

OVERSEA ENTERPRISE BERHAD (317155-U)
UNAUDITED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 JUNE 2015

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended	Preceding Year Corresponding Quarter Ended	Current Year to Date Ended	Preceding 3 Months Corresponding Period Ended
	30-Jun-15 RM'000	30-Jun-14 RM'000	30-Jun-15 RM'000	30-Jun-14 RM'000
Revenue	11,730	12,602	11,730	12,602
Cost of sales	(4,718)	(4,959)	(4,718)	(4,959)
Gross profit	7,012	7,643	7,012	7,643
Other operating income	500	1,022	500	1,022
Administration expenses	(2,353)	(1,828)	(2,353)	(1,828)
Selling and Distribution expenses	(6,996)	(7,433)	(6,996)	(7,433)
Finance costs	(47)	(19)	(47)	(19)
Share of results in a jointly controlled entity	-	(42)	-	(42)
Share of results in an associate	(32)	(22)	(32)	(22)
Loss before tax	(1,916)	(679)	(1,916)	(679)
Income tax	(10)	(118)	(10)	(118)
Loss after tax	(1,926)	(797)	(1,926)	(797)
Other comprehensive expenses				
Fair value changes of available-for-sale financial assets	(6)	(4)	(6)	(4)
Transfer to profit or loss upon disposal of available-for-sale financial assets	-	-	-	-
Foreign currency translation	(18)	-	(18)	-
Total comprehensive expenses	(1,950)	(801)	(1,950)	(801)
Loss attributable to:				
Owners of the Company	(1,926)	(760)	(1,926)	(760)
Non-controlling interest	-	(37)	-	(37)
	(1,926)	(797)	(1,926)	(797)
Total comprehensive expenses attributable to:				
Owners of the Company	(1,950)	(764)	(1,950)	(764)
Non-controlling interest	-	(37)	-	(37)
	(1,950)	(801)	(1,950)	(801)
Weighted average ordinary shares in issue ('000)	240,953	245,000	240,953	245,000
Losses per share (sen):				
- Basic	(0.80)	(0.31)	(0.80)	(0.31)

Notes:

- (i) Basic earnings per share for the quarter and financial period is calculated based on the profit divided by the weighted average number of ordinary shares for the quarter and financial period respectively.
- (ii) The unaudited condensed consolidated statements of comprehensive income should be read in conjunction with the annual audited accounts for the financial year ended 31 March 2015 and the accompanying explanatory notes attached to this interim financial report.

OVERSEA ENTERPRISE BERHAD (317155-U)
UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015

	UNAUDITED As at 30-Jun-15 RM'000	AUDITED As at 31-Mar-15 RM'000
ASSETS		
Non-current assets		
Investment in associate	809	841
Investment in a joint venture	-	-
Property, plant and equipment	26,557	26,561
Investment properties	1,772	1,772
Other investments	207	214
Intangible assets	120	135
Long-term receivables	150	138
Deferred tax asset	317	318
	<u>29,932</u>	<u>29,979</u>
Current Assets		
Inventories	5,117	4,043
Trade and other receivables	3,820	3,238
Amount due from joint venture	944	945
Amount due from an associate	1,774	1,774
Tax refundable	568	209
Deposits, bank and cash balances	14,205	18,272
	<u>26,428</u>	<u>28,481</u>
TOTAL ASSETS	<u>56,360</u>	<u>58,460</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	49,000	49,000
Reserves	(2,043)	69
Equity attributable to owners of the Company	46,957	49,069
Non-controlling interest	-	(162) *
Total equity	<u>46,957</u>	<u>48,907</u>
Non-current liabilities		
Hire purchase creditors	-	6
Term loans	1,161	1,171
Deferred taxation	1,076	1,076
	<u>2,237</u>	<u>2,253</u>
Current Liabilities		
Trade and other payables	6,822	6,809
Provision for tax	13	58
Hire purchase creditors	22	22
Term loans	309	411
	<u>7,166</u>	<u>7,300</u>
Total liabilities	<u>9,403</u>	<u>9,553</u>
TOTAL EQUITY AND LIABILITIES	<u>56,360</u>	<u>58,460</u>
Net Assets Per Share Attributable to ordinary equity holders of the Company (RM)	0.19	0.20

Notes:-

- (i) The unaudited condensed statement of financial position should be read in conjunction with the annual audited accounts for the financial year ended 31 March 2015 and the accompanying explanatory notes attached to this interim financial report.
- (ii) * Negligible

OVERSEA ENTERPRISE BERHAD (317155-U)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD 30 JUNE 2015

	Attributable to equity holders of the Company						Total	Non-Controlling Interest	Total Equity
	Non-Distributable					Distributable Retained Profits			
	Share Capital	Share Premium	Fair Value Reserve	Treasury Reserve	Foreign Exchange Translation Reserve				
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
The Group									
Balance as at 1 April 2015	49,000	1,038	(9)	(867)	(24)	(69)	49,069	(162)	48,907
Loss after taxation	-	-	-	-	-	(1,926)	(1,926)	-	(1,926)
Other comprehensive expense:									
- loss on fair value changes of available-for-sale financial assets	-	-	(6)	-	-	-	(6)	-	(6)
- Foreign currency translation	-	-	-	-	(18)	-	(18)	-	(18)
Total other comprehensive expenses	-	-	(6)	-	(18)	(1,926)	(1,950)	-	(1,950)
Transactions with owners of the Company:									
Acquisition of shares in subsidiary	-	-	-	-	-	(162)	(162)	162	-
Balance as at 30 June 2015	49,000	1,038	(15)	(867)	(42)	(2,157)	46,957	-	46,957
Balance as at 1 April 2014	49,000	1,038	33	-	(4)	797	50,864	(110)	50,754
Profit after taxation	-	-	-	-	-	592	592	(52)	540
Other comprehensive expense:									
- loss on fair value changes of available-for-sale financial assets	-	-	(42)	-	-	-	(42)	-	(42)
- foreign currency translation	-	-	-	-	(20)	-	(20)	-	(20)
Total other comprehensive income/(expenses)	-	-	(42)	-	(20)	592	530	(52)	478
Transactions with owners of the Company:									
- Dividend paid	-	-	-	-	-	(1,458)	(1,458)	-	(1,458)
- Share buy back	-	-	-	(867)	-	-	(867)	-	(867)
Total transaction with owners	-	-	-	(867)	-	(1,458)	(2,325)	-	(2,325)
Balance as at 31 March 2015 (Audited)	49,000	1,038	(9)	(867)	(24)	(69)	49,069	(162)	48,907

Note:-

(i) The unaudited condensed consolidated statements of changes in equity should be read in conjunction with the annual audited accounts for the financial year ended 31 March 2015 and the accompanying explanatory notes attached to this interim financial report.

OVERSEA ENTERPRISE BERHAD (317155-U)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASHFLOWS
FOR THE FIRST QUARTER ENDED 30 JUNE 2015

	Current Year Ended 30 June 2015 RM'000	Preceding Year to Date Ended 30 June 2014 RM'000
CASH FLOWS FOR OPERATING ACTIVITIES		
Loss before taxation	(1,916)	(679)
Adjustments for:-		
Amortisation of intangible assets	15	11
Provision for doubtful debt	13	14
Depreciation of property, plant & equipment	648	653
Interest expense	20	15
Share of loss in a jointly controlled entity, net of income tax expense	-	42
Share of loss in an associate, net of income tax expense	32	22
Interest income	(111)	(104)
Operating (loss)/profit before working capital changes	(1,299)	(26)
Increase in inventories	(1,074)	(1,830)
Increase in trade and other receivables	(607)	(914)
Increase in trade and other payables	15	2,304
CASH FOR OPERATIONS	(2,965)	(466)
Income tax paid	(413)	(390)
Income tax refund	-	9
NET CASH FOR OPERATING ACTIVITIES	(3,378)	(847)
CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES		
Interest received	111	104
Advance to associate	-	(461)
Advance to joint venture	-	(11)
Purchase of property, plant and equipment	(644)	(2,118)
NET CASH (USED IN)/FROM INVESTING ACTIVITIES	(533)	(2,486)
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES		
Dividend paid	-	(735)
Interest paid	(20)	(15)
Repayment of hire purchase obligations	(5)	(14)
Repayment of term loans	(113)	-
Drawdown of term loans	-	1,138
NET CASH FROM/(FOR) FINANCING ACTIVITIES	(138)	374
NET DECREASE IN CASH AND CASH EQUIVALENTS	(4,049)	(2,959)
EFFECT OF FOREIGN EXCHANGE TRANSLATION	(18)	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	18,272	22,170
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	14,205	19,211
CASH AND CASH EQUIVALENTS COMPRISES:-		
Short term and fixed deposits with licensed banks	10,408	15,788
Cash and bank balances	3,797	3,423
	14,205	19,211

Note:-

- (i) The unaudited condensed consolidated statements of cash flow should be read in conjunction with the annual audited accounts for the financial year ended 31 March 2015 and the accompanying explanatory notes attached to this interim financial report.

NOTES TO THE QUARTERLY REPORT

PART A – EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARDS ("FRS") 134: INTERIM FINANCIAL REPORTING

A1. Basis Of Preparation

The interim financial statements are unaudited and have been prepared in accordance with IAS 134: Interim Financial Reporting and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The financial statements of the Group are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia.

The interim financial statements should be read in conjunction with the audited financial statements for year ended 31 March 2014 and the accompanying explanatory notes attached to the interim financial report.

A2. Adoption Of New And Revised Accounting Policies

The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 15 Revenue from Contracts with Customers	1 January 2017
Amendments to MFRS 10 and MFRS 128 (2011): Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128 (2011): Investment Entities – Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 101: Presentation of Financial Statements – Disclosure Initiative	1 January 2016
Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 116 and MFRS 141: Agriculture – Bearer Plants	1 January 2016
Amendments to MFRS 127 (2011): Equity Method in Separate Financial Statements	1 January 2016
Annual Improvements to MFRSs 2012 – 2014 Cycle	1 January 2016

OVERSEA ENTERPRISE BERHAD (317155-U)
QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 JUNE 2015

A1. Adoption Of New And Revised Accounting Policies

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application except as follows:-

- (a) MFRS 9 (IFRS 9 issued by IASB in July 2014) replaces the existing guidance in MFRS 139 and introduces a revised guidance on the classification and measurement of financial instruments, including a single forward-looking 'expected loss' impairment model for calculating impairment on financial assets, and a new approach to hedge accounting. Under this MFRS 9, the classification of financial assets is driven by cash flow characteristics and the business model in which a financial asset is held. The adoption of MFRS 9 will result in a change in accounting policy. The Group is currently assessing the financial impact of adopting MFRS 9.

A3. Auditors' Report On Preceding Annual Financial Statements

The auditors' report on the preceding audited financial statements of the Company and its subsidiaries for the financial year ended 31 March 2015 were not subject to any qualification.

A4. Seasonal Or Cyclical Factors

For the financial quarter under review, restaurant sales were lower as compared to the previous quarter ended 31 March 2015 which was the Chinese New Year festive season. The manufacturing division began to generate revenue and production commenced during the quarter to cater for the upcoming Mid-Autumn festival, which falls in September 2015.

A5. Unusual items due to their nature, size and incidence

There were no unusual items affecting the assets, liabilities, equity, net income or cash flow of the Group in the current financial quarter under review.

A6. Changes In Estimates

There were no changes in estimates of amounts reported in prior financial years that have had a material effect in the current financial quarter under review.

A7. Changes In Debt and Equity Securities

There were no issuance, repurchases and repayments of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial quarter under review.

A8. Dividend Paid

No dividend was paid during the current financial quarter under review.

OVERSEA ENTERPRISE BERHAD (317155-U)
QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 JUNE 2015

A9. Segmental Information

The Group is organized into the following operating segments:-

- a) Restaurant
- b) Manufacturing and wholesale of baked products ("Manufacturing")
- c) Others i.e. investment holdings and central purchasing of high value stocks such as shellfish, shark's fin, dried seafood, meat and other consumables.

Segmental Reporting

	Restaurant		Manufacturing	Others	Eliminations	Consolidated
	Malaysia	Foreign*				
	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000
3 months period ended 30 June 2015						
Revenue from						
External customers	9,807	1,071	852	-	-	11,730
Inter-segment revenue	29	-	5	-	(34)	-
Total revenue	9,836	1,071	857	-	(34)	11,730
Profit/(loss) before taxation	(1,227)	(66)	(524)	(99)	-	(1,916)
Income tax						(10)
Profit after taxation						(1,926)
Other comprehensive expenses						(24)
Total comprehensive income						(1,950)
3 months ended 30 June 2015						
Revenue from						
External customers	9,807	1,071	852	-	-	11,730
Inter-segment revenue	29	-	5	-	(34)	-
Total revenue	9,836	1,071	857	-	(34)	11,730
Profit/(loss) before taxation	(1,227)	(66)	(524)	(99)	-	(1,916)
Income tax						(10)
Profit after taxation						(1,926)
Other comprehensive expenses						(24)
Total comprehensive income						(1,950)
Segmented assets	38,744	3,710	12,394	1,512	-	56,360
Unallocated assets						(568)
						55,792

*Note: Comprises Ipoh Group Limited (Hong Kong) and Taiwan Haewaytian Limited (Taiwan)

OVERSEA ENTERPRISE BERHAD (317155-U)
QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 JUNE 2015

A10. Valuation Of Property, Plant and Equipment

There was no valuation exercise performed on the property, plant and equipment during the current financial quarter under review.

A11. Operating Lease Commitments

Non-cancellable lease commitments of the Group as at 30 June 2015 is as follows:-

	RM'000
Current:	
- within one year	2,345
Non-current:	
- between one and two years	1,460
- between two and five years	396
Total	<u>4,201</u>

A12. Material Events Subsequent To The End Of The Current Financial Quarter

There were no material events subsequent to the end of the current financial quarter.

A13. Changes In Composition Of The Group

There were no changes in the composition of the Group during the financial quarter under review.

A14. Contingent Liabilities Or Contingent Assets

Contingent liabilities of the Group comprise the following:

	As at 30.06.2015 RM'000	Audited 31.03.2015 RM'000
<u>Corporate guarantees given by the Company to financial institutions for facilities granted to subsidiaries</u>		
- Total facilities granted	6,743	6,743
- Current Exposure	1,889	1,999

[THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]

OVERSEA ENTERPRISE BERHAD (317155-U)
QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 JUNE 2015

A15. Significant Related Party Transactions

The Group had entered into the following transactions during the current financial quarter with related parties in which certain directors of the Company have substantial financial interest:-

Transactions	Current financial quarter ended 30.06.2015 RM'000	Current financial year to-date 30.06.2015 RM'000
Rental paid to a Director	43	43
Rental paid to related parties ⁽¹⁾	278	278

Note:

(1) These parties are related to directors who are also substantial shareholders of Oversea Enterprise Berhad.

All the above transactions were carried out on the terms and conditions not materially different from those obtainable in transactions with non-related parties and in the ordinary course of business of the Company.

A16. Capital Commitments

There is no outstanding commitments in respect of capital expenditure at the end of the reporting period not provided for in the interim financial statements.

[THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]

OVERSEA ENTERPRISE BERHAD (317155-U)
QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 JUNE 2015

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review Of Performance

	Individual Quarter 3 Months ended		Cumulative Period ended	
	30.06.2015	30.06.2014	30.06.2015	30.06.2014
RM'000	Unaudited	Unaudited	Unaudited	Unaudited
Revenue				
Restaurant	10,878	11,500	10,878	11,500
Manufacturing	852	1,100	852	1,100
Others	-	2	-	2
Total	11,730	12,602	11,730	12,602
Loss before tax				
Restaurant	(1,293)	(453)	(1,293)	(453)
Manufacturing	(524)	(113)	(524)	(113)
Others	(99)	(113)	(99)	(113)
Total	(1,916)	(679)	(1,916)	(679)

3-month period (30.06.2015 vs. 30.06.2014)

The Group recorded revenue of RM11.7 million for the quarter ended 30 June 2015, representing a decrease of 6.9% as compared to RM12.6 million in the quarter ended 30 June 2014.

The loss before tax (LBT) for the quarter ended 30 June 2015 was RM1.9 million, representing 1.8 times increase in losses from LBT of RM0.7 million in the quarter ended 30 June 2014.

The main reason for the additional losses of RM1.2 million were mainly due to drop in revenue by RM0.9 million and decrease in other income by RM0.5 million.

Restaurant segment

The Group's restaurant segment recorded LBT of RM1.3 million for the quarter ended 30 June 2015, representing an increase RM0.8 million compared to RM0.4 million in the quarter ended 30 June 2014. The loss was mainly due to drop in sales as a result of market reaction over the implementation of the Goods and Service Tax effective 1 April 2015.

Manufacturing segment

Manufacturing division recorded LBT of RM0.5 million for the quarter ended 30 June 2015, represents additional losses of RM0.4 million as compared to LBT RM0.1 million in the quarter ended 30 June 2014. The losses was mainly due to decrease in sales by RM0.2 million and increase in cost of sales. The total gross profit has dropped by RM0.4 million

OVERSEA ENTERPRISE BERHAD (317155-U)
QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 JUNE 2015

B2. Comparison To The Results Of The Previous Quarter

<i>RM'000</i>	3 months ended	
	30.06.2015	31.03.2015
	Unaudited	Unaudited
Revenue		
<i>Restaurant</i>	10,878	17,283
<i>Manufacturing</i>	852	-
<i>Others</i>	-	-
Total	11,730	17,283
(Loss)/Profit before tax		
<i>Restaurant</i>	(1,293)	2,465
<i>Manufacturing</i>	(524)	(716)
<i>Others</i>	(99)	(437)
Total	(1,916)	1,312

3-month period (31.06.2015 vs. 31.03.2015)

The Group recorded revenue of RM11.7 million for the quarter ended 30 June 2015, representing an decrease of 32.1% as compared to RM17.3 million in the previous quarter ended 31 March 2015. The restaurant operations contributed to the decrease in revenue.

The Group recorded LBT of RM1.9 million for the quarter ended 30 June 2015, from profit before tax (PBT) of RM1.3 million in the previous quarter ended 31 March 2015 due to its cyclical nature of the industry.

Restaurant segment

The Group's restaurant segment recorded LBT of RM1.3 million for the 3-month ended 30 June 2015 as compared to PBT of RM2.5 million on the back of revenue of RM17.3 million in the preceding quarter ended 31 March 2015. This decrease in bottom line is mainly due to lower sales after the Chinese New Year festive season in last quarter and the negative market reaction over the implementation of Goods and Service Tax effective 1 April 2015.

[THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]

OVERSEA ENTERPRISE BERHAD (317155-U)
QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 JUNE 2015

B3. Prospects

Restaurant Operations

The Group intends to leverage on our expertise in the F&B business to strengthen our position in the domestic market. To this end, we plan to expand our network of contemporary cafés to meet the market's increasing preference for casual dining. Furthermore, we intend to rebrand the existing brand of "Oversea Café" into "Tsim Tung" for an integrated branding of contemporary cafés serving Hong Kong-style cuisine.

Manufacturing

We intend to expand our range of manufacturing products to cater to wider markets. To this end, we will continue to innovate new products for the local and export markets. Also, the Group has incorporated a Taiwan-based wholly-owned subsidiary in order to facilitate our entry into the Taiwan market.

Prospects

Nevertheless, we have undergone numerous economic cycles since our inception in the 1970s, and intend to leverage on our proven track record in the industry to weather this trying outlook. Mindful of the escalating operational costs, including raw materials, labour and overheads, we will continue optimising our cost structure and enhancing operational efficiency across the Group.

B4. Profit Forecast And Profit Estimate

The Group has not issued any profit forecast or profit estimate for the current financial quarter under review or in any public documents.

B5. Taxation

	Current financial quarter ended 30.06.2015 RM'000	Current financial year to-date 30.06.2015 RM'000
Income tax:-		
Current period	(10)	(10)

During the current quarter, the Group had changed the basis of its tax computation from accounting profit to chargeable income. As such, the Group had taken into the account the unabsorbed losses, capital allowances and unutilized reinvestment allowances, which will largely affect its provisional amount.

[THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]

OVERSEA ENTERPRISE BERHAD (317155-U)
QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 JUNE 2015

B6. Notes To The Statement of Comprehensive Income

Loss before taxation is arrived at after charging/(crediting):-

	Current financial quarter ended 30.06.2015 RM'000	Current financial year to-date 30.06.2015 RM'000
Interest income	(111)	(111)
Other income including investment income	(390)	(390)
Interest expenses	20	20
Depreciation and amortization	663	663
Provision for doubtful debt	13	13

Other than the items mentioned above which have been included in the statement of comprehensive income, there were no provision for and/or write off of inventories, gain or loss on derivatives, unquoted investments and/or properties, impairment of assets and any other exceptional items for the current quarter and financial period ended 30 June 2015.

B7. Status Of Corporate Proposals Announced But Not Yet Completed

Other than as disclosed below, there were no corporate proposals announced but not yet completed by the Group as at the latest practicable date of 24 August 2015.

On 17 April 2015, RHB Investment Bank Berhad had on behalf of the Board of Directors of Oversea announced that the Equity Compliance Unit of Securities Commission Malaysia had, vide its letter dated 16 April 2015, approved our application on the following:-

- (i) the Proposed Special Bumiputera Issue; and
- (ii) extension of time of twelve (12) months of up to 31 March 2016 for the Company to comply with the equity condition imposed pursuant to the Company's listing on the ACE Market of Bursa Malaysia Securities Berhad.

Ministry of International Trade and Industry ('MITI') had, vide its letter dated 13 August 2015 agreed to take note and without objection, of the Proposed Special Bumiputera Issue, upon the following:-

- (i) 35,000,000 Special Issue Shares are subject to MITI approving its allocation to the Bumiputera investors; and
- (ii) there are currently 12,180,000 Oversea Shares held by MITI recognized Bumiputera Investors. Upon the allocation of the 35,000,000 Special Issue Shares, Oversea will be in compliance with the Bumiputera Equity Condition.

The Group had obtained approval for the proposal from its shareholders via an Extraordinary General Meeting on 24 August 2015.

[THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]

OVERSEA ENTERPRISE BERHAD (317155-U)
QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 JUNE 2015

B8. Group Borrowings And Debts Securities

The Group's borrowings and debts securities as at 30 June 2015 are as follows:

	Short Term (Secured) RM'000	Long Term (Secured) RM'000
Hire Purchase Creditors	22	-
Term loan	309	1,161
Total	331	1,161

B9. Material Litigation

There was no material litigation (including status of any pending material litigation) as at the latest practicable date of 24 August 2015.

B10. Dividends

The directors do not recommend any interim dividend for the quarter under review.

B11. Losses Per Share

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 30.06.2015 RM'000	Preceding Year Corresponding Quarter Ended 30.06.2014 RM'000	Current Year to Date Ended 30.06.2015 RM'000	Audited Preceding Year Corresponding Period Ended 30.06.2014 RM'000
BASIC EARNINGS PER SHARE				
Loss for the period attributable to owners of the company	(1,926)	(760)	(1,926)	(760)
Weighted average number of ordinary shares in issue ('000)	240,953	245,000	240,953	245,000
Basic loss per share (sen)	(0.80)	(0.31)	(0.80)	(0.31)

[THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]

OVERSEA ENTERPRISE BERHAD (317155-U)
QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 JUNE 2015

B12. Realised and unrealised retained earnings

The retained profit may be analysed as follows:

	As at the end of current quarter 30.06.2015 RM'000	Audited 31.03.2015 RM'000
Realised	28,779	30,379
Unrealised	242	757
	<hr/>	<hr/>
	29,021	31,136
Total share of losses of a jointly controlled entity:		
- Realised	-	(676)
Total share of losses of an associate:		
- Realised	(32)	(58)
	<hr/>	<hr/>
	28,989	30,402
Less: Consolidation adjustments	(31,146)	(30,471)
	<hr/>	<hr/>
	(2,157)	(69)
	<hr/>	<hr/>

By Order of the Board

Ng Bee Lian
 Company Secretary
 Date: 24 August 2015