

OVERSEA ENTERPRISE BERHAD (317155-U)
UNAUDITED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 MARCH 2019

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended	Preceding Year Corresponding Quarter Ended	Current Year to Date Ended	Preceding 12 Months Corresponding Period Ended
	31-Mar-19 RM'000	31-Mar-18 RM'000	31-Mar-19 RM'000	31-Mar-18 RM'000
Revenue	12,948	15,163	55,186	58,517
Cost of sales	(4,720)	(5,499)	(21,860)	(23,191)
Gross profit	8,228	9,664	33,326	35,326
Other operating income	1,420	1,380	4,191	4,157
Administration expenses	(4,498)	(6,543)	(11,820)	(13,868)
Selling and Distribution expenses	(7,827)	(7,173)	(29,915)	(29,733)
Operating loss	(2,677)	(2,672)	(4,218)	(4,118)
Share of results in associates	4	259	618	622
Loss before interest and tax	(2,673)	(2,413)	(3,600)	(3,496)
Finance costs	(38)	(19)	(91)	(70)
Loss before taxation	(2,711)	(2,432)	(3,691)	(3,566)
Income tax	(99)	(633)	(755)	(1,293)
Loss after taxation	(2,810)	(3,065)	(4,446)	(4,859)
Other comprehensive income/(expense)				
Fair value changes of available-for-sale financial assets	5	-	-	(1)
Transfer to profit or loss upon disposal of available-for-sale financial assets	-	(42)	-	(42)
Foreign currency translation	51	290	(173)	403
Total comprehensive expense	(2,754)	(2,817)	(4,619)	(4,499)
Loss attributable to:				
Owners of the Company	(2,810)	(3,044)	(4,446)	(4,789)
Non-controlling interest	-	(21)	-	(70)
	(2,810)	(3,065)	(4,446)	(4,859)
Total comprehensive expense attributable to:				
Owners of the Company	(2,754)	(2,807)	(4,619)	(4,440)
Non-controlling interest	-	(10)	-	(59)
	(2,754)	(2,817)	(4,619)	(4,499)
Weighted average ordinary shares in issue ('000)	242,515	242,221	242,515	242,223
Losses per share (sen):				
- Basic	(1.16)	(1.26)	(1.83)	(1.98)

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 2018 and the accompanying explanatory notes attached to this interim financial report.

OVERSEA ENTERPRISE BERHAD (317155-U)
UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019

	UNAUDITED	AUDITED
	As at	As at
	31-Mar-19	31-Mar-18
	RM'000	RM'000
ASSETS		
Non-current assets		
Investment in associate	687	1,600
Property, plant and equipment	48,962	47,465
Investment properties	2,450	2,450
Other investments	737	141
Intangible assets	61	91
Long-term receivables	95	82
Deferred tax asset	49	49
	<u>53,041</u>	<u>51,878</u>
Current Assets		
Inventories	5,040	5,516
Trade and other receivables	3,511	3,093
Amount due from an associate	-	140
Tax refundable	78	277
Short-term investment with financial institutions	45	43
Deposits, bank and cash balances	5,191	11,236
	<u>13,865</u>	<u>20,305</u>
TOTAL ASSETS	<u>66,906</u>	<u>72,183</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	49,283	49,283
Reserves	4,246	9,903
Total equity attributable to owners of the Company	<u>53,529</u>	<u>59,186</u>
Non-controlling interest	-	-
Total equity	<u>53,529</u>	<u>59,186</u>
Non-current liabilities		
Hire purchase creditors	244	236
Term loans	1,231	1,279
Deferred taxation	5,555	5,792
	<u>7,030</u>	<u>7,307</u>
Current Liabilities		
Trade and other payables	5,094	5,378
Provision for tax	76	188
Hire purchase creditors	83	67
Term loans	56	57
	<u>5,309</u>	<u>5,690</u>
Total liabilities	<u>12,339</u>	<u>12,997</u>
TOTAL EQUITY AND LIABILITIES	<u>65,868</u>	<u>72,183</u>
Net Assets Per Share Attributable to ordinary equity holders of the Company (RM)	0.22	0.24

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 2018 and the accompanying explanatory notes attached to this interim financial report.

OVERSEA ENTERPRISE BERHAD (317155-U)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019

	Attributable to equity holders of the Company						Total	Non-Controlling Interest	Total Equity	
	Non-Distributable					Distributable Retained Profits/ (Accumulated Losses)				
	Share Capital	Share Premium	Fair Value Reserve	Treasury Reserve	Revaluation 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 2018	49,283	1,038	(63)	(835)	17,871	(56)	(8,052)	59,186	-	59,186
Loss after taxation	-	-	-	-	-	-	(4,446)	(4,446)	-	(4,446)
Other comprehensive expense:										
- Foreign currency translation	-	-	-	-	-	(173)	-	(173)	-	(173)
Total other comprehensive expenses	-	-	-	-	-	(173)	(4,446)	(4,619)	-	(4,619)
Transactions with owners of the Company:										
- Transfer to share capital upon implementation of the Companies Act 2016	1,038	(1,038)	-	-	-	-	-	-	-	-
Total transaction with owners	1,038	(1,038)	-	-	-	-	-	-	-	-
Amortisation of revaluation reserve	-	-	-	-	(237)	-	237	-	-	-
Balance as at 31 March 2019	50,321	-	(63)	(835)	17,634	(229)	(12,261)	54,567	-	54,567
Balance as at 1 April 2017	49,283	1,038	(20)	(867)	18,109	(520)	(3,696)	63,327	-	63,327
Loss after taxation	-	-	-	-	-	-	(4,789)	(4,789)	(70)	(4,859)
Other comprehensive expense:										
- loss on fair value changes of available-for-sale financial assets	-	-	(1)	-	-	-	-	(1)	-	(1)
- transfer to profit or loss upon disposal of available-for-sale financial assets	-	-	(42)	-	-	-	-	(42)	-	(42)
- Foreign currency translation	-	-	-	-	-	392	-	392	11	403
Total other comprehensive (expenses)/income	-	-	(43)	-	-	392	(4,789)	(4,440)	(59)	(4,499)
Transactions with owners of the Company:										
- treasury shares sold	-	-	-	32	-	-	9	41	-	41
- Issuance of shares by a subsidiary to non-controlling interest	-	-	-	-	-	-	-	-	85	85
- changes in ownership interests in subsidiary that do not result in loss of control	-	-	-	-	-	23	186	209	(210)	(1)
- disposal of a subsidiary	-	-	-	-	-	49	-	49	184	233
Total transaction with owners	-	-	-	32	-	72	195	299	59	358
Amortisation of revaluation reserve	-	-	-	-	(238)	-	238	-	-	-
Balance as at 31 March 2018	49,283	1,038	(63)	(835)	17,871	(56)	(8,052)	59,186	-	59,186

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 2018 and the accompanying explanatory notes attached to this interim financial report.

OVERSEA ENTERPRISE BERHAD (317155-U)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASHFLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019

	Current Year Ended 31 March 2019 RM'000	Preceding Year to Date Ended 31 March 2018 RM'000
CASH FLOWS FOR OPERATING ACTIVITIES		
Loss before taxation	(3,691)	(3,566)
Adjustments for:-		
Amortisation of intangible assets	17	37
Bad debts written off on trade and other receivables	-	16
Depreciation of property, plant & equipment	2,979	2,973
Impairment loss on:		
- investment in associates	147	-
- amount owing by associates	-	697
- other investments	-	58
- other receivables	-	344
- property, plant and equipment	1,655	620
Interest expense	91	74
Trade mark written off	23	-
(Gain)/Loss on:		
- disposal of property, plant and equipment	(4)	(25)
- disposal of other investments	-	(45)
- remeasurement upon transfer from associates to other investments	123	-
Net gain on disposal of a subsidiary	-	(1,016)
Other investments written off	108	-
Property, plant and equipment written off	205	271
Share of profits in associates, net of income tax expense	(178)	(431)
Interest income	(186)	(316)
Operating profit/(loss) before working capital changes	1,289	(309)
Decrease in inventories	475	7
Increase in trade and other receivables	(216)	(200)
(Decrease)/Increase in trade and other payables	(283)	2,360
CASH FROM OPERATIONS	1,265	1,858
Income tax paid	(1,243)	(1,006)
Income tax refunded	339	322
NET CASH FROM OPERATING ACTIVITIES	361	1,174
CASH FLOWS FOR INVESTING ACTIVITIES		
Interest received	186	316
Redemption of preferred share from associate company	118	-
Advance to associates	-	(537)
Additional of intangible assets	(10)	(21)
Investment in associate company	-	(550)
Proceeds from disposal of:		
- property, plant and equipment	4	25
- other investments	-	119
- subsidiary	-	(146)
Purchase of other investments	-	(58)
Purchase of property, plant and equipment	(6,336)	(5,195)
Deposits paid for renovation work	(75)	-
NET CASH FOR INVESTING ACTIVITIES	(6,113)	(6,047)
CASH FLOWS FOR FINANCING ACTIVITIES		
Interest paid	(91)	(74)
Repayment of hire purchase obligations	(76)	(41)
Repayment of term loans	(50)	(54)
Resale of treasury shares	-	41
HP facilities granted	99	-
Proceeds from issuance of shares to non controlling interest	-	85
NET CASH FOR FINANCING ACTIVITIES	(118)	(43)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(5,870)	(4,916)
EFFECT OF FOREIGN EXCHANGE TRANSLATION	(173)	478
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	11,279	15,717
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	5,236	11,279
CASH AND CASH EQUIVALENTS COMPRISES:-		
Short-term investment with financial institution	45	43
Short term and fixed deposits with licensed banks	2,691	6,807
Cash and bank balances	2,500	4,429
	5,236	11,279

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 2018 and the accompanying explanatory notes attached to this interim financial report.

OVERSEA ENTERPRISE BERHAD (317155-U)
QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2019

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 2016 in Malaysia.

The interim financial statements should be read in conjunction with the audited financial statements for year ended 31 March 2018 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 16 Leases	1 January 2019
MFRS 17 Insurance Contracts	1 January 2021
IC Interpretation 23 Uncertainty Over Income Tax Treatments	1 January 2019
Amendments to MFRS 9: Prepayment Features with Negative Compensation	1 January 2019
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 119: Plan Amendment, Curtailment or Settlement	1 January 2019
Amendments to MFRS 128: Long-term Interests in Associates and Joint Ventures	1 January 2019
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
Annual Improvements to MFRS Standards 2015 – 2017 Cycles	1 January 2019

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.

**OVERSEA ENTERPRISE BERHAD (317155-U)
QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2019**

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 2018 were not subject to any qualification.

A4. Seasonal Or Cyclical Factors

For the financial quarter under review, there were no major seasonal nor cyclical factors affecting the Group's business operation other than annual Chinese New Year Festival.

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.

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OVERSEA ENTERPRISE BERHAD (317155-U)
QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2019

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				
3 months period ended						
31 March 2019						
Revenue from						
External customers	12,866	416	(334)	-	-	12,948
Inter-segment revenue	85	-	(49)	102	(138)	-
Total revenue	12,951	416	(383)	102	(138)	12,948
Profit/(Loss) before taxation	149	(138)	(1,365)	292	(1,649)	(2,711)
Income tax						(99)
Loss after taxation						(2,810)
Other comprehensive income						56
Total comprehensive expense						(2,754)
12 months ended 31 March 2019						
Revenue from						
External customers	41,547	1,657	11,981	1	-	55,186
Inter-segment revenue	283	-	7,405	198	(7,886)	-
Total revenue	41,830	1,657	19,386	199	(7,886)	55,186
(Loss)/Profit before taxation	(3,112)	(556)	1,343	917	(2,283)	(3,691)
Income tax						(755)
Loss after taxation						(4,446)
Other comprehensive expense						(173)
Total comprehensive expense						(4,619)

*Note: Comprises Ipoh Group Limited (Hong Kong)

OVERSEA ENTERPRISE BERHAD (317155-U)
QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2019

A9. Segmental Information (Cont'd)

Segmental Reporting

	Restaurant		Manufacturing	Others	Eliminations	Consolidated
	Malaysia	Foreign*				
	RM' 000	RM' 000				
3 months period ended						
31 March 2018						
Revenue from						
External customers	13,932	1,276	(44)	(1)	-	15,163
Inter-segment revenue	260	-	175	12	(447)	-
Total revenue	14,192	1,276	131	11	(447)	15,163
Profit/(Loss) before taxation	900	(363)	(825)	(1,798)	(346)	(2,432)
Income tax						(633)
Loss after taxation						(3,065)
Other comprehensive income						248
Total comprehensive expense						(2,817)
12 months ended March 2018						
Revenue from						
External customers	42,126	5,252	11,139	-	-	58,517
Inter-segment revenue	337	-	6,714	30	(7,081)	-
Total revenue	42,463	5,252	17,853	30	(7,081)	58,517
(Loss)/Profit before taxation	(964)	(1,436)	1,155	(1,717)	(604)	(3,566)
Income tax						(1,293)
Loss after taxation						(4,859)
Other comprehensive income						360
Total comprehensive expense						(4,499)

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

	Restaurant		Manufacturing	Others	Eliminations	Consolidated
	Malaysia	Foreign*				
	RM' 000	RM' 000				
As at 31 March 2019						
Segmented assets	39,813	144	24,338	2,484	-	66,779
Unallocated assets						127
						66,906
As at 31 March 2018						
Segmented assets	63,360	(17)	28,380	58,055	(77,921)	71,857
Unallocated assets						326
						72,183

*Note: Comprises Ipoh Group Limited (Hong Kong) in Year 2018 and 2019 and Taiwan Haewaytian Limited (Taiwan) in Year 2018 only.

OVERSEA ENTERPRISE BERHAD (317155-U)
QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2019

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 31 March 2019 is as follows:-

	RM'000
Current:	
- within one year	4,773
Non-current:	
- between one and two years	3,246
- between two and five years	558
Total	<u>8,577</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 31.03.2019 RM'000	Audited 31.03.2018 RM'000
<u>Corporate guarantees given by the Company to financial institutions for facilities granted to subsidiaries</u>		
- Total facilities granted	3,890	6,743
- Current Exposure	1,743	1,784

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OVERSEA ENTERPRISE BERHAD (317155-U)
QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2019

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 31.03.2019 RM'000	Current financial year to-date 31.03.2019 RM'000
Rental paid to a Director	40	178
Rental paid to related parties ⁽¹⁾	310	1,238

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 commitment in respect of capital expenditure at the end of the reporting period not provided for in the interim financial statements, other than as disclosed below:

	Amount (RM'000)
Authorised but not contracted for:	
Property, plant and equipment	<u>750</u>

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

B1. Review Of Group’s Performance and Segmental Analysis

(A) Overall Review of Group’s Financial Performance

	Individual Quarter 3 Months ended		Changes (%)	Cumulative Period ended		Changes (%)
	31.03.2019	31.03.2018		31.03.2019	31.03.2018	
RM'000	Unaudited	Unaudited		Unaudited	Audited	
Revenue	12,948	15,163	-14.6%	55,186	58,517	-5.7%
Operating Loss	(2,677)	(2,672)	-0.2%	(4,218)	(4,118)	-2.4%
Loss Before Interest and Tax	(2,673)	(2,413)	-10.8%	(3,600)	(3,496)	-3.0%
Loss Before Tax	(2,711)	(2,432)	-11.5%	(3,691)	(3,566)	-3.5%
Loss After tax	(2,810)	(3,065)	8.3%	(4,446)	(4,859)	8.5%
Loss Attributable to Ordinary Equity Holders of the Parent	(2,810)	(3,044)	7.7%	(4,446)	(4,789)	7.2%

(i) Statement of profit and loss and other comprehensive income

The Group recorded revenue of RM12.9 million for the quarter ended 31 March 2019, posted a decline in revenue of 14.6% as compared to RM15.2 million in the quarter ended 31 March 2018. Significant drops in revenue were mainly due to the disposal of Taiwan Haewaytian Limited in last financial year and closure of Subang Parade and Tsim Tung outlet.

The Group posted loss before tax (LBT) of RM2.71 million for the quarter ended 31 March 2019, indicating an increase of 11.5% as compared to LBT of RM2.43 million in the quarter ended 31 March 2018. The higher LBT arises from restaurant segment and manufacturing segment by additional losses of RM0.5 million and RM0.6 million accordingly. However, this was offset by lower LBT by RM0.8 million by other segment.

Gross margin maintained at 64% for both current quarter and last year quarter. The cumulative gross margins were maintained at 60% for same cumulative quarter under review.

Group revenue for the twelve months ended 31 March 2019 stood at RM55.2 million. The revenue was RM3.3 million lower than the same period last year, which was RM58.5 million. The decrease was mainly attributable from lower sales by restaurant segment by RM4.2 million. This was however offset by higher revenue of RM842,000 from manufacturing segment.

The Group recorded LBT of RM3.7 million for the 12 months ended 31 March 2019 compared to RM3.6 million for the 12 months ended 31 March 2018.

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OVERSEA ENTERPRISE BERHAD (317155-U)
QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2019

B1. Review Of Group's Performance and Segmental Analysis (Cont'd)

(A) Overall Review of Group's Financial Performance (Cont'd)

(ii) Statement of financial position

As at 31 March 2019, total equity attributable to owners of the Company stood at RM54.6 million, which is 8% lower than RM59.2 million as at 31 March 2018.

Property, plant and equipment were increased from RM47.5 million to RM49.0 million due to the opening of new outlet at Genting.

(iii) Statement of cash flow

The net operating cash flows from operations of the Group was RM361,000 for the 12 months ended 31 March 2019 against the inflow of RM1,174,000 for the corresponding period in 2018.

Net cash used in investing activities of the Group was RM6.1 million for the 12 months ended 31 March 2019, as compared to RM6.0 million for the 12 months ended 31 March 2018.

Net cash for financing activities was RM118,000 in 12 months ended 31 March 2019. In prior year to date 12 months ended 31 March 2018, total net cash for financing activities was RM43,000.

Cash and cash equivalent decreases by RM5.9 million as compared with the opening cash and cash equivalent as at 1 April 2018. The total cash and cash equivalent stood at RM5.2 million as at 31 March 2019.

(B) Segmental Analysis

	Individual Quarter 3 Months ended		Change (%)	Cumulative Period ended		Change (%)
	31.03.2019	31.03.2018		31.03.2019	31.03.2018	
RM'000	Unaudited	Unaudited		Unaudited	Audited	
Revenue						
Restaurant	13,282	15,208	-12.7%	43,204	47,378	-8.8%
Manufacturing	(334)	(44)	- >100%	11,981	11,139	7.6%
Others	-	(1)	0.0%	1	-	0
Total	12,948	15,163	-14.6%	55,186	58,517	-5.7%
Profit/(Loss) before tax						
Restaurant	(1,151)	(675)	-70.5%	(5,296)	(3,611)	-46.7%
Manufacturing	(1,392)	(825)	-68.7%	1,316	1,155	13.9%
Others	(168)	(932)	82.0%	289	(1,110)	>100%
Total	(2,711)	(2,432)	-11.5%	(3,691)	(3,566)	-3.5%

**OVERSEA ENTERPRISE BERHAD (317155-U)
QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2019**

B1. Review Of Group's Performance and Segmental Analysis (Cont'd)

(B) Segmental Analysis (Cont'd)

3-month period (31.03.2019 vs. 31.03.2018)

Restaurant segment

The Group restaurant segment recorded revenue of RM13.3 million for the quarter ended 31 March 2019, which represents a decrease of 12.7% as compared to RM15.2 million in the quarter ended 31 March 2018. The decrease in revenue was mainly attributable to the disposal of Taiwan Haewaytian Limited and cessation of Subang Parade and Tsim Tung outlet business from January 2019 onwards.

The Group's restaurant segment recorded LBT of RM1.15 million for the quarter ended 31 March 2019, which represents an increase in LBT by RM476,000 compared to LBT of RM675,000 in the quarter ended 31 March 2018.

Manufacturing segment

The revenue for manufacturing segment compared to the preceding year's same quarter has reduced by RM290,000. Meanwhile, the LBT was increase by RM567,000 mainly due to the return of moon cake.

12-month period (31.03.2019 vs. 31.03.2018)

Restaurant segment

The Group restaurant segment recorded revenue of RM43.2 million for the months ended 31 March 2019, versus RM47.4 million in last year. Lower revenue for the period under review was as a result of disposal of our Taiwan outlet. Meanwhile, the effect of closure of PJ, Subang Parade and Tsim Tung outlet was set off by the opening of new outlet in Genting.

The Group's restaurant segment recorded LBT of RM5.30 million for the 12 months ended 31 March 2019, indicating 46.7% increase in LBT as compared to RM3.61 million for the 12 months ended 31 March 2018.

Manufacturing segment

The manufacturing segment recorded revenue of RM12.0 million for the 12 months ended 31 March 2019, represents a 7.6% increase compared to RM11.1 million in the 12 months ended 31 March 2018. The revenue growth was mainly due to increase in moon cake sales from domestic market.

Manufacturing segment recorded PBT of RM1.3 million for the 12 months ended 31 March 2019, represents an increase of 13.9% as compared to PBT of RM1.2 million for the 12 month ended 31 March 2018. The positive result was mainly attributable to improved sales.

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OVERSEA ENTERPRISE BERHAD (317155-U)
QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2019

B2. Financial Review For The Current Quarter Compare To The Results Of The Previous Quarter

	3 Months ended		Change (%)
	31.03.2019	31.12.2018	
RM'000	Unaudited	Unaudited	
Revenue	12,948	11,511	12.5%
Operating Loss	(2,677)	(1,830)	-46.3%
Loss Before Interest and Tax	(2,673)	(1,570)	-70.3%
Loss Before Tax	(2,711)	(1,591)	-70.4%
Loss After tax	(2,810)	(1,730)	-62.4%
Loss Attributable to Ordinary Equity Holders of the Parent	(2,810)	(1,730)	-62.4%

The Group recorded revenue of RM12.9 million for the quarter ended 31 March 2019, representing a increase of 12.5% as compared to RM11.5 million in the previous corresponding quarter. The favorable increase was contributed from Chinese New Year festival.

The Group recorded LBT of RM2.71 million for the quarter ended 31 March 2019, from LBT of RM1.59 million in the previous corresponding quarter. The increase in LBT mainly attributable by impairment made on property, plant and equipment amounting to RM1.65 million.

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OVERSEA ENTERPRISE BERHAD (317155-U)
QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2019

B2. Financial Review For The Current Quarter Compare To The Results Of The Previous Quarter (Cont'd)

	3 months ended		Change (%)
	31.03.2019	31.12.2018	
<i>RM'000</i>	Unaudited	Unaudited	
Revenue			
<i>Restaurant</i>	13,282	11,307	17.5%
<i>Manufacturing</i>	(334)	204	-263.7%
<i>Others</i>	-	-	0.0%
Total	12,948	11,511	12.5%
Profit/(Loss) before tax			
<i>Restaurant</i>	(1,151)	(1,297)	11.3%
<i>Manufacturing</i>	(1,392)	(511)	- >100%
<i>Others</i>	(168)	217	- >100%
Total	(2,711)	(1,591)	-70.4%

3-month period (31.03.2019 vs. 31.12.2018)

Restaurant segment

The restaurant segment posted a growth of RM2.0 million or 17.5% in revenue as compared to previous corresponding quarter. This was mainly contributed from additional demand during Chinese New Year festival. Despite the significant increase in revenue, the LBT was improved by RM146,000 only mainly due to impairment made on property, plant and equipment.

Manufacturing segment

The Group's manufacturing segment recorded a reversal in revenue of RM334,000 in the current quarter and LBT of RM1.39 million, representing a decrease of RM0.5 million in revenue and increase of RM881,000 in LBT as compared to previous corresponding quarter. The adverse result was due to the adjustment made on the return of moon cakes.

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**OVERSEA ENTERPRISE BERHAD (317155-U)
QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2019**

B3. Prospects

Restaurant Operations and Manufacturing

Domestic demand is the main challenge for the Group moving forward in the financial year 2019. The Group had consolidated its investment in various food and beverages model and is now focusing on selected business structure and model and are targeting on specific location that have proven to be key assets with potential for business growth. The Group shall endeavor to keep cost down and vigorously promote the branding of “Restoran Oversea”.

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 31.03.2019 RM'000	Current financial year to-date 31.03.2019 RM'000
Income tax:- Current period	99	755

The tax expense is computed based on respective subsidiaries 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.

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OVERSEA ENTERPRISE BERHAD (317155-U)
QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2019

B6. Notes To The Statement of Comprehensive Income

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

	Current financial quarter ended 31.03.2019 RM'000	Current financial year to-date 31.03.2019 RM'000
Gain on disposal of property, plant and equipment	(4)	(4)
Interest income	(39)	(186)
Other income including investment income	(1,140)	(4,005)
Depreciation and amortization	844	2,996
Interest expenses	39	91
Impairment loss for investment in associate	-	147
Impairment loss on property, plant and equipment	1,655	1,655
Other investment written off	108	108
Loss on remeasurement upon transfer from associates to other investment	123	123
Property, plant and equipment written off	-	205
Trade mark written off	-	23

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 31 March 2018.

B7. Status Of Corporate Proposals Announced But Not Yet Completed

There were no corporate proposals announced but not yet completed by the Group for the current quarter under review.

B8. Group Borrowings And Debts Securities

The Group's borrowings and debts securities are as follows:

	Short Term (Secured) RM'000	Long Term (Secured) RM'000	Total (Secured) RM'000
as at 31 March 2019			
Term loan	56	1,231	1,287
Hire Purchase	83	244	327
Total Borrowing	139	1,475	1,614
as at 31 March 2018			
Term loan	57	1,279	1,336
Hire Purchase	67	236	303
	124	1,515	1,639

OVERSEA ENTERPRISE BERHAD (317155-U)
QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2019

B8. Group Borrowings And Debts Securities (Cont'd)

The increase in hire purchase as at 31 March 2019 compared to 31 March 2018 was due to new hire purchase facilities granted. The Group's borrowing and debts securities are denominated in RM.

B9. Material Litigation

There was no material litigation (including status of any pending material litigation) for the current quarter under review.

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 31.03.2019 RM'000	Preceding Year Corresponding Quarter Ended 31.03.2018 RM'000	Current Year to Date Ended 31.03.2019 RM'000	Preceding Year Corresponding Period Ended 31.03.2018 RM'000
LOSSES PER SHARE				
Losses for the period attributable to owners of the company	(2,810)	(3,044)	(4,446)	(4,789)
Weighted average number of ordinary shares in issue ('000)	242,515	242,221	242,515	242,223
Losses per share (sen)	(1.16)	(1.26)	(1.83)	(1.98)