

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 OCTOBER 2014

(The figures have not been audited)

	As At End Of Current Quarter 31.10.14 RM'000	As At Preceding Financial Year End 31.7.14 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	22,207	22,454
Investment property	122	122
Intangible assets	475	475
	<u>22,804</u>	<u>23,051</u>
Current assets		
Inventories	36,274	38,986
Receivables	6,695	10,010
Other receivables and deposits	3,094	2,970
Tax recoverable	937	541
Cash and bank balances	1,795	2,472
	<u>48,795</u>	<u>54,979</u>
TOTAL ASSETS	<u>71,599</u>	<u>78,030</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	44	52
Retained profits	(19,333)	(18,851)
	<u>43,120</u>	<u>43,610</u>
Non-controlling interests	(4,742)	(4,678)
Total equity	<u>38,378</u>	<u>38,932</u>
Non-current liabilities		
Deferred taxation	3,441	3,441
Borrowings	-	-
	<u>3,441</u>	<u>3,441</u>
Current liabilities		
Payables	16,793	18,917
Other payables and accruals	2,974	2,791
Borrowings	10,013	13,949
Provision for taxation	-	-
	<u>29,780</u>	<u>35,657</u>
Total liabilities	<u>33,221</u>	<u>39,098</u>
TOTAL EQUITY & LIABILITIES	<u>71,599</u>	<u>78,030</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 2014.

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

	Individual Quarter		Cumulative Quarter	
	Current	Preceding	Current	Preceding
	Year	Year	Year	Year
	Quarter	Corresponding	To Date	Corresponding
	31.10.14	Quarter	31.10.14	Quarter
	RM'000	31.10.13	RM'000	31.10.13
		RM'000		RM'000
Revenue	7,853	9,865	7,853	9,865
Operating expenses	(8,552)	(10,347)	(8,552)	(10,347)
Exceptional items	-	-	-	-
Other operating income	282	268	282	268
Loss from operations	(417)	(214)	(417)	(214)
Finance cost	(119)	(223)	(119)	(223)
Loss before tax	(536)	(437)	(536)	(437)
Taxation	(17)	-	(17)	-
Net loss for the period	(553)	(437)	(553)	(437)
Other comprehensive income/(loss), net of tax				
Foreign currency translation differences for foreign operations	-	-	-	-
Total comprehensive loss for the period	(553)	(437)	(553)	(437)
Loss attributable to:				
Equity holders of the parent	(482)	(404)	(482)	(404)
Minority interest	(71)	(33)	(71)	(33)
Net loss for the period	(553)	(437)	(553)	(437)
Total comprehensive loss attributable to:				
Equity holders of the parent	(482)	(404)	(482)	(404)
Minority interests	(71)	(33)	(71)	(33)
Total comprehensive loss for the period	(553)	(437)	(553)	(437)
Basic earnings per share attributable to owners of the parent (sen)	(0.39)	(0.32)	(0.39)	(0.32)

Note :

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with audited financial statements for the year ended 31 July 2014.

YEN GLOBAL BERHAD (Company No. 570396-D)

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

	<-----Attributable to Equity Holders of the Parent----->						Non- controlling Interests	Total Equity
	<----Non-distributable---->				Distributable			
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Translation Reserve RM'000	Retained Profits RM'000	Total RM'000		
First quarter ended <u>31.10.14</u>								
Balance at 1.8.2014	62,500	21	(112)	52	(18,851)	43,610	(4,678)	38,932
Foreign currency translation	-	-	-	(8)	-	(8)	7	(1)
Total comprehensive loss for the period	-	-	-	-	(482)	(482)	(71)	(553)
Shares acquired	-	-	-	-	-	-	-	-
Balance at 31.10.2014	<u>62,500</u>	<u>21</u>	<u>(112)</u>	<u>44</u>	<u>(19,333)</u>	<u>43,120</u>	<u>(4,742)</u>	<u>38,378</u>

First quarter ended <u>31.10.13</u>								
Balance at 1.8.2013	62,500	21	(112)	(109)	(9,891)	52,409	(3,443)	48,966
Foreign currency translation	-	-	-	4	-	4	(6)	(2)
Total comprehensive loss for the period	-	-	-	-	(404)	(404)	(33)	(437)
Balance at 31.10.2013	<u>62,500</u>	<u>21</u>	<u>(112)</u>	<u>(105)</u>	<u>(10,295)</u>	<u>52,009</u>	<u>(3,482)</u>	<u>48,527</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 2014. The accompanying notes are an integral part of this statement.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 31 OCTOBER 2014**

(The figures have not been audited)

	Cumulative Current Year Quarter 31.10.14 RM'000	Cumulative Preceding Year Quarter 31.10.13 RM'000
Cash flows from operating activities		
Loss before taxation	(536)	(437)
Adjustments for :		
- Non-cash items	278	488
- Non-operating items	118	215
Operating profit/(loss) before working capital changes	<u>(140)</u>	<u>266</u>
Inventories	2,712	1,962
Receivables	3,191	3,135
Payables	<u>(1,941)</u>	<u>(3,362)</u>
Cash from operations	3,822	2,001
Interest paid	(119)	(223)
Income tax (paid)/ refund	<u>(413)</u>	<u>141</u>
Net cash from operating activities	3,290	1,919
Cash flows from investing activities		
Interest received	1	8
Purchase of property, plant and equipment	(31)	(344)
Net cash used in investing activities	(30)	(336)
Cash flows from financing activities		
Payment of bankers acceptance	(2,571)	(740)
(Payment)/ Drawdown of factoring liabilities	(47)	95
Repayment of bank borrowings	(27)	(77)
Net cash used in financing activities	(2,645)	(722)
Effects of changes in exchange rates	(1)	(1)
Net increase in cash and cash equivalents	<u>614</u>	<u>860</u>
Cash and cash equivalents at beginning	<u>(1,882)</u>	<u>(922)</u>
Cash and cash equivalents at end	<u><u>(1,268)</u></u>	<u><u>(62)</u></u>
Represented by:		
Cash and bank balances	1,795	5,084
Bank overdrafts	(3,063)	(5,146)
	<u><u>(1,268)</u></u>	<u><u>(62)</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 2014 and the accompanying explanatory notes to the interim financial statements.

SELECTED EXPLANATORY NOTES

31 OCTOBER 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 2014. 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 2014.

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, 2014.

2 Audit Report

The auditors' report on the financial statements for the year ended 31 July 2014 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 OCTOBER 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 31.10.14			
	Revenue RM'000	Profit/(Loss) Before Tax RM'000	Total assets RM'000	Capital expenditure RM'000
Malaysia	7,667	(376)	69,277	31
Europe	186	(160)	2,322	-
	<u>7,853</u>	<u>(536)</u>	<u>71,599</u>	<u>31</u>

	Current Year To Date 31.10.14			
	Revenue RM'000	Profit/(Loss) Before Tax RM'000	Total assets RM'000	Capital expenditure RM'000
Malaysia	7,667	(376)	69,277	31
Europe	186	(160)	2,322	-
	<u>7,853</u>	<u>(536)</u>	<u>71,599</u>	<u>31</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 2014.

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 RM7.9 million is 20% lower than the RM9.9 million recorded in the corresponding quarter last year. Trading conditions continued to be depressed as consumers are cautious in their purchases in anticipation of higher cost of living which will reduce their purchasing power. Despite lower sales, this quarter only recorded a slightly higher loss before taxation of RM536,000 as compared to the loss of RM437,000 in the previous corresponding quarter.

SELECTED EXPLANATORY NOTES
31 OCTOBER 2014

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

The turnover of RM7.9 million achieved this quarter is 40% less than the RM13.2 million achieved in the immediate preceding quarter as the immediate preceding quarter coincides with the Hari Raya festive season. However, as there were no exceptional expenses in this quarter, the loss before taxation was only marginal, at RM536,000 as compared to the RM6.2 million loss in the previous quarter.

16 Current Year Prospects

The management has deemed it prudent to make one-time impairments of goodwill and inventories during the previous financial year which had adversely affected the financial results. However, this has placed the Group on a firmer footing and stronger base. This enables the Group to consolidate its position to face the challenges ahead and to be able to take advantage of potential upturn in the economy in the years ahead. The Board intends to cut off its exposure to loss making entities in the Group that has dim prospects of a turnaround in the near future. We will also seek out new and profitable locations in order to grow our retail business in order to uplift our results in future years. In view of these proactive steps taken, the Group expects a turnaround in its results for this financial year.

17 Taxation

	Current Year Quarter 31.10.14 RM'000	Current Year To Date 31.10.14 RM'000
Taxation comprise the following :		
Based on profit for the period :		
- Current tax	17	17
- Deferred taxation	-	-
	17	17

Reconciliation of statutory tax rate to effective tax rate :

	Current Year Quarter 31.10.14 %	Current Year To Date 31.10.14 %
Statutory tax rate	25	25
Tax impact of losses in subsidiary companies	(28)	(28)
	(3)	(3)

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.

20 Group Borrowings and Debt Securities

	Secured RM'000	Unsecured RM'000	Total RM'000
<u>Short term</u>			
Bank Overdraft	3,063	-	3,063
Bankers acceptance	6,894	-	6,894
Finance Lease liabilities	56	-	56
Factoring liabilities	-	-	-
Total	10,013	-	10,013

SELECTED EXPLANATORY NOTES
31 OCTOBER 2014

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 Loss

Total retained lossess of the Group are as follows:

	31.10.14
	RM'000
- Realised	(24,190)
- Unrealised	<u>(312)</u>
	(24,502)
Add : Consolidation adjustments	<u>5,169</u>
	<u><u>(19,333)</u></u>

24 Profit /(Loss) Before Taxation

This is arrived at:

	Current Year Quarter 31.10.14 RM'000	Current Year To Date 31.10.14 RM'000
After Charging :		
Depreciation and amortization	278	278
Interest expense	119	119
And Crediting :		
Royalty income	224	224
Rental income	46	46
Gain on disposal of property, plany and equipment	11	11
Interest income	<u>1</u>	<u>1</u>

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 31.10.14	Cumulative Current Year To Date 31.10.14
Net Loss for the period (RM'000)	<u>(482)</u>	<u>(482)</u>
Weighted average number of ordinary shares in issue ('000)	<u>124,700</u>	<u>124,700</u>
Basic Loss Per Share (sen)	<u>(0.39)</u>	<u>(0.39)</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.