

OVERSEA ENTERPRISE BERHAD (317155-U)

(formerly known as Restoran Oversea Corporation Sdn Bhd)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 JUNE 2010

| | Individual Quarter | | Cumulative Quarter | |
|---|------------------------|--|----------------------------|---|
| | Current Quarter Ended | Preceding Year Corresponding Quarter Ended | Current Year to Date Ended | Preceding Year Corresponding Period Ended |
| | 30 June 2010 RM'000 | 30 June 2009 RM'000 | 30 June 2010 RM'000 | 30 June 2009 RM'000 |
| Revenue | 12,194 | N/A | 30,842 | N/A |
| Cost of sales | (5,542) | N/A | (13,588) | N/A |
| Gross profit | 6,652 | N/A | 17,254 | N/A |
| Other operating income | 988 | N/A | 2,627 | N/A |
| Administration and other operating expenses | (2,090) | N/A | (4,409) | N/A |
| Selling and Distribution expenses | (6,605) | N/A | (14,262) | N/A |
| Finance costs | (120) | N/A | (262) | N/A |
| (Loss)/Profit before tax | (1,175) | N/A | 948 | N/A |
| Income tax expense | 320 | N/A | (268) | N/A |
| (Loss)/Profit after tax | (855) | N/A | 680 | N/A |
| Other comprehensive (expenses)/income | (47) | N/A | 82 | N/A |
| Total comprehensive (expenses)/income | (902) | N/A | 762 | N/A |
| (Loss)/Profit attributable to: | | | | |
| Equity holders of the Company | (855) | N/A | 680 | N/A |
| Total comprehensive (expenses)/income attributable to: | | | | |
| Equity holders of the Company | (902) | N/A | 762 | N/A |
| Weighted average no. of ordinary shares in issue ('000) | 245,000 | N/A | 218,593 | N/A |
| (Loss)/Earnings per share (sen): | | | | |
| - Basic | (0.35) | N/A | 0.31 | N/A |

Notes:

N/A Not Applicable

- (i) Basic earnings per share for the quarter and financial period is calculated based on the net profit divided by the weighted average number of ordinary shares for the quarter and financial period respectively.
- (ii) The unaudited condensed consolidated statements of comprehensive income should be read in conjunction with the Annual Report for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to this interim financial report.
- (iii) No comparative figures are available for the preceding year's individual and cumulative corresponding quarter as this is the second interim financial report being announced by the Company in compliance with Bursa Malaysia Securities Berhad ("Bursa Securities") ACE Market Listing Requirements ("Listing Requirements")

OVERSEA ENTERPRISE BERHAD (317155-U)

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UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2010

| | UNAUDITED As at 30 June 2010 RM'000 | AUDITED As at 31 December 2009 (Restated) RM'000 |
|---|--|--|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 28,529 | 29,615 |
| Investment properties | 7,723 | 7,723 |
| Other Investment | 693 | 653 |
| Intangible assets | 149 | 83 |
| Long-term receivables | 25 | 32 |
| | <u>37,119</u> | <u>38,106</u> |
| Current Assets | | |
| Inventories | 6,360 | 5,165 |
| Trade and other receivables | 4,252 | 5,752 |
| Tax refundables | 2,226 | 1,290 |
| Deposits, bank and cash balances | 17,558 | 9,248 |
| | <u>30,396</u> | <u>21,455</u> |
| Total Assets | <u>67,515</u> | <u>59,561</u> |
| EQUITY AND LIABILITIES | | |
| Equity Attributable to Equity Holders of The Company | | |
| Share capital | 49,000 | 37,620 |
| Reserves | 3,670 | 1,910 |
| Shareholders' Fund | <u>52,670</u> | <u>39,530</u> |
| Minority Interests | - | - |
| Total equity | <u>52,670</u> | <u>39,530</u> |
| Non-current liabilities | | |
| Hire purchase creditors | 135 | 195 |
| Term Loans | 4,812 | 7,114 |
| Deferred taxation | 687 | 687 |
| | <u>5,634</u> | <u>7,996</u> |
| Current Liabilities | | |
| Trade and other payables | 7,865 | 10,457 |
| Hire purchase creditors | 118 | 115 |
| Bank overdrafts | 460 | 854 |
| Term loans | 768 | 601 |
| Tax payables | - | 8 |
| | <u>9,211</u> | <u>12,035</u> |
| Total liabilities | 14,845 | 20,031 |
| Total equity and liabilities | <u>67,515</u> | <u>59,561</u> |

Net Assets Per Share Attributable to ordinary equity holders of the Company (RM)

0.21

0.21

Note:-

- (i) The unaudited condensed statement of financial position should be read in conjunction with the Annual Report for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to this interim financial report.

OVERSEA ENTERPRISE BERHAD (317155-U)

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 30 JUNE 2010**

| Group | Attributable to equity holders of the Company | | | | |
|-------------------------------------|---|------------------------------------|-----------------------|-----------------------------------|---------------|
| | Share Capital | Non-Distributable Share Premium | Fair Value Reserve | Distributable Retained Profits | Total Equity |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Balance as at 1 January 2010 | | | | | |
| - As previously stated | 37,620 | - | - | 1,910 | 39,530 |
| - Effects of adopting FRS 139 | - | - | (41) | - | (41) |
| - As restated | 37,620 | - | (41) | 1,910 | 39,489 |
| Public Issue | 11,380 | 1,707 | - | - | 13,087 |
| Less: Listing expenses | - | (668) | - | - | (668) |
| Net profit for the period | - | - | - | 680 | 680 |
| Total comprehensive income | - | - | 82 | - | 82 |
| Balance as at 30 June 2010 | 49,000 | 1,039 | 41 | 2,590 | 52,670 |

Notes:-

- (i) The unaudited condensed consolidated statements of changes in equity should be read in conjunction with the Annual Report for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to this interim financial report.
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASHFLOWS
FOR THE FIRST QUARTER ENDED 30 JUNE 2010**

| | Current Year to Date Ended 30 June 2010 | Preceding Year Corresponding Period Ended 30 June 2009 |
|---|--|--|
| | RM'000 | RM'000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 948 | N/A |
| Adjustments for Non Cash items | 1,545 | N/A |
| Operating profit before working capital changes | 2,493 | N/A |
| Increase in inventories | (1,195) | N/A |
| Decrease in trade and other receivables | 1,471 | N/A |
| Decrease in trade and other payables | (2,583) | N/A |
| Net cash from operations | 186 | N/A |
| Tax paid | (1,212) | N/A |
| Net cash used in operating activities | (1,026) | N/A |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Interest received | 60 | N/A |
| Payment for intangibles assets | (73) | N/A |
| Proceeds from disposal of property, plant and equipment | 3 | N/A |
| Purchase of property, plant and equipment | (337) | N/A |
| Net cash used in investing activities | (347) | N/A |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Repayment to directors | (8) | N/A |
| Interest paid | (142) | N/A |
| Repayment of hire purchase obligations | (57) | N/A |
| Repayment of term loan | (2,135) | N/A |
| Proceed from issuance of share | 12,418 | N/A |
| Net cash from financing activities | 10,076 | N/A |
| Net increase in cash and cash equivalents | 8,703 | N/A |
| Cash and cash equivalents at beginning of the period | 8,395 | N/A |
| Cash and cash equivalents at end of the period | 17,098 | N/A |
| Cash and cash equivalents comprises :- | | |
| Short term and fixed deposits with licensed banks | 14,382 | N/A |
| Cash and bank balances | 3,176 | N/A |
| Bank overdraft | (460) | N/A |
| | 17,098 | N/A |

Notes:-

N/A Not Applicable

(i) The unaudited condensed consolidated statements of cash flow should be read in conjunction with the Annual Report for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to this interim financial report.

(ii) No comparative figures are available for the preceding year's individual and cumulative corresponding quarter as this is the second interim financial report being announced by the Company in compliance with Bursa Malaysia Securities Berhad ("Bursa Securities") ACE Market