

YEN GLOBAL BERHAD (Company No. 570396-D)**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2016****(The figures have not been audited)**

	As At End Of Current Quarter 31.7.16 RM'000	As At Preceding Financial Year End 31.7.15 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	20,727	21,674
Investment property	115	119
Intangible assets	123	475
	<u>20,965</u>	<u>22,268</u>
Current assets		
Inventories	16,470	29,668
Receivables	11,704	9,900
Other receivables and deposits	910	1,138
Tax recoverable	95	321
Cash and bank balances	8,816	2,210
	<u>37,995</u>	<u>43,237</u>
TOTAL ASSETS	<u>58,960</u>	<u>65,505</u>
EQUITY & LIABILITIES		
Equity attributable to owners of the parent		
Share capital	68,750	62,500
Share premium	239	21
Treasury shares	-	(112)
Retained profits	(43,159)	(28,832)
Total equity	<u>25,830</u>	<u>33,577</u>
Non-current liabilities		
Deferred taxation	3,219	3,350
	<u>3,219</u>	<u>3,350</u>
Current liabilities		
Payables	14,166	15,857
Other payables and accruals	5,729	2,898
Borrowings	10,004	9,823
Provision for taxation	12	-
	<u>29,911</u>	<u>28,578</u>
Total liabilities	<u>33,130</u>	<u>31,928</u>
TOTAL EQUITY & LIABILITIES	<u>58,960</u>	<u>65,505</u>
Net Assets per Share (RM)	0.1878	0.2686

Note :

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

YEN GLOBAL BERHAD (Company No. 570396-D)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 JULY 2016**

(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	Current	Preceding	Current	Preceding
	Year	Year	Year	Year
	31.7.16	31.7.15	31.7.16	31.7.15
	RM'000	RM'000	RM'000	RM'000
Revenue	20,959	10,868	38,112	34,695
Operating expenses	(23,784)	(12,709)	(46,923)	(41,178)
Impairment losses and write-offs	(2,856)	-	(6,879)	(1,851)
Other operating income	581	759	1,854	4,194
Loss from operations	(5,100)	(1,082)	(13,836)	(4,140)
Finance cost	(125)	(162)	(593)	(645)
Loss before tax	(5,225)	(1,244)	(14,429)	(4,785)
Taxation	117	87	102	139
Net loss for the period	<u>(5,108)</u>	<u>(1,157)</u>	<u>(14,327)</u>	<u>(4,646)</u>
Other comprehensive income/(loss), net of tax				
Foreign currency translation differences for foreign operations	-	-	-	-
Total comprehensive loss for the period	<u>(5,108)</u>	<u>(1,157)</u>	<u>(14,327)</u>	<u>(4,646)</u>
Loss attributable to:				
Equity holders of the parent	(5,108)	(1,157)	(14,327)	(8,634)
Minority interest	-	-	-	5,337
Net loss for the period	<u>(5,108)</u>	<u>(1,157)</u>	<u>(14,327)</u>	<u>(4,646)</u>
Total comprehensive loss attributable to:				
Equity holders of the parent	(5,108)	(1,157)	(14,327)	(8,634)
Minority interests	-	-	-	5,337
Total comprehensive loss for the period	<u>(5,108)</u>	<u>(1,157)</u>	<u>(14,327)</u>	<u>(4,646)</u>
Basic earnings per share attributable to owners of the parent (sen)	<u>(4.08)</u>	<u>(0.39)</u>	<u>(11.44)</u>	<u>(8.00)</u>

Note :

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read 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 FOURTH QUARTER ENDED 31 JULY 2016
(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	Share Expenses	Issue Reserve RM'000	Translation Profits RM'000	Total RM'000		
Fourth Quarter ended <u>31.7.16</u>									
Balance at 1.8.2015	62,500	21	(112)	-	-	(28,832)	33,577	-	33,577
Treasury shares sold	-	-	112	-	-	-	112	-	112
Issue of new shares	6,250	218					6,468		6,468
Total comprehensive loss for the period	-	-	-		-	(14,327)	(14,327)	-	(14,327)
Balance at 31.7.2016	<u>68,750</u>	<u>239</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(43,159)</u>	<u>25,830</u>	<u>-</u>	<u>25,830</u>
Fourth Quarter ended <u>31.7.15</u>									
Balance at 1.8.2014	62,500	21	(112)	-	52	(18,851)	43,610	(4,678)	38,932
Foreign currency translat	-	-	-	-	(1)	-	(1)	(1)	(2)
Total comprehensive loss for the period	-	-	-		-	(9,981)	(9,981)	5,337	(4,644)
Disposal of subsidiary	-	-	-		(51)	-	(51)	(658)	(709)
Balance at 31.7.2015	<u>62,500</u>	<u>21</u>	<u>(112)</u>	<u>-</u>	<u>-</u>	<u>(28,832)</u>	<u>33,577</u>	<u>-</u>	<u>33,577</u>

Note :

The unaudited Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Group's financial statements for the year ended 31 July 2015. The accompanying notes are an intergral part of this statement.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 JULY 2016**

(The figures have not been audited)

	Cumulative Current Year Quarter 31.7.16 RM'000	Cumulative Preceding Year Quarter 31.7.15 RM'000
Cash flows from operating activities		
Loss before taxation	(14,429)	(4,783)
Adjustments for :		
- Non-cash items	1,522	3,248
- Non-operating items	593	(2,073)
Operating profit/(loss) before working capital cha	(12,314)	(3,608)
Inventories	13,198	9,185
Receivables	(1,576)	(175)
Payables	1,152	(1,072)
Cash from operations	460	4,330
Interest paid	(593)	(645)
Income tax refunded (paid)	328	268
Net cash from operating activities	195	3,953
Cash flows from investing activities		
Interest received	-	3
Disposal of subsidiary, net of cash	-	239
Issue of shares	6,250	-
Share premium	218	-
Sale of treasury shares	112	-
Purchase of property, plant and equipment	(350)	(330)
Net cash used in investing activities	6,230	(88)
Cash flows from financing activities		
(Payment)/ Drawdown of bankers acceptance	764	(3,694)
(Payment)/ Drawdown of factoring liabilities	-	(46)
Repayment of bank borrowings	-	(83)
Net cash used in financing activities	764	(3,823)
Effects of changes in exchange rates	-	(1)
Net increase in cash and cash equivalents	7,189	41
Cash and cash equivalents at beginning	(1,841)	(1,882)
Cash and cash equivalents at end	5,348	(1,841)
Represented by:		
Cash and bank balances	8,816	2,210
Bank overdrafts	(3,468)	(4,051)
	5,348	(1,841)

Note :

The Condensed Consolidated Cash Flow Statement should be read in conjunction Financial Report for the year ended 31 July 2015 and the accompanying explanatory to the interim financial statements.

SELECTED EXPLANATORY NOTES

31 JULY 2016

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

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

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

Major festivals and carnival sales have an impact on revenue and earnings of the Group's Apparel Division, which is involved in the distribution of fashion apparels. The ICT Division is not subject to seasonal factors.

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 Changes in debt or equity securities

On 9 June 2016, the Company issued 12,500,000 new ordinary shares under private placement, representing 10% of the share capital of the Company, at an issue price of 52 sen per share.

7 Dividends

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

8 Segmental Reporting

The analysis of the Group by business activities is as follows:

	<u>Apparel</u>	<u>ICT</u>	<u>Total</u>
<u>Year ended 31 July 2016</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue	27,879	10,233	38,112
Profit(loss) before tax	(14,440)	11	(14,429)

As at 31 July 2016

Assets Employed	49,793	9,167	58,960
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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.

SELECTED EXPLANATORY NOTES

31 JULY 2016

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

There were no material events that have arisen between the end of the reporting quarter and the date of this announcement.

11 Changes In The Composition of The Group

Changes in the composition of the Group for the financial year to date are as follows:

- a) On 31 December 2015, the company acquired 100 ordinary shares of RM1.00 each of Atilze Digital Sdn Bhd (formerly known as VLT Wholesale Sdn Bhd) representing 100% equity interest of the company for a total consideration of RM100,000.
- b) On 7 January 2016, the Company has effectively struck off 2 dormant subsidiaries ie. Cosmotion Sdn Bhd and LKH Footwear Collection Sdn Bhd.
- c) On 28th June 2016, the Company disposed off a wholly owned subsidiary, Twin Access Sdn Bhd, for a total consideration of RM3,408,000.

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 Group recorded a turnover of RM20.9 million for the quarter which is almost doubled that achieved during the corresponding quarter last year of RM10.9 million. The increase in turnover was contributed substantially by the new ICT business of the Group with turnover of RM10.2 million. In line with the depressed business conditions for the apparel industry, the Board has further make an inventory impairment of RM2.8 million during the quarter. As a result, this quarter suffered a higher loss before tax of RM5.2 million as against a loss of RM1.1 million suffered in the corresponding quarter last year.

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

The turnover of RM20.9 million achieved this quarter is 237% higher than the RM6.2 million achieved in the immediate preceding quarter. This was substantially contributed by the ICT business which recorded turnover of RM10.2 million for the quarter. However, loss before tax recorded of RM5.2 million this quarter was comparable with the loss of RM5.3 million recorded in the last quarter.

16 Current Year Prospects

Market sentiment affecting the apparel industry continues to be uninspiring and this will have a negative impact on our apparel business in the current financial year. Our new venture into the ICT business, specifically in the business of supplying Internet of Things (IoT) connected objects and devices, is projected to uplift the prospects of the Group in the near future. With additional contribution from the ICT division, the Group expects to see improved results for the new financial year.

17 Taxation

	Current Year Quarter 31.7.16 RM'000	Current Year To Date 31.7.16 RM'000
Taxation comprise the following :		
Based on profit for the period :		
- Current tax	(117)	(102)
- Deferred taxation	-	-
	(117)	(102)

SELECTED EXPLANATORY NOTES

31 JULY 2016

Reconciliation of statutory tax rate to effective tax rate :

	Current Year Quarter 31.7.16 %	Current Year To Date 31.7.16 %
Statutory tax rate	25	25
Tax impact of losses in subsidiary companies	<u>(27)</u>	<u>(25)</u>
	<u>(2)</u>	<u>-</u>

18 Treasury Shares

On 25th February 2016, the Company sold 300,000 treasury shares on the open market. As at to date, the Company does not hold any treasury shares.

19 Corporate Proposals

There were no corporate proposals for the current quarter.

20 Group Borrowings and Debt Securities

Group borrowings	Secured RM'000	Unsecured RM'000	Total RM'000
<u>Short term</u>			
Bank Overdraft	3,468	-	3,468
Bankers acceptance	<u>6,536</u>	<u>-</u>	<u>6,536</u>
Total	<u>10,004</u>	<u>-</u>	<u>10,004</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 losses of the Group are as follows:

	31.7.16 RM'000
- Realised	(31,217)
- Unrealised	<u>(290)</u>
	<u>(31,507)</u>
Add : Consolidation adjustments	<u>(11,652)</u>
	<u>(43,159)</u>

SELECTED EXPLANATORY NOTES

31 JULY 2016

24 Profit /(Loss) Before Taxation

This is arrived at:

	Current Year Quarter 31.7.16 RM'000	Current Year To Date 31.7.16 RM'000
After Charging :		
Depreciation and amortization	74	665
Interest expense	125	593
Fixed assets written off	-	136
Inventory impairment	2,856	6,879
And Crediting :		
Royalty income	536	1,675
Rental income	45	179
Gain on sale of treasury shares	-	36
Waiver of debts	-	27
Bad debts recovered	-	11
	<u> </u>	<u> </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 31.7.16	Cumulative Current Year To Date 31.7.16
Net Loss for the period (RM'000)	<u>(5,108)</u>	<u>(14,327)</u>
Weighted average number of ordinary shares in issue ('000)	<u>125,266</u>	<u>125,266</u>
Basic Loss Per Share (sen)	<u>(4.08)</u>	<u>(11.44)</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.