

**CONDENSED CONSOLIDATED FINANCIAL POSITION**

	As At 31/12/2019 RM'000	As At 30/9/2019 RM'000
<b>ASSETS</b>		
Property, plant and equipment	23,867	24,004
Investment properties	1,220	1,220
Prepaid land lease payments	288	290
Right-of-use assets	14,185	-
Intangible assets	1,794	1,867
Deferred tax assets	512	510
Investments	262,563	245,496
Amortised cost	-	33
Fair value through other comprehensive income	67,837	54,112
Fair value through profit or loss	194,726	191,351
Investment in associated companies	21,075	18,528
Inventories - goods for resale	562	552
Land held for development	47,729	47,345
Loans	2,148	2,155
Reinsurance assets	161,115	161,941
Insurance receivables	8,938	24,792
Trade receivables	1,339	2,395
Lease receivables	1,068	-
Other receivables	66,012	72,172
Due from associated companies	9,529	6,744
Tax receivable	1,032	-
Deposits and placements with financial institutions	325,570	332,267
Cash and bank balances	44,798	44,456
<b>Total assets</b>	<b>995,344</b>	<b>986,734</b>
<b>LIABILITIES</b>		
Insurance contract liabilities	513,760	515,060
Insurance payables	14,623	14,693
Deferred tax liabilities	3,235	3,078
Trade payables	266	435
Other payables	11,795	14,943
Borrowings	39,764	35,179
Hire purchase creditors	1,662	1,419
Lease liabilities	14,378	-
Dividend payable	4,056	3,388
Tax payable	-	928
<b>Total liabilities</b>	<b>603,539</b>	<b>589,123</b>
<b>EQUITY</b>		
Share capital	147,389	147,289
Treasury shares	(17,844)	(17,156)
Merger reserve	20,792	20,792
Translation reserve	(15,622)	(17,037)
Revaluation reserve	10,624	10,624
Fair value through other comprehensive income ("FVOCI") reserve	7,893	4,792
Share options reserve	1,037	1,046
Retained profits	131,249	139,344
<b>Equity attributable to equity holders of the Company</b>	<b>285,518</b>	<b>289,694</b>
Non-controlling interest	106,287	107,917
<b>Total equity</b>	<b>391,805</b>	<b>397,611</b>
<b>Total liabilities and equity</b>	<b>995,344</b>	<b>986,734</b>
<b>Net assets per share (Sen)</b>	<b>106</b>	<b>107</b>
Based on number of shares (net of treasury shares)('000)	270,408	271,014

The condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 September 2019.

**CONDENSED CONSOLIDATED INCOME STATEMENT**  
For The Three Months Ended 31 December 2019

	Quarter ended 31-Dec-19 RM'000	Quarter ended 31-Dec-18 RM'000	Year to date 31-Dec-19 RM'000	Year to date 31-Dec-18 RM'000
Revenue	77,030	77,558	77,030	77,558
Other operating income	5,313	2,878	5,313	2,878
	82,343	80,436	82,343	80,436
Operating expenses	(87,042)	(83,435)	(87,042)	(83,435)
Loss from operations	(4,699)	(2,999)	(4,699)	(2,999)
Finance costs	(1,032)	(831)	(1,032)	(831)
	(5,731)	(3,830)	(5,731)	(3,830)
Share of losses of associated companies	(977)	(1,278)	(977)	(1,278)
Loss before tax	(6,708)	(5,108)	(6,708)	(5,108)
Income tax	756	(782)	756	(782)
Loss for the period	(5,952)	(5,890)	(5,952)	(5,890)
Attributable to :				
Equity holders of the Company	(4,038)	(6,913)	(4,038)	(6,913)
Non-controlling interest	(1,914)	1,023	(1,914)	1,023
Loss per share attributable to equity holders of the Company :				
- Basic loss per share (sen)	# <sup>(1)</sup> (1.49)	# <sup>(2)</sup> (2.53)	# <sup>(1)</sup> (1.49)	# <sup>(2)</sup> (2.53)
- Diluted loss per share (sen)	# <sup>(1)</sup>	# <sup>(2)</sup>	# <sup>(1)</sup>	# <sup>(2)</sup>
[Based on weighted average number of shares (net of treasury shares)]				

#<sup>(1)</sup> - Not disclosed as it is anti-dilutive

#<sup>(2)</sup> - There were no potential dilutive ordinary shares during this reporting period

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
For The Three Months Ended 31 December 2019

	Quarter ended 31-Dec-19 RM'000	Quarter ended 31-Dec-18 RM'000	Year to date 31-Dec-19 RM'000	Year to date 31-Dec-18 RM'000
<b>Loss for the period</b>	(5,952)	(5,890)	(5,952)	(5,890)
<b>Other comprehensive income/(loss):</b>				
<b>Items that may be reclassified to income statement in subsequent periods:</b>				
Currency translation differences in respect of foreign operations	1,415	961	1,415	961
Fair value changes on FVOCI financial assets - debt instruments				
- Gain on fair value changes	56	-	56	-
- Deferred tax	(13)	-	(13)	-
	43	-	43	-
<b>Items that will not be reclassified to income statement in subsequent periods:</b>				
Fair value changes on FVOCI financial assets - equity instruments				
- Gain/(loss) on fair value changes	3,511	(6,547)	3,511	(6,547)
- Deferred tax	(169)	512	(169)	512
	3,342	(6,035)	3,342	(6,035)
<b>Other comprehensive income/(loss) for the period, net of tax</b>	4,800	(5,074)	4,800	(5,074)
<b>Total comprehensive loss for the period</b>	(1,152)	(10,964)	(1,152)	(10,964)
<b>Attributable to :</b>				
Equity holders of the Company	478	(11,194)	478	(11,194)
Non-controlling interest	(1,630)	230	(1,630)	230

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
For The Three Months Ended 31 December 2019

	Attributable to Equity Holders of the Company										Non-Controlling Interest RM'000	Total Equity RM'000
	Non Distributable								Distributable			
	Share Capital RM'000	Treasury Shares RM'000	Merger Reserve RM'000	Translation Reserve RM'000	Revaluation Reserve RM'000	Available-For-Sale Reserve RM'000	Share Options Reserve RM'000	FVOCI Reserve RM'000	Retained Profits RM'000	Total RM'000		
<b>At 1 October 2019</b>	147,289	(17,156)	20,792	(17,037)	10,624	-	1,046	4,792	139,344	289,694	107,917	397,611
Purchase of treasury shares	-	(688)	-	-	-	-	-	-	-	(688)	-	(688)
Net loss for the period	-	-	-	-	-	-	-	-	(4,038)	(4,038)	(1,914)	(5,952)
Other comprehensive loss for the period	-	-	-	1,415	-	-	-	3,101	-	4,516	284	4,800
Total comprehensive loss for the period	-	-	-	1,415	-	-	-	3,101	(4,038)	478	(1,630)	(1,152)
Dividends to equity holders of the Company (Note B9)	-	-	-	-	-	-	-	-	(4,057)	(4,057)	-	(4,057)
Ordinary shares issued pursuant to exercised of ESOS	100	-	-	-	-	-	(9)	-	-	91	-	91
<b>At 31 December 2019</b>	147,389	(17,844)	20,792	(15,622)	10,624	-	1,037	7,893	131,249	285,518	106,287	391,805

	Attributable to Equity Holders of the Company										Non-Controlling Interest RM'000	Total Equity RM'000
	Non Distributable								Distributable			
	Share Capital RM'000	Treasury Shares RM'000	Merger Reserve RM'000	Translation Reserve RM'000	Revaluation Reserve RM'000	Available-For-Sale Reserve RM'000	Share Options Reserve RM'000	FVOCI Reserve RM'000	Retained Profits RM'000	Total RM'000		
<b>At 1 October 2018 (as previously stated)</b>	147,279	(13,465)	20,792	(14,252)	10,624	10,329	-	-	164,130	325,437	123,127	448,564
Effects of adopting MFRS 9 *	-	-	-	-	-	(10,329)	-	9,879	648	198	191	389
<b>At 1 October 2018 (restated)</b>	147,279	(13,465)	20,792	(14,252)	10,624	-	-	9,879	164,778	325,635	123,318	448,953
Purchase of treasury shares	-	(1,677)	-	-	-	-	-	-	-	(1,677)	-	(1,677)
Net loss for the period	-	-	-	-	-	-	-	-	(6,913)	(6,913)	1,023	(5,890)
Other comprehensive loss for the period	-	-	-	961	-	-	-	(5,242)	-	(4,281)	(793)	(5,074)
Total comprehensive loss for the period	-	-	-	961	-	-	-	(5,242)	(6,913)	(11,194)	230	(10,964)
Dividends to equity holders of the Company	-	-	-	-	-	-	-	-	(2,728)	(2,728)	-	(2,728)
<b>At 31 December 2018</b>	147,279	(15,142)	20,792	(13,291)	10,624	-	-	4,637	155,137	310,036	123,548	433,584

The condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 September 2019.

**PACIFIC & ORIENT BERHAD**

Registration no. 199401022687 (308366-H)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

For The Three Months Ended 31 December 2019

	31 December 2019 RM'000	31 December 2018 RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(6,708)	(5,108)
Adjustments for :		
Depreciation of:		
- property, plant and equipment	550	506
- right-of-use assets	1,134	-
Amortisation of:		
- prepaid land lease payments	1	1
- intangible assets	137	146
Loss/(gain) on disposal of property, plant and equipment	54	(3)
Property, plant and equipment written off	3	1
(Gain)/loss on fair value of financial assets at fair value through profit or loss	(816)	1,800
Gain on disposal of investments	(323)	-
Gain on derecognition of right-of-use assets	(959)	-
Dividend income	(1,806)	(431)
Interest income	(3,154)	(3,692)
Income from Sukuk	-	(1)
Income from Islamic fixed deposits	(994)	(1,715)
Interest expense	944	740
Allowance for impairment:		
- insurance receivables	-	120
Write back in allowance for impairment:		
- insurance receivables	(90)	(732)
- trade receivables	(2)	-
Share of losses of associated companies	977	1,278
Allowance for unutilised leave	(377)	(263)
Unrealised (gain)/loss on foreign exchange	(841)	1,937
Others	-	77
Operating loss before working capital changes	<u>(12,270)</u>	<u>(5,339)</u>
Changes in working capital:		
Disposal of investments	2,041	48,271
Purchase of investments	(15,243)	(40,048)
Decrease in deposits and placements with financial institutions	6,693	37,258
Decrease in loans	7	4,394
Decrease in reinsurance assets	825	6,310
Decrease in insurance receivables	15,945	6,882
(Increase)/decrease in amounts due from associated companies	(2,344)	651
Decrease in trade and other receivables	18,401	892
Increase in inventories - goods for resale	(9)	(160)
Additional direct expenditure of land held for development	(677)	(257)
Decrease in insurance contract liabilities	(1,301)	(11,177)
Decrease in insurance payables	(70)	(3,088)
Decrease in payables	(2,237)	(1,561)
Cash generated from operations	<u>9,761</u>	<u>43,028</u>
Tax paid, net of tax refunded	(1,524)	(1,822)
Dividends received	1,508	295
Interest received	3,546	1,606
Income received from Sukuk	-	2
Income received from Islamic fixed deposits	994	1,715
Interest paid	(1,601)	(728)
Net cash generated from operating activities	<u>12,684</u>	<u>44,096</u>

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

For The Three Months Ended 31 December 2019 (Cont'd)

	31 December 2019 RM'000	31 December 2018 RM'000
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Acquisition of associated companies	(2,069)	(929)
Purchase of property, plant and equipment	(216)	(127)
Purchase of intangible assets	(63)	(287)
Purchase of investments	(10,497)	(14,824)
Disposal of investments	1,203	30,880
Maturities of Sukuk	33	20
Disposal of property, plant and equipment	184	4
Decrease in lease receivables	8	-
Net cash (used in)/generated from investing activities	<u>(11,417)</u>	<u>14,737</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Purchase of treasury shares	(688)	(1,621)
Issuance of share capital	91	-
Dividends paid to equity holders of the Company	(3,388)	(3,433)
Decrease in hire purchase creditors	(174)	(197)
Decrease in lease liabilities	(1,057)	-
Proceeds from drawdown of borrowings	4,544	-
Net cash used in financing activities	<u>(672)</u>	<u>(5,251)</u>
Net increase in cash and cash equivalents	595	53,582
Foreign exchange differences	(253)	(125)
Cash and cash equivalents at beginning of period	44,456	57,469
Cash and cash equivalents at end of period	<u>44,798</u>	<u>110,926</u>
Cash and cash equivalents comprise the following:		
Cash and bank balances	<u>44,798</u> #	<u>110,926</u>

# Cash and bank balances consist of cash in hand, cash at bank, and short-term deposits placed with financial institutions with maturity periods of less than three months. The lower cash and bank balances as at 31 December 2019 was mainly due to more withdrawal of fund in deposits with maturity periods of less than three months.

(a) Reconciliation of liabilities arising from financing activities:

	Lease liabilities RM'000	Hire purchase creditors RM'000	Borrowings RM'000	Total RM'000
At 1 October 2019	14,654	1,419	35,179	51,252
<b>Changes in Financing Cash Flows</b>				
Proceeds from drawdown	-	-	4,544	4,544
Repayment of hire purchase	-	(174)	-	(174)
Repayment of lease liabilities	(1,057)	-	-	(1,057)
<b>Addition:</b>				
Purchase of properties, plant and equipment	-	413	-	413
Purchase of right-of-use assets	684	-	-	684
Transaction costs	-	-	44	44
Translation differences	97	4	(3)	98
At 31 December 2019	<u>14,378</u>	<u>1,662</u>	<u>39,764</u>	<u>55,804</u>

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