



**GREEN OCEAN CORPORATION BERHAD**

(Company No: 632267-P)

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 30 JUNE 2019**

**GREEN OCEAN CORPORATION BERHAD**

(Company No: 632267-P)  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 30 JUNE 2019**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS  
AND OTHER COMPREHENSIVE INCOME FOR  
CURRENT QUARTER AND YEAR TO DATE ENDED 30 JUNE 2019**

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPOND ING QUARTER	CHANGES %	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPOND ING PERIOD	CHANGES %
	30/6/2019 RM'000	30/6/2018 RM'000		30/6/2019 RM'000	30/6/2018 RM'000	
<b>Operations</b>						
Revenue	56,502	70,278	(19.60)	56,502	70,278	(19.60)
Cost of sales	(56,751)	(68,619)	(17.30)	(56,751)	(68,619)	(17.30)
Gross profit/(loss)	(249)	1,659	(115.01)	(249)	1,659	(115.01)
Other operating income	-	106	(100.00)	-	106	(100.00)
Depreciation and amortization	(135)	(139)	(2.88)	(135)	(139)	(2.88)
Operating expenses	(706)	(421)	67.70	(706)	(421)	67.70
Operating profit/(loss)	(1,090)	1,205	(190.46)	(1,090)	1,205	(190.46)
Interest expense	(239)	(376)	(36.44)	(239)	(376)	(36.44)
Profit/(loss) before tax	(1,329)	829	(260.31)	(1,329)	829	(260.31)
Income tax expense	-	-		-	-	
<b>Profit/(Loss) for the period</b>	(1,329)	829	(260.31)	(1,329)	829	(260.31)
<b>Other comprehensive income</b>	-	-		-	-	
<b>Total comprehensive profit/(loss) for the period</b>	(1,329)	829	(260.31)	(1,329)	829	(260.31)
Profit/(Loss) for the period attributable to: Equity holders of the parent	(1,329)	829	(260.31)	(1,329)	829	(260.31)
<b>Total comprehensive profit/(loss) for the period attributable to: Equity holders of the parent</b>	(1,329)	829	(260.31)	(1,329)	829	(260.31)
<b>Basic profit/(loss) per share (sen)</b>	(0.46)	0.29		(0.46)	0.29	

The Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Statements for the financial year ended 31 March 2019 and the accompanying explanatory notes attached to the interim financial statements.

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**NOTES TO CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER  
COMPREHENSIVE INCOME**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>CURRENT YEAR QUARTER</b>	<b>PRECEDING YEAR CORRESPONDING QUARTER</b>	<b>CURRENT YEAR TO DATE</b>	<b>PRECEDING YEAR CORRESPONDING PERIOD</b>
	<b>30/6/2019 RM'000</b>	<b>30/6/2018 RM'000</b>	<b>30/6/2019 RM'000</b>	<b>30/6/2018 RM'000</b>
Other items included in the statement of profit and loss and other comprehensive income were:-				
Gain from derivatives	-	29	-	29
Gain on disposal of PPE	-	77	-	77

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**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 30 JUNE 2019****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2019**

	<b>UNAUDITED AS AT END OF CURRENT QUARTER 30/6/2019 RM'000</b>	<b>AUDITED AS AT PRECEDING FINANCIAL YEAR 31/03/2019 RM'000</b>
<b>Non-current Assets</b>		
Property, plant and equipment	19,374	19,509
<b>Current Assets</b>		
Inventories	5,341	13,132
Trade receivables	13,698	18,123
Amount owing by related party	1,809	-
Other receivables and prepaid expenses	2,402	3,364
Tax recoverable	1	1
Cash and bank balances	2,404	2,491
	<u>25,655</u>	<u>37,111</u>
<b>Total assets</b>	<u>45,029</u>	<u>56,620</u>
<b>Equity and Liabilities</b>		
Issued capital	34,189	34,189
Revaluation reserve	8,930	8,930
Accumulated losses	(22,456)	(21,127)
Total equity	<u>20,663</u>	<u>21,992</u>
<b>Non-current Liabilities</b>		
Hire purchase creditors	-	-
Deferred taxation	609	609
	<u>609</u>	<u>609</u>
<b>Current Liabilities</b>		
Trade payables	3,071	2,906
Amount owing to related party	-	1,274
Other payables and accrued expenses	3,687	2,171
Amount owing to directors	27	27
Bank borrowings	16,972	27,641
Hire purchase creditors	-	-
	<u>23,757</u>	<u>34,019</u>
Total liabilities	<u>24,366</u>	<u>34,628</u>
<b>Total equity and liabilities</b>	<u>45,029</u>	<u>56,620</u>
<b>Net assets per share attributable to ordinary equity holders of the parent (sen)</b>	<u>7.13</u>	<u>7.59</u>

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**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 30 JUNE 2019****CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30 JUNE 2019**

	<b>Issued and paid up capital</b>	<b>Non- Distributable reserve</b>	<b>Distributable reserve</b>	
	<b>RM'000</b>	<b>Revaluation reserve RM'000</b>	<b>Unappropriated profit RM'000</b>	<b>Total RM'000</b>
Balance as at 1 April 2018	34,189	8,930	(23,052)	20,067
Issuance of ordinary shares	-			-
Share issue expenses	-			-
Increased in valuation during the year		-	-	-
Total recognised income and expense for the period				
- Profit for the year			1,925	1,925
Balance as at 31 March 2019	<u>34,189</u>	<u>8,930</u>	<u>(21,127)</u>	<u>21,992</u>
Balance as at 1 April 2019	34,189	8,930	(21,127)	21,992
Total recognized income and expense for the period				
- Loss for the period			(1,329)	(1,329)
Balance as at 30 June 2019	<u>34,189</u>	<u>8,930</u>	<u>(22,456)</u>	<u>20,663</u>

The Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Statements for the financial year ended 31 March 2019 and the accompanying explanatory notes attached to the interim financial statements.

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**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 30 JUNE 2019****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 30 JUNE 2019**

	<b>CURRENT PERIOD TO DATE 30/6/2019 RM'000</b>	<b>PRECEDING YEAR CORRESPONDING PERIOD 30/6/2018 RM'000</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before tax	(1,329)	829
Adjustments for:		
Depreciation of property, plant & equipment	135	139
Gain on disposal of PPE	-	(77)
Government grant recognized	-	(22)
Income tax expenses	-	-
Interest expense	239	376
Operating Profit/(Loss) Before Working Capital Changes	(955)	1,245
Changes In Working Capital:		
Net change in current assets	13,178	(26,334)
Net change in current liabilities	(1,403)	21,955
Cash Used In Operations	10,820	(3,134)
Net income tax paid	-	-
Interest expense	-	-
Net Cash From/(Used In) Operating Activities	10,820	(3,134)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of PPE	-	99
Purchase of property, plant and equipment	-	(89)
Net Cash From/(Used In) Investing Activities	-	10

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FOR THE FIRST QUARTER ENDED 30 JUNE 2019**

	<b>CURRENT PERIOD TO DATE 30/6/2019 RM'000</b>	<b>PRECEDING YEAR CORRESPONDING PERIOD 30/6/2018 RM'000</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net of repayment and drawdown of short-term borrowings	(11,417)	4,888
Finance costs paid	(239)	(376)
Proceeds from issuance of shares	-	-
Repayment of hire purchase creditors	-	(131)
Net Cash From/(Used In) Financing Activities	<u>(11,656)</u>	<u>4,381</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT</b>	<u>(836)</u>	<u>1,257</u>
<b>CASH AND CASH EQUIVALENT AT BEGINNING OF YEAR</b>	<u>(1,741)</u>	<u>2,499</u>
<b>CASH AND CASH EQUIVALENT AS AT 31 JUNE 2019</b>	<u><u>(2,577)</u></u>	<u><u>3,756</u></u>

**Cash and cash equivalent comprise of:**

	<b>CURRENT PERIOD TO DATE 30/6/2019 RM'000</b>	<b>PRECEDING YEAR CORRESPONDING PERIOD 30/6/2018 RM'000</b>
Cash on hand and at banks	<u><u>(2,577)</u></u>	<u><u>3,756</u></u>

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**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 30 JUNE 2019**

**A EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A1 Basis of preparation**

The interim financial statements are unaudited and had been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) 134 “Interim Financial Reporting” and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) for the ACE Market, and should be read in conjunction with the Group financial statements for the year ended 31 March 2019.

In this interim report, related parties are companies owned and/or controlled by common shareholders or directors who are common with the Company.

In the current financial year, the Group and the Company have adopted all the new and revised Standards and Amendments issued by the Malaysian Accounting Standards Board (“MASB”) that are relevant to their operations and effective for annual periods beginning on or after 1 April 2019 as follows:

Amendments to MFRS 3	Business Combinations – Definition of a Business
Amendments to MFRS 101	Presentation of Financial Statements – Definition Material
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors – Definition Material

The adoption of these revised Standards and Amendments has not had material impact on the amounts reported in the financial statements of the Group and of the Company in the current and previous financial years.

**Standards and Amendments in issue but not yet effective**

At the date of authorization for issue of these financial statements, the new and revised Standards relevant to the Group and the Company which were in issue but not yet effective and not early adopted by the Group and the Company are as listed below:

MFRS 17	Insurance Contracts <sup>1</sup>
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2021

<sup>2</sup> Effective date deferred to a date to be announced by MASB

The directors anticipate that the abovementioned Standards and Amendments will be adopted in the annual financial statements of the Group and of the Company when they become effective and that the adoption of these Standards and Amendments will have no material impact on the financial statements of the Group and of the Company in the period of initial application.



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**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 30 JUNE 2019**

**A2 Qualification of annual financial statements**

The preceding year annual audited financial statements were not subject to any qualification.

**A3 Seasonal or cyclical factors**

The Group's interim operations were not subject to any significant seasonal or cyclical factors.

**A4 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, which are unusual by reason of their nature, size or incidence.

**A5 Changes in estimates**

There were no changes in the nature and estimates of amounts reported which have a material effect on the results for the quarter under review.

**A6 Debt and equity securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities by the Company during the quarter under review.

**A7 Dividends paid**

There were no dividends paid during the quarter under review.

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**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 30 JUNE 2019****A8 Segment information**

The segment information for the financial period ended 30 June 2019 is as follows:

	<b>Palm Oil Products RM'000</b>	<b>Others RM'000</b>	<b>Consolidated RM'000</b>
<b>REVENUE</b>			
External	56,502	-	56,502
Inter-segment	-	-	-
Total	<u>56,502</u>	<u>-</u>	<u>56,502</u>
<b>RESULTS</b>			
Segment results	(993)	(97)	(1,090)
Interest expense	(239)	-	(239)
Profit/(Loss) before tax	<u>(1,232)</u>	<u>(97)</u>	<u>(1,329)</u>
Income tax expense	-	-	-
Profit/(Loss) for the period	<u>(1,232)</u>	<u>(97)</u>	<u>(1,329)</u>
<b>FINANCIAL POSITION</b>			
Total assets	<u>44,845</u>	<u>184</u>	<u>45,029</u>
Total liabilities	<u>24,282</u>	<u>84</u>	<u>24,366</u>

**A9 Valuation of property, plant and equipment**

There was no valuation exercise conducted on the property, plant and equipment of the Group during the quarter under review.

**A10 Subsequent events**

There was no material event subsequent to the end of the quarter under review.

**A11 Changes in the composition of the group**

There were no changes to the composition of the Group for the quarter under review.

**A12 Capital commitments**

There were no capital commitments in the Group for the quarter under review.

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**B ADDITIONAL INFORMATION REQUIRED BY APPENDIX 9B OF THE LISTING  
REQUIREMENTS OF BURSA SECURITIES FOR THE ACE MARKET**

**B1 Review of performance**

The Group recorded lower revenue of RM56.5 million for the current quarter as compared to RM70.3 million in the preceding period corresponding quarter. The decrease in the Group revenue was due to lower trading activities in palm oil products and cessation of a tolling contract and palm kernel expeller during the quarter under review. The Group registered a loss before tax of RM1.3 million for the current quarter as compared to profit before tax of RM0.8 million in the preceding period corresponding quarter. The loss registered during the quarter under review were generally attributable to the lower falling margin due to continue and prolonged price depression of related palm oil products.

**B2 Variation of results against preceding quarter**

The Group recorded lower revenue of RM56.5 million for the current quarter as compared to RM89.4 million in the preceding quarter. The lower revenue was due to the lower trading activities in palm oil products and cessation of a tolling contract and palm kernel expeller during the quarter under review.

The Group register a loss before tax of RM1.3 million for the current quarter as compared to the preceding quarter loss before tax of RM0.26 million. The loss before tax is generally attributable to the lower falling margin due to continue and prolonged price depression of related palm oil products.

**B3 Prospects**

The market prices for crude palm commodities have remained subdued as in the previous few quarters. This was generally due to the increasing supplies, higher forecast for inventories of palm oil products and weaker demands. To mitigate the unforeseeable market condition, the Group has undertaken initiatives to explore and introduce new products and has begun to trade in other palm oil and biomass products, and explored other new business opportunities to be less dependent on palm oil commodities to mitigate the prevailing market scenario.

**B4 Profit forecast / Profit guarantee**

The Group did not issue any profit forecast or profit guarantee in any public documents.

**B5 Taxation**

There is no provision for taxation for the financial year as the companies in the Group have sufficient unabsorbed tax losses carried forward.

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**B6 Status of corporate proposals announced and completed**

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

**B7 Group's borrowings and debt securities**

The Group's borrowings and debts securities as at 30 June 2019 are as follows:

	Short Term RM'000	Long Term RM'000	Total RM'000
Bankers' acceptance	11,991	-	11,991
Bank overdraft	4,981	-	4,981
Total borrowings	<u>16,972</u>	<u>-</u>	<u>16,972</u>

The bankers' acceptance is banking facilities granted for working capital and are secured against the first legal charge over the freehold land and building, and personal guarantee of two directors.

All the borrowings are denominated in Ringgit Malaysia.

**B8 Breakdown of Realized and Unrealized Group Profits/(Losses)**

	AS AT END OF CURRENT QUARTER 30/6/2019 RM'000	AS AT PRECEDING FINANCIAL YEAR 30/06/2018 RM'000
Total accumulated losses		
Realised losses	(22,456)	(22,223)
Unrealised profits/(losses)	-	-
	<u>(22,456)</u>	<u>(22,223)</u>
Less : Consolidated adjustments	-	-
Total Group accumulated losses	<u>(22,456)</u>	<u>(22,223)</u>

**B9 Material litigation**

The Group has no outstanding material litigation as at the date of this report.

**B10 Dividends**

The Directors have not recommended or declared any dividend for the quarter ended 30 June 2019.

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**UNAUDITED INTERIM FINANCIAL STATEMENTS  
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	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/6/2019	PRECEDING YEAR CORRESPONDING QUARTER 30/6/2018	CURRENT YEAR TO DATE 30/6/2019	PRECEDING YEAR CORRESPONDING PERIOD 30/6/2018
Profit/(Loss) for the period (RM'000)	(1,329)	829	(1,329)	829
Weighted average number of shares in issue ('000)	289,711	289,711	289,711	289,711
Basic profit/(losses) per share (sen)	<u>(0.46)</u>	<u>0.29</u>	<u>(0.46)</u>	<u>0.29</u>

By Order of the Board

WONG YUET CHYN (MAICSA 7047163)

Company Secretary

Kuala Lumpur

30 August 2019