

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 third quarter of financial year ending 31 August 2021.

Condensed consolidated statement of profit or loss and other comprehensive income for the financial period ended 31 May 2021

[The figures have not been audited.]

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31/05/2021 RM'000	Preceding Year Quarter 31/05/2020 RM'000	Current Year To Date 31/05/2021 RM'000	Preceding Year To Date 31/05/2020 RM'000
Revenue	93,645	N/A	286,053	N/A
Cost of sales	(61,741)	N/A	(196,899)	N/A
Gross profit	31,904	N/A	89,154	N/A
Other income	6,288	N/A	14,468	N/A
Selling and distribution expenses	(1,242)	N/A	(3,348)	N/A
Administrative expenses	(9,634)	N/A	(21,720)	N/A
Other expenses	(958)	N/A	(2,110)	N/A
Results from operating activities	26,358	N/A	76,444	N/A
Finance costs	(85)	N/A	(101)	N/A
Share of results of an associate	5	N/A	16	N/A
Profit before tax	26,278	N/A	76,359	N/A
Taxation	(7,642)	N/A	(20,438)	N/A
Profit for the financial period/ Total comprehensive income	18,636	N/A	55,921	N/A
Total comprehensive income attributable to:				
Owners of the Company	16,388	N/A	48,993	N/A
Non-controlling interests	2,248	N/A	6,928	N/A
	18,636	N/A	55,921	N/A
Basic and diluted earnings per ordinary share (sen)	5.29	N/A	15.82	N/A

Note: There are no comparative figures disclosed for the preceding year quarter and preceding year-todate results following the change in the financial year end from 30 June to 31 August.

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 period ended 31 August 2020 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 31 May 2021

[The figures have not been audited.]

	31/05/2021 RM'000	31/08/2020 RM'000
ASSETS		
Property, plant and equipment	51,058	52,402
Right-of-use assets	9,051	9,337
Investment properties	41,640	32,463
Investment in an associate	5,340	5,324
Deferred tax assets	46,458	43,114
Inventories-Land held for property development	506,566	455,481
Total non-current assets	660,113	598,121
Inventories-Developed properties	20,890	26,451
Inventories-Property development costs	278,092	322,231
Inventories-Plantation supplies	16	12
Contract costs	39,921	26,893
Contract assets	79,467	79,638
Trade and other receivables	204,271	136,048
Tax recoverable	1,731	3,745
Short term investments	39,199	6,772
Cash and bank balances	13,601	14,705
Total current assets	677,188	616,495
Total assets	<u>1,337,301</u>	<u>1,214,616</u>
EQUITY		
Share capital	169,838	169,838
Reserves	335,338	298,734
Equity attributable to owners of the Company	505,176	468,572
Non-controlling interests	81,502	93,542
Total equity	<u>586,678</u>	<u>562,114</u>
LIABILITIES		
Loans and borrowings	65,465	79,184
Lease liabilities	702	589
Deferred income	2,969	-
Trade payables	122,596	132,058
Deferred tax liabilities	878	254
Total non-current liabilities	192,610	212,085
Loans and borrowings	280,364	194,183
Lease liabilities	402	472
Trade and other payables	219,191	231,338
Contract liabilities	45,067	10,739
Tax payable	12,989	3,685
Total current liabilities	558,013	440,417
Total liabilities	<u>750,623</u>	<u>652,502</u>
TOTAL EQUITY AND LIABILITIES	<u>1,337,301</u>	<u>1,214,616</u>
Net assets per share attributable to owners of the Company (RM)	1.63	*1.51

* For comparative purpose, the net assets per share attributable to owners of the Company as at 31 August 2020 has been adjusted for the effect of bonus issue completed on 5 May 2021.

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial period ended 31 August 2020 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 31 May 2021**

[The figures have not been audited.]

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

	<u>Non- distributable</u> <u>Distributable</u>				<u>Non- controlling interests</u>	<u>Total equity</u>
	Share capital RM'000	Revaluation reserve RM'000	Retained earnings RM'000	Total RM'000	RM'000	RM'000
At 01 July 2019	169,838	8,297	260,406	438,541	87,093	525,634
Profit for the financial period	-	-	42,420	42,420	11,294	53,714
<i>Transactions with owners:</i>						
Dividends	-	-	(12,389)	(12,389)	-	(12,389)
Dividends paid to non-controlling interests of a subsidiaries	-	-	-	-	(4,845)	(4,845)
Total transactions with owners of the Company	-	-	(12,389)	(12,389)	(4,845)	(17,234)
Realisation of revaluation reserve	-	(39)	39	-	-	-
At 31 August 2020	169,838	8,258	290,476	468,572	93,542	562,114
At 01 September 2020	169,838	8,258	290,476	468,572	93,542	562,114
Profit for the financial period	-	-	48,993	48,993	6,928	55,921
<i>Transactions with owners:</i>						
Dividends	-	-	(12,389)	(12,389)	-	(12,389)
Dividends paid to non-controlling interests of subsidiaries	-	-	-	-	(18,968)	(18,968)
Total transactions with owners of the Company	-	-	(12,389)	(12,389)	(18,968)	(31,357)
Realisation of revaluation reserve	-	(142)	142	-	-	-
At 31 May 2021	169,838	8,116	327,222	505,176	81,502	586,678

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial period ended 31 August 2020 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 31 May 2021**

[The figures have not been audited.]

	Period Ended	
	31/05/2021 RM'000	31/08/2020 RM'000
Cash flows from operating activities		
Profit before tax	76,359	71,633
<i>Adjustments for:-</i>		
Depreciation	2,588	3,930
Interest income	(1,609)	(3,189)
Interest expense	101	60
Inventories written down	-	624
Reversal of impairment loss on property, plant and equipment	-	(1,433)
Share of profit of an associate	(16)	(29)
Other non-cash items	(2)	14
Operating profit before changes in working capital	77,421	71,610
Net change in current assets	(11,738)	(38,357)
Net change in current liabilities	15,688	49,610
Cash generated from operations	81,371	82,863
Interest received	1,320	2,381
Tax paid	(11,840)	(20,470)
Net cash from operating activities	70,851	64,774
Cash flows from investing activities		
Interest received	289	808
Proceeds from disposal of property, plant and equipment	10	15
Additions to property, plant and equipment	(493)	(1,532)
Additions to inventories-land held for property development	(57,674)	(66,120)
Additions to investment properties	(14,796)	(2,910)
Net cash used in investing activities	(72,664)	(69,739)
Cash flows from financing activities		
Interest paid	(7,724)	(12,896)
Dividends paid to non-controlling interests	(18,968)	(4,845)
Dividends paid to Company's shareholders	(12,389)	(12,389)
Repayment of loans and borrowings	(14,387)	(27,191)
Drawdown of loans and borrowings	86,850	53,224
Payment of lease liabilities	(246)	(403)
Net cash from/(used in) financing activities	33,136	(4,500)
Net change in cash and cash equivalents during the financial period	31,323	(9,465)
Cash and cash equivalents		
- at the beginning of the period	21,477	30,942
- at the end of the period	52,800	21,477
Cash and cash equivalents included in the cash flows comprise the following:-		
Short term investments	39,199	6,772
Cash and bank balances	13,601	14,705
	52,800	21,477

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

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Notes to the quarterly report - 31 May 2021**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 period ended 31 August 2020. 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 period ended 31 August 2020.

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 period ended 31 August 2020 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 September 2020 as follows:-

- Amendments to MFRS 3, *Business Combinations - Definition of a Business*
- Amendments to MFRS 101, *Presentation of Financial Statements* and MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Material*
- Amendments to MFRS 9, *Financial Instruments*, MFRS 139, *Financial Instruments: Recognition and Measurement* and MFRS 7, *Financial Instruments: Disclosures - Interest Rate Benchmark Reform*
- Amendment to MFRS 16, *Leases - Covid-19-Related Rent Concessions*

The adoption of the above accounting standards, amendments and improvements to published standards does not have any material impact on the financial statements 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.

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, other than as follows:-

On 5 May 2021, 154,858,394 new ordinary shares in OIB ("new OIB Share(s)" or "Shares") were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") pursuant to the Proposed Bonus Issue (as defined). Consequently, the total issued share capital of the Company after the Bonus Issue is 309,716,788 OIB Shares.

A.6. Dividend Paid

An interim single-tier dividend of 8 sen per ordinary share in respect of the financial period ended 31 August 2020 was declared on 23 October 2020. The dividend, which amounted to RM12.39 million, was paid on 31 December 2020.

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Notes to the quarterly report - 31 May 2021
A.7. Material Events Subsequent to the Interim Reporting Period

Save for the status of the information as described in Note B.7, 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
Current period ended						
31 May 2021						
Revenue						
Total revenue	289,736	176,259	3,474	85,288	2,824	557,581
Inter-segment revenue	(23,444)	(162,854)	-	(85,230)	-	(271,528)
Revenue from external customers	<u>266,292</u>	<u>13,405</u>	<u>3,474</u>	<u>58</u>	<u>2,824</u>	<u>286,053</u>
Segment profit/(loss)						
Reportable segment profit/(loss)	74,390	931	2,053	(716)	(315)	76,343
Share of results of an associate	-	-	-	16	-	16
Profit before tax						<u>76,359</u>

Note: There are no comparative figures disclosed for the preceding year quarter and preceding year-to-date results following the change in the financial year end from 30 June to 31 August.

A.10. Commitments

There were no changes in commitments since the last annual reporting date as at 31 August 2020, except for the following:-

	01/09/2020 RM'000	Changes RM'000	31/05/2021 RM'000
Unsecured			
Bankers' guarantee issued to third parties in favour of subsidiaries	<u>14,247</u>	<u>10,013</u>	<u>24,260</u>
Development land			
Contracted but not provided for	<u>42,799</u>	<u>15,479</u>	<u>58,278</u>
Investment properties			
Contracted but not provided for	<u>16,984</u>	<u>(3,172)</u>	<u>13,812</u>

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Notes to the quarterly report - 31 May 2021**A.11. Related Party Transactions**

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

31/05/2021
RM'000**Sale/(Purchase) of goods and services to/(from):**

- | | |
|---------------------------------------------------------------------------------------------------------------------------------|----------|
| - Entities in which substantial interests are owned directly by persons connected with Directors of a subsidiary of the Company | (133) |
| - Entity in which substantial interests are owned directly by persons connected with Directors of a subsidiary of the Company | 20 |
| - Entities in which substantial interests are owned indirectly by Directors/major shareholders of the Company | (29,609) |
| - Entities in which substantial interests are owned indirectly by Directors/major shareholders of the Company | 14,367 |

Rental income/(expenses) from/(to):

- | | |
|---------------------------------------------------------------------------------------------------------------|-------|
| - Entity in which substantial interests are owned indirectly by Directors/major shareholders of the Company | 153 |
| - Entities in which substantial interests are owned indirectly by Directors/major shareholders of the Company | (701) |
-
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Notes to the quarterly report - 31 May 2021
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 Year Quarter 31/05/2021 RM'000	Preceding Year Quarter 31/05/2020 RM'000	Changes %	Current Year To Date 31/05/2021 RM'000	Preceding Year To Date 31/05/2020 RM'000	Changes %
Revenue						
Property Development	84,096	N/A	N/A	266,292	N/A	N/A
General Construction	6,660	N/A	N/A	13,405	N/A	N/A
Oil Palm Cultivation	1,724	N/A	N/A	3,474	N/A	N/A
Investment Holding	20	N/A	N/A	58	N/A	N/A
Others	1,145	N/A	N/A	2,824	N/A	N/A
Total	93,645	N/A	N/A	286,053	N/A	N/A
Profit/(Loss) before tax						
Property Development	24,889	N/A	N/A	74,390	N/A	N/A
General Construction	435	N/A	N/A	931	N/A	N/A
Oil Palm Cultivation	1,276	N/A	N/A	2,053	N/A	N/A
Investment Holding	(338)	N/A	N/A	(700)	N/A	N/A
Others	16	N/A	N/A	(315)	N/A	N/A
Total	26,278	N/A	N/A	76,359	N/A	N/A

There are no comparative figures following the change in financial year end from 30 June to 31 August.

The Group recorded revenue of RM93.65 million and profit before tax ("PBT") of RM26.28 million for the current quarter ended 31 May 2021 driven largely by Property Development segment which contributed revenue and PBT of RM84.10 million and RM24.89 million respectively.

As for the 9-month period ended 31 May 2021, the Group recorded revenue and PBT of RM286.05 million and RM76.36 million respectively. Property Development segment continued to drive the Group's revenue; contributing a hefty RM266.29 million of the consolidated revenue, followed by General Construction segment with RM13.41 million in revenue. Contribution from the Oil Palm Cultivation segment and Others were minimal.

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Notes to the quarterly report - 31 May 2021
B.2. Financial Review for Current Quarter Compared with Immediate Preceding Quarter

	Current Year Quarter 31/05/2021 RM'000	Immediate Preceding Quarter 28/02/2021 RM'000	Changes %
Revenue			
Property Development	84,096	99,600	(16)
General Construction	6,660	3,221	107
Oil Palm Cultivation	1,724	1,102	56
Investment Holding	20	27	(26)
Others	1,145	987	16
Total	<u>93,645</u>	<u>104,937</u>	(11)
Profit/(Loss) before tax			
Property Development	24,889	26,387	(6)
General Construction	435	228	91
Oil Palm Cultivation	1,276	542	135
Investment Holding	(338)	(274)	(23)
Others	16	(75)	121
Total	<u>26,278</u>	<u>26,808</u>	(2)

Compared with the immediate preceding financial quarter, revenue and PBT of the Group were 11% and 2% lower respectively. Revenue from Property Development segment slid by 16%, resulting in a slight 6% drop in PBT. Meanwhile, revenue from General Construction segment rose by 107% producing 91% increase in PBT supported by progressive billings on turnkey projects. As for Oil Palm Cultivation segment, revenue and PBT increased by 56% and 135% respectively powered by both stronger crude palm oil prices and better harvesting during the reporting financial quarter.

B.3. Prospects for the Current Financial Year

The Malaysian government has imposed lockdowns with varying degrees of restrictions since last year to curb the spread of the Covid-19 pandemic which had seen increasing high number of cases lately notwithstanding vaccine rollouts. The lockdowns have slowed resumption of economic activities and to a certain extent, disrupted property market recovery as some prospective buyers recoiled to sit on the fence for the time being.

It has also been a challenge to keep up with the various requirements imposed under the lockdowns but the Group has prevailed. Digital strategies, put in place since 2019 and refined from time to time, have placed the Group in a strong position to move agilely and leveraging on technology to address the requirements that have yielded positive results both in terms of sales as well as increasing efficiency in our construction activities. Recently, the Group introduced several apps and platforms to improve reach out initiatives to our buyers and partners.

As a result of these initiatives as well as the extension of the Home Ownership Campaign coupled with low interest lending rates, the Group delivered revenue of RM93.65 million and RM286.05 million for the quarter and 9-month period under review following favourable response to our launches of new phases of existing projects; namely, 128 double storey terrace homes within Myra Gardens (Phase 1D) with gross development value ("GDV") of RM60.40 million and 20 semi-detached and 46 super-link homes in Myra Saujana (Phase 3) with GDV of RM47.56 million; both in the central region and 135 condominium under D'Aman Residence (Block B) with GDV of RM52.48 million in northern region.

Notes to the quarterly report - 31 May 2021
B.3. Prospects for the Current Financial Year (Cont'd)

During the quarter under review, we also delivered vacant possession for DPP18 project comprising 18 units of double storey semi-detached properties in Sepang, 50 units double storey terrace of Myra Alam (Phase 1A) in Puncak Alam; both in Selangor and 118 double storey terrace homes under the Perumahan Penjawat Awam Malaysia in Taman Sinar Intan III (Phase 2D) in Sungai Petani, Kedah. Additionally, preparations for vacant possessions are underway for Myra Alam (Phase 1B), Myra Saujana (Phase 1B) and Myra Putra projects.

The Group continues to look out for land acquisition and joint venture opportunities to add to its current land banks of 1,854 acres. These land banks are expected to contribute positively to the Group's future. The Group's unbilled sales totalled about RM200.20 million as at close of the reporting financial quarter. The Board is cognisant that the pace of conversion into sales would largely be dependent on the progress of the various projects.

Given our strong performance to-date and our prudent approach in managing our positioning vis-à-vis project launches and projects despite a very challenging operating environment for construction and vacant possession endeavors, the Group is optimistic of delivering yet another set of positive results.

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 Year Quarter 31/05/2021 RM'000	Current Year To Date 31/05/2021 RM'000
Profit before taxation is arrived at after (charging)/crediting:-		
Depreciation	(987)	(2,588)
Interest expense	(85)	(101)
Government grants income	5,777	12,337
Lease income	361	1,017
Interest income	335	1,609
Other income	108	324
	<u>108</u>	<u>324</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 Year Quarter 31/05/2021 RM'000	Current Year To Date 31/05/2021 RM'000
Malaysian income tax based on the profit for the financial period	8,356	22,971
Deferred taxation	(901)	(2,720)
Taxation underprovided in respect of prior financial year	187	187
	<u>7,642</u>	<u>20,438</u>

The effective tax rate of the Group for the financial period is higher than the statutory income tax rate mainly due to the tax expense on fair value surplus arising from transfer of land held for property development to investment property and certain expenses which were disallowed as deductions for tax purposes.

ORIENTAL INTEREST BERHAD

[Registration No. 199301017406 (272144-M)]

Notes to the quarterly report - 31 May 2021**B.7. Status of Corporate Proposals**

There were no corporate proposals that have been announced but not completed as at 19 July 2021, the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial statements, other than as follows:-

On 7 January 2021, UOB Kay Hian Securities (M) Sdn. Bhd. (“UOBKH”) had, on behalf of the Board of Directors (“Board”) of the Company, announced the following proposals:-

- (a) proposed bonus issue of 154,858,394 new ordinary shares in OIB (“OIB Share(s)” or “Share(s)”) (“Bonus Share(s)”), on the basis of 1 Bonus Share for every 1 existing OIB Share held by the shareholders of OIB whose names appear in the Record of Depositors of the Company at the close of business on an entitlement date to be determined later (“Entitled Shareholders”) (“Entitlement Date”) (“Proposed Bonus Issue”); and
- (b) proposed renounceable rights issue of up to 154,858,394 new OIB Shares (“Rights Share(s)”) on the basis of 1 Rights Share for every 1 existing OIB Share held by the Entitled Shareholders at the close of business on the Entitlement Date, together with 154,858,394 free detachable warrants in OIB (“Warrant(s)”) on the basis of 1 Warrant for every 1 Rights Share subscribed by the Entitled Shareholders (“Proposed Rights Issue with Warrants”)

(collectively referred to as the “Proposals”). Further updates to section 7.3 of this announcement were made on 2 March 2021.

On 5 February 2021, UOBKH announced the submission of an application in relation to the Proposals to Bursa Securities for which approval was granted on 9 March 2021.

On 22 March 2021, the Board announced the convening of extraordinary general meeting on 8 April 2021 for which approval for the Proposals was obtained from the shareholders.

On 19 April 2021, UOBKH had announced the execution of the Deed Poll constituting the Warrants and the fixing of the following prices pursuant to the Rights Issue with Warrants:-

- (a) the issue price of the Rights Shares at RM0.68 per Rights Share; and
- (b) the exercise price of the Warrants at RM1.15 per Warrant.

On 19 April 2021, UOBKH announced the fixing of the Entitlement Date for the Bonus Issue and Rights Issue with Warrants on 4 May 2021 as well as other relevant dates pertaining to the Rights Issue with Warrants.

On 5 May 2021, UOBKH announced the listing and quotation of 154,858,394 Bonus Shares on the Main Market of Bursa Securities on 5 May 2021, marking the completion of the Bonus Issue.

On 27 May 2021, UOBKH announced the total acceptances and excess applications for the Rights Issue with Warrants of 186,361,214 Rights Shares, which represented an over-subscription of 20.34% over the total number of Rights Shares available for subscription under the Rights Issue with Warrants.

On 2 June 2021, UOBKH announced the listing and quotation of 154,858,394 Rights Shares and 154,858,394 Warrants on the Main Market of Bursa Securities on 2 June 2021, marking the completion of the Rights Issue with Warrants.

Total proceeds of RM105.30 million raised from the Rights Issue with Warrants were received by OIB on 4 June 2021.

Notes to the quarterly report - 31 May 2021

B.8. Group Borrowings and Debt Securities

	Long Term RM'000	Short Term RM'000	Total RM'000
Current period ended			
31 May 2021			
Secured			
Term loans	17,665	16,870	34,535
Revolving credit	-	213,494	213,494
Unsecured			
Revolving credit	-	50,000	50,000
Non-convertible redeemable preference shares	47,800	-	47,800
	<u>65,465</u>	<u>280,364</u>	<u>345,829</u>
Preceding period to date			
31 August 2020			
Secured			
Term loans	31,384	16,959	48,343
Revolving credit	-	127,224	127,224
Unsecured			
Revolving credit	-	50,000	50,000
Non-convertible redeemable preference shares	47,800	-	47,800
	<u>79,184</u>	<u>194,183</u>	<u>273,367</u>

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

	As at 31/05/2021	As at 31/08/2020
Floating interest rate		
Term loans	3.63%	3.60%
Revolving credit	2.94%	3.12%
Fixed interest rate		
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.

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Notes to the quarterly report - 31 May 2021

B.9. Derivative Financial Instrument

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

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 19 July 2021, 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 year ending 31 August 2021.

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

	Current Period Quarter 31/05/2021	Current Period To Date 31/05/2021
(a) Basic		
Profit attributable to owners of the Company (RM'000)	<u>16,388</u>	<u>48,993</u>
Weighted average number of ordinary shares ('000)	<u>309,716</u>	<u>309,716</u>
Basic EPS (sen)	<u>5.29</u>	<u>15.82</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 period.

By order of the Board

Tai Yit Chan (MAICSA 7009143) (SSM PC No. 202008001023)

Ong Tze-En (MAICSA 7026537) (SSM PC No. 202008003397)

[Company Secretaries]

26 July 2021