

OCEANCASH PACIFIC BERHAD

(Company No : 590636-M)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER 2022**

(The figures have not been audited)

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>CURRENT YEAR QUARTER 30.09.2022 RM'000</u>	<u>PRECEDING YEAR CORRESPONDING QUARTER 30.09.2021 RM'000</u>	<u>CURRENT YEAR TO DATE 30.09.2022 RM'000</u>	<u>PRECEDING YEAR CORRESPONDING PERIOD 30.09.2021 RM'000</u>
Revenue	25,138	17,269	65,893	55,233
Other income	270	172	595	513
EBITDA	5,412	3,253	11,705	10,429
Finance cost	(132)	(86)	(339)	(306)
Depreciation	(1,940)	(1,632)	(5,016)	(4,851)
Profit before taxation	3,340	1,535	6,350	5,272
Taxation	(879)	(286)	(1,713)	(1,617)
Profit for the period	2,461	1,249	4,637	3,655
Other comprehensive income for the financial period, net of tax				
Foreign currency translation	273	97	253	(128)
Total comprehensive income for the financial period	2,734	1,346	4,890	3,527
Equity holders of the company	2,461	1,249	4,637	3,655
Minority interest	-	-	-	-
Profit attributable to owners of the company	2,461	1,249	4,637	3,655
Total comprehensive income attributable to owners of the company	2,734	1,346	4,890	3,527
Weighted average number of shares in issue ('000)	260,800	260,800	260,800	260,800
Basic earnings per share (sen)	0.94	0.48	1.78	1.40
Diluted earnings per share (sen)	N/A	N/A	N/A	N/A
Dividend per share (sen)	-	-	-	-

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the notes to the quarterly report and the audited financial statements for the financial year ended 31 December 2021.

Note:

N/A Not applicable

OCEANCASH PACIFIC BERHAD

(Company No : 590636-M)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL POSITION**AS AT 30 SEPTEMBER 2022**

(The figures have not been audited)

	<u>(UNAUDITED)</u>	<u>(AUDITED)</u>
	AS AT 30.09.2022 RM'000	AS AT 31.12.2021 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	74,935	76,375
Deferred tax assets	1,719	2,037
	<u>76,654</u>	<u>78,412</u>
Current assets		
Inventories	11,854	12,400
Trade receivables	21,698	13,470
Other receivables, deposit and prepayments	2,987	1,561
Tax recoverable	189	814
Other investment	18,021	13,293
Cash and bank balances	8,796	17,560
	<u>63,545</u>	<u>59,098</u>
TOTAL ASSETS	<u><u>140,199</u></u>	<u><u>137,510</u></u>
EQUITY AND LIABILITIES		
Share capital	37,007	37,007
Revaluation reserve	13,935	14,085
Currency translation reserve	(1,655)	(1,908)
Retained profits	67,314	62,527
Equity attributable to equity holders of the parent	<u>116,601</u>	<u>111,711</u>
Total equity	<u>116,601</u>	<u>111,711</u>
Non-current liabilities		
Long term borrowings	3,672	4,579
Provision for retirement benefits	183	176
Deferred taxation	5,255	5,310
Total non-current liabilities	<u>9,110</u>	<u>10,065</u>
Current liabilities		
Trade payables	2,381	2,830
Other payables and accruals	2,257	2,861
Amounts due to directors	135	185
Short term borrowings	9,715	9,858
	<u>14,488</u>	<u>15,734</u>
Total liabilities	<u>23,598</u>	<u>25,799</u>
TOTAL EQUITY AND LIABILITIES	<u><u>140,199</u></u>	<u><u>137,510</u></u>
Net assets per ordinary share (sen) attributable to equity holders of the Company	44.71	42.83

The Unaudited Condensed Consolidated Financial Position should be read in conjunction with the notes to the quarterly report and the audited financial statements for the financial year ended 31 December 2021.

OCEANCASH PACIFIC BERHAD

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

(The figures have not been audited)

Note	Attributable To Equity Holders Of The Parent				Total	Minority Interest	Total Equity
	Non-distributable		Currency Translation Reserve	Distributable			
	Share Capital	Revaluation Reserve		Retained earnings/ (Accumulated loss)			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Balance as at 01.01.21	37,007	14,104	(1,753)	59,173	108,531	-	108,531
Currency translation reserve	-	-	(155)	-	(155)	-	(155)
Profit net of tax	-	-	-	5,246	5,246	-	5,246
Total comprehensive income for the financial year	-	-	(155)	5,246	5,091	-	5,091
Revaluation surplus	-	175	-	-	175	-	175
Revaluation reserve during the year	-	(194)	-	194	-	-	-
Issuance of shares pursuant to private placement	-	-	-	-	-	-	-
Dividend paid	-	-	-	(2,086)	(2,086)	-	(2,086)
Balance as at 31.12.2021	37,007	14,085	(1,908)	62,527	111,711	-	111,711
Currency translation reserve	-	-	253	-	253	-	253
Profit net of tax	-	-	-	4,637	4,637	-	4,637
Total comprehensive income for the year	-	-	253	4,637	4,890	-	4,890
Revaluation surplus	-	-	-	-	-	-	-
Revaluation reserve during the year	-	(150)	-	150	-	-	-
Balance as at 30.09.2022	37,007	13,935	(1,655)	67,314	116,601	-	116,601

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the notes to the quarterly report and the audited financial statements for the financial year ended 31 December 2021.

OCEANCASH PACIFIC BERHAD

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2022**

(The figures have not been audited)

	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30.09.2022 RM'000	30.09.21 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	6,350	5,272
Adjustment for:-		
Depreciation and prepaid lease payments	4,882	4,164
Amortisation of land use rights	134	687
Loss on disposal of property, plant and equipment	36	-
Property, plant and equipment written-off	1	-
Unrealised gain/loss on foreign exchange	(94)	191
Dividend income	(51)	(199)
Interest income	(77)	(120)
Interest expense	339	306
Operating profit before working capital changes	11,520	10,301
Inventories	546	(1,811)
Receivables	(9,030)	2,192
Payables	(1,168)	(4,733)
Bills payables	(523)	296
CASH FROM OPERATIONS	1,345	6,245
Interest paid	(133)	(104)
Interest received	77	120
Tax refund	148	12
Tax paid	(937)	(550)
NET CASH FLOW FROM OPERATING ACTIVITIES	500	5,723
CASH FLOWS FOR INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(3,195)	(304)
Proceeds from disposal of property, plant and equipment	84	-
Net Placement of other investments	(4,727)	(1,958)
Dividend income	51	199
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(7,787)	(2,063)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(232)	(116)
Repayment of lease liabilities/finance lease liabilities	(587)	(670)
Proceeds from term loan	-	1,890
Repayments of term loans	(812)	(1,120)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	(1,631)	(16)
Translation differences	(218)	219
NET CHANGES IN CASH AND CASH EQUIVALENTS	(9,136)	3,863
Effects of exchange rate changes	372	164
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	17,560	12,778
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	8,796	16,805

Cash and cash equivalents included in the cash flow statements comprise the following: -

	RM'000	RM'000
Cash and bank balances	8,796	16,805
Bank overdraft	-	-
	8,796	16,805

The unaudited Condensed Consolidated Cashflow Statement should be read in conjunction with the notes to the quarterly report and the audited financial statements for the financial year ended 31 December 2021.

OCEANCASH PACIFIC BERHAD
Company No. 590636-M
(Incorporated in Malaysia)

UNAUDITED QUARTERLY REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2022

A. Explanatory Notes in Accordance to Malaysian Financial Reporting Standards (“MFRS”) 134

A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134 – Interim Financial Reporting issued by Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and should be read in conjunction with the audited statutory financial statements presented for the financial year ended 31 December 2021.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2021 except the Amendments to MFRS that are applicable to the Group effective 1 January 2022. The amendments of these MFRSs do not have any material impact on the Group’s results and financial position.

A2. Audit Report on Preceding Annual Financial Statements

The auditors’ report on the financial statements for the financial year ended 31 December 2021 was not subjected to any qualification.

A3. Seasonal or Cyclical Factors

There were no seasonal or cyclical factors affecting the results of the Group for the current financial quarter under review and financial year-to-date.

A4. Unusual Items

There were no items which are unusual because of their nature, size or incidence that have affected the assets, liabilities, equity, net income or cash flow of the Group for the financial quarter under review and financial year-to-date.

A5. Material Changes in Estimates

There were no changes in estimates that may have a material effect in the current financial quarter under review and financial year-to-date.

A6. Debt and Equity Securities

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

A7. Dividend Paid

No dividend was recommended, declared and paid during the financial quarter under review and financial year-to-date.

A8. Operating Segments

Segment information is presented in respect of the Group's business segments which is based on the internal reports that are regularly reviewed by the Group's chief operating decision makers in order to allocate resources to the segments and assess their performance.

Segment profit or loss is measured based on segment profit before tax, after interest, depreciation and other non-cash expenses that are regularly reviewed by the Group's chief operating decision maker.

Revenue and non-current assets information on the basis of geographical segments are based on the geographical location of customers and assets respectively. The amount of non-current assets do not include financial instruments and deferred tax assets.

Major customers refer to customers whose purchases amount to ten percent (10%) or more of the Group's revenue.

Period Ended 30 September 2022

	Hygiene RM'000	Insulation RM'000	Investment holdings RM'000	Elimination RM'000	Total RM'000
Revenue					
External revenue	38,568	27,129	195	-	65,893
Intersegment revenue	-	-	-	-	-
Total revenue	38,568	27,129	195	-	65,893
Results					
Interest income					77
Finance costs					(339)
Depreciation					<u>(5,016)</u>
Segment profit	1,442	4,996	(50)	(38)	6,350
Taxation	171	(1,884)	-	-	(1,713)
Net profit	<u>1,613</u>	<u>3,112</u>	<u>(50)</u>	<u>(38)</u>	<u>4,637</u>
Assets					
Segment assets	71,036	54,056	14,674	(1,475)	138,291
Addition to non-current assets other than financial instruments and deferred tax assets	348	2,847	-	-	3,195
Liabilities					
Segment liabilities	16,452	3,102	139	(1,350)	18,343
Major customers	<u>2</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2</u>

Period Ended 30 September 2021

	Hygiene RM'000	Insulation RM'000	Investment holdings RM'000	Elimination RM'000	Total RM'000
Revenue					
External revenue	34,887	20,175	171	-	55,233
Intersegment revenue	-	-	-	-	-
Total revenue	34,887	20,175	171	-	55,233
Results					
Interest income					120
Finance costs					(306)
Depreciation					(4,851)
Segment profit	1,146	4,273	(150)	3	5,272
Taxation	(447)	(1,170)	-	-	(1,617)
Net profit	<u>699</u>	<u>3,103</u>	<u>(150)</u>	<u>3</u>	<u>3,655</u>
Assets					
Segment assets	71,730	50,737	14,493	(3,860)	133,100
Addition to non-current assets other than financial instruments and deferred tax assets	170	134	-	-	304
Liabilities					
Segment liabilities	18,794	2,524	154	(3,780)	17,692
Major customers	<u>2</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2</u>

Geographical Information

	Revenue RM'000	Non-current assets RM'000
At 30 September 2022		
Malaysia	30,420	51,047
Indonesia	8,173	13,886
Japan	14,801	-
Thailand	9,830	10,002
Others	2,669	-
	<u>65,893</u>	<u>74,935</u>
At 30 September 2021		
Malaysia	23,091	54,460
Indonesia	7,550	14,454
Japan	14,187	-
Thailand	6,394	8,291
Others	4,011	-
	<u>55,233</u>	<u>77,205</u>

A9. Revaluation of Property, Plant and Equipment

The Group did not undertake any revaluation of its property, plant and equipment for the current financial quarter under review and financial year-to-date.

A10. Material Events Subsequent to the End of the Current Financial Quarter

There was no material event subsequent to the end of the current financial quarter that has not been reflected in the interim financial statements for the current financial quarter under review.

A11. Changes in the Composition of the Group

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

A12. Capital Commitment

	Quarter Ended 30.09.2022 RM'000	Year-to-date Ended 30.09.2022 RM'000
Approved and contracted for:		
Property, plant and equipment	Nil	Nil

A13. Contingent Liabilities and Contingent Assets

There were no changes in the contingent liabilities or contingent assets since the last financial year ended 31 December 2021.

B. Additional Information Required by the Listing Requirements of Bursa Securities for the Main Market of Bursa Securities

B1. Review of Performance for the Current Financial Quarter and Financial Year-to-date

	Quarter ended		Year-to-date	
	30.09.2022	30.09.2021	30.09.2022	30.09.2021
	RM'000	RM'000	RM'000	RM'000
Revenue	25,138	17,269	65,893	55,233
Net profit	2,461	1,249	4,637	3,655

The Group's revenue increased by 45.6% on quarter-on-quarter basis and by 19.3% on year-on-year basis was due mainly to improved sales at hygiene division and insulation division in Malaysia and Indonesia. The increase in sales at hygiene division was mainly from sales in Malaysia. The increase in sales at insulation division in Malaysia were mainly from new motor vehicles production and air-conditioner production and export to Thailand.

The Group recorded an increase in net profit of RM1.212 million on quarter-on-quarter and RM 0.982 million on year-on-year was due mainly to increase in revenue. The Group profit margin has been affected negatively by the increase in cost of production and labour expense especially natural gas and electricity expenses which is still increasing.

B2. Material Change in Profit Before Taxation of Current Quarter in Comparison with Previous Financial Quarter's Results

	Quarter ended	
	30.09.2022	30.06.2022
	RM'000	RM'000
Revenue	25,233	19,707
Profit before taxation	3,340	30

The Group's revenue increased by 28% compared to the preceding quarter was due mainly to increase in sales at insulation division from new motor vehicles production and air-conditioner production in Malaysia and new motor vehicles production in Indonesia.

The Group recorded an increase in profit before tax of RM3.31 million on quarter-on-quarter due mainly to as mentioned above and foreign exchange gain.

B3. Prospect for Year 2022

Barring unforeseen circumstances and assuming global pandemic of Covid-19 does not worsen, the Directors anticipate the Group's performance for the financial year 2022 to perform better.

B4. Variance of Profit Forecast or Profit Guarantee

Not applicable as OPB has not provided any profit forecast or profit guarantee in a public document.

B5. Taxation

The taxation charges for the current financial quarter and financial year-to-date include the following:

	Current Quarter	Year-to-date ended
	30.09.2022	30.09.2022
	RM'000	RM'000
Estimated current tax payable	(921)	(1,336)
Overprovision/(underprovision)	4	(102)
Deferred tax	38	(275)
Taxation expense	<u>(879)</u>	<u>(1,713)</u>

The effective tax rate is disproportionate to the statutory tax rate for the Group for the current financial quarter and financial year-to-date mainly due to the current year taxable profit being set off against unabsorbed tax losses brought forward, reversal of deferred tax asset and capital allowance on disposal of fixed asset, and timing difference of unrealised foreign exchange.

B6. Purchase and Disposal of Quoted Securities

There were no purchases or disposals of quoted securities during the current financial quarter and financial year-to-date.

B7. Status of Corporate Proposals

There were no corporate proposals announced but not completed as at the date of issue of this report.

B8. Group Borrowings and Debt Securities

The Group's borrowings as at 30 September 2022 are shown below:

	Secured RM'000	Unsecured RM'000	Total RM'000
Short Term Borrowings			
Term Loan	1,645	-	1,645
Trade Line	4,412	2,824	7,236
Lease liabilities	834	-	834
	<u>6,891</u>	<u>2,824</u>	<u>9,715</u>
Long Term Borrowings			
Term Loan	3,180	-	3,180
Lease liabilities	492	-	492
	<u>3,672</u>	<u>-</u>	<u>3,672</u>
Total	<u><u>10,563</u></u>	<u><u>2,824</u></u>	<u><u>13,387</u></u>

Group borrowings as at 30 September 2022 denominated in United States Dollars are as follows:-

	USD'000¹
Short Term Borrowings	272
Long Term Borrowings	488
Total	<u><u>760</u></u>

Note:

1 These borrowings have been converted into Ringgit Malaysia using the translation rate prevailing as at 30 September 2022.

B9. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at the date of issue of this report.

B10. Material Litigation

The Group is not engaged in any material litigation either as plaintiff or defendant and the directors do not have any knowledge of any proceedings pending or threatened against the Group.

B11. Dividends

No dividend was recommended, declared and paid for the financial period ended 30 September 2022 (30 September 2021: Nil)

B12. Earnings per Share**▪ Basic earnings per share**

The basic earnings per share of the Group is calculated by dividing the Net Profit by the weighted average number of ordinary shares in issue during the period.

	Current Year Quarter 30.09.2022	Preceding Year Corresponding Quarter 30.09.2021	Current Year-To- Date 30.09.2022	Preceding Year Corresponding Period 30.09.2021
Net Profit (RM'000)	2,461	1,249	4,637	3,635
Weighted average number of ordinary shares ('000)	260,800	260,800	260,800	260,800
Basic earnings / (loss) per share (sen)	0.94	0.48	1.78	1.40

▪ Diluted earnings per share

The Group does not have any convertible securities and accordingly, there is no dilution of earnings per share.