A. Notes To The Condensed Consolidated Interim Financial Statements For The Year Ended 30 September 2015

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 119	Defined Benefit Plans: Employee Contributions
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
MFRS 1	First-time Adoption of MFRS (Annual Improvements to MFRSs 2011 – 2013 Cycle)

A1. Basis of Preparation (Cont'd.)

MFRS 2	Share-Based Payment (Annual Improvements to MFRSs 2010 – 2012 Cycle)
MFRS 3	Business Combinations (Annual Improvements to MFRSs 2010 – 2012 Cycle)
MFRS 3	Business Combinations (Annual Improvements to MFRSs 2011 – 2013 Cycle)
MFRS 8	Operating Segments (Annual Improvements to MFRSs 2010 – 2012 Cycle)
MFRS 13	Fair Value Measurement (Annual Improvements to MFRSs 2010 – 2012 Cycle)
MFRS 13	Fair Value Measurement (Annual Improvements to MFRSs 2011 – 2013 Cycle)
MFRS 116	Property, Plant and Equipment (Annual Improvements to MFRSs 2010 – 2012 Cycle)
MFRS 124	Related Party Disclosures (Annual Improvements to MFRSs 2010 – 2012 Cycle)
MFRS 138	Intangible Assets (Annual Improvements to MFRSs 2010 – 2012 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 and Amendments to MFRSs 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)

A2. MFRSs and Amendments to MFRSs 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)
MFRS 15	Revenue from Contracts with Customers

The adoption of the above MFRSs and Amendments to MFRSs 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 except as disclosed below:

The results of the insurance subsidiary company for the year ended 30 September 2015 were affected by an increase in provision for Incurred But Not Reported ("IBNR") claims and Provision of Risk Margin for Adverse Deviation ("PRAD") of RM36,103,000.

The increase was due to the change in approach taken by the insurance subsidiary company's newly appointed actuary in estimating the provision for IBNR claims and PRAD as at 30 September 2015, compared to the estimation performed by its former actuary which was still within the acceptable range. All appointments of actuaries were approved by Bank Negara Malaysia ("BNM").

Despite the change in approach in estimating the provision for IBNR claims and PRAD, the Capital Adequacy Ratio of the insurance subsidiary company is still above the Internal Target Capital Level approved by BNM.

Consequent upon the increase in the provision for IBNR claims and PRAD, the insurance subsidiary company's reserves which had previously been maintained at a level adequate to settle its current and future claims liabilities as and when they fall due, have now been further strengthened, to enable the insurance subsidiary company to withstand any challenges in the market arising from economic uncertainties and changes in insurance regulations.

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 24 March 2015, the shareholders approved the renewal of the Company's plan to purchase its own ordinary shares.

During the financial year ended 30 September 2015, the Company purchased 1,209,400 of its issued ordinary shares of RM0.50 each fully paid from the open market at an average price of RM1.37 per share for a total consideration of RM1,655,521. 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 30 September 2015, 6,948,900 (RM8,870,276) are held as treasury shares by the Company. The number of outstanding ordinary shares in issue and fully paid are therefore 239,005,100 ordinary shares of RM0.50 each.

(iii) There were no issuances or repayments of debt securities during the period ended 30 September 2015.

A8. Segment Information

Year To Date 30 September 2015	Insurance RM'000	Information Technology RM'000	Investment Holding RM'000	Others RM'000	Consolidation adjustments RM'000	Group RM'000
REVENUE						
External sales	448,843	9,374	4,876	1,751	-	464,844
Inter-segment Sales	256	15,243	37,763	4	(53,266)	-
Total segment Revenue	449,099	24,617	42,639	1,755	(53,266)	464,844
RESULTS						
Segment profit	30,006	797	57,198	(1,647)	(23,649)	62,705
Share of losses of an associated company	-	-	-	(433)	-	(433)
Segment profit before tax after accounting for :	30,006	797	57,198	(2,080)	(23,649)	62,272
Interest income	-	121	-	133	-	254
Finance cost	(5,502)	(2,641)	(407)	(2,588)	7,858	(3,280)
Depreciation	(1,106)	(565)	(125)	(13)	12	(1,797)
Amortisation	(441)	(196)	(12)	(1)	18	(632)
Other non-cash items	4,000	(4,815)	(30,907)	139	(363)	(31,946)

A9. Material Events Subsequent to End of Reporting Period

There were no material events subsequent to the end of the period reported up to 26 November 2015.

A10. Effect of Changes in Composition of the Group

There were no changes in the composition of the Group for the period ended 30 September 2015 except as disclosed in Note A14(ii).

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 follow:

	Year To Date	
	30.09.2015	30.09.2014
	RM'000	RM'000
Performance guarantees - secured	189	326

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	
	30.09.2015	30.09.2014
	RM'000	RM'000
Approved and contracted for	259	-

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

As at 30 September 2015, the insurance subsidiary has a capital adequacy ratio in excess of the minimum requirement as stipulated in the RBC Framework.

A14. Significant Event

(i) 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 its 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.

(ii) On 1 April 2015, the Company made an announcement that Pacific & Orient Properties Limited ("POPL"), a wholly owned subsidiary of the Company had on 31 March 2015 entered into an Investment and Shareholders Agreement with Fast2Fibre (Holdings) Limited ("F2F"), a company incorporated and registered in England and Wales, to invest in 30% of the equity in F2F for the total subscription price of GBP1,500,000.

F2F provides a set of processes for the extraction of the inner core of underground or ducted telecoms and power cables without the need for trenching.

The acquisition of F2F as an associated company of the Group was completed on 1 April 2015.

B. Additional Notes Pursuant To The Main Market Listing Requirements of Bursa Malaysia For The Year Ended 30 September 2015

B1. Review of Results

Current Quarter

Group revenue was RM104,136,000 compared to RM129,354,000 in the corresponding quarter of the last financial year. Profit before tax of RM45,135,000 was reported compared to RM23,816,000 in the corresponding quarter of the last financial year.

Insurance segment – Revenue decreased by RM24,691,000 to RM100,594,000 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. Profit before tax of RM29,310,000 was reported as compared to RM25,501,000 in the corresponding quarter of the last financial year. This was largely attributable to better underwriting results arising from lower net claims incurred and higher interest income from deposits and placements with financial institutions.

Information technology (IT) segment - Revenue from external parties increased by RM362,000 to RM2,389,000 for the current quarter compared to the corresponding quarter of the last financial year, principally due to higher revenue from software sales and income from IT services. Pre-tax profit of RM270,000 was reported as opposed to pre-tax loss of RM2,074,000 for the current quarter compared to the corresponding quarter of the last financial year, largely due to the increase in unrealised foreign exchange gain.

Year to Date

Group revenue was RM464,844,000 compared to RM541,129,000 in the last financial year. Profit before tax of RM62,272,000 was reported compared to RM69,305,000 in the last financial year.

Insurance segment – Revenue decreased by RM76,652,000 to RM448,843,000 for the current financial year compared to the last financial year. The decrease in revenue was primarily due to lower gross earned premium. Profit before tax of RM42,645,000 was reported compared to RM80,503,000 in the last financial year. This was largely attributable to lower underwriting results arising from higher net claims incurred due to a change in approach in estimating the provision for IBNR claims and PRAD as disclosed in Note A5.

Information technology (IT) segment - Revenue from external parties increased by RM1,243,000 to RM9,374,000 for the current financial year compared to the last financial year, principally due to higher revenue from software sales,. Pre-tax loss decreased by RM3,814,000 to RM4,225,000 for the current financial year compared to the last financial year, largely due to the increase in unrealised foreign exchange gain.

B2. Comparison With Immediate Preceding Quarter's Results

Group revenue was RM104,136,000 compared to RM111,337,000 reported in the immediate preceding quarter. Profit before tax of RM45,135,000 was reported compared to pre-tax profit of RM23,235,000 in the immediate preceding quarter.

Insurance segment – Revenue decreased by RM6,840,000 to RM100,594,000 for the current quarter compared to the immediate preceding quarter. This was mainly attributable to lower gross earned premium. Profit before tax of RM29,310,000 was reported compared to pre-tax profit of RM23,477,000 in the immediate preceding quarter. This was largely attributable to better underwriting results arising from profit commission earned under an arrangement with a reinsurer and a reduction in the provision for IBNR claims and PRAD as computed by the insurance subsidiary's appointed actuary.

IT segment – Revenue from external parties decreased by RM194,000 to RM2,390,000 for the current quarter compared to the immediate preceding quarter. This was mainly attributable to lower revenue from hardware sales. However, pre-tax profit of RM270,000 was reported for the current quarter as opposed to pre-tax loss of RM1,823,000 reported in the immediate preceding quarter, largely due to the increase in 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 insurance segment for the financial year ending 30 September 2016 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 to be satisfactory.

B4. Profit Forecast and Profit Guarantee

No forecast has been issued by the Group for the period ended 30 September 2015.

B5. Taxation

The taxation figures include the following:

	Quarter Ended 30.09.2015 RM'000	Year to Date 30.09.2015 RM'000
Income tax:		
Current year's provision		
- Malaysian tax	7,610	8,486
- Foreign tax	19	27
- Over provision in prior years	-	(1,751)
	7,629	6,762
Over provision of double tax deduction in respect of cash contribution to Malaysian Motor Insurance Pool ("MMIP") in prior year	-	1,286
Deferred tax:		
- Transfer from deferred taxation	(424)	(338)
- Under provision in prior years	(441)	1,349
	6,764	9,059

The effective rate of taxation of the Group is lower principally due to certain income which are not subject to tax and double tax deduction for payment made by the insurance subsidiary company to MMIP during the current period.

B6. Status of Corporate Proposal

As at 26 November 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 ("POI") to Sanlam Emerging Markets Proprietary Limited, for a cash consideration of RM270,000,000 was completed on 17 May 2013.

As at 30 September 2015, 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	79,474	Within 24 months	70,526	47.02
Working capital [(2)]	28,328	19,554	Within 24 months	8,774	30.97
Defraying expenses incidental to the Divestment	6,672	6,672	Within 3 months	-	-
	270,000	190,713		79,287	

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.

The Board had via its announcement to Bursa Malaysia on 12 May 2015 extended the timeframe for utilisation of the remaining unutilised portions of (1) and (2) above from 16 May 2015 to 16 November 2016.

B8. Group Borrowings*

	As At 30.09.2015 RM'000
Long term	
a. Secured	1,498
b. Unsecured [(1)]	33,794
Short term	
a. Secured	892
b. Unsecured	-
Foreign currency borrowings	-

* Includes hire purchase creditors of RM2,190,000 of which RM1,498,000 is long term and RM692,000 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 30 September 2015 there was no material litigation against the Group other than those arising in the normal course of the insurance subsidiary's business.

B10. Dividends

		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
(ii)	A second interim single tier dividend of 1.30 sen per share declared on 7 January 2015	3,120	12 February 2015
(iii)	A third interim single tier dividend of 1.70 sen per share declared on 13 March 2015	4,080	15 April 2015
(iv)	A fourth interim single tier dividend of 0.80 sen per share declared on 14 May 2015	1,920	17 June 2015
(v)	A fifth interim single tier dividend of 1.80 sen per share declared on 8 June 2015	4,317	15 July 2015
(v)	A sixth interim single tier dividend of 1.10 sen per share declared on 18 August 2015	2,630	18 September 2015
		21,352	

The total single tier dividend declared in respect of the current financial year was 8.90 sen per share. (Previous corresponding period: single tier dividend of 7.60 sen per share)

Note: The Board of Directors had on 4 November 2015 declared a first interim single tier dividend of 2.00 sen per share in respect of the next financial year ending 30 September 2016, payable on 4 December 2015. This dividend has not been reflected in the financial statements for the current year ended 30 September 2015 but will be accounted for in equity as an appropriation of retained profits for the next quarter ending 31 December 2015.

B11. Earnings Per Share

		Quarter Ended		Year To Date	
		30.09.2015	30.09.2014	30.09.2015	30.09.2014
Profit for the period (A)	(RM’000)	28,959	9,341	42,570	24,708
Weighted average number of ordinary shares in issue (B)	(’000)	239,252	240,214	239,834	240,765
Earnings per share:					
Basic (A÷B)	(sen)	12.10	3.89	17.75	10.26

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

B12. Profit For The Period

	Quarter Ended 30.09.2015 RM’000	Year To Date 30.09.2015 RM’000
Profit for the period is arrived at after charging:		
Interest expense	746	2,933
Depreciation of property, plant and equipment	457	1,797
Amortisation of:		
- intangible assets	135	628
- prepaid land lease payments	1	4
Allowance for/(write back in) impairment of:		
- property, plant and equipment	567	567
- Intangible assets	1	1
- Insurance receivables	371	752
- Trade receivables	855	855
- Other receivables	991	991
- Reinsurance assets	(78)	1,839
Write back in impairment of:		
- insurance receivables	(593)	(990)
- trade receivables	(4)	(4)
Bad debts written off	2	2
Bad debts recovered	(28)	(28)
Allowance for inventory obsolescence	11	11
Inventories – goods for resale written off	4	4
Loss on disposal of property, plant and equipment	100	152
and after crediting:		
Other operating income:		
Interest income	68	254
Rental income	1	4
Gain on disposal of quoted investments	-	716
Realised and unrealised foreign exchange gain (net)	21,853	38,243

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

There were no (i) gain or loss on derivatives and (ii) exceptional items for the current quarter and financial year ended 30 September 2015.

B13. Disclosure of Realised and Unrealised Profits

	As at 30.09.2015 RM'000	As at 30.09.2014 RM'000
Total retained profits of the Group:		
- Realised	223,144	251,664
- Unrealised	35,375	(187)
	258,519	251,477
Share of accumulated losses from an associated company:		
- Realised	(433)	-
Consolidation adjustments	(24,843)	(39,452)
Total retained profits as per statement of financial position of the Group	233,243	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

26 November 2015