



Y-VENTURES
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Y VENTURES GROUP LTD.
(Company Registration No. 201300274R)

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2022 (“1Q 2022”)

This announcement has been prepared by Y Ventures Group Ltd (the “Company”) and its contents have been reviewed by the Company’s Sponsor, RHT Capital Pte. Ltd. (the “Sponsor”) for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “SGX-ST”).

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assume no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr. Leong Weng Tuck - Registered Professional, 6 Raffles Quay, #24-02, Singapore 048580, sponsor@rhtgoc.com

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**A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
PERIOD ENDED 31 MARCH 2022**

The Group				
	Note	Unaudited 1Q 2022 US\$	Unaudited 1Q 2021 US\$	Change %
Revenue	4	7,315,850	9,132,837	(19.9)
Cost of sales		(4,784,167)	(5,207,170)	(8.1)
Gross profit		<u>2,531,683</u>	<u>3,925,667</u>	(35.5)
Other income		37,094	169,619	(78.1)
Selling and distribution expenses		(2,463,553)	(3,013,704)	(18.3)
Administrative expenses		(831,250)	(1,121,360)	(25.9)
Results from operating activities		<u>(726,026)</u>	<u>(39,778)</u>	NM
Finance income		10	12	(16.7)
Finance costs		(14,444)	(10,097)	43.1
Net finance costs		<u>(14,434)</u>	<u>(10,085)</u>	43.1
Loss before tax	6	(740,460)	(49,863)	NM
Tax expense	7	(13)	-	NM
Loss for the period		<u>(740,473)</u>	<u>(49,863)</u>	NM
Other comprehensive income:				
<i>Items that are or may be reclassified subsequently to profit or loss:</i>				
Currency translation differences arising from consolidation		(1,123)	6,859	NM
Total comprehensive loss for the period		<u>(741,596)</u>	<u>(43,004)</u>	NM
Loss attributable to:				
Equity holders of the Company		(615,381)	(48,859)	NM
Non-controlling interests		(125,092)	(1,004)	NM
		<u>(740,473)</u>	<u>(49,863)</u>	NM
Total comprehensive loss attributable to:				
Equity holders of the Company		(616,454)	(42,529)	NM
Non-controlling interests		(125,142)	(475)	NM
		<u>(741,596)</u>	<u>(43,004)</u>	NM
Loss per ordinary share attributable to equity holders of the Company				
- Basic and diluted (US Cents) ⁽¹⁾		<u>(0.25)</u>	<u>(0.02)</u>	NM

Note: (1) The calculation of EPS was based on weight average number of shares 246,854,000 (1Q 2021: 241,660,000) in issue during the period.

NM – Not Meaningful

B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	The Group		The Company	
		Unaudited	Audited	Unaudited	Audited
		31 Mar 22	31 Dec 21	31 Mar 22	31 Dec 21
		US\$	US\$	US\$	US\$
ASSETS					
Current assets					
Inventories	9	8,915,479	9,471,791	-	-
Trade and other receivables		754,212	1,177,009	839,281	767,886
Cash and bank balances		1,768,552	1,537,758	720,418	786,980
		<u>11,438,243</u>	<u>12,186,558</u>	<u>1,559,699</u>	<u>1,554,866</u>
Non-current assets					
Property, plant and equipment	11	28,804	27,507	558	985
Right-of-use assets		173,030	185,469	-	-
Investment property	12	1,278,600	1,286,212	-	-
Intangible assets	10	167,659	169,300	10,655	12,296
Investments in subsidiaries		-	-	2,528,009	2,528,009
		<u>1,648,093</u>	<u>1,668,488</u>	<u>2,539,222</u>	<u>2,541,290</u>
Total assets		<u>13,086,336</u>	<u>13,855,046</u>	<u>4,098,921</u>	<u>4,096,156</u>
LIABILITIES					
Current liabilities					
Trade and other payables		8,199,894	9,206,065	570,721	596,761
Tax payable		191,694	193,035	-	-
Borrowings	13	1,142,227	140,347	-	-
Contract liabilities		18,477	18,505	-	-
		<u>9,552,292</u>	<u>9,557,952</u>	<u>570,721</u>	<u>596,761</u>
Non-current liabilities					
Borrowings	13	866,232	887,686	-	-
Deferred tax liabilities		30,686	30,686	-	-
		<u>896,918</u>	<u>918,372</u>	<u>-</u>	<u>-</u>
Total liabilities		<u>10,449,210</u>	<u>10,476,324</u>	<u>570,721</u>	<u>596,761</u>
NET ASSETS		<u>2,637,126</u>	<u>3,378,722</u>	<u>3,528,200</u>	<u>3,499,395</u>
EQUITY					
Share capital	14	11,204,164	11,204,164	11,204,164	11,204,164
Currency translation reserve		1,394	2,467	-	-
Accumulated losses		(6,102,945)	(5,487,564)	(7,675,964)	(7,704,769)
Merger reserve	15	(2,455,477)	(2,455,477)	-	-
Equity attributable to equity holders of the Company		<u>2,647,136</u>	<u>3,263,590</u>	<u>3,528,200</u>	<u>3,499,395</u>
Non-controlling interest		(10,010)	115,132	-	-
Total equity		<u>2,637,126</u>	<u>3,378,722</u>	<u>3,528,200</u>	<u>3,499,395</u>

C. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
PERIOD ENDED 31 MARCH 2022

	Note	Unaudited 1Q 2022 US\$	Unaudited 1Q 2021 US\$
Cash flow from operating activities:			
Loss before tax		(740,460)	(49,863)
<u>Adjustments for:</u>			
Amortisation of intangible assets		1,641	1,641
Depreciation of investment property		7,612	6,889
Depreciation of property, plant and equipment		8,542	7,230
Depreciation of right-of-use assets		32,841	43,075
Interest expenses		12,594	8,835
Interest income		(10)	(12)
Interest portion of lease liabilities		1,850	1,262
Property, plant & equipment written off		-	3,150
Unrealised exchange (gain)/loss		33	(2,686)
Operating cash flows before movements in working capital		<u>(675,357)</u>	<u>19,521</u>
<u>Working capital changes:</u>			
Inventories		556,312	4,666,338
Receivables		422,797	230,477
Payables and contract liabilities		(1,006,199)	(4,078,015)
Currency translation adjustments		(343)	9,698
Cash flows (used in)/generated from operations		<u>(702,790)</u>	<u>848,019</u>
Income tax paid		(1,354)	(22,009)
Interest received		10	12
Net cash (used in)/generated from operating activities		<u>(704,134)</u>	<u>826,022</u>
Cash flow from investing activities:			
Purchase of property, plant and equipment		(9,868)	-
Net cash used in investing activities		<u>(9,868)</u>	<u>-</u>
Cash flow from financing activities:			
Drawdown of borrowings		1,000,000	-
Repayment of borrowings		(7,442)	(8,702)
Repayment of lease liabilities		(32,636)	(39,558)
Interest paid on lease liabilities		(1,850)	(1,262)
Interest paid		(12,594)	(8,835)
Net cash generated from/(used in) financing activities		<u>945,478</u>	<u>(58,357)</u>
Net increase in cash and cash equivalents		231,476	767,665
Cash and cash equivalents at beginning of financial period		1,537,758	1,328,902
Effects of exchange rate changes on cash and cash equivalents		(682)	(3,662)
Cash and cash equivalents at end of financial period		<u>1,768,552</u>	<u>2,092,905</u>

**D. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
AS AT 31 MARCH 2022**

The Group	Note	Share capital	Currency translation reserve	Accumulated losses	Merger reserve	Fair value reserve	Equity attributable to equity holders of the Company	Non-controlling interest	Total
		US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
At 1 January 2022		11,204,164	2,467	(5,487,564)	(2,455,477)	-	3,263,590	115,132	3,378,722
Loss for the period		-	-	(615,381)	-	-	(615,381)	(125,092)	(740,473)
Other comprehensive loss									
Currency translation differences arising from consolidation		-	(1,073)	-	-	-	(1,073)	(50)	(1,123)
Total comprehensive loss for the period		-	(1,073)	(615,381)	-	-	(616,454)	(125,142)	(741,596)
At 31 March 2022		11,204,164	1,394	(6,102,945)	(2,455,477)	-	2,647,136	(10,010)	2,637,126
At 1 January 2021		10,934,053	10,677	(3,921,641)	(2,455,477)	-	4,567,612	35,489	4,603,101
Loss for the period		-	-	(48,859)	-	-	(48,859)	(1,004)	(49,863)
Other comprehensive income									
Currency translation differences arising from consolidation		-	6,330	-	-	-	6,330	529	6,859
Total comprehensive income/(loss) for the period		-	6,330	(48,859)	-	-	(42,529)	(475)	(43,004)
At 31 March 2021		10,934,053	17,007	(3,970,500)	(2,455,477)	-	4,525,083	35,014	4,560,097

**D. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
AS AT 31 MARCH 2022 (CONT'D)**

The Company	Note	Share capital	Accumulated losses	Total
		US\$	US\$	US\$
At 1 January 2022		11,204,164	(7,704,769)	3,499,395
Net profit and comprehensive income for the period		-	28,805	28,805
At 31 March 2022		11,204,164	(7,675,964)	3,528,200
At 1 January 2021		10,934,053	(6,757,437)	4,176,616
Net loss and comprehensive loss for the period		-	(286,826)	(286,826)
At 31 March 2021		10,934,053	(7,044,263)	3,889,790

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1 Corporate Information

Y Ventures Group Limited (the “**Company**”) (Co. Reg. No. 201300274R) was incorporated domiciled in Singapore and listed on the Catalist Board of Singapore Exchange Securities Trading Limited.

The registered office of the Company is at 6001 Beach Road, Golden Mile Tower #09-01 Singapore 199589.

These condensed interim financial statements as at and for the first quarter ended 31 March 2022 comprise the Company and its subsidiaries (together referred to as the “**Group**”).

The principal activity of the Company is that of an investment holding company. The principal activities of the Group are:

- a) E-commerce retail and distribution
- b) Logistics and freight forwarding services
- c) Waste management services

2 Basis of preparation

The condensed interim financial statements for the first quarter ended 31 March 2022 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I) except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in United States Dollar (“US\$”) which is the Company’s functional currency.

2.1 New and revised standards adopted by the Group

On 1 January 2022, the Group has adopted the new and revised SFRS(I) and SFRS(I) Interpretation (“SFRS(I) INT”) that are relevant to its operations and effective for the current financial period. Changes to the Group’s accounting policies have been made as required, in accordance with the transactional provisions in the respective SFRS(I) and SFRS(I) INT.

The adoption of these new and revised SFRS(I) and SFRS(I) INT did not have any material effect of the financial results or position of the Group and the Company.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

2.2 Use of estimates and judgements

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2021.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial period are include in the following notes:

- Note 9 – Write down of inventories
- Note 10 – impairment test of goodwill

3 Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4 Segment and revenue information

The Group's reportable segments are described below:

- E-commerce retail and distribution
To market and distribute a range of merchandises, mainly books and journals, under third party brands through online market places under a distribution model.
Website: <https://yventures.com.sg>
- Logistics and freight forwarding services
To provide logistics to third party customers.
Website: <https://skaplogistics.com>
- Waste management services
To provide waste management services in Singapore known as "Junk To Clear".
Website: www.junktoclear.com.sg

The operating segments are reported in a manner consistent with internal reporting provided to Chief Executive Officer who is responsible for allocating resources and assessing performance of the operating segments.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

4 Segment and revenue information (Cont'd)

Revenue

	The Group	
	1Q 2022	1Q 2021
	<u>US\$</u>	<u>US\$</u>
E-commerce retail and distribution (Sales of goods)	7,148,794	8,966,533
E-commerce retail and distribution (Training services)	-	9,029
Logistics and freight forwarding services	2,427	1,393
Waste management services	164,629	155,882
	<u>7,315,850</u>	<u>9,132,837</u>
Timing of revenue recognition		
At a point in time	7,315,850	9,123,808
Over time	-	9,029
	<u>7,315,850</u>	<u>9,132,837</u>

Geographical information

Revenue from external customers for e-commerce retail and distribution segment are generated from online marketplaces. Geographical information for online marketplaces is not available, due to the nature of e-commerce, the end-consumers on the online marketplaces in United States of America ("USA") may not necessarily be residing in USA.

Revenue from external customers for logistics and freight forwarding services and waste management services segments are contributed by Singapore.

Property, plant and equipment, intangible assets and investment property are located in Singapore.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

4 Segment and revenue information (Cont'd)

The Group	E-commerce retail and distribution		Logistics and freight forwarding services		Waste management services		Others		Eliminations		Per consolidated financial statements	
	1Q 2022	1Q 2021	1Q 2022	1Q 2021	1Q 2022	1Q 2021	1Q 2022	1Q 2021	1Q 2022	1Q 2021	1Q 2022	1Q 2021
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Revenue												
External customers	7,148,794	8,975,562	2,427	1,393	164,629	155,882	-	-	-	-	7,315,850	9,132,837
Intersegment sales	-	-	16,107	7,896	-	-	-	-	(16,107)	(7,896)	-	-
Total revenue	7,148,794	8,975,562	18,534	9,289	164,629	155,882	-	-	(16,107)	(7,896)	7,315,850	9,132,837
Segment (loss)/profit	(707,564)	(324,109)	(722)	(6,071)	3,664	(3,577)	29,232	(285,858)	-	638,672	(675,390)	19,057
Depreciation	(29,636)	(37,718)	(14,768)	(14,253)	(4,164)	(4,255)	(427)	(968)	-	-	(48,995)	(57,194)
Amortisation	(1,641)	(1,641)	-	-	-	-	-	-	-	-	(1,641)	(1,641)
Interest income	10	12	-	-	-	-	-	-	-	-	10	12
Finance costs	(14,444)	(10,097)	-	-	-	-	-	-	-	-	(14,444)	(10,097)
Loss before tax											(740,460)	(49,863)
Income tax expense											(13)	-
Loss after tax											(740,473)	(49,863)
Assets												
Segment assets	11,773,837	19,540,404	258,073	321,492	124,647	161,669	929,779	1,278,228	-	-	13,086,336	21,301,793
Unallocated assets											-	-
Total assets											13,086,336	21,301,793
Liabilities												
Segment liabilities	9,642,996	15,848,860	50,239	117,555	59,852	30,141	473,743	4,492,261	-	-	10,226,830	20,488,817
Unallocated liabilities											222,380	295,879
Total liabilities											10,449,210	20,784,696
Additions to non-current assets	28,544	-	-	-	1,795	-	-	-	-	-	30,339	-

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**5 Financial instruments**

Financial instruments at their carrying amounts at reporting date are as follows:

	The Group		The Company	
	31 Mar 22	31 Dec 21	31 Mar 22	31 Dec 21
<i>Financial assets at amortised costs</i>				
Trade and other receivables	271,022	851,228	818,791	737,752
Cash and bank balances	1,768,552	1,537,758	720,418	786,980
	<u>2,039,574</u>	<u>2,388,986</u>	<u>1,539,209</u>	<u>1,524,732</u>
<i>Financial liabilities at amortised costs</i>				
Trade and other payables	8,099,075	9,086,892	493,854	504,291
Borrowings	2,008,459	1,028,033	-	-
	<u>10,107,534</u>	<u>10,114,925</u>	<u>493,854</u>	<u>504,291</u>

6 Loss before tax**6.1 Significant items**

	The Group	
	1Q 2022	1Q 2021
	US\$	US\$
Amortisation of intangible assets	1,641	1,641
Depreciation of investment property	7,612	6,889
Depreciation of property, plant and equipment	8,542	7,230
Depreciation of right-of-use assets	32,841	43,075
Foreign exchange (gain)/loss, net	(27,619)	329,858
Interest expenses	12,594	8,835
Interest income	(10)	(12)
Interest portion on lease liabilities	1,850	1,262

6.2 Related parties transactions

In addition to information disclosed elsewhere in the condensed interim financial statements, the following transactions took place between the Group with related parties, who are not members of the Group during the period on terms agreed by the parties concerned:

	The Group	
	1Q 2022	1Q 2021
	US\$	US\$
With related party		
Training services	-	9,029

A related party refers to a company in which is controlled by key management personnel of the Company.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

7 Tax expense

The Group calculate the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated profit or loss are:

	The Group	
	1Q 2022	1Q 2021
	<u>US\$</u>	<u>US\$</u>
Current income tax expense	(13)	-

8 Net assets value

	The Group		The Company	
	<u>31 Mar 22</u>	<u>31 Dec 21</u>	<u>31 Mar 22</u>	<u>31 Dec 21</u>
Net asset value per ordinary share based on issued share capital (US cents) ⁽¹⁾	1.07	1.32	1.43	1.42

Note: (1) The calculation of net asset value per ordinary shares was based on 246,854,000 shares as of 31 March 2022 and 31 December 2021.

9 Inventories

	The Group	
	31 Mar 22	31 Dec 21
	<u>US\$</u>	<u>US\$</u>
Finished goods	8,915,479	9,471,791

Inventories recognised as an expense in cost of sales for the financial year ended 31 March 2022 amounted to US\$4,593,904 (31 December 2021 : US\$18,477,632).

The Group's inventories consist of books which are carried at the lower of cost and net realisable value. Inventories are written down below cost to net realisable value if they are slow-moving or if their selling prices have declined. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated selling expenses. Management identifies slow-moving inventories on a title-by-title basis by considering sales volume during the year, projected demand and publisher of the book title. Management estimates the net realisable value for inventories by taking into consideration recent sale price, average selling price for the year, publisher of the book title and current market conditions. Write-down of inventories to their net realisable values charged to the Group's profit or loss for the current financial period is Nil (31 December 2021: US\$47,244).

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

10 Intangible assets

	Goodwill	The Group Computer software development costs	Total	The Company Computer software development costs
	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>
At 31 December 2021				
Acquisition of subsidiary/Cost	157,004	53,623	210,627	19,702
Accumulated amortisation and impairment loss	-	(41,327)	(41,327)	(7,406)
Net carrying amount	<u>157,004</u>	<u>12,296</u>	<u>169,300</u>	<u>12,296</u>
3 months ended 31 March 2022				
Opening net carrying amount	157,004	12,296	169,300	12,296
Amortisation charge	-	(1,641)	(1,641)	(1,641)
Closing net carrying amount	<u>157,004</u>	<u>10,655</u>	<u>167,659</u>	<u>10,655</u>

Impairment testing of goodwill

Goodwill acquired through business combination has been allocated to a cash-generating unit ("CGU"), which is also the reportable operating segment, for impairment testing.

Key assumption used in value-in-use calculation

The recoverable amount of the CGU is determined from value-in-use calculations. The key assumptions for the value-in-use calculations are those regarding the discount rate, revenue growth rates and gross margins during the period. Management estimates discount rate using pre-tax rate that reflect current market assessments of the time value of money and the risks specific to the CGU. The revenue growth rates and gross margins are estimated based on past performance and expected trends and developments in the market including consideration of the current business condition.

The Group's value-in-use calculation was computed based on the cash flow forecasts derived from the most recent financial budgets approved by management covering a five years period. Cash flows beyond the five-year period was extrapolated using an estimated terminal value growth rate of 0%.

2022 to 2026 annual growth rate between 14% to 48% and gross profit margin of 60%. The pre-tax rate used to discount the forecast cash flows is 15%.

Management has considered that a reasonably possible change in two key assumptions, revenue growth rates and gross profit margin, will not result in any impairment charge to be recorded.

11 Property, plant and equipment

During the year ended 31 March 2022, the Group acquired assets amounting to US\$9,868 (31 December 2021 : US\$25,044) and disposed of assets is Nil (31 December 2021 : Nil).

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**12 Investment property**

	The Group	
	2022	2021
	<u>US\$</u>	<u>US\$</u>
Cost		
At 1 January and 31 March	1,620,971	1,620,971
Accumulated depreciation and impairment loss		
At 1 January	(334,759)	(433,854)
Depreciation charge	(7,612)	(27,554)
Reversal of impairment	-	126,649
At 31 March	(342,371)	(334,759)
Carrying amount at 31 March	1,278,600	1,286,212

13 Borrowings

	The Group	
	31 Mar 22	31 Dec 21
	<u>US\$</u>	<u>US\$</u>
Amount repayable in one year, or on demand		
Commercial property loan	19,807	27,146
Secured loan	1,000,000	-
Lease liabilities	122,420	113,201
	1,142,227	140,347
Amount repayable after one year		
Commercial property loan	811,743	811,743
Lease liabilities	54,489	75,943
	866,232	887,686
Total borrowings	2,008,459	1,028,033

Commercial property loan and bank overdraft are secured by the following:

- (i) A first legal mortgage over the Group's freehold property (Note 12); and
- (ii) Corporate guarantee for S\$2.60 million (31 December 2021 : S\$2.60 million) executed by the Company.

Secured loan was secured by inventories of a subsidiary with carrying value of US\$8.92 million (31 December 2021 : US\$9.47 million).

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

14 Share Capital

	31 Mar 22		31 Dec 21	
	No. of shares		No. of shares	
	<u>'000</u>	<u>US\$</u>	<u>'000</u>	<u>US\$</u>
As at 1 January	246,854	11,204,164	241,660	10,934,053
Issue of new shares	-	-	5,194	270,111
Balance as at 31 December	<u>246,854</u>	<u>11,204,164</u>	<u>246,854</u>	<u>11,204,164</u>

On 5 May 2021, the Company issued 5,194,000 ordinary shares of S\$0.07 (equivalent to US\$0.0520) per share to selected employees of the Company under the Y Ventures Performance Share Plan (the "Awards").

The Company did not have any outstanding options, convertibles or treasury shares as at 31 March 2022 and 31 December 2021.

The Company's subsidiaries do not hold any shares in the Company as at 31 March 2022 and 31 December 2021.

15 Merger reserve

Merger reserve represents the difference between the consideration paid by the Company and the share capital of the subsidiaries acquired under common control.

16 Subsequent events

There are no known subsequent events which led to adjustments to this set of interim financial statements.

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7C OF THE CATALIST RULES

1 Review

The condensed statements of financial position of Y Ventures Group Ltd and its subsidiaries as at 31 March 2022 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed statements of changes in equity and condensed consolidated statement of cash flows for the first quarter then ended and certain explanatory notes have not been audited nor reviewed.

Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-

- (a) **update on the efforts taken to resolve each outstanding audit issue; and**
- (b) **confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

Not applicable.

2 Review of the Performance of the Group

REVIEW OF FINANCIAL PERFORMANCE (CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME)

1Q 2022

Revenue

The revenue reduced by 19.9% or US\$1.82 million from US\$9.13 million in 1Q 2021 to US\$7.31 million in 1Q 2022. The decrease was mainly due to the COVID-19 pandemic affected delays in logistics and shipments arising from the on-going shipping backlogs since last year which has affected the timely delivery of our inventory and fulfilment of our customers' demand and orders.

Cost of sales

The cost of sales decreased by 8.1% or US\$0.42 million from US\$5.20 million in 1Q 2021 to US\$4.78 million in 1Q 2022 mainly due to the corresponding reduction in sales. The cost of sales had also been affected by the increase in logistics cost arising from the mismatch in demand and supply of shipping capacity.

Gross profit and gross profit margin

The Group's gross profit decreased by 35.5% or US\$1.39 million, from US\$3.92 million in 1Q 2021 to US\$2.53 million in 1Q 2022. The Gross profit margin declined from 43.0% in 1Q 2021 to 34.6% in 1Q 2022.

Other Income

The other income decreased by 78.1% or US\$0.13 million from US\$0.17 million in 1Q 2021 to US\$0.04 million in 1Q 2022 where the Company received lower government subsidies for wage credit and job support schemes in respect of COVID-19 pandemic.

Selling and distribution expenses

The selling and distribution expenses decreased by 18.3% or US\$0.55 million from US\$3.01 million in 1Q 2021 to US\$2.46 million in 1Q 2022 mainly due to the corresponding reduction in sales.

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7C OF THE CATALIST RULES (CONT'D)

REVIEW OF FINANCIAL PERFORMANCE (CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME) (CONT'D)

Finance costs

The finance costs increased by 43.1% or US\$4,347 from US\$10,097 in 1Q 2021 to US\$14,444 in 1Q 2022 due to the increase in interest rates and higher utilisation of credit facilities.

Administrative expenses

The administrative expenses decreased by 25.9% or US\$0.29 million from US\$1.12 million in 1Q 2021 to US\$0.83 million in 1Q 2022 mainly due to a loss in foreign exchange of US\$0.33 million in 1Q 2021 as compared to a gain of US\$0.03 million in 1Q 2022 as the United States Dollar strengthened against the Sterling Pound.

Loss for the period

The loss before tax was US\$0.74 million in 1Q 2022 and US\$0.05 million in 1Q 2021 was mainly due a decrease in gross profit of US\$1.39 million and other income of US\$0.13 million; offset with the decrease in administrative expenses of US\$0.29 million and selling and distribution expenses of US\$0.55 million.

REVIEW OF FINANCIAL POSITION (CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION)

Current assets

The current assets decreased by 6.1% or US\$0.75 million from US\$12.19 million as at 31 December 2021 to US\$11.44 million as at 31 March 2022. This was mainly due to the decrease in inventories and trade and other receivables and offset against the increase in cash and bank balances.

Non-current assets

Non-current assets decreased by 1.2% or US\$0.02 million from US\$1.67 million as at 31 December 2021 to US\$1.65 million at 31 March 2022. This was primarily due to the periodic depreciation/amortisation of non-current assets.

Current liabilities

The current liabilities remain relatively stable at US\$9.56 million as at 31 December 2021 and US\$9.55 million as at 31 March 2022. This was mainly due to the increase in borrowings and offset against the decrease in trade and other payables from the purchase of inventories.

Non-current liabilities

Non-current liabilities remain relatively stable at US\$0.92 million as at 31 December 2021 and US\$0.90 million as at 31 March 2022.

Working capital

The Group working capital decreased by 28.3% or US\$0.74 million from US\$2.63 million as at 31 December 2021 to US\$1.89 million as at 31 March 2022.

Shareholders' equity

The Group's shareholders' equity attributable to equity holders decreased by 18.9% or US\$0.61 million from US\$3.26 million as at 31 December 2021 to US\$2.65 million as at 31 March 2022 mainly due to loss incurred in 1Q 2022.

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7C OF THE CATALIST RULES (CONT'D)

REVIEW OF CASH POSITION (CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS)

Net cash flow used in operating activities for 1Q 2022 was US\$0.70 million, comprising mainly operating cash outflow before working capital of approximately US\$0.68 million and offset working capital outflow of US\$0.03 million. The working capital outflow was largely due to decreased in trade and other payables of US\$1.01 million offset against the decrease in purchase of inventories of US\$0.56 million and trade and other receivables of US\$0.42 million.

Net cash used in investing activities of US\$9,868 was mainly from purchase of property, plant and equipment.

Net cash generated from financing activities of US\$0.95 million was mainly from the drawdown of borrowings.

Overall, the cash and cash equivalents of the Group increased in 1Q 2022, ending the year with cash and cash equivalents of US\$1.77 million.

3 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable. No forecast prospect statements have been previously disclosed to shareholders.

4 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Various global events continue to place stress on the supply chain network supporting the E-commerce industry, affecting the timely movement of our inventory as well as the logistics costs involved. This has resulted in challenges affecting how we use our data analytics capability to maximise revenue and margins.

The Group will continue to adapt our analytics and operational capabilities and will closely monitor the spill over effects (i.e. potential increase in oil prices and inflation) from external factors (such as the Ukraine-Russia War) to our supply chain. In meeting with these challenges, the Company remains vigilant on its cost and cash management and seek related opportunities to grow through joint ventures, mergers and acquisitions with synergistic companies to expand its capabilities, customer and revenue base.

The independent review carried out Deloitte & Touche Enterprise Risk Services Pte Ltd (“Deloitte”) was completed and announced on 16 March 2021. The Group noted that internal control weaknesses identified by Deloitte and had implemented their recommendations or undertaken alternative measures. On the same day, SGX RegCo announced that they will investigate further potential Catalist listing rule breaches by the Company, its directors and/or key executive officers as highlighted in the Independent Review report. SGX RegCo also stated in their announcement that the Company has implemented all internal control recommendations highlighted in Deloitte’s report. SGX RegCo expects the audit committee to continue to monitor the internal controls in its finance function and includes these areas of review as part of the scope of its annual internal audit.

The Company will inform shareholders when there is any new development in due course.

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7C OF THE CATALIST RULES (CONT'D)

- 4 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months. (Cont'd)**

COVID-19 business updates

The Group continues to remain vigilant to the COVID-19 threat as well as to exercise prudence in non-essential capital and operating expenditure. Despite the onset of the COVID-19 pandemic, the Group has sufficient liquidity to meet its near-term debt obligations and operational needs.

5 Dividend Information

- (a) Whether an interim (final) dividend has been declared (recommended); and**

Not applicable.

- (b) (i) Amount per share in cents**

Not applicable.

(ii) Previous corresponding period in cents

Not applicable.

- (c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable.

- (d) The date the dividend is payable**

Not applicable.

- (e) The date on which Registrable Transfers received by the company (up to 5.00pm) will be registered before entitlements to the dividend are determined.**

Not applicable.

- 6 If no dividend has been declared/recommended, a statement to that effect and the reason(s) for that decision.**

No interim dividend is declared or recommended for the current financial period 1Q 2022 to conserve cash in current uncertain market conditions.

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7C OF THE CATALIST RULES (CONT'D)

- 7 If the Group has obtained a general mandate from shareholders for interested persons transactions ("IPT") the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate from shareholders for IPT. There were no IPT of S\$100,000 or more entered into by the Group during the period under review.

8 Use of Placement Proceeds

- (A) The Company received proceeds of S\$2.0 million from the placement of 24,660,000 new ordinary shares as announced on 23 September 2019, 4 October 2019 and 9 October 2019 and the utilisation of the proceeds as at the date of this announcement is as follows:

Use of proceeds from new shares placement	Amount allocated	Amount utilised as at 31 March 2022	Amount unutilised as at 31 March 2022
	S\$	S\$	S\$
Business expansion through mergers and acquisitions, joint ventures, strategic collaborations and investments	1,000,000	-	1,000,000
General working capital (comprising administrative expenses and purchase of products)	972,892	(972,892)	-
Total	1,972,892	(972,892)	1,000,000

- (B) The Company received proceeds of S\$840,000 from the placement of 12 million new ordinary shares as announced on 15, 24 and 28 December 2020 and the utilisation of the proceeds as at the date of this announcement is as follows:

Use of proceeds from new shares placement	Amount allocated	Amount utilised as at 31 March 2022	Amount unutilised as at 31 March 2022
	S\$	S\$	S\$
Business expansion through mergers and acquisitions, joint ventures, strategic collaborations and investments	500,000	(250,001)	249,999
General working capital ⁽¹⁾	340,000	(340,000)	-
Total ⁽²⁾	840,000	(590,001)	249,999

Notes:

- (1) Utilised mainly for the payment to suppliers for the purchase of books.
(2) Includes professional fees and related expenses approximately S\$49,200 incurred in respect of the December 2020 Placement Exercise.

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7C OF THE CATALIST RULES (CONT'D)

8 Use of Placement Proceeds (Cont'd)

As announced by the Company on 12 August 2021, the Group had entered into Toyrrential Investment wherein the consideration for the Investment was fully funded by the use of S\$250,001 out of the placement proceeds of S\$840,000 from the Company's placement of 12 million new ordinary shares on 28 December 2020. Accordingly, as at the date of this announcement, the amount unutilised is S\$249,999. Please refer to the announcement released on 12 August 2021 for further details.

9 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)

The Company confirms that it has procured undertakings from all its Directors and Executive Officers in the required format.

10 Negative Assurance Confirmation on Condensed Interim Financial Results Pursuant to Rule 705(5) of the Catalist Rule

Having considered, including but not limited to, the following:

- whether the financial statements provide a balance and fair value of any material factors that have affected the Company's business conditions and financial position; and
- all material information has been assessed to ensure reliability of the financial statement.

On behalf of the Board, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the interim financial information for the first quarter ended 31 March 2022 to be false or misleading in any material aspect.

**BY ORDER OF THE BOARD
Y VENTURES GROUP LTD.**

Lew Chern Yong, Eric
Executive Chairman

Low Yik Jin, Alex
Chief Executive Officer and Executive Director

13 May 2022