

## **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 2022 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> |
|--|-----------------------|
| 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        |

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.

**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 2022 was 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 was 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 199401031473 (317155-U)**  
**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022**

**A9. Segmental Information**

The Group is organized into the following operating segment:-

- a) Restaurant
- b) Manufacturing and wholesale of baked products ("Manufacturing")
- c) Others refers to 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   |
|--------------------------------------|----------------|----------------|------------|----------------|----------------|
|                                      | RM' 000        | RM' 000        | RM' 000    | RM' 000        | RM' 000        |
| <b>3 months ended</b>                |                |                |            |                |                |
| <b>31 December 2022</b>              |                |                |            |                |                |
| <b>Revenue from</b>                  |                |                |            |                |                |
| External customers                   | 9,193          | (31)           | -          | -              | 9,162          |
| Inter-segment revenue                | 145            | (10)           | 28         | (163)          | -              |
| <b>Total revenue</b>                 | <b>9,338</b>   | <b>(41)</b>    | <b>28</b>  | <b>(163)</b>   | <b>9,162</b>   |
| <b>(Loss)/Profit before taxation</b> | <b>(877)</b>   | <b>(1,663)</b> | <b>7</b>   | <b>-</b>       | <b>(2,533)</b> |
| Income tax                           |                |                |            |                | 76             |
| <b>Loss after taxation</b>           |                |                |            |                | <b>(2,457)</b> |
| Other comprehensive income           |                |                |            |                | 4              |
| <b>Total comprehensive expense</b>   |                |                |            |                | <b>(2,453)</b> |
| <b>9 months ended</b>                |                |                |            |                |                |
| <b>31 December 2022</b>              |                |                |            |                |                |
| <b>Revenue from</b>                  |                |                |            |                |                |
| External customers                   | 25,219         | 14,914         | 16         | -              | 40,149         |
| Inter-segment revenue                | 513            | 6,533          | 33         | (7,079)        | -              |
| <b>Total revenue</b>                 | <b>25,732</b>  | <b>21,447</b>  | <b>49</b>  | <b>(7,079)</b> | <b>40,149</b>  |
| <b>(Loss)/Profit before taxation</b> | <b>(2,141)</b> | <b>2,181</b>   | <b>133</b> | <b>-</b>       | <b>173</b>     |
| Income tax                           |                |                |            |                | (147)          |
| <b>Profit after taxation</b>         |                |                |            |                | <b>26</b>      |
| Other comprehensive income           |                |                |            |                | 3              |
| <b>Total comprehensive income</b>    |                |                |            |                | <b>29</b>      |

**OVERSEA ENTERPRISE BERHAD 199401031473 (317155-U)**  
**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022**

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

Segmental Reporting

|  | Restaurant     | Manufacturing  | Others       | Eliminations   | Consolidated   |
|--|----------------|----------------|--------------|----------------|----------------|
|  | RM' 000        | RM' 000        | RM' 000      | RM' 000        | RM' 000        |
| <b>3 months ended<br/>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>(985)</b>   | <b>20</b>    | <b>210</b>     | <b>4,009</b>   |
| <b>Loss before taxation</b>                | <b>(797)</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<br/>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>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>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> |

|                               | Restaurant | Manufacturing | Others  | Eliminations | Consolidated |
|-------------------------------|------------|---------------|---------|--------------|--------------|
|                               | RM' 000    | RM' 000       | RM' 000 | RM' 000      | RM' 000      |
| <b>As at 31 December 2022</b> |            |               |         |              |              |
| <b>Segmented assets</b>       | 61,720     | 32,601        | 10,655  | -            | 104,976      |
| <b>Unallocated assets</b>     |            |               |         |              | 231          |
|                               |            |               |         |              | 105,207      |
| <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       |

**OVERSEA ENTERPRISE BERHAD 199401031473 (317155-U)**  
**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022**

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

There were no changes to valuation of 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<br/>31.12.2022<br/>RM'000</b> | <b>As at<br/>31.12.2021<br/>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  | 1,524                                  | 1,598                                  |

**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 is a connected person:-

| <b>Transactions</b>                           | <b>Current financial<br/>quarter ended<br/>31.12.2022<br/>RM'000</b> | <b>Current financial<br/>year to-date<br/>31.12.2022<br/>RM'000</b> |
|---|--|---|
| Rental paid to related parties <sup>(1)</sup> | 261  | 779   |
| Rental paid to a Director                     | 23   | 69  |

Note:

(1) These parties are related to a director of Oversea Enterprise Berhad subsidiaries.

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.

**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 |            |        | Cumulative Quarter |            |         |
|--|--------------------|------------|--------|--------------------|------------|---------|
|  | 3 Months ended     |            |        | Period ended       |            |         |
|  | 31.12.2022         | 31.12.2021 | Change | 31.12.2022         | 31.12.2021 | Change  |
|  | Unaudited          | Unaudited  |        | Unaudited          | Unaudited  |         |
|  | RM'000             | RM'000     | (%)    | RM'000             | RM'000     | (%)     |
| Revenue  | 9,162              | 4,009      | >100%  | 40,149             | 21,552     | 86%     |
| Operating (Loss)/Profit                              | (2,212)            | (3,053)    | (28%)  | 1,190              | (2,899)    | (>100%) |
| (Loss)/Profit Before and Tax                         | (2,533)            | (3,080)    | (18%)  | 173                | (3,003)    | (>100%) |
| (Loss)/Profit After Tax                              | (2,457)            | (2,978)    | (17%)  | 26                 | (3,096)    | (>100%) |
| (Loss)/ Profit Attributable to Owners of the Company | (2,457)            | (2,798)    | (17%)  | 26                 | (2,921)    | (>100%) |

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

Revenue of the Group increased to RM9.2 million for the current quarter under review as compared to RM4.0 million recorded in the preceding quarter ended 31 December 2021.

The Group recorded a marginal decrease in loss after tax of RM2.4 million for the current quarter under review compared to the preceding quarter ended 31 December 2021.

Cumulatively, the Group had recorded Profit after tax of RM26,000 in the current period to 31 December 2022 as compared to a loss of RM3.1 million for the period ended 31 December 2021.

(ii) Statement of financial position

As at 31 December 2022, the total equity attributable to owners of the Company stood at RM75.3 million compared to RM75.3 million as of 31 March 2022.

The increase in trade and other receivables compared to the balances as at 31 March 2022 are mainly due to the prepayments yet to be capitalized to property, plant and equipment.

**OVERSEA ENTERPRISE BERHAD** 199401031473 (317155-U)  
**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022**

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

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

(iii) Statement of cash flow

Net cash for operations of the Group was RM0.9 million for the period ended 31 December 2022 against net cash for operations of RM5.5 million for the corresponding period in 2021.

Net cash for investing activities of the Group was RM12.5 million for the period ended 31 December 2022 against net cash for investing of approximately RM729,000 due to capital expenditure for existing and new restaurants.

Net cash for financing activities was RM2.8 million for period ended 31 December 2022, as compared to net cash from financing activities RM18.6 million for the corresponding period ended in 2021.

**(B) Segmental Analysis**

|                                 | Individual Quarter |            |         | Change<br>(%) | Cumulative   |            | Change<br>(%) |
|---------------------------------|--------------------|------------|---------|---------------|--------------|------------|---------------|
|                                 | 3 Months ended     |            |         |               | Period ended |            |               |
|                                 | 31.12.2022         | 31.12.2021 |         |               | 31.12.2022   | 31.12.2021 |               |
|                                 | Unaudited          | Unaudited  |         |               | Unaudited    | Unaudited  |               |
|                                 | RM'000             | RM'000     |         |               | RM'000       | RM'000     |               |
| <b>Revenue</b>                  |                    |            |         |               |              |            |               |
| Restaurant                      | 9,193              | 4,573      | >100%   | 25,219        | 8,232        | >100%      |               |
| Manufacturing                   | (31)               | (564)      | (95%)   | 14,914        | 13,320       | 12%        |               |
| Others                          | -                  | -          | -       | 16            | -            | -          |               |
| Total                           | 9,162              | 4,009      | >100%   | 40,149        | 21,552       | 86%        |               |
| <b>(Loss)/Profit before tax</b> |                    |            |         |               |              |            |               |
| Restaurant                      | (877)              | (797)      | 10%     | (2,141)       | (3,526)      | (39%)      |               |
| Manufacturing                   | (1,663)            | (1,824)    | (9%)    | 2,181         | 1,323        | 65%        |               |
| Others                          | 7                  | (459)      | (>100%) | 133           | (800)        | (>100%)    |               |
| Total                           | (2,533)            | (3,080)    | (17%)   | 173           | (3,003)      | (>100%)    |               |

The Group recorded revenue of RM9.2 million for the quarter ended 31 December 2022 as compared to RM4.0 million in the quarter ended 31 December 2021 mainly due to higher overall sales volume achieved in the current quarter.

The Group recorded a marginal improvement in losses before tax of RM2.5 million for the current quarter ended 31 December 2022 as compared to losses before tax of RM3.0 million in the quarter ended 31 December 2021. This is due to general increase in manpower as well selling and marketing expenses in tandem with the rise in revenue. The Group cumulative profit before tax for the period ended 31 December 2022 was recorded at RM173,000 as compared to a loss before tax of RM3.0 million for the period ended 31 December 2021. This is an improvement in net profit before tax due to higher sales volume achieved during the period.

**OVERSEA ENTERPRISE BERHAD 199401031473 (317155-U)**  
**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022**

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

|                                 | 3 Months ended |            | Change<br>(%) |
|---------------------------------|----------------|------------|---------------|
|                                 | 31.12.2022     | 30.09.2022 |               |
|                                 | Unaudited      | Unaudited  |               |
|                                 | RM'000         | RM'000     |               |
| <b>Revenue</b>                  |                |            |               |
| Restaurant                      | 9,193          | 8,078      | 14%           |
| Manufacturing                   | (31)           | 10,543     | (>100%)       |
| Others                          | -              | 14         | -             |
| Total                           | 9,162          | 18,635     | (51%)         |
| <b>(Loss)/Profit Before Tax</b> |                |            |               |
| Restaurant                      | (877)          | (677)      | (30%)         |
| Manufacturing                   | (1,663)        | 3,155      | (>100%)       |
| Others                          | 7              | 135        | (>95%)        |
| Total                           | (2,533)        | 2,614      | (>100%)       |

Revenue of the Group decreased by 51% to RM9.2 million for the current quarter under review as compared to RM18.7 million recorded in the immediate preceding quarter ended 30 September 2022 mainly due to lower sales volumes due to the conclusion of the Mid-Autumn festival in prior quarter.



### **B3. Prospects**

#### Restaurant Operations

On the business development front, the Group had completed building the new restaurants namely the “EMP” brand outlet in The Westin, Kuala Lumpur featuring modern Chinese cuisine and a “Restoran Oversea” brand in a popular shopping mall in 1-Utama, Petaling Jaya. Another seafood restaurant situated in The Kuala Lumpur City Center is currently underway and we expect full operational capabilities by the first quarter of 2023. The Group had completed the refurbishment of its outlet in Jalan Imbi, Kuala Lumpur. The upgrade to the existing outlet shall inject a new vibrant atmosphere and enhance our customers dining experience.

#### Manufacturing Operations

On the manufacturing front, we are actively enhancing the utilisation of the production capabilities to achieve greater economies of scale and increasing efficiencies by adding another production line for bakery and pastry products which are supplied continuously to restaurants and cafes in the Klang Valley.

With the current expansion and upgrading plans, the Group remains optimistic about the long term and sustainable development of its business. Barring unforeseen circumstances, we are confident to deliver positive earnings for the remaining quarter for the financial year ending 2023.

### **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.

### **B5. Taxation**

|                                | <b>Current financial<br/>quarter ended<br/>31.12.2022<br/>RM'000</b> | <b>Current financial<br/>year to-date<br/>31.12.2022<br/>RM'000</b> |
|--------------------------------|--|---|
| Income tax:-<br>Current period | 76   | (147)   |

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.

**OVERSEA ENTERPRISE BERHAD 199401031473 (317155-U)**  
**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022**

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

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

|   | <b>Current financial<br/>quarter ended<br/>31.12.2022<br/>RM'000</b> | <b>Current financial<br/>year to-date<br/>31.12.2022<br/>RM'000</b> |
|---|--|---|
| Interest income                                 | (68)   | (296)   |
| Other income including investment income        | (1,217)  | (2,948)   |
| Gain on disposal of property, plant & equipment | -  | (40)  |
| Depreciation and amortization                   | 1,306  | 3,725   |
| Interest expenses                               | 318  | 1,017   |
| Reversal of Provision for doubtful debt         | -  | (15)  |

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 December 2022.

**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.

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.

On 16 March 2022, the Company has submitted an application to seek Bursa Securities' approval for an extension of time of 6 months for the Company to complete the Right Issues with Warrants. On 31 March 2022, the Company obtained Bursa Securities' approval on the application for an

**OVERSEA ENTERPRISE BERHAD 199401031473 (317155-U)**  
**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022**

extension of time until 5 October 2022 for the Company to complete the implementation of the Rights Issue with Warrants.

On 26 September 2022, Bursa Securities had approved the Company's application for the extension of time until 5 April 2023 for the Company to complete the implementation of the Rights Issue With Warrants. 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:-

| <b>Utilisation of proceeds</b>           | <b>Intended timeframe for utilisation from 19 February 2021</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) Refurbishment of existing outlets    | Within 24 months  | 12,000                               | 9,934                                       | 2,066                            |
| (ii) Working capital                     | Within 24 months  | 5,070                                | 4,655                                       | 415                              |
| (iii) Expenses for the private placement | Immediate   | 391                                  | 391   | -                                |
| <b>Total</b>                             |   | <b>17,461</b>                        | <b>14,980</b>                               | <b>2,481</b>                     |

**(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.

**OVERSEA ENTERPRISE BERHAD 199401031473 (317155-U)**  
**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022**

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                                | 8,763                                       | 237                              |
| (ii) Expansion and upgrading of manufacturing facilities | Within 24 months   | 6,000                                | 1,902                                       | 4,098                            |
| (iii) Digital transformation                             | Within 24 months   | 600                                  | -   | 600                              |
| (iv) Working capital                                     | Within 24 months   | 3,175                                | 2,474                                       | 701                              |
| (v) Expenses for the proposals                           | Immediate  | 528                                  | 528   | -                                |
| <b>Total</b>   |  | <b>19,303</b>                        | <b>13,667</b>                               | <b>5,636</b>                     |

**B9. Group Borrowings And Debts Securities**

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

|                               | <b>Short Term<br/>(Secured)<br/>RM'000</b> | <b>Long Term<br/>(Secured)<br/>RM'000</b> | <b>Total<br/>(Secured)<br/>RM'000</b> |
|-------------------------------|--|---|---------------------------------------|
| <b>As at 31 December 2022</b> |  |   |                                       |
| Term loan                     | 76   | 1,011                                     | 1,087                                 |
| Lease liabilities             | 2,289                                      | 15,897                                    | 18,186                                |
| <b>Total Borrowing</b>        | <b>2,365</b>                               | <b>16,908</b>                             | <b>19,273</b>                         |
| <b>As at 31 December 2021</b> |  |   |                                       |
| Term loan                     | 79   | 1,088                                     | 1,167                                 |
| Lease liabilities             | 313  | 164                                       | 477                                   |
| <b>Total Borrowing</b>        | <b>392</b>                                 | <b>1,252</b>                              | <b>1,644</b>                          |

The decrease in term loan as at 31 December 2022 compared to 31 December 2021 was due to repayment of facilities. Following the adoption of MFRS16, the hire purchase balances are classified to lease liabilities. The increase in lease liabilities was due to recognition of lease liabilities during the current period ended 31 December 2022. The Group's borrowing and debts securities are denominated in RM.

**B10. Material Litigation**

There was no material litigation for the current quarter under review, which might materially and adversely affect the position or business of the Company or its subsidiaries.

**B11. Dividends**

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

**OVERSEA ENTERPRISE BERHAD 199401031473 (317155-U)**  
**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022**

**B12. (Losses)/ Profit Per Share**

|  | Individual Quarter                           |  | Cumulative Quarter                           |   |
|--|--|--|--|---|
|  | Current Year Quarter<br>31.12.2022<br>RM'000 | Preceding Year Corresponding Quarter<br>31.12.2021<br>RM'000 | Current Year To-Date<br>31.12.2022<br>RM'000 | Preceding Year Corresponding Period<br>31.12.2021<br>RM'000 |
| <b>(LOSSES)/ PROFIT PER SHARE</b>                                  |  |  |  |   |
| (Loss)/Profit for the period attributable to owners of the company | (2,457)                                      | (2,978)  | 26   | (3,096)   |
| Weighted average number of ordinary shares in issue ('000)         | 1,134,970                                    | 995,471  | 1,134,970                                    | 914,008   |
| Basic Losses per share (sen)                                       | (0.22)                                       | (0.30)   | 0.00   | (0.34)  |
| Diluted Losses per share (sen)                                     | (0.22)                                       | (0.30)   | 0.00   | (0.34)  |