational efficiency and increase product offerings to be in line with changing market trends.

B4 Profit Forecast or Profit Guarantee

There were no profit forecast or profit guarantee issued by the Group.

B5 Taxation

Details of taxation are as follows :-

	Quarter ended	
	31/03/2022 RM'000	31/03/2021 RM'000
Current tax	2,780	1,531
Deferred tax	354	61
	<u>3,134</u>	<u>1,592</u>

Income tax is calculated at the Malaysian statutory tax rate of 24%. (2021: 24%)

The Group's effective tax rate for the current quarter was higher than the statutory tax rate principally due to certain expenses which were not deductible for tax purposes.

B6 Corporate Proposals

There were no corporate proposals announced by the Company as at the reporting date.

B7 Borrowings and Debt Securities

The details of the Group borrowings as at 31 March 2022 are as follows :

31 March 2022	Denominated in Foreign Currency		RM Equivalent
	USD'000	SGD'000	RM'000
Current			
Secured revolving credit	-	-	14,300
<u>Secured bank loans:</u>			
- Domestic	-	-	3,044
- Foreign	2	27	92
<u>Hire purchase creditor:</u>			
- Domestic	-	-	3,024
- Foreign	-	6	17
	<u>2</u>	<u>33</u>	<u>20,477</u>
Non-current			
<u>Secured bank loans:</u>			
- Domestic	-	-	13,804
- Foreign	1,000	56	4,381
<u>Hire purchase creditor:</u>			
- Domestic	-	-	3,126
- Foreign	-	-	-
	<u>1,000</u>	<u>56</u>	<u>21,311</u>
Total borrowings	<u>1,002</u>	<u>89</u>	<u>41,788</u>

31 December 2021

	Denominated in Foreign Currency		RM Equivalent
	USD'000	SGD'000	RM'000
Current			
Secured revolving credit	-	-	14,300
<u>Secured bank loans:</u>			
- Domestic	-	-	3,029
- Foreign	2	-	7
<u>Hire purchase creditor:</u>			
- Domestic	-	-	3,582
- Foreign	-	37	113
	<u>2</u>	<u>37</u>	<u>21,031</u>
Non-current			
<u>Secured bank loans:</u>			
- Domestic	-	-	14,574
- Foreign	1,000	56	4,345
<u>Hire purchase creditor:</u>			
- Domestic	-	-	3,688
- Foreign	-	-	-
	<u>1,000</u>	<u>56</u>	<u>22,607</u>
Total borrowings	<u>1,002</u>	<u>93</u>	<u>43,638</u>

As at the reporting date, the Group had not issued any debt securities.

B8 Material Litigation

There was no material litigation against the Group as at the reporting date.

B9 Proposed Dividend

No dividend was proposed during the quarter under review.

B10 Earnings Per Share

	Quarter ended	
	31/03/2022	31/03/2021
i) Basic Earnings Per Share		
Profit attributable to owners of the Company (RM'000)	6,514	2,792
Weighted average number of ordinary shares in issue ('000)	<u>140,900</u>	<u>139,589</u>
Basic Earnings Per Share (sen)	<u>4.62</u>	<u>2.00</u>
ii) Diluted Earnings Per Share		
Profit attributable to owners of the Company (RM'000)	6,514	2,792
Weighted average number of ordinary shares in issue ('000)	140,900	139,589
Effect of dilution-Share options ('000)	<u>79</u>	<u>243</u>
Adjusted weighted average number of ordinary shares in issue ('000)	<u>140,979</u>	<u>139,832</u>
Diluted Earnings Per Share (sen)	<u>4.62</u>	<u>2.00</u>

The basic and diluted earnings per share are calculated by dividing profit for the period attributable to owners of the Company over the weighted average number of ordinary shares in issue.