



ORIENTAL HOLDINGS BERHAD

(Company No. 5286-U)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2016

	As at End of Current Quarter 31 Mar 2016 RM'000 (Unaudited)	As at Preceding Financial Year End 31 Dec 2015 RM'000 (Audited)
Assets		
Property, plant and equipment	1,526,825	1,595,092
Prepaid land lease payments	97,763	66,164
Investment properties	818,550	818,178
Intangible assets	50,863	49,829
Investments in associates	556,713	562,121
Other investments	301,077	311,213
Land held for property development	36,080	36,065
Biological assets	513,342	553,741
Deferred tax assets	29,655	31,201
Total non-current assets	<u>3,930,868</u>	<u>4,023,604</u>
Inventories	275,488	265,491
Property development costs	2,979	2,948
Trade and other receivables	452,205	455,137
Other investments	9,366	9,942
Current tax assets	15,082	10,657
Short term investments	526,911	524,315
Cash and cash equivalents	2,853,475	2,886,826
Total current assets	<u>4,135,506</u>	<u>4,155,316</u>
Total assets	<u><u>8,066,374</u></u>	<u><u>8,178,920</u></u>
Equity		
Share capital	620,394	620,394
Reserves	895,812	1,077,391
Retained earnings	4,016,159	3,948,186
Treasury stocks	(249)	(249)
Total equity attributable to stockholders of the Company	<u>5,532,116</u>	<u>5,645,722</u>
Non-controlling interests	<u>846,966</u>	<u>893,798</u>
Total Equity	<u><u>6,379,082</u></u>	<u><u>6,539,520</u></u>
Liabilities		
Deferred tax liabilities	17,882	18,035
Loans and borrowings	67,117	70,056
Provisions	38,960	30,679
Deferred income	9,648	8,088
Retirement benefits	12,821	13,616
Total non-current liabilities	<u>146,428</u>	<u>140,474</u>
Trade and other payables	362,865	370,078
Loans and borrowings	1,131,756	1,085,023
Current tax liabilities	46,243	43,825
Total current liabilities	<u>1,540,864</u>	<u>1,498,926</u>
Total liabilities	<u>1,687,292</u>	<u>1,639,400</u>
Total equity and liabilities	<u><u>8,066,374</u></u>	<u><u>8,178,920</u></u>
Net assets per stock (sen)	891.71	910.02

The selected explanatory notes form an integral part of, and, should be read in conjunction with, this interim financial report.



ORIENTAL HOLDINGS BERHAD

(Company No. 5286-U)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2016

	Individual Quarter		Cumulative Quarters	
	Current Year Quarter 31 Mar 2016 RM'000 (Unaudited)	Preceding Year Quarter 31 Mar 2015 RM'000 (Unaudited)	Current Year To Date (One quarter to 31 Mar 2016) RM'000 (Unaudited)	Preceding Year To Date (One quarter to 31 Mar 2015) RM'000 (Unaudited)
Revenue	1,215,084	896,032	1,215,084	896,032
Results from operating activities	64,604	55,377	64,604	55,377
Finance costs	(2,811)	(2,000)	(2,811)	(2,000)
Share of profits after tax and minority interest of associates	3,246	18,309	3,246	18,309
Profit before taxation	65,039	71,686	65,039	71,686
Income tax expenses	(18,343)	(18,019)	(18,343)	(18,019)
Profit from continuing operations	46,696	53,667	46,696	53,667
Other comprehensive income, net of tax				
Foreign currency translation differences for foreign operations	(200,202)	35,294	(200,202)	35,294
Fair value of available-for-sale financial assets	(7,090)	(1,598)	(7,090)	(1,598)
Share of other comprehensive expense of equity accounted associates	(142)	(1,315)	(142)	(1,315)
Other comprehensive (expense)/ income for the period, net of tax	(207,434)	32,381	(207,434)	32,381
Total comprehensive income for the period	(160,738)	86,048	(160,738)	86,048
Profit attributable to:				
Stockholders of the Company	67,973	55,893	67,973	55,893
Non-controlling interests	(21,277)	(2,226)	(21,277)	(2,226)
Profit for the period	46,696	53,667	46,696	53,667
Total comprehensive income/ (expense) attributable to:				
Stockholders of the Company	(113,606)	89,359	(113,606)	89,359
Non-controlling interests	(47,132)	(3,311)	(47,132)	(3,311)
Total comprehensive income for the period	(160,738)	86,048	(160,738)	86,048
<i>Weighted average number of stocks in issue ('000)</i>	620,362	620,362	620,362	620,362
Basic earnings per stock (sen) (based on the weighted average number of stocks of RM1 each)	10.96	9.01	10.96	9.01

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ORIENTAL HOLDINGS BERHAD

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2016

	Individual Quarter		Cumulative Quarters	
	Current Year Quarter 31 Mar 2016 RM'000 (Unaudited)	Preceding Year Quarter 31 Mar 2015 RM'000 (Unaudited)	Current Year To Date (One quarter to 31 Mar 2016) RM'000 (Unaudited)	Preceding Year To Date (One quarter to 31 Mar 2015) RM'000 (Unaudited)
Included in the Total Comprehensive Income for the period are the followings :				
Interest income	(18,877)	(15,596)	(18,877)	(15,596)
Other income including investment income	(29,604)	(795)	(29,604)	(795)
Interest expense	2,811	2,000	2,811	2,000
Depreciation and amortisation	29,146	26,689	29,146	26,689
Reversal of impairment loss of receivables	(521)	(16)	(521)	(16)
Write back of inventories	(300)	-	(300)	-
Loss/ (Gain) on disposal of quoted/ unquoted investments	742	(42)	742	(42)
Gain on disposal of property, plant and equipment	(454)	(1,371)	(454)	(1,371)
Impairment loss/ (Reversal of impairment loss) on assets	161	(11)	161	(11)
Foreign exchange loss	59,466	12,093	59,466	12,093

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ORIENTAL HOLDINGS BERHAD

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2016

	← Attributable to stockholders of the Company →											Non-controlling interests	Total equity
	← Non-distributable →							Distributable					
	Share capital	Share premium	Capital reserve	Translation reserve	Fair value reserve	Capital redemption reserve	Asset revaluation reserve	Treasury stocks	Retained earnings	Capital reserve	Total		
<i>In thousands of RM</i>													
At 1 January 2015	620,394	1,099	1,073	545,892	98,185	68	474	(249)	3,800,072	40,248	5,107,256	849,048	5,956,304
Foreign currency translation differences for foreign operations	-	-	-	35,548	-	-	-	-	-	-	35,548	(254)	35,294
Fair value of available-for-sale financial assets	-	-	-	-	(767)	-	-	-	-	-	(767)	(831)	(1,598)
Share of other comprehensive expense of equity accounted associates	-	-	-	-	(1,315)	-	-	-	-	-	(1,315)	-	(1,315)
Total other comprehensive income/(expense) for the period	-	-	-	35,548	(2,082)	-	-	-	-	-	33,466	(1,085)	32,381
Profit for the period	-	-	-	-	-	-	-	-	55,893	-	55,893	(2,226)	53,667
Total comprehensive income/ (expense) for the period	-	-	-	35,548	(2,082)	-	-	-	55,893	-	89,359	(3,311)	86,048
Dividends to stockholders	-	-	-	-	-	-	-	-	(37,222)	-	(37,222)	-	(37,222)
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	(21,879)	(21,879)
Total contribution from/ (distribution to) owners	-	-	-	-	-	-	-	-	(37,222)	-	(37,222)	(21,879)	(59,101)
At 31 March 2015	620,394	1,099	1,073	581,440	96,103	68	474	(249)	3,818,743	40,248	5,159,393	823,858	5,983,251
<i>In thousands of RM</i>													
At 1 January 2016	620,394	1,099	1,073	958,149	76,280	68	474	(249)	3,948,186	40,248	5,645,722	893,798	6,539,520
Foreign currency translation differences for foreign operations	-	-	-	(177,964)	-	-	-	-	-	-	(177,964)	(22,238)	(200,202)
Fair value of available-for-sale financial assets	-	-	-	-	(3,473)	-	-	-	-	-	(3,473)	(3,617)	(7,090)
Share of other comprehensive expense of equity accounted associates	-	-	-	-	(142)	-	-	-	-	-	(142)	-	(142)
Total other comprehensive expense for the period	-	-	-	(177,964)	(3,615)	-	-	-	-	-	(181,579)	(25,855)	(207,434)
Profit for the period	-	-	-	-	-	-	-	-	67,973	-	67,973	(21,277)	46,696
Total comprehensive income/ (expense) for the period	-	-	-	(177,964)	(3,615)	-	-	-	67,973	-	(113,606)	(47,132)	(160,738)
Issued of shares to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	300	300
Total contribution from owners	-	-	-	-	-	-	-	-	-	-	-	300	300
At 31 March 2016	620,394	1,099	1,073	780,185	72,665	68	474	(249)	4,016,159	40,248	5,532,116	846,966	6,379,082

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ORIENTAL HOLDINGS BERHAD

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2016

	Current Year To Date (One quarter to 31 Mar 2016) RM'000 (Unaudited)	Preceding Year To Date (One quarter to 31 Mar 2015) RM'000 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	65,039	71,686
Adjustments for:		
Non-cash items	83,283	42,386
Non-operating items	(45,452)	(33,738)
Operating profit before working capital changes	102,870	80,334
Changes in working capital	(7,867)	(17,587)
Cash flow from operating activities	95,003	62,747
Tax paid	(19,955)	(11,305)
Interest paid	(2,964)	(2,049)
Payment of retirement benefits	(51)	(21)
<i>Net cash flows from operating activities</i>	72,033	49,372
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure	(72,897)	(69,933)
Purchase of investments	(29,184)	(18,897)
Proceeds from disposal of investments	16,512	6,964
Proceeds from disposal of land held for property development	-	16
Interest received	19,779	18,293
Dividend received	29,583	2,237
Reversal to deferred expenditure	(15)	15
Net cash outflow on acquisition of a subsidiary	-	(5,287)
Decrease/ Increase in short term investments, net	(2,595)	80,887
<i>Net cash flows (used in)/ from investing activities</i>	(38,817)	14,295

CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

	Current Year To Date (One quarter to 31 Mar 2016) RM'000 (Unaudited)	Preceding Year To Date (One quarter to 31 Mar 2015) RM'000 (Unaudited)
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term bank borrowings (net)	70,835	24,377
Dividends paid to stockholders	-	(37,222)
Fixed deposits pledged for banking facilities	21,832	(81,842)
Proceeds from issue of shares to non-controlling interest	300	-
<i>Net cash flows from/ (used in) financing activities</i>	92,967	(94,687)
Net increase/ (decrease) in cash and cash equivalents	126,183	(31,020)
Cash and cash equivalents at 1 January	2,387,114	2,117,799
Effects of exchange rates on cash and cash equivalents	(137,486)	31,545
Cash and cash equivalents at 31 March (Note 1)	<u>2,375,811</u>	<u>2,118,324</u>

NOTE

	RM'000	RM'000
1 Cash and cash equivalents consist of: -		
Cash and bank balances	1,028,883	868,411
Fixed deposits (excluding pledged deposits)	1,320,899	1,182,956
Bank overdrafts	(15)	-
Unit trust money market funds	26,044	66,957
	<u>2,375,811</u>	<u>2,118,324</u>

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SELECTED EXPLANATORY NOTES
TO THE INTERIM FINANCIAL REPORT
31 MARCH 2016

1. Basis of Preparation

The Group falls within the scope definition of Transitioning Entities. Transitioning Entities are allowed to defer the adoption of Malaysian Financial Reporting Standard (“MFRS”) Framework.

For the financial year ending 31 December 2016, the Group will continue to prepare its financial statements using Financial Reporting Standards (“FRS”).

The interim financial report is unaudited and has been prepared in compliance with FRS 134, Interim Financial Reporting and the additional disclosure requirements as in Part A of Appendix 9B of the Revised Listing Requirements.

The interim financial report should be read in conjunction with the most recent annual audited financial statements of the Group for the year ended 31 December 2015. These explanatory notes 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 2015.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with the most recent annual audited financial statements for the year ended 31 December 2015 except for the adoption of the following new and revised FRSs, IC Interpretations and Amendments :-

Adoption of Revised FRSs, IC Interpretations and Amendments

FRS 14, *Regulatory Deferral Accounts*

Amendments to FRS 5, *Non-current Assets Held for Sale and Discontinued Operations*
(*Annual Improvements 2012-2014 Cycle*)

Amendments to FRS 7, *Financial Instruments: Disclosures* (*Annual Improvements 2012-2014 Cycle*)

Amendments to FRS 10, *Consolidated Financial Statements*, FRS 12, *Disclosure of Interests in Other Entities* and FRS 128, *Investments in Associates and Joint Ventures – Investment Entities: Applying the Consolidation Exception*

Amendments to FRS 11, *Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations*

Amendments to FRS 101, *Presentation of Financial Statements – Disclosure Initiative*

Amendments to FRS 116, *Property, Plant and Equipment* and FRS 138, *Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation*

Amendments to FRS 119, *Employee Benefits* (*Annual Improvements 2012-2014 Cycle*)

Amendments to FRS 127, *Separate Financial Statements – Equity Method in Separate Financial Statements*

Amendments to FRS 134, *Interim Financial Reporting* (*Annual Improvements 2012-2014 Cycle*)

The adoption of the above amendments to FRSs and IC Interpretation do not have material impact on this interim financial report of the Group.

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SELECTED EXPLANATORY NOTES
TO THE INTERIM FINANCIAL REPORT
31 MARCH 2016 (Cont'd)

2. Auditors' Qualification

Not applicable. No qualification on the audit report of the preceding annual financial statements of Oriental Holdings Berhad.

3. Seasonal or Cyclical Factors

Majority of the business operations of the Group are generally in tandem with the prevailing economic conditions where the Group operates with the exception of a few other sectors. Commodity price is the most significant determinant of the level of profitability for the plantation sector although seasonal factor such as climatic condition also plays a part in determining the production level. The tourism sector will generally perform better during the major festive and holiday seasons.

4. Exceptional Items

There were no material exceptional items for the period under review.

5. Changes in Estimates

There were no material changes in estimates of amounts reported in prior financial period.

6. Debt and Equity Securities

There were no issuance and repayment of debt and equity stocks, stock buy-backs, stock cancellations, stocks held as treasury stocks and resale of treasury stocks for the current financial period to date.

7. Dividends Paid

Since the end of the previous financial year, the Company paid a single tier second interim dividend of 6.0% (2014 : 6.0%), totalling RM 37,221,710 in respect of the financial year ended 31 December 2015 on 15 April 2016.

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SELECTED EXPLANATORY NOTES
TO THE INTERIM FINANCIAL REPORT
31 MARCH 2016 (Cont'd)

8. Segment Revenue and Results

	Automotive and related products RM'000	Plastic products RM'000	Hotels and resorts RM'000	Plantation RM'000	Investment holding and financial services RM'000	Investment properties & trading of building material products RM'000	Healthcare RM'000	Total of all segments RM'000	Reconciliation/ Elimination RM'000	Notes	Total per consolidated financial statements RM'000
31 March 2016											
Revenue from external customers	839,023	53,322	69,702	112,272	30,557	101,844	8,364	1,215,084	-		1,215,084
Inter-segment revenue	103	1	13	-	-	142	-	259	(259)		-
Total revenue	<u>839,126</u>	<u>53,323</u>	<u>69,715</u>	<u>112,272</u>	<u>30,557</u>	<u>101,986</u>	<u>8,364</u>	<u>1,215,343</u>	<u>(259)</u>		<u>1,215,084</u>
Results											
Segment profit/ (loss)	<u>57,260</u>	<u>(946)</u>	<u>13,812</u>	<u>(7,656)</u>	<u>3,316</u>	<u>4,790</u>	<u>(5,972)</u>	<u>64,604</u>	<u>435</u>	A	<u>65,039</u>
Assets											
Segment assets	<u>2,841,743</u>	<u>425,773</u>	<u>955,581</u>	<u>1,775,742</u>	<u>345,830</u>	<u>883,588</u>	<u>236,667</u>	<u>7,464,924</u>	<u>601,450</u>	B	<u>8,066,374</u>

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**SELECTED EXPLANATORY NOTES
TO THE INTERIM FINANCIAL REPORT
31 MARCH 2016 (Cont'd)**

8. Segment Revenue and Results (Cont'd)

	Automotive and related products RM'000	Plastic products RM'000	Hotels and resorts RM'000	Plantation RM'000	Investment holding and financial services RM'000	Investment properties & trading of building material products RM'000	Healthcare RM'000	Total of all segments RM'000	Reconciliation/ Elimination RM'000	Notes	Total per consolidated financial statements RM'000
31 March 2015											
Revenue from external customers	562,187	56,388	64,932	89,621	1,213	119,422	2,269	896,032	-		896,032
Inter-segment revenue	152	14	-	-	-	9,317	-	9,483	(9,483)		-
Total revenue	<u>562,339</u>	<u>56,402</u>	<u>64,932</u>	<u>89,621</u>	<u>1,213</u>	<u>128,739</u>	<u>2,269</u>	<u>905,515</u>	<u>(9,483)</u>		<u>896,032</u>
Results											
Segment profit/ (loss)	<u>37,060</u>	<u>393</u>	<u>12,587</u>	<u>7,783</u>	<u>4,817</u>	<u>189</u>	<u>(7,452)</u>	<u>55,377</u>	<u>16,309</u>	A	<u>71,686</u>
Assets											
Segment assets	<u>2,501,957</u>	<u>429,845</u>	<u>910,114</u>	<u>1,541,212</u>	<u>326,887</u>	<u>655,078</u>	<u>228,921</u>	<u>6,594,014</u>	<u>511,687</u>	B	<u>7,105,701</u>

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SELECTED EXPLANATORY NOTES
TO THE INTERIM FINANCIAL REPORT
31 MARCH 2016 (Cont'd)

8. Segment Revenue and Results (Cont'd)

Notes *Nature of adjustments and eliminations to arrive at amounts reported in the consolidated interim financial report*

A The following items are added to/ (deducted from) segment profit to arrive at "Profit before tax" presented in the condensed consolidated statements of comprehensive income:

	31 March 2016	31 March 2015
	RM'000	RM'000
Share of results of associates	3,246	18,309
Finance costs	(2,811)	(2,000)
	435	16,309
	435	16,309

B The following items are added to/ (deducted from) segment assets to arrive at total assets reported in the condensed consolidated statement of financial positions:

	31 March 2016	31 March 2015
	RM'000	RM'000
Investment in associates	556,713	512,888
Current tax assets	15,082	11,032
Deferred tax assets	29,655	10,634
Investment in non-consolidated subsidiary	-	(22,867)
	601,450	511,687
	601,450	511,687

9. Revaluation of Property, Plant and Equipment

Not applicable. No valuation policy was adopted for property, plant and equipment. The Group availed the transitional provisions issued by the Malaysian Accounting Standards Board upon adoption of International Accounting Standard No 16 (Revised) to have the 1976 and 1978 revalued assets of land and buildings continue to be stated at their existing carrying amounts less accumulated depreciation.

10. Material Post Balance Sheet Events

There were no material events subsequent to the end of the period under review which have not been reflected in this interim financial report.

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SELECTED EXPLANATORY NOTES
TO THE INTERIM FINANCIAL REPORT
31 MARCH 2016 (Cont'd)

11. Changes in Group's Composition

There were no changes in the composition of the Group during the current financial period to-date other than the following:-

- (i) Unique Mix (Singapore) Pte. Ltd. ("UMS"), a wholly-owned subsidiary of OAM which in turn is a wholly-owned subsidiary of Selasih Permata Sdn. Bhd. ("SP") and a 50.5% owned subsidiary of the Company, had on 14 December 2015 submitted an application to the Accounting and Corporate Regulatory Authority ("ACRA") to strike its name off from the Register. On 4 January 2016, UMS received a striking-off notice from ACRA dated 18 December 2015 whereupon UMS will be struck-off from the Register upon expiry of a 60-days period from the publication of a notice in the Singapore Government Gazette, if there is no objection received. The struck-off was completed on 17 March 2016.
- (ii) The Company through its indirect 50.5% owned subsidiary, OBS Pte. Ltd. ("OBS") had on 10 February 2016, received approval dated 2 February 2016 from the Ministry of Law and Human Rights of the Republic of Indonesia ("MOLHR") for the acquisition of 90% equity interest in PT Sumatra Sawit Lestari ("SSL"). The acquisition will be settled via a cash subscription (equivalent to about RM2.84 million) pursuant to a Shares Subscription Agreement entered with PT Tradisi Bina Usaha and Saksona Boenjamin. Upon completion of the said acquisition, SSL became the 90% owned subsidiary of OBS. SSL was incorporated on 29 November 2012 with its present authorised and issued share capital of IDR10,000,000,000 (equivalent to about RM3.2 million) divided into 10,000 shares with nominal value of IDR1,000,000 each. The principal activities of SSL are cultivation of oil palm plantation and its related activities.
- (iii) Lipro Electrical Manufacturing Sdn. Bhd. ("LEM"), a wholly-owned subsidiary of Teck See Plastic Sdn. Bhd. which in turn is a 60% owned subsidiary of the Company, had on 9 January 2015 been placed under voluntary winding up proceeding. LEM had ceased operations and remained dormant since then. LEM convened the Final General Meeting on 7 April 2016 and conclude the winding up proceedings.

12. Changes in Contingent Liabilities and Assets and Changes in Material Litigations

There were no contingent liabilities and assets at the end of the reporting period.

Neither the Company nor any of its subsidiaries are engaged in any material litigation, either as plaintiff or defendant and the Directors are not aware of any proceedings pending or threatened, against the Company or any of its subsidiaries or of any facts likely to give rise to any proceedings which might materially affect the position or business of the Company or any of its subsidiaries, financially or otherwise.

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SELECTED EXPLANATORY NOTES
TO THE INTERIM FINANCIAL REPORT
31 MARCH 2016 (Cont'd)

13. Review of Group's Performance

The year to date revenue of RM 1,215.1 million was 35.6% higher than the corresponding period last year, however the year to date profit before tax of RM 65.0 million, was 9.3% lower than the corresponding period last year.

Performances for each operating segment are as follows:-

The revenue and operating profit for the automotive segment increased by 49.3% to RM 839.0 million and by 54.5% to RM 57.3 million respectively.

For the retail operations in Singapore, revenue increased significantly by 151.4% mainly due to number of cars sold has increased by 191.3%, mainly from Jazz and Odyssey model following the higher Certificate of Entitlement (COE) quota released by the authorities. For the retail operations in Malaysia, sales units decreased by 22.5% mainly due to no new model launched.

Meanwhile, auto parts manufacturing operations recorded slight improvement in revenue and operating profits, stemming from operational savings.

The revenue for the plantation segment increased by 25.3% mainly due to higher CPO and PK sales volume by 51.5% and 113.7% respectively. However, the segment recorded an operating loss (2016 : RM 7.7 million; 2015: operating profit of RM 7.8 million) due to higher cost of sales as a result of imported fertilizers and foreign exchange loss on JPY borrowings when IDR weakened against JPY.

The performance for plastic segment remains competitive. The revenue for the segment decreased by 5.5% and recorded an operating loss (2016: RM 0.9 million, 2015: operating profit of RM 0.4 million). Lower revenue was mainly attributable to lower sales from its major customers especially from automotive products segment. The segment operated at a loss due to stiff market condition and having to contend with the high fixed operating expenses.

Hospitality segment revenue and operating profit increased by 7.4% and 9.7% respectively. Generally, the average occupancy rate and average room rate for hotels recorded improvement for its overseas properties. Nevertheless, the operating profit was slightly affected overall by the performance in Melbourne's hotel which is currently undergoing renovation.

Revenue for investment holding segment increased significantly by 2,419% due to dividend received from other investment. The segment registered a lower operating profit by 31.2% mainly attributable to foreign exchange loss on JPY borrowings and fixed deposit placements.

The performance for investment properties and trading of building material products segment remains challenging. The revenue decreased by 14.7% while operating profit improved by 2,434% (2016: RM 4.8 million, 2015: RM 0.2 million). Lower revenue was due to lower sales volume for trading of building material related products. However, operating profit improved from cost savings effort under the competitive operating environment.

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13. Review of Group's Performance (Cont'd)

Healthcare segment generated higher revenue by 268.6% but remained at an operating loss of RM 6.0 million (2015: RM 7.5 million) mainly due to higher operating cost including depreciations and staff related expenses since its commencement of operation in January 2015.

14. Material Change in Profit Before Taxation ("PBT") reported on as compared with the immediate preceding quarter

The Group's revenue for the first quarter of 2016 was RM 1,215.1 million, a decrease of RM 23.4 million or 1.9% from RM 1,238.5 million in Q4FY15.

The Group's profit for the first quarter of 2016 decreased by 42.7% or RM 48.4 million to RM 65.0 million compared to RM 113.4 million in the immediate preceding quarter.

Performances of each operating segment as compared to the immediate preceding quarter are as follows:-

Revenue from automotive segment decreased by 2.5% to RM 839.0 million and recorded a lower operating profit by 9.6% to RM 57.3 million (Q4FY15: RM 63.3 million). Revenue dropped mainly due to lower number of cars sold by 19.5% particularly from local retail operations as car sales have been low as a result of consumers' aversion to higher car prices. Besides, the high sales in Q4FY15 was also a result of consumers' rushed to purchase ahead of price hike.

Revenue for auto parts manufacturing operation remained constant while recorded an operating profit of RM 5.5 million (loss Q4FY15: RM 9.0 million) due to higher operational expenses from its downsizing exercise in the immediate preceding quarter.

Revenue and operating profit from plantation segment decreased by 16.6% and 115.9% respectively. Decrease in revenue was mainly due to lower CPO and PK sales volume from Indonesian operations (10.0% and 33.6% respectively) as compared to Q4FY15. The segment recorded an operating loss mainly due to foreign exchange loss especially on JPY borrowings due to weakened IDR against JPY.

Revenue for plastic segment remains constant (Q1FY16: RM 53.3 million ; Q4FY15: RM 53.2 million) while operating at a loss (Q1FY16: RM 0.9 million ; Q4FY15: operating profit of RM 8.0 million). The operating profit in the preceding quarter was due to the high other income earned.

Revenue for hospitality segment dropped by 6.9% but recorded better operating profit by 49.6%. Lower average occupancy rate and average room rate especially for the London hotel due to softened demand. The segment recorded higher operating profit mainly due to unrealised foreign exchange loss derived from THB advances recorded in Q4FY15.

There is an increase in revenue and operating profit for investment holding segment by 1,670.4% and 871.2% respectively due to higher dividend income received from other investment. However, operating profit was slightly affected by unrealised forex loss from borrowings.

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14. Material Change in Profit Before Taxation (“PBT”) reported on as compared with the immediate preceding quarter (Cont'd)

Revenue for investment properties and trading of building material products segment decreased by 9.4% mainly due to lower sales volume secured by the segment. However, the segment recorded a higher operating profit by 3,273.2% mainly due to higher other operating income during the current quarter.

Healthcare segment recorded a revenue of RM 8.4 million mainly from the increased in-patient admission. However, the segment continued to operate at a loss of RM 6.0 million (Q4FY15: RM 6.2 million) as a result of high operating cost.

15. Current Year Prospects

The automotive segment will continue to contribute to the Group’s performance under very competitive market conditions with the rising cost of living and weakening of ringgit. The Automotive segment will continue to expand and upgrade its showrooms and service centres including boosting its presence in Sabah and Sarawak. The retail outlet in Johor Bahru is targeted to commence operation in July 2016 which will be the biggest 4S centre in Malaysia.

The plastic segment continues to face stiff competitive environment among the local industry players. Limited growth in the overall automotive segment in Malaysia with upcoming new models at smaller volume have impacted the segment’s performance.

The plantation segment will continue to consolidate the present land bank and to diversify into real estate investment via several strategic acquisitions in Australia to counteract the volatility of palm oil industry and the exposure from the changes in regulatory requirements on land holding.

The hospitality segment’s plan is to optimise the utilisation of the existing assets and to improve the operational execution through various organic measures.

The investment properties segment will continue to reclaim its remaining 415 acres in Melaka and to seek ways to value-add its land bank for future developments.

The Group’s Oriental Medical Centre, is an 8-level full facilities hospital with 300 beds. In line with our healthcare philosophy, the segment focuses on enhancing brand awareness of a value-based high quality healthcare centre and positioning the hospital for sustainable growth and enhanced patient’s experience, satisfaction and engagement.

The Board is of the view that the Group’s performance for year 2016 will be a respectable one given the current economic condition.

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16. Variance of Actual Profit from Forecast Profit/Profit Guarantee

Not Applicable.

17. Taxation

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31 Mar 16 RM'000 (Unaudited)	Preceding Year Quarter 31 Mar 15 RM'000 (Unaudited)	Current Year To date 31 Mar 16 RM'000 (Unaudited)	Preceding Year To date 31 Mar 15 RM'000 (Unaudited)
Current taxation				
Malaysian taxation				
- Based on profit for the period	3,913	4,179	3,913	4,179
- Over provision in respect of prior period	(521)	(108)	(521)	(108)
	3,392	4,071	3,392	4,071
Foreign taxation				
- Based on profit for the period	14,992	14,328	14,992	14,328
	18,384	18,399	18,384	18,399
Deferred taxation				
- Current period	(30)	(1,103)	(30)	(1,103)
- (Over)/ Under provision in respect of prior period	(11)	723	(11)	723
	(41)	(380)	(41)	(380)
	18,343	18,019	18,343	18,019

18. Status of Corporate Proposals

There were no corporate proposals that have been announced by the Company but not completed at the date of this announcement except for the Stock Buy-Back which was approved by the stockholders at the Annual General Meeting on 9 June 2015 for the buy-back of up to 10% or up to 62,039,364 ordinary stocks. There were no stocks buy-back for the period to date.

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19. Group Borrowings

	Ringgit	← Foreign Currencies →	RM		Total RM'000 I + II
	RM'000 I	Currency	Equivalent	RM'000 II	
Finance lease obligations	15,147	-	-	-	15,147
Other borrowings – secured	-	JPY 15.025 billion	521,972		521,972
		SGD 0.016 billion	47,250		47,250
		THB 0.100 billion	11,085		11,085
Other borrowings – unsecured	56,964	JPY 15.730 billion	546,455		603,419
	72,111		1,126,762		1,198,873

20. Changes in Material Litigations

Not applicable.

21. Dividend Proposed

The Board of Directors proposed a final single tier dividend of 6.0% (2015 : 6.0%) and a special single tier dividend of 2.0% (2015 : 2.0%), totalling RM37,221,710 and RM12,407,237 respectively in respect of the financial year ended 31 December 2015, subject to the approval of the stockholders at the forthcoming Annual General Meeting.

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22. Basic Earnings per Stock

The basic earnings per stock are computed based on the net profit for the year divided by the weighted average number of stocks in issue.

	Individual Quarter		Cumulative Quarters	
	Current Year Quarter 31 Mar 16 RM'000 (Unaudited)	Preceding Year Quarter 31 Mar 15 RM'000 (Unaudited)	Current Year To Date (One quarter to 31 Mar 16) RM'000 (Unaudited)	Preceding Year To Date (One quarter to 31 Mar 15) RM'000 (Unaudited)
Net profit for the period attributable to Stockholders of the Company (RM'000)	<u>67,973</u>	<u>55,893</u>	<u>67,973</u>	<u>55,893</u>
<i>Weighted average number of stocks in issue ('000)</i>	620,362	620,362	620,362	620,362
Basic earnings per stock (sen)	<u>10.96</u>	<u>9.01</u>	<u>10.96</u>	<u>9.01</u>

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23. Realised and Unrealised Profit or Losses Disclosure

	As at 31 March 2016 RM'000	As at 31 December 2015 RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	5,204,288	4,959,610
- Unrealised	(90,519)	(56,979)
	<u>5,113,769</u>	<u>4,902,631</u>
Total share of retained earnings of associates		
- Realised	465,891	469,766
- Unrealised	(3,548)	(4,140)
	<u>5,576,112</u>	<u>5,368,257</u>
Less : Consolidation adjustments	(1,559,953)	(1,420,071)
Total retained profits	<u><u>4,016,159</u></u>	<u><u>3,948,186</u></u>

The determination of realised and unrealised profits is compiled based on Guidance of Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for the purposes of complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

By Order of the Board

ONG TZE-EN
Company Secretary

DATED THIS 26 MAY 2016