

CONDENSED CONSOLIDATED FINANCIAL POSITION

	As At 31/3/2020 RM'000	As At 30/9/2019 RM'000
ASSETS		
Property, plant and equipment	23,408	24,004
Investment properties	1,220	1,220
Prepaid land lease payments	287	290
Right-of-use assets	14,836	-
Intangible assets	1,992	1,867
Deferred tax assets	840	510
Investments	252,434	245,496
Amortised cost	-	33
Fair value through other comprehensive income	91,646	54,112
Fair value through profit or loss	160,788	191,351
Investment in associated companies	17,397	18,528
Inventories - goods for resale	594	552
Land held for development	51,215	47,345
Loans	2,141	2,155
Reinsurance assets	185,430	161,941
Insurance receivables	7,089	24,792
Trade receivables	3,187	2,395
Lease receivables	367	-
Other receivables	69,064	72,172
Due from associated companies	10,856	6,744
Tax receivable	1,617	-
Deposits and placements with financial institutions	302,399	332,267
Cash and bank balances	47,130	44,456
Total assets	993,503	986,734
LIABILITIES		
Insurance contract liabilities	542,210	515,060
Insurance payables	15,918	14,693
Deferred tax liabilities	2,977	3,078
Trade payables	1,094	435
Other payables	12,485	14,943
Borrowings	41,480	35,179
Hire purchase creditors	1,466	1,419
Lease liabilities	14,274	-
Dividend payable	-	3,388
Tax payable	-	928
Total liabilities	631,904	589,123
EQUITY		
Share capital	147,389	147,289
Treasury shares	(19,899)	(17,156)
Merger reserve	20,792	20,792
Translation reserve	(17,437)	(17,037)
Revaluation reserve	10,624	10,624
Fair value through other comprehensive income ("FVOCI") reserve	2,635	4,792
Share options reserve	1,218	1,046
Retained profits	125,193	139,344
Equity attributable to equity holders of the Company	270,515	289,694
Non-controlling interest	91,084	107,917
Total equity	361,599	397,611
Total liabilities and equity	993,503	986,734
Net assets per share (Sen)	101	107
Based on number of shares (net of treasury shares)('000)	268,122	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 Six Months Ended 31 March 2020

	Quarter ended 31-Mar-20 RM'000	Quarter ended 31-Mar-19 RM'000	Year to date 31-Mar-20 RM'000	Year to date 31-Mar-19 RM'000
Revenue	85,871	85,543	162,901	163,101
Other operating income	14,606	10,086	19,919	12,964
	100,477	95,629	182,820	176,065
Operating expenses	(102,647)	(90,620)	(189,689)	(174,055)
(Loss)/profit from operations	(2,170)	5,009	(6,869)	2,010
Finance costs	(977)	(810)	(2,009)	(1,641)
	(3,147)	4,199	(8,878)	369
Share of losses of associated companies	(699)	(1,417)	(1,676)	(2,695)
(Loss)/profit before tax	(3,846)	2,782	(10,554)	(2,326)
Income tax	(559)	(2,100)	197	(2,882)
(Loss)/profit for the period	(4,405)	682	(10,357)	(5,208)
Attributable to :				
Equity holders of the Company	(2,011)	(1,978)	(6,049)	(8,891)
Non-controlling interest	(2,394)	2,660	(4,308)	3,683
Loss per share attributable to equity holders of the Company :				
- Basic loss per share (sen)	# ⁽¹⁾ (0.75)	# ⁽²⁾ (0.73)	# ⁽¹⁾ (2.24)	# ⁽²⁾ (3.26)
- Diluted loss per share (sen)	# ⁽¹⁾	# ⁽²⁾	# ⁽¹⁾	# ⁽²⁾
[Based on weighted average number of shares (net of treasury shares)]				

#⁽¹⁾ - Not disclosed as it is anti-dilutive

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

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For The Six Months Ended 31 March 2020

	Quarter ended 31-Mar-20 RM'000	Quarter ended 31-Mar-19 RM'000	Year to date 31-Mar-20 RM'000	Year to date 31-Mar-19 RM'000
(Loss)/profit for the period	(4,405)	682	(10,357)	(5,208)
Other comprehensive income/(loss):				
Items that may be reclassified to income statement in subsequent periods:				
Currency translation differences in respect of foreign operations	(1,815)	116	(400)	1,077
Fair value changes on FVOCI financial assets - debt instruments				
- Gain on fair value changes	522	-	578	-
- Deferred tax	(125)	-	(138)	-
	397	-	440	-
Items that will not be reclassified to income statement in subsequent periods:				
Fair value changes on FVOCI financial assets - equity instruments				
- (Loss)/gain on fair value changes	(6,704)	852	(3,193)	(5,695)
- Deferred tax	487	(163)	318	349
	(6,217)	689	(2,875)	(5,346)
Other comprehensive (loss)/income for the period, net of tax	(7,635)	805	(2,835)	(4,269)
Total comprehensive (loss)/income for the period	(12,040)	1,487	(13,192)	(9,477)
Attributable to :				
Equity holders of the Company	(9,084)	(1,424)	(8,606)	(12,618)
Non-controlling interest	(2,956)	2,911	(4,586)	3,141

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 STATEMENTS OF CHANGES IN EQUITY
For The Six Months Ended 31 March 2020

	Attributable to Equity Holders of the Company								Non-Controlling Interest RM'000	Total Equity RM'000	
	Non Distributable						Distributable	Total RM'000			
	Share Capital RM'000	Treasury Shares RM'000	Merger Reserve RM'000	Translation Reserve RM'000	Revaluation Reserve RM'000	Share Options Reserve RM'000	FVOCI Reserve RM'000				Retained Profits RM'000
At 1 October 2019	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	-	(2,743)	-	-	-	-	-	-	(2,743)	-	(2,743)
Net loss for the period	-	-	-	-	-	-	-	(6,049)	(6,049)	(4,308)	(10,357)
Other comprehensive loss for the period	-	-	-	(400)	-	-	(2,157)	-	(2,557)	(278)	(2,835)
Total comprehensive loss for the period	-	-	-	(400)	-	-	(2,157)	(6,049)	(8,606)	(4,586)	(13,192)
Dividends to equity holders of the Company (Note B9)	-	-	-	-	-	-	-	(8,106)	(8,106)	-	(8,106)
Dividend to a non-controlling interest by a subsidiary company	-	-	-	-	-	-	-	-	-	(12,250)	(12,250)
Option charge arising from share options granted	-	-	-	-	-	188	-	-	188	-	188
Ordinary shares issued pursuant to exercised of ESOS	100	-	-	-	-	(9)	-	-	91	-	91
Forfeiture of ESOS	-	-	-	-	-	(7)	-	4	(3)	3	-
At 31 March 2020	147,389	(19,899)	20,792	(17,437)	10,624	1,218	2,635	125,193	270,515	91,084	361,599

PACIFIC & ORIENT BERHAD
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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For The Six Months Ended 31 March 2020 (Cont'd)

	Attributable to Equity Holders of the Company								Total RM'000	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	FVOCI Reserve RM'000	Retained Profits RM'000			
At 1 October 2018 (as previously stated)	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	(15)	(465)	(447)	(912)
At 1 October 2018 (restated)	147,279	(13,465)	20,792	(14,252)	10,624	-	9,879	164,115	324,972	122,680	447,652
Purchase of treasury shares	-	(2,317)	-	-	-	-	-	-	(2,317)	-	(2,317)
Net loss for the period	-	-	-	-	-	-	-	(8,891)	(8,891)	3,683	(5,208)
Other comprehensive loss for the period	-	-	-	1,077	-	-	(4,804)	-	(3,727)	(542)	(4,269)
Total comprehensive loss for the period	-	-	-	1,077	-	-	(4,804)	(8,891)	(12,618)	3,141	(9,477)
Dividends to equity holders of the Company	-	-	-	-	-	-	-	(6,816)	(6,816)	-	(6,816)
Dividend to a non-controlling interest by a subsidiary company	-	-	-	-	-	-	-	-	-	(22,050)	(22,050)
At 31 March 2019	147,279	(15,782)	20,792	(13,175)	10,624	-	5,075	148,408	303,221	103,771	406,992

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PACIFIC & ORIENT BERHAD

Registration no. 199401022687 (308366-H)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For The Six Months Ended 31 March 2020

	31 March 2020 RM'000	31 March 2019 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(10,554)	(2,326)
Adjustments for :		
Depreciation of:		
- property, plant and equipment	1,104	1,024
- right-of-use assets	1,586	-
Amortisation of:		
- prepaid land lease payments	2	2
- intangible assets	266	286
Loss/(gain) on disposal of property, plant and equipment	52	(3)
Property, plant and equipment written off	5	3
Loss on fair value of financial assets at fair value through profit or loss	7,230	1,658
Gain on disposal of investments	(817)	(79)
Loss on disposal of associated company	338	-
Gain on derecognition of right-of-use assets	(318)	-
Dividend income	(3,858)	(2,650)
Interest income	(6,215)	(7,259)
Income from Sukuk	-	(2)
Income from Islamic fixed deposits	(2,042)	(3,427)
Interest expense	1,852	1,462
Allowance for impairment:		
- insurance receivables	125	-
Write back in allowance for impairment:		
- insurance receivables	-	(1,023)
- trade receivables	(2)	-
Share of losses of associated companies	1,676	2,695
Allowance for unutilised leave	(246)	(114)
Share options expense	188	-
Unrealised (gain)/loss on foreign exchange	(5,328)	2,565
Others	-	110
Operating loss before working capital changes	<u>(14,956)</u>	<u>(7,078)</u>
Changes in working capital:		
Disposal of investments	34,873	88,355
Purchase of investments	(51,396)	(51,586)
Decrease/(increase) in deposits and placements with financial institutions	29,903	(32,842)
Decrease in loans	14	5,383
Increase in reinsurance assets	(23,489)	(20,225)
Decrease in insurance receivables	17,579	15,078
(Increase)/decrease in amounts due from associated companies	(3,679)	563
Decrease in trade and other receivables	5,761	833
Increase in inventories - goods for resale	(42)	(96)
Additional direct expenditure of land held for development	(1,649)	(927)
Increase in insurance contract liabilities	27,149	18,631
Increase in insurance payables	1,225	10,222
Decrease in payables	(1,475)	(1,846)
Cash generated from operations	<u>19,818</u>	<u>24,465</u>
Tax paid, net of tax refunded	(2,890)	(3,500)
Dividends received	3,093	2,452
Interest received	6,243	2,421
Income received from Sukuk	-	2
Income received from Islamic fixed deposits	2,041	3,427
Interest paid	(1,853)	(1,389)
Net cash generated from operating activities	<u>26,452</u>	<u>27,878</u>

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For The Six Months Ended 31 March 2020 (Cont'd)

	31 March 2020 RM'000	31 March 2019 RM'000
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of associated companies	(2,069)	(1,355)
Purchase of property, plant and equipment	(319)	(237)
Purchase of intangible assets	(394)	(455)
Purchase of investments	(3)	(31,378)
Disposal of investments	1,038	39,880
Maturities of Sukuk	33	19
Disposal of property, plant and equipment	186	3
Decrease in lease receivables	94	-
Net cash (used in)/generated from investing activities	<u>(1,434)</u>	<u>6,477</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Purchase of treasury shares	(2,743)	(2,314)
Issuance of share capital	91	-
Dividends paid to equity holders of the Company	(11,494)	(10,249)
Dividend paid to a non-controlling interest	(12,250)	(22,050)
Decrease in hire purchase creditors	(356)	(356)
Decrease in lease liabilities	(2,154)	-
Proceeds from drawdown of borrowings	6,200	-
Net cash used in financing activities	<u>(22,706)</u>	<u>(34,969)</u>
Net increase/(decrease) in cash and cash equivalents	2,312	(614)
Foreign exchange differences	362	(369)
Cash and cash equivalents at beginning of period	44,456	57,469
Cash and cash equivalents at end of period	<u>47,130</u>	<u>56,486</u>
Cash and cash equivalents comprise the following:		
Cash and bank balances	<u>47,130</u> #	<u>56,486</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.

(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 (as previously stated)	-	1,419	35,179	36,598
Effects of adopting MFRS 16	14,654	-	-	14,654
At 1 October 2019 (as restated)	<u>14,654</u>	<u>1,419</u>	<u>35,179</u>	<u>51,252</u>
Changes in Financing Cash Flows				
Proceeds from drawdown	-	-	6,200	6,200
Repayment of hire purchase	-	(356)	-	(356)
Repayment of lease liabilities	(2,154)	-	-	(2,154)
Addition:				
Purchase of properties, plant and equipment	-	413	-	413
Purchase of right-of-use assets	1,699	-	-	1,699
Transaction costs	-	-	75	75
Translation differences	75	(10)	26	91
At 31 March 2020	<u>14,274</u>	<u>1,466</u>	<u>41,480</u>	<u>57,220</u>

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