

ORIENTAL HOLDINGS BERHAD

(Registration No. 196301000446 (5286-U))

(Incorporated in Malaysia)

FINANCIAL REPORT

31 MARCH 2022

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

INTERIM FINANCIAL REPORT
31 MARCH 2022

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ORIENTAL HOLDINGS BERHAD

(Registration No. 196301000446 (5286-U))

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

	As at End of Current Quarter 31 Mar 2022 RM'000 (Unaudited)	As at Preceding Financial Year End 31 Dec 2021 RM'000 (Audited)	Changes %
Assets			
Property, plant and equipment	1,927,759	1,919,410	0.4
Right-of-use assets	326,264	328,170	-0.6
Investment properties	1,108,691	1,095,528	1.2
Intangible assets	23,020	23,059	-0.2
Investments in associates	638,984	624,502	2.3
Other investments	671,553	679,934	-1.2
Deferred tax assets	58,335	57,451	1.5
Inventories	35,887	35,941	-0.2
Other receivables	31,156	31,141	0.0
Total non-current assets	<u>4,821,649</u>	<u>4,795,136</u>	0.6
Inventories	268,585	239,028	12.4
Biological assets	15,662	15,615	0.3
Trade and other receivables	399,208	357,770	11.6
Current tax assets	13,127	13,982	-6.1
Other investments	1,806,240	1,426,929	26.6
Cash and cash equivalents	3,299,750	3,526,066	-6.4
Assets classified as held for sale	-	16,018	-100.0
Deferred tax assets	-	58,655	-100.0
Total current assets	<u>5,802,572</u>	<u>5,654,063</u>	2.6
Total assets	<u><u>10,624,221</u></u>	<u><u>10,449,199</u></u>	1.7
Equity			
Share capital	620,462	620,462	0.0
Reserves	1,334,188	1,275,796	4.6
Retained earnings	5,025,286	4,881,515	2.9
Treasury stocks	(249)	(249)	0.0
Total equity attributable to stockholders of the Company	<u>6,979,687</u>	<u>6,777,524</u>	3.0
Non-controlling interests	<u>1,062,297</u>	<u>980,160</u>	8.4
Total Equity	<u><u>8,041,984</u></u>	<u><u>7,757,684</u></u>	3.7
Liabilities			
Borrowings	149,162	147,829	0.9
Lease liabilities	21,549	22,250	-3.2
Contract liabilities	72,546	47,816	51.7
Retirement benefits	25,816	26,235	-1.6
Deferred tax liabilities	46,864	41,516	12.9
Total non-current liabilities	<u>315,937</u>	<u>285,646</u>	10.6
Borrowings	1,804,720	1,866,950	-3.3
Lease liabilities	4,644	6,031	-23.0
Current tax liabilities	137,701	116,009	18.7
Trade and other payables	316,876	327,572	-3.3
Contract liabilities	2,359	27,271	-91.3
Dividends payable	-	62,036	-100.0
Total current liabilities	<u>2,266,300</u>	<u>2,405,869</u>	-5.8
Total liabilities	<u>2,582,237</u>	<u>2,691,515</u>	-4.1
Total equity and liabilities	<u><u>10,624,221</u></u>	<u><u>10,449,199</u></u>	1.7
Net assets per stock (sen)	1125.04	1092.46	3.0

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2022

	Individual Quarter		Changes %	Cumulative Quarters		Changes %
	Current Year Quarter 31 Mar 2022 RM'000 (Unaudited)	Preceding Year Quarter 31 Mar 2021 RM'000 (Unaudited)		Current Year To Date (One quarter to 31 Mar 2022) RM'000 (Unaudited)	Preceding Year To Date (One quarter to 31 March 2021) RM'000 (Unaudited)	
Revenue	939,961	890,296	5.6	939,961	890,296	5.6
Results from operating activities	425,959	207,860	104.9	425,959	207,860	104.9
Finance costs	(3,012)	(2,977)	(1.2)	(3,012)	(2,977)	(1.2)
Share of profits after tax of equity accounted associates	18,016	23,082	(21.9)	18,016	23,082	(21.9)
Profit before taxation	440,963	227,965	93.4	440,963	227,965	93.4
Tax expense	(94,225)	(35,398)	(166.2)	(94,225)	(35,398)	(166.2)
Profit from continuing operations	346,738	192,567	80.1	346,738	192,567	80.1
Other comprehensive income, net of tax						
Foreign currency translation differences for foreign operations :						
- gain during the period	47,610	48,501	(1.8)	47,610	48,501	(1.8)
Fair value gain of equity instruments designated at fair value through other comprehensive income	14,024	10,495	33.6	14,024	10,495	33.6
Share of other comprehensive income of equity accounted associates	-	200	(100.0)	-	200	(100.0)
Other comprehensive income for the period, net of tax	61,634	59,196	4.1	61,634	59,196	4.1
Total comprehensive income for the period	408,372	251,763	62.2	408,372	251,763	62.2
Profit attributable to:						
Stockholders of the Company	267,843	122,047	119.5	267,843	122,047	119.5
Non-controlling interests	78,895	70,520	11.9	78,895	70,520	11.9
Profit for the period	346,738	192,567	80.1	346,738	192,567	80.1
Total comprehensive income attributable to:						
Stockholders of the Company	326,235	178,379	82.9	326,235	178,379	82.9
Non-controlling interests	82,137	73,384	11.9	82,137	73,384	11.9
Total comprehensive income for the period	408,372	251,763	62.2	408,372	251,763	62.2
<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)	43.18	19.67	119.5	43.18	19.67	119.5

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2022

	Individual Quarter		Cumulative Quarters	
	Current Year Quarter 31 Mar 2022 RM'000 (Unaudited)	Preceding Year Quarter 31 Mar 2021 RM'000 (Unaudited)	Current Year To Date (One quarter to 31 Mar 2022) RM'000 (Unaudited)	Preceding Year To Date (One quarter to 31 March 2021) RM'000 (Unaudited)
Included in the Total Comprehensive Expense/Income for the period are the followings :				
Interest income	(12,856)	(13,386)	(12,856)	(13,386)
Other income including investment income	(612)	(971)	(612)	(971)
Interest expense	3,012	2,977	3,012	2,977
Depreciation and amortisation	39,278	38,293	39,278	38,293
Bad debts recovered	-	(62)	-	(62)
Write down/ (Reversal of write down) of inventories	189	(131)	189	(131)
Property, plant and equipment write off	84	49	84	49
Loss on disposal of investments	120	401	120	401
Gain on disposal of property, plant and equipment	(211,162)	(1,364)	(211,162)	(1,364)
(Reversal)/ Provision of impairment loss on assets	(139)	300	(139)	300
Unrealised foreign exchange gain	(90,960)	(77,856)	(90,960)	(77,856)
Realised foreign exchange loss/ (gain)	445	(5,133)	445	(5,133)

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2022

	← Attributable to stockholders of the Company →						Total	Non-controlling interests	Total equity
	Share capital	Translation reserve	Fair value reserve	Treasury stocks	Retained earnings	Capital reserve			
<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 period	-	49,967	6,365	-	-	-	56,332	2,864	59,196
Profit for the period	-	-	-	-	122,047	-	122,047	70,520	192,567
Total comprehensive income for the period	-	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
<i>In thousands of RM</i>									
At 1 January 2022	620,462	915,086	320,462	(249)	4,881,515	40,248	6,777,524	980,160	7,757,684
Foreign currency translation differences for foreign operations	-	41,919	-	-	-	-	41,919	5,691	47,610
Fair value of financial assets	-	-	16,473	-	-	-	16,473	(2,449)	14,024
Total other comprehensive income for the period	-	41,919	16,473	-	-	-	58,392	3,242	61,634
Profit for the period	-	-	-	-	267,843	-	267,843	78,895	346,738
Total comprehensive income for the period	-	41,919	16,473	-	267,843	-	326,235	82,137	408,372
Dividends to stockholders	-	-	-	-	(124,072)	-	(124,072)	-	(124,072)
Total transactions with owners	-	-	-	-	(124,072)	-	(124,072)	-	(124,072)
At 31 March 2022	620,462	957,005	336,935	(249)	5,025,286	40,248	6,979,687	1,062,297	8,041,984

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2022

	Current Year To Date (One quarter to 31 Mar 2022) RM'000 (Unaudited)	Preceding Year To Date (One quarter to 31 March 2021) RM'000 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	440,963	227,965
Adjustments for:		
Non-cash items	(48,765)	(35,073)
Non-operating items	(240,671)	(35,520)
Operating profit before working capital changes	151,527	157,372
Changes in working capital	(82,294)	(13,658)
Cash flows from operating activities	69,233	143,714
Dividend received, net	6,264	837
Tax paid	(7,888)	(23,142)
Interest paid	(4,182)	(2,042)
Payment of retirement benefits	(264)	(177)
<i>Net cash flows from operating activities</i>	63,163	119,190
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure	(36,563)	(29,629)
Assets classified as held for sale	228,627	-
Purchase of investments	(43,289)	(2,795)
Proceeds from disposal of investments	7,176	60,664
Interest received	12,601	13,296
(Increase)/ Decrease in short term investments, net	(318,542)	67,513
<i>Net cash flows (used in)/ from investing activities</i>	(149,990)	109,049

CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

	Current Year To Date (One quarter to 31 Mar 2022) RM'000 (Unaudited)	Current Year To Date (One quarter to 31 March 2021) RM'000 (Unaudited)
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank borrowings (net)	17,049	(8,821)
Lease liabilities (net)	998	(2,763)
Dividends paid to stockholders	(186,109)	(37,222)
Fixed deposits pledged for banking facilities	(6,598)	(4,586)
<i>Net cash flows used in financing activities</i>	(174,660)	(53,392)
Net (decrease)/ increase in cash and cash equivalents	(261,487)	174,847
Cash and cash equivalents at 1 January	2,780,112	2,498,860
Effects of exchange rates on cash and cash equivalents	28,573	35,230
Cash and cash equivalents at 31 March (Note 1)	<u>2,547,198</u>	<u>2,708,937</u>

NOTE

1 Cash and cash equivalents consist of: -

	RM'000	RM'000
Cash and bank balances	1,621,997	1,696,431
Fixed deposits	1,573,268	1,555,713
Unit trust money market funds	104,485	173,832
	<u>3,299,750</u>	<u>3,425,976</u>
Less:		
Deposits pledged	(752,552)	(717,039)
	<u>2,547,198</u>	<u>2,708,937</u>

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SELECTED EXPLANATORY NOTES
TO THE INTERIM FINANCIAL REPORT
31 MARCH 2022

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 2021. 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 2021.

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 2021.

The adoption of the following amendments and annual improvements to existing accounting standards that came into effect on or after 1 January 2022 which are applicable to the Group, did not have any significant financial impact on the condensed consolidated interim financial statements upon their initial application.

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

- Amendment 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 2022 (Cont'd)

1. Basis of Preparation (Cont'd)

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 January 2023

- MFRS 17, *Insurance Contracts*
- Amendments to MFRS 17, *Insurance Contracts – Initial application of MFRS 17 and MFRS 9 – Comparative Information*
- 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 on 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.

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SELECTED EXPLANATORY NOTES
TO THE INTERIM FINANCIAL REPORT
31 MARCH 2022 (Cont'd)

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:

- i) a first interim single tier dividend of 10 sen per ordinary stock (FY2020 : 6 sen per ordinary stock) totalling RM62,036,183 in respect of the financial year ended 31 December 2021 on 20 January 2022; and
- ii) a second interim single tier dividend of 20 sen per ordinary stock (FY2020 : 8 sen per ordinary stock and a single tier special interim dividend of 6 sen per ordinary stock) totalling RM124,072,366 in respect of the financial year ended 31 December 2021 on 29 March 2022.

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**SELECTED EXPLANATORY NOTES
TO THE INTERIM FINANCIAL REPORT
31 MARCH 2022 (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 2022											
Revenue from external customers	458,959	57,517	46,599	240,090	2,068	113,494	21,234	939,961	-		939,961
Inter-segment revenue	146	201	23	-	-	36	652	1,058	(1,058)		-
Total revenue	<u>459,105</u>	<u>57,718</u>	<u>46,622</u>	<u>240,090</u>	<u>2,068</u>	<u>113,530</u>	<u>21,886</u>	<u>941,019</u>	<u>(1,058)</u>		<u>939,961</u>
Results											
Segment profit	<u>23,619</u>	<u>3,991</u>	<u>212,075</u>	<u>164,591</u>	<u>16,757</u>	<u>3,990</u>	<u>936</u>	<u>425,959</u>	<u>15,004</u>	A	<u>440,963</u>
Assets											
Segment assets	<u>3,235,600</u>	<u>323,408</u>	<u>1,289,256</u>	<u>2,973,167</u>	<u>733,066</u>	<u>1,135,452</u>	<u>223,826</u>	<u>9,913,775</u>	<u>710,446</u>	B	<u>10,624,221</u>

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SELECTED EXPLANATORY NOTES
TO THE INTERIM FINANCIAL REPORT
31 MARCH 2022 (Cont'd)

8. Segment Revenue and Results (Cont'd)

Notes *Nature of reconciliations 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 statement of profit or loss and other comprehensive income:

	31 March 2022
	RM'000
Share of results of associates	18,016
Finance costs	(3,012)
	<u>15,004</u>

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

	31 March 2022
	RM'000
Investment in associates	638,984
Current tax assets	13,127
Deferred tax assets	58,335
	<u><u>710,446</u></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.

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SELECTED EXPLANATORY NOTES
TO THE INTERIM FINANCIAL REPORT
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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 940.0 million, an increase of 5.6% or RM 49.7 million as compared to RM 890.3 million in the corresponding period last year. The increase in revenue was mainly attributed to the higher contribution from the plantation segment with overall increase in CPO and PK selling prices.

The Group recorded an operating profit of RM 426.0 million (2021 : RM 207.9 million), increased by RM 218.1 million mainly attributed from plantation and hotels and resorts segments.

The Group recorded year to date profit before tax of RM 441.0 million compared to the profit before tax of RM 228.0 million in the corresponding period last year was mainly attributed to higher contribution from hotels and resorts and plantation segments.

Segmental Analysis

Performance for each operating segment is as follows:-

The revenue from the automotive segment decreased by 5.9% to RM 459.0 million while operating profit decreased by 18.9% to RM 23.6 million.

For the retail operations in Singapore, revenue and operating profit decreased by 39.5% and 31.8% respectively mainly due to the lower number of cars sold by 51.3% especially for Honda Civic, Odyssey, Jazz and CRV models impacted by the reduction in supply of Certificate of Entitlement (COE) quota.

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

For the retail operations in Malaysia, revenue and operating profit increased by 26.2% and 14.0% respectively attributed to higher number of cars sold by 30.3%. Higher sales for Q1FY22 as a result of earlier months stock shortages arising from global chip shortage, and fulfilling of outstanding orders in current quarter which translated to increase in sales.

The plantation segment generated a revenue of RM 240.1 million, an increase of 29.6% compared to corresponding period last year of RM 185.3 million and recorded an operating profit of RM 164.6 million (2021 : RM 139.1 million). Higher revenue was contributed by the increase in CPO and PK selling price by 50.6% and 91.4% respectively. The segment's operating profit was also attributable to the favourable unrealised foreign exchange gain of RM 72.5 million (2021: RM 52.1 million) from the strengthening of the IDR against the JPY denominated borrowings.

The plastic segment recorded an increase in revenue of 7.1% to RM 57.5 million (2021 : RM 53.7 million) while recorded an operating profit of RM 4.0 million (2021 : RM 5.7 million). The slight improvement in revenue was mainly due to higher sales order from automotive customers from new model launched. Despite higher revenue, operating profit was lower mainly due to lower margin as higher operational expenses from materials, and packaging costs as well as increased in labour costs due to shortage of labour force in the market.

Hotels and resorts segment recorded revenue of RM 46.6 million (2021 : RM 46.0 million) and recorded significant increase in operating profit of RM 212.1 million (2021 : RM 4.7 million). Significant increase in operating profit was mainly due to gain on disposal of one of the hotel in Melbourne, Australia of RM 210.0 million.

Revenue for the investment holding segment increased by 32.7% to RM 2.1 million (2021 : RM 1.6 million) and recorded an operating profit of RM 16.8 million (2021 : RM 26.5 million) mainly attributable to higher interest income offset with lower unrealised foreign exchange gain of RM 16.1 million (2021 : RM 23.7 million) on the JPY denominated borrowings.

The investment properties and trading of building material products segment recorded a 23.7% increase in revenue to RM 113.5 million (2021 : RM 91.7 million) and operating profit of RM 4.0 million (2021 : RM 3.0 million) in line with higher selling price and improved in operating profit due to cost control especially in administrative expenses.

Healthcare segment's operating profit remained low at RM 0.9 million (2021 operating loss : RM 0.2 million) while recorded an increase in number of patients by 25.0%.

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SELECTED EXPLANATORY NOTES
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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 2022 was RM 940.0 million, an increase of RM 35.4 million or 3.9% from RM 904.6 million in Q4FY21, mainly due to higher contribution from plantation segment by RM 33.5 million attributed to the higher CPO and PK selling prices.

The Group recorded an operating profit of RM 426.0 million (Q4FY21 : RM 163.6 million) mainly due to higher contribution from hotels and resorts and plantation segments.

The Group recorded a profit before tax for Q1FY22 of RM 441.0 million compared to a profit before tax of RM 171.0 million for Q4FY21 mainly derived from the contribution from hotels and resorts, plantation and investment holding segments and 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 2.1% to RM 459.0 million (Q4FY21 : RM 468.9 million) and operating profit decreased to RM 23.6 million (Q4FY21 : RM 32.6 million). The decrease in revenue and operating profit were mainly due to the lower number of cars sold from retail operations by 2.4% as well as reduction in supply of Certificate of Entitlement (COE) quota for Singapore market.

Revenue from plantation segment increased by 16.2% to RM 240.1 million (Q4FY21 : RM 206.6 million) mainly due to higher CPO and PK sales volume by 6.8% and 25.9% respectively and CPO and PK selling price by 14.1% and 36.0% respectively compared to Q4FY21. The segment recorded an operating profit of RM 164.6 million (Q4FY21 : RM 135.5 million) in line with favourable unrealised foreign exchange gain of RM 72.5 million (Q4FY21 : RM 56.4 million) from the strengthening of the IDR against the JPY denominated borrowings.

Revenue for plastic segment decreased by 9.7% to RM 57.5 million (Q4FY21 : RM 63.7 million) while recorded an operating profit of RM 4.0 million (Q4FY21 : RM 6.3 million) mainly attributable to shortfall in the sales to automotive customers as a results of chip shortage.

Revenue for hotels and resorts segment was about the same at RM 46.6 million (Q4FY21 : RM 46.7 million) and recorded a significant higher in operating profit of RM 212.1 million (Q4FY21 operating loss : RM 2.4 million). This was due to overall lower occupancy rates while recorded higher in average room rates impacted by lockdown restrictions in Q4FY21. Significant increase in operating profit was mainly due to gain on disposal of one of the hotel in Melbourne, Australia of RM 210.0 million.

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

Revenue for investment holding segment decreased by 25.0% to RM 2.1 million (Q4FY21 : RM 2.8 million) and recorded an operating profit of RM 16.8 million (Q4FY21 operating loss : RM 9.0 million). Higher operating profit was attributable to unrealised foreign exchange gain of RM 16.1 million (Q4FY21 : RM 3.2 million) on the JPY denominated borrowings.

Revenue for investment properties and trading of building material products segment increased by 1.2% to RM 113.5 million (Q4FY21 : RM 112.1 million) while recorded an operating profit of RM 4.0 million (Q4FY21 operating loss : RM 0.9 million) as increased in the segment selling price in the current quarter compared to Q4FY21. Higher operating profit was mainly due to bad debts written off in Q4FY21 and none for current quarter.

Healthcare segment’s operating profit remained low at RM 0.9 million (Q4FY21 : RM 1.5 million) mainly due to lower in number of patients by 7.3%.

14. Current Year Prospects

Global growth is projected to slow from an estimated 6.1% in 2021 to 3.6% in 2022. Economic damage from the conflict of war in Ukraine has contributed to a significant slow down in global growth and add to inflation where fuel and food prices have increased rapidly.

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. Retail operations in Malaysia will gradually improve 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. Some automakers predict the chip shortage in its entirety to continue in 2024 while many expect to see signs of supply normalization by the end of 2022. We will continue to 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 segment is expecting to benefit from current Indonesia’s new export policy through higher CPO prices, but noted several risk factors that may affect earnings estimates. The forex exposure of the JPY loans will be closely monitored and managed.

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14. Current Year Prospects (Cont'd)

The hotels and resorts segment has been affected by the major lockdowns across the world since 2020. However, with the accelerating vaccination programmes and greater immunity, the hotels and resorts segment will make a comeback following several countries lifted their international travel restrictions and open to vaccinated travellers.

The healthcare segment will continue to focus on strengthening brand awareness and positioning the hospital for sustainable growth. Patient sentiments have gradually improve following the easing of MCO restrictions.

The Board will continue to demonstrate resilience by placing emphasis on improving our efficiency and look forward to seek excellent business opportunities to add synergy to existing business.

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 Mar 22 RM'000 (Unaudited)	Preceding Year Quarter 31 Mar 21 RM'000 (Unaudited)	Current Year To date 31 Mar 22 RM'000 (Unaudited)	Preceding Year To date 31 Mar 21 RM'000 (Unaudited)
Current taxation				
Malaysian taxation				
- Based on profit for the period	3,540	1,886	3,540	1,886
- Under provision in respect of prior period	125	56	125	56
	3,665	1,942	3,665	1,942
Foreign taxation				
- Based on profit for the period	24,220	28,412	24,220	28,412
	27,885	30,354	27,885	30,354
Deferred taxation				
- Current period	67,212	5,122	67,212	5,122
- Over provision in respect of prior period	(872)	(78)	(872)	(78)
	66,340	5,044	66,340	5,044
	<u>94,225</u>	<u>35,398</u>	<u>94,225</u>	<u>35,398</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 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		Source Currency	RM Equivalent RM'000	Total RM'000
		Ringgit	Foreign Currencies			
Short Term		RM'000			RM'000	RM'000
		I			II	I + II
Hire purchase financing	5.3	289		-	-	289
Borrowings – secured						
-Revolving credit	0.8 - 1.5	-	JPY 40.130 billion		1,386,061	1,386,061
-Term loans	2.1 - 5.5	273	SGD 0.025 billion		77,197	77,470
Borrowings – unsecured						
-Bankers acceptance	2.4 - 2.7	44,188		-	-	44,188
-Revolving credit	1.4 - 2.9	3,000	JPY 8.515 billion		293,712	296,712
		<u>47,750</u>			<u>1,756,970</u>	<u>1,804,720</u>
Long Term						
Hire purchase financing	5.3	519		-	-	519
Term loans – secured	2.1 - 5.5	3,530	SGD 0.047 billion		145,113	148,643
		<u>4,049</u>			<u>145,113</u>	<u>149,162</u>
Total Borrowings		<u>51,799</u>			<u>1,902,083</u>	<u>1,953,882</u>

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19. Trade receivables

The ageing analysis of trade receivables (included under trade and other receivables category) as at 31 March 2022 is as follows:

	RM'000	%
Not past due	248,677	90.8
Past due less than 3 months	21,571	7.9
Past due 3-6 months	2,198	0.8
Past due 6-12 months	385	0.1
Past due more than 1 year	1,007	0.4
	<u>273,838</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 10 sen per ordinary stock totalling RM62,036,183 have been recommended by the Directors in respect of the year ended 31 December 2021 payable on 14 July 2022, subject to 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 22 RM'000 (Unaudited)	Preceding Year Quarter 31 Mar 21 RM'000 (Unaudited)	Current Year To Date (One quarter to 31 Mar 22) RM'000 (Unaudited)	Preceding Year To Date (One quarter to 31 Mar 21) RM'000 (Unaudited)
Net profit for the period attributable to Stockholders of the Company (RM'000)	<u>267,843</u>	<u>122,047</u>	<u>267,843</u>	<u>122,047</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>43.18</u>	<u>19.67</u>	<u>43.18</u>	<u>19.67</u>

By Order of the Board

ONG TZE-EN
Company Secretary

DATED THIS 26 MAY 2022