



YENHER

YENHER HOLDINGS BERHAD

(Registration No. 202001008388 (1364708-X))

(Incorporated in Malaysia under Companies Act 2016)

**Interim Financial Report
For The First Quarter Ended
31 March 2024**

31 May 2024

Yenher Holdings Berhad

(Registration No. 202001008388 (1364708-X))

(Incorporated in Malaysia)

Interim Financial Report for the First Quarter Ended 31 March 2024

Condensed consolidated statement of financial position

	As at 31.03.2024	As at 31.12.2023
	Unaudited RM	Audited RM
Assets		
Non-current Assets		
Property, plant and equipment	74,882,149	70,546,843
Intangible assets	230,595	260,731
	<u>75,112,744</u>	<u>70,807,574</u>
Current Assets		
Inventories	38,442,077	45,425,414
Trade and other receivables	78,140,831	70,572,836
Tax recoverable	676,446	671,862
Placements in money market funds	63,951,013	45,190,924
Short-term deposits, cash and bank balances	13,033,291	37,455,786
	<u>194,243,658</u>	<u>199,316,822</u>
Total Assets	<u>269,356,402</u>	<u>270,124,396</u>
Equity and Liabilities		
Equity Attributable to Owners of the Company		
Share capital	177,429,501	177,429,501
Merger deficit	(115,534,500)	(115,534,500)
Exchange translation reserve	(395)	(7,686)
Revaluation reserve	25,486,726	25,495,306
Retained profits	148,404,420	147,845,476
Total Equity	<u>235,785,752</u>	<u>235,228,097</u>
Non-current Liabilities		
Deferred tax liabilities	3,317,242	3,277,882
Lease liabilities	1,685,982	1,956,218
	<u>5,003,224</u>	<u>5,234,100</u>
Current Liabilities		
Lease liabilities	1,074,225	1,070,621
Trade and other payables	22,908,854	28,441,789
Tax payable	84,347	149,789
Dividend payable	4,500,000	-
	<u>28,567,426</u>	<u>29,662,199</u>
Total Liabilities	<u>33,570,650</u>	<u>34,896,299</u>
Total Equity and Liabilities	<u>269,356,402</u>	<u>270,124,396</u>
Number of ordinary shares in issue	300,000,000	300,000,000
Net assets per share of the Company (RM)	<u>0.79</u>	<u>0.78</u>

The condensed consolidated statement of financial position should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.

Yenher Holdings Berhad

(Registration No. 202001008388 (1364708-X))

(Incorporated in Malaysia)

Interim Financial Report for the First Quarter Ended 31 March 2024**Condensed consolidated statement of profit or loss and other comprehensive income**

	Note	Quarter ended		Year-to-date ended	
		31.03.2024 Unaudited RM	31.03.2023 Unaudited RM	31.03.2024 Unaudited RM	31.03.2023 Unaudited RM
Revenue	A11	73,239,285	78,401,489	73,239,285	78,401,489
Cost of sales		(60,121,527)	(66,290,241)	(60,121,527)	(66,290,241)
Gross profit		13,117,758	12,111,248	13,117,758	12,111,248
Other income		876,998	732,126	876,998	732,126
Selling and distribution costs		(2,971,139)	(2,685,562)	(2,971,139)	(2,685,562)
Administrative expenses		(4,096,388)	(3,679,561)	(4,096,388)	(3,679,561)
Reversal of impairment losses on trade receivables		47,315	115,406	47,315	115,406
Research and development costs		(92,040)	(117,321)	(92,040)	(117,321)
Other expenses		(45,512)	(33,929)	(45,512)	(33,929)
Operating profit		6,836,992	6,442,407	6,836,992	6,442,407
Finance costs		(32,768)	(8,708)	(32,768)	(8,708)
Profit before taxation	B5	6,804,224	6,433,699	6,804,224	6,433,699
Taxation	B6	(1,753,860)	(1,416,325)	(1,753,860)	(1,416,325)
Profit for the period		5,050,364	5,017,374	5,050,364	5,017,374
Other comprehensive income, net of tax					
<i>Item that will be reclassified subsequently to profit or loss :</i>					
- Exchange gain/(loss) on translation of foreign operation		7,291	(6,095)	7,291	(6,095)
Total other comprehensive income/ (loss) for the period		7,291	(6,095)	7,291	(6,095)
Total comprehensive income for the period		5,057,655	5,011,279	5,057,655	5,011,279
Attributable to owners of the Company					
Profit for the period		5,050,364	5,017,374	5,050,364	5,017,374
Total comprehensive income for the period		5,057,655	5,011,279	5,057,655	5,011,279
Earnings per share attributable to ordinary equity holders of the Company					
Basic and diluted (Sen)	B12	1.68	1.67	1.68	1.67
Weighted average number of ordinary shares in issue	B12	300,000,000	300,000,000	300,000,000	300,000,000

The condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.

Yenher Holdings Berhad

(Registration No. 202001008388 (1364708-X))

(Incorporated in Malaysia)

Interim Financial Report for the First Quarter Ended 31 March 2024**Condensed consolidated statement of changes in equity**

	Non-distributable			Distributable		Total RM
	Share capital RM	Merger deficit RM	Exchange translation reserve RM	Revaluation reserve RM	Retained profits RM	
Year-to-date ended 31 March 2024 (Unaudited)						
Balance as at 1 January 2024	177,429,501	(115,534,500)	(7,686)	25,495,306	147,845,476	235,228,097
Profit for the period	-	-	-	-	5,050,364	5,050,364
Exchange gain on translation of foreign operation	-	-	7,291	-	-	7,291
Total comprehensive income for the period	-	-	7,291	-	5,050,364	5,057,655
Transfer of revaluation surplus on land and buildings	-	-	-	(8,580)	8,580	-
Dividends declared/paid (Note A8)	-	-	-	-	(4,500,000)	(4,500,000)
Balance as at 31 March 2024	177,429,501	(115,534,500)	(395)	25,486,726	148,404,420	235,785,752
Year-to-date ended 31 March 2023 (Unaudited)						
Balance as at 1 January 2023	177,429,501	(115,534,500)	15,601	17,253,097	135,519,367	214,683,066
Profit for the period	-	-	-	-	5,017,374	5,017,374
Exchange loss on translation of foreign operation	-	-	(6,095)	-	-	(6,095)
Total comprehensive (loss)/income for the period	-	-	(6,095)	-	5,017,374	5,011,279
Transfer of revaluation surplus on land and buildings	-	-	-	(92,490)	92,490	-
Dividends declared/paid (Note A8)	-	-	-	-	(4,500,000)	(4,500,000)
Balance as at 31 March 2023	177,429,501	(115,534,500)	9,506	17,160,607	136,129,231	215,194,345

The condensed consolidated statement of changes in equity should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.

Yenher Holdings Berhad

(Registration No. 202001008388 (1364708-X))

(Incorporated in Malaysia)

Interim Financial Report for the First Quarter Ended 31 March 2024

Condensed consolidated statement of cash flows

	Financial year ended	
	31.03.2024	31.03.2023
	Unaudited	Unaudited
	RM	RM
Cash flows from operating activities		
Profit before taxation	6,804,224	6,433,699
<i>Adjustments for :-</i>		
Amortisation of intangible assets	30,137	30,137
Depreciation of property, plant and equipment	367,694	332,415
Depreciation of right-of-use assets	275,972	220,460
Gain on changes in fair value of money market funds	(172,019)	(208,625)
Gain on redemption of money market funds	(7,406)	(1,310)
Gain on disposal of property, plant and equipment	(37,129)	(184,998)
Income from placements in money market funds	(284,675)	(22,684)
Interest income	(82,671)	(294,463)
Interest expense	32,768	8,708
Inventories written down	150,000	150,000
Property, plant and equipment written off	5,287	-
Reversal of impairment losses on trade receivables	(47,315)	(115,406)
Unrealised (gain)/loss on foreign exchange	(196,847)	35,735
Operating profit before working capital changes	6,838,020	6,383,668
Decrease/(Increase) in inventories	6,897,215	(2,846,566)
(Increase)/Decrease in trade and other receivables	(8,911,308)	4,665,032
Decrease in trade and other payables	(4,000,203)	(1,100,314)
Cash generated from operations	823,724	7,101,820
Interest received	82,671	294,463
Interest paid	(32,768)	(8,708)
Tax paid	(1,780,514)	(1,752,815)
Net cash (used in)/from operating activities	(906,887)	5,634,760
Cash flows from investing activities		
Purchase of property, plant and equipment	(5,059,330)	(1,990,614)
Proceeds from disposal of property, plant and equipment	112,200	185,000
Net (placement in)/redemption of money market funds	(18,580,664)	14,525,277
Income from placements in money market funds	280,664	22,684
Net cash (used in)/from investing activities	(23,247,130)	12,742,347

Yenher Holdings Berhad

(Registration No. 202001008388 (1364708-X))

(Incorporated in Malaysia)

Interim Financial Report for the First Quarter Ended 31 March 2024

Condensed consolidated statement of cash flows (Cont'd)

	Financial year ended	
	31.03.2024	31.03.2023
	Unaudited	Unaudited
	RM	RM
Cash flows from financing activities		
Decrease in short-term deposits pledged as security	39,479	-
Net repayment of bank borrowings	-	(1,000,000)
Payments of lease liabilities	(266,632)	(223,808)
Dividends paid	-	(4,500,000)
Net cash used in financing activities	(227,153)	(5,723,808)
Net (decrease)/increase in cash and cash equivalents	(24,381,170)	12,653,299
Effect of foreign exchange difference on cash and cash equivalents	(1,846)	1,776
Cash and cash equivalents at beginning of period	37,085,107	26,792,250
Cash and cash equivalents at end of period	12,702,091	39,447,325

Cash and cash equivalents included in the condensed consolidated statement of cash flows comprise the following amounts from the condensed consolidated statement of financial position :

	As at	As at
	31.03.2024	31.03.2023
	RM	RM
Short-term deposits, cash and bank balances, as presented in the condensed consolidated statement of financial position	13,033,291	39,810,475
Less : Short-term deposits pledged as security	(331,200)	(363,150)
Cash and cash equivalents, as presented in the condensed consolidated statement of cash flows	12,702,091	39,447,325

The condensed consolidated statement of cash flows should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.

Yenher Holdings Berhad

(Registration No. 202001008388 (1364708-X))

(Incorporated in Malaysia)

Interim Financial Report for the First Quarter Ended 31 March 2024

Part A : Explanatory notes pursuant to Malaysian Financial Reporting Standards (“MFRS”) 134 *Interim Financial Reporting*

A1. Basis of preparation

This interim financial report of Yenher Holdings Berhad (“Yenher” or “Company”) and its subsidiaries (collectively, the “Group”) is unaudited and has been prepared in accordance with the requirements of MFRS 134 and International Accounting Standard (“IAS”) 34 *Interim Financial Reporting* as well as Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”).

This interim financial report should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.

A2. Significant accounting policies

A2.1 Adoption of amendments to MFRSs

The significant accounting policies and methods of computations adopted by the Group in this interim financial report are consistent with those adopted in the audited consolidated financial statements of the Group for the financial year ended 31 December 2023, except for the adoption of the following amendments to MFRSs that have been issued by the Malaysian Accounting Standards Board (“MASB”) and which are relevant and mandatory for the current financial year-to-date under review :

Amendments to MFRS 16 - Lease Liability in a Sale and Leaseback

Amendments to MFRS 101 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

Amendments to MFRS 107 and MFRS 7 - Supplier Finance Arrangements

The adoption of the above amendments to MFRSs did not have any significant effect on the financial statements of the Group and did not result in significant changes to the Group's existing accounting policies.

A2.2 Amendments to MFRSs that are in issue but not yet effective

The Group has not early adopted the following amendments to MFRSs that have been issued by the MASB but are not yet effective :-

Effective for annual periods beginning on or after 1 January 2025

Amendments to MFRS 121 - Lack of Exchangeability

Effective for annual periods beginning on or after a date to be determined by the MASB

Amendments to MFRS 10 and MFRS 128 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Group will apply the above amendments to MFRSs that are applicable once they become effective and their adoption is not expected to have any significant impact on the Group's financial statements in the period of initial application.

Yenher Holdings Berhad

(Registration No. 202001008388 (1364708-X))

(Incorporated in Malaysia)

Interim Financial Report for the First Quarter Ended 31 March 2024

Part A : Explanatory notes pursuant to Malaysian Financial Reporting Standards (“MFRS”) 134 *Interim Financial Reporting* (Cont'd)

A3. Auditors’ report

There was no qualification on the audited financial statements of the Group for the financial year ended 31 December 2023.

A4. Seasonal or cyclical factors

The Group's business is not subjected to any seasonal or cyclical trend.

A5. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting the assets, liabilities, equity, net income and cash flows of the Group during the current quarter and financial year-to-date under review.

A6. Material changes in estimates

There were no material changes in estimates of amounts reported in the prior financial years that have a material effect on the financial results of the Group for the current quarter and financial year-to-date under review.

A7. Debt and equity securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current quarter and financial year-to-date under review.

A8. Dividends declared/paid

The following dividends were declared/paid during the current and previous corresponding financial year-to-date :-

	Year-to-date ended	
	31.03.2024	31.03.2023
	RM	RM
For the financial year ended 31 December 2023		
Second single-tier interim dividend of 1.50 sen per ordinary share, declared on 26 February 2024 and paid on 5 April 2024	4,500,000	-
For the financial year ended 31 December 2022		
Second single-tier interim dividend of 1.50 sen per ordinary share, declared on 27 February 2023 and paid on 31 March 2023	-	4,500,000
	<u>4,500,000</u>	<u>4,500,000</u>

Save as disclosed above, there were no other dividends declared/paid during the current quarter and financial year-to-date under review.

Yenher Holdings Berhad

(Registration No. 202001008388 (1364708-X))

(Incorporated in Malaysia)

Interim Financial Report for the First Quarter Ended 31 March 2024

Part A : Explanatory notes pursuant to Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting (Cont'd)

A9. Property, plant and equipment (“PPE”)

The Group acquired PPE amounting to RM5.06 million during the current quarter and financial year-to-date under review.

There were no material disposals of PPE during the current quarter and financial year-to-date under review.

There were no other valuations of PPE during the current quarter and financial year-to-date under review.

A10. Impairment losses

Save as disclosed in Note B5 below, there were no other impairment losses or reversal of impairment losses arising from PPE, financial assets or other assets during the current quarter and financial year-to-date under review.

A11. Operating revenue

The Group's revenue from sales of goods is recognised at a point in time and is derived from the following business activities :

	Quarter ended		Year-to-date ended	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	RM	RM	RM	RM
Manufacturing	28,605,593	24,690,862	28,605,593	24,690,862
Distribution	44,633,692	53,710,627	44,633,692	53,710,627
	<u>73,239,285</u>	<u>78,401,489</u>	<u>73,239,285</u>	<u>78,401,489</u>

A12. Segmental information

The Group is mainly involved in manufacturing, supplying and marketing of health and nutrition products for livestock and companion animals which collectively are considered as one business segment. Accordingly, the operating revenue and results of this segment are reflected in the Group's statement of profit or loss and other comprehensive income. The segment assets and liabilities are as presented in the Group's statement of financial position.

The revenue from external customers by location of customers is set out below :

	Quarter ended		Year-to-date ended	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	RM	RM	RM	RM
Malaysian customers	60,930,477	68,048,569	60,930,477	68,048,569
Overseas customers	12,308,808	10,352,920	12,308,808	10,352,920
	<u>73,239,285</u>	<u>78,401,489</u>	<u>73,239,285</u>	<u>78,401,489</u>

Yenher Holdings Berhad

(Registration No. 202001008388 (1364708-X))

(Incorporated in Malaysia)

Interim Financial Report for the First Quarter Ended 31 March 2024

Part A : Explanatory notes pursuant to Malaysian Financial Reporting Standards (“MFRS”) 134 *Interim Financial Reporting* (Cont'd)

A13. Material events subsequent to the end of reporting period

Save as disclosed in Note B7 below, there were no other material events subsequent to the end of the current quarter up to the date of this interim financial report.

A14. Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter and financial year-to-date under review.

A15. Fair value of financial instruments

The Group measures its financial instruments carried at fair value in accordance with the following levels of fair value hierarchy which are categorised based on the input used in the valuation technique :

Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability; and

Level 3 : Inputs for the asset or liability that are not based on observable market data (unobservable input).

The Group's financial instruments as at the end of the financial period under review measured at fair value are as follows :

	As at 31.03.2024 RM	As at 31.12.2023 RM
Level 1		
Financial assets at fair value through profit or loss - Placements in money market unit trust funds	<u>63,951,013</u>	<u>45,190,924</u>

The fair value of the placements in money market unit trust funds is determined by reference to market price at the end of the reporting period.

A16. Contingent liabilities and contingent assets

There were no contingent liabilities and contingent assets as at the end of the reporting period.

Yenher Holdings Berhad

(Registration No. 202001008388 (1364708-X))

(Incorporated in Malaysia)

Interim Financial Report for the First Quarter Ended 31 March 2024

Part A : Explanatory notes pursuant to Malaysian Financial Reporting Standards (“MFRS”) 134 *Interim Financial Reporting* (Cont'd)

A17. Capital commitments

	As at 31.03.2024 RM	As at 31.12.2023 RM
Authorised and contracted capital expenditure not provided for in the financial statements :		
- Acquisition of property, plant and equipment	11,779,467	13,439,962
- Construction of a new factory building	19,596,034	24,604,573
	<u>31,375,501</u>	<u>38,044,535</u>
Authorised but not contracted for :		
- Acquisition of property, plant and equipment	<u>9,000,000</u>	<u>9,000,000</u>

A18. Significant related party transactions

	Quarter ended		Year-to-date ended	
	31.03.2024 RM	31.03.2023 RM	31.03.2024 RM	31.03.2023 RM
Transactions with a company in which certain Directors of the Group have substantial financial interests :				
- Payments for leases	(316,500)	(252,600)	(316,500)	(252,600)
Transactions with companies in which persons connected to certain Directors of the Group have substantial financial interests :				
- Sales of goods	3,927,911	5,452,509	3,927,911	5,452,509
- Purchases of goods	(313,513)	(109,982)	(313,513)	(109,982)
- Rendering of services	(208,503)	(73,742)	(208,503)	(73,742)
Rental charged by a Director of the Company	<u>(19,500)</u>	<u>(19,500)</u>	<u>(19,500)</u>	<u>(19,500)</u>

Yenher Holdings Berhad

(Registration No. 202001008388 (1364708-X))

(Incorporated in Malaysia)

Interim Financial Report for the First Quarter Ended 31 March 2024

Part B : Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements

B1. Performance review

	Current quarter performance			
	Quarter ended		Changes	
	31.03.2024 ("Q1-2024") RM	31.03.2023 ("Q1-2023") RM	Q1-2024 vs Q1-2023 RM %	
Revenue	73,239,285	78,401,489	(5,162,204)	(6.58%)
Gross profit	13,117,758	12,111,248	1,006,510	8.31%
Profit before taxation	6,804,224	6,433,699	370,525	5.76%
Profit for the period	5,050,364	5,017,374	32,990	0.66%

	Financial year-to-date performance			
	Year-to-date ended		Changes	
	31.03.2024 ("YTD2024") RM	31.03.2023 ("YTD2023") RM	YTD2024 vs YTD2023 RM %	
Revenue	73,239,285	78,401,489	(5,162,204)	(6.58%)
Gross profit	13,117,758	12,111,248	1,006,510	8.31%
Profit before taxation	6,804,224	6,433,699	370,525	5.76%
Profit for the period	5,050,364	5,017,374	32,990	0.66%

In Q1-2024 and YTD-2024, the Group recorded a total revenue of RM73.24 million which is RM5.16 million or 6.58% lower than the revenue recorded in Q1-2023 at RM78.40 million. The decline in revenue was caused mainly by the outbreak of animal diseases in Malaysia which has affected many industry players. Revenue from the business activities of the Group is disclosed in Note A11 above.

The Group registered a gross profit of RM13.12 million for Q1-2024 which is an increase of RM1.01 million or 8.31% from Q1-2023's gross profit. The gross profit of RM13.12 million for Q1-2024 was contributed by the distribution activity where it has recorded RM5.98 million or 45.56% of the total gross profit. It posted RM0.69 million or 13.09% higher than the gross profit for Q1-2023 at RM5.28 million. The remaining gross profit for Q1-2024 of RM7.14 million or 54.44% was contributed by the manufacturing activity. It posted 4.61% higher than the gross profit for Q1-2023 at RM6.83 million.

The Group recorded RM6.80 million of profit before taxation for Q1-2024 which is RM0.37 million or 5.76% higher than the profit before taxation for Q1-2023. The Group's profit after taxation for Q1-2024 is only RM0.03 million or 0.66% higher than Q1-2023 at RM5.02 million.

Yenher Holdings Berhad

(Registration No. 202001008388 (1364708-X))

(Incorporated in Malaysia)

Interim Financial Report for the First Quarter Ended 31 March 2024

Part B : Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (Cont'd)

B2. Comparison with immediate preceding quarter

	Quarter ended	Immediate preceding quarter	Changes	
	31.03.2024 ("Q1-2024")	31.12.2023 ("Q4-2023")	RM	%
Revenue	73,239,285	73,193,626	45,659	0.06%
Gross profit	13,117,758	12,778,131	339,627	2.66%
Other income	876,998	504,997	372,001	73.66%
Selling and distribution costs	(2,971,139)	(3,101,620)	130,481	(4.21%)
Administrative expenses	(4,096,388)	(3,488,541)	(607,847)	17.42%
Profit before taxation	6,804,224	6,717,024	87,200	1.30%

The Group's revenue for Q1-2024 is RM0.05 million or 0.06% higher than the revenue recorded in Q4-2023. This increase was contributed mainly by the manufacturing activity where its revenue increased by RM3.53 million or 14.08% from RM25.08 million in Q4-2023 to RM28.61 million in Q1-2024.

The Group's gross profit margin increased by 0.45 percentage point from 17.46% in Q4-2023 to 17.91% in Q1-2024.

The Group's profit before taxation for Q1-2024 is RM0.08 million or 1.30% higher than the Q4-2023 profit before taxation which was at RM6.72 million as a result of increase in gross profit in the current quarter.

B3. Prospect of the Group for the financial year ending 31 December 2024

In 2024, based on the feedback from our customers and industry players, we anticipate a progressive recovery in the livestock industry. While challenges remain in the swine sector due to the African Swine Fever outbreak, there is growing optimism surrounding the gradual improvement in control strategies and market conditions.

For the poultry sector, increasing demand and supply dynamics are contributing to a positive outlook. Our Group remains committed to playing a pivotal role in this recovery, leveraging our expertise and product offerings to bolster the poultry sector's resilience and growth trajectory.

The Group will closely monitor the construction progress of the new GMP plant as part of its business expansion strategy. As of the date of this interim report, the construction work is under way and is estimated to complete by June 2025 as planned. The Group will tap on our core strengths as one of the major integrated one stop solution providers in ASEAN region's livestock industry by developing new products or improving existing products and enhancing our advisory services to remain relevant in the industry.

B4. Variance of actual profit from profit forecast or profit guarantee

The Group has not issued any profit forecast or profit guarantee in any form of public documentation and announcement.

Yenher Holdings Berhad

(Registration No. 202001008388 (1364708-X))

(Incorporated in Malaysia)

Interim Financial Report for the First Quarter Ended 31 March 2024

Part B : Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (Cont'd)

B5. Profit before taxation

	Quarter ended		Year-to-date ended	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	RM	RM	RM	RM
This includes the following items of income/(expense) :				
Interest income	82,671	294,463	82,671	294,463
Income from placements in money market funds	284,675	22,684	284,675	22,684
Gain on changes in fair value of money market funds	172,019	208,625	172,019	208,625
Gain on redemption of money market funds	7,406	1,310	7,406	1,310
Gain on disposal of property, plant and equipment	37,129	184,998	37,129	184,998
Realised gain on foreign exchange	884	8,656	884	8,656
Unrealised (gain)/loss on foreign exchange	196,847	(35,735)	196,847	(35,735)
Write-down in value of inventories	(150,000)	(150,000)	(150,000)	(150,000)
Amortisation of intangible assets	(30,137)	(30,137)	(30,137)	(30,137)
Depreciation of property, plant and equipment	(367,694)	(332,415)	(367,694)	(332,415)
Depreciation of right-of-use assets	(275,972)	(220,460)	(275,972)	(220,460)
Interest expense	(32,768)	(8,708)	(32,768)	(8,708)
Property, plant and equipment written off	(5,287)	-	(5,287)	-

Save as disclosed above, the other disclosure items as required under Paragraph 16, Part A of Appendix 9B of the Listing Requirements are not applicable.

B6. Taxation

	Quarter ended		Year-to-date ended	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	RM	RM	RM	RM
Current tax	1,714,499	1,404,226	1,714,499	1,404,226
Deferred tax expense/(income) resulting from origination and reversal of temporary differences	39,361	12,099	39,361	12,099
	1,753,860	1,416,325	1,753,860	1,416,325
Effective tax rate (%)	25.78%	22.01%	25.78%	22.01%
Statutory tax rate (%)	24.00%	24.00%	24.00%	24.00%

The effective tax rate of the Group for the current quarter and financial year-to-date under review was higher than the statutory tax rate mainly due to higher expenses not allowable for tax purposes and lower non-taxable income.

Yenher Holdings Berhad

(Registration No. 202001008388 (1364708-X))

(Incorporated in Malaysia)

Interim Financial Report for the First Quarter Ended 31 March 2024

Part B : Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (Cont'd)

B7. Status of corporate proposals

On 31 May 2024, the Company announces its proposal to undertake a bonus issue of up to 60,000,000 free warrants ("Warrants") on the basis of 1 Warrant for every 5 existing ordinary shares in the Company held on an entitlement date to be determined and announced on a later date ("the Proposed Bonus Issue of Warrants").

The Proposed Bonus Issue of Warrants is subject to the following approvals being obtained :-

- (a) Bursa Securities Malaysia Berhad ("Bursa Securities") for the following :-
- (i) the admission of the Warrants to the Official List of Bursa Securities;
 - (ii) the listing and quotation of the Warrants and new shares to be issued arising from the exercise of the Warrants on the Main Market of Bursa Securities; and
- (b) The shareholders of the Company for the Proposed Bonus Issue of Warrants at an extraordinary general meeting to be convened.

Save as disclosed above, there was no other corporate proposal announced by the Company but not completed as at the date of this interim financial report.

B8. Utilisation of proceeds from the Public Issue

The status of the utilisation of gross proceeds from the Public Issue of approximately RM61.21 million is as follows :

	Proposed utilisation RM'000	Actual utilisation RM'000	Balance unutilised RM'000	Intended timeframe for utilisation from the date of listing
Details of the use of proceeds				
Construction of a new Good Manufacturing Practice ("GMP") compliant manufacturing plant	31,000	1,935	29,065	Within 48 months
Purchase of new machinery and equipment	9,700	-	9,700	Within 48 months
Working capital	16,709	17,276	(567)	Within 36 months
Estimated listing expenses	3,800	3,233	567	Within 1 month [#]
Total	61,209	22,444	38,765	

[#] The balance of unutilised proceeds allocated for listing expenses had been reallocated for the Group's working capital purposes.

The use of proceeds as disclosed above should be read in conjunction with the Company's Prospectus dated 22 June 2021.

Yenher Holdings Berhad

(Registration No. 202001008388 (1364708-X))

(Incorporated in Malaysia)

Interim Financial Report for the First Quarter Ended 31 March 2024

Part B : Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (Cont'd)

B9. Borrowings and debt securities

The Group does not have any other borrowings and debt securities outstanding as at the end of the current quarter under review.

B10. Derivative financial instruments

The Group has entered into forward foreign exchange contracts to manage the foreign currency exposures arising from the Group's receivables and payables denominated in United States Dollar and European Union Euro. The notional principal amount of the Group's outstanding forward foreign exchange contracts as at 31 March 2024 in was RM3.50 million (31.03.2023 : RM4.33 million) and have maturities of less than one year as at the end of the reporting period. The fair value of these outstanding forward foreign exchange contracts has not been recognised in the current quarter under review as the financial impact is considered as immaterial.

B11. Fair value of financial liabilities

There was no gain or loss arising from fair value changes of financial liabilities for the current quarter and financial year-to-date under review as the Group did not have any financial liabilities measured at fair value.

B12. Earnings per share ("EPS")

	Quarter ended		Year-to-date ended	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Profit attributable to ordinary equity holders of the Company (RM)	5,050,364	5,017,374	5,050,364	5,017,374
Weighted average number of shares in issue	300,000,000	300,000,000	300,000,000	300,000,000
Basic and diluted EPS (Sen)	1.68	1.67	1.68	1.67

The basic EPS is computed based on the profit attributable to ordinary equity holders of the Company for the period divided by the weighted average number of ordinary shares in issue during the financial period under review. The diluted EPS is equivalent to the basic EPS as there were no dilutive potential ordinary shares outstanding as at the end of the financial period under review.

B13. Material litigations

There was no material litigation involving the Group since the date of the last annual statement of financial position to the date of this interim financial report.

B14. Dividend declared

Save as disclosed in Note A8 above, there was no dividend that has been declared or recommended for payment by the Directors of the Company during the financial period under review to date.

By Order of the Board
Company Secretary
31 May 2024