

**OVERSEA ENTERPRISE BERHAD (317155-U)  
QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2021**

**NOTES TO THE QUARTERLY REPORT**

**PART A – EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARDS ("FRS") 134: INTERIM FINANCIAL REPORTING**

**A1. Basis Of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with IAS 134: Interim Financial Reporting and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The financial statements of the Group are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The interim financial statements should be read in conjunction with the audited financial statements for year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial report.

**A2. Adoption Of New And Revised Accounting Policies**

The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

<b>MFRSs and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 116: Proceeds Before Intended Use	1 January 2022
Amendments to MFRS137: Onerous Contracts-Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018-2020	1 January 2022

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

**OVERSEA ENTERPRISE BERHAD (317155-U)**  
**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2021**

**A3. Auditors' Report On Preceding Annual Financial Statements**

The auditors' report on the preceding audited financial statements of the Company and its subsidiaries for the financial year ended 31 March 2021 were not subject to any qualification.

**A4. Seasonal Or Cyclical Factors**

For the financial quarter under review, there were no major seasonal nor cyclical factors affecting the Group's business operation.

**A5. Unusual items due to their nature, size and incidence**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flow of the Group in the current financial quarter under review.

**A6. Changes In Estimates**

There were no changes in estimates of amounts reported in prior financial years that have had a material effect in the current financial quarter under review.

**A7. Changes In Debt and Equity Securities**

There were no issuance, repurchases and repayments of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial quarter under review, other than as disclosed.

**A8. Dividend Paid**

No dividend was paid during the current financial quarter under review.

**OVERSEA ENTERPRISE BERHAD (317155-U)**  
**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2021**

**A9. Segmental Information**

The Group is organized into the following operating segments:-

- a) Restaurant
- b) Manufacturing and wholesale of baked products ("Manufacturing")
- c) Others i.e. investment holdings and central purchasing of high value stocks such as shellfish, shark's fin, dried seafood, meat and other consumables.

Segmental Reporting

	Restaurant		Manufacturing	Others	Eliminations	Consolidated
	Malaysia	Foreign*				
	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000
<b>3 months period ended 31 December 2021</b>						
<b>Revenue from</b>						
External customers	4,573	-	(564)	-	-	4,009
Inter-segment revenue	191	-	(421)	20	210	-
<b>Total revenue</b>	<b>4,764</b>	<b>-</b>	<b>(985)</b>	<b>20</b>	<b>210</b>	<b>4,009</b>
<b>Loss before taxation</b>	<b>(797)</b>	<b>-</b>	<b>(1,824)</b>	<b>(459)</b>	<b>-</b>	<b>(3,080)</b>
Income tax						102
<b>Loss after taxation</b>						<b>(2,978)</b>
Other comprehensive income						180
<b>Total comprehensive expense</b>						<b>(2,798)</b>
<b>9 months ended 31 December 2021</b>						
<b>Revenue from</b>						
External customers	8,232	-	13,320	-	-	21,552
Inter-segment revenue	262	-	7,413	30	(7,705)	-
<b>Total revenue</b>	<b>8,494</b>	<b>-</b>	<b>20,733</b>	<b>30</b>	<b>(7,705)</b>	<b>21,552</b>
<b>(Loss)/Profit before taxation</b>	<b>(3,526)</b>	<b>-</b>	<b>1,323</b>	<b>(800)</b>	<b>-</b>	<b>(3,003)</b>
Income tax						(93)
<b>Loss after taxation</b>						<b>(3,096)</b>
Other comprehensive income						175
<b>Total comprehensive expense</b>						<b>(2,921)</b>

\*Note: Comprises Ipoh Group Limited (Hong Kong)

**OVERSEA ENTERPRISE BERHAD (317155-U)**  
**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2021**

**A9. Segmental Information (Cont'd)**

Segmental Reporting

	Restaurant		Manufacturing	Others	Eliminations	Consolidated
	Malaysia	Foreign*				
	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000
<b>3 months period ended</b>						
<b>31 December 2020</b>						
<b>Revenue from</b>						
External customers	3,030	-	58	-	-	3,088
Inter-segment revenue	47	-	(20)	8	(35)	-
<b>Total revenue</b>	<b>3,077</b>	<b>-</b>	<b>38</b>	<b>8</b>	<b>(35)</b>	<b>3,088</b>
<b>Loss before taxation</b>	<b>(1,288)</b>	<b>(8)</b>	<b>(1,077)</b>	<b>(471)</b>	<b>(464)</b>	<b>(3,308)</b>
Income tax						(30)
<b>Loss after taxation</b>						<b>(3,338)</b>
Other comprehensive income						135
<b>Total comprehensive expense</b>						<b>(3,203)</b>
<b>9 months ended 31 December 2020</b>						
<b>Revenue from</b>						
External customers	9,012	376	9,801	5	-	19,194
Inter-segment revenue	151	-	6,423	19	(6,593)	-
<b>Total revenue</b>	<b>9,163</b>	<b>376</b>	<b>16,224</b>	<b>24</b>	<b>(6,593)</b>	<b>19,194</b>
<b>(Loss)/Profit before taxation</b>	<b>(2,590)</b>	<b>(334)</b>	<b>1,668</b>	<b>(713)</b>	<b>(225)</b>	<b>(2,194)</b>
Income tax						(181)
<b>Loss after taxation</b>						<b>(2,375)</b>
Other comprehensive income						314
<b>Total comprehensive expense</b>						<b>(2,061)</b>

\*Note: Comprises Ipoh Group Limited (Hong Kong)

	Restaurant		Manufacturing	Others	Eliminations	Consolidated
	Malaysia	Foreign*				
	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000
<b>As at 31 December 2021</b>						
<b>Segmented assets</b>	31,401	-	31,844	29,195	-	92,440
<b>Unallocated assets</b>						272
						92,712
<b>As at 31 December 2020</b>						
<b>Segmented assets</b>	31,164	50	26,125	1,032	-	58,317
<b>Unallocated assets</b>						276
						58,647

\*Note: Comprises Ipoh Group Limited (Hong Kong)

**OVERSEA ENTERPRISE BERHAD (317155-U)**  
**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2021**

**A10. Valuation Of Property, Plant and Equipment**

There was valuation exercise performed on the property, plant and equipment during the current financial quarter under review.

**A11. Material Events Subsequent To The End Of The Current Financial Quarter**

There were no material events subsequent to the end of the current financial quarter.

**A12. Changes In Composition Of The Group**

There were no changes in the composition of the Group during the financial quarter under review.

**A13. Contingent Liabilities Or Contingent Assets**

Contingent liabilities of the Group comprise the following:

	<b>As at 31.12.2021 RM'000</b>	<b>Audited 31.03.2021 RM'000</b>
<u>Corporate guarantees given by the Company to financial institutions for facilities granted to subsidiaries</u>		
- Total facilities granted	3,895	3,895
- Current Exposure	1,598	1,645

**A14. Significant Related Party Transactions**

The Group had entered into the following transactions during the current financial quarter with related parties in which certain directors of the Company have substantial financial interest:-

<b>Transactions</b>	<b>Current financial quarter ended 31.12.2021 RM'000</b>	<b>Current financial year to-date 31.12.2021 RM'000</b>
Rental paid to a Director	25	63
Rental paid to related parties <sup>(1)</sup>	233	578

Note:

(1) These parties are related to directors who are also substantial shareholders of Oversea Enterprise Berhad.

All the above transactions were carried out on the terms and conditions not materially different from those obtainable in transactions with non-related parties and in the ordinary course of business of the Company.

**A15. Capital Commitments**

There is no outstanding commitment in respect of capital expenditure at the end of the reporting period not provided for in the interim financial statements.

**OVERSEA ENTERPRISE BERHAD (317155-U)**  
**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2021**

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES**

**B1. Review Of Group's Performance and Segmental Analysis**

**(A) Overall Review of Group's Financial Performance**

	Individual Quarter 3 Months ended		Changes (%)	Cumulative Period ended		Changes (%)
	31.12.21	31.12.20		31.12.21	31.12.20	
RM'000	Unaudited	Unaudited		Unaudited	Unaudited	
Revenue	4,009	3,088	29.8%	21,552	19,194	12.3%
Operating Loss	(3,053)	(3,200)	-4.6%	(2,899)	(1,819)	59.4%
Loss Before Interest and Tax	(3,053)	(3,200)	-4.6%	(2,899)	(1,918)	51.1%
Loss Before Tax	(3,080)	(3,308)	-6.9%	(3,003)	(2,194)	36.9%
Loss After tax	(2,978)	(3,338)	-10.8%	(3,096)	(2,375)	30.4%
Loss Attributable to Ordinary Equity Holders of the Parent	(2,978)	(3,338)	-10.8%	(3,096)	(2,375)	30.4%

(i) Statement of profit and loss and other comprehensive income

The Group recorded revenue of RM4.01million for the quarter ended 31 December 2021, posted an increase of RM0.92 million as compared to RM3.09 million in the quarter ended 31 December 2020. Higher revenue for the period under review was mainly due to increase in revenue for restaurant segment.

Quarter on quarter, the Group's loss before tax ("LBT") was consistent as compared to the preceding year's same quarter. Slight improvement was seen from restaurant segment.

Gross margin has increased from 50.6% in prior year quarter ended 31 December 2020 to 51.0% in current year quarter ended 31 December 2021.

Group revenue for the nine months ended 31 December 2021 stood at RM21.55 million. The revenue was RM2.36 million higher than the same period last year, which was RM19.19 million. Restaurant segment registered a drop in sales of RM1.16 million and manufacturing segment registered an increase in sales of RM3.52 million.

The Group recorded LBT of RM3.00 million for the nine months ended 31 December 2021 compared to RM2.19 million for the nine months ended 31 December 2020.

Gross margin has decreased from 56.2% in prior year nine months ended 31 December 2020 to 47.5% in current year nine months ended 31 December 2021.

**[THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]**

**OVERSEA ENTERPRISE BERHAD (317155-U)**  
**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2021**

**B1. Review Of Group's Performance and Segmental Analysis (Cont'd)**

**(A) Overall Review of Group's Financial Performance (Cont'd)**

(ii) Statement of financial position

As at 31 December 2021, total equity attributable to owners of the Company stood at RM79.75 million, which is 25.85% higher than RM63.37 million as at 31 March 2021. The increase was due to issuance of shares as disclosed in Note B7.

The increases in trade and other receivables was due to the remaining sales proceeds from the sales of mooncake from Mid-Autumn Festival which was on 21<sup>st</sup> September 2021. The increase in deposits, bank and cash balances was mainly due to the issuance of shares.

**(B) Segmental Analysis**

	Individual Quarter 3 Months ended		Change (%)	Cumulative Period ended		Change (%)
	31.12.21	31.12.20		31.12.21	31.12.20	
RM'000	Unaudited	Unaudited		Unaudited	Unaudited	
<b>Revenue</b>						
Restaurant	4,573	3,030	50.9%	8,232	9,388	-12.3%
Manufacturing	(564)	58	-1072.4%	13,320	9,801	35.9%
Others	-	-	0.0%	-	5	-100.0%
<b>Total</b>	<b>4,009</b>	<b>3,088</b>	<b>29.8%</b>	<b>21,552</b>	<b>19,194</b>	<b>12.3%</b>
<b>(Loss)/Profit before tax</b>						
Restaurant	(797)	(1,296)	-38.5%	(3,526)	(2,541)	-38.8%
Manufacturing	(1,824)	(1,179)	54.7%	1,323	1,657	-20.2%
Others	(459)	(833)	-44.9%	(800)	(1,310)	-38.9%
<b>Total</b>	<b>(3,080)</b>	<b>(3,308)</b>	<b>-6.9%</b>	<b>(3,003)</b>	<b>(2,194)</b>	<b>36.9%</b>

**3-month period (31.12.2021 vs. 31.12.2020)**

Restaurant segment

The Group restaurant segment recorded revenue of RM4.57 million for the quarter ended 31 December 2021, which represents an increase of 50.9% as compared to RM3.03 million in the quarter ended 31 December 2020. The increase in revenue of restaurant segment was mainly due to the relaxation of government's SOP on the COVIC-19 situation. This is an improvement following the COVID-19 situation has come under control and high vaccination rate among the local community.

The Group restaurant segment recorded LBT of RM0.80 million for quarter ended 31 December 2021 as compared to LBT of RM1.30 million in the quarter ended 31 December 2020.

**OVERSEA ENTERPRISE BERHAD (317155-U)**  
**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2021**

**B1. Review Of Group's Performance and Segmental Analysis (Cont'd)**

**(B) Segmental Analysis (Cont'd)**

**3-month period (31.12.2021 vs. 31.12.2020) (cont'd)**

Manufacturing segment

Manufacturing segment recorded negative revenue of RM0.6 million as a result of discount and return of mooncake after season.

The LBT of manufacturing segment has widened by RM0.65 million as compared to last year same quarter.

**9-month period (31.12.2021 vs. 31.12.2020)**

Restaurant segment

The Group restaurant segment recorded revenue of RM8.23 million for the nine months ended 31 December 2021, which represents a decrease of 12.3% as compared to RM9.39 million in the nine months ended 31 December 2020. The decrease in revenue of restaurant segment was mainly due to the ongoing COVID-19 pandemic crisis. The implementation of various movement control order by government from 18 March 2020 and stringent containment measures deployed to contain the spread of virus have had a devastating impact on restaurant segment.

As a result of disruption in business, the restaurant segment recorded LBT of RM3.53 million for the nine months ended 31 December 2021, which is RM1.00 million higher as compared to LBT of RM2.54 million in the nine months ended 31 December 2020.

Manufacturing segment

The manufacturing segment recorded revenue of RM13.32 million for the nine months ended 31 December 2021, represents an increase 35.9% compared to RM9.80 million in the nine months ended 31 December 2020. The increase in revenue for the corresponding period was as a consequence of higher demand in domestic and international market and the manufacturing segment is able to leverage on the use of digitalisation in marketing strategies, which enable the Group to maneuver through the crisis.

The Group manufacturing segment recorded PBT of RM1.32 million for nine months ended 31 December 2021 as compared to PBT of RM1.66 million in the nine months ended 31 December 2020. The lower PBT was mainly due to increased raw material and packaging material cost which the Group was unable to transfer to the consumer.



**OVERSEA ENTERPRISE BERHAD (317155-U)**  
**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2021**

**B2. Financial Review For The Current Quarter Compare To The Results Of The Previous Quarter**

	3 Months ended		Change (%)
	31.12.2021	30.09.2021	
RM'000	Unaudited	Unaudited	
Revenue	4,009	12,592	-68.2%
Operating (Loss)/Profit	(3,053)	2,097	-245.6%
(Loss)/Profit Before Interest and Tax	(3,053)	2,097	-245.6%
(Loss)/Profit Before Tax	(3,080)	2,052	-250.1%
(Loss)/Profit After tax	(2,978)	1,848	-261.1%
(Loss)/Profit Attributable to Ordinary Equity Holders of the Parent	(2,798)	1,848	-251.4%

The Group recorded revenue of RM4.01 million for the quarter ended 31 December 2021, representing a decrease of RM8.58 million as compared to RM12.59 million in the quarter ended 30 September 2021.

The Group's bottom line turned from PBT RM2.05 million for quarter ended 30 September 2020 to LBT RM3.08 million in the quarter ended 31 December 2021.

	3 months ended		Change (%)
	31.12.2021	30.09.2021	
RM'000	Unaudited	Unaudited	
<b>Revenue</b>			
Restaurant	4,573	1,332	-243.3%
Manufacturing	(564)	11,260	105.0%
Others	-	-	0.0%
<b>Total</b>	<b>4,009</b>	<b>12,592</b>	68.2%
<b>Loss before tax</b>			
Restaurant	(797)	(1,365)	41.6%
Manufacturing	(1,824)	3,539	151.5%
Others	(459)	(122)	-276.2%
<b>Total</b>	<b>(3,080)</b>	<b>2,052</b>	250.1%

**3-month period (31.12.2021 vs. 30.09.2021)**

**Restaurant segment**

The restaurant segment posted an increase of RM3.24 million in revenue as compared to previous quarter. In previous quarter, the revenue of restaurant segment experienced a significant decrease due to the spread of COVID-19 and the re-implementation of various movement control order by government beginning June 2021. Following the re-opening of economy sectors and relaxation of SOPs, restaurant segments begin to recover.

The restaurant segment recorded LBT of RM0.80 million in the current quarter of 31 December 2021 which is RM0.57 million lesser as compared to LBT of RM1.37 million in the quarter ended 30 September 2021.

**OVERSEA ENTERPRISE BERHAD (317155-U)**  
**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2021**

**B2. Financial Review For The Current Quarter Compare To The Results Of The Previous Quarter (Cont'd)**

**3-month period (31.12.2021 vs. 30.09.2021) (Cont'd)**

**Manufacturing segment**

In current quarter, the manufacturing segment recorded negative revenue of RM0.60 million and LBT of RM1.82 million, representing a decrease of RM11.82 million in revenue and decrease of RM5.36 million in bottom line as compared to previous quarter. This is due to the mooncake season cycle which affecting the manufacturing segment performance.

**B3. Prospects**

**Restaurant Operations and Manufacturing**

The COVID-19 pandemic severely impacted the business operations of the Group as a result of containment measures taken by the Government of Malaysia to defray the spread of pandemic such as travel bans and closure of non-essential business amongst other things. Whilst there is still uncertainty in the surge of number of COVID-19 cases, the roll out of the national vaccination program is expected to pave the way for recoveries in post pandemic. The Group would continue to work with its strategic partner to manoeuvre through this challenging time. The synergistic partnership allows both parties to leverage on each other's expertise to achieve its objectives.

The Group shall continue to implement its expansion program as well as strengthening its capability to tap into new segment of markets that had been accelerated by the pandemic namely, towards lifestyle digitisation. These exercises include expansions of new restaurants, refurbishment of existing outlets, upgrading of its manufacturing capabilities, digital transformation encompassing leveraging on the latest technologies, complementing existing business through strategic acquisitions or investment to promote growth.

The Group is cautiously optimistic that with implementation of good planning and strategies, the Group will emerge stronger in its industry to future-proof the Group and achieve long-term sustainable growth.

**B4. Profit Forecast And Profit Estimate**

The Group has not issued any profit forecast or profit estimate for the current financial quarter under review or in any public documents.

**OVERSEA ENTERPRISE BERHAD (317155-U)**  
**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2021**

**B5. Taxation**

	<b>Current financial quarter ended 31.12.2021 RM'000</b>	<b>Current financial year to-date 31.12.2021 RM'000</b>
Income tax:-		
Current period	102	(93)

The tax expense is computed based on respective subsidiaries chargeable income. As such, the Group had taken into the account the unabsorbed losses, capital allowances and unutilized reinvestment allowances, which will largely affect its provisional amount.

**B6. Notes To The Statement of Comprehensive Income**

Loss before taxation is arrived at after charging/(crediting):-

	<b>Current financial quarter ended 31.12.2021 RM'000</b>	<b>Current financial year to-date 31.12.2021 RM'000</b>
Interest income	(65)	(194)
Other income including investment income	(799)	(1,698)
Depreciation and amortization	577	1,843
Interest expenses	25	87
Impairment loss on other investment	-	(144)
Bad debts written off on deposits and other receivables	-	390
Reversal of impairment loss on other receivables	-	(390)

Other than the items mentioned above which have been included in the statement of comprehensive income, there were no provision for and/or write off of inventories, gain or loss on derivatives, unquoted investments and/or properties, impairment of assets and any other exceptional items for the current quarter and financial period ended 31 March 2021.

**B7. Status Of Corporate Proposals Announced But Not Yet Completed**

On 28 July 2021, the Company proposed to undertake the following:-

- (i) Proposed Private Placement of up to 396,384,000 new ordinary shares, representing thirty percent (30%) of the total number of issued shares of the Company ("Placement Shares").
- (ii) Proposed renounceable rights issue of up to 1,717,664,991 new Shares ("Rights Shares") together with up to 572,554,997 free detachable warrants in the Company ("Warrants B") on the basis of 3 Rights Shares together with 1 free Warrants B for every 3 existing Shares held by the entitled shareholders on an entitlement date to be determined.

**OVERSEA ENTERPRISE BERHAD (317155-U)**  
**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2021**

**B7. Status Of Corporate Proposals Announced But Not Yet Completed (Cont'd)**

Further to the Company's announcement on 28 July 2021, the Company announced on 8 October 2021 that the Company has obtained written approval from Bursa Securities on the multiple proposals. The Company obtained shareholders' approval to proceed with the multiple proposals at an Extraordinary General Meeting held on 1 November 2021.

The Company had on 11 November 2021 ("Price Fixing Date") fixed the issue price for the placement of 261,916,000 Placement Shares, being the first and final tranche of the Private Placement, at RM0.0737 per Placement Share ("Issue Price"). The Issue Price represents a discount of 19.98% to the 5-day VWAP of the Shares up to and including 10 November 2021 of RM0.0921, being the last market day immediately preceding the Price-fixing Date.

On 18 November 2021, the Company has allotted 261,916,000 shares to Mr. Lim Kon Lian at RM0.0737 per share and that the shares were listed on Bursa Securities on 19 November 2021. Following the listing of placement shares, total unit of ordinary shares of the Company increase to 1,146,670,000 units. With that, marks the completion of the private placement proposal.

As at the date of the report, the Company has yet to complete the proposed rights issue exercise.

**B8. Status Of Utilisation of Proceeds**

**(A) Private Placement – 20%**

On 12 November 2020, the Company proposed to undertake a private placement of up to 48,503,000 new ordinary shares, representing twenty percent (20%) of the total number of issued shares of the Company.

On 19 February 2021, the Company completed the said private placement exercise which involved the issuance of 48,503,000 new Shares (representing 20% of the then existing total number of issued Shares (excluding treasury shares) before the private placement), raising a total of RM17.46 million.

The said proceeds have been utilised as follows:-

Utilisation of proceeds	Intended timeframe for utilisation from 19 February 2021	Actual proceeds raised RM'000	Amount utilised as at the LPD RM'000	Balance unutilised RM'000
(i) Refurbishment of existing outlets	Within 24 months	12,000	1,000	11,000
(ii) Working capital	Within 24 months	5,070	5,070	-
(iii) Expenses for the private placement	Immediate	391	391	-
<b>Total</b>		<b>17,461</b>	<b>6,461</b>	<b>11,000</b>

**OVERSEA ENTERPRISE BERHAD (317155-U)**  
**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2021**

**B8. Status Of Utilisation of Proceeds (Cont'd)**

**(B) Private Placement – 30%**

On 28 July 2021, the Company proposed to undertake the following:-

(i) Proposed Private Placement of up to 396,384,000 new ordinary shares, representing thirty percent (30%) of the total number of issued shares of the Company (“Placement Shares”).

(ii) Proposed renounceable rights issue of up to 1,717,664,991 new Shares (“Rights Shares”) together with up to 572,554,997 free detachable warrants in the Company (“Warrants B”) on the basis of 3 Rights Shares together with 1 free Warrants B for every 3 existing Shares held by the entitled shareholders on an entitlement date to be determined.

With the completion of the Private Placement 30% on 18 November 2021, the Company raised a total proceed of RM19.30 million.

The said proceeds have been utilised as follows:-

<b>Utilisation of proceeds</b>	<b>Intended timeframe for utilisation from completion of the Proposals</b>	<b>Actual proceeds raised RM'000</b>	<b>Amount utilised as at the LPD RM'000</b>	<b>Balance unutilised RM'000</b>
(i) Expansion of new restaurants	Within 24 months	9,000	-	9,000
(ii) Expansion and upgrading of manufacturing facilities	Within 24 months	6,000	-	6,000
(iii) Digital transformation	Within 24 months	600	-	600
(iv) Working capital	Within 24 months	3,175	2,503	672
(v) Expenses for the proposals	Immediate	528	528	-
<b>Total</b>		<b>19,303</b>	<b>3,031</b>	<b>16,272</b>

**OVERSEA ENTERPRISE BERHAD (317155-U)**  
**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2021**

**B9. Group Borrowings And Debts Securities**

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

	<b>Short Term (Secured) RM'000</b>	<b>Long Term (Secured) RM'000</b>	<b>Total (Secured) RM'000</b>
<b>As at 31 December 2021</b>			
Term loan	79	1,088	1,167
Lease liabilities	313	164	477
	<hr/>	<hr/>	<hr/>
Total Borrowing	392	1,252	1,644
	<hr/>	<hr/>	<hr/>
<b>As at 31 March 2021 (Audited)</b>			
Term loan	77	1,141	1,218
Lease liabilities	707	370	1,077
	<hr/>	<hr/>	<hr/>
	784	1,511	2,295
	<hr/>	<hr/>	<hr/>

The decrease in term loan as at 31 December 2021 compared to 31 March 2021 was due to repayment of facilities. Following the adoption of MFRS16, the hire purchase balances are classified to lease liabilities. The Group's borrowing and debts securities are denominated in RM.

**B10. Material Litigation**

There was no material litigation (including status of any pending material litigation) for the current quarter under review.

**B11. Dividends**

The directors do not recommend any interim dividend for the quarter under review.

**OVERSEA ENTERPRISE BERHAD (317155-U)**  
**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2021**

**B12. Losses Per Share**

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended	Preceding Year Corresponding Quarter Ended	Current Year to Date Ended	Preceding Year Corresponding Period Ended
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	RM'000	RM'000	RM'000	RM'000
<b>LOSSES PER SHARE</b>				
Loss for the period attributable to owners of the company	(2,978)	(3,338)	(3,096)	(2,375)
Weighted average number of ordinary shares in issue ('000)	995,471	242,515	914,008	242,515
Losses per share (sen)	(0.30)	(1.38)	(0.34)	(0.98)
Diluted Losses per share (sen)	(0.30)	N/A	(0.34)	N/A