

YX PRECIOUS METALS BERHAD (0250)

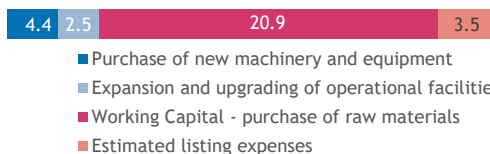


ACE MARKET | 23 JUNE 2022 | CONSUMER PRODUCTS & SERVICES

IPO STATISTICS

IPO Price (RM)	0.28
Fund Raised (RM million)	31.26 from new issue
Enlarged issued share capital upon listing (million shares)	372.15
IPO Market Capitalisation (RM million)	104.20
Price Earnings Ratio (PER)	14.66x

Use of Proceed (RM)31.26 million from new issue)



BUSINESS OVERVIEW

Business Activities

YX Precious Metals is principally involved in **wholesaling, design and manufacturing of gold jewellery**. Its other related products and services include sales of scrap and pure gold bars, manufacture of silver chains, and provision of refining services for precious metals.

It focuses on 916-gold jewellery which contains 91.67% pure gold content alloyed with other metals. Its range of products consist of gold jewellery that are sourced from external manufacturers as well as internally sourced from its manufacturing operations. Its business model is based on sales of gold jewellery to trade customers for resale to jewellery retailers, wholesalers and manufacturers. Malaysia is its principal market with >90% in sales.

Wholesale, Design and Manufacture

The company derives 93.8% of its FY2021 sales from wholesale segment while the design and manufacture segment contributed 3.5%.

Revenue for the wholesale segment via its wholly-owned subsidiary Yi Xiang Goldsmith Sdn Bhd (YXG), is derived from **sales of gold jewellery** as well as **gold jewellery manufacturing services** that are sourced from external manufacturers. It also includes the sales of internally sourced gold jewellery.

Meanwhile, its other unit Gemas Precious Metals Industries Sdn Bhd (GPM), designs and manufactures gold jewellery mainly for YXG.

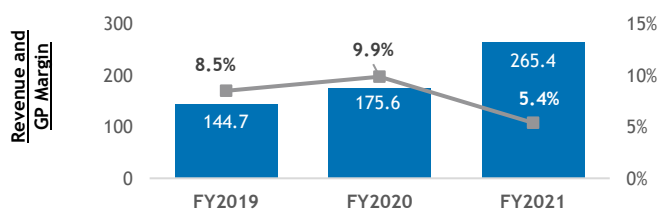
Competitive Strength

- A gold jewellery specialist where whose wholesale operations are supported by its own inhouse design team and manufacturing operations, enabling it to offer **exclusive gold jewellery designs**.
- A **one-stop supply centre for gold jewellery** to meet the needs of its customers.
- **Wide customer base and market reach** that include jewellery retailers and wholesalers, with approximately 315 customers in FY2021.
- **Established track record of 30 years**
- Experienced Managing Director and Key Senior Management team

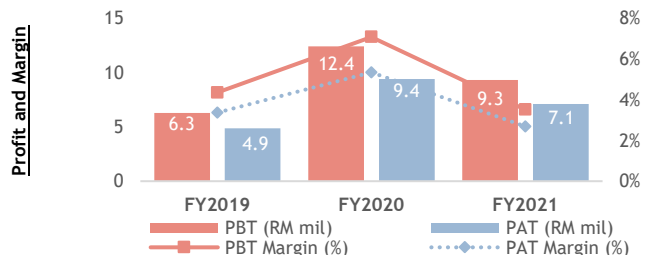
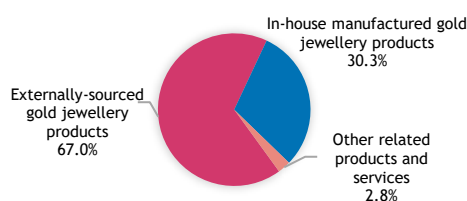
GROWTH STRATEGIES AND FUTURE PLANS

- **Expand the range of hollow gold jewellery** to meet the needs of our customers, mainly jewellery retailers who are intending to target a wider cross-section end consumers due to its lower price points compared to solid gold.
- **Expansion and upgrading of operational facilities** to automate some of its existing processes which are done manually as well as to improve production efficiency and to reduce wastage of materials. Other than jewellery-making machines, it also plans to invest in a new enterprise resource planning system and manufacturing execution system to facilitate a timely flow of data for decision making and reporting purposes.
- **Provision of refining and assaying services to external customers.** Currently, the refining and assaying activities are undertaken as part of its internal manufacturing process. By expanding the segment, it will be able to enlarge its customer base in to generate additional revenue stream.

FINANCIAL PERFORMANCE & PEER ANALYSIS



Revenue Segmentation (FY2021)



Peer Analysis

No known public listed companies on Bursa Malaysia as comparable peer

PROMOTERS & SUBSTANTIAL SHAREHOLDERS

Promoter/ Substantial Shareholder	Designation	Shareholding after IPO	
		Direct	Indirect
Tomei Consolidated Berhad	Promoter and substantial shareholder. Investment holding	70.00%	-
Ng Sheau Chyn	Promoter and substantial shareholder. Managing Director	0.02%	72.98%
Teck Fong Corporation Sdn Bhd	Substantial shareholder. Investment holding	2.28%	70.00%
Tropical Bliss Sdn Bhd	Substantial shareholder. Investment holding	0.71%	70.00%
Datuk Ng Yih Pyng	Substantial shareholder. Non-Independent Non-Executive Director	0.02%	72.98%
Ng Yih Chen	Substantial shareholder. Executive Director	-	72.98%
Ng Sheau Yuen	Substantial shareholder. Executive Director	<0.01%	72.98%

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