

YEN GLOBAL BERHAD (Company No. 570396-D)**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION****AS AT 31 OCTOBER 2015****(The figures have not been audited)**

	As At End Of Current Quarter 31.10.15 RM'000	As At Preceding Financial Year End 31.7.15 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	21,301	21,674
Investment property	118	119
Intangible assets	475	475
	<u>21,894</u>	<u>22,268</u>
Current assets		
Inventories	27,355	29,668
Receivables	6,542	9,900
Other receivables and deposits	919	1,138
Tax recoverable	323	321
Cash and bank balances	1,489	2,210
	<u>36,628</u>	<u>43,237</u>
TOTAL ASSETS	<u>58,522</u>	<u>65,505</u>
EQUITY & LIABILITIES		
Equity attributable to owners of the parent		
Share capital	62,500	62,500
Share premium	21	21
Treasury shares	(112)	(112)
Retained profits	(30,489)	(28,832)
Total equity	<u>31,920</u>	<u>33,577</u>
Non-current liabilities		
Deferred taxation	3,350	3,350
	<u>3,350</u>	<u>3,350</u>
Current liabilities		
Payables	13,145	15,857
Other payables and accruals	1,908	2,898
Borrowings	8,199	9,823
Provision for taxation	-	-
	<u>23,252</u>	<u>28,578</u>
Total liabilities	<u>26,602</u>	<u>31,928</u>
TOTAL EQUITY & LIABILITIES	<u>58,522</u>	<u>65,505</u>
Net Assets per Share (RM)	0.26	0.27

Note :

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's audited financial statements for the year ended 31 July 2015.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 OCTOBER 2015**
(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.10.15 RM'000	Preceding Year Corresponding Quarter 31.10.14 RM'000	Current Year To Date 31.10.15 RM'000	Preceding Year Corresponding Quarter 31.10.14 RM'000
Revenue	5,803	7,853	5,803	7,853
Operating expenses	(7,606)	(8,552)	(7,606)	(8,552)
Exceptional items	-	-	-	-
Other operating income	305	282	305	282
Loss from operations	(1,498)	(417)	(1,498)	(417)
Finance cost	(159)	(119)	(159)	(119)
Loss before tax	(1,657)	(536)	(1,657)	(536)
Taxation	-	(17)	-	(17)
Net loss for the period	(1,657)	(553)	(1,657)	(553)
Other comprehensive income/(loss), net of tax				
Foreign currency translation differences for foreign operations	-	-	-	-
Total comprehensive loss for the period	(1,657)	(553)	(1,657)	(553)
Loss attributable to:				
Equity holders of the parent	(1,657)	(482)	(1,657)	(482)
Minority interest	-	(71)	-	(71)
Net loss for the period	(1,657)	(553)	(1,657)	(553)
Total comprehensive loss attributable to:				
Equity holders of the parent	(1,657)	(482)	(1,657)	(482)
Minority interests	-	(71)	-	(71)
Total comprehensive loss for the period	(1,657)	(553)	(1,657)	(553)
Basic earnings per share attributable to owners of the parent (sen)	(1.33)	(0.39)	(1.33)	(0.39)

Note :

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group's audited financial statements for the year ended 31 July 2015.

YEN GLOBAL BERHAD (Company No. 570396-D)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 31 OCTOBER 2015**

(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>31.10.15</u>								
Balance at 1.8.2015	62,500	21	(112)	-	(28,832)	33,577	-	33,577
Total comprehensive loss for the period	-	-	-	-	(1,657)	(1,657)	-	(1,657)
Balance at 31.10.2015	<u>62,500</u>	<u>21</u>	<u>(112)</u>	<u>-</u>	<u>(30,489)</u>	<u>31,920</u>	<u>-</u>	<u>31,920</u>
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)
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>

Note :

The unaudited Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Group's audited financial statements for the year ended 31 July 2015.

YEN GLOBAL BERHAD (Company No. 570396-D)**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 31 OCTOBER 2015
(The figures have not been audited)**

	Cumulative Current Year Quarter 31.10.15 RM'000	Cumulative Preceding Year Quarter 31.10.14 RM'000
Cash flows from operating activities		
Loss before taxation	(1,657)	(536)
Adjustments for :		
- Non-cash items	367	278
- Non-operating items	227	118
Operating profit/(loss) before working capital changes	<u>(1,063)</u>	<u>(140)</u>
Inventories	2,313	2,712
Receivables	3,577	3,191
Payables	<u>(3,702)</u>	<u>(1,941)</u>
Cash from operations	1,125	3,822
Interest paid	(159)	(119)
Income tax (paid)/ refund	<u>(2)</u>	<u>(413)</u>
Net cash from operating activities	964	3,290
Cash flows from investing activities		
Interest received	<u>-</u>	<u>1</u>
Purchase of property, plant and equipment	<u>(62)</u>	<u>(31)</u>
Net cash used in investing activities	(62)	(30)
Cash flows from financing activities		
(Payment)/ Drawdown of bankers acceptance	<u>581</u>	<u>(2,571)</u>
(Payment)/ Drawdown of factoring liabilities	<u>-</u>	<u>(47)</u>
Repayment of bank borrowings	<u>-</u>	<u>(27)</u>
Net cash used in financing activities	581	(2,645)
Effects of changes in exchange rates	<u>-</u>	<u>(1)</u>
Net increase in cash and cash equivalents	1,483	614
Cash and cash equivalents at beginning	<u>(1,841)</u>	<u>(1,882)</u>
Cash and cash equivalents at end	<u><u>(358)</u></u>	<u><u>(1,268)</u></u>
Represented by:		
Cash and bank balances	1,489	1,795
Bank overdrafts	<u>(1,847)</u>	<u>(3,063)</u>
	<u><u>(358)</u></u>	<u><u>(1,268)</u></u>

Note :

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Group's audited financial statements for the year ended 31 July 2015.

SELECTED EXPLANATORY NOTES

31 OCTOBER 2015

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 2015. 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 2015.

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, 2015.

2 Audit Report

The auditors' report on the financial statements for the year ended 31 July 2015 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. Geographical segmental information is not prepared as the Group's revenue, operating profit, assets employed, liabilities, capital expenditure, depreciation and non-cash expenses are mainly confined to one geographical segment.

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 2015.

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.

SELECTED EXPLANATORY NOTES

31 OCTOBER 2015

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

The local trading environment has been dampened by the implementation of the Goods and Service Tax and the weakening ringgit and these factors has a negative impact on the local apparel business this year. Turnover for this quarter of RM5.8 million is lower than the RM7.9 million achieved in the corresponding quarter last year. As a result of lower sales, this quarter recorded a loss before taxation of RM1.7 million as compared to a loss of RM0.6 million in the corresponding quarter last year.

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

The turnover of RM5.8 million achieved this quarter is 46% lower than the RM10.9 million achieved in the immediate preceding quarter as the immediate preceding quarter captures sales for the Hari Raya festive season. As a result, loss before taxation recorded was RM1.7 million as opposed to loss of RM1.2 million in the previous quarter.

16 Current Year Prospects

The weakened ringgit has resulted in rising production and procurement costs for our products and this has invariably squeezed our gross margins. We have reviewed and modified our procurement procedures to reduce costs and improve margins. The Group will take every effort to counter and reduce the negative effects of the weak ringgit and unfavourable market conditions. However, the Group remains affected by the industry-wide downturn and expects to go through another challenging year.

17 Taxation

	Current Year Quarter 31.10.15 RM'000	Current Year To Date 31.10.15 RM'000
Taxation comprise the following :		
Based on profit for the period :		
- Current tax	-	-
- Deferred taxation	-	-
	<u>-</u>	<u>-</u>
Reconciliation of statutory tax rate to effective tax rate :		
	Current Year Quarter 31.10.15 %	Current Year To Date 31.10.15 %
Statutory tax rate	25	25
Tax impact of losses in subsidiary companies	<u>(25)</u>	<u>(25)</u>
	<u>-</u>	<u>-</u>

SELECTED EXPLANATORY NOTES

31 OCTOBER 2015

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
Group borrowings			
<u>Short term</u>			
Bank Overdraft	1,847	-	1,847
Bankers acceptance	6,352	-	6,352
Total	<u>8,199</u>	<u>-</u>	<u>8,199</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 Loss

Total retained lossess of the Group are as follows:

	31.10.15 RM'000
- Realised	(19,538)
- Unrealised	(290)
	<u>(19,828)</u>
Add : Consolidation adjustments	(10,661)
	<u><u>(30,489)</u></u>

24 Profit /(Loss) Before Taxation

This is arrived at:

	Current Year Quarter 31.10.15 RM'000	Current Year To Date 31.10.15 RM'000
After Charging :		
Depreciation and amortization	231	231
Interest expense	159	159
Fixed assets written off	136	136
And Crediting :		
Royalty income	259	259
Rental income	46	43
Interest income	-	-
	<u><u>-</u></u>	<u><u>-</u></u>

SELECTED EXPLANATORY NOTES

31 OCTOBER 2015

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 31.10.15	Cumulative Current Year To Date 31.10.15
Net Loss for the period (RM'000)	<u>(1,657)</u>	<u>(1,657)</u>
Weighted average number of ordinary shares in issue ('000)	<u>124,700</u>	<u>124,700</u>
Basic Loss Per Share (sen)	<u>(1.33)</u>	<u>(1.33)</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.