



**GREEN OCEAN CORPORATION BERHAD**

[Registration No: 200301029847 (632267-P)]

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE FIFTEEN (15) MONTHS PERIOD ENDED 30 JUNE 2020**

**GREEN OCEAN CORPORATION BERHAD**

[Registration No: 200301029847 (632267-P)]

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT AND LOSS  
AND OTHER COMPREHENSIVE INCOME FOR THE  
15 MONTHS PERIOD ENDED 30 JUNE 2020**

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CHANGES %	15 MONTHS ENDED	PRECEDING YEAR CORRESPONDING PERIOD	CHANGES %
	30/6/2020 RM'000	30/6/2019 RM'000		30/6/2020 RM'000	30/6/2019 RM'000	
<b>Operations</b>						
Revenue	23,070	56,502	(59.17)	222,844	N/A	-
Cost of sales	(22,825)	(56,751)	(59.78)	(229,027)	N/A	-
<b>Gross profit/(loss)</b>	<u>245</u>	<u>(249)</u>	198.39	<u>(6,183)</u>	<u>N/A</u>	-
Other operating income	-	-	-	88	N/A	-
Depreciation and amortisation	(135)	(135)	-	(677)	N/A	-
Operating expenses	<u>(433)</u>	<u>(706)</u>	(38.67)	<u>(2,761)</u>	<u>N/A</u>	-
Operating loss	(323)	(1,090)	70.37	(9,533)	N/A	-
Interest expense	(172)	(239)	(28.03)	(1,302)	N/A	-
Loss before tax	<u>(495)</u>	<u>(1,329)</u>	62.75	<u>(10,835)</u>	<u>N/A</u>	-
Income tax expense	-	-	-	(4)	N/A	-
<b>Loss for the period</b>	<u>(495)</u>	<u>(1,329)</u>	62.75	<u>(10,839)</u>	<u>N/A</u>	-
<b>Other comprehensive income</b>	<u>-</u>	<u>-</u>	-	<u>-</u>	<u>N/A</u>	-
<b>Total comprehensive loss for the period</b>	<u>(495)</u>	<u>(1,329)</u>	62.75	<u>(10,839)</u>	<u>N/A</u>	-
Loss for the period attributable to: Equity holders of the parent	<u>(495)</u>	<u>(1,329)</u>	62.75	<u>(10,839)</u>	<u>N/A</u>	-
<b>Total comprehensive loss for the period attributable to: Equity holders of the parent</b>	<u>(495)</u>	<u>(1,329)</u>	62.75	<u>(10,839)</u>	<u>N/A</u>	-
<b>Basic loss per share (sen)</b>	<u>(0.17)</u>	<u>(0.46)</u>		<u>(3.74)</u>	<u>N/A</u>	-

Notes:

- (i) The Condensed Consolidated Statements of Profit and Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2019 and the accompanying explanatory notes attached to the interim financial statements.
- (ii) The financial year end has been changed from 31<sup>st</sup> March to 30<sup>th</sup> June. The next audited financial statements shall be for a period of fifteen (15) months from 1<sup>st</sup> April 2019 to 30<sup>th</sup> June 2020 and thereafter, the financial year end shall be 30<sup>th</sup> June for each subsequent year.
- (iii) In addition, there is no comparative figure available for the preceding year corresponding period ended 30 June 2019.

**GREEN OCEAN CORPORATION BERHAD**

[Registration No: 200301029847 (632267-P)]

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 30 JUNE 2020**

	<b>UNAUDITED AS AT 30/6/2020 RM'000</b>	<b>AUDITED AS AT 31/3/2019 RM'000</b>
<b>Non-current Assets</b>		
Property, plant and equipment	18,832	19,509
Investment in joint venture	81	-
	<u>18,913</u>	<u>19,509</u>
<b>Current Assets</b>		
Inventories	3,560	13,132
Trade receivables	10,214	18,123
Other receivables and prepaid expenses	1,904	3,364
Tax recoverable	1	1
Cash and bank balances	3,399	2,491
	<u>19,078</u>	<u>37,111</u>
<b>Total assets</b>	<b><u>37,991</u></b>	<b><u>56,620</u></b>
<b>Equity and Liabilities</b>		
Issued capital	34,189	34,189
Revaluation reserve	8,930	8,930
Accumulated losses	(31,966)	(21,127)
<b>Total equity</b>	<u>11,153</u>	<u>21,992</u>
<b>Non-current Liability</b>		
Deferred taxation	609	609
	<u>609</u>	<u>609</u>
<b>Current Liabilities</b>		
Trade payables	4,165	2,906
Other payables and accrued expenses	261	2,171
Amount owing to directors	27	27
Amount owing to a related party	-	1,274
Bank borrowings	21,776	27,641
	<u>26,229</u>	<u>34,019</u>
<b>Total liabilities</b>	<u>26,838</u>	<u>34,628</u>
<b>Total equity and liabilities</b>	<b><u>37,991</u></b>	<b><u>56,620</u></b>
<b>Net assets per share attributable to ordinary equity holders of the parent (sen)</b>	<u>3.85</u>	<u>7.59</u>

Notes:

- (i) The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2019 and the accompanying explanatory notes attached to the interim financial statements.
- (ii) The financial year end has been changed from 31<sup>st</sup> March to 30<sup>th</sup> June. The next audited financial statements shall be for a period of fifteen (15) months from 1<sup>st</sup> April 2019 to 30<sup>th</sup> June 2020 and thereafter, the financial year end shall be 30<sup>th</sup> June for each subsequent year.
- (iii) Net assets per share is calculated based on the total equity divided by the weighted average number of ordinary shares in issues for the quarter and comparative financial period.

**GREEN OCEAN CORPORATION BERHAD**

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE 15 MONTHS PERIOD ENDED 30 JUNE 2020**

	<b>Issued and paid up capital RM'000</b>	<b>Non- Distributable reserve Revaluation reserve RM'000</b>	<b>Distributable reserve Unappropriated profit RM'000</b>	<b>Total RM'000</b>
Balance as at 1 April 2018	34,189	8,930	(23,052)	20,067
Total comprehensive income for the financial year	-	-	1,925	1,925
<b>Balance as at 31 March 2019</b>	<b>34,189</b>	<b>8,930</b>	<b>(21,127)</b>	<b>21,992</b>
Balance as at 1 April 2019	34,189	8,930	(21,127)	21,992
Total comprehensive income for the financial period	-	-	(10,839)	(10,839)
Balance as at 30 June 2020	34,189	8,930	(31,966)	11,153

## Notes:

- (i) The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2019 and the accompanying explanatory notes attached to the interim financial statements.
- (ii) The financial year end has been changed from 31<sup>st</sup> March to 30<sup>th</sup> June. The next audited financial statements shall be for a period of fifteen (15) months from 1<sup>st</sup> April 2019 to 30<sup>th</sup> June 2020 and thereafter, the financial year end shall be 30<sup>th</sup> June for each subsequent year.

**GREEN OCEAN CORPORATION BERHAD**

[Registration No: 200301029847 (632267-P)]

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE 15 MONTHS PERIOD ENDED 30 JUNE 2020**

	<b>UNAUDITED 15 MONTHS ENDED 30/6/2020 RM'000</b>	<b>AUDITED 12 MONTHS ENDED 31/3/2019 RM'000</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before tax	(10,835)	1,929
Adjustments for:		
Depreciation of property, plant & equipment	677	546
Gain on disposal of property, plant & equipment		(109)
Government grant recognised		(254)
Finance costs	1,302	1273
Operating loss before working capital changes	(8,856)	3,385
Changes in working capital:		
Net change in current assets	18,941	(19,168)
Net change in current liabilities	(1,925)	4,840
Cash from operations	8,160	(10,943)
Net income tax paid	(4)	-
Net cash from operating activities	8,156	(10,943)
<b>CASH FLOW FROM INVESTING ACTIVITY</b>		
Proceed from disposal of property, plant & equipment	-	116
Purchase of property, plant & equipment	-	(162))
Investment in joint venture	(81)	-
Net cash used in investing activity	(81)	(46)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net of repayment and drawdown of short-term borrowings	(6,328)	8,153
Repayment of hire purchase creditors		(131)
Finance costs paid	(1,302)	(1,273)
Net cash from/(used in) financing activities	(7,630)	6,749
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT</b>	445	(4,420)
<b>CASH AND CASH EQUIVALENT AT BEGINNING OF YEAR</b>	(1,741)	2,499
<b>CASH AND CASH EQUIVALENT AT END OF THE FINANCIAL PERIOD</b>	<b>(1,296)</b>	<b>(1,741)</b>

**GREEN OCEAN CORPORATION BERHAD**

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(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE 15 MONTHS PERIOD ENDED 30 JUNE 2020 (CON'T)**

**CASH AND CASH EQUIVALENTS COMPRISE OF:**

Cash and bank balances	3,399	2,491
Bank overdraft	(4,695)	(4,232)
	<u>3,399</u>	<u>2,491</u>
	<u>(1,296)</u>	<u>(1,741)</u>

Notes:

- (i) The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2019 and the accompanying explanatory notes attached to the interim financial statements.
- (ii) The financial year end has been changed from 31<sup>st</sup> March to 30<sup>th</sup> June. The next audited financial statements shall be for a period of fifteen (15) months from 1<sup>st</sup> April 2019 to 30<sup>th</sup> June 2020 and thereafter, the financial year end shall be 30<sup>th</sup> June for each subsequent year.

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# GREEN OCEAN CORPORATION BERHAD

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## 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 period, 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 128	Long-term Interests in Associates And Joint Ventures
Amendments to MFRS 119	Plan Amendment, Curtailment or Settlement
Amendments to MFRS 123	Borrowing Costs Eligible for Capitalisation
Amendments to MFRS 112	Income Tax Consequences of Payments on Financial Instruments Classified as Equity
Amendments to MFRS 9	Financial Instruments - Prepayment Features with Negative Compensation
Amendments to MFRS 3 and MFRS 11	Previously Held Interest in a Joint Operation
IC Interpretation 23	Uncertainty over Income Tax Treatments
MFRS 16	Leases

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:

Amendments to MFRS 3	Business Combinations – Definition of a Business <sup>1</sup>
Amendments to MFRS 101	Presentation of Financial Statements – Definition Material <sup>1</sup>
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors – Definition Material <sup>1</sup>
Amendments to MFRS 7, MFRS 9 and MFRS 139	Interest Rate Benchmark Reform <sup>1</sup>
Amendments to MFRSs	Amendments to References to the Conceptual Framework in MFRSs <sup>1</sup>
Amendments to MFRS 16	Covid-19 – Related Rent Concessions <sup>2</sup>
MFRS 17	Insurance Contracts <sup>3</sup>
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current <sup>4</sup>

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**A EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)**

**Standards and Amendments in issue but not yet effective (Cont'd)**

Amendments to MFRS 1, MFRS 9, MFRS 16 and MFRS 141	Annual Improvements to MFRS Standards 2018 – 2020 <sup>4</sup>
Amendments to MFRS 3	Reference to Conceptual Framework <sup>4</sup>
Amendments to MFRS 116	Property, Plant and Equipment – Proceeds before Intended Use <sup>4</sup>
Amendments to MFRS 137	Onerous Contracts – Cost of Fulfilling a Contract <sup>4</sup>
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>5</sup>

<sup>1</sup>Effective for annual periods beginning on or after 1 June 2020

<sup>2</sup>Effective for annual periods beginning on or after 1 January 2020

<sup>3</sup>Effective for annual periods beginning on or after 1 January 2021

<sup>4</sup>Effective for annual periods beginning on or after 1 January 2022

<sup>5</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.

**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 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 for the quarter under review.



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**A EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)****A7 Dividends paid**

There were no dividends paid during the quarter under review.

**A8 Segment information**

The segment information for the financial period ended 30 June 2020 is as follows:

	<b>Palm Oil Products RM'000</b>	<b>Others RM'000</b>	<b>Consolidated RM'000</b>
<b>REVENUE</b>			
External	23,070	-	23,070
Inter-segment	-	-	-
Total	<u>23,070</u>	<u>-</u>	<u>23,070</u>
<b>RESULTS</b>			
Segment results	(247)	(76)	(323)
Interest expense	(172)	-	(172)
Loss before tax	<u>(419)</u>	<u>(76)</u>	<u>(495)</u>
Income tax expense	-	-	-
Loss for the period	<u>(419)</u>	<u>(76)</u>	<u>(495)</u>
<b>FINANCIAL POSITION</b>			
Total assets	<u>37,507</u>	<u>484</u>	<u>37,991</u>
Total liabilities	<u>26,760</u>	<u>78</u>	<u>26,838</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**

On 30 July 2020, the Group had incorporated a new wholly-owned subsidiary namely, G Rubber Sdn Bhd with the intention to carry out manufacturing and trading of gloves to capitalize on prevailing demand for gloves.

**A12 Capital commitments**

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

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**A EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)**

**A13 Related party transactions**

There were no material related party transactions during the current financial quarter under review.

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**GREEN OCEAN CORPORATION BERHAD**

[Registration No: 200301029847 (632267-P)]

(Incorporated in Malaysia)

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

**B1 Review of performance**

The Group's revenue decreased by RM33.4 million or 59.1% from RM56.5 million in the preceding period corresponding quarter to RM23.1 million in the current quarter. The decrease in the Group revenue was due to the decrease in trading of palm oil products amid the outbreak of COVID-19 pandemic and decision to limit the production of crude palm kernel oil and palm kernel expeller to mitigate the risk exposure due to the uncertainty of crude palm kernel oil market price that was on a declining trend. The Group registered a loss before tax of RM0.5 million for the current quarter as compared to loss before tax of RM1.3 million in the preceding period corresponding quarter. The lower loss registered during the quarter under review was largely attributed to the improved gross margin from the quick turnaround trading of crude palm kernel oil within a shorter period amid uncertain market price and lower operating expenses in line with the decrease business activities in the current quarter.

**B2 Variation of results against preceding quarter**

The Group recorded lower revenue of RM23.1 million for the current quarter as compared to RM40.6 million in the preceding quarter. The lower revenue was largely due to the decrease in trading of palm oil products amid the outbreak of COVID-19 pandemic and the uncertainty of crude palm kernel oil market price during the quarter under review. However, the Group register a lower loss before tax of RM0.5 million for the current quarter as compared to the preceding quarter loss before tax of RM3.7 million. The lower loss registered during the quarter under review was largely attributed to the improved gross margin from the quick turnaround trading of crude palm kernel oil within a shorter period amid uncertain market price and lower operating expenses in line with the decrease business activities in the current quarter.

**B3 Prospects**

The last quarter crude palm commodities under pressure and remained subdued. Even though the supplies have decreased, the demand remained lower due to India restrictions on Malaysian Palm Oil. Moreover, the demand is further decreased due to COVID-19 pandemic that started since January 2020. To mitigate the prevailing market scenario and be less dependent on palm oil commodities, the Group has ventured into non-palm oil business opportunities such as coal, by sourcing new coals sources and participating in more coal tenders from customers.

In addition, on 30 July 2020, the Group had incorporated a new wholly-owned subsidiary namely, G Rubber Sdn Bhd with the intention to carry out manufacturing and trading of gloves to capitalize on prevailing demand for gloves.

**B4 Profit forecast / Profit guarantee**

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

## GREEN OCEAN CORPORATION BERHAD

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(Incorporated in Malaysia)

### **B ADDITIONAL INFORMATION REQUIRED BY APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES FOR THE ACE MARKET (CONT'D)**

#### **B5 Taxation**

There is no provision for taxation for the current quarter as the companies in the Groupi currently in tax loss position.

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

The Company has submitted an application to Bursa Securities for the proposed private placement of up to 28,971,000 new ordinary shares in Green Ocean Corporation Berhad ("GOCB"), representing not more than 10% of the issued shares in GOCB and the announcement has been made on 28 July 2020.

On 19 August 2020, the Company has fixed the issue price of the placement shares at RM0.2610 each.

The private placement exercise which involved the issuance of 28,971,000 Shares, which was completed on 26 August 2020.

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

The Group's borrowings and debts securities are as follows:

	<b>Unaudited As at 30/6/2020 RM'000</b>	<b>Audited As at 31/3/2019 RM'000</b>
<b>Current</b>		
Bankers' acceptance	17,081	23,409
Bank overdraft	4,695	4,232
<b>Total borrowings</b>	<u>21,776</u>	<u>27,641</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 Realised and Unrealised Group Profits/(Losses)**

	<b>Unaudited As at 30/6/2020 RM'000</b>	<b>Audited As at 31/3/2019 RM'000</b>
Total accumulated losses		
- Realised losses	(31,966)	(21,127)
- Unrealised profits/(losses)	-	-
	<u>(31,966)</u>	<u>(21,127)</u>
Less: Consolidated adjustments		
<b>Total Group accumulated losses</b>	<u>(31,966)</u>	<u>(21,127)</u>

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**B ADDITIONAL INFORMATION REQUIRED BY APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES FOR THE ACE MARKET (CONT'D)**

**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 2020.

**B11 Earnings per share**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/6/2020	PRECEDING YEAR CORRESPONDING QUARTER 30/6/2019	15 MONTHS ENDED 30/6/2020	PRECEDING YEAR CORRESPONDING PERIOD 30/6/2019
Loss for the period (RM'000)	(495)	(1,329)	(10,839)	N/A
Weighted average number of shares in issue ('000)	289,711	289,711	289,711	N/A
Basic loss per share (sen)	<u>(0.17)</u>	<u>(0.46)</u>	<u>(3.74)</u>	<u>N/A</u>

By Order of the Board

WONG YUET CHYN (MAICSA 7047163)

Company Secretary

Kuala Lumpur

28 August 2020