



GLOBAL ORIENTAL BERHAD
(Incorporated in Malaysia)
Company No. 200101008111 (543867-T)

Interim Financial Report
30 June 2021

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GLOBAL ORIENTAL BERHAD
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2021 RM'000 unaudited	Preceding Year Corresponding Quarter 30.06.2020 RM'000 restated	Current Year To Date 30.06.2021 RM'000 unaudited	Preceding Year Corresponding Year To Date 30.06.2020 RM'000 restated
Revenue	83,438	44,285	83,438	44,285
Cost of sales	(75,513)	(40,572)	(75,513)	(40,572)
Gross profit	7,925	3,713	7,925	3,713
Interest income	1,674	837	1,674	837
Other operating income	346	177	346	177
Depreciation and amortisation	(720)	(750)	(720)	(750)
Operating expenses	(4,618)	(9,281)	(4,618)	(9,281)
Operating profit/(loss)	4,607	(5,304)	4,607	(5,304)
Finance costs	(3,748)	(5,750)	(3,748)	(5,750)
Share of results of an associated company	704	(189)	704	(189)
Profit/(Loss) before tax	1,563	(11,243)	1,563	(11,243)
Taxation	(708)	(58)	(708)	(58)
Profit/(Loss) for the financial period	855	(11,301)	855	(11,301)
Other comprehensive income	-	-	-	-
Total comprehensive income/(loss) for the financial period	855	(11,301)	855	(11,301)
Profit/(Loss) attributable to:				
Owners of the Company	1,267	(10,487)	1,267	(10,487)
Non-controlling interests	(412)	(814)	(412)	(814)
	855	(11,301)	855	(11,301)
Total comprehensive income/(loss) attributable to:				
Owners of the Company	1,267	(10,487)	1,267	(10,487)
Non-controlling interests	(412)	(814)	(412)	(814)
	855	(11,301)	855	(11,301)
Earnings per share attributable to				
Owners of the Company:				
- Basic (sen)	0.28	(2.31)	0.28	(2.31)
- Diluted (sen)	Not Applicable	Not Applicable	Not Applicable	Not Applicable

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 March 2021 and the accompanying explanatory notes attached to this interim financial statements.

GLOBAL ORIENTAL BERHAD
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	As at 30.06.2021 RM'000 unaudited	As at 31.03.2021 RM'000 restated	As at 1.04.2020 RM'000 restated
ASSETS			
Non-current assets			
Property, plant and equipment	2,421	2,608	2,896
Right-of-use assets	5,586	6,110	6,729
Investment properties	-	-	1,740
Investment in an associated company	3,017	2,313	576
Land held for property development	307,601	301,835	281,592
Deferred tax assets	610	610	727
Other receivables, deposits and prepayments	16,970	16,493	19,410
	<u>336,205</u>	<u>329,969</u>	<u>313,670</u>
Current assets			
Inventories	60,998	64,720	68,487
Property development costs	265,469	287,296	354,595
Trade receivables	73,677	74,120	51,972
Other receivables, deposits and prepayments	23,947	23,266	20,887
Amount owing by an associated company	49,777	49,777	49,777
Tax recoverable	3,429	3,032	2,340
Fixed deposits with licensed banks	18,996	18,959	18,306
Cash and bank balances	128,117	135,065	96,837
	<u>624,410</u>	<u>656,235</u>	<u>663,201</u>
TOTAL ASSETS	<u>960,615</u>	<u>986,204</u>	<u>976,871</u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital	227,338	227,338	227,338
Reserves	39,857	38,590	44,801
	<u>267,195</u>	<u>265,928</u>	<u>272,139</u>
Non-controlling interests	<u>(8,582)</u>	<u>(8,170)</u>	<u>(4,867)</u>
TOTAL EQUITY	<u>258,613</u>	<u>257,758</u>	<u>267,272</u>
LIABILITIES			
Non-current and deferred liabilities			
Borrowings - secured	124,270	125,247	152,305
Lease liabilities	4,470	4,862	5,288
Deferred tax liabilities	2,652	2,695	3,144
Trade payables	73,529	83,556	155,469
	<u>204,921</u>	<u>216,360</u>	<u>316,206</u>
Current liabilities			
Contract liabilities	42,479	30,072	29,833
Trade payables	200,006	215,670	115,221
Other payables and accruals	182,260	185,006	168,330
Provisions	20,777	20,777	18,761
Borrowings - secured	45,366	53,801	54,699
Lease liabilities	1,681	1,685	1,578
Tax liabilities	4,512	5,075	4,971
	<u>497,081</u>	<u>512,086</u>	<u>393,393</u>
TOTAL LIABILITIES	<u>702,002</u>	<u>728,446</u>	<u>709,599</u>
TOTAL EQUITY AND LIABILITIES	<u>960,615</u>	<u>986,204</u>	<u>976,871</u>
Net assets per ordinary share attributable to owners of the Company (RM)	<u>0.59</u>	<u>0.58</u>	<u>0.60</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 March 2021 and the accompanying explanatory notes attached to this interim financial statements.

GLOBAL ORIENTAL BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021

	----- Attributable to the Owners of the Company -----						
	----- Reserves -----						
	Issued capital RM'000	Capital reserve RM'000	Share option reserve RM'000	Accumulated losses RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
Current 3 months ended							
30 June 2021 (unaudited)							
As at 1 April 2021	227,338	91,037	1,801	(52,395)	267,781	(8,170)	259,611
Effects of adoption of Agenda Decision	-	-	-	(1,853)	(1,853)	-	(1,853)
As at 1 April 2021, as restated	227,338	91,037	1,801	(54,248)	265,928	(8,170)	257,758
Total comprehensive income/(loss) for the financial period	-	-	-	1,267	1,267	(412)	855
Employees' Share Option Scheme ("ESOS") forfeited during the financial period	-	-	(45)	45	-	-	-
As at 30 June 2021	227,338	91,037	1,756	(52,936)	267,195	(8,582)	258,613

	----- Attributable to the Owners of the Company -----						
	----- Reserves -----						
	Issued capital RM'000	Capital reserve RM'000	Share option reserve RM'000	Accumulated losses RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
Preceding 3 months ended							
30 June 2020 (restated)							
As at 1 April 2020	227,338	91,037	2,953	(67,442)	253,886	(4,867)	249,019
Effects of adoption of Agenda Decision	-	-	-	18,253	18,253	-	18,253
As at 1 April 2020, as restated	227,338	91,037	2,953	(49,189)	272,139	(4,867)	267,272
Total comprehensive loss for the financial period	-	-	-	(10,487)	(10,487)	(814)	(11,301)
Employees' Share Option Scheme ("ESOS") forfeited during the financial period	-	-	(311)	311	-	-	-
As at 30 June 2020	227,338	91,037	2,642	(59,365)	261,652	(5,681)	255,971

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 2021 and the accompanying explanatory notes attached to this interim financial statements.

GLOBAL ORIENTAL BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021

	Current 3 months ended 30.06.2021 RM'000 unaudited	Preceding 3 months ended 30.06.2020 RM'000 restated
<u>Cash Flows from Operating Activities</u>		
Profit/(Loss) before taxation	1,563	(11,243)
Adjustments for:		
Depreciation of property, plant and equipment	196	246
Depreciation of right-of-use assets	524	504
Property, plant and equipment written off	-	323
Impairment of investment properties	-	240
Impairment of land held for property development	8	-
Loss on disposal of right-of-use assets	-	67
Allowance for doubtful debts	-	1,882
Allowance for doubtful debts no longer required	(10)	-
Share of results in associate	(704)	189
Unrealised foreign exchange loss	-	367
Interest expenses	3,748	5,750
Interest income	(1,674)	(837)
Operating profit before working capital changes	3,651	(2,512)
Decrease/(Increase) in:		
Land held for property development	(5,399)	(7,132)
Property development costs	23,209	5,744
Inventories	3,722	1,811
Receivables	(228)	2,230
Increase/(Decrease) in:		
Contract liabilities	12,407	(1,043)
Payables	(31,355)	2,839
Cash generated from/(used in) operations	6,007	1,937
Interest received	1,197	399
Interest paid	(2,587)	(3,373)
Tax paid	(1,711)	(312)
Net generated from/(used in) operating activities	2,906	(1,349)
<u>Cash Flows used in Investing Activities</u>		
Additions to property, plant and equipment	(8)	(572)
Additions to right-of -use assets	-	460
Increase in fixed deposits pledged	(36)	(83)
Net cash used in investing activities	(44)	(195)
<u>Cash Flows used in Financing Activities</u>		
Drawdown of bank borrowings	4,368	10,000
Repayment of bank borrowings	(13,872)	(16,318)
Payment of lease liabilities	(397)	(465)
Repayment of hire-purchase creditors	(25)	(44)
Net cash used in financing activities	(9,926)	(6,827)
Net increase/(decrease) in cash and cash equivalents	(7,064)	(8,371)
Cash and cash equivalents at beginning of financial period	125,057	86,227
Cash and cash equivalents at end of financial period	117,993	77,856
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	128,117	88,128
Fixed deposits with licensed banks	18,996	18,389
Bank overdraft	(11,458)	(11,372)
Less: Fixed deposits pledged	(17,662)	(17,289)
	117,993	77,856

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 March 2021 and the accompanying explanatory notes attached to this interim financial statements.

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD
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1. BASIS OF PREPARATION

The interim financial statements of Global Oriental Berhad (“GOB” or “Company”) and its subsidiaries (“the Group”) are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: “Interim Financial Reporting” and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2021. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2021.

The significant accounting policies and methods of computation adopted in the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 March 2021, except for the adoption of the following Amendments to MFRSs:

Amendments to:	
MFRS 16	Covid-19-Related Rent Concessions
MFRS 9, MFRS 139 and MFRS 7, MFRS 4 and MFRS 16	Interest Rate Benchmark Reform - Phase 2
MFRS 16	Covid-19-Related Concessions beyond 30 June 2021

The adoption of these Amendments to MFRSs did not result in significant changes in accounting policies of the Group and of the Company and had no significant effect on the financial performance or position of the Group and of the Company.

Amendments to MFRSs in issue but not yet effective

The Amendments to MFRSs 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:	
MFRSs	Annual Improvements to MFRS Standards 2018 - 2020 ¹
MFRS 3	Reference to Conceptual Framework ¹
MFRS 116	Property, Plant and Equipment - Proceeds before Intended Use ¹
MFRS 137	Onerous Contracts - Cost of Fulfilling a Contract ¹
MFRS 4	Extension of Temporary Exemption from Applying MFRS 9 ²
MFRS 101	Classification of Liabilities as Current or Non-Current ²
MFRS 101	Disclosure of Accounting Policies ²
MFRS 108	Definition of Accounting Estimates ²
MFRS 10 and MFRS 128	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture ³

¹ Effective for annual periods beginning on or after 1 January 2022

² Effective for annual periods beginning on or after 1 January 2023

³ Effective date deferred to a date to be announced by MASB

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These Amendment to MFRSs are not expected to have any significant impact on the financial statements of the Group and the Company upon their initial application.

IFRIC Agenda Decision on MFRS 123 Borrowing Costs

On 18 December 2018, the Malaysian Accounting Standards Board (“MASB”) has issued for public comment six Tentative Agenda Decisions (“TAD”) published by the IFRS Interpretations Committee, including the TAD on International Accounting Standards 23 Borrowing Costs (“IAS 23”) relating to over time transfer of constructed good.

The MASB observed that non-private entities in the real estate industry might need to change their accounting policy as a result of the Agenda Decision on IAS 23. In ensuring consistent application of the MFRSs, which are word-for-word the IFRS Standards, the MASB has decided that an entity shall apply the change in accounting policy as a result of the Agenda Decision on IAS 23 to financial statements of annual periods beginning on or after 1 July 2020.

Effective 1 April 2021, the Group has retrospectively applied the Agenda Decision and comparative figures have been restated as a result of transition requirement under Agenda Decision. The effect arising from the adoption of the Agenda Decision on the financial statements is as follows:

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As Previously Reported RM’000	Effect of adoption of Agenda Decision RM’000	Restated RM’000
<u>As at 1 April 2020</u>			
Current assets			
Inventories	70,374	(1,887)	68,487
Property development costs	334,455	20,140	354,595
Equity			
Accumulated losses	(67,442)	18,253	(49,189)
<u>As at 31 March 2021</u>			
Current assets			
Inventories	66,592	(1,872)	64,720
Property development costs	286,952	344	287,296
Non-Current Liabilities			
Deferred tax liabilities	2,370	325	2,695
Equity			
Accumulated losses	(52,395)	(1,853)	(54,248)

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INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER
AND FINANCIAL PERIOD ENDED 30 JUNE 2021

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	As Previously Reported 30.06.2020 RM'000	Effect of adoption of Agenda Decision RM'000	Restated 30.06.2020 RM'000
Cost of sales	(40,930)	358	(40,572)
Finance costs	(991)	(4,759)	(5,750)
Taxation	(591)	533	(58)
Loss for the financial period	(7,427)	(3,874)	(11,301)
Loss attributable to :			
Owners of the Company	(6,613)	(3,874)	(10,487)
Non-controlling interests	(814)	-	(814)
	<u>(7,427)</u>	<u>(3,874)</u>	<u>(11,301)</u>
Total comprehensive loss attributable to :			
Owners of the Company	(6,613)	(3,874)	(10,487)
Non-controlling interests	(814)	-	(814)
	<u>(7,427)</u>	<u>(3,874)</u>	<u>(11,301)</u>
Loss per share attributable to Owners of the Company:			
Basic (sen)	<u>(1.45)</u>	<u>(0.86)</u>	<u>(2.31)</u>

2. AUDITORS' REPORT ON REPORTING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements of GOB for the financial year ended 31 March 2021 was not qualified.

3. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The Group's performance for the quarter ended 30 June 2021 was not affected by any significant seasonal or cyclical fluctuations.

4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter under review.

5. CHANGES IN ESTIMATES

There were no changes in estimates during the quarter under review that had a material effect on the interim financial statements.

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INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER
AND FINANCIAL PERIOD ENDED 30 JUNE 2021

6. DEBT AND EQUITY SECURITIES

During the quarter under review, no ESOS option was exercised. As at 30 June 2021, a total of 3,393,203 ESOS options to subscribe for ordinary shares remain unexercised.

There were no other issuances, cancellation, repurchase, resale and repayment of debt and equity securities during the reporting quarter.

7. DIVIDENDS PAID

There were no dividends paid or declared during the quarter under review.

8. SEGMENTAL INFORMATION

Group	Property development	Construction	Trading and distribution	Investment holding	Others	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Results For 3 Months Ended 30 June 2021							
Revenue							
External sales	78,028	-	5,410	-	-	-	83,438
Inter-segment sales	-	-	-	-	-	-	-
	<u>78,028</u>	<u>-</u>	<u>5,410</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>83,438</u>
Results							
Segment results	4,702	(202)	670	319	94	(976)	4,607
Unallocated expenses:							
- Finance costs							(3,748)
- Share of results of an associated company							704
Profit before tax							<u>1,563</u>
Taxation							<u>(708)</u>
Profit for the financial period							<u>855</u>

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INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER
AND FINANCIAL PERIOD ENDED 30 JUNE 2021

Group	Property	Construction	Trading	Investment	Others	Elimination	Total
	development		and				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Results For 3 Months Ended							
30 June 2020 (restated)							
Revenue							
External sales	38,743	-	5,542	-	-	-	44,285
Inter-segment sales	-	82	-	-	-	(82)	-
	<u>38,743</u>	<u>82</u>	<u>5,542</u>	<u>-</u>	<u>-</u>	<u>(82)</u>	<u>44,285</u>
Results							
Segment results	(2,860)	(143)	303	149	113	(2,866)	(5,304)
Unallocated expenses:							
- Finance costs							(5,750)
- Share of results of an associated company							(189)
Loss before tax							<u>(11,243)</u>
Taxation							(58)
Loss for the financial period							<u>(11,301)</u>

9. VALUATION OF PROPERTY, PLANT & EQUIPMENT AND INVESTMENT PROPERTIES

There has been no change to the valuations of property, plant and equipment and investment properties since the audited financial statements for the year ended 31 March 2021.

10. SUBSEQUENT EVENTS

There were no material events subsequent to the reporting period.

11. CHANGES IN THE COMPOSITION OF THE GROUP

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

12. CHANGES IN CONTINGENT ASSETS AND CONTINGENT LIABILITIES

As at the date of this report, there were no material contingent liabilities except as follows:

Corporate guarantee amounting to RM173.7 million given by our Company to financial institutions for credit facilities granted to our subsidiaries.

13. CAPITAL COMMITMENTS

There were no material capital commitments as at the date of this report.

GLOBAL ORIENTAL BERHAD
INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER
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PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD

1. REVIEW OF PERFORMANCE

a) Financial review for current quarter and financial year to date

	Individual Period		Changes %	Cumulative Period		Changes %
	Current Year Quarter 30.06.2021	Preceding Year Corresponding Quarter 30.06.2020		Current Year To Date 30.06.2021	Preceding Year To Date 30.06.2020	
	RM'000	RM'000		RM'000	RM'000	
		restated			restated	
Revenue	83,438	44,285	88%	83,438	44,285	88%
Operating profit/(loss)	4,607	(5,304)	187%	4,607	(5,304)	187%
Profit/(Loss) before tax	1,563	(11,243)	114%	1,563	(11,243)	114%
Profit/(Loss) after tax	855	(11,301)	108%	855	(11,301)	108%
Profit/(Loss) attributable to owners of the Company	1,267	(10,487)	112%	1,267	(10,487)	112%

Current Quarter

For the current quarter, the Group registered higher revenue of RM83.4 million compared to RM44.3 million of the preceding year corresponding quarter. The increase in revenue was mainly attributed to higher sales recognition from ongoing development projects.

In tandem with the higher revenue, the Group recorded higher profit before tax of RM1.6 million for the current quarter under review compared to loss before tax of RM11.2 million of the preceding year corresponding quarter. The favourable performance was mainly due to higher profit contribution from ongoing development projects and lower operating expenses in the current quarter.

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b) Financial review for current quarter compared with immediate preceding quarter

	Current Year Quarter 30.06.2021 RM'000	Immediate Preceding Quarter 31.03.2021 RM'000 restated	Changes %
Revenue	83,438	112,038	-26%
Operating profit	4,607	11,692	-61%
Profit before tax	1,563	3,342	-53%
Profit/(Loss) after tax	855	(925)	192%
Profit/(Loss) attributable to owners of the Company	1,267	(146)	967%

Compared against the immediate preceding quarter, the Group's revenue decreased to RM83.4 million against RM112 million recorded previously. The decrease in revenue was mainly due to lower work progress and lower sales recognition of ongoing development projects in Kuala Lumpur and Seri Kembangan in the current quarter arising from the imposition of Movement Control Order which halted the construction activities as well as affected sales activities.

In tandem with the lower revenue, the Group registered lower profit before tax of RM1.6 million against RM3.3 million of the immediate preceding quarter mainly due to lower profit contribution from ongoing development projects.

2. COMMENTARY ON PROSPECTS

Generally, the impact of Covid-19 pandemic continues to persist negatively on the economy and also property development and sales in FY2022 despite ongoing restrictions easing and implementation of national recovery plan.

Meanwhile, the Group would continue to maintain operations safely and launch new projects prudently.

3. PROFIT FORECAST OR PROFIT GUARANTEE

The Group has not issued any profit forecast or profit guarantee for the financial year under review.

4. TAXATION

	Current Year Quarter 30.06.2021 RM'000	Preceding Year Corresponding Quarter 30.06.2020 RM'000 restated	Current Year To Date 30.06.2021 RM'000	Preceding Year To Date 30.06.2020 RM'000 restated
Current taxation	751	78	751	78
Deferred taxation	(43)	(20)	(43)	(20)
	708	58	708	58

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The effective tax rate is not reflective of the statutory tax rate principally due to non-recognition of deferred tax assets in certain subsidiary companies and non-deductibility of certain expenses for tax purposes.

5. CORPORATE PROPOSALS

There were no corporate proposals announced but not completed as at the date of this report except for:-

(a) Private Placement of Shares

On 24 August 2020, the Company through its adviser UOB Kay Hian Securities (M) Sdn Bhd ("UOBKH") had announced that the Company proposed to undertake a private placement of up to 10% of the total number of issued shares of GOB to third party investor(s) to be identified later, at an issue price to be determined later ("Placement Shares") ("Proposed Private Placement").

On 3 September 2020, the Company via its adviser had announced that Bursa Malaysia Securities Berhad ("Bursa Securities") had, vide its letter dated 2 September 2020, approved the listing and quotation of up to 46,038,315 Placement Shares to be issued pursuant to the Proposed Private Placement, subject to the following conditions:-

- (i) GOB and UOBKH must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Private Placement;
- (ii) GOB and UOBKH to inform Bursa Securities upon the completion of the Proposed Private Placement;
- (iii) GOB and UOBKH to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Private Placement is completed; and
- (iv) Where relevant, GOB to furnish Bursa Securities with a certified true copy of the resolution passed by shareholders at the forthcoming annual general meeting for the authority to issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016 before the listing and quotation of the ordinary shares.

On 24 August 2021, Bursa Securities granted the Company an extension of time up to 1 March 2022 to complete the implementation of the Private Placement.

To date, the issue price has not been fixed and the third party investor(s) has not been identified as well.

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6. BORROWINGS AND DEBT SECURITIES

	As at 30.06.2021		
	Long Term RM'000	Short Term RM'000	Total Borrowings RM'000
Bank borrowings	124,215	33,810	158,025
Hire-purchase creditors	55	98	153
Bank overdrafts	-	11,458	11,458
	124,270	45,366	169,636

	As at 30.06.2020		
	Long Term RM'000	Short Term RM'000	Total Borrowings RM'000
Bank borrowings			
- Ringgit Malaysia	108,819	56,858	165,677
- Singapore Dollar (1: 3.0742)	23,314	-	23,314
Hire-purchase creditors	556	212	768
Bank overdrafts	-	11,372	11,372
	132,689	68,442	201,131

All borrowings were denominated in Ringgit Malaysia and Singapore Dollar and were fully secured.

7. CHANGES IN MATERIAL LITIGATION

The Company and its subsidiary companies are not engaged, either as plaintiff or defendant, in any litigation which has a material effect since the date of the last annual statement of financial position to the date of this report. The Directors are not aware of any proceedings pending or threatened or of any fact likely to give rise to any proceeding which might materially and/or adversely affect the position or business of the Group.

8. DIVIDEND

No dividend has been proposed or declared for the current quarter.

9. EARNINGS PER SHARE

a) Basic

The basic earnings per share is calculated by dividing the net profit/(loss) for the period by the weighted average number of ordinary shares in issue during the financial period.

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	Current Year Quarter 30.06.2021	Preceding Year Corresponding Quarter 30.06.2020 restated	Current Year To Date 30.06.2021	Preceding Year To Date 30.06.2020 restated
Profit/(Loss) attributable to owners of the Company (RM'000)	1,267	(10,487)	1,267	(10,487)
Number of ordinary shares in issue ('000)	454,676	454,676	454,676	454,676
Basic earnings per share (sen)	0.28	(2.31)	0.28	(2.31)

b) Diluted

ESOS granted is excluded from the diluted earnings per share calculation because its effect is anti-dilutive.

10. PROFIT BEFORE TAX

The following items have been included in arriving at profit before tax:

	Current Year Quarter 30.06.2021 RM'000	Preceding Year Corresponding Quarter 30.06.2020 RM'000 restated	Current Year To Date 30.06.2021 RM'000	Preceding Year To Date 30.06.2020 RM'000 restated
After Charging:				
Interest expenses	3,748	5,750	3,748	5,750
Depreciation of property, plant and equipment	196	246	196	246
Depreciation of right-of-use assets	524	504	524	504
Property, plant and equipment written off	-	323	-	323
Impairment of investment properties	-	240	-	240
Impairment of land held for property development	8	-	8	-
Loss on disposal of rights-of-use asset	-	67	-	67
Allowance for doubtful debts	-	1,882	-	1,882
Unrealised foreign exchange loss	-	367	-	367
After Crediting:				
Interest income	1,674	837	1,674	837
Allowance for doubtful debts no longer required	10	-	10	-

There were no gain or loss on disposal of quoted investment, gain or loss on derivatives and exceptional items for the current quarter under review.

11. AUTHORISATION FOR ISSUE

These interim financial statements have been authorised by the Board of Directors for issuance in accordance with a resolution of the Directors duly passed at the Board of Directors' Meeting held on 29 September 2021.