

# Quarterly rpt on consolidated results for the financial period ended 30 Jun 2022

## GRAND CENTRAL ENTERPRISES BHD

|   |                       |
|---|-----------------------|
| Financial Year End                              | 31 Dec 2022           |
| Quarter   | 2 Qtr                 |
| Quarterly report for the financial period ended | 30 Jun 2022           |
| The figures                                     | have not been audited |

### Attachments



[2nd quarterly 2022 KLSE Financial Results.pdf](#)  
163.0 kB

|                  |                |
|------------------|----------------|
| Default Currency | Other Currency |
|------------------|----------------|

Currency: Malaysian Ringgit (MYR)

### SUMMARY OF KEY FINANCIAL INFORMATION 30 Jun 2022

|   | INDIVIDUAL PERIOD            |                                      | CUMULATIVE PERIOD                  |                                     |
|---|------------------------------|--------------------------------------|------------------------------------|-------------------------------------|
|   | CURRENT YEAR QUARTER         | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO DATE               | PRECEDING YEAR CORRESPONDING PERIOD |
|   | 30 Jun 2022                  | 30 Jun 2021                          | 30 Jun 2022                        | 30 Jun 2021                         |
|   | \$\$'000                     | \$\$'000                             | \$\$'000                           | \$\$'000                            |
| 1 Revenue   | 5,759                        | 3,648                                | 10,359                             | 7,116                               |
| 2 Profit/(loss) before tax  | -1,068                       | -1,820                               | -2,671                             | -3,866                              |
| 3 Profit/(loss) for the period  | -1,068                       | -1,382                               | -2,671                             | -3,428                              |
| 4 Profit/(loss) attributable to ordinary equity holders of the parent               | -1,038                       | -1,352                               | -2,613                             | -3,355                              |
| 5 Basic earnings/(loss) per share (Subunit)   | -0.53                        | -0.69                                | -1.33                              | -1.70                               |
| 6 Proposed/Declared dividend per share (Subunit)                                    | 0.00                         | 0.00                                 | 0.00                               | 0.00                                |
|   | AS AT END OF CURRENT QUARTER |                                      | AS AT PRECEDING FINANCIAL YEAR END |                                     |
| 7 Net assets per share attributable to ordinary equity holders of the parent (\$\$) | 1.0100                       |                                      | 1.0200                             |                                     |

#### Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit. Example for the subunit as follows:

| Country        | Base Unit | Subunit |
|----------------|-----------|---------|
| Malaysia       | Ringgit   | Sen     |
| United States  | Dollar    | Cent    |
| United Kingdom | Pound     | Pence   |



#### Announcement Info

|                  |                               |
|------------------|-------------------------------|
| Company Name     | GRAND CENTRAL ENTERPRISES BHD |
| Stock Name       | GCE                           |
| Date Announced   | 09 Aug 2022                   |
| Category         | Financial Results             |
| Reference Number | FRA-09082022-00008            |

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE SECOND QUARTER ENDED 30 JUNE 2022**

|                               | ← INDIVIDUAL PERIOD →                              |  |  | Changes | ← CUMULATIVE PERIOD →                              |   |  | Changes |
|-------------------------------|--|--|--|---------|--|---|--|---------|
|                               | Current<br>Year<br>Quarter<br>30.06.2022<br>RM'000 | Preceding Year<br>Corresponding<br>Quarter<br>30.06.2021<br>RM'000 |  | %       | Current<br>Year<br>To Date<br>30.06.2022<br>RM'000 | Preceding Year<br>Corresponding<br>Period<br>30.06.2021<br>RM'000 |  | %       |
| Revenue                       | 5,759  | 3,648  |  | 58      | 10,359   | 7,116   |  | 46      |
| Operating expenses            | (7,360)  | (6,220)  |  |         | (14,040)   | (12,313)  |  |         |
| Other operating income        | 533  | 752  |  |         | 1,010  | 1,331   |  |         |
| Finance costs                 | -  | -  |  |         | -  | -   |  |         |
| Loss before taxation          | (1,068)  | (1,820)  |  | (41)    | (2,671)  | (3,866)   |  | (31)    |
| Taxation                      | -  | 438  |  |         | -  | 438   |  |         |
| Loss net of taxation          | (1,068)  | (1,382)  |  | (23)    | (2,671)  | (3,428)   |  | (22)    |
| Other comprehensive profit    | -  | -  |  |         | -  | -   |  |         |
| Total comprehensive loss      | <u>(1,068)</u>                                     | <u>(1,382)</u>   |  |         | <u>(2,671)</u>                                     | <u>(3,428)</u>  |  |         |
| Attributable to:              |  |  |  |         |  |   |  |         |
| Equity holders of the Company | (1,038)  | (1,352)  |  | (23)    | (2,613)  | (3,355)   |  | (22)    |
| Non-controlling interests     | <u>(30)</u>  | <u>(30)</u>  |  |         | <u>(58)</u>  | <u>(73)</u>   |  |         |
|                               | <u>(1,068)</u>                                     | <u>(1,382)</u>   |  |         | <u>(2,671)</u>                                     | <u>(3,428)</u>  |  |         |
| Loss per share (sen)          | (0.53)   | (0.69)   |  |         | (1.33)   | (1.70)  |  |         |

*The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.*

**GRAND CENTRAL ENTERPRISES BHD**  
**Registration No: 198401019138 (131696-V)**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2022**

|   | <b>As At<br/>End Of<br/>Current<br/>Quarter<br/>30.06.2022<br/>RM'000</b> | <b>As At<br/>End Of<br/>Preceding<br/>Year End<br/>31.12.2021<br/>RM'000</b> |
|---|---|--|
| <b>Assets</b>   |   |  |
| <b>Non-current assets</b>                                   |   |  |
| Property, plant and equipment                               | 161,242   | 164,187  |
| <b>Total non-current assets</b>                             | <u>161,242</u>  | <u>164,187</u>   |
| <b>Current assets</b>                                       |   |  |
| Inventories   | 568   | 609  |
| Trade and other receivables                                 | 4,748   | 4,024  |
| Cash and bank balances                                      | 48,032  | 48,456   |
| <b>Total current assets</b>                                 | <u>53,348</u>   | <u>53,089</u>  |
| <b>Total assets</b>   | <u><b>214,590</b></u>   | <u><b>217,276</b></u>  |
| <b>Equity and liabilities</b>                               |   |  |
| <b>Equity attributable to equity holders of the Company</b> |   |  |
| Share capital   | 199,397   | 199,397  |
| (Accumulated losses)/retained earnings                      | (459)   | 2,154  |
| Shareholders' equity  | 198,938   | 201,551  |
| <b>Non-controlling interests</b>                            | 1,398   | 1,456  |
| <b>Total equity</b>   | <u>200,336</u>  | <u>203,007</u>   |
| <b>Non-current liabilities</b>                              |   |  |
| Deferred tax liabilities                                    | 11,424  | 11,424   |
| <b>Total non-current liabilities</b>                        | <u>11,424</u>   | <u>11,424</u>  |
| <b>Current liabilities</b>                                  |   |  |
| Trade & other payables                                      | 2,830   | 2,845  |
| <b>Total current liabilities</b>                            | <u>2,830</u>  | <u>2,845</u>   |
| <b>Total liabilities</b>                                    | <u>14,254</u>   | <u>14,269</u>  |
| <b>Total equity and liabilities</b>                         | <u><b>214,590</b></u>   | <u><b>217,276</b></u>  |
| Net assets per share (RM)                                   | 1.01  | 1.02   |

*The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.*

**GRAND CENTRAL ENTERPRISES BHD**  
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**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE SECOND QUARTER ENDED 30 JUNE 2022**

|                                       | Share<br>capital<br>RM'000 | (Accumulated<br>losses)/<br>distributable<br>retained<br>earnings<br>RM'000 | Total<br>RM'000 | Non-<br>controlling<br>interests<br>RM'000 | Total<br>equity<br>RM'000 |
|---------------------------------------|----------------------------|---|-----------------|--|---------------------------|
| 6-month quarter ended<br>30 June 2022 |                            |   |                 |  |                           |
| <b>At 1 January 2022</b>              | 199,397                    | 2,154   | 201,551         | 1,456                                      | 203,007                   |
| Total comprehensive loss              | -                          | (2,613)   | (2,613)         | (58)                                       | (2,671)                   |
| <b>At 30 June 2022</b>                | 199,397                    | (459)   | 198,938         | 1,398                                      | 200,336                   |
| 6-month quarter ended<br>30 June 2021 |                            |   |                 |  |                           |
| <b>At 1 January 2021</b>              | 199,397                    | 4,498   | 203,895         | 1,536                                      | 205,431                   |
| Total comprehensive loss              | -                          | (3,355)   | (3,355)         | (73)                                       | (3,428)                   |
| <b>At 30 June 2021</b>                | 199,397                    | 1,143   | 200,540         | 1,463                                      | 202,003                   |

*The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.*

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE SECOND QUARTER ENDED 30 JUNE 2022**

|  | <b><u>2022</u></b><br><b>6 Months</b><br><b>Ended</b><br><b>30.06.2022</b><br><b>RM'000</b> | <b><u>2021</u></b><br><b>6 Months</b><br><b>Ended</b><br><b>30.06.2021</b><br><b>RM'000</b> |
|--|---|---|
| <b>Cash flows from operating activities</b>                                    |   |   |
| Loss before taxation   | (2,671)   | (3,866)   |
| Adjustments for:   |   |   |
| Depreciation   | 3,079   | 3,226   |
| Gain on disposal of property, plant and equipment                              | (5)   | -   |
| Inventories written off  | 4   | 1   |
| Finance income   | (408)   | (415)   |
| Property, plant and equipment written off                                      | 2   | -   |
| Operating profit/(loss) before working capital changes                         | 1   | (1,054)   |
| Net change in current receivables  | (905)   | (714)   |
| Net change in current payables   | (15)  | (651)   |
| Net cash used in operating activities  | (919)   | (2,419)   |
| <b>Cash flows from investing activities</b>                                    |   |   |
| Finance income received  | 626   | 250   |
| Placement of deposits with licensed banks                                      | (438)   | (28,589)  |
| Proceeds from disposal of property, plant and equipment                        | 5   | -   |
| Purchase of property, plant and equipment                                      | (136)   | (418)   |
| Net cash from/(used in) investing activities                                   | 57  | (28,757)  |
| <b>Cash flows from financing activity</b>                                      |   |   |
| Repayment of lease liability, representing net cash used in financing activity | -   | (14)  |
| <b>Net changes in cash and cash equivalents</b>                                | (862)   | (31,190)  |
| <b>Cash and cash equivalents at beginning of financial year</b>                | 22,701  | 46,591  |
| <b>Cash and cash equivalents at end of financial period</b>                    | 21,839  | 15,401  |

Cash and cash equivalents included in the statements of cash flows comprise the following:

|                                    | <b><u>As At</u></b><br><b>30.06.2022</b><br><b>RM'000</b> | <b><u>As At</u></b><br><b>30.06.2021</b><br><b>RM'000</b> |
|------------------------------------|---|---|
| Cash and bank balances             | 48,032  | 45,175  |
| Less: Deposits with licensed banks | (26,193)  | (29,774)  |
|                                    | 21,839  | 15,401  |
| <b>Cash and bank balances</b>      |   |   |
| Cash on hand and at banks          | 4,952   | 2,226   |
| Deposits with licensed banks       | 43,080  | 42,949  |
| Cash and bank balances             | 48,032  | 45,175  |

The deposits with licensed banks which have maturity periods of more than 3 months but not more than one year amounted to RM25,008,000 (2021: RM28,589,000). Included in deposits with licensed banks are RM1,185,000 (2021: RM1,185,000) pledged as bank guarantee facility granted to the Group.

*The condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.*

**PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134**

**1 BASIS OF PREPARATION**

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRSs") 134: Interim Financial Reporting issued by the Malaysian Accounting Standard Board ("MASB") and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2021. These explanatory notes attached to the interim financial statements 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.

**2 CHANGES IN ACCOUNTING POLICIES**

The accounting policies applied by the Group in the interim financial statements are consistent with those adopted in the most recent audited financial statements for the year ended 31 December 2021 except for the adoption of the new and amended MFRSs and IC Interpretations effective for annual financial periods beginning on or after 1 January 2022. The initial application of these new and amended MFRSs and IC Interpretations have no material impact on this interim financial reporting.

**3 AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors' report on the financial statements for the year ended 31 December 2021 was not qualified.

**4 SEGMENTAL REPORTING**

**Business segments**

The chief operating decision-maker has been identified as the Board of Directors (the "Board"). The Board reviews the Group's internal reporting in order to assess performance and allocation of resources. The Group is principally engaged in the hotel business conducted in Malaysia.

Due to the interrelated nature of hotel business and similar operational characteristic of managing the same field, the Board believes that it is overseeing a single reportable segment. Hence, the Group does not present its results by industry or products segments.

**Geographical segments**

The Group's business are operated entirely within Malaysia and as such, no segment information based on geographical location is presented.

**Major customers**

There are no major customers for the period under review where the revenue is above 10% of the Group's revenue. However in the preceding year corresponding period, there was one major customer with revenue of 46% of the Group's revenue which amounted to RM3.30 million.

**5 UNUSUAL ITEMS**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period under review because of their nature, size or incidence.

**6 CHANGES IN ESTIMATES**

There were no changes in estimates that have had a material effect in the current quarter results.

**7 SEASONAL OR CYCLICAL FACTORS**

The operations of the Group are not subject to seasonality/cyclicity of operations.

**8 DIVIDENDS PAID**

There were no dividends paid during the current quarter.

**9 CARRYING AMOUNT OF REVALUED ASSETS**

There was no valuation of property, plant and equipment for the period under review.

**10 DEBT AND EQUITY SECURITIES**

There were no issuances and repayment of debts and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current quarter under review.

**11 CHANGES IN COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group for the current financial period to date.

**12 CAPITAL COMMITMENTS**

Capital expenditures as at the reporting date are as follows:

|                               | <b>As At<br/>End Of<br/>Current<br/>Quarter<br/>30.06.2022<br/>RM'000</b> | <b>As At<br/>End Of<br/>Preceding<br/>Year End<br/>31.12.2021<br/>RM'000</b> |
|-------------------------------|---|--|
| Approved and contracted for:  |   |  |
| Property, plant and equipment | 136   | 142  |



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### **13 CONTINGENT LIABILITIES**

The Group does not have any contingent liabilities as at 30 June 2022.

### **14 SUBSEQUENT EVENTS**

There were no material events subsequent to the end of the period under review.

**PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**15 PERFORMANCE REVIEW**

For the financial period ended 30 June 2022, the Group recorded a revenue of RM10.4 million (2021: RM7.1 million) and loss before taxation of RM2.7 million (2021: RM3.9 million).

Despite one of the hotels ceased being a quarantine facility in mid-January 2022, the Group recorded a higher revenue. This is mainly due to overall higher room occupancy and average room rates as compared to the preceding year corresponding period.

In the opinion of the Directors, the results for the financial period under review have not been affected by any transaction or event of a material or unusual nature.

**16 COMMENTS ON MATERIAL CHANGES IN LOSS BEFORE TAXATION AS COMPARED WITH IMMEDIATE PRECEDING QUARTER**

|   | <b>Current<br/>Quarter</b> | <b>Immediate<br/>Preceding<br/>Quarter</b> | <b>Changes</b> |
|---|----------------------------|--|----------------|
|   | <b>30.06.2022</b>          | <b>31.03.2022</b>                          |                |
|   | <b>RM'000</b>              | <b>RM'000</b>                              | <b>%</b>       |
| Revenue   | 5,759                      | 4,600                                      | 25             |
| Loss before interest and taxation                         | (1,068)                    | (1,603)                                    | (33)           |
| Loss before taxation                                      | (1,068)                    | (1,603)                                    | (33)           |
| Loss after taxation                                       | (1,068)                    | (1,603)                                    | (33)           |
| Loss attributable to the equity<br>holders of the Company | <u>(1,038)</u>             | <u>(1,575)</u>                             | <u>(34)</u>    |

The Group's revenue for this quarter increased as compared to the immediate preceding quarter. This is due to a 3% increase of average room occupancy rates despite a 6% decrease in average room rates.

**17 PROSPECTS**

Despite Malaysia remaining under the endemic phase and authorities easing requirements for international arrivals, the rise in prices across the board, labour shortage, reduction of maximum working hours effective September 2022 and tourism competition with other countries, the Directors anticipate the performance of the Group for the next quarter to be challenging.

**18 PROFIT FORECAST**

The Group has not provided any profit forecast in a public document.

## 19 TAXATION

Taxation includes:

|  | <---- INDIVIDUAL PERIOD ---->                      |  | <--- CUMULATIVE PERIOD --->                        |   |
|--|--|--|--|---|
|  | Current<br>Year<br>Quarter<br>30.06.2022<br>RM'000 | Preceding<br>Year<br>Quarter<br>30.06.2021<br>RM'000 | Current<br>Year<br>To Date<br>30.06.2022<br>RM'000 | Preceding Year<br>Corresponding<br>Period<br>30.06.2021<br>RM'000 |
| Overprovision in respect of<br>previous year | -  | (438)  | -  | (438)   |
|  | -  | (438)  | -  | (438)   |

There is no tax expense for the period under review as the Group is in a tax loss position.

## 20 CORPORATE PROPOSALS

There were no corporate proposals announced during the financial period to date.

## 21 BORROWINGS

The Group does not have any borrowings as at 30 June 2022.

## 22 CHANGES IN MATERIAL LITIGATION

There are no changes in material litigation, including the status of pending material litigation as at the date of this report.

## 23 DIVIDEND

No interim ordinary dividend has been declared for the current quarter.

## 24 LOSS PER SHARE

Loss per share is calculated by dividing loss for the period attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the financial period.

|  | <--- INDIVIDUAL PERIOD --->              |  | <--- CUMULATIVE PERIOD --->              |   |
|--|--|--|--|---|
|  | Current<br>Year<br>Quarter<br>30.06.2022 | Preceding<br>Year<br>Quarter<br>30.06.2021 | Current<br>Year<br>To Date<br>30.06.2022 | Preceding Year<br>Corresponding<br>Period<br>30.06.2021 |
| Loss attributable to equity<br>holders of the Company (RM'000) | (1,038)                                  | (1,352)                                    | (2,613)                                  | (3,355)   |
| Weighted average number of ordinary<br>shares in issue ('000)  | 197,002                                  | 197,002                                    | 197,002                                  | 197,002   |
| Loss per share (sen)   | (0.53)                                   | (0.69)                                     | (1.33)                                   | (1.70)  |

## **25 NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

Loss for the period is arrived at after crediting/(charging):

|   | <b>&lt;--- INDIVIDUAL PERIOD ---&gt;</b>                      |   | <b>&lt;--- CUMULATIVE PERIOD ---&gt;</b>                      |  |
|---|---|---|---|--|
|   | <b>Current<br/>Year<br/>Quarter<br/>30.06.2022<br/>RM'000</b> | <b>Preceding<br/>Year<br/>Quarter<br/>30.06.2021<br/>RM'000</b> | <b>Current<br/>Year<br/>To Date<br/>30.06.2022<br/>RM'000</b> | <b>Preceding Year<br/>Corresponding<br/>Period<br/>30.06.2021<br/>RM'000</b> |
| Interest income   | 206   | 206   | 408   | 415  |
| Sundry revenue  | 322   | 546   | 597   | 916  |
| Lease liability interests                                   | -   | -   | -   | -  |
| Depreciation  | (1,540)   | (1,571)   | (3,079)   | (3,226)  |
| Bad debts written off                                       | -   | -   | -   | -  |
| Allowance for impairment of<br>other receivable             | -   | -   | -   | -  |
| Allowance for impairment of<br>trade receivable             | -   | -   | -   | -  |
| Reversal of allowance for<br>impairment of trade receivable | -   | -   | -   | -  |
| Inventories written off                                     | (3)   | -   | (4)   | (1)  |
| Gain on disposal of investments                             | -   | -   | -   | -  |
| Gain on disposal of property,<br>plant and equipment        | 5   | -   | 5   | -  |
| Loss on disposal of property,<br>plant and equipment        | -   | -   | -   | -  |
| Property, plant and equipment<br>written off                | (2)   | -   | (2)   | -  |
| Impairment of assets  | -   | -   | -   | -  |
| Foreign exchange gain                                       | -   | -   | -   | -  |

## **26 AUTHORISATION FOR ISSUE**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 9 August 2022.