



**MYMBN BERHAD**

(Registration no.: 202201011844 (1457541-U))  
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT**

**FOR THE SECOND QUARTER ENDED 30 JUNE 2023**

# MYMBN BERHAD

(Registration no.: 202201011844 (1457541-U))

(Incorporated in Malaysia)

## INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 JUNE 2023 <sup>(1)</sup>

	<i>Note</i>	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
		Unaudited 30.6.2023	Unaudited 30.6.2022 <sup>(2)</sup>	Unaudited 30.6.2023	Unaudited 30.6.2022 <sup>(2)</sup>
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	23,123	N/A	40,743	N/A
Cost of sales		(19,965)	N/A	(35,029)	N/A
Gross profit		3,158	N/A	5,714	N/A
Other income		14	N/A	23	N/A
Administrative expenses		(724)	N/A	(1,535)	N/A
Selling and distribution expenses		(46)	N/A	(79)	N/A
Profit from operations		2,402	N/A	4,123	N/A
Finance costs		(62)	N/A	(110)	N/A
Profit before tax	B4	2,340	N/A	4,013	N/A
Taxation	B5	(598)	N/A	(1,057)	N/A
Profit after tax		1,742	N/A	2,956	N/A
Other comprehensive income		-	N/A	-	N/A
Total comprehensive income for the financial period		1,742	N/A	2,956	N/A
Total comprehensive income for the financial period attributable to:					
- Equity holders of the Company		1,742	N/A	2,956	N/A
Earnings per share (sen) <sup>(3)</sup>	B7				
- Basic		0.60	N/A	1.03	N/A
- Diluted		0.60	N/A	1.03	N/A

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### Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company in relation to its initial public offering ("IPO") dated 30 June 2023 ("**Prospectus**") and the accompanying explanatory notes attached to this interim financial report.
- (2) This is the first interim financial report being announced in compliance with the ACE Market Listing Requirements ("**Listing Requirements**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**"). There are no comparative figures for the preceding corresponding quarter and period as there is no interim financial report prepared for the comparative quarter concerned.
- (3) Basic and diluted earnings per share is calculated based on the issued ordinary shares in the Company ("**Shares**") of 288,000,000 Shares before the Public Issue (as defined in Note B10).

N/A - Not Applicable

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(Incorporated in Malaysia)

## INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023<sup>(1)</sup>

	Unaudited 30.6.2023 RM'000	Audited 31.12.2022 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,532	1,636
Right-of-use assets	3,137	2,715
Deposit placed for life insurance policy	80	80
<b>Total non-current assets</b>	<u>4,749</u>	<u>4,431</u>
<b>Current assets</b>		
Inventories	5,552	4,310
Trade and other receivables	4,136	2,984
Fixed deposits with licensed banks, cash and bank balances	9,778	9,499
<b>Total current assets</b>	<u>19,466</u>	<u>16,793</u>
<b>TOTAL ASSETS</b>	<u>24,215</u>	<u>21,224</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	10,800	10,800
Merger deficit	(10,300)	(10,300)
Retained earnings	17,565	14,609
<b>TOTAL EQUITY</b>	<u>18,065</u>	<u>15,109</u>
<b>Non-current liabilities</b>		
Long-term borrowings	2,216	1,915
Deferred tax liabilities	173	173
<b>Total non-current liabilities</b>	<u>2,389</u>	<u>2,088</u>
<b>Current liabilities</b>		
Trade and other payables	1,498	1,303
Short-term borrowings	1,729	2,490
Current tax liabilities	534	234
<b>Total current liabilities</b>	<u>3,761</u>	<u>4,027</u>
<b>TOTAL LIABILITIES</b>	<u>6,150</u>	<u>6,115</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>24,215</u>	<u>21,224</u>
<b>NET ASSETS PER SHARE (sen)<sup>(2)</sup></b>	6.27	5.25

#### Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per share is computed based on the weighted average number of Shares of 288,000,000 Shares before the Public Issue (as defined in Note B10).

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## INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023

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### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 30 JUNE 2023<sup>(1)(2)</sup>

	Non-distributable		Distributable	Total equity RM'000
	Share capital	Merger Deficit	Retained earnings	
	RM'000	RM'000	RM'000	
Balance as at 1 January 2023	10,800	(10,300)	14,609	15,109
Profit after taxation/Total comprehensive income for the financial period	-	-	2,956	2,956
Balance as at 30 June 2023	10,800	(10,300)	17,565	18,065

**Note:**

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.

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## INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND QUARTER ENDED 30 JUNE 2023<sup>(1)</sup>

	Unaudited Quarter Ended	
	30.6.2023	30.6.2022 <sup>(2)</sup>
	RM'000	RM'000
<b>Cash flows From operating activities</b>		
Profit before taxation	4,013	N/A
Adjustments for:		
Depreciation of property, plant and equipment	143	N/A
Depreciation of right-of-use assets	38	N/A
Interest expense	(110)	N/A
Interest income	(23)	N/A
Operating profit before working capital changes	4,061	N/A
Increase in inventories	(1,242)	N/A
Increase in trade and other receivables	(1,152)	N/A
Increase in trade and other payables	195	N/A
Cash From operations	1,862	N/A
Income tax paid	(757)	N/A
Interest paid	110	N/A
Net cash From operating activities	1,215	N/A
<b>Cash flows For investing activities</b>		
Purchase of property, plant and equipment	(39)	N/A
Purchase of right-of-use assets	(460)	N/A
Interest received	23	N/A
Net cash For investing activities	(476)	N/A
<b>Cash flows (For)/From financing activities</b>		
Repayment of term loans	(34)	N/A
Repayment of bankers' acceptance	(838)	N/A
Net drawdown of hire purchase	412	N/A
Net cash For financing activities	(460)	N/A
<b>Net increase in cash and cash equivalents</b>	279	N/A
Cash and cash equivalents at beginning of the financial period	8,999	N/A
<b>Cash and cash equivalents at end of the financial period</b>	9,278	N/A
<b>Cash and cash equivalents at end of the financial period consist of:</b>		
Cash and bank balance	9,278	N/A
Fixed deposit with licensed bank	500	N/A
	9,778	N/A

#### Notes:

- (1) The basis of preparation of the above Unaudited Condensed Consolidated Statement of Cash Flows is disclosed in Note A1 of the notes to this interim financial report and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.
- (2) This is the first interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding quarter as no interim financial report was prepared for the comparative quarter concerned.

N/A - Not Applicable

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## INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023

### PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134 - INTERIM FINANCIAL REPORTING

#### A1. Basis of Preparation

The interim financial report of MYMBN Berhad (“**MYMBN**” or the “**Company**”) and its subsidiaries (the “**Group**”) is unaudited and have been prepared in accordance with the requirements of the Malaysian Financial Reporting Standard (“**MFRS**”) 134: Interim Financial Reporting and Appendix 9B of the ACE Market Listing Requirements of Bursa Securities.

This is the first interim financial report for the second quarter ended 30 June 2023 announced by the Group in compliance with the Listing Requirements of Bursa Securities. As such, there are no comparative figures for the preceding corresponding quarter.

This interim financial report should be read in conjunction with the Accountants’ Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.

#### A2. Significant Accounting Policies

The following new and revised MFRSs issued by MASB, have been adopted, and the adoptions do not have any or significant impact to the financial statements for the financial year ending 31 December 2023:

<b>Title</b>	<b>Effective Date</b>
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 17: Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

#### **MFRSs that have been issued but only effective for financial period beginning on 1 January 2024 and onwards**

The following new and revised MFRSs issued by MASB, have not been adopted, and the adoptions are not expected to have any significant impact to the financial statements:

<b>Title</b>	<b>Effective Date</b>
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024

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## INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023

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### **A3. Auditors' Report on Preceding Annual Financial Statements**

The audited consolidated financial statements of the Group for the financial year ended 31 December 2022 were not subject to any qualification.

### **A4. Seasonal or Cyclical Factors**

The business operations of the Group are subject to seasonality factors which affect the demand and supply of bird's nests. These include weather conditions which affect the quality of bird's nests as well as the higher demand during the festive and holiday periods.

### **A5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

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

### **A6. Material Changes in Estimates and Judgements**

There were no material changes in accounting estimates and judgements that have a material effect on the current financial quarter under review and financial period under review.

### **A7. Debts and Equity Securities**

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

### **A8. Dividend Paid**

There were no dividends paid during the current financial quarter under review.

### **A9. Segmental Information**

The segmental analysis of Group's revenue is set out as follows:

#### **(a) Revenue segmented by business activities, products and services**

No segmental analysis by business activities, products and services is prepared as the Group operates predominantly in one industry.



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### (b) By geographical locations

In presenting information on the basis of geographical segments, segment revenue is based on geographical location of customers.

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>Unaudited</u> <u>30.6.2023</u> <u>RM'000</u>	<u>Unaudited</u> <u>30.6.2022<sup>(1)</sup></u> <u>RM'000</u>	<u>Unaudited</u> <u>30.6.2023</u> <u>RM'000</u>	<u>Unaudited</u> <u>30.6.2022<sup>(1)</sup></u> <u>RM'000</u>
Malaysia	8	N/A	60	N/A
People's Republic of China ("PRC")	19,203	N/A	36,771	N/A
Vietnam	3,912	N/A	3,912	N/A
	<u>23,123</u>	<u>N/A</u>	<u>40,743</u>	<u>N/A</u>

#### Note:

- (1) This is the first interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding quarter as no interim financial report was prepared for the comparative quarter concerned.

### A10. Material Capital Commitments

There are no material capital commitments as at the date of this unaudited interim financial report except as below:

	<b>RM'000</b>
<b>Approved and contracted for:</b>	
Purchase of land and buildings adjacent to current business premises	2,664
Balance purchase consideration for the proposed acquisition of 80% equity interest in Guangxi Nan Yang	251
Capital contribution towards the 80% equity interest in Guangxi Nan Yang	<u>650</u>
	<u>3,565</u>

### A11. Contingent Assets and Liabilities

There were no material contingent assets and liabilities as at the end of the unaudited interim financial period.

### A12. Changes in Composition of the Group

There were no material changes in the composition of the Group during the current financial quarter under review.

### A13. Significant Events Occurring After the Financial Period

There were no significant events subsequent to the end of the current financial period.

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## **INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023**

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### **PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES**

#### **B1. Review of Performance for current and cumulative quarter ended 30 June 2023**

The Group recorded revenue of RM23.12 million and RM40.74 million for the current quarter under review and financial year-to-date respectively. For the current quarter under review and financial year-to-date, the Group's revenue was mainly derived from sales to customers in China which contributed 83.05% and 90.25% of the Group's total revenue, respectively. For the current quarter under review and financial year-to-date, the Group's revenue that derived from sales to customers in Vietnam contributed 16.92% and 9.6% of the Group's total revenue, respectively.

The Group registered profit before taxation ("PBT") of RM2.34 million and RM4.01 million for the current quarter under review and financial year-to-date, respectively. The administrative expenses of the current quarter under review and financial year-to-date have included one-off listing expenses of approximately RM0.04 million and RM0.12 million, respectively. The adjusted PBT after excluding the said listing expenses will be RM2.38 million and RM4.14 million for the current quarter under review and financial year-to-date, respectively.

No comparative figures for the preceding corresponding quarter are available as this is the first interim financial report on the consolidated results for the second quarter ended 30 June 2023 announced by the Company in compliance with the Listing Requirements.

#### **B2. Commentary on Prospects**

After the PRC lifted its COVID-19 restrictions in December 2022, there have been gradual and positive signs of recovery in the demand for our Group's products (i.e. raw unclean edible bird's nest) from our customers in the PRC. In addition, the demand from Vietnam similarly appears to be fairly promising. With the Group staying focused on its product quality, pricing competitiveness and consistency of supply of products, the Board is cautiously optimistic about the Group's financial performance in the remaining periods for the financial year 2023.

#### **B3. Profit Forecast and Profit Guarantee**

The Group has not issued any profit forecast or profit guarantee in any form of public documentation and announcement during the current financial quarter under review.

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## INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023

### B4. Profit before Taxation

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>Unaudited</u> <u>30.6.2023</u> <u>RM'000</u>	<u>Unaudited</u> <u>30.6.2022<sup>(1)</sup></u> <u>RM'000</u>	<u>Unaudited</u> <u>30.6.2023</u> <u>RM'000</u>	<u>Unaudited</u> <u>30.6.2022</u> <u>RM'000</u>
<b>Profit before taxation is arrived at after charging:</b>				
Auditors' remuneration				
- current year	17	N/A	36	N/A
Depreciation of property, plant and equipment	72	N/A	143	N/A
Depreciation of right-of-use assets	23	N/A	38	N/A
Finance cost				
- bankers' acceptance interest	33	N/A	59	N/A
- finance lease interest	3	N/A	3	N/A
- term loan interest	23	N/A	44	N/A
Listing expenses	40	N/A	122	N/A
<b>and crediting:</b>				
Interest income	14	N/A	23	N/A
Realised foreign exchange gain	25	N/A	132	N/A

This is the first interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding quarter as no interim financial report was prepared for the comparative quarter concerned.

### B5. Income tax expense

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>Unaudited</u> <u>30.6.2023</u> <u>RM'000</u>	<u>Unaudited</u> <u>30.6.2022</u> <u>RM'000</u>	<u>Unaudited</u> <u>30.6.2023</u> <u>RM'000</u>	<u>Unaudited</u> <u>30.6.2022</u> <u>RM'000</u>
Current tax expense:				
- Current financial period	598	N/A	1,057	N/A
Effective tax rate	25.6%	N/A	26.3%	N/A
Statutory tax rate	24.0%	N/A	24.0%	N/A

The effective tax rate higher than the statutory tax rate was due to the non-tax deductible expenses.

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## INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023

### B6. Borrowings

	Unaudited 30.6.2023 RM'000	Audited 31.12.2022 RM'000
<b>Current</b>		
Finance lease	78	-
Bankers' acceptance	1,584	2,422
Term loan	67	68
	<u>1,729</u>	<u>2,490</u>
<b>Non-current</b>		
Finance lease	334	-
Term loan	1,882	1,915
	<u>2,216</u>	<u>1,915</u>
<b>Total borrowings</b>	<u>3,945</u>	<u>4,405</u>

### B7. Earnings per share

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Unaudited 30.6.2023	Unaudited 30.6.2022	Unaudited 30.6.2023	Unaudited 30.6.2022
Profit/(Loss) attributable to owners of the Company (RM'000)	1,742	N/A	2,956	N/A
Weighted average number of ordinary shares in issue ('000)	288,000	N/A	288,000	N/A
Basic/Diluted EPS (sen)	0.60	N/A	1.03	N/A

### B8. Material Litigation

The Group was not engaged in any material litigation as at the date of this unaudited interim financial report.

### B9. Dividend Proposed or Declared

No dividend has been proposed or declared by the Board of Directors of the Company during the current financial quarter under review and financial period under review.

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## INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2023

### B10. Status of Corporate Proposals and Use of Proceeds

Save as disclosed below, there were no corporate proposals announced but pending completion as at the date of this unaudited interim financial report.

On 30 June 2023, the Company issued the Prospectus for the IPO in conjunction with its listing and quotation on the ACE Market of Bursa Securities (“**Listing**”) comprising a public issue of 98,000,000 new Shares at an issue price of RM0.21 per Share (“**Public Issue**”) allocated in the following manner:

- 19,300,000 new Shares made available for application by the Malaysian Public by way of balloting;
- 18,678,000 new Shares made available for application by the eligible directors, employees and persons who have contributed to the success of the Group; and
- 60,022,000 new Shares made available for application by way of private placement to selected investors.

The gross proceeds of approximately RM20.58 million to be raised from the IPO are intended to be utilised in the following manner:

<u>Purposes</u>	<u>RM'000</u>	<u>%</u>	<u>Estimated time frame for use upon Listing</u>
1. Business expansion			
• Purchase of the New Facility to expand processing capacity	2,804	13.63	Within 24 months
• Renovation and fit out works of the New Facility	3,200	15.55	Within 24 months
• Setting up of three (3) bird's nests collection centres in East Malaysia	1,680	8.16	Within 24 months
• Expansion into the processing and sale of RCEBN	1,250	6.07	Within 24 months
2. Purchase of raw bird's nests for RUCBN	6,600	32.07	Within 6 months
3. Working capital	2,046	9.94	Within 12 months
4. Estimated listing expenses	3,000	14.58	Within 3 months
<b>Total</b>	<b><u>20,580</u></b>	<b><u>100.00</u></b>	

The utilisation of proceeds as disclosed above shall be read in conjunction with the Prospectus. As at the date of this interim financial report, the IPO is pending completion, and therefore, the proceeds have yet to be raised and utilised.

**BY ORDER OF THE BOARD**  
**MYMBN BERHAD**  
**21<sup>st</sup> July 2023**