A. Notes To The Condensed Consolidated Interim Financial Statements For The Three Months Ended 31 December 2014

A1. Basis of Preparation

The condensed consolidated interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia"). The condensed consolidated interim financial statements also comply with International Accounting Standard 34: Interim Financial Reporting issued by the International Accounting Standards Board ("IASB").

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 September 2014.

The significant accounting policies adopted by the Group in this condensed consolidated interim financial statements are consistent with those adopted in the audited financial statements for the year ended 30 September 2014 except for the adoption of the following MFRSs, Amendments to MFRSs and Issues Committee ("IC") Interpretations issued by MASB:

Amendments to MFRS 10	Consolidated Financial Statements: Investment Entities
Amendments to MFRS 12	Disclosure of Interest in Other Entities: Investment Entities
Amendments to MFRS 127	Separate Financial Statements: Investment Entities
Amendments to MFRS 132	Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 136	Recoverable Amount Disclosures for Non-Financial Assets
Amendments to MFRS 139	Novation of Derivatives and Continuation of Hedge Accounting
IC Interpretation 21	Levies
Amendments to MFRS 119	Defined Benefit Plans: Employee Contributions
MFRS 2	Share-Based Payment (Annual Improvements to MFRSs 2010 – 2012 Cycle)
MFRS 3	Business Combinations (Annual Improvements to MFRSs 2010 – 2012 Cycle)

A1. Basis of Preparation (Cont'd.)

MFRS 8	Operating Segments (Annual Improvements to MFRSs 2010 – 2012 Cycle)
MFRS 13	Fair Value Measurement (Annual Improvements to MFRSs 2010 – 2012 Cycle)
MFRS 116	Property, Plant and Equipment (Annual Improvements to MFRSs 2010 – 2012 Cycle)
MFRS 138	Intangible Assets (Annual Improvements to MFRSs 2010 – 2012 Cycle)
MFRS 124	Related Party Disclosures (Annual Improvements to MFRSs 2010 – 2012 Cycle)
MFRS 1	First-time Adoption of MFRS (Annual Improvements to MFRSs 2011 – 2013 Cycle)
MFRS 3	Business Combinations (Annual Improvements to MFRSs 2011 – 2013 Cycle)
MFRS 13	Fair Value Measurement (Annual Improvements to MFRSs 2011 – 2013 Cycle)
MFRS 140	Investment Property (Annual Improvements to MFRSs 2011 – 2013 Cycle)

The adoption of the above MFRSs, Amendments to MFRSs and IC Interpretations did not have any significant impact on the financial statements of the Group.

A2. MFRSs, Amendments to MFRSs and Issues Committee ("IC") Interpretations yet to be effective

Effective for financial periods beginning on or after 1 January 2016

MFRS 5	Non-current Assets Held for Sale and Discontinued Operations (Annual Improvements to MFRSs 2012 – 2014 Cycle)
MFRS 7	Financial Instruments: Disclosures (Annual Improvements to MFRSs 2012 – 2014 Cycle)
MFRS 14	Regulatory Deferral Accounts
MFRS 119	Employee Benefits (Annual Improvements to MFRSs 2012 – 2014 Cycle)
MFRS 134	Interim Financial Reporting (Annual Improvements to MFRSs 2012 – 2014 Cycle)
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations
Amendments to MFRS 101	Disclosure Initiative
Amendments to MFRS 127	Equity Method in Separate Financial Statements

Investment Entities: Applying the Consolidation Exception (Amendments to MFRS 10, MFRS 12 and MFRS 128)

Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to MFRS 116 and MFRS 138)

Agriculture: Bearer Plants (Amendments to MFRS 116 and MFRS 141)

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to MFRS 10 and MFRS 128)

Effective for financial periods beginning on or after 1 January 2017

MFRS 15	Revenue from Contracts with Customers

A2. MFRSs, Amendments to MFRSs and Issues Committee ("IC") Interpretations yet to be effective (Cont'd.)

Effective for financial periods beginning on or after 1 January 2018

MFRS 9	Financial Instruments (International Financial Reporting Standard ("IFRS") 9 Financial Instruments issued by IASB in July 2014)

The adoption of the above MFRSs, Amendments to MFRSs and IC Interpretation stated above are not expected to result in significant financial impact to the Group, except as disclosed below:

- MFRS 9: Financial Instruments

  MFRS 9 (IFRS 9 issued by IASB in July 2014) replaces earlier versions of MFRS 9 and introduces a package of improvements which includes a classification and measurement model, a single forward looking 'expected loss' impairment model and a substantially-reformed approach to hedge accounting. MFRS 9 when effective will replace MFRS 139.

  The initial application of MFRS 9 in the future may have an impact on the financial statements of the Group. However, it is not practicable to provide a reasonable estimate of the effect until a detailed review has been completed.

A3. Audit Qualification of the Preceding Annual Financial Statements

There was no qualification in the audit report of the preceding annual financial statements of the Group.

A4. Seasonality or Cyclicality of Operations

The businesses of the Group are not subject to seasonal or cyclical fluctuations.

A5. Unusual Items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items that affected the assets, liabilities, equity, net income or cash flows of the Group for the period under review.

A6. Change in Estimates

There were no changes in estimates of amounts reported in prior periods that have a material effect in the period under review.

A7. Issuances, Repurchases, Resale and Repayments of Debts and Equity Securities

(i) Issuance of shares

There was no new issuance of ordinary shares.

(ii) Share buy-back

On 17 March 2014, the shareholders approved the renewal of the Company's plan to purchase its own ordinary shares.

During the period ended 31 December 2014, the Company purchased 192,600 of its issued ordinary shares of RM0.50 each fully paid from the open market at an average price of RM1.30 per share for a total consideration of RM249,903. The purchase was financed by internally generated funds. These shares are held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

Of the total 245,954,000 issued and fully paid ordinary shares of RM0.50 each as at 31 December 2014, 5,932,100 (RM7,464,657) are held as treasury shares by the Company. The number of outstanding ordinary shares in issue and fully paid are therefore 240,021,900 ordinary shares of RM0.50 each.

(iii) There were no issuances or repayments of debt securities during the period ended 31 December 2014.

A8. Segment Information

Year To Date 31 December 2014	Insurance RM'000	Information Technology RM'000	Investment Holding RM'000	Others RM'000	Consolidation adjustments RM'000	Group RM'000
REVENUE						
External sales	121,089	2,250	1,002	1,155	-	125,496
Inter-segment Sales	64	3,802	3,140	4	(7,010)	-
Total segment Revenue	121,153	6,052	4,142	1,159	(7,010)	125,496
RESULTS						
Segment profit before tax after accounting for :	15,619	131	4,871	50	(358)	20,313
Interest income	-	37	-	7	-	44
Finance cost	(1,371)	(756)	(110)	(932)	2,350	(819)
Depreciation	(278)	(131)	(28)	-	3	(434)
Amortisation	(140)	(51)	(3)	-	2	(192)
Other non cash items	(164)	(1,541)	(4,524)	(67)	-	(6,296)

A9. Material Events Subsequent to End of Reporting Period

There were no material events subsequent to the end of the period reported up to 25 February 2015 except as disclosed below:

On 26 November 2014, the Company made an announcement that P & O Global Technologies Inc ("POGT US"), a wholly owned subsidiary of the Company had on 25 November 2014 entered into an Agreement of Purchase and Sale with 7914 BUILDING, LLC, a Florida limited liability company with an office at 11098 Biscayne Blvd., Suite 203, Miami, Florida 33161, to acquire a piece of freehold land situated in Miami-Dade County, Florida ("the Land"), having an address of 7914 West Drive, 7916 West Drive and 7918 West Drive, North Bay Village, Florida 33141, for a total consideration of USD8,300,000 and a signing bonus of USD75,000 upon the terms and conditions as stipulated in the said Agreement. The acquisition is subject to satisfactory results from inspections, tests and analyses on the land as determined by POGT US.

The Company had on 8 January 2015, made an announcement that the acquisition of the Land has become unconditional following satisfactory results from inspections, tests and analyses on the Land.

A10. Effect of Changes in Composition of the Group

There were no changes in the composition of the Group for the quarter ended 31 December 2014.

A11. Changes in Contingent Assets and Contingent Liabilities

The Group does not have any contingent assets since financial year ended 30 September 2014.

Details of the Group's contingent liabilities are as follows:

	Year To Date	
	31.12.2014	31.12.2013
	RM'000	RM'000
Performance guarantees - secured	336	312

A12. Capital Commitments

The amount of capital commitments for the purchase of property, plant and equipment not provided for is as follows:

	Year To Date	
	31.12.2014	31.12.2013
	RM'000	RM'000
Approved and contracted for	-	261

A13. Risk-Based Capital ("RBC") Framework of the Insurance Subsidiary

As at 31 December 2014, the insurance subsidiary has a capital adequacy ratio in excess of the minimum requirement as stipulated in the RBC Framework.

B. Additional Notes Pursuant To The Main Market Listing Requirements of Bursa Malaysia For The Three Months Ended 31 December 2014

B1. Review of Results

Current Quarter/Year to Date

Group revenue was RM125,496,000 compared to RM137,602,000 in the corresponding quarter of the last financial year. Profit before tax of RM20,313,000 was reported compared to RM13,164,000 in the corresponding quarter of the last financial year.

Insurance segment – Revenue decreased by RM13,025,000 to RM121,089,000 for the current quarter compared to the corresponding quarter of the last financial year. The decrease in revenue was primarily due to lower gross earned premium. However, pre-tax profit increased by RM988,000 to RM18,718,000 for the current quarter compared to the corresponding quarter of the last financial year. This was largely attributable to higher interest income from deposits and placements with financial institutions.

Information technology (IT) segment - Revenue from external parties increased by RM291,000 to RM2,250,000 for the current quarter compared to the corresponding quarter of the last financial year, principally due to higher revenue from software sales and IT services. Pre-tax loss decreased by RM1,794,000 to RM1,454,000 for the current quarter compared to the corresponding quarter of the last financial year, largely due to unrealised foreign exchange gain.

B2. Comparison With Immediate Preceding Quarter's Results

Group revenue was RM125,496,000 compared to RM129,354,000 reported in the immediate preceding quarter. Profit before tax of RM20,313,000 was reported compared to RM23,816,000 in the immediate preceding quarter.

Insurance segment – Revenue decreased by RM4,197,000 to RM121,089,000 for the current quarter compared to the immediate preceding quarter. This was mainly attributable to lower gross earned premium. Profit before tax decreased by RM6,782,000 to RM18,718,000 for the current quarter compared to the immediate preceding quarter as a result of lower underwriting results arising from the absence of profit commission earned from reinsurance business for the current quarter. Under the terms of the reinsurance arrangement, profit commission is determined and recognised as income in the last quarter of each financial year.

IT segment – Revenue from external parties increased by RM223,000 to RM2,250,000 for the current quarter compared to the immediate preceding quarter. This was mainly attributable to higher revenue from software sales and IT services. Pre-tax loss decreased by RM621,000 to RM1,454,000 for the current quarter compared to the immediate preceding quarter, largely due to unrealised foreign exchange gain.

B3. Current Year Prospects

The Malaysian insurance business environment continues to be competitive and challenging, mainly due to the consolidation of the insurance industry and keen competition. Nevertheless, with the continuing emphasis on profitable business, the Board expects the performance of the insurance segment for the financial year ending 30 September 2015 to be satisfactory.

The IT segment remains extremely competitive. Nonetheless, amid this environment, the IT segment is expected to maintain a steady trend in its long term growth with continued focus in providing quick and attentive service to its clients.

In view of the above and barring unforeseen circumstances, the Board expects the Group's performance for the financial year ending 30 September 2015 to be satisfactory.

B4. Profit Forecast and Profit Guarantee

No forecast has been issued by the Group for the period ended 31 December 2014.

B5. Taxation

The taxation figures include the following:

	1st Quater Ended 31.12.2014 RM'000
Income tax:	
Current year's provision	
- Malaysian tax	1,853
Deferred tax:	
- Transfer from deferred taxation	(17)
	1,836

The effective rates of taxation of the Group for the quarter and year to date are lower than the statutory rate of taxation mainly due to double tax deduction pertaining to payment of the insurance subsidiary company's share of contribution to Malaysian Motor Insurance Pool's (MMIP) cash call.

B6. Status of Corporate Proposal

As at 25 February 2015 there was no corporate proposals announced but not completed.

B7. Status of utilisation of proceeds

The divestment of 49% of the Company's equity interest in its insurance subsidiary company, Pacific & Orient Insurance Co. Berhad to Sanlam Emerging Markets Proprietary Limited, for a cash consideration of RM270,000,000 was completed on 17 May 2013.

As at 31 December 2014, the Company had utilised the proceeds from the divestment as follows: -

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Intended Timeframe for Utilisation RM'000	Deviation RM'000	Deviation %
Payment of special dividend	37,000	37,013	Within 3 months	(13)	(0.04)
Repayment of bank borrowings	48,000	48,000	Within 3 months	-	-
Investments to be identified (1)	150,000	40,000	Within 24 months	110,000	73.33
Working capital (2)	28,300	12,078	Within 24 months	16,222	57.32
Defraying expenses incidental to the Divestment	6,700	6,672	Within 3 months	28	0.42
	270,000	143,763		126,237	

Note:

(1) The Board is still actively exploring and identifying additional investment opportunities for the Group.

(2) Working capital is for the Group's operating and administrative expenses.

B8. Group Borrowings*

	As At 31.12.2014 RM'000
Long term	
a. Secured	1,279
b. Unsecured (1)	33,686
Short term	
a. Secured	933
b. Unsecured	-
Foreign currency borrowings	-

* Includes hire purchase creditors of RM2,012,000 of which RM1,279,000 is long term and RM733,000 is short term.

(1) Long term unsecured borrowings relate to Sub Notes with nominal value of RM35,000,000 net of discount and transaction costs, issued by the insurance subsidiary company to a third party on 27 June 2012.

B9. Material Litigation

As at 31 December 2014 there was no material litigation against the Group other than those arising in the normal course of the insurance subsidiary's business.

B10. Dividends Paid and Declared

	RM'000	Date of payment
In respect of financial year ending 30 September 2015:		
(i) A first interim single tier dividend of 2.20 sen per share declared on 28 November 2014	5,285	30 December 2014
	5,285	

(ii) The Board of Directors had on 7 January 2015 declared a second interim single tier dividend of 1.30 sen per share in respect of the current financial year, paid on 12 February 2015. This dividend has not been reflected in the financial statements for the current quarter ended 31 December 2014 but will be accounted for in equity as an appropriation of retained profits for the next quarter ending 31 March 2015.

The total single tier dividend paid and declared for the current financial year to date 31 December 2014 and up to the date of announcement was 3.50 sen per share. (Previous corresponding period: single tier dividend of 1.00 sen per share.)

B11. Earnings Per Share

		Quarter/Year To Date 31.12.2014	Quarter/Year To Date 31.12.2013
Profit for the period (A)	(RM'000)	11,720	3,954
Weighted average number of ordinary shares in issue (B)	('000)	240,150	242,046
Earnings per share:			
Basic (A÷B)	(sen)	4.88	1.63

There were no dilutive potential ordinary shares as at the end of the reporting period.

B12. Profit For The Period

	Quarter/ Year To Date 31.12.2014 RM'000
Profit for the period is arrived at after charging:	
Interest expense	732
Depreciation of property, plant and equipment	434
Amortisation of:	
- intangible assets	191
- prepaid land lease payments	1
Allowance for impairment of:	
- insurance receivables	3
Write back in impairment of:	
- insurance receivables	(34)
and after crediting:	
Other operating income:	
Interest income	44
Rental income	1
Gain on disposal of property, plant and equipment	3
Realised and unrealised foreign exchange gain (net)	6,164

B12. Profit For The Period (Cont'd.)

There were no (i) write off of inventories, (ii) gain or loss on disposal of quoted and unquoted investments or properties, (iii) impairment of assets (iv) gain or loss on derivatives and (v) exceptional items for the current quarter and period ended 31 December 2014.

B13. Disclosure of Realised and Unrealised Profits

	As at 31.12.2014 RM'000	As at 30.09.2014 RM'000
Total retained profits of the Group:		
- Realised	258,824	251,664
- Unrealised	6,207	(187)
	265,031	251,477
Consolidation adjustments	(46,571)	(39,452)
Total retained profits as per statement of financial position of the Group	218,460	212,025

The determination of realised and unrealised profits is based on Guidance of Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purpose.

BY ORDER OF THE BOARD
SOO HAN YEE
YONG KIM FATT
Company Secretaries
Kuala Lumpur

25 February 2015