



GLOBAL ORIENTAL BERHAD

(Incorporated in Malaysia)

Company No. 200101008111 (543867-T)

Interim Financial Report

31 December 2021

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GLOBAL ORIENTAL BERHAD
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2021

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2021 RM'000 unaudited	Preceding Year Corresponding Quarter 31.12.2020 RM'000 restated	Current Year To Date 31.12.2021 RM'000 unaudited	Preceding Year Corresponding Year To Date 31.12.2020 RM'000 restated
Revenue	160,216	158,485	333,157	306,933
Cost of sales	(148,054)	(141,873)	(310,087)	(275,360)
Gross profit	12,162	16,612	23,070	31,573
Interest income	1,365	1,103	4,019	2,564
Other operating income	238	221	6,578	2,833
Depreciation and amortisation	(819)	(774)	(2,256)	(2,302)
Operating expenses	(6,400)	(5,631)	(15,579)	(20,204)
Operating profit	6,546	11,531	15,832	14,464
Finance costs	(1,121)	(10,413)	(8,203)	(23,592)
Share of results of an associated company	804	625	2,077	1,714
Profit/(Loss) before tax	6,229	1,743	9,706	(7,414)
Taxation	(2,210)	(725)	(3,472)	(1,176)
Profit/(Loss) for the financial period	4,019	1,018	6,234	(8,590)
Other comprehensive income	-	-	-	-
Total comprehensive income/(loss) for the financial period	4,019	1,018	6,234	(8,590)
Profit/(Loss) attributable to:				
Owners of the Company	4,513	2,326	7,534	(6,066)
Non-controlling interests	(494)	(1,308)	(1,300)	(2,524)
	4,019	1,018	6,234	(8,590)
Total comprehensive income/(loss) attributable to:				
Owners of the Company	4,513	2,326	7,534	(6,066)
Non-controlling interests	(494)	(1,308)	(1,300)	(2,524)
	4,019	1,018	6,234	(8,590)
Earnings/(Loss) per share attributable to Owners of the Company:				
- Basic (sen)	0.99	0.51	1.66	(1.33)
- 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 31 DECEMBER 2021

	As at 31.12.2021 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	8,219	2,608	2,896
Right-of-use assets	5,481	6,110	6,729
Investment properties	-	-	1,740
Investment in an associated company	4,390	2,313	576
Land held for property development	342,368	301,835	281,592
Deferred tax assets	610	610	727
Other receivables, deposits and prepayments	15,522	16,493	19,410
	<u>376,590</u>	<u>329,969</u>	<u>313,670</u>
Current assets			
Inventories	53,490	64,720	68,487
Property development costs	181,648	287,296	354,595
Contract assets	2,691	-	-
Trade receivables	67,271	74,120	51,972
Other receivables, deposits and prepayments	23,741	23,266	20,887
Amount owing by an associated company	49,777	49,777	49,777
Tax recoverable	3,595	3,032	2,340
Fixed deposits with licensed banks	19,050	18,959	18,306
Cash and bank balances	118,457	135,065	96,837
	<u>519,720</u>	<u>656,235</u>	<u>663,201</u>
TOTAL ASSETS	<u>896,310</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	46,124	38,590	44,801
	<u>273,462</u>	<u>265,928</u>	<u>272,139</u>
Non-controlling interests	(9,470)	(8,170)	(4,867)
TOTAL EQUITY	<u>263,992</u>	<u>257,758</u>	<u>267,272</u>
LIABILITIES			
Non-current and deferred liabilities			
Borrowings - secured	129,177	125,247	152,305
Lease liabilities	4,571	4,862	5,288
Deferred tax liabilities	2,480	2,695	3,144
Trade payables	77,426	83,556	155,469
	<u>213,654</u>	<u>216,360</u>	<u>316,206</u>
Current liabilities			
Contract liabilities	-	30,072	29,833
Trade payables	118,547	215,670	115,221
Other payables and accruals	218,843	185,006	168,330
Provisions	20,241	20,777	18,761
Borrowings - secured	55,165	53,801	54,699
Lease liabilities	1,553	1,685	1,578
Tax liabilities	4,315	5,075	4,971
	<u>418,664</u>	<u>512,086</u>	<u>393,393</u>
TOTAL LIABILITIES	<u>632,318</u>	<u>728,446</u>	<u>709,599</u>
TOTAL EQUITY AND LIABILITIES	<u>896,310</u>	<u>986,204</u>	<u>976,871</u>
Net assets per ordinary share attributable to owners of the Company (RM)	0.60	0.58	0.60

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 31 DECEMBER 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 9 months ended							
31 December 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	-	-	-	7,534	7,534	(1,300)	6,234
Employees' Share Option Scheme ("ESOS") forfeited during the financial period	-	-	(72)	72	-	-	-
As at 31 December 2021	227,338	91,037	1,729	(46,642)	273,462	(9,470)	263,992

	----- 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 9 months ended							
31 December 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	-	-	-	(6,066)	(6,066)	(2,524)	(8,590)
Employees' Share Option Scheme ("ESOS") forfeited during the financial period	-	-	(638)	638	-	-	-
As at 31 December 2020	227,338	91,037	2,315	(54,617)	266,073	(7,391)	258,682

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 31 DECEMBER 2021

	Current 9 months ended 31.12.2021 RM'000 unaudited	Preceding 9 months ended 31.12.2020 RM'000 restated
<u>Cash Flows from/(used in) Operating Activities</u>		
Profit/(Loss) before taxation	9,706	(7,414)
Adjustments for:		
Provision for liquidated and ascertained damages		378
Depreciation of property, plant and equipment	685	761
Depreciation of right-of-use assets	1,571	1,541
Property, plant and equipment written off	-	283
Inventories written off	3	-
Impairment of investment properties	-	240
Impairment of land held for property development	10	-
Loss on disposal of property, plant and equipment	-	11
Gain on lease termination	(15)	(33)
Allowance for doubtful debts	-	1,813
Allowance for doubtful debts no longer required	(15)	(488)
Share of results in associate	(2,077)	(1,714)
Unrealised foreign exchange loss	-	79
Interest expenses	8,203	23,592
Interest income	(4,019)	(2,564)
Operating profit before working capital changes	14,052	16,485
Decrease/(Increase) in:		
Land held for property development	(40,542)	(22,314)
Property development costs	110,897	54,177
Inventories	11,227	7,748
Contract assets	(2,691)	-
Receivables	9,281	(28,753)
Increase/(Decrease) in:		
Contract liabilities	(30,072)	6,720
Payables	(74,648)	49,388
Cash generated from/(used in) operations	(2,496)	83,451
Interest received	2,097	1,010
Interest paid	(8,220)	(8,820)
Bumiputra quota penalties paid	(536)	-
Tax paid	(5,010)	(3,624)
Net cash generated from/(used in) operating activities	(14,165)	72,017
<u>Cash Flows from/(used in) Investing Activities</u>		
Additions to property, plant and equipment	(6,296)	(310)
Proceeds from disposal of property, plant and equipment	-	470
Increase in fixed deposits pledged	(90)	(155)
Net cash from/(used in) investing activities	(6,386)	5
<u>Cash Flows from/(used in) Financing Activities</u>		
Drawdown of bank borrowings	49,089	34,546
Repayment of bank borrowings	(44,199)	(56,780)
Payment of lease liabilities	(1,350)	(1,289)
Repayment of hire-purchase creditors	(75)	(610)
Net cash from/(used in) financing activities	3,465	(24,133)
Net increase/(decrease) in cash and cash equivalents	(17,086)	47,889
Cash and cash equivalents at beginning of financial period	125,057	86,227
Cash and cash equivalents at end of financial period	107,971	134,116
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	118,457	142,977
Fixed deposits with licensed banks	19,050	18,661
Bank overdraft	(11,820)	(10,161)
	125,687	151,477
Less: Fixed deposits pledged	(17,716)	(17,361)
	107,971	134,116

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)

GLOBAL ORIENTAL BERHAD
INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER
AND FINANCIAL PERIOD ENDED 31 DECEMBER 2021

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE 9 MONTHS PERIOD ENDED 31 DECEMBER 2020

	As Previously Reported 31.12.2020 RM'000	Effect of adoption of Agenda Decision RM'000	Restated 31.12.2020 RM'000
Cost of sales	(280,127)	4,767	(275,360)
Finance costs	(2,984)	(20,608)	(23,592)
Taxation	(3,618)	2,442	(1,176)
Profit/(Loss) for the financial period	4,809	(13,399)	(8,590)
Profit/(Loss) attributable to :			
Owners of the Company	7,333	(13,399)	(6,066)
Non-controlling interests	(2,524)	-	(2,524)
	<u>4,809</u>	<u>(13,399)</u>	<u>(8,590)</u>
Total comprehensive income/(loss)			
attributable to :			
Owners of the Company	7,333	(13,399)	(6,066)
Non-controlling interests	(2,524)	-	(2,524)
	<u>4,809</u>	<u>(13,399)</u>	<u>(8,590)</u>
Earnings/(Loss) per share attributable to Owners of the Company:			
Basic (sen)	<u>1.61</u>	<u>(2.95)</u>	<u>(1.33)</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 31 December 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.

GLOBAL ORIENTAL BERHAD
INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER
AND FINANCIAL PERIOD ENDED 31 DECEMBER 2021

6. DEBT AND EQUITY SECURITIES

During the quarter under review, no ESOS option was exercised. As at 31 December 2021, a total of 3,339,872 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 9 Months Ended 31 December 2021							
Revenue							
External sales	315,638	-	17,091	-	428	-	333,157
Inter-segment sales	-	-	-	-	-	-	-
	<u>315,638</u>	<u>-</u>	<u>17,091</u>	<u>-</u>	<u>428</u>	<u>-</u>	<u>333,157</u>
Results							
Segment results	17,899	(213)	2,646	12,640	(448)	(16,692)	15,832
Unallocated expenses:							
- Finance costs							(8,203)
- Share of results of an associated company							<u>2,077</u>
Profit before tax							<u>9,706</u>
Taxation							<u>(3,472)</u>
Profit for the financial period							<u><u>6,234</u></u>

GLOBAL ORIENTAL BERHAD
INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER
AND FINANCIAL PERIOD ENDED 31 DECEMBER 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 9 Months Ended							
31 December 2020 (restated)							
Revenue							
External sales	285,663	-	21,270	-	-	-	306,933
Inter-segment sales	-	-	-	-	-	-	-
	<u>285,663</u>	<u>-</u>	<u>21,270</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>306,933</u>
Results							
Segment results	14,720	(538)	3,389	1,731	237	(5,075)	14,464
Unallocated expenses:							
- Finance costs							(23,592)
- Share of results of an associated company							<u>1,714</u>
Loss before tax							<u>(7,414)</u>
Taxation							<u>(1,176)</u>
Loss for the financial period							<u><u>(8,590)</u></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 except as follows:

On 21 December 2021, the Group acquired 800 ordinary shares representing 80% of the issued and paid-up share capital of Pavilion Trading Enterprise Sdn Bhd, a private limited company incorporated in Malaysia under the Companies Act 1965, for a total cash consideration of RM800.00.

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 RM236.5 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 THIRD 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 31.12.2021	Preceding Year Corresponding Quarter 31.12.2020		Current Year To Date 31.12.2021	Preceding Year To Date 31.12.2020	
	RM'000	RM'000		RM'000	RM'000	
		restated		restated		
Revenue	160,216	158,485	1%	333,157	306,933	9%
Operating profit	6,546	11,531	-43%	15,832	14,464	9%
Profit/(Loss) before tax	6,229	1,743	257%	9,706	(7,414)	231%
Profit/(Loss) after tax	4,019	1,018	295%	6,234	(8,590)	173%
Profit/(Loss) attributable to owners of the Company	4,513	2,326	94%	7,534	(6,066)	224%

Current Quarter

For the current quarter under review, the Group registered higher revenue of RM160.2 million compared to RM158.5 million of the preceding year corresponding quarter. The Group also recorded higher profit before tax of RM6.2 million for the current quarter compared to RM1.7 million of the preceding year corresponding quarter. The overall improved performance was mainly attributed to higher sale of inventories and lower finance costs incurred in the current quarter.

Year-to-date (9 months)

The Group's revenue and profit before tax for the nine-month period ended 31 December 2021 amounting to RM333.2 million and RM9.7 million respectively, were both higher compared to revenue of RM306.9 million and loss before tax of RM7.4 million recorded for the preceding year corresponding period. The favourable performance was mainly due to lower operating expenses coupled with lower finance costs incurred.

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

	Current Year Quarter 31.12.2021 RM'000	Immediate Preceding Quarter 30.09.2021 RM'000	Changes %
Revenue	160,216	89,503	79%
Operating profit	6,546	4,679	40%
Profit before tax	6,229	1,914	225%
Profit after tax	4,019	1,360	196%
Profit attributable to owners of the Company	4,513	1,754	157%

In comparison with the immediate preceding quarter, the Group's revenue increased to RM160.2 million against RM89.5 million recorded previously. Correspondingly, the Group also registered higher profit before tax of RM6.2 million against RM1.9 million of the immediate preceding quarter mainly due to higher work progress and profit contribution from ongoing development projects and higher sale of inventories.

2. COMMENTARY ON PROSPECTS

The Group looks forward to improving and recovering property market sentiments in 2022 despite lingering Covid-19 pandemic disruptions and adverse global economic conditions.

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 31.12.2021 RM'000	Preceding Year Corresponding Quarter 31.12.2020 RM'000 restated	Current Year To Date 31.12.2021 RM'000	Preceding Year To Date 31.12.2020 RM'000 restated
Current taxation	2,170	623	3,687	1,430
Under/(Over) provision in prior year	1	154	1	154
Deferred taxation	39	(52)	(216)	(408)
	<u>2,210</u>	<u>725</u>	<u>3,472</u>	<u>1,176</u>

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.

GLOBAL ORIENTAL BERHAD
INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER
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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.

6. BORROWINGS AND DEBT SECURITIES

	As at 31.12.2021		
	Long Term RM'000	Short Term RM'000	Total Borrowings RM'000
Bank borrowings	129,158	43,261	172,419
Hire-purchase creditors	19	84	103
Bank overdrafts	-	11,820	11,820
	<u>129,177</u>	<u>55,165</u>	<u>184,342</u>

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	As at 31.12.2020		
	Long Term RM'000	Short Term RM'000	Total Borrowings RM'000
Bank borrowings			
- Ringgit Malaysia	124,912	41,450	166,362
- Singapore Dollar (1: 3.0637)	6,425	-	6,425
Hire-purchase creditors	103	99	202
Bank overdrafts	-	10,161	10,161
	131,440	51,710	183,150

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.

	Current Year Quarter 31.12.2021	Preceding Year Corresponding Quarter 31.12.2020 restated	Current Year To Date 31.12.2021	Preceding Year To Date 31.12.2020 restated
Profit/(Loss) attributable to owners of the Company (RM'000)	4,513	2,326	7,534	(6,066)
Number of ordinary shares in issue ('000)	454,676	454,676	454,676	454,676
Basic earnings/(loss) per share (sen)	0.99	0.51	1.66	(1.33)

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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 31.12.2021 RM'000	Preceding Year Corresponding Quarter 31.12.2020 RM'000 restated	Current Year To Date 31.12.2021 RM'000	Preceding Year To Date 31.12.2020 RM'000 restated
After Charging:				
Interest expenses	1,121	10,413	8,203	23,592
Depreciation of property, plant and equipment	295	251	685	761
Depreciation of right-of-use assets	524	523	1,571	1,541
Property, plant and equipment written off	-	-	-	283
Inventories written off	2	-	3	-
Impairment of investment properties	-	-	-	240
Impairment of land held for property development	-	-	10	-
Loss on disposal of property, plant and equipment	-	-	-	11
Provision for liquidated and ascertained damages	-	-	-	378
Allowance for doubtful debts	-	-	-	1,813
Unrealised foreign exchange loss	-	1	-	79
After Crediting:				
Interest income	1,365	1,103	4,019	2,564
Allowance for doubtful debts no longer required	10	488	15	488
Gain on lease termination	15	-	15	33

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 23 February 2022.