

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 JULY 2014

(The figures have not been audited)

	As At End Of Current Quarter 31.7.14 RM'000	As At Preceding Financial Year End 31.7.13 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	22,386	23,455
Investment property	122	126
Intangible assets	475	2,041
	<u>22,983</u>	<u>25,622</u>
Current assets		
Inventories	38,987	44,175
Receivables	10,038	14,417
Other receivables and deposits	2,937	3,746
Tax recoverable	454	303
Cash and bank balances	2,472	4,453
	<u>54,888</u>	<u>67,094</u>
TOTAL ASSETS	<u>77,871</u>	<u>92,716</u>
EQUITY & LIABILITIES		
Equity attributable to owners of the parent		
Share capital	62,500	62,500
Share premium	21	21
Treasury shares	(112)	(112)
Translation reserves	(99)	(109)
Retained profits	(19,029)	(9,892)
	<u>43,281</u>	<u>52,408</u>
Non-controlling interests	(4,677)	(3,443)
Total equity	<u>38,604</u>	<u>48,965</u>
Non-current liabilities		
Deferred taxation	3,615	3,676
Borrowings	-	83
	<u>3,615</u>	<u>3,759</u>
Current liabilities		
Payables	18,771	21,776
Other payables and accruals	2,932	3,087
Borrowings	13,902	14,851
Provision for taxation	47	278
	<u>35,652</u>	<u>39,992</u>
Total liabilities	<u>39,267</u>	<u>43,751</u>
TOTAL EQUITY & LIABILITIES	<u>77,871</u>	<u>92,716</u>

Note :

The unaudited Condensed Consolidated Statement of Financial Position should be read in the Group's audited financial statements for the year ended 31 July 2013.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 JULY 2014**
(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	Current	Preceding	Current	Preceding
	Year	Year	Year	Year
	Quarter	Corresponding	To Date	Corresponding
	31.7.14	Quarter	31.7.14	Quarter
	RM'000	RM'000	RM'000	RM'000
Revenue	13,194	15,422	36,998	45,504
Operating expenses	(18,425)	(15,187)	(46,680)	(44,563)
Exceptional items	(1,551)	(266)	(1,551)	(266)
Other operating income	890	784	1,829	1,731
Profit/ (Loss) from operations	(5,892)	753	(9,404)	2,406
Finance cost	(314)	(297)	(846)	(886)
Profit/ (loss) before tax	(6,206)	456	(10,250)	1,520
Taxation	(82)	(590)	(134)	(632)
Net (loss)/ profit for the period	(6,288)	(134)	(10,384)	888
Other comprehensive income/(loss), net of tax				
Foreign currency translation differences for foreign operations	-	(19)	-	(19)
Total comprehensive income/(loss) for the period	(6,288)	(153)	(10,384)	869
Profit(loss) attributable to:				
Equity holders of the parent	(5,473)	130	(9,137)	1,076
Minority interest	(815)	(264)	(1,247)	(188)
Net (loss)/ profit for the period	(6,288)	(134)	(10,384)	888
Total comprehensive income/(loss) attributable to:				
Equity holders of the parent	(5,473)	116	(9,137)	1,062
Minority interests	(815)	(269)	(1,247)	(193)
Total comprehensive (loss)/income for the period	(6,288)	(153)	(10,384)	869
Basic earnings per share attributable to owners of the parent (sen)	(4.39)	0.09	(7.33)	0.86

Note :

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with audited financial statements for the year ended 31 July 2013.

YEN GLOBAL BERHAD (Company No. 570396-D)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 JULY 2014
(The figures have not been audited)**

	<-----Attributable to Equity Holders of the Parent----->						Non- controlling Interests	Total Equity
	<-----Non-distributable----->		Distributable		Retained Profits	Total		
	Share Capital	Share Premium	Treasury Shares	Translation Reserve			Profits	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Fourth quarter ended <u>31.7.14</u>								
Balance at 1.8.2013	62,500	21	(112)	(109)	(9,892)	52,408	(3,443)	48,965
Foreign currency translation	-	-	-	10	-	10	13	23
Total comprehensive loss for the period	-	-	-	-	(9,137)	(9,137)	(1,247)	(10,384)
Shares acquired	-	-	-	-	-	-	-	-
Balance at 31.7.2014	<u>62,500</u>	<u>21</u>	<u>(112)</u>	<u>(99)</u>	<u>(19,029)</u>	<u>43,281</u>	<u>(4,677)</u>	<u>38,604</u>
Fourth quarter ended <u>31.7.13</u>								
Balance at 1.8.2012	62,500	21	(110)	(96)	(10,968)	51,347	(3,250)	48,097
Total comprehensive loss for the period	-	-	-	(13)	1,076	1,063	(193)	870
Shares acquired	-	-	(2)	-	-	(2)	-	(2)
Balance at 31.7.2013	<u>62,500</u>	<u>21</u>	<u>(112)</u>	<u>(109)</u>	<u>(9,892)</u>	<u>52,408</u>	<u>(3,443)</u>	<u>48,965</u>

Note :

The unaudited Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the financial statements for the year ended 31 July 2013. The accompanying notes are an integral part of this statement.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 JULY 2014**
(The figures have not been audited)

	Cumulative Current Year Quarter 31.7.14 RM'000	Cumulative Preceding Year Quarter 31.7.13 RM'000
Cash flows from operating activities		
Profit(loss) before taxation	(10,250)	1,520
Adjustments for :		
- Non-cash items	8,228	2,331
- Non-operating items	824	591
Operating profit(loss) before working capital changes	<u>(1,198)</u>	<u>4,442</u>
Inventories	584	669
Receivables	5,188	670
Payables	<u>(3,160)</u>	<u>(2,394)</u>
Cash used in operations	1,414	3,387
Interest paid	(846)	(886)
Income tax refund	<u>(577)</u>	<u>579</u>
Net cash used in operating activities	(9)	3,080
Cash flows from investing activities		
Interest received	22	34
Purchase of property, plant and equipment	(985)	(565)
Net cash used in investing activities	(963)	(531)
Cash flows from financing activities		
(Payment)/ Drawdown of bankers acceptance	324	59
(Payment)/ Drawdown of factoring liabilities	(168)	130
Repayment of bank borrowings	(83)	(297)
Purchase of treasury shares	-	(2)
Net cash from financing activities	73	(110)
Effects of changes in exchange rates	(60)	(2)
Net increase in cash and cash equivalents	<u>(959)</u>	<u>2,437</u>
Cash and cash equivalents at beginning	<u>(923)</u>	<u>(3,360)</u>
Cash and cash equivalents at end	<u><u>(1,882)</u></u>	<u><u>(923)</u></u>
Represented by:		
Cash and bank balances	2,472	4,453
Bank overdrafts	(4,354)	(5,376)
	<u><u>(1,882)</u></u>	<u><u>(923)</u></u>

Note :

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 July 2013 and the accompanying explanatory notes to the interim financial statements.

SELECTED EXPLANATORY NOTES

31 JULY 2014

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS"), MFRS 134: Interim Financial Reporting and paragraph 9.22 and Part A of Appendix 9B of the Listing Requirements 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 July 2013. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of Yen Global Berhad. ("Yen" or "Company") and its subsidiary companies (hereinafter referred to as the "Group") since the financial year ended 31 July 2013.

The same accounting policies and methods of computation are followed in the interim financial statements as compared with the financial statements for the financial year ended 31 July, 2013.

2 Audit Report

The auditors' report on the financial statements for the year ended 31 July 2013 was not qualified.

3 Seasonality or Cyclicity

As the Group is basically involved in the distribution of fashion apparels, major festivals and carnival sales have an impact on revenue and earnings.

4 Exceptional items

There were no exceptional items for the period under review.

5 Estimates

There were no changes to the estimates that have been used in the preparation of the current financial statements.

6 Issuance or repayment of debt/equity securities

There were no issuance or repayment of debt or equity securities for the current financial year to date.

7 Dividends

No dividend has been proposed for the current financial period to date.

8 Segmental Reporting

Business segments

The Group is principally engaged in the manufacturing, marketing, distribution and retailing of jeanswear, other fashion apparels and accessories. Business segmental information has therefore not been prepared as the Group's revenue, operating profit, assets employed, liabilities, capital expenditure, depreciation and non-cash expenses are mainly confined to one business segment.

Geographical Segments

The business of the Group is managed principally in Malaysia and its products are distributed mainly in Malaysia and Europe

SELECTED EXPLANATORY NOTES
31 JULY 2014

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers whereas segment assets are based on the geographical location of assets.

	Current Quarter 31.7.14			
	Revenue RM'000	Profit/(Loss) Before Tax RM'000	Total assets RM'000	Capital expenditure RM'000
Malaysia	12,550	(3,912)	75,383	248
Europe	644	(2,294)	2,488	-
	<u>13,194</u>	<u>(6,206)</u>	<u>77,871</u>	<u>248</u>

	Current Year To Date 31.7.14			
	Revenue RM'000	Profit/(Loss) Before Tax RM'000	Total assets RM'000	Capital expenditure RM'000
Malaysia	34,592	(7,004)	75,383	985
Europe	2,406	(3,246)	2,488	-
	<u>36,998</u>	<u>(10,250)</u>	<u>77,871</u>	<u>985</u>

9 Valuation of Property, Plant and Equipment

There were no changes in the valuation of property, plant and equipment since the last audited financial statements for the year ended 31 July 2013.

10 Subsequent Events

In the opinion of the directors, there were no material events that have arisen between the end of the reporting quarter and the date of this announcement.

11 Change In The Composition of The Group

There were no change in the composition of the Group for the financial year to date.

12 Contingent Liabilities and Contingent Assets

There were no contingent liabilities and contingent assets of a material nature as at the date of this report.

13 Capital Commitments

There are no outstanding capital commitments at the end of the current quarter.

14 Review Of Performance

Turnover for this quarter of RM13.2 million is 14% lower than the RM15.4 million recorded in the corresponding quarter last year. The Group incurred a loss before taxation of RM6.2 million as opposed to a profit before taxation of RM0.4 million achieved in the previous corresponding quarter. The loss was mainly due to lower turnover achieved, operating loss incurred by the UK subsidiary of RM0.7 million, one-time impairment of goodwill of RM1.6 million, inventories written off of RM4.6 million and provision for doubtful debts of RM0.3 million.

SELECTED EXPLANATORY NOTES
31 JULY 2014

15 Material change in profit before taxation as compared to preceding quarter

The turnover of RM13.2 million achieved this quarter is nearly double of the RM7 million achieved in the immediate preceding quarter as this quarter coincides with the Hari Raya festive season. However, due to losses incurred by our UK subsidiary along with the one-off impairment, inventory write-offs and provisions made this quarter, the Company suffered a loss of RM6.2 million as opposed to RM1.7 million in the previous quarter.

16 Current Year Prospects

The Board takes cognizance of the fact that results for the reported year was unsatisfactory and in view of depressed consumer demand, the management deems it prudent to make one-time impairments to goodwill and inventories where necessary. The Group is consolidating its position to face the challenges ahead and to be able to take advantage of potential upturn in the economic situation. The Group plans to reduce its exposure to loss making entities within the Group this year so as to divert financial resources to expand its retail network as well as grow other profitable ventures. As such, the Group expects a turnaround in its results for this financial year.

17 Taxation

	Current Year Quarter 31.7.14 RM'000	Current Year To Date 31.7.14 RM'000
Taxation comprise the following :		
Based on profit for the period :		
- Current tax	82	134
- Deferred taxation	-	-
	82	134

Reconciliation of statutory tax rate to effective tax rate :

	Current Year Quarter 31.7.14 %	Current Year To Date 31.7.14 %
Statutory tax rate	25	25
Tax impact of losses in subsidiary companies	(26)	(26)
	(1)	(1)

18 Treasury Shares

There were no repurchase of treasury shares during the year. Total treasury shares held as at year to date is 300,000.

19 Corporate Proposals

There were no corporate proposals for the current quarter.

SELECTED EXPLANATORY NOTES
31 JULY 2014

20 Group Borrowings and Debt Securities

Group borrowings	Secured RM'000	Unsecured RM'000	Total RM'000
<u>Short term</u>			
Bank Overdraft	4,354	-	4,354
Bankers acceptance	9,465	-	9,465
Finance Lease liabilities	83	-	83
Factoring liabilities	-	-	-
Total	<u>13,902</u>	<u>-</u>	<u>13,902</u>

21 Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk as at the date of this report.

22 Material Litigation

The Group does not have any material litigation as at the date of this report.

23 Realised and Unrealised Profit/ (Loss)

Total retained profits of the Group are as follows:

	31.7.14 RM'000
- Realised	1,871
- Unrealised	(467)
	<u>1,404</u>
Add : Consolidation adjustments	(20,433)
	<u><u>(19,029)</u></u>

24 Profit /(Loss) Before Taxation

This is arrived at:

	Current Year Quarter 31.7.14 RM'000	Current Year To Date 31.7.14 RM'000
After Charging :		
Depreciation and amortization	654	2,058
Impairment of intangible assets	1,551	1,551
Interest expense	314	846
Provision for doubtful debts	275	275
Inventories written off	4,480	4,604
And Crediting :		
Royalty income	310	1,098
Rental income	23	153
Interest income	<u>1</u>	<u>22</u>

SELECTED EXPLANATORY NOTES
31 JULY 2014**25 Basis of calculation of loss per share**

The basic loss per share for the quarter and cumulative year to date are computed as follow:

	Individual Current Year Quarter 31.7.14	Cumulative Current Year To Date 31.7.14
Net Loss for the period (RM'000)	<u>(5,473)</u>	<u>(9,137)</u>
Weighted average number of ordinary shares in issue ('000)	<u>124,700</u>	<u>124,700</u>
Basic Loss Per Share (sen)	<u>(4.39)</u>	<u>(7.33)</u>

There is no diluted earnings per share as the Company does not have any convertible financial instruments as at the end of the reported quarter and year.