

PACIFIC & ORIENT BERHAD

Registration no. 199401022687 (308366-H)

CONDENSED CONSOLIDATED FINANCIAL POSITION

	Audited As At 30/9/2020 RM'000	Audited As At 30/9/2019 RM'000
ASSETS		
Property, plant and equipment	21,533	24,004
Investment properties	655	1,220
Prepaid land lease payments	-	290
Right-of-use assets	16,646	-
Intangible assets	1,715	1,867
Deferred tax assets	979	510
Investments	478,789	245,496
Amortised cost	-	33
Fair value through other comprehensive income	105,480	54,112
Fair value through profit or loss	373,309	191,351
Investment in associated companies	17,486	18,528
Inventories - goods for resale	611	552
Land held for development	51,124	47,345
Loans	2,134	2,155
Reinsurance assets	172,640	161,941
Insurance receivables	17,655	24,792
Trade receivables	2,881	2,395
Lease receivables	747	-
Other receivables	65,406	72,172
Due from associated companies	11,787	6,744
Deposits and placements with financial institutions	104,976	332,267
Cash and bank balances	71,021	44,456
Total assets	1,038,785	986,734
LIABILITIES		
Insurance contract liabilities	524,336	515,060
Insurance payables	11,910	14,693
Deferred tax liabilities	4,313	3,078
Trade payables	314	435
Other payables	13,948	14,943
Borrowings	89,302	35,179
Hire purchase creditors	-	1,419
Lease liabilities	15,922	-
Dividend payable	3,213	3,388
Tax payable	249	928
Total liabilities	663,507	589,123
EQUITY		
Share capital	147,401	147,289
Treasury shares	(20,244)	(17,156)
Merger reserve	20,792	20,792
Translation reserve	(14,971)	(17,037)
Revaluation reserve	11,182	10,624
Fair value through other comprehensive income ("FVOCI") reserve	13,273	4,792
Share options reserve	1,553	1,046
Retained profits	112,303	139,344
Equity attributable to equity holders of the Company	271,289	289,694
Non-controlling interest	103,989	107,917
Total equity	375,278	397,611
Total liabilities and equity	1,038,785	986,734
Net assets per share (Sen)	101	107
Based on number of shares (net of treasury shares)('000)	267,721	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 Year Ended 30 September 2020

	Quarter ended 30-Sep-20 RM'000	Quarter ended 30-Sep-19 RM'000	Audited Year to date 30-Sep-20 RM'000	Audited Year to date 30-Sep-19 RM'000
Revenue	72,231	81,988	309,168	323,480
Other operating income	11,955	18,851	33,557	34,389
	84,186	100,839	342,725	357,869
Operating expenses	(77,724)	(87,193)	(336,262)	(344,596)
Profit from operations	6,462	13,646	6,463	13,273
Finance costs	(1,942)	(837)	(5,441)	(3,314)
	4,520	12,809	1,022	9,959
Share of losses of associated companies	(736)	(537)	(2,597)	(4,067)
(Loss)/profit before tax	3,784	12,272	(1,575)	5,892
Income tax	(2,431)	(4,198)	(3,729)	(6,864)
(Loss)/profit for the period	1,353	8,074	(5,304)	(972)
Attributable to :				
Equity holders of the Company	(3,312)	3,257	(9,841)	(8,435)
Non-controlling interest	4,665	4,817	4,537	7,463
(Loss)/earnings per share attributable to equity holders of the Company :				
- Basic (loss)/earnings per share (sen)	(1.24)	1.20	(3.66)	(3.10)
- Diluted (loss)/earnings per share (sen)	# ⁽¹⁾	1.20	# ⁽¹⁾	# ⁽¹⁾
[Based on weighted average number of shares (net of treasury shares)]				

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

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 STATEMENT OF COMPREHENSIVE INCOME
For The Year Ended 30 September 2020

	Quarter ended 30-Sep-20 RM'000	Quarter ended 30-Sep-19 RM'000	Audited Year to date 30-Sep-20 RM'000	Audited Year to date 30-Sep-19 RM'000
Profit/(loss) for the period	1,353	8,074	(5,304)	(972)
Other comprehensive income/(loss):				
Items that may be reclassified to income statement in subsequent periods:				
Currency translation differences in respect of foreign operations	2,588	(2,434)	2,066	(2,785)
Fair value changes on FVOCI financial assets - debt instruments				
- Gain on fair value changes	205	42	2,910	42
- Deferred tax	(49)	(10)	(698)	(10)
	156	32	2,212	32
Items that will not be reclassified to income statement in subsequent periods:				
Fair value changes on FVOCI financial assets - equity instruments				
- Gain/(loss) on fair value changes	2,307	(121)	10,209	(6,467)
- Deferred tax	-	71	(787)	534
	2,307	(50)	9,422	(5,933)
Surplus from revaluation of land and buildings				
- Gross surplus from revaluation	2,221	-	2,221	-
- Deferred tax	(533)	-	(533)	-
	1,688	-	1,688	-
Other comprehensive income/(loss) for the period, net of tax	6,739	(2,452)	15,388	(8,686)
Total comprehensive income/(loss) for the period	8,092	5,622	10,084	(9,658)
Attributable to :				
Equity holders of the Company	2,338	900	2,250	(16,307)
Non-controlling interest	5,754	4,722	7,834	6,649

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Registration no. 199401022687 (308366-H)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For The Year Ended 30 September 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 (as previously stated)	147,289	(17,156)	20,792	(17,037)	10,624	1,046	4,792	139,344	289,694	107,917	397,611
Effects of adoption of MFRS 16	-	-	-	-	-	-	-	23	23	-	23
At 1 October 2019 (restated)	147,289	(17,156)	20,792	(17,037)	10,624	1,046	4,792	139,367	289,717	107,917	397,634
Purchase of treasury shares	-	(3,088)	-	-	-	-	-	-	(3,088)	-	(3,088)
Net loss for the year	-	-	-	-	-	-	-	(9,841)	(9,841)	4,537	(5,304)
Other comprehensive income for the year	-	-	-	2,066	861	-	9,164	-	12,091	3,297	15,388
Total comprehensive income for the year	-	-	-	2,066	861	-	9,164	(9,841)	2,250	7,834	10,084
Dividends to equity holders of the Company (Note B9)	-	-	-	-	-	-	-	(17,746)	(17,746)	-	(17,746)
Dividend to a non-controlling interest by a subsidiary company	-	-	-	-	-	-	-	-	-	(12,250)	(12,250)
Option charge arising from share options granted	-	-	-	-	-	542	-	-	542	-	542
Ordinary shares issued pursuant to exercise of ESOS	112	-	-	-	-	(10)	-	-	102	-	102
Forfeiture of ESOS	-	-	-	-	-	(25)	-	21	(4)	4	-
Transfer of FVOCI reserve to retained profits upon disposal of financial assets at FVOCI	-	-	-	-	-	-	(683)	348	(335)	335	-
Transfer of revaluation reserves to retained profits upon disposal of property	-	-	-	-	(303)	-	-	154	(149)	149	-
At 30 September 2020	147,401	(20,244)	20,792	(14,971)	11,182	1,553	13,273	112,303	271,289	103,989	375,278

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For The Year Ended 30 September 2020 (Cont'd)

	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 2018	147,279	(13,465)	20,792	(14,252)	10,624	-	9,879	164,778	325,635	123,318	448,953
Purchase of treasury shares	-	(3,691)	-	-	-	-	-	-	(3,691)	-	(3,691)
Net loss for the year	-	-	-	-	-	-	-	(8,435)	(8,435)	7,463	(972)
Other comprehensive loss for the year	-	-	-	(2,785)	-	-	(5,087)	-	(7,872)	(814)	(8,686)
Total comprehensive loss for the year	-	-	-	(2,785)	-	-	(5,087)	(8,435)	(16,307)	6,649	(9,658)
Dividends to equity holders of the Company	-	-	-	-	-	-	-	(16,999)	(16,999)	-	(16,999)
Dividend to a non-controlling interest by a subsidiary company	-	-	-	-	-	-	-	-	-	(22,050)	(22,050)
Option charge arising from share options granted	-	-	-	-	-	1,047	-	-	1,047	-	1,047
Share options exercised	10	-	-	-	-	(1)	-	-	9	-	9
At 30 September 2019	147,289	(17,156)	20,792	(17,037)	10,624	1,046	4,792	139,344	289,694	107,917	397,611

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 Year Ended 30 September 2020

	Audited 30 September 2020 RM'000	Audited 30 September 2019 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss)/profit before taxation	(1,575)	5,892
Adjustments for :		
Depreciation of:		
- property, plant and equipment	1,808	2,121
- right-of-use assets	5,265	-
Amortisation of:		
- prepaid land lease payments	-	4
- intangible assets	563	561
Loss on disposal of property, plant and equipment	13	40
Loss on disposal of investment property	51	-
Property, plant and equipment written off	7	4
Intangible assets written off	-	2
Impairment of intangible assets	-	25
Inventories written off	25	-
Loss on fair value of financial assets at fair value through profit or loss	1,398	2,725
Gain on disposal of investments	(2,918)	(701)
Gain on derecognition of right-of-use assets	(12)	-
Gain on remeasurement of lease liabilities	(41)	-
Dividend income	(7,706)	(5,293)
Interest income	(11,273)	(14,589)
Income from Sukuk	-	(3)
Income from Islamic fixed deposits	(3,412)	(5,708)
Interest expense	5,168	2,957
Allowance for impairment:		
- investment in an associated company	2,886	-
- insurance receivables	-	56
- trade receivables	429	613
- corporate debt securities	38	-
Write back in allowance for impairment:		
- insurance receivables	(197)	-
- trade receivables	-	(131)
Bad debts written off:		
- other receivables	206	-
Share of losses of associated companies	2,597	4,067
Allowance for unutilised leave	497	267
Pension cost - defined benefit plan	(57)	164
Share options expense	542	1,047
Unrealised (gain)/loss on foreign exchange	(269)	69
Operating loss before working capital changes	(5,967)	(5,811)
Changes in working capital:		
Disposal of investments	43,932	118,093
Purchase of investments	(265,722)	(229,730)
Decrease in deposits and placements with financial institutions	227,291	126,267
Decrease in loans	21	5,812
(Increase)/decrease in reinsurance assets	(10,699)	9,862
Decrease in insurance receivables	7,334	332
Increase in amounts due from associated companies	(5,126)	(3,013)
Decrease/(increase) in trade and other receivables	1,778	(2,280)
Decrease in lease receivables	485	-
Increase in inventories - goods for resale	(84)	(44)
Additional direct expenditure of land held for development	(3,539)	(2,177)
Increase/(decrease) in insurance contract liabilities	9,276	(19,068)
Decrease in insurance payables	(2,783)	(78)
Decrease in payables	(1,516)	(726)
Cash used in operations	(5,319)	(2,561)

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For The Year Ended 30 September 2020 (Cont'd)

	Audited 30 September 2020 RM'000	Audited 30 September 2019 RM'000
CASH FLOW FROM OPERATING ACTIVITIES (Cont'd.)		
Tax paid, net of tax refunded	(4,320)	(2,939)
Dividends received	7,561	5,742
Interest received	13,128	16,797
Income received from Sukuk	-	3
Income received from Islamic fixed deposits	3,412	5,708
Interest paid	(3,165)	(8,380)
Net cash generated from operating activities	<u>11,297</u>	<u>14,370</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of associated companies	(2,163)	(2,608)
Purchase of property, plant and equipment	(559)	(1,496)
Acquisition of right-of-use assets	(255)	-
Purchase of intangible assets	(415)	(525)
Purchase of investments	(380)	(30,971)
Disposal of investments	2,889	54,122
Maturities of Sukuk	33	40
Disposal of property, plant and equipment	639	171
Disposal of investment property	514	-
Net cash generated from investing activities	<u>303</u>	<u>18,733</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Purchase of treasury shares	(3,088)	(3,691)
Issuance of share capital	102	9
Dividends paid to equity holders of the Company	(17,921)	(17,043)
Dividend paid to a non-controlling interest	(12,250)	(22,050)
Decrease in hire purchase creditors	-	(712)
Payment of principal portion of lease liabilities	(5,973)	-
Proceeds from drawdown of borrowings	53,957	-
Net cash generated from/(used in) financing activities	<u>14,827</u>	<u>(43,487)</u>
Net increase/(decrease) in cash and cash equivalents	26,427	(10,384)
Foreign exchange differences	138	(2,629)
Cash and cash equivalents at beginning of period	44,456	57,469
Cash and cash equivalents at end of period	<u>71,021</u>	<u>44,456</u>
Cash and cash equivalents comprise the following:		
Cash and bank balances #	<u>71,021</u>	<u>44,456</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.

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For The Year Ended 30 September 2020 (Cont'd)

(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 adoption of MFRS 16	18,263	(1,419)	-	16,844
At 1 October 2019 (as restated)	18,263	-	35,179	53,442
<u>Cash flows:</u>				
Payment of principal portion of lease liabilities	(5,973)	-	-	(5,973)
Drawdown of borrowings	-	-	53,957	53,957
<u>Non-cash transactions</u>				
Acquisition of right-of-use assets	2,685	-	-	2,685
Accretion of interests	971	-	-	971
Remeasurement of lease liabilities	(41)	-	-	(41)
Transaction costs	-	-	162	162
Translation differences	17	-	4	21
At 30 September 2020	15,922	-	89,302	105,224

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