



ORIENTAL HOLDINGS BERHAD

(Registration No. 196301000446 (5286-U))

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021

	As at End of Current Quarter 30 Sept 2021 RM'000 (Unaudited)	As at Preceding Financial Year End 31 Dec 2020 RM'000 (Audited)	Changes %
Assets			
Property, plant and equipment	1,942,190	1,931,858	0.5
Right-of-use assets	331,989	335,357	-1.0
Investment properties	1,091,934	1,109,922	-1.6
Intangible assets	22,873	22,539	1.5
Investments in associates	598,876	600,695	-0.3
Other investments	611,416	619,789	-1.4
Inventories	35,938	35,936	0.0
Other receivables	32,005	30,771	4.0
Deferred tax assets	58,851	59,189	-0.6
Total non-current assets	<u>4,726,072</u>	<u>4,746,056</u>	-0.4
Inventories	230,800	220,360	4.7
Biological assets	12,068	11,793	2.3
Trade and other receivables	328,503	381,787	-14.0
Current tax assets	15,811	22,882	-30.9
Other investments	1,318,890	1,416,252	-6.9
Cash and cash equivalents	3,587,508	3,211,313	11.7
Total current assets	<u>5,493,580</u>	<u>5,264,387</u>	4.4
Total assets	<u><u>10,219,652</u></u>	<u><u>10,010,443</u></u>	2.1
Equity			
Share capital	620,462	620,462	0.0
Reserves	1,236,789	1,224,321	1.0
Retained earnings	4,846,628	4,706,975	3.0
Treasury stocks	(249)	(249)	0.0
Total equity attributable to stockholders of the Company	<u>6,703,630</u>	<u>6,551,509</u>	2.3
Non-controlling interests	<u>946,743</u>	<u>814,476</u>	16.2
Total Equity	<u><u>7,650,373</u></u>	<u><u>7,365,985</u></u>	3.9
Liabilities			
Deferred tax liabilities	32,923	33,048	-0.4
Borrowings	228,801	226,257	1.1
Lease liabilities	25,914	27,861	-7.0
Contract liabilities	94,742	76,990	23.1
Retirement benefits	34,981	31,266	11.9
Total non-current liabilities	<u>417,361</u>	<u>395,422</u>	5.5
Trade and other payables	238,485	304,023	-21.6
Borrowings	1,850,575	1,828,206	1.2
Lease liabilities	4,333	6,952	-37.7
Current tax liabilities	54,727	42,675	28.2
Contract liabilities	3,798	29,958	-87.3
Dividend payables	-	37,222	0.0
Total current liabilities	<u>2,151,918</u>	<u>2,249,036</u>	-4.3
Total liabilities	<u><u>2,569,279</u></u>	<u><u>2,644,458</u></u>	-2.8
Total equity and liabilities	<u><u>10,219,652</u></u>	<u><u>10,010,443</u></u>	2.1
Net assets per stock (sen)	1080.55	1056.03	2.3

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 30 SEPTEMBER 2021

	Individual Quarter			Cumulative Quarters		
	Current Year Quarter 30 Sept 2021 RM'000 (Unaudited)	Preceding Year Quarter 30 Sept 2020 RM'000 (Unaudited)	Changes %	Current Year To Date (Three quarters to 30 Sept 2021) RM'000 (Unaudited)	Preceding Year To Date (Three quarters to 30 Sept 2020) RM'000 (Unaudited)	Changes %
Revenue	708,089	948,217	-25.3	2,361,483	2,374,274	-0.5
Results from operating activities	139,471	(37,387)	473.0	417,673	27,910	1396.5
Finance costs	(3,558)	(4,170)	14.7	(10,162)	(12,674)	19.8
Share of profits/ (loss) after tax of equity accounted associates	5,060	15,479	-67.3	28,257	(25,274)	211.8
Profit/ (Loss) before taxation	140,973	(26,078)	640.6	435,768	(10,038)	4441.2
Income tax expenses	(26,499)	(8,901)	-197.7	(74,769)	(34,948)	-113.9
Profit/ (Loss) from continuing operations	114,474	(34,979)	427.3	360,999	(44,986)	902.5
Other comprehensive income/ (expense), net of tax						
Foreign currency translation differences for foreign operations : - (loss)/ gain during the year	(22,556)	(62,776)	64.1	17,922	(49,891)	135.9
Fair value gain/ (loss) of equity instruments designated at fair value through other comprehensive income	6,125	(18,082)	133.9	(2,079)	(170,228)	98.8
Share of other comprehensive (expense) /income of equity accounted associates	(3)	(1,785)	99.8	3,221	(1,691)	290.5
Other comprehensive (expense)/ income for the period, net of tax	(16,434)	(82,643)	80.1	19,064	(221,810)	108.6
Total comprehensive income/ (expense) for the period	98,040	(117,622)	183.4	380,063	(266,796)	242.5
Profit/ (Loss) attributable to:						
Stockholders of the Company	68,656	14,987	358.1	225,631	11,688	1830.5
Non-controlling interests	45,818	(49,966)	191.7	135,368	(56,674)	338.9
Profit/ (Loss) for the period	114,474	(34,979)	427.3	360,999	(44,986)	902.5
Total comprehensive income/ (expense) attributable to:						
Stockholders of the Company	47,169	(41,492)	213.7	238,972	(164,490)	245.3
Non-controlling interests	50,871	(76,130)	166.8	141,091	(102,306)	237.9
Total comprehensive income/ (expense) for the period	98,040	(117,622)	183.4	380,063	(266,796)	242.5
<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)	11.07	2.42	357.4	36.37	1.88	1834.6

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	Individual Quarter		Cumulative Quarters	
	Current Year Quarter	Preceding Year Quarter	Current Year To Date (Three quarters to 30 Sept 2021)	Preceding Year To Date (Three quarters to 30 Sept 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	(12,295)	(16,344)	(37,627)	(60,279)
Other income including investment income	(19,959)	(5,687)	(24,600)	(8,585)
Interest expense	3,558	4,170	10,162	12,674
Depreciation and amortisation	36,916	37,053	112,214	111,068
Bad debts (recovered)/ written off	(59)	166	(221)	(356)
Write down of inventories	987	1,106	1,064	1,484
Write off of property, plant and equipment	146	19	222	63
(Gain)/ Loss on disposal of investments	(83)	368	318	97
Gain on disposal of property, plant and equipment	(287)	(277)	(2,410)	(1,111)
(Reversal)/ Provision of impairment loss on assets	(421)	555	(122)	(1)
Unrealised foreign exchange (gain)/ loss	(26,930)	98,035	(107,629)	114,888
Realised foreign exchange loss/ (gain)	522	1,069	(5,068)	(3,884)

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	← Attributable to stockholders of the Company →						Non-controlling interests	Total equity	
	Share capital	Translation reserve	Fair value reserve	Treasury stocks	Retained earnings	Capital reserve			Total
<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	-	(19,175)	-	-	-	-	(19,175)	(30,716)	(49,891)
Fair value of financial assets	-	-	(155,312)	-	-	-	(155,312)	(14,916)	(170,228)
Share of other comprehensive expense of equity accounted associates	-	-	(1,691)	-	-	-	(1,691)	-	(1,691)
Total other comprehensive expense for the period	-	(19,175)	(157,003)	-	-	-	(176,178)	(45,632)	(221,810)
Profit/(Loss) for the period	-	-	-	-	11,688	-	11,688	(56,674)	(44,986)
Total comprehensive (expense)/income for the period	-	(19,175)	(157,003)	-	11,688	-	(164,490)	(102,306)	(266,796)
Dividends to stockholders	-	-	-	-	(111,665)	-	(111,665)	-	(111,665)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(8,880)	(8,880)
Changes in ownership interests in a subsidiary	-	-	-	-	(2,622)	-	(2,622)	2,622	-
Share issued to non-controlling interests	-	-	-	-	-	-	-	3,920	3,920
Total transactions with owners	-	-	-	-	(114,287)	-	(114,287)	(2,338)	(116,625)
At 30 September 2020	620,462	839,278	243,945	(249)	4,643,848	40,248	6,387,532	771,599	7,159,131
 <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	-	15,029	-	-	-	-	15,029	2,893	17,922
Fair value of financial assets	-	-	(5,782)	-	873	-	(4,909)	2,830	(2,079)
Share of other comprehensive income of equity accounted	-	-	3,221	-	-	-	3,221	-	3,221
Total other comprehensive income/ (expense) for the period	-	15,029	(2,561)	-	873	-	13,341	5,723	19,064
Profit for the year	-	-	-	-	225,631	-	225,631	135,368	360,999
Total comprehensive income/ (expense) for the period	-	15,029	(2,561)	-	226,504	-	238,972	141,091	380,063
Dividends to stockholders	-	-	-	-	(86,851)	-	(86,851)	-	(86,851)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(8,824)	(8,824)
Total transactions with owners	-	-	-	-	(86,851)	-	(86,851)	(8,824)	(95,675)
At 30 September 2021	620,462	905,003	291,538	(249)	4,846,628	40,248	6,703,630	946,743	7,650,373

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	Current Year To Date (Three quarters to 30 Sept 2021) RM'000 (Unaudited)	Preceding Year To Date (Three quarters to 30 Sept 2020) RM'000 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/ (Loss) before tax	435,768	(10,038)
Adjustments for:		
Non-cash items	(1,280)	226,721
Non-operating items	(82,610)	(31,757)
Operating profit before working capital changes	351,878	184,926
Changes in working capital	(26,079)	61,696
Cash flow from operating activities	325,799	246,622
Dividend received, net	56,218	13,038
Tax paid	(57,238)	(49,593)
Interest paid	(9,180)	(12,276)
Payment of retirement benefits	(439)	(213)
<i>Net cash flows from operating activities</i>	315,160	197,578
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure	(91,638)	(107,860)
Purchase of investments	(7,640)	(104,564)
Proceeds from disposal of investments	81,003	64,970
Interest received	37,580	62,616
Decrease in short term investments, net	35,804	352,990
<i>Net cash flows from investing activities</i>	55,109	268,152

CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

	Current Year To Date (Three quarters to 30 Sept 2021) RM'000 (Unaudited)	Preceding Year To Date (Three quarters to 30 Sept 2020) RM'000 (Unaudited)
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank borrowings (net)	84,158	83,808
Lease liabilities (net)	(6,820)	(5,967)
Dividends paid to stockholders	(124,072)	(111,665)
Fixed deposits pledged for banking facilities	(8,590)	15,047
Dividends paid to non-controlling interests	(8,824)	(8,880)
Proceeds from issue of shares to non-controlling interest	-	3,920
<i>Net cash flows used in financing activities</i>	(64,148)	(23,737)
Net increase in cash and cash equivalents	306,121	441,993
Cash and cash equivalents at 1 January	2,498,860	2,222,934
Effects of exchange rates on cash and cash equivalents	61,484	(65,171)
Cash and cash equivalents at 30 September (Note 1)	<u>2,866,465</u>	<u>2,599,756</u>

NOTE

1 Cash and cash equivalents consist of: -

	RM'000	RM'000
Cash and bank balances	1,911,532	1,571,063
Fixed deposits	1,487,478	1,507,359
Bank overdrafts	-	(114)
Unit trust money market funds	188,498	214,133
	<u>3,587,508</u>	<u>3,292,441</u>
Less:		
Deposits pledged	(721,043)	(692,685)
	<u>2,866,465</u>	<u>2,599,756</u>

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SELECTED EXPLANATORY NOTES
TO THE INTERIM FINANCIAL REPORT
30 SEPTEMBER 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
30 SEPTEMBER 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*
- Amendments to MFRS 112, *Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

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.

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
30 SEPTEMBER 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:

- i) an interim single tier dividend of 6 sen per ordinary stock (2019 : 12 sen per ordinary stock) totalling RM37,221,710 in respect of the financial year ended 31 December 2020 on 21 January 2021; and
- ii) a second interim single tier dividend of 8 sen per ordinary stock and special interim single tier dividend of 6 sen per ordinary stock (2019 : a single tier final dividend of 8 sen per ordinary stock and single tier final special dividend of 10 sen per ordinary stock) totalling RM86,850,656 in respect of the financial year ended 31 December 2020 on 15 July 2021.

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SELECTED EXPLANATORY NOTES
TO THE INTERIM FINANCIAL REPORT
30 SEPTEMBER 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
30 September 2021											
Revenue from external customers	1,143,925	122,104	145,901	622,384	21,986	227,089	78,094	2,361,483	-		2,361,483
Inter-segment revenue	580	363	241	-	11,481	83	98	12,846	(12,846)		-
Total revenue	<u>1,144,505</u>	<u>122,467</u>	<u>146,142</u>	<u>622,384</u>	<u>33,467</u>	<u>227,172</u>	<u>78,192</u>	<u>2,374,329</u>	<u>(12,846)</u>		<u>2,361,483</u>
Results											
Segment profit	<u>40,328</u>	<u>7,614</u>	<u>18,024</u>	<u>305,265</u>	<u>40,493</u>	<u>3,556</u>	<u>2,393</u>	<u>417,673</u>	<u>18,095</u>	A	<u>435,768</u>
Assets											
Segment assets	<u>3,352,205</u>	<u>310,677</u>	<u>1,069,147</u>	<u>2,869,328</u>	<u>608,862</u>	<u>1,111,153</u>	<u>224,742</u>	<u>9,546,114</u>	<u>673,538</u>	B	<u>10,219,652</u>

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SELECTED EXPLANATORY NOTES
TO THE INTERIM FINANCIAL REPORT
30 SEPTEMBER 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:

	30 September 2021
	RM'000
Share of results of associates	28,257
Finance costs	<u>(10,162)</u>
	<u>18,095</u>

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

	30 September 2021
	RM'000
Investment in associates	598,876
Current tax assets	15,811
Deferred tax assets	<u>58,851</u>
	<u>673,538</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.

The Company has further subscribed in rights issue of 6,119,592 ordinary shares and renounceable rights issue of 1,529,898 ordinary shares at an issue price of RM1.00 each in Melaka Straits Medical Centre Sdn. Bhd. (“MSMC”), its direct 51% owned subsidiary. The Company holds 51.68% in MSMC upon completion of the application on 1 October 2021.

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SELECTED EXPLANATORY NOTES
TO THE INTERIM FINANCIAL REPORT
30 SEPTEMBER 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 2,361.5 million, a decrease of 0.5% or RM 12.8 million as compared to RM 2,374.3 million in the corresponding period last year. The decrease in revenue was mainly attributed to the lower contribution from the automotive segment with overall decrease in number of cars sold from retail operations.

The Group recorded an operating profit of RM 417.7 million (2020 : RM 27.9 million), increased by RM 389.8 million mainly attributed from plantation segment.

The Group recorded year to date profit before tax of RM 435.8 million compared to the loss before tax of RM 10.0 million in the corresponding period last year was mainly attributed to higher contribution from plantation segment.

Segmental Analysis

Performance for each operating segment is as follows:-

The revenue from the automotive segment decreased by 20.9% to RM 1,143.9 million while operating profit decreased by 58.2% to RM 40.3 million.

For the retail operations in Singapore, revenue and operating profit decreased by 32.3% and 55.6% respectively mainly due to the lower number of cars sold by 50.5% especially for Honda Jazz, HRV and Civic models impacted by the reduction in supply of Certificate of Entitlement (COE) quota and slow down business activities due to COVID-19 restrictions.

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SELECTED EXPLANATORY NOTES
TO THE INTERIM FINANCIAL REPORT
30 SEPTEMBER 2021 (Cont'd)

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

For the retail operations in Malaysia, revenue decreased by 9.7% and recorded operating loss attributed to the 8.0% dropped in the number of cars sold mainly due to FMCO from June to August 2021 with closure of showroom and limited services intake.

The plantation segment generated a revenue of RM 622.4 million, an increase of 72.1% compared to corresponding period last year of RM 361.7 million and recorded an operating profit of RM 305.3 million (2020 operating loss : RM 61.5 million). Higher revenue was contributed by the increase in CPO and PK sales volume by 28.2% and 43.3% respectively as well as CPO and PK selling price by 39.4% and 61.8% respectively. The segment's operating profit was also attributable to the favourable unrealised foreign exchange gain of RM 90.0 million (2020 unrealised foreign exchange loss : RM 116.3 million) from the strengthening of the IDR against the JPY denominated borrowings.

The plastic segment recorded a decrease in revenue of 14.7% to RM 122.1 million while recorded an operating profit of RM 7.6 million (2020 : RM 1.6 million). The lower revenue mainly due to lower sales order from automotive and electronics customers. Besides, plastic segment has a shorter period of suspension of production activities in June 2021 compared to last year lockdown period from mid-March to May 2020. Higher operating profit mainly attributable to better cost management and wage subsidy received from Wage Subsidy Program.

Hotels and resorts segment recorded a 14.0% increase in revenue to RM 145.9 million and recorded an operating profit of RM 18.0 million (2020 operating loss : RM 0.9 million). Overall average room rates and occupancy rates have been gradually recovering especially for Australia and United Kingdom hotels since the emergence of worldwide COVID-19 pandemic cases in mid-March 2020. The relaxation of broad-based travel restrictions and reopen of United Kingdom's borders to fully vaccinated travellers from United States and Europe in early August 2021 brings a promising outlook for the tourism sectors.

Revenue for the investment holding segment increased by 202.7% to RM 22.0 million and recorded an operating profit of RM 40.5 million (2020 operating loss : RM 6.7 million) mainly attributable to dividend received from other investments and the unrealised foreign exchange gain of RM 28.9 million (2020 : RM 0.1 million) on the JPY denominated borrowings.

The investment properties and trading of building material products segment recorded a 3.5% increase in revenue to RM 227.1 million and operating profit of RM 3.6 million (2020 : RM 2.4 million) in line with higher sales volume and improved sales margin compared to corresponding period last year.

Healthcare segment's revenue increased by 14.2% to RM 78.1 million and recorded an operating profit of RM 2.4 million (2020 operating loss : RM 3.4 million) in line with the increase in number of patients by 14.3%.

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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 third quarter of 2021 was RM 708.1 million, a decline of RM 55.0 million or 7.2% from RM 763.1 million in Q2FY21, mainly due to lower contribution from automotive segment by RM 85.6 million attributed to the lower number of cars sold from retail operations.

The Group recorded an operating profit of RM 139.5 million (Q2FY21 : RM 70.3 million) mainly due to higher unrealised foreign exchange gain in Q3FY21 of RM 26.9 million (Q2FY21 : RM 2.9 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 Q3FY21 of RM 141.0 million compared to a profit before tax of RM 66.8 million for Q2FY21 mainly derived from the unrealised foreign exchange gain from plantation and investment holding segments.

Segmental Analysis

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

Revenue from automotive segment decreased by 23.1% to RM 285.3 million while operating profit decreased to RM 0.4 million (Q2FY21 : RM 10.8 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 34.2% and 18.8% respectively. With the implementation of full lockdown in Malaysia effective June 2021, sales operations in Malaysia were halted especially in the month of June to August 2021 while cars servicing operating at limited capacity.

Revenue from plantation segment increased by 5.2% to RM 224.0 million (Q2FY21 : RM 213.0 million) mainly due to higher CPO sales volume and average selling price by 0.7% and 12.9% respectively compared to Q2FY21. The segment recorded an operating profit of RM 108.8 million (Q2FY21 : RM 57.4 million) in line with higher sales coupled with favourable unrealised foreign exchange gain of RM 30.5 million (Q2FY21 : RM 7.3 million) from the strengthening of the IDR against the JPY denominated borrowings.

Revenue for plastic segment decreased by 3.0% to RM 33.7 million (Q2FY21 : RM 34.7 million) while recorded an operating profit of RM 1.4 million (Q2FY21 : RM 0.6 million) mainly attributable to lower overhead cost and wage subsidy received.

Revenue for hotels and resorts segment decreased by 7.3% to RM 48.0 million (Q2FY21 : RM 51.8 million) and recorded an operating profit of RM 6.6 million (Q2FY21 : RM 6.7 million) in line with lower occupancy rates from Australia and New Zealand hotels due to lockdown restrictions in July to October 2021 and August to September 2021 respectively. In addition, New Zealand hotels received wage subsidies for Q3FY21 (Q2FY21 : Nil).

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Revenue for investment holding segment increased by 1,035.0% to RM 18.8 million (Q2FY21 : RM 1.7 million) and recorded an operating profit of RM 18.0 million (Q2FY21 operating loss : RM 4.0 million). The profit was attributable to dividend received from other investments.

Revenue for investment properties and trading of building material products segment increased by 9.0% to RM 70.6 million (Q2FY21 : RM 64.8 million) and recorded an operating profit of RM 2.7 million (Q2FY21 operating loss : RM 2.1 million) as increased of the segment production operating capacity and selling price in the current quarter compared to Q2FY21 and land tax payment for 2021 in Q2FY21.

Revenue for healthcare segment increased by 5.4% to RM 27.7 million (Q2FY21 : RM 26.3 million) and recorded an operating profit of RM 1.6 million (Q2FY21 : RM 1.0 million) mainly derived from higher number of patients in the current quarter compared to Q2FY21.

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 lockdown 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/ FMCO 3.0 were implemented nationwide effective 12 May 2021 and 1 June 2021 respectively. Malaysia and Singapore will launch a vaccinated travel lane (VTL) between Changi Airport and Kuala Lumpur International Airport on 29 November 2021. Under the VTL, fully vaccinated travellers will be able to travel between Malaysia and Singapore, and be subject to COVID-19 tests in lieu of serving quarantine or stay-home notice.

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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 the industry players. Quarter 4 sales from retail operations in Malaysia will be gradually improved with the extension period of vehicle sales tax exemption further extended to June 2022. Shortage of vital components such as semiconductor chips continue to be a concern for certain models line up. We will continuing monitor the situation to improve the performance of the segment.

The plastic segment continues to face competitive environment from other industry players and the 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.

The hotels and resorts segment has been affected by the major lockdowns across the world. Hotel in United Kingdom has been closed for business since April 2020 and has resumed business operation in May 2021 resulting from easing of lockdown restrictions after the rapid mass vaccination programme across United Kingdom. The lockdown restrictions in Australia (July to October 2021) and New Zealand (August to September 2021) had reduced the performance of the segment.

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 30 Sept 21 RM'000 (Unaudited)	Preceding Year Quarter 30 Sept 20 RM'000 (Unaudited)	Current Year To date 30 Sept 21 RM'000 (Unaudited)	Preceding Year To date 30 Sept 20 RM'000 (Unaudited)
Current taxation				
Malaysian taxation				
- Based on profit for the period	3,371	912	7,722	3,284
- Under provision in respect of prior period	169	3	205	61
	3,540	915	7,927	3,345
Foreign taxation				
- Based on profit for the period	22,703	10,991	67,452	34,747
	26,243	11,906	75,379	38,092
Deferred taxation				
- Current period	256	(3,005)	(531)	149
- Over provision in respect of prior period	-	-	(79)	(3,293)
	256	(3,005)	(610)	(3,144)
	26,499	8,901	74,769	34,948

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 27 October 2021 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		Total RM'000 I + II
		Ringgit RM'000 I	← Foreign Currencies → Source Currency RM Equivalent RM'000 II	
Short Term				
Hire purchase financing	2.5 - 2.9	165	-	165
Borrowings – secured				
-Revolving credit	0.8 - 1.4	-	JPY 39.680 billion	1,493,365
-Term loans	1.8 - 4.3	255	SGD 0.001 billion	1,804
Borrowings – unsecured				
-Bankers acceptance	2.4 - 2.7	27,082	-	27,082
-Revolving credit	1.5 - 2.9	8,000	JPY 8.515 billion	319,904
		35,502		1,815,073
				1,850,575
Long Term				
Hire purchase financing	2.5 - 2.9	516	-	516
Term loans – secured	1.8 - 4.3	3,873	SGD 0.073 billion	224,412
		4,389		224,412
				228,801
Total Borrowings		39,891		2,039,485
				2,079,376

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19. Trade receivables

The ageing analysis of trade receivables (included under trade and other receivables category) as at 30 September 2021 is as follows:

	RM'000	%
Not past due	167,459	82.8
Past due less than 3 months	28,583	14.1
Past due 3-6 months	3,952	2.0
Past due 6-12 months	1,110	0.6
Past due more than 1 year	1,108	0.5
	<hr/> 202,212	<hr/> 100.0

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

The Board of Directors proposed an interim dividend of 10 sen per ordinary stock (2020 : 6 sen per ordinary stock) totalling RM62,036,183 in respect of the financial year ending 31 December 2021. The dividend will be payable on 20 January 2022 to depositors registered in the Record of Depositors at close of business on 31 December 2021.

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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 30 Sept 21 RM'000 (Unaudited)	Preceding Year Quarter 30 Sept 20 RM'000 (Unaudited)	Current Year To Date (Three quarters to 30 Sept 21) RM'000 (Unaudited)	Preceding Year To Date (Three quarters to 30 Sept 20) RM'000 (Unaudited)
Net profit/ (loss) for the period attributable to Stockholders of the Company (RM'000)	<u>68,656</u>	<u>14,987</u>	<u>225,631</u>	<u>11,688</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>11.07</u>	<u>2.42</u>	<u>36.37</u>	<u>1.88</u>

By Order of the Board

ONG TZE-EN
Company Secretary

DATED THIS 23 NOVEMBER 2021