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

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2021 (“1H FY2021”)

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”). The Sponsor has not independently verified the contents of this announcement.

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.

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**A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
PERIOD ENDED 30 JUNE 2021**

	Note	The Group		Change %
		1H FY2021	1H FY2020	
		US\$	US\$	
Revenue	4	16,360,524	17,778,502	(8.0)
Cost of sales		(9,815,380)	(11,097,920)	(11.6)
Gross profit		<u>6,545,144</u>	<u>6,680,582</u>	(2.0)
Other income		221,052	379,313	(41.7)
Selling and distribution expenses		(5,333,121)	(5,251,797)	1.5
Administrative expenses		(2,163,817)	(1,444,193)	49.8
Results from operating activities		<u>(730,742)</u>	<u>363,905</u>	NM
Finance income		24	1,701	(98.6)
Finance costs		(18,716)	(43,686)	(57.2)
Net finance costs		<u>(18,692)</u>	<u>(41,985)</u>	(55.5)
(Loss)/profit before tax	6	(749,434)	321,920	NM
Tax expense	7	(39,446)	-	NM
(Loss)/profit for the period		<u>(788,880)</u>	<u>321,920</u>	NM
Other comprehensive loss: <i>Items that are or may be reclassified subsequently to profit or loss:</i>				
Currency translation differences arising from consolidation		(1,034)	(22,608)	(95.4)
Total comprehensive (loss)/income for the period		<u>(789,914)</u>	<u>299,312</u>	NM
(Loss)/profit attributable to:				
Equity holders of the Company		(870,536)	330,553	NM
Non-controlling interests		81,656	(8,633)	NM
		<u>(788,880)</u>	<u>321,920</u>	NM
Total comprehensive (loss)/income attributable to:				
Equity holders of the Company		(872,113)	307,873	NM
Non-controlling interests		82,199	(8,561)	NM
		<u>(789,914)</u>	<u>299,312</u>	NM
Earnings/(loss) per ordinary share				
- Basic and diluted (US Cents) ⁽¹⁾		<u>(0.37)</u>	<u>0.14</u>	NM

Note: (1) The calculation of EPS was based on weight average number of shares 236,624,460 (1H FY2020: 229,660,000) in issue during the period.

NM – Not Meaningful

**A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
PERIOD ENDED 30 JUNE 2021 (CONT'D)**

Explanatory Notes to the Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

- a. The decrease in revenue was mainly due to a decrease in the sales of books on online marketplaces due to the on-going Covid-19 pandemic that has placed stress on the supply chain network underlying it which has affected the timely movement of our inventory to meet the demands of our customers.
- b. The decrease in other income was mainly due to lower government grants such as Job Support Scheme payout.
- c. The increase in selling and distribution expenses was mainly due to an increase in charges imposed by the online marketplaces.
- d. The increase in administrative expenses mainly due to the foreign exchange as the United States Dollar weakened against the Sterling Pound. Apart from the above, the grant of share awards under the Y Ventures Performance Share Plan (the "Awards") to selected employees of the Company in 2Q FY2021 has also contributed to the increase in administrative expenses.

**B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2021**

	Note	The Group		The Company	
		30 Jun 21 US\$	31 Dec 20 US\$	30 Jun 21 US\$	31 Dec 20 US\$
ASSETS					
Current assets					
Inventories	9	14,616,344	22,115,681	-	-
Trade and other receivables		442,610	527,857	1,540,305	2,101,767
Contract assets		-	85,232	-	-
Cash and bank balances		1,774,100	2,066,918	208,308	550,847
		<u>16,833,054</u>	<u>24,795,688</u>	<u>1,748,613</u>	<u>2,652,614</u>
Non-current assets					
Property, plant and equipment	11	20,452	33,910	223	4,524
Right-of-use assets		111,813	198,205	-	-
Investment property	12	1,173,340	1,187,117	-	-
Intangible assets	10	15,580	18,863	15,580	18,863
Investments in subsidiaries		-	-	2,343,311	2,343,311
		<u>1,321,185</u>	<u>1,438,095</u>	<u>2,359,114</u>	<u>2,366,698</u>
Total assets		<u>18,154,239</u>	<u>26,233,783</u>	<u>4,107,727</u>	<u>5,019,312</u>
LIABILITIES					
Current liabilities					
Trade and other payables		12,861,045	19,498,287	442,562	842,696
Tax payable		209,398	287,202	-	-
Borrowings	13	78,630	922,949	-	-
Contract liabilities		-	142	-	-
		<u>13,149,073</u>	<u>20,708,580</u>	<u>442,562</u>	<u>842,696</u>
Non-current liabilities					
Borrowings	13	891,182	891,416	-	-
Deferred tax liabilities		30,686	30,686	-	-
		<u>921,868</u>	<u>922,102</u>	<u>-</u>	<u>-</u>
Total liabilities		<u>14,070,941</u>	<u>21,630,682</u>	<u>442,562</u>	<u>842,696</u>
NET ASSETS		4,083,298	4,603,101	3,665,201	4,176,616
EQUITY					
Share capital	14	11,204,164	10,934,053	11,204,164	10,934,053
Currency translation reserve		9,100	10,677	-	-
Accumulated losses		(4,792,177)	(3,921,641)	(7,538,963)	(6,757,437)
Merger reserve	15	(2,455,477)	(2,455,477)	-	-
Equity attributable to equity holders of the Company		<u>3,965,610</u>	<u>4,567,612</u>	<u>3,665,201</u>	<u>4,176,616</u>
Non-controlling interest		117,688	35,489	-	-
Total equity		<u>4,083,298</u>	<u>4,603,101</u>	<u>3,665,201</u>	<u>4,176,616</u>

**B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2021 (CONT'D)**

Explanatory Notes to the Condensed Interim Statements of Financial Position

- a. Current assets decreased by 32.1% or US\$7.97 million was mainly due to the decrease in inventories and trade and other receivables and cash and bank balances and contract assets.
- b. Non-current assets decreased by 8.1% or US\$0.12 million was primarily due to the reduction in ROU assets and property, plant and equipment and investment property.
- c. Current liabilities decreased by 36.5% or US\$7.56 million was mainly due to the decrease in borrowings and trade and other payables from the purchase of inventories.
- d. Non-current liabilities remain relatively stable of US\$0.92 million.

**C. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
PERIOD ENDED 30 JUNE 2021**

	Note	1H FY2021 <u>US\$</u>	1H FY2020 <u>US\$</u>
Cash flow from operating activities:			
(Loss)/profit before tax		(749,434)	321,920
<u>Adjustments for:</u>			
Amortisation of intangible assets		3,283	72,521
Bad trade debts written off		-	9,616
Depreciation of investment property		13,777	15,242
Depreciation of property, plant and equipment		14,303	27,925
Depreciation of right-of-use assets		86,144	94,122
Interest expenses		16,476	40,965
Interest income		(24)	(1,701)
Interest portion of lease liabilities		2,240	2,721
Unrealised exchange gain		(2,945)	(6,627)
Share-based compensation	14	270,111	-
Write-down of inventories		47,244	-
Operating cash flows before movements in working capital		<u>(298,825)</u>	<u>576,704</u>
<u>Working capital changes:</u>			
Inventories		7,452,093	6,477,182
Receivables and contract assets		170,479	220,785
Payables and contract liabilities		(6,637,384)	(5,281,316)
Currency translation adjustments		(4,091)	(20,696)
Cash flows generated from operations		<u>682,272</u>	<u>1,972,659</u>
Income tax refunded/(paid)		(117,250)	5,884
Interest received		24	1,701
Net cash generated from operating activities		<u>565,046</u>	<u>1,980,244</u>
Cash flow from investing activities:			
Purchase of property, plant and equipment		(891)	(3,689)
Purchase of intangible assets		-	(16,344)
Net cash used in investing activities		<u>(891)</u>	<u>(20,033)</u>
Cash flow from financing activities:			
Repayment of borrowings		(17,400)	-
Repayment of lease liabilities		(86,192)	(965,465)
Interest paid on lease liabilities		(2,240)	(2,721)
Interest paid		(16,476)	(40,965)
Net cash used in financing activities		<u>(122,308)</u>	<u>(1,009,151)</u>
Net increase in cash and cash equivalents		441,847	951,060
Cash and cash equivalents at beginning of financial period		1,328,902	1,208,846
Effects of exchange rates changes in cash and cash equivalents		3,351	1,397
Cash and cash equivalents at end of financial period		<u>1,774,100</u>	<u>2,161,303</u>

C. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
PERIOD ENDED 30 JUNE 2021 (CONT'D)

Explanatory Notes to the Condensed Interim Consolidated Statement of Cash Flows

The Group's cash and cash equivalents increased by US\$0.44 million from US\$1.33 million as at 31 December 2020 to US\$1.77 million as at 30 June 2021. This was mainly due to cashflows generated by the Group's operating activities of US\$0.57 million, offset by repayment of borrowings and lease liabilities etc. of US\$0.12 million.

**D. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
AS AT 30 JUNE 2021**

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 2021	10,934,053	10,677	(3,921,641)	(2,455,477)	-	4,567,612	35,489
Loss for the period	-	-	(870,536)	-	-	(870,536)	81,656	(788,880)	
Other comprehensive (loss)/income									
Currency translation differences arising from consolidation	-	(1,577)	-	-	-	(1,577)	543	(1,034)	
Total comprehensive (loss)/income for the period									
Issuance of ordinary shares	270,111	-	-	-	-	270,111	-	270,111	
At 30 June 2021	11,204,164	9,100	(4,792,177)	(2,455,477)	-	3,965,610	117,688	4,083,298	
At 1 January 2020	10,306,302	2,462	(4,631,929)	(2,455,477)	(29,001)	3,192,357	14,701	3,207,058	
Profit for the period	-	-	330,553	-	-	330,553	(8,633)	321,920	
Other comprehensive (loss)/income									
Currency translation differences arising from consolidation	-	(22,680)	-	-	-	(22,680)	72	(22,608)	
Total comprehensive (loss)/income for the period									
	-	(22,680)	330,553	-	-	307,873	(8,561)	299,312	
At 30 June 2020	10,306,302	(20,218)	(4,301,376)	(2,455,477)	(29,001)	3,500,230	6,140	3,506,370	

**D. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
AS AT 30 JUNE 2021 (CONT'D)**

The Company	Note	Share capital	Accumulated losses	Fair value reserve	Total
		US\$	US\$	US\$	US\$
At 1 January 2021		10,934,053	(6,757,437)	-	4,176,616
Net loss and comprehensive loss for the period		-	(781,526)	-	(781,526)
Issuance of ordinary shares	14	270,111	-	-	270,111
At 30 June 2021		11,204,164	(7,538,963)	-	3,665,201
At 1 January 2020		10,306,302	(6,613,668)	(29,001)	3,663,633
Net profit and comprehensive income for the period		-	145,700	-	145,700
At 30 June 2020		10,306,302	(6,467,968)	(29,001)	3,809,333

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 1 Lorong 2 Toa Payoh, #05-06 Braddell House, Singapore 319637.

These condensed interim financial statements as at and for the six months ended 30 June 2021 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 six months ended 30 June 2021 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 2020.

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 which is the Company’s functional currency.

2.1 New and revised standards adopted by the Group

On 1 January 2021, 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

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 interim period are included in the following notes:

- Note 9 - Write down of inventories : key assumptions to determine valuation of inventories at the lower of costs and net realisable value
- Note 10 - impairment of non-financial assets : key assumptions on underlying recoverable amounts

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 interim 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	
	1H FY2021	1H FY2020
	US\$	US\$
E-commerce retail and distribution (Sales of goods)	15,996,014	17,629,658
E-commerce retail and distribution (Training services)	18,902	-
Logistics and freight forwarding services	3,387	936
Waste management services	342,221	147,908
	<u>16,360,524</u>	<u>17,778,502</u>
Timing of revenue recognition		
At a point in time	16,341,622	17,778,502
Over time	18,902	-
	<u>16,360,524</u>	<u>17,778,502</u>

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	
	1H FY2021	1H FY2020	1H FY2021	1H FY2020	1H FY2021	1H FY2020	1H FY2021	1H FY2020	1H FY2021	1H FY2020	1H FY2021	1H FY2020
	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>
Revenue												
External customers	16,014,916	17,629,658	3,387	936	342,221	147,908	-	-	-	-	16,360,524	17,778,502
Intersegment sales	-	-	10,654	26,068	-	-	-	-	(10,654)	(26,068)	-	-
Total revenue	16,014,916	17,629,658	14,041	27,004	342,221	147,908	-	-	(10,654)	(26,068)	16,360,524	17,778,502
Segment (loss)/profit	(311,610)	(1,828,322)	(22,900)	162,802	(89,853)	(28,471)	(780,276)	146,674	638,672	2,132,349	(565,967)	585,032
Depreciation	(75,898)	(102,624)	(28,499)	(27,320)	(8,577)	(6,371)	(1,250)	(974)	-	-	(114,224)	(137,289)
Amortisation	(3,283)	(72,521)	-	-	-	-	-	-	-	-	(3,283)	(72,521)
Impairment losses/write-off	(47,244)	(9,616)	-	-	-	-	-	-	-	-	(47,244)	(9,616)
Finance costs	(18,716)	(43,686)	-	-	-	-	-	-	-	-	(18,716)	(43,686)
(Loss)/profit before tax	(456,751)	(2,056,769)	(51,399)	135,482	(98,430)	(34,842)	(781,526)	145,700	638,672	2,132,349	(749,434)	321,920
Income tax expense											(39,446)	-
(Loss)/profit after tax											(788,880)	321,920

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	
	1H FY2021 <u>US\$</u>	1H FY2020 <u>US\$</u>	1H FY2021 <u>US\$</u>	1H FY2020 <u>US\$</u>	1H FY2021 <u>US\$</u>	1H FY2020 <u>US\$</u>	1H FY2021 <u>US\$</u>	1H FY2020 <u>US\$</u>	1H FY2021 <u>US\$</u>	1H FY2020 <u>US\$</u>	1H FY2021 <u>US\$</u>	1H FY2020 <u>US\$</u>
Assets												
Segment assets	16,913,577	17,148,487	316,245	676,760	107,551	118,972	816,866	4,421,302	-	(2,152,595)	18,154,239	20,212,926
Unallocated assets	-	-	-	-	-	-	-	-	-	-	-	-
Total assets											<u>18,154,239</u>	<u>20,212,926</u>
Liabilities												
Segment liabilities	13,381,858	16,189,325	85,385	47,938	41,102	34,830	322,512	611,969	-	(177,506)	13,830,857	16,479,612
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	240,084	226,944
Total liabilities											<u>14,070,941</u>	<u>16,706,556</u>

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

4 Segment and revenue information (Cont'd)

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.

5 Financial instruments

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

	The Group		The Company	
	<u>30 Jun 21</u>	<u>31 Dec 20</u>	<u>30 Jun 21</u>	<u>31 Dec 20</u>
Financial assets				
Financial assets at amortised costs	2,046,630	2,523,380	1,726,371	2,632,505
Financial liabilities				
Financial liabilities at amortised costs	13,697,949	21,179,744	322,512	709,787

6 (Loss)/profit before tax

6.1 Significant items

	The Group	
	<u>1H FY2021</u>	<u>1H FY2020</u>
	<u>US\$</u>	<u>US\$</u>
Amortisation of intangible assets	3,283	72,521
Bad trade debts written off	-	9,616
Depreciation of investment property	13,777	15,242
Depreciation of property, plant and equipment	14,303	27,925
Depreciation of right-of-use assets	86,144	94,122
Foreign exchange (gain)/loss, net	287,185	(243,754)
Issue of shares under PSP Awards	270,111	-
Interest expenses	16,476	40,965
Interest income	(24)	(1,701)
Interest portion on lease liabilities	2,240	2,721
Write-down of inventories	47,244	-

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

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:

	1H FY2021 <u>US\$</u>	1H FY2020 <u>US\$</u>
With related party		
Training service	18,902	-

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

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	
	1H FY2021 <u>US\$</u>	1H FY2020 <u>US\$</u>
Current income tax expense	39,446	-

8 Net assets value

	The Group		The Company	
	<u>30 Jun 21</u>	<u>31 Dec 20</u>	<u>30 Jun 21</u>	<u>31 Dec 20</u>
Net asset value per ordinary share based on issued share capital (US cents) ⁽¹⁾	1.61	1.99	1.48	1.82

Note: ⁽¹⁾ The calculation of net asset value per ordinary shares was based on 246,854,000 shares as of 30 June 2021 (31 December 2020 : 229,660,000).

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

9 Inventories

	The Group	
	30 Jun 21	31 Dec 20
	<u>US\$</u>	<u>US\$</u>
Finished goods	14,616,334	22,115,681

Inventories recognised as an expense in cost of sales for the financial period ended 30 June 2021 amounted to US\$9,415,843 (31 December 2020 : US\$20,428,214).

10 Intangible assets

	The Group	The Company
	<u>US\$</u>	<u>US\$</u>
Computer software development costs		
At 31 December 2020		
Cost	53,623	19,702
Accumulated amortisation and impairment loss	34,760	839
Net carrying amount	<u>18,863</u>	<u>18,863</u>
6 months ended 30 June 2021		
Opening net carrying amount	18,863	18,863
Amortisation charge	3,283	3,283
Closing net carrying amount	<u>15,580</u>	<u>15,580</u>

11 Property, plant and equipment

During the six months ended 30 June 2021, the Group acquired assets amounting to US\$891 (30 June 2020: US\$3,689) with no disposal of assets.

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

12 Investment property

	The Group	
	2021	2020
	<u>US\$</u>	<u>US\$</u>
Cost		
At 1 January and 30 June	1,523,832	1,523,832
Accumulated depreciation and impairment loss		
At 1 January	(336,715)	(306,969)
Depreciation charge	(13,777)	(15,242)
At 30 June	<u>(350,492)</u>	<u>(322,211)</u>
Carrying amount at 30 June	<u>1,173,340</u>	<u>1,201,621</u>

13 Borrowings

	The Group	
	30 Jun 21	31 Dec 20
	<u>US\$</u>	<u>US\$</u>
Amount repayable in one year, or on demand		
Secured bank loan	14,656	772,764
Lease liabilities	63,974	150,185
	<u>78,630</u>	<u>922,949</u>
Amount repayable after one year		
Secured bank loan	843,330	843,330
Lease liabilities	47,852	48,086
	<u>891,182</u>	<u>891,416</u>
Total borrowings	<u>969,812</u>	<u>1,814,365</u>

Secured loan is secured by the following:

- (i) A first legal mortgage over the Group's freehold property (Note: 12); and
- (ii) Corporate guarantee for S\$2.6 million executed by the Company.

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

14 Share Capital

	30 Jun 21		31 Dec 20	
	No. of shares		No. of shares	
	<u>'000</u>	<u>US\$</u>	<u>'000</u>	<u>US\$</u>
As at 1 January	241,660	10,934,053	229,660	10,306,302
Issue of new shares	5,194	270,111	12,000	627,751
Balance as at 30 June / 31 December	<u>246,854</u>	<u>11,204,614</u>	<u>241,660</u>	<u>10,934,053</u>

On 28 December 2020, the Company issued 12,000,000 ordinary shares of S\$0.07 (equivalent to US\$0.0523) per share for cash to provide fund for the expansion of the Group's operations.

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 30 June 2021 and 31 December 2020.

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2021 and 31 December 2020.

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 interim statements of financial position of Y Ventures Group Ltd and its subsidiaries as at 30 June 2021 and the related condensed interim consolidated statement of profit or loss and other comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for six-month period then ended and certain explanatory notes have not been audited nor reviewed.

1A. 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)

Revenue

The revenue reduced slightly by 8.0% or US\$1.42 million from US\$17.78 million in 1H FY2020 to US\$16.36 million in 1H FY2021. The decrease was mainly due to a decrease in the sales of books on online marketplaces. The COVID-19 pandemic has placed stress on the supply chain network underlying it which has affected the timely movement of our inventory to meet the demand of our customers.

Cost of sales

The cost of sales decreased by 11.6% or US\$1.28 million from US\$11.10 million in 1H FY2020 to US\$9.82 million in 1H FY2021 mainly due to the corresponding slight reduction in sales.

Gross profit and gross profit margin

The Group's gross profit decreased by 2.0% or US\$0.13 million, from US\$6.68 million in 1H FY2020 to US\$6.55 million in 1H FY2021 being cushioned by the drop in Cost of sales. The Gross profit margin improved from 37.6% in 1H FY2020 to 40.0% in 1H FY2021. This was mainly due to better margins on books sold.

Other Income

The other income decreased by 41.7% or US\$0.16 million from US\$0.38 million in 1H FY2020 to US\$0.22 million in 1H FY2021 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 increased by 1.5% or US\$0.08 million from US\$5.25 million in 1H FY2020 to US\$5.33 million in 1H FY2021 mainly due to an increase in charges imposed by the online marketplaces.

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)

Administrative expenses

The administrative expenses increased by 49.8% or US\$0.72 million from US\$1.44 million in 1H FY2020 to US\$2.16 million in 1H FY2021 mainly due to the foreign exchange gain of US\$0.24 million in 1H FY2020 vs a loss on foreign exchange of US\$0.29 million in 1H FY2021 as the United States Dollar weakened against the Sterling Pound. Apart from the above, the grant of share awards under the Y Ventures Performance Share Plan (the "Awards") to selected employees of the Company in 2Q FY2021 of US\$0.27 million has also contributed to the increase in administrative expenses.

Finance costs

The finance costs decreased by 57.2% or US\$0.02 million from US\$0.04 million in 1H FY2020 to US\$0.02 million in 1H FY2021 due to lower utilisation of credit facilities.

Loss for the year

The loss before tax was US\$0.75 million in 1H FY2021 and was mainly due an increase in administrative expenses of US\$0.72 million and selling and distribution expenses of US\$0.08 million, a decrease in gross profit of US\$0.13 million, a decrease in other income of US\$0.16 million.

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

Current assets

The current assets decreased by 32.1% or US\$7.97 million from US\$24.80 million as at 31 December 2020 to US\$16.83 million as at 30 June 2021. This was mainly due to the decrease in inventories and trade and other receivables and cash and bank balances and contract assets.

Non-current assets

Non-current assets decreased by 8.1% or US\$0.12 million from US\$1.44 million as at 31 December 2020 to US\$1.32 million at 30 June 2021. This was primarily due to the reduction in ROU assets and property, plant and equipment and investment property.

Current liabilities

The current liabilities decreased by 36.5% or US\$7.56 million from US\$20.71 million as at 31 December 2020 to US\$13.15 million as at 30 June 2021. This was mainly due to the decrease in borrowings and trade and other payables from the purchase of inventories.

Non-current liabilities

Non-current liabilities remain relatively stable of US\$0.92 million as at 31 December 2020 and 30 June 2021.

Working capital

The Group working capital decreased by 9.9% or US\$0.41 million from US\$4.09 million as at 31 December 2020 to US\$3.68 million as at 30 June 2021.

Shareholders' equity

The Group's shareholders' equity decreased by 13.2% or US\$0.60 million from US\$4.57 million as at 31 December 2020 to US\$3.97 million as at 30 June 2021 mainly due to loss incurred in 1H FY2021.

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 generated from operating activities for 1H FY2021 was US\$0.57 million, comprising mainly operating cash outflow before working capital of approximately US\$0.30 million and offset working capital inflow of US\$0.98 million. The working capital inflow was largely due to decreased in purchase of inventories of US\$7.45 million and decrease in trade and other receivables of US\$0.17 million and offset by decrease in trade and other payables of US\$6.64 million.

Net cash used in investing activities of US\$891 was mainly from purchase of property, plant and equipment.

Net cash used in financing activities of US\$0.12 million was mainly from the repayment of borrowings and lease liabilities and interest paid.

Overall, the cash and cash equivalents of the Group increased in 1H FY2021, ending the period 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.

The Group's unaudited condensed interim financial statements for the six months ended 30 June 2021 are in line with the profit guidance released on SGX-ST on 23 July 2021.

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.

The ongoing COVID-19 pandemic while having impacted the ecommerce sector positively has also placed stress on the supply chain network underlying it which has affected the timely movement of our inventory to meet the demand of our customers. Having strengthened our operational team, the Group is optimistic that it would be able to respond to these challenges.

Moving forward, the Group continues to strengthen its core data analytics capability and its applications while remaining vigilant on cost and cash management.

The Group may also 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 states 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 1H FY2021 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 1H FY2021.

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 30 June 2021	Amount unutilised as at 30 June 2021
	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 30 June 2021	Amount unutilised as at 30 June 2021
	S\$	S\$	S\$
Business expansion through mergers and acquisitions, joint ventures, strategic collaborations and investments	500,000	-	500,000
General working capital ⁽¹⁾	340,000	(340,000)	-
Total ⁽²⁾	840,000	(340,000)	500,000

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 a binding term sheet for the subscription and acquisition ("Investment") of shares in Toyrrential Pte. Ltd. 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 six months period ended 30 June 2021 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Lew Chern Yong, Eric
Executive Chairman

Low Yik Jin, Alex
Chief Executive Officer and Executive Director

13 August 2021