

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 first quarter of financial year ending 31 August 2025.

Condensed consolidated statement of profit or loss and other comprehensive income for the financial period ended 30 November 2024

[The figures have not been audited]

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30/11/2024 RM'000	Preceding Year Quarter 30/11/2023 RM'000	Current Year To Date 30/11/2024 RM'000	Preceding Year To Date 30/11/2023 RM'000
Revenue	135,711	125,825	135,711	125,825
Cost of sales	(96,008)	(89,984)	(96,008)	(89,984)
Gross profit	39,703	35,841	39,703	35,841
Other income	2,001	733	2,001	733
Selling and distribution expenses	(1,889)	(1,218)	(1,889)	(1,218)
Administrative expenses	(12,718)	(9,808)	(12,718)	(9,808)
Other expenses	(755)	(675)	(755)	(675)
Results from operating activities	26,342	24,873	26,342	24,873
Finance costs	(657)	(5)	(657)	(5)
Share of profit of equity- accounted associate, net of tax	5	6	5	6
Profit before tax	25,690	24,874	25,690	24,874
Taxation	(6,589)	(5,973)	(6,589)	(5,973)
Profit for the financial period/ Total comprehensive income	19,101	18,901	19,101	18,901
Total comprehensive income attributable to:				
Owners of the Company	15,730	15,849	15,730	15,849
Non-controlling interests	3,371	3,052	3,371	3,052
	19,101	18,901	19,101	18,901
Earnings per ordinary share (sen)				
- Basic	3.38	3.41	3.38	3.41
- Diluted	3.25	3.41	3.25	3.41

The condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying explanatory notes attached to the interim financial report and the audited financial statements for the financial year ended 31 August 2024.

Condensed consolidated statement of financial position as at 30 November 2024

	Unaudited 30/11/2024 RM'000	Audited 31/08/2024 RM'000
ASSETS		
Property, plant and equipment	69,733	68,579
Right-of-use assets	8,721	8,085
Investment properties	52,636	52,856
Investment in an associate	5,417	5,412
Deferred tax assets	53,918	53,285
Inventories-Land held for property development	594,196	606,174
Other receivables	39,571	39,523
Total non-current assets	824,192	833,914
Inventories-Developed properties	95,193	97,552
Inventories-Property development costs	366,546	326,950
Inventories-Plantation supplies	13	26
Contract costs	47,777	47,798
Contract assets	120,084	134,052
Trade and other receivables	139,211	158,348
Tax recoverable	25,349	23,041
Short term investments	70,090	84,577
Cash and bank balances	58,668	62,973
Total current assets	922,931	935,317
Total assets	<u>1,747,123</u>	<u>1,769,231</u>
EQUITY		
Share capital	252,664	250,364
Reserves	560,412	544,682
Equity attributable to owners of the Company	813,076	795,046
Non-controlling interests	126,593	123,222
Total equity	<u>939,669</u>	<u>918,268</u>
LIABILITIES		
Lease liabilities	697	318
Trade payables	90,823	100,814
Deferred tax liabilities	252	354
Total non-current liabilities	91,772	101,486
Loans and borrowings	447,987	454,127
Lease liabilities	635	316
Trade and other payables	229,311	264,169
Contract liabilities	26,987	19,380
Deferred income	5,502	4,554
Tax payable	5,260	6,931
Total current liabilities	715,682	749,477
Total liabilities	<u>807,454</u>	<u>850,963</u>
TOTAL EQUITY AND LIABILITIES	<u>1,747,123</u>	<u>1,769,231</u>
Net assets per share attributable to owners of the Company (RM)	1.74	1.71

The condensed consolidated statement of financial position should be read in conjunction with the accompanying explanatory notes attached to the interim financial report and the audited financial statements for the financial year ended 31 August 2024.

ORIENTAL INTEREST BERHAD

[Registration No. 199301017406 (272144-M)]

**Condensed consolidated statement of changes in equity
for the financial period ended 30 November 2024**

[The figures have not been audited]

	----- Attributable to owners of the Company -----						
	----- Non-distributable -----			Distributable			
	Share capital RM'000	Warrants reserve RM'000	Revaluation reserve RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
At 1 September 2023	250,364	24,778	7,423	450,503	733,068	97,122	830,190
Profit for the financial period	-	-	-	15,849	15,849	3,052	18,901
Realisation of revaluation reserve	-	-	(48)	48	-	-	-
At 30 November 2023	250,364	24,778	7,375	466,400	748,917	100,174	849,091
At 1 September 2024	250,364	24,778	7,078	512,826	795,046	123,222	918,268
Profit for the financial period	-	-	-	15,730	15,730	3,371	19,101
Transaction with owners:							
Issuance of ordinary shares pursuant to conversion of warrant exercised	2,300	-	-	-	2,300	-	2,300
Total transaction with owners of the Company	2,300	-	-	-	2,300	-	2,300
Realisation of revaluation reserve	-	-	(58)	58	-	-	-
At 30 November 2024	252,664	24,778	7,020	528,614	813,076	126,593	939,669

The condensed consolidated statement of changes in equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial report and the audited financial statements for the financial year ended 31 August 2024.

ORIENTAL INTEREST BERHAD

[Registration No. 199301017406 (272144-M)]

**Condensed consolidated statement of cash flows
for the financial period ended 30 November 2024**

[The figures have not been audited]

	Period Ended	
	30/11/2024 RM'000	30/11/2023 RM'000
Cash flows from operating activities		
Profit before tax	25,690	24,874
<i>Adjustments for:-</i>		
Depreciation	2,532	1,405
Interest income	(717)	(504)
Interest expense	657	5
Share of profit of an associate	(5)	(6)
Other non-cash items	(42)	(40)
Operating profit before changes in working capital	28,115	25,734
Net change in current assets	11,213	8,380
Net change in current liabilities	(36,294)	(23,246)
Cash generated from operations	3,034	10,868
Tax paid	(11,303)	(7,571)
Net cash (used in)/from operating activities	(8,269)	3,297
Cash flows from investing activities		
Interest received	717	504
Proceeds from disposal of plant and equipment	49	40
Additions to property, plant and equipment	(3,222)	(2,242)
Additions to investment properties	(10)	(257)
Net cash used in investing activities	(2,466)	(1,955)
Cash flows from financing activities		
Interest paid	(4,038)	(2,981)
Repayment of loans and borrowings	(6,139)	(6,274)
Payment of lease liabilities	(180)	(89)
Proceeds from exercise of warrants	2,300	-
Net cash used in financing activities	(8,057)	(9,344)
Net change in cash and cash equivalents	(18,792)	(8,002)
Cash and cash equivalents		
- at beginning of the period	147,550	76,653
- at end of the period	128,758	68,651
Cash and cash equivalents included in the cash flows comprise the following:-		
Short term investments	70,090	42,161
Cash and bank balances	58,668	26,490
	128,758	68,651

The condensed consolidated statement of cash flows should be read in conjunction with the accompanying explanatory notes attached to the interim financial report and the audited financial statements for the financial year ended 31 August 2024.

ORIENTAL INTEREST BERHAD

[Registration No. 199301017406 (272144-M)]

Notes to the quarterly report - 30 November 2024**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 31 August 2024. 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 31 August 2024.

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 31 August 2024 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 2024 as follows:-

- Amendments to MFRS 16, *Leases – Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101, *Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 107, *Statement of Cash Flows* and MFRS 7, *Financial Instruments: Disclosures – Supplier Finance Arrangements*

The adoption of the above accounting standards, amendments and improvements to published standards does not have any material financial 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 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:-

During the financial period under review, the Company issued 2,000,000 new ordinary shares from the exercise of warrants 2021/2026 at the exercise price of RM1.15 which amounted to RM2,300,000.

A.6. Dividend Paid

An interim single-tier dividend of 5.5 sen per ordinary share in respect of the financial year ended 31 August 2024 was declared on 28 October 2024. The dividend, which amounted to RM25.66 million, was paid on 16 December 2024.

ORIENTAL INTEREST BERHAD

[Registration No. 199301017406 (272144-M)]

Notes to the quarterly report - 30 November 2024
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 Group during the interim reporting period.

A.9. Operating Segments

	Property Development RM'000	General Construction RM'000	Investment Holding RM'000	Others RM'000	Consolidated RM'000
Current period ended 30 November 2024					
Revenue					
Total revenue	106,113	105,224	5,557	4,389	221,283
Inter-segment revenue	(1,846)	(78,389)	(5,325)	(12)	(85,572)
Revenue from external customers	<u>104,267</u>	<u>26,835</u>	<u>232</u>	<u>4,377</u>	<u>135,711</u>
Segment profit					
Reportable segment profit	24,083	528	73	1,001	25,685
Share of results of an associate	-	-	5	-	5
Profit before tax	<u>24,083</u>	<u>528</u>	<u>78</u>	<u>1,001</u>	<u>25,690</u>
Corresponding period ended 30 November 2023					
Revenue					
Total revenue	100,686	104,419	6,209	3,148	214,462
Inter-segment revenue	(3,211)	(79,262)	(6,129)	(35)	(88,637)
Revenue from external customers	<u>97,475</u>	<u>25,157</u>	<u>80</u>	<u>3,113</u>	<u>125,825</u>
Segment profit					
Reportable segment profit	22,994	1,002	4	868	24,868
Share of results of an associate	-	-	6	-	6
Profit before tax	<u>22,994</u>	<u>1,002</u>	<u>10</u>	<u>868</u>	<u>24,874</u>

ORIENTAL INTEREST BERHAD

[Registration No. 199301017406 (272144-M)]

Notes to the quarterly report - 30 November 2024
A.9. Operating Segments (Cont'd)

	Property Development RM'000	General Construction RM'000	Investment Holding RM'000	Others RM'000	Consolidated RM'000
As at 30 November 2024					
Segment assets					
Total segment assets	1,562,883	106,783	14,109	57,931	1,741,706
Associate	-	-	5,417	-	5,417
Total assets	<u>1,562,883</u>	<u>106,783</u>	<u>19,526</u>	<u>57,931</u>	<u>1,747,123</u>
Segment liabilities					
Total segment liabilities	<u>391,531</u>	<u>173,047</u>	<u>242,281</u>	<u>595</u>	<u>807,454</u>
As at 30 November 2023					
Segment assets					
Total segment assets	1,379,362	77,972	16,992	49,206	1,523,532
Associate	-	-	5,396	-	5,396
Total assets	<u>1,379,362</u>	<u>77,972</u>	<u>22,388</u>	<u>49,206</u>	<u>1,528,928</u>
Segment liabilities					
Total segment liabilities	<u>389,204</u>	<u>82,275</u>	<u>207,831</u>	<u>527</u>	<u>679,837</u>

ORIENTAL INTEREST BERHAD

[Registration No. 199301017406 (272144-M)]

Notes to the quarterly report - 30 November 2024

A.10. Commitments

There were no changes in commitments since the last annual reporting date as at 31 August 2024, except for the following:-

	01/09/2024 RM'000	Changes RM'000	30/11/2024 RM'000
Unsecured			
Bankers' guarantee issued to third parties in favour of subsidiaries	<u>49,943</u>	<u>1,260</u>	<u>51,203</u>
Development land			
Contracted but not provided for	<u>88,047</u>	<u>(200)</u>	<u>87,847</u>

A.11. Related Party Transactions

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

	30/11/2024 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	(101)
- Entity in which substantial interests are owned directly by persons connected with Directors of a subsidiary of the Company	7
- Entities in which substantial interests are owned indirectly by Directors/person connected to Director of a subsidiary of the Company	(27,932)
- Entities in which substantial interests are owned indirectly by Directors/person connected to Director of a subsidiary of the Company	28,654
Rental income/(expenses) from/(to):	
- Entities in which substantial interests are owned indirectly by Directors/person connected to Director of a subsidiary of the Company	215
- Entities in which substantial interests are owned indirectly by Directors/person connected to Director of a subsidiary of the Company	<u>(623)</u>

ORIENTAL INTEREST BERHAD

[Registration No. 199301017406 (272144-M)]

Notes to the quarterly report - 30 November 2024
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 30/11/2024 RM'000	Preceding Year Quarter 30/11/2023 RM'000	Changes %	Current Year To Date 30/11/2024 RM'000	Preceding Year To Date 30/11/2023 RM'000	Changes %
Revenue						
Property Development	104,267	97,475	7	104,267	97,475	7
General Construction	26,835	25,157	7	26,835	25,157	7
Investment Holding	232	80	190	232	80	190
Others	4,377	3,113	41	4,377	3,113	41
Total	135,711	125,825	8	135,711	125,825	8
Profit before tax						
Property Development	24,083	22,994	5	24,083	22,994	5
General Construction	528	1,002	(47)	528	1,002	(47)
Investment Holding	78	10	680	78	10	680
Others	1,001	868	15	1,001	868	15
Total	25,690	24,874	3	25,690	24,874	3

The Group recorded revenue of RM135.71 million and a profit before tax ("PBT") of RM25.69 million for the quarter under review. These figures represent an 8% and 3% improvement, respectively, over preceding year corresponding quarter, driven by the continued strong performance of the Property Development segment. Segmental revenue and PBT increased by 7% and 5%, respectively.

Meanwhile, although revenue from the General Construction segment increased by 7% over the same comparable quarters, higher administrative costs resulted in a 47% reduction in PBT for the quarter under review.

ORIENTAL INTEREST BERHAD

[Registration No. 199301017406 (272144-M)]

Notes to the quarterly report - 30 November 2024
B.2. Financial Review for Current Quarter Compared with Immediate Preceding Quarter

	Current Year Quarter 30/11/2024 RM'000	Immediate Preceding Quarter 31/08/2024 RM'000	Changes %
Revenue			
Property Development	104,267	172,910	(40)
General Construction	26,835	32,432	(17)
Investment Holding	232	158	47
Others	4,377	4,055	8
Total	<u>135,711</u>	<u>209,555</u>	(35)
Profit/(Loss) before tax			
Property Development	24,083	55,179	(56)
General Construction	528	1,104	(52)
Investment Holding	78	(93)	184
Others	1,001	1,042	(4)
Total	<u>25,690</u>	<u>57,232</u>	(55)

Revenue and PBT for the current quarter dipped by 35% and 55%, respectively, compared to the immediate preceding quarter which reported a stronger performance. Revenue from the Property Development segment shrank by 40%, mainly due to the completion of some projects during the preceding quarter. Meanwhile, a 17% drop in billings to external customers, coupled with higher administrative costs, resulted in a 52% drop in PBT for the General Construction segment.

B.3. Prospects for the Current Financial Year

Despite significant challenges in both the property sector and the broader economy, the Group has sustained its upward trend in revenue and PBT, driven by strong property sales that underscore the quality and value of its offerings.

The Group successfully launched two new phases of existing projects in Kedah: SP Saujana Permai, comprising 125 units of single-storey clusters and single-storey bungalows with an estimated gross development value ("GDV") of RM52.60 million, and Permaipura Villa, comprising 93 units of single-storey bungalows with an estimated GDV of RM50.70 million.

The Group currently holds 2,995 acres of strategic development lands (including land banks under landowners and developer agreements), which will support the future growth of its property development activities. The executive leadership continues to actively consider and acquire new land banks, given the positive long-term outlook in the property development industry and sustainable demand from first-time home buyers and the owner-occupier market for residential properties.

Looking ahead, the Group is poised for continued growth with unbilled property sales of approximately RM546.49 million from its existing projects as of the end of the reporting financial quarter. Based on the on-hand bookings and sales momentum, the Group is optimistic about delivering another set of positive results for FY2025.

ORIENTAL INTEREST BERHAD

[Registration No. 199301017406 (272144-M)]

Notes to the quarterly report - 30 November 2024

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 30/11/2024 RM'000	Current Year To Date 30/11/2024 RM'000
Profit before taxation is arrived at after (charging)/crediting:-		
Depreciation	(2,532)	(2,532)
Interest expense	(657)	(657)
Government grant income	1,211	1,211
Lease income	1,492	1,492
Interest income	717	717
	<u>717</u>	<u>717</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 30/11/2024 RM'000	Current Year To Date 30/11/2024 RM'000
Malaysian income tax based on the profit for the financial period	7,325	7,325
Deferred taxation	(736)	(736)
	<u>6,589</u>	<u>6,589</u>

The effective tax rate of the Group for the financial period is approximate to the statutory income tax rate.

B.7. Status of Corporate Proposals

There were no corporate proposals that have been announced but not completed as at 14 January 2025, the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial statements.

ORIENTAL INTEREST BERHAD

[Registration No. 199301017406 (272144-M)]

Notes to the quarterly report - 30 November 2024
B.8. Group Borrowings and Debt Securities

	Long Term RM'000	Short Term RM'000	Total RM'000
As at 30 November 2024			
Secured			
Revolving credit	-	350,187	350,187
Unsecured			
Revolving credit	-	50,000	50,000
Non-convertible redeemable preference shares	-	47,800	47,800
	<u>-</u>	<u>447,987</u>	<u>447,987</u>
As at 30 November 2023			
Secured			
Revolving credit	-	218,230	218,230
Unsecured			
Revolving credit	-	50,000	50,000
Non-convertible redeemable preference shares	47,800	-	47,800
	<u>47,800</u>	<u>268,230</u>	<u>316,030</u>

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

	As at 30/11/2024	As at 30/11/2023
Floating interest rate		
Revolving credit	4.28%	4.30%
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.

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 14 January 2025, 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 2025.

ORIENTAL INTEREST BERHAD

[Registration No. 199301017406 (272144-M)]

Notes to the quarterly report - 30 November 2024
B.13. Earnings Per Share ("EPS")

	Current Year Quarter 30/11/2024	Preceding Year Quarter 30/11/2023	Current Year To Date 30/11/2024	Preceding Year To Date 30/11/2023
(a) Basic				
Profit attributable to owners of the Company (RM'000)	<u>15,730</u>	<u>15,849</u>	<u>15,730</u>	<u>15,849</u>
Weighted average number of ordinary shares ('000)	<u>465,277</u>	<u>464,574</u>	<u>465,277</u>	<u>464,574</u>
Basic EPS (sen)	<u>3.38</u>	<u>3.41</u>	<u>3.38</u>	<u>3.41</u>
(b) Diluted				
Profit attributable to owners of the Company (RM'000)	<u>15,730</u>	<u>15,849</u>	<u>15,730</u>	<u>15,849</u>
Weighted average number of ordinary shares ('000)	465,277	464,574	465,277	464,574
Adjustment for dilutive effect of warrants ('000)	18,327	-	18,327	-
Weighted average number of ordinary shares for diluted EPS ('000)	<u>483,604</u>	<u>464,574</u>	<u>483,604</u>	<u>464,574</u>
Diluted EPS (sen)	<u>3.25</u>	<u>3.41</u>	<u>3.25</u>	<u>3.41</u>

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.

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

21 January 2025