



ORIENTAL HOLDINGS BERHAD

(Registration No. 196301000446 (5286-U))
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

	As at End of Current Quarter 31 March 2021 RM'000 (Unaudited)	As at Preceding Financial Year End 31 Dec 2020 RM'000 (Audited)	Changes %
Assets			
Property, plant and equipment	1,941,724	1,931,858	0.5
Right-of-use assets	333,163	335,357	-0.7
Investment properties	1,115,289	1,109,922	0.5
Intangible assets	22,488	22,539	-0.2
Investments in associates	626,513	600,695	4.3
Other investments	607,686	619,789	-2.0
Inventories	35,937	35,936	0.0
Other receivables	31,067	30,771	1.0
Deferred tax assets	60,535	59,189	2.3
Total non-current assets	<u>4,774,402</u>	<u>4,746,056</u>	0.6
Inventories	238,162	220,360	8.1
Biological assets	11,755	11,793	-0.3
Trade and other receivables	379,775	381,787	-0.5
Current tax assets	18,900	22,882	-17.4
Other investments	1,318,986	1,416,252	-6.9
Cash and cash equivalents	3,425,976	3,211,313	6.7
Total current assets	<u>5,393,554</u>	<u>5,264,387</u>	2.5
Total assets	<u><u>10,167,956</u></u>	<u><u>10,010,443</u></u>	1.6
Equity			
Share capital	620,462	620,462	0.0
Reserves	1,280,653	1,224,321	4.6
Retained earnings	4,829,022	4,706,975	2.6
Treasury stocks	(249)	(249)	0.0
Total equity attributable to stockholders of the Company	<u>6,729,888</u>	<u>6,551,509</u>	2.7
Non-controlling interests	<u>887,860</u>	<u>814,476</u>	9.0
Total Equity	<u><u>7,617,748</u></u>	<u><u>7,365,985</u></u>	3.4
Liabilities			
Deferred tax liabilities	38,956	33,048	17.9
Borrowings	230,633	226,257	1.9
Lease liabilities	27,232	27,861	-2.3
Contract liabilities	98,537	76,990	28.0
Retirement benefits	32,081	31,266	2.6
Total non-current liabilities	<u>427,439</u>	<u>395,422</u>	8.1
Trade and other payables	316,498	304,023	4.1
Borrowings	1,749,908	1,828,206	-4.3
Lease liabilities	6,073	6,952	-12.6
Current tax liabilities	46,134	42,675	8.1
Contract liabilities	4,156	29,958	-86.1
Dividend payables	-	37,222	0.0
Total current liabilities	<u>2,122,769</u>	<u>2,249,036</u>	-5.6
Total liabilities	<u>2,550,208</u>	<u>2,644,458</u>	-3.6
Total equity and liabilities	<u><u>10,167,956</u></u>	<u><u>10,010,443</u></u>	1.6
Net assets per stock (sen)	1084.78	1056.03	2.7

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



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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2021

	Individual Quarter		Changes %	Cumulative Quarters		Changes %
	Current Year Quarter 31 March 2021 RM'000 (Unaudited)	Preceding Year Quarter 31 March 2020 RM'000 (Unaudited)		Current Year To Date (One quarter to 31 March 2021) RM'000 (Unaudited)	Preceding Year To Date (One quarter to 31 March 2020) RM'000 (Unaudited)	
Revenue	890,296	956,388	-6.9	890,296	956,388	-6.9
Results from operating activities	207,860	(133,282)	256.0	207,860	(133,282)	256.0
Finance costs	(2,977)	(4,299)	30.8	(2,977)	(4,299)	30.8
Share of profits/ (loss) after tax of equity accounted associates	23,082	(30,570)	175.5	23,082	(30,570)	175.5
Profit/ (Loss) before taxation	227,965	(168,151)	235.6	227,965	(168,151)	235.6
Income tax expenses	(35,398)	(14,787)	-139.4	(35,398)	(14,787)	-139.4
Profit/ (Loss) from continuing operations	192,567	(182,938)	205.3	192,567	(182,938)	205.3
Other comprehensive income/ (expense), net of tax						
Foreign currency translation differences for foreign operations : -gains/ (loss) during the year	48,501	(173,672)	127.9	48,501	(173,672)	127.9
Fair value gain/ (loss) of equity instruments designated at fair value through other comprehensive income	10,495	(210,547)	105.0	10,495	(210,547)	105.0
Share of other comprehensive income of equity accounted associates	200	-	100.0	200	-	100.0
Other comprehensive income/ (expense) for the period, net of tax	59,196	(384,219)	115.4	59,196	(384,219)	115.4
Total comprehensive income/ (expense) for the period	251,763	(567,157)	144.4	251,763	(567,157)	144.4
Profit/ (Loss) attributable to:						
Stockholders of the Company	122,047	(81,771)	249.3	122,047	(81,771)	249.3
Non-controlling interests	70,520	(101,167)	169.7	70,520	(101,167)	169.7
Profit/ (Loss) for the period	192,567	(182,938)	205.3	192,567	(182,938)	205.3
Total comprehensive income/ (expense) attributable to:						
Stockholders of the Company	178,379	(396,091)	145.0	178,379	(396,091)	145.0
Non-controlling interests	73,384	(171,066)	142.9	73,384	(171,066)	142.9
Total comprehensive income/ (expense) for the period	251,763	(567,157)	144.4	251,763	(567,157)	144.4
<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)	19.67	(13.18)	249.2	19.67	(13.18)	249.2

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2021

Individual Quarter		Cumulative Quarters	
Current Year Quarter	Preceding Year Quarter	Current Year To Date	Preceding Year To Date
31 March 2021	31 March 2020	(One quarter to 31 March 2021)	(One quarter to 31 March 2020)
RM'000	RM'000	RM'000	RM'000
(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)

Included in the Total Comprehensive Expense/Income for the period are the followings :

Interest income	(13,386)	(24,589)	(13,386)	(24,589)
Other income including investment income	(971)	(1,241)	(971)	(1,241)
Interest expense	2,977	4,299	2,977	4,299
Depreciation and amortisation	38,293	36,403	38,293	36,403
Bad debts recovered	(62)	(522)	(62)	(522)
(Reversal)/ Write down of inventories	(131)	154	(131)	154
Write off of property, plant and equipment	49	2	49	2
Loss on disposal of investments	401	12	401	12
Gain on disposal of property, plant and equipment	(1,364)	(736)	(1,364)	(736)
Provision/ (Reversal) of impairment loss on assets	300	(14)	300	(14)
Unrealised foreign exchange (gain)/ loss	(77,856)	234,513	(77,856)	234,513
Realised foreign exchange gain	(5,133)	(14,728)	(5,133)	(14,728)

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2021

	Attributable to stockholders of the Company						Total	Non-controlling interests	Total equity
	Non-distributable			Distributable					
	Share capital	Translation reserve	Fair value reserve	Treasury stocks	Retained earnings	Capital reserve			
<i>In thousands of RM</i>									
At 1 January 2020	620,462	858,453	400,948	(249)	4,746,447	40,248	6,666,309	876,243	7,542,552
Foreign currency translation differences for foreign operations	-	(118,586)	-	-	-	-	(118,586)	(55,086)	(173,672)
Fair value of financial assets	-	-	(195,734)	-	-	-	(195,734)	(14,813)	(210,547)
Total other comprehensive expense for the year	-	(118,586)	(195,734)	-	-	-	(314,320)	(69,899)	(384,219)
Loss for the year	-	-	-	-	(81,771)	-	(81,771)	(101,167)	(182,938)
Total comprehensive loss for the year	-	(118,586)	(195,734)	-	(81,771)	-	(396,091)	(171,066)	(567,157)
Changes in ownership interests in a subsidiary	-	-	-	-	(2,622)	-	(2,622)	2,622	-
Total transactions with owners	-	-	-	-	(2,622)	-	(2,622)	2,622	-
At 31 March 2020	620,462	739,867	205,214	(249)	4,662,054	40,248	6,267,596	707,799	6,975,395
<i>In thousands of RM</i>									
At 1 January 2021	620,462	889,974	294,099	(249)	4,706,975	40,248	6,551,509	814,476	7,365,985
Foreign currency translation differences for foreign operations	-	49,967	-	-	-	-	49,967	(1,466)	48,501
Fair value of financial assets	-	-	6,165	-	-	-	6,165	4,330	10,495
Share of other comprehensive income of equity accounted associates	-	-	200	-	-	-	200	-	200
Total other comprehensive income for the year	-	49,967	6,365	-	-	-	56,332	2,864	59,196
Profit for the year	-	-	-	-	122,047	-	122,047	70,520	192,567
Total comprehensive income for the year	-	49,967	6,365	-	122,047	-	178,379	73,384	251,763
Total transactions with owners	-	-	-	-	-	-	-	-	-
At 31 March 2021	620,462	939,941	300,464	(249)	4,829,022	40,248	6,729,888	887,860	7,617,748

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2021

	Current Year To Date (One quarter to 31 March 2021) RM'000 (Unaudited)	Preceding Year To Date (One quarter to 31 March 2020) RM'000 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/ (Loss) before tax	227,965	(168,151)
Adjustments for:		
Non-cash items	(35,073)	259,304
Non-operating items	(35,520)	8,646
Operating profit before working capital changes	157,372	99,799
Changes in working capital	(13,658)	23,835
Cash flow from operating activities	143,714	123,634
Dividend received, net	837	1,097
Tax paid	(23,142)	(17,242)
Interest paid	(2,042)	(5,588)
Payment of retirement benefits	(177)	(29)
<i>Net cash flows from operating activities</i>	119,190	101,872
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure	(29,629)	(35,351)
Purchase of investments	(2,795)	(9,921)
Proceeds from disposal of investments	60,664	7,565
Interest received	13,296	22,454
Decrease in short term investments, net	67,513	21,940
<i>Net cash flows from investing activities</i>	109,049	6,687

CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

	Current Year To Date (One quarter to 31 March 2021) RM'000 (Unaudited)	Preceding Year To Date (One quarter to 31 March 2020) RM'000 (Unaudited)
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank borrowings (net)	(8,821)	(7,545)
Lease liabilities (net)	(2,763)	(2,727)
Dividends paid to stockholders	(37,222)	-
Fixed deposits pledged for banking facilities	(4,586)	58,747
<i>Net cash flows (used in)/ from financing activities</i>	(53,392)	48,475
Net increase in cash and cash equivalents	174,847	157,034
Cash and cash equivalents at 1 January	2,498,860	2,222,934
Effects of exchange rates on cash and cash equivalents	35,230	(152,303)
Cash and cash equivalents at 31 March (Note 1)	<u>2,708,937</u>	<u>2,227,665</u>

NOTE

1 Cash and cash equivalents consist of: -

	RM'000	RM'000
Cash and bank balances	1,696,431	1,234,790
Fixed deposits	1,555,713	1,540,066
Bank overdrafts	-	(646)
Unit trust money market funds	173,832	102,439
	<u>3,425,976</u>	<u>2,876,649</u>
Less:		
Deposits pledged	(717,039)	(648,984)
	<u>2,708,937</u>	<u>2,227,665</u>

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SELECTED EXPLANATORY NOTES
TO THE INTERIM FINANCIAL REPORT
31 MARCH 2021

1. Basis of Preparation

The interim financial report is unaudited and has been prepared in compliance with MFRS 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 2020. 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 2020.

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 2020.

MFRSs, Amendments to MFRSs and IC Interpretations issued but not yet effective:

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 June 2020

- Amendments to MFRS 16, *Leases – Covid-19-Related Rent Concessions*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2021

- Amendments to MFRS 9, *Financial Instruments*, MFRS 139, *Financial Instruments: Recognition and Measurement*, MFRS 7, *Financial Instruments: Disclosures*, MFRS 4, *Insurance Contracts* and MFRS 16, *Leases – Interest Rate Benchmark Reform –Phase 2*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 April 2021

- Amendments to MFRS 16, *Leases – Covid-19-Related Rent Concessions beyond 30 June 2021*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2022

- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to MFRS 3, *Business Combinations – Reference to the Conceptual Framework*
- Amendments to MFRS 9, *Financial Instruments (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to Illustrative Examples accompanying MFRS 16, *Leases (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to MFRS 116, *Property, Plant and Equipment – Proceeds before Intended Use*
- Amendments to MFRS 137, *Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract*
- Amendments to MFRS 141, *Agriculture (Annual Improvements to MFRS Standards 2018–2020)*

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SELECTED EXPLANATORY NOTES
TO THE INTERIM FINANCIAL REPORT
31 MARCH 2021 (Cont'd)

1. Basis of Preparation (Cont'd)

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023

- MFRS 17, *Insurance Contracts*
- Amendments to MFRS 101, *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current and Disclosures of Accounting Policies*
- Amendments to MFRS 108, *Accounting policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*

MFRSs, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have a material impact to the financial statements of the Group upon their initial recognition.

2. Auditors' Qualification

There's no qualification on the audit report of the preceding annual financial statements of Oriental Holdings Berhad.

3. Seasonal 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 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.

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SELECTED EXPLANATORY NOTES
TO THE INTERIM FINANCIAL REPORT
31 MARCH 2021 (Cont'd)

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 interim dividend of 6 sen per ordinary stock (2019 : 12 sen per ordinary stock) totalling RM37,221,710 in respect of the financial year ending 31 December 2020 on 21 January 2021.

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SELECTED EXPLANATORY NOTES
TO THE INTERIM FINANCIAL REPORT
31 MARCH 2021 (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 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 2021											
Revenue from external customers	487,805	53,683	46,041	185,321	1,559	91,748	24,139	890,296	-		890,296
Inter-segment revenue	350	158	54	-	-	36	15	613	(613)		-
Total revenue	<u>488,155</u>	<u>53,841</u>	<u>46,095</u>	<u>185,321</u>	<u>1,559</u>	<u>91,784</u>	<u>24,154</u>	<u>890,909</u>	<u>(613)</u>		<u>890,296</u>
Results											
Segment profit/ (loss)	<u>29,107</u>	<u>5,650</u>	<u>4,720</u>	<u>139,114</u>	<u>26,456</u>	<u>2,971</u>	<u>(158)</u>	<u>207,860</u>	<u>20,105</u>	A	<u>227,965</u>
Assets											
Segment assets	<u>3,487,904</u>	<u>323,915</u>	<u>1,095,489</u>	<u>2,620,382</u>	<u>583,552</u>	<u>1,138,444</u>	<u>212,322</u>	<u>9,462,008</u>	<u>705,948</u>	B	<u>10,167,956</u>

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SELECTED EXPLANATORY NOTES
TO THE INTERIM FINANCIAL REPORT
31 MARCH 2021 (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 profit or loss and other comprehensive income:

	31 March 2021
	RM'000
Share of results of associates	23,082
Finance costs	<u>(2,977)</u>
	<u>20,105</u>

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

	31 March 2021
	RM'000
Investment in associates	626,513
Current tax assets	18,900
Deferred tax assets	<u>60,535</u>
	<u>705,948</u>

9. 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.

10. 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:-

The Company through its direct 51% owned subsidiary, Melaka Straits Medical Centre Sdn. Bhd. had on 25 March 2021 incorporated a wholly owned subsidiary named Oriental Medical (Segamat) Sdn. Bhd.. The initial issued share capital is one ordinary share at an issue price of RM1.00 only. The intended principal activities of Oriental Medical (Segamat) Sdn. Bhd. are operating a medical centre and provision of related healthcare services.

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SELECTED EXPLANATORY NOTES
TO THE INTERIM FINANCIAL REPORT
31 MARCH 2021 (Cont'd)

11. 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 is 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.

12. Review of Group's Performance

Overall Review

The Group recorded year to date revenue of RM 890.3 million, a decline of 6.9% or RM 66.1 million as compared to RM 956.4 million in the corresponding period last year. The decline in revenue mainly attributed to the lower contribution from the automotive segment by RM 116.7 million with lower number of cars sold cushioned by higher contribution from the plantation segment by RM 52.8 million with overall increase in sales commodities volume and selling price.

The Group recorded an operating profit of RM 207.9 million (2020 operating loss : RM 133.3 million), increased by RM 341.2 million mainly due to higher contribution from plantation segment.

The Group recorded year to date profit before tax of RM 228.0 million compared to the loss before tax of RM 168.2 million in the corresponding period last year was mainly attributed to higher contribution from plantation segment as well as share of profits of equity accounted associates.

Segmental Analysis

Performance for each operating segment is as follows:-

The revenue from the automotive segment decreased by 19.3% to RM 487.8 million while operating profit decreased by 9.0% to RM 29.1 million.

For the retail operations in Singapore, revenue and operating profit decreased by 43.0% and 36.3% respectively mainly due to the lower number of cars sold by 55.5% especially for Honda Jazz, HRV and Civic models impacted by the reduction in supply of Certificate of Entitlement (COE) quota.

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TO THE INTERIM FINANCIAL REPORT
31 MARCH 2021 (Cont'd)

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

For the retail operations in Malaysia, revenue increased by 25.2% and operating profit increased by 116.5% attributed to the 35.5% hike in the number of cars sold following the vehicle sales tax exemption from mid-June 2020 to end of June 2021 compared to the corresponding period last year due to the implementation of the Movement Control Order (MCO), on 18 March 2020 to 12 May 2020 with the suspension of operations for non-essential service providers and manufacturing activities.

The plantation segment generated a revenue of RM 185.3 million, an increase of 39.8% compared to corresponding period last year of RM 132.5 million and recorded an operating profit of RM 139.1 million (2020 operating loss : RM 185.4 million). Higher revenue was contributed by the overall increase in CPO and PK sales volume by 17% and 14% respectively as well as CPO and PK selling price by 27% and 50% respectively. The segment's operating profit was also attributable to the favourable unrealised foreign exchange gain of RM 52.1 million (2020 unrealised foreign exchange loss : RM 233.6 million) from the strengthening of the IDR against the JPY denominated borrowings.

The plastic segment recorded an increase in revenue of 18.9% to RM 53.7 million and operating profit of RM 5.7 million (2020 operating loss : RM 4.1 million) mainly derived from the increase in orders from its customers. Improved operating profit was attributable to lower operational expenses and Government stimulus package on full exemption of sales tax for local assembly vehicles from mid-June 2020 to end of June 2021.

Hotels and resorts segment recorded a 27.8% decline in revenue to RM 46.0 million and recorded an operating profit of RM 4.7 million (2020 : RM 6.5 million). Overall average room rates and occupancy rates declined significantly impacting the performance of hotels following the emergence of worldwide COVID-19 pandemic cases in mid-March 2020. The broad-based travel restrictions and travel risk aversion as a result of the global and domestic actions taken to contain the outbreak of COVID-19 have affected the tourism-related activities.

Revenue for the investment holding segment decreased by 38.8% to RM 1.6 million and recorded an operating profit of RM 26.5 million (2020 : RM 17.0 million) mainly attributable to lower interest income and dividend income from other investments. Despite decline in revenue, improved operating profit was attributable to the unrealised foreign exchange gain of RM 23.7 million (2020 : RM 11.5 million) on the JPY denominated borrowings.

The investment properties and trading of building material products segment recorded a 12.6% increase in revenue to RM 91.7 million while recorded an operating profit of RM 3.0 million (2020 : RM 1.5 million) in line with higher sales volume.

Healthcare segment's revenue decreased by 8.7% to RM 24.1 million due to the decline in number of patients by 10.3% impacted by pandemic while still operating at loss of RM 0.2 million (2020 : RM 0.8 million).

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13. Material Change in Profit/ Loss Before Taxation (“PBT”/ “LBT”) reported as compared with the immediate preceding quarter

Overall Review

The Group’s revenue for the first quarter of 2021 was RM 890.3 million, a decline of RM 99.9 million or 10.1% from RM 990.2 million in Q4FY20, mainly due to lower contribution from automotive segment by RM 122.5 million attributed to the lower number of cars sold from retail operations.

The Group recorded an operating profit of RM 207.9 million (Q4FY20 : RM 117.6 million) mainly derived from unrealised foreign exchange gain in Q1FY21 of RM 77.9 million (Q4FY20 : RM 49.2 million) mainly from the strengthening of the IDR and USD against the JPY denominated borrowings by the plantation and investment holding segments.

The Group recorded a profit before tax for Q1FY21 of RM 228.0 million compared to a profit before tax of RM 117.9 million for Q4FY20 mainly attributable to the increase in performance from plantation and investment properties and trading of building material products segments.

Segmental Analysis

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

Revenue from automotive segment decreased by 20.1% to RM 487.8 million while operating profit decreased to RM 29.1 million (Q4FY20 : RM 53.8 million). The decrease in revenue and operating profit were mainly due to the lower number of cars sold from retail operations in Malaysia and Singapore by 36.4% and 18.0% respectively. The reinstatement of MCO 2.0 in mid-January to early March 2021 has further dampen the performance of retail operations in Malaysia.

Revenue from plantation segment increased slightly by 4.1% to RM 185.3 million (Q4FY20 : RM 178.0 million) mainly due to higher PK sales volume and selling price by 9.1% and 31.4% respectively compared to Q4FY20. The segment recorded an operating profit of RM 139.1 million (Q4FY20 : RM 94.9 million) partly attributable to the realised/unrealised foreign exchange gain of RM 56.3 million (Q4FY20 : RM 49.3 million) from the strengthening of the IDR against the JPY denominated borrowings and impairment of bearer plants of RM 19.7 million recorded in Q4FY20.

Revenue for plastic segment decreased by 15.6% to RM 53.7 million (Q4FY20 : RM 63.6 million) while recorded an operating profit of RM 5.7 million (Q4FY20 : RM 11.2 million). Overall decline in both revenue and operating profit were attributable to shortages of semiconductors impacting the sales order from its automotive customers.

Revenue for hotels and resorts segment increased by 18.9% to RM 46.0 million (Q4FY20 : RM 38.7 million) while recorded an operating profit of RM 4.7 million (Q4FY20 operating loss : RM 5.7 million) as a result from impairment of RM 4.9 million on its hotel building at the Bayview Geopraphe Resort, Australia recorded in Q4FY20.

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Revenue for investment holding segment decreased by 44.8% to RM 1.6 million (Q4FY20 : RM 2.9 million) while recorded an operating profit of RM 26.5 million (Q4FY20 : RM 7.6 million). Despite decline in revenue, improvement in operating profit was attributable to the unrealised foreign exchange gain of RM 23.7 million (Q4FY20 unrealised foreign exchange loss : RM 17.2 million) mainly on JPY denominated borrowings.

Revenue for investment properties and trading of building material products segment decreased slightly by 2.3% to RM 91.7 million (Q4FY20 : RM 94.0 million) while recorded an operating profit of RM 3.0 million (Q4FY20 operating loss : RM 45.6 million) attributable to provision for impairment loss of investment property in Australia of RM 43.8 million recorded in Q4FY20.

Healthcare segment recorded an operating loss of RM 0.2 million (Q4FY20 operating profit : RM 1.5 million) mainly due to the decline of 5.6% in the total number of patients in the current quarter compared to Q4FY20.

14. Current Year Prospects

On 11 March 2020, the World Organisation declared the COVID-19 outbreak to be a pandemic.

The Group’s performance was impacted by the global and domestic actions taken to contain the outbreak.

The implementation and subsequent extension of the Movement Control Order (MCO) have dampen economic activity following the suspension of operations by non-essential service providers and lower operating capacity of manufacturing firms.

In Malaysia, the government had imposed the MCO from 18 March 2020 to 12 May 2020 and reinstatement of MCO 2.0 in mid-January to early March 2021. The Singapore government had also imposed similar lock down measures (Circuit Breaker) from 7 April 2020 to 1 June 2020. As Malaysia and Singapore grapple with a surge in COVID-19 cases and highly infectious variants, MCO 3.0 was implemented nationwide from 12 May 2021 to 7 June 2021 while Singapore imposed lockdown from 16 May 2021 to 13 June 2021.

Private consumption has been affected by weak labour market conditions, mobility restrictions and subdued sentiments.

As the pandemic continually evolving and new waves and variants emerging in different geographies, the availability of COVID-19 vaccines and subsequent rollout to public in early 2021 hopefully will ease lockdown restrictions and would be critical in boosting economic activities as well as slowly returning to the normalcies of pre-pandemic way of life.

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14. Current Year Prospects (Cont'd)

The automotive segment will continue to contribute to the Group's performance under very competitive market conditions with strong and aggressive promotional campaigns by car companies keen to grow their market shares. With the reinstatement of MCO 2.0 and 3.0 in mid-January and May 2021 respectively, Quarter 2 sales from retail operations in Malaysia is not expected to be encouraging despite vehicle sales tax exemption period extended to June 2021. The effect will be minimal and dampened further by a shortage of semiconductor chips in the supply chain which will inevitably cause delays in production in the near future.

The plastic segment continues to face competitive environment from other domestic industry players and will be impacted by disruptions in the global supply chain and limited growth in the local automotive industry. Management will continue to exercise cost rationalisation, productivity improvement and source for new business ventures to improve the performance of the segment.

The plantation segment will take necessary steps to ensure that all estates and mills remain efficient, cost effective and competitive. The forex exposure of the JPY loans will be closely monitored and managed. Currently, the segment has four oil mills with the fourth oil mill commenced in early November 2020, hence will contribute positively to the segment performance moving forward.

The hotels and resorts segment has been affected by the major lock downs happening across the world. Hotel in United Kingdom has been closed for business since April 2020 following the lock down and will resume business operation once lock down lifted as the mass vaccination programme getting under way across United Kingdom.

Healthcare segment will continue to focus on strengthening brand awareness and positioning the hospital for sustainable growth. Following the MCO that arose with the current COVID-19 pandemic, there was a sharp decline in patient admissions. Patient sentiments has been gradually improve following the easing of MCO restrictions.

The Board is mindful of the seismic shifts that the COVID-19 pandemic has brought about to the domestic and global economies. The Board will navigate the challenges ahead and formulate plans to strengthen further the Group's solid foundation for a sustainable growth.

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

Not Applicable.

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16. Taxation

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31 Mar21 RM'000 (Unaudited)	Preceding Year Quarter 31 Mar 20 RM'000 (Unaudited)	Current Year To date 31 Mar 21 RM'000 (Unaudited)	Preceding Year To date 31 Mar 20 RM'000 (Unaudited)
Current taxation				
Malaysian taxation				
- Based on profit for the period	1,886	1,822	1,886	1,822
- Under provision in respect of prior period	56	58	56	58
	1,942	1,880	1,942	1,880
Foreign taxation				
- Based on profit for the period	28,412	16,225	28,412	16,225
	30,354	18,105	30,354	18,105
Deferred taxation				
- Current period	5,122	(25)	5,122	(25)
- Over provision in respect of prior period	(78)	(3,293)	(78)	(3,293)
	5,044	(3,318)	5,044	(3,318)
	<u>35,398</u>	<u>14,787</u>	<u>35,398</u>	<u>14,787</u>

17. 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 15 July 2020 for the buy-back of up to 10% or up to 62,039,363 ordinary stocks. There were no stocks buy-back for the period to date.

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18. Group Borrowings

	Interest rate %	Borrowings denominated in		Source Currency	RM Equivalent RM'000	Total RM'000
		Ringgit	← Foreign Currencies →			
Short Term		RM'000			RM'000	
		I			II	I + II
Lease obligations	2.8	143		-	-	143
Borrowings – secured						
-Revolving credit	0.8 - 0.9	-	JPY 37.230 billion		1,396,615	1,396,615
-Term loans	1.8- 4.3	193	SGD 0.002 billion		5,736	5,929
Borrowings – unsecured						
-Bankers acceptance	2.4 - 3.0	14,083		-	-	14,083
-Revolving credit	1.5 - 2.9	6,500	JPY 8.715 billion		326,638	333,138
		20,919			1,728,989	1,749,908
Long Term						
Lease obligations	2.8	338		-	-	338
Term loans – secured	1.8 - 4.3	3,794	SGD 0.076 billion		226,501	230,295
		4,132			226,501	230,633
Total Borrowings		25,051			1,955,490	1,980,541

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19. Trade receivables

The ageing analysis of trade receivables (included under trade and other receivables category) as at 31 March 2021 is as follows:

	RM'000	%
Not past due	220,702	88.5
Past due less than 3 months	23,847	9.6
Past due 3-6 months	3,015	1.2
Past due 6-12 months	374	0.1
Past due more than 1 year	1,438	0.6
	<u>249,376</u>	<u>100.0</u>

The Group did not impair the past due trade receivables but monitor these receivables closely. No bad and past due debts are anticipated that could materially affect the financial results and financial position of the Group as a whole.

20. Changes in Material Litigations

Not applicable.

21. Dividend Proposed

A final single tier dividend of 8 sen per ordinary stock and special final single tier dividend of 6 sen per ordinary stock totalling RM49,628,946 and RM37,221,710 respectively have been recommended by the Directors in respect of the year ended 31 December 2020 payable on 15 July 2021, subject to approval of the stockholders at the forthcoming virtual 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 21 RM'000 (Unaudited)	Preceding Year Quarter 31 Mar 20 RM'000 (Unaudited)	Current Year To Date (One quarter to 31 Mar 21) RM'000 (Unaudited)	Preceding Year To Date (One quarter to 31 Mar 20) RM'000 (Unaudited)
Net profit/ (loss) for the period attributable to Stockholders of the Company (RM'000)	<u>122,047</u>	<u>(81,771)</u>	<u>122,047</u>	<u>(81,771)</u>
<i>Weighted average number of stocks in issue ('000)</i>	620,362	620,362	620,362	620,362
Basic earnings/ (loss) per stock (sen)	<u>19.67</u>	<u>(13.18)</u>	<u>19.67</u>	<u>(13.18)</u>

By Order of the Board

ONG TZE-EN
Company Secretary

DATED THIS 28 MAY 2021