

**ORIENTAL INTEREST BERHAD** [Registration No. 199301017406 (272144-M)]

**QUARTERLY REPORT**

The Board of Directors is pleased to announce the interim financial statements on consolidated results for the fourth quarter of financial period ending 31 August 2020.

**Condensed consolidated statement of profit or loss and other comprehensive income  
for the financial period ended 30 June 2020**

[The figures have not been audited.]

	Individual Quarter		Cumulative Quarter	
	Current Period Quarter 30/06/2020 RM'000	Preceding Year Corresponding Quarter 30/06/2019 RM'000	Current Period To Date 30/06/2020 RM'000	Preceding Year Corresponding Year To Date 30/06/2019 RM'000
Revenue	32,158	93,815	204,657	296,544
Cost of sales	(22,803)	(63,200)	(144,408)	(203,414)
<b>Gross profit</b>	9,355	30,615	60,249	93,130
Other income	2,222	4,666	34,256	17,068
Selling and distribution expenses	(657)	(1,227)	(4,731)	(4,180)
Administrative expenses	(5,841)	(6,983)	(30,376)	(26,516)
Other expenses	(434)	(1,958)	(2,177)	(5,715)
<b>Results from operating activities</b>	4,645	25,113	57,221	73,787
Finance costs	(1,387)	(2,217)	(6,355)	(8,130)
Share of results of an associate	3	7	24	28
<b>Profit before tax</b>	3,261	22,903	50,890	65,685
Taxation	(1,454)	(5,732)	(13,232)	4,498
<b>Profit for the financial period/ Total comprehensive income</b>	1,807	17,171	37,658	70,183
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	1,317	14,789	27,192	56,849
Non-controlling interests	490	2,382	10,466	13,334
	1,807	17,171	37,658	70,183
<b>Basic and diluted earnings per ordinary share (sen)</b>	0.85	9.55	17.56	36.71

The condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial report.

**ORIENTAL INTEREST BERHAD**

[Registration No. 199301017406 (272144-M)]

**Condensed consolidated statement of financial position as at 30 June 2020**

[The figures have not been audited.]

	30/06/2020 RM'000	30/06/2019 RM'000
<b>ASSETS</b>		
Property, plant and equipment	60,925	61,246
Right-of-use assets	386	-
Investment properties	31,302	29,237
Investment in an associate	5,318	5,295
Deferred tax assets	43,352	39,098
Inventories-Land held for property development	438,194	490,854
<b>Total non-current assets</b>	<b>579,477</b>	<b>625,730</b>
Inventories-Developed properties	35,948	24,768
Inventories-Property development costs	317,575	158,523
Inventories-Plantation supplies	30	15
Contract costs	24,011	20,569
Contract assets	101,644	132,823
Trade and other receivables	101,337	96,616
Tax recoverable	4,447	4,401
Short term investments	8,402	10,204
Cash and bank balances	13,892	20,738
<b>Total current assets</b>	<b>607,286</b>	<b>468,657</b>
<b>Total assets</b>	<b><u>1,186,763</u></b>	<b><u>1,094,387</u></b>
<b>EQUITY</b>		
Share capital	169,838	169,838
Reserves	283,506	268,703
<b>Equity attributable to owners of the Company</b>	<b>453,344</b>	<b>438,541</b>
<b>Non-controlling interests</b>	<b>92,714</b>	<b>87,093</b>
<b>Total equity</b>	<b><u>546,058</u></b>	<b><u>525,634</u></b>
<b>LIABILITIES</b>		
Loans and borrowings	82,871	97,714
Lease liabilities	134	-
Trade payables	128,985	215,623
Deferred tax liabilities	348	453
<b>Total non-current liabilities</b>	<b>212,338</b>	<b>313,790</b>
Loans and borrowings	190,525	149,620
Lease liabilities	258	-
Trade and other payables	218,909	96,519
Contract liabilities	16,700	6,147
Tax payable	1,975	2,677
<b>Total current liabilities</b>	<b>428,367</b>	<b>254,963</b>
<b>Total liabilities</b>	<b><u>640,705</u></b>	<b><u>568,753</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>1,186,763</u></b>	<b><u>1,094,387</u></b>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<b>2.93</b>	<b>2.83</b>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial report.

**ORIENTAL INTEREST BERHAD**

[Registration No. 199301017406 (272144-M)]

**Condensed consolidated statement of changes in equity  
for the financial period ended 30 June 2020**

[The figures have not been audited.]

-----Attributable to owners of the Company-----

	<u>Non- distributable</u> <u>Distributable</u>			<b>Total</b> RM'000	<b>Non- controlling interests</b> RM'000	<b>Total equity</b> RM'000
	<b>Share capital</b> RM'000	<b>Revaluation reserve</b> RM'000	<b>Retained earnings</b> RM'000			
<b>At 01 July 2018</b>	169,838	8,557	214,128	392,523	76,905	469,428
Profit for the financial period	-	-	56,849	56,849	13,334	70,183
<b>Transactions with owners:</b>						
Changes in equity interest in a subsidiary	-	-	9	9	(9)	-
Issuance of shares to non-controlling interests of a subsidiary	-	-	-	-	150	150
Dividends	-	-	(10,840)	(10,840)	-	(10,840)
Dividend paid to non-controlling interests of a subsidiary	-	-	-	-	(3,287)	(3,287)
<b>Total transactions with owners of the Company</b>	-	-	(10,831)	(10,831)	(3,146)	(13,977)
Realisation of revaluation reserve	-	(260)	260	-	-	-
<b>At 30 June 2019</b>	169,838	8,297	260,406	438,541	87,093	525,634
<b>At 01 July 2019</b>	169,838	8,297	260,406	438,541	87,093	525,634
Profit for the financial period	-	-	27,192	27,192	10,466	37,658
<b>Transactions with owners:</b>						
Dividends	-	-	(12,389)	(12,389)	-	(12,389)
Dividend paid to non-controlling interests of subsidiaries	-	-	-	-	(4,845)	(4,845)
<b>Total transactions with owners of the Company</b>	-	-	(12,389)	(12,389)	(4,845)	(17,234)
Realisation of revaluation reserve	-	(39)	39	-	-	-
<b>At 30 June 2020</b>	169,838	8,258	275,248	453,344	92,714	546,058

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial report.

**ORIENTAL INTEREST BERHAD**

[Registration No. 199301017406 (272144-M)]

**Condensed consolidated statement of cash flows  
for the financial period ended 30 June 2020**

[The figures have not been audited.]

	Period Ended	
	30/06/2020 RM'000	30/06/2019 RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	50,890	65,685
<i>Adjustments for:-</i>		
Depreciation	3,376	2,881
Interest income	(2,844)	(4,287)
Interest expense	6,355	8,130
Inventories written down	624	13
Reversal of impairment loss on property, plant and equipment	(1,433)	-
Other non-cash items	(25)	4
Operating profit before changes in working capital	56,943	72,426
Net change in current assets	(123,948)	62,429
Net change in current liabilities	132,943	(9,255)
Cash generated from operations	65,938	125,600
Interest received	1,995	3,552
Tax paid	(21,901)	(29,614)
Tax refunded	3,561	2,176
<b>Net cash from operating activities</b>	49,593	101,714
<b>Cash flows from investing activities</b>		
Interest received	849	735
Proceeds from disposal of property, plant and equipment	15	25
Additions to property, plant and equipment	(1,306)	(4,324)
Additions to inventories-land held for property development	(58,222)	(76,092)
Additions to investment properties	(1,707)	(854)
<b>Net cash used in investing activities</b>	(60,371)	(80,510)
<b>Cash flows from financing activities</b>		
Interest paid	(6,355)	(8,130)
Dividend paid to non-controlling interests	(4,845)	(3,287)
Dividend paid to Company's shareholders	(12,389)	(10,840)
Repayment of lease liabilities	(343)	-
Repayment of loans and borrowings	(27,362)	(58,629)
Drawdown of loans and borrowings	53,424	59,440
Proceeds from issuance of ordinary shares by a subsidiary	-	150
<b>Net cash from/(used in) financing activities</b>	2,130	(21,296)
<b>Net change in cash and cash equivalents during the financial period</b>	(8,648)	(92)
Cash and cash equivalents		
- at the beginning of the period	30,942	31,034
- at the end of the period	22,294	30,942
<b>Cash and cash equivalents included in the cash flows comprise the following:-</b>		
Short term investments	8,402	10,204
Cash and bank balances	13,892	20,738
	22,294	30,942

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial report.

**ORIENTAL INTEREST BERHAD**

[Registration No. 199301017406 (272144-M)]

**Notes to the quarterly report - 30 June 2020****A. Selected Explanatory Notes to the Interim Financial Statements as required under MFRS 134**

[The figures have not been audited.]

**A.1. Basis of Preparation**

The interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 "Interim Financial Reporting" and Paragraph 9.22 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), and should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2019. The 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 financial year ended 30 June 2019.

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted for the annual financial statements for the financial year ended 30 June 2019 except for the changes in accounting policies and presentation resulting from the adoption of relevant MFRSs and amendments to MFRSs that are applicable and effective for the Group's financial year beginning on or after 1 July 2019 as follows:-

- MFRS 16, *Leases*
- IC Interpretation 23, *Uncertainty over Income Tax Treatments*
- Amendments to MFRS 3, *Business Combinations (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 9, *Financial Instruments – Prepayment Features with Negative Compensation*
- Amendments to MFRS 11, *Joint Arrangements (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 112, *Income Taxes (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 119, *Employee Benefits – Plan Amendment, Curtailment or Settlement*
- Amendments to MFRS 123, *Borrowing Costs (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 128, *Investments in Associates and Joint Ventures – Long-term Interests in Associates and Joint Ventures*

The adoption of the above accounting standards, amendments and improvements to published standards and interpretations does not have any material impact on the financial statements of the Group except as mentioned below:

**MFRS 16, *Leases***

MFRS 16 replaces the guidance in MFRS 117, *Leases*, IC Interpretation 4, *Determining whether an Arrangement contains a Lease*, IC Interpretation 115, *Operating Leases – Incentives* and IC Interpretation 127, *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

MFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligations to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard which continues to be classified as finance or operating lease.

The Group recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value items. The right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate of the Group.

**A.2. Seasonal or Cyclical Factors**

Seasonal or cyclical factors do not have any material impact on the Group's business operations.

**A.3. Unusual Items Due to Nature, Size or Incidence**

There were no unusual items affecting the assets, liabilities, equity, net income, or cash flows for the financial period under review.

**ORIENTAL INTEREST BERHAD**

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**Notes to the quarterly report - 30 June 2020**
**A.4. Changes in Estimates**

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

**A.5. Debt and Equity Securities**

There were no issuance and/or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the financial period under review.

**A.6. Dividend Paid**

An interim single-tier dividend of 8 sen per ordinary share in respect of the financial year ended 30 June 2019 was declared on 22 August 2019. The dividend, which amounted to RM12.39 million, was paid on 10 October 2019.

**A.7. Material Events Subsequent to the Interim Reporting Period**

There were no material events that have arisen subsequent to the end of the interim reporting period, which have not been reflected in the interim financial statements.

**A.8. Changes in the Composition of the Group**

There were no changes in the composition of the entity during the interim reporting period.

**A.9. Operating Segments**

	Property Development RM'000	General Construction RM'000	Oil Palm Cultivation RM'000	Investment Holding RM'000	Others RM'000	Consolidated RM'000
<b>Current period ended</b>						
30 June 2020						
<b>Revenue</b>						
Total revenue	210,473	141,077	2,636	44,172	3,700	402,058
Inter-segment revenue	(17,516)	(135,713)	-	(44,172)	-	(197,401)
Revenue from external customers	<u>192,957</u>	<u>5,364</u>	<u>2,636</u>	<u>-</u>	<u>3,700</u>	<u>204,657</u>
<b>Segment profit/(loss)</b>						
Reportable segment profit/(loss)	52,148	137	977	(1,360)	(1,036)	50,866
Share of results of an associate	-	-	-	24	-	24
Profit before tax						<u>50,890</u>
<b>Corresponding period ended</b>						
30 June 2019						
<b>Revenue</b>						
Total revenue	299,572	180,114	2,534	19,488	3,758	505,466
Inter-segment revenue	(19,139)	(170,295)	-	(19,488)	-	(208,922)
Revenue from external customers	<u>280,433</u>	<u>9,819</u>	<u>2,534</u>	<u>-</u>	<u>3,758</u>	<u>296,544</u>
<b>Segment profit/(loss)</b>						
Reportable segment profit/(loss)	64,863	342	1,199	(310)	(437)	65,657
Share of results of an associate	-	-	-	28	-	28
Profit before tax						<u>65,685</u>

**ORIENTAL INTEREST BERHAD**  
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**Notes to the quarterly report - 30 June 2020**

**A.10. Commitments**

There were no changes in commitments since the last annual reporting date as at 30 June 2019, except for the following:

	01/07/2019 RM'000	Changes RM'000	30/06/2020 RM'000
<b>Unsecured</b>			
Bankers' guarantee issued to third parties in favour of subsidiaries	<u>9,747</u>	<u>4,487</u>	<u>14,234</u>
<b>Development land</b>			
Contracted but not provided for	<u>700</u>	<u>42,099</u>	<u>42,799</u>
<b>Investment properties</b>			
Contracted but not provided for	<u>-</u>	<u>5,903</u>	<u>5,903</u>

**A.11. Related Party Transactions**

The Group's related party transaction in the current financial year to date are as follows:

	30/06/2020 RM'000
<b>Sale/(Purchase) of goods and services to/(from):</b>	
- Entities in which substantial interests are owned directly by persons connected with Directors of a subsidiary of the Company	(124)
- Entity in which substantial interests are owned directly by persons connected with Directors of a subsidiary of the Company	24
- Entities in which substantial interests are owned indirectly by Directors/major shareholders of the Company	(33,119)
- Entities in which substantial interests are owned indirectly by Directors/major shareholders of the Company	7,436
<b>Rental income/(expenses) from/(to):</b>	
- Entity in which substantial interests are owned indirectly by Directors/major shareholders of the Company	122
- Entities in which substantial interests are owned indirectly by Directors/major shareholders of the Company	(712)

Notes to the quarterly report - 30 June 2020

**B. Additional Information required by the Bursa Malaysia Securities Berhad Listing Requirements in relation to the issuance of the Interim Financial Statements**

[The figures have not been audited.]

**B.1. Financial Review for Current Quarter and Financial Year to Date**

	Individual Quarter			Cumulative Quarter		
	Current Period Quarter 30/06/2020 RM'000	Preceding Year Corresponding Quarter 30/06/2019 RM'000	Changes %	Current Period To Date 30/06/2020 RM'000	Preceding Year Corresponding Year To Date 30/06/2019 RM'000	Changes %
<b>Revenue</b>						
Property Development	29,648	92,519	(68)	192,957	280,433	(31)
General Construction	1,191	-	100	5,364	9,819	(45)
Oil Palm Cultivation	885	541	64	2,636	2,534	4
Others	434	755	(43)	3,700	3,758	(2)
<b>Total</b>	<b>32,158</b>	<b>93,815</b>	<b>(66)</b>	<b>204,657</b>	<b>296,544</b>	<b>(31)</b>
<b>Profit/(Loss) before tax</b>						
Property Development	3,347	23,120	(86)	52,148	64,863	(20)
General Construction	10	32	(69)	137	342	(60)
Oil Palm Cultivation	336	263	28	977	1,199	(19)
Investment Holding	69	(179)	139	(1,336)	(282)	(374)
Others	(501)	(333)	(50)	(1,036)	(437)	(137)
<b>Total</b>	<b>3,261</b>	<b>22,903</b>	<b>(86)</b>	<b>50,890</b>	<b>65,685</b>	<b>(23)</b>

The Group's revenue and profit before tax ("PBT") dropped 66% and 86% respectively compared to the preceding year corresponding quarter ("QoQ") mainly due to the temporary shutdown of the Group's business activities and operations in compliance with the Movement Control Order ("MCO") by the Federal Government from 18 March with extension to 9 June 2020 to curb the spread of the COVID-19 pandemic. This temporary shutdown has resulted in disruptions to construction work progress of the Group's housing projects. Consequently, revenue and PBT for the 12-month period year-on-year basis ("YoY") dropped by 31% and 23% to RM204.66 million and RM50.89 million respectively.

Similarly, revenue and PBT from the Property Development segment were lower by 68% and 86% respectively QoQ as sales were affected by closure of offices and property sales galleries in compliance with the MCO. On a YoY basis, the drop of 31% and 20% in revenue and PBT respectively were mitigated, in large, by stronger performance in the earlier quarters.

Meanwhile, although revenue from General Construction segment increased by 100% QoQ aided by progressive billings from external projects, higher administrative costs resulted in a 69% drop in PBT over the same comparative period. On a YoY basis, PBT dropped by 60% on the back of a 45% drop in revenue with overall decline in contribution from this segment in tandem with Management's previous position to focus more towards the Group's own projects. The Group has since decided to focus on external customers.

On the QoQ basis, increase in tonnage harvested has contributed to a 64% growth in revenue from Oil Palm Cultivation segment. Better crude palm oil prices QoQ contributed further to a 28% increase in PBT. The improvement in top line during the quarter under review has helped whilst YoY, the segment was still able to grow its revenue by 4%. However, higher costs of planting negated that gain resulting in 19% drop in PBT.



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**Notes to the quarterly report - 30 June 2020**
**B.2. Financial Review for Current Quarter Compared with Immediate Preceding Quarter**

	Current Period Quarter 30/06/2020 RM'000	Immediate Preceding Quarter 31/03/2020 RM'000	Changes %
<b>Revenue</b>			
Property Development	29,648	47,972	(38)
General Construction	1,191	2,601	(54)
Oil Palm Cultivation	885	987	(10)
Others	434	992	(56)
Total	<u>32,158</u>	<u>52,552</u>	(39)
<b>Profit/(Loss) before tax</b>			
Property Development	3,347	5,624	(40)
General Construction	10	76	(87)
Oil Palm Cultivation	336	516	(35)
Investment Holding	69	(386)	118
Others	(501)	(418)	(20)
Total	<u>3,261</u>	<u>5,412</u>	(40)

In reviewing performance against the immediate preceding financial quarter, revenue and PBT of the Group dipped by 39% and 40% respectively. The weaker financial performance for the current quarter resulted from the compulsory temporary shutdown of non-essential service industries (including property development and construction activities) during the MCO. Revenue and PBT from the Property Development segment were similarly affected. On the same comparative basis, revenue and PBT of General Construction segment dropped by 54% and 87% respectively as the Group reduces internal works to pursue growth in external customers in line with Group direction. Meanwhile, notwithstanding a marginal 10% drop in revenue, PBT of Oil Palm Cultivation segment contracted by 35% due to weakened crude palm oil price in the reporting quarter compared to the immediate preceding quarter.

**B.3. Prospects for the Current Financial Period**

Despite the limitations imposed by the CMCO (conditional movement control order) for the better part of the quarter under review, marketing initiatives continued as usual. In line with our mission to build practical homes that bring comfort and assurance to homebuyers, we launched the latest iteration of our Myra residential development, Myra Vista (Phase 1). It is the fifth installment following Myra Saujana in Putrajaya, Myra Meranti in Puchong, Myra Alam in Puncak Alam, and Myra Putra in Desa Pinggiran Putra. Located in Bandar Baru Salak Tinggi, Myra Vista (Phase 1) comprises 32 units of double-storey terrace homes at the starting price of RM439,000 with overall gross development value (“GDV”) of RM16 million.

We have also successfully launched several other projects; 1 in Melaka and 3 in Kedah. Taman Belia Antarabangsa 2E(iii) which consists of 32 units single storey bungalows with GDV of RM 32 million in Bukit Katil, Melaka. In Kedah, Saujana Permai (Phase 1) comprising 117 single storey cluster houses with GDV of RM42 million in Sungai Petani, 134-condominium D'Aman Residence (Block A) project with GDV of RM50 million in Alor Setar and Taman Cenderawasih which consists of 58 units single storey semi-detached houses in Kupang, Baling.

The Group had also delivered vacant possession to homeowners of the 65-unit Apartment Bestari project in Desa Bestari, Sepang, Selangor on schedule during the quarter under review.

The Group is still on a continuous lookout for land acquisition and joint venture opportunities to add to its current land banks of 1,861 acres. These land banks are expected to contribute positively to the Group’s future. The Group's unbilled property sales totaled about RM110.29 million as at close of the reporting financial quarter.

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**Notes to the quarterly report - 30 June 2020**
**B.3. Prospects for the Current Financial Period (Cont'd)**

Recently, the Federal Government introduced various initiatives to boost the property sector from the My Home Scheme (eligible home buyers will receive an incentive of RM30,000) to a new Home Ownership Campaign 2020 (home buyers will be exempted from paying stamp duty for Memorandum of Transfer and loans). Riding on these initiatives, the Group has been promoting and offering attractive packages for its projects in the northern and central regions. Notwithstanding these positive developments, the Group is cognizant of tight lending practices as well as socio-economic issues brought on by overall economic environment that might impact decisions to purchase properties and therefore, remains cautiously optimistic on its long-term prospects.

**B.4. Variance of Actual Profit from Forecast Profit**

The Group has not given any profit forecast nor profit guarantee in respect of any corporate proposals.

**B.5. Profit Before Taxation**

	Current Period Quarter 30/06/2020 RM'000	Current Period To Date 30/06/2020 RM'000
Profit before taxation is arrived at after (charging)/crediting:-		
Depreciation	(841)	(3,376)
Interest expense	(1,387)	(6,355)
Inventories written down	-	(624)
Reversal of impairment loss on property, plant and equipment	-	1,433
Grant income	1,576	29,056
Rental income	202	1,001
Interest income	344	2,844
Other income	304	802
	<u>304</u>	<u>802</u>

Save as disclosed above, the other items as required under Appendix 9B, Part A (16) of the Bursa Securities Listing Requirements are not applicable.

**B.6. Taxation**

	Current Period Quarter 30/06/2020 RM'000	Current Period To Date 30/06/2020 RM'000
Malaysian income tax based on the profit for the financial period	2,472	19,206
Deferred taxation	(946)	(5,262)
Taxation overprovided in respect of prior financial year	(72)	(712)
	<u>1,454</u>	<u>13,232</u>

The difference between effective tax rate of the Group for the quarter ended and financial period to date mainly due to certain expenses which were disallowed as deductions for tax purposes.

**B.7. Status of Corporate Proposals**

There were no corporate proposals that have been announced but not completed as at 20 August 2020, the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial statements.

**Notes to the quarterly report - 30 June 2020**

**B.8. Group Borrowings and Debt Securities**

	Long Term RM'000	Short Term RM'000	Total RM'000
<b>Current period ended</b>			
30 June 2020			
<b>Secured</b>			
Term loans	35,071	13,301	48,372
Revolving credit	-	127,224	127,224
<b>Unsecured</b>			
Revolving credit	-	50,000	50,000
Non-convertible redeemable preference shares	47,800	-	47,800
	<u>82,871</u>	<u>190,525</u>	<u>273,396</u>
<b>Corresponding period ended</b>			
30 June 2019			
<b>Secured</b>			
Term loans	49,914	5,620	55,534
Revolving credit	-	94,000	94,000
<b>Unsecured</b>			
Revolving credit	-	50,000	50,000
Non-convertible redeemable preference shares	47,800	-	47,800
	<u>97,714</u>	<u>149,620</u>	<u>247,334</u>

The weighted average interest rate at the end of the reporting period are as follows:

	As at 30/06/2020	As at 30/06/2019
<b>Floating interest rate</b>		
Term loans	4.86%	4.91%
Revolving credit	3.43%	4.64%
<b>Fixed interest rate</b>		
Non-convertible redeemable preference shares	<u>4.00%</u>	<u>4.00%</u>

(a) The increase of borrowings is to finance certain on-going housing projects and acquisition of the lands.

(b) There were no bank borrowings denominated in foreign currencies as at the reporting date.

**B.9. Derivative Financial Instrument**

The Group did not have any derivative financial instruments as at the end of the reporting period.

**ORIENTAL INTEREST BERHAD**

[Registration No. 199301017406 (272144-M)]

**Notes to the quarterly report - 30 June 2020****B.10. Gain and Losses Arising from Fair Value Changes of Financial Liabilities**

There were no gain and losses arising from fair value changes of financial liabilities for the financial period under review.

**B.11. Material Litigation**

There were no pending material litigations as at 20 August 2020, the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial statements.

**B.12. Dividend**

Other than the dividend paid as disclosed in Note A6 herein, the Board of Directors does not recommend any payment of dividend in respect of the current financial period ending 31 August 2020.

**B.13. Earnings Per Share ("EPS")**

	Current Period To Date 30/06/2020	Preceding Year Corresponding Year To Date 30/06/2019
(a) <b>Basic</b>		
Profit attributable to owners of the Company (RM'000)	<u>27,192</u>	<u>56,849</u>
Number of ordinary shares in issue ('000)	<u>154,858</u>	<u>154,858</u>
Basic EPS (sen)	<u>17.56</u>	<u>36.71</u>

**(b) Diluted**

The Group has no dilution in its earnings per ordinary share in the quarter under review / financial period to date as there are no dilutive potential ordinary shares.

**B.14. Auditors' Report for the Preceding Annual Financial Statements**

There was no qualification on the report of the auditors on the annual financial statements of the Company for the immediate preceding financial year.

**B.15. Change of Financial Year End**

On 19 November 2019, the Company announced an immediate change in financial year end from 30 June to 31 August. As such, the Group would be presenting a 14-month financial report from 01 July 2019 to 31 August 2020 and thereafter, the financial year end of the Company shall end on 31 August for each subsequent year.

**By order of the Board****Tai Yit Chan (MAICSA 7009143) (SSM PC No. 202008001023)****Ong Tze-En (MAICSA 7026537) (SSM PC No. 202008003397)**

[Joint Company Secretaries]

27 August 2020