

**GRAND CENTRAL ENTERPRISES BHD**  
**Registration No: 198401019138 (131696-V)**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021**

	INDIVIDUAL PERIOD		Changes %	CUMULATIVE PERIOD		Changes %
	Current Year Quarter 31.12.2021 RM'000	Preceding Year Corresponding Quarter 31.12.2020 RM'000		Current Year To Date 31.12.2021 RM'000	Preceding Year Corresponding Period 31.12.2020 RM'000	
Revenue	5,628	3,672	53	18,008	12,042	50
Operating expenses	(6,410)	(6,306)		(24,602)	(26,646)	
Other operating income	436	481		2,332	2,968	
Finance costs	-	(1)		-	(3)	
Loss before taxation	(346)	(2,154)	(84)	(4,262)	(11,639)	(63)
Taxation	1,400	1,917		1,838	1,917	
Profit/(loss) net of taxation	1,054	(237)	(545)	(2,424)	(9,722)	(75)
Other comprehensive profit	-	-		-	-	
Total comprehensive profit/(loss)	1,054	(237)		(2,424)	(9,722)	
Attributable to:						
Equity holders of the Company	1,033	(241)	(529)	(2,344)	(9,573)	(76)
Non-controlling interests	21	4		(80)	(149)	
	1,054	(237)		(2,424)	(9,722)	
Earnings/(loss) per share (sen)	0.52	(0.12)		(1.19)	(4.86)	

*The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.*

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**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2021**

	<b>As At End Of Current Quarter 31.12.2021 RM'000</b>	<b>As At End Of Preceding Year End 31.12.2020 RM'000</b>
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	164,187	169,879
<b>Current assets</b>		
Inventories	608	549
Trade and other receivables	4,025	3,337
Cash and bank balances	48,456	47,776
<b>Total current assets</b>	53,089	51,662
<b>Total assets</b>	<b>217,276</b>	<b>221,541</b>
<b>Equity and liabilities</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	199,397	199,397
Retained earnings	2,154	4,498
Shareholders' equity	201,551	203,895
<b>Non-controlling interests</b>	1,456	1,536
<b>Total equity</b>	203,007	205,431
<b>Non-current liabilities</b>		
Deferred tax liabilities	11,424	12,824
<b>Current liabilities</b>		
Lease liability	-	14
Trade & other payables	2,845	3,025
Tax payable	-	247
<b>Total current liabilities</b>	2,845	3,286
<b>Total liabilities</b>	14,269	16,110
<b>Total equity and liabilities</b>	<b>217,276</b>	<b>221,541</b>
Net assets per share (RM)	1.02	1.03

*The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.*

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**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021**

	<b>Share capital RM'000</b>	<b>Distributable retained earnings RM'000</b>	<b>Total RM'000</b>	<b>Non- controlling interests RM'000</b>	<b>Total equity RM'000</b>
12-month quarter ended <u>31 December 2021</u>					
<b>At 1 January 2021</b>	199,397	4,498	203,895	1,536	205,431
Total comprehensive loss	-	(2,344)	(2,344)	(80)	(2,424)
<b>At 31 December 2021</b>	<u>199,397</u>	<u>2,154</u>	<u>201,551</u>	<u>1,456</u>	<u>203,007</u>
12-month quarter ended <u>31 December 2020</u>					
<b>At 1 January 2020</b>	199,397	14,071	213,468	1,685	215,153
Total comprehensive loss	-	(9,573)	(9,573)	(149)	(9,722)
<b>At 31 December 2021</b>	<u>199,397</u>	<u>4,498</u>	<u>203,895</u>	<u>1,536</u>	<u>205,431</u>

*The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.*

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**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021**

	<u>2021</u> 12 Months Ended 31.12.2021 RM'000	<u>2020</u> 12 Months Ended 31.12.2020 RM'000
<b>Cash flows from operating activities</b>		
Loss before taxation	(4,262)	(11,639)
Adjustments for:		
Depreciation	6,335	6,777
Gain on disposal of property, plant and equipment	(9)	(1)
Inventories written off	2	3
Finance costs	-	2
Finance income	(825)	(1,232)
Property, plant and equipment written off	15	3
Reversal of allowance for impairment of trade receivables	-	(2)
Reversal of short-term accumulating compensated absences	(6)	(139)
Operating profit/(loss) before working capital changes	1,250	(6,228)
Net change in current receivables	(192)	(763)
Net change in current payables	(174)	(1,802)
Cash from/(used in) operations	884	(8,793)
Finance costs paid	-	(3)
Tax paid	-	(37)
Net cash from/(used in) operating activities	884	(8,833)
<b>Cash flows from investing activities</b>		
Finance income received	459	2,206
(Placement)/withdrawal of deposits with licensed banks	(28,670)	47,143
Proceeds from disposal of property, plant and equipment	9	1
Purchase of property, plant and equipment	(658)	(419)
Net cash (used in)/from investing activities	(28,860)	48,931
<b>Cash flows from financing activity</b>		
Repayment of lease liability, representing net cash used in financing activity	(14)	(36)
<b>Net changes in cash and cash equivalents</b>	(27,990)	40,062
<b>Cash and cash equivalents at beginning of financial year</b>	46,591	6,529
<b>Cash and cash equivalents at end of financial year</b>	18,601	46,591

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**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021 (CONT'D.)**

	<b>As at</b> <b>31.12.2021</b> <b>RM'000</b>	<b>As at</b> <b>31.12.2020</b> <b>RM'000</b>
<b>Cash and bank balances</b>		
Cash on hand and at banks	5,991	2,609
Deposits with licensed banks	42,465	45,167
Cash and bank balances	<u>48,456</u>	<u>47,776</u>

Cash and cash equivalents included in the statements of cash flows comprise the following:

Cash and bank balances	48,456	47,776
Less: Short-term deposits with licensed banks	<u>(29,855)</u>	<u>(1,185)</u>
	<u>18,601</u>	<u>46,591</u>

These short-term deposits have maturity periods of more than 3 months but not more than one year. Included in short-term deposits with licensed banks are deposits of RM1,185,000 (2020: RM1,185,000) pledged as bank guarantees for credit facilities granted to the Group.

*The condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.*

**PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134**

**1 BASIS OF PREPARATION**

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRSs") 134: Interim Financial Reporting issued by the Malaysian Accounting Standard Board ("MASB") and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2020. 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 year ended 31 December 2020.

**2 CHANGES IN ACCOUNTING POLICIES**

The accounting policies applied by the Group in the interim financial statements are consistent with those adopted in the most recent audited financial statements for the year ended 31 December 2020 except for the adoption of the new and amended MFRSs and IC Interpretations effective for annual financial periods beginning on or after 1 January 2021. The initial application of these new and amended MFRSs and IC Interpretations have no material impact on this interim financial reporting.

**3 AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors' report on the financial statements for the year ended 31 December 2020 was not qualified.

**4 SEGMENTAL REPORTING**

**Business segments**

The chief operating decision-maker has been identified as the Board of Directors (the "Board"). The Board reviews the Group's internal reporting in order to assess performance and allocation of resources. The Group is principally engaged in the hotel business conducted in Malaysia.

Due to the interrelated nature of hotel business and similar operational characteristic of managing the same field, the Board believes that it is overseeing a single reportable segment. Hence, the Group does not present its results by industry or products segments.

**Geographical segments**

The Group's business are operated entirely within Malaysia and as such, no segment information based on geographical location is presented.

**Major customers**

There are two (2020: one) major customers with a combined revenue of 49% (2020: 10%) of the Group's revenue which amounted to RM8.8 million (2020: RM1.2 million).

**5 UNUSUAL ITEMS**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period under review because of their nature, size or incidence.

**6 CHANGES IN ESTIMATES**

There were no changes in estimates that have had a material effect in the current quarter results.

**7 SEASONAL OR CYCLICAL FACTORS**

The operations of the Group are not subject to seasonality/cyclicality of operations.

**8 DIVIDENDS PAID**

There were no dividends paid during the current quarter.

**9 CARRYING AMOUNT OF REVALUED ASSETS**

There was no valuation of property, plant and equipment for the period under review.

**10 DEBT AND EQUITY SECURITIES**

There were no issuances and repayment of debts and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current quarter under review.

**11 CHANGES IN COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group for the current financial period to date.

**12 CAPITAL COMMITMENTS**

Capital expenditures as at the reporting date are as follows:

	<b>As At End Of Current Quarter 31.12.2021 RM'000</b>	<b>As At End Of Preceding Year End 31.12.2020 RM'000</b>
Approved and contracted for: Property, plant and equipment	142	466

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**13 CONTINGENT LIABILITIES**

The Group does not have any contingent liabilities as at 31 December 2021.

**14 SUBSEQUENT EVENTS**

There were no material events subsequent to the end of the period under review other than the effect of "COVID-19" pandemic.



**PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF  
 BURSA MALAYSIA SECURITIES BERHAD**

**15 PERFORMANCE REVIEW**

For the financial year ended 31 December 2021, the Group recorded a revenue of RM18.0 million (2020: RM12.0 million) and loss before taxation of RM4.3 million (2020: RM11.6 million).

The Group recorded a higher revenue due to interstate travel being allowed for fully vaccinated individuals from 11 October 2021 onwards and one of the hotels was being contracted as a quarantine facility. The Group's reduction in losses was mainly due to higher revenue and cost saving measures.

In the opinion of the Directors, the results for the financial year under review have not been affected by any transaction or event of a material or unusual nature other than the COVID-19 pandemic.

**16 COMMENTS ON MATERIAL CHANGES IN LOSS BEFORE TAXATION AS COMPARED WITH IMMEDIATE PRECEDING QUARTER**

	<b>Current Quarter</b>	<b>Immediate Preceding Quarter</b>	<b>Changes</b>
	<b>31.12.2021</b>	<b>30.09.2021</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	5,628	5,264	7
Loss before interest and taxation	(346)	(50)	592
Loss before taxation	(346)	(50)	592
Profit/(loss) after taxation	1,054	(50)	N/A
Profit/(loss) attributable to the equity holders of the Company	1,033	(22)	N/A

The Group's revenue for this quarter increased as compared to the immediate preceding quarter. This is due to a 20% increase of average room rates.

N/A - Not applicable

**17 PROSPECTS**

Due to the recent Omicron wave and spiked in daily COVID-19 cases, the Directors anticipate the performance of the Group for the next quarter to be challenging.

**18 PROFIT FORECAST**

The Group has not provided any profit forecast in a public document.

**19 INCOME TAX EXPENSE**

Taxation includes:

	<---- INDIVIDUAL PERIOD ---->		<--- CUMULATIVE PERIOD --->	
	Current Year Quarter 31.12.2021 RM'000	Preceding Year Quarter 31.12.2020 RM'000	Current Year To Date 31.12.2021 RM'000	Preceding Year Corresponding Period 31.12.2020 RM'000
Deferred taxation	(1,400)	(1,839)	(1,400)	(1,839)
Overprovision in respect of previous year	-	(78)	(438)	(78)
	(1,400)	(1,917)	(1,838)	(1,917)

There is no tax expense for the period under review as the Group is in a tax loss position.

**20 CORPORATE PROPOSALS**

There were no corporate proposals announced during the financial period to date.

**21 BORROWINGS**

	As At End Of Current Quarter 31.12.2021 RM'000	As At End Of Preceding Year End 31.12.2020 RM'000
<b>Short Term Borrowings</b>		
Lease liability	-	14
	-	14

The lease liability bears interest rate at 7.15% per annum in prior year.

**22 CHANGES IN MATERIAL LITIGATION**

There are no changes in material litigation, including the status of pending material litigation as at the date of this report.

**23 DIVIDEND**

No interim ordinary dividend has been declared for the current quarter.

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**24 EARNINGS/(LOSS) PER SHARE**

Earnings/(loss) per share is calculated by dividing profit/(loss) for the period attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the financial period.

	<--- INDIVIDUAL PERIOD --->		<--- CUMULATIVE PERIOD --->	
	Current Year Quarter 31.12.2021	Preceding Year Quarter 31.12.2020	Current Year To Date 31.12.2021	Preceding Year Corresponding Period 31.12.2020
Profit/(loss) attributable to equity holders of the Company (RM'000)	1,033	(241)	(2,344)	(9,573)
Weighted average number of ordinary shares in issue ('000)	197,002	197,002	197,002	197,002
Earnings/(loss) per share (sen)	0.52	(0.12)	(1.19)	(4.86)

**25 NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

Profit/(loss) for the period is arrived at after crediting/(charging):

	<--- INDIVIDUAL PERIOD --->		<--- CUMULATIVE PERIOD --->	
	Current Year Quarter 31.12.2021 RM'000	Preceding Year Quarter 31.12.2020 RM'000	Current Year To Date 31.12.2021 RM'000	Preceding Year Corresponding Period 31.12.2020 RM'000
Interest income	205	210	825	1,232
Sundry revenue	222	269	1,498	1,733
Lease liability interests	-	(1)	-	(3)
Depreciation	(1,534)	(1,674)	(6,335)	(6,777)
Bad debts written off	-	-	-	-
Allowance for impairment of other receivable	-	-	-	-
Allowance for impairment of trade receivable	-	-	-	-
Reversal of allowance for impairment of trade receivable	-	2	-	2
Inventories written off	-	(1)	(2)	(3)
Gain on disposal of investments	-	-	-	-
Gain on disposal of property, plant and equipment	9	-	9	1
Loss on disposal of property, plant and equipment	-	-	-	-
Property, plant and equipment written off	(2)	-	(15)	(2)
Impairment of assets	-	-	-	-
Foreign exchange gain	-	-	-	-

**26 AUTHORISATION FOR ISSUE**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 21 February 2022.