

PACIFIC & ORIENT BERHAD

Registration no. 199401022687 (308366-H)

CONDENSED CONSOLIDATED FINANCIAL POSITION

	As At 31/12/2020 RM'000	As At 30/9/2020 RM'000
ASSETS		
Property, plant and equipment	21,283	21,533
Investment properties	655	655
Right-of-use assets	15,652	16,646
Intangible assets	1,579	1,715
Deferred tax assets	955	979
Investments	499,836	478,789
Fair value through other comprehensive income	117,533	105,480
Fair value through profit or loss	382,303	373,309
Investment in associated companies	17,328	17,486
Inventories - goods for resale	663	611
Land held for development	50,290	51,124
Loans	2,127	2,134
Reinsurance assets	176,382	172,640
Insurance receivables	7,380	17,655
Trade receivables	4,150	2,881
Lease receivables	813	747
Other receivables	66,781	65,406
Due from associated companies	13,492	11,787
Tax receivable	1,056	-
Deposits and placements with financial institutions	87,162	104,976
Cash and bank balances	77,816	71,021
Total assets	1,045,400	1,038,785
LIABILITIES		
Insurance contract liabilities	523,079	524,336
Insurance payables	8,846	11,910
Deferred tax liabilities	5,911	4,313
Trade payables	385	314
Other payables	11,576	13,948
Borrowings	92,834	89,302
Lease liabilities	15,069	15,922
Dividend payable	3,213	3,213
Tax payable	-	249
Total liabilities	660,913	663,507
EQUITY		
Share capital	147,401	147,401
Treasury shares	(20,244)	(20,244)
Merger reserve	20,792	20,792
Translation reserve	(14,894)	(14,971)
Revaluation reserve	11,182	11,182
Fair value through other comprehensive income ("FVOCI") reserve	22,932	13,273
Share options reserve	1,628	1,553
Retained profits	110,451	112,303
Equity attributable to equity holders of the Company	279,248	271,289
Non-controlling interest	105,239	103,989
Total equity	384,487	375,278
Total liabilities and equity	1,045,400	1,038,785
Net assets per share (Sen)	104	101
Based on number of shares (net of treasury shares)('000)	267,721	267,721

The condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 September 2020.

CONDENSED CONSOLIDATED INCOME STATEMENT
For The Three Months Ended 31 December 2020

	Quarter ended 31-Dec-20 RM'000	Quarter ended 31-Dec-19 RM'000	Year to date 31-Dec-20 RM'000	Year to date 31-Dec-19 RM'000
Revenue	71,157	77,030	71,157	77,030
Other operating income	6,443	5,313	6,443	5,313
	77,600	82,343	77,600	82,343
Operating expenses	(73,553)	(87,042)	(73,553)	(87,042)
Profit/(loss) from operations	4,047	(4,699)	4,047	(4,699)
Finance costs	(1,661)	(1,032)	(1,661)	(1,032)
	2,386	(5,731)	2,386	(5,731)
Share of losses of associated companies	(863)	(977)	(863)	(977)
Profit/(loss) before tax	1,523	(6,708)	1,523	(6,708)
Income tax	(275)	756	(275)	756
Profit/(loss) for the period	1,248	(5,952)	1,248	(5,952)
Attributable to :				
Equity holders of the Company	1,361	(4,038)	1,361	(4,038)
Non-controlling interest	(113)	(1,914)	(113)	(1,914)
Earnings/(loss) per share attributable to equity holders of the Company :				
- Basic earnings/(loss) per share (sen)	0.51	(1.49)	0.51	(1.49)
- Diluted earnings/(loss) per share (sen)	0.51	# ⁽¹⁾	0.51	# ⁽¹⁾
[Based on weighted average number of shares (net of treasury shares)]				

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

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For The Three Months Ended 31 December 2020

	Quarter ended 31-Dec-20 RM'000	Quarter ended 31-Dec-19 RM'000	Year to date 31-Dec-20 RM'000	Year to date 31-Dec-19 RM'000
Profit/(loss) for the period	1,248	(5,952)	1,248	(5,952)
Other comprehensive income/(loss):				
Items that may be reclassified to income statement in subsequent periods:				
Currency translation differences in respect of foreign operations	77	1,415	77	1,415
Fair value changes on FVOCI financial assets - debt instruments				
- (Loss)/gain on fair value changes	(78)	56	(78)	56
- Deferred tax	19	(13)	19	(13)
	(59)	43	(59)	43
Items that will not be reclassified to income statement in subsequent periods:				
Fair value changes on FVOCI financial assets - equity instruments				
- Gain on fair value changes	11,978	3,511	11,978	3,511
- Deferred tax	(897)	(169)	(897)	(169)
	11,081	3,342	11,081	3,342
Other comprehensive income for the period, net of tax	11,099	4,800	11,099	4,800
Total comprehensive income/(loss) for the period	12,347	(1,152)	12,347	(1,152)
Attributable to :				
Equity holders of the Company	11,097	478	11,097	478
Non-controlling interest	1,250	(1,630)	1,250	(1,630)

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For The Three Months Ended 31 December 2020

	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	Share Options Reserve RM'000	FVOCI Reserve RM'000	Retained Profits RM'000			Total RM'000
At 1 October 2020	147,401	(20,244)	20,792	(14,971)	11,182	1,553	13,273	112,303	271,289	103,989	375,278
Net profit for the period	-	-	-	-	-	-	-	1,361	1,361	(113)	1,248
Other comprehensive income for the period	-	-	-	77	-	-	9,659	-	9,736	1,363	11,099
Total comprehensive income for the period	-	-	-	77	-	-	9,659	1,361	11,097	1,250	12,347
Dividends to equity holders of the Company (Note B9)	-	-	-	-	-	-	-	(3,213)	(3,213)	-	(3,213)
Option charge arising from share options granted	-	-	-	-	-	75	-	-	75	-	75
At 31 December 2020	147,401	(20,244)	20,792	(14,894)	11,182	1,628	22,932	110,451	279,248	105,239	384,487

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For The Three Months Ended 31 December 2020 (Cont'd)

	Attributable to Equity Holders of the Company								Non-Controlling Interest RM'000	Total Equity RM'000	
	Share Capital RM'000	Treasury Shares RM'000	Merger Reserve RM'000	Translation Reserve RM'000	Non Distributable			Distributable			Total 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 (as 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	-	(688)	-	-	-	-	-	-	(688)	-	(688)
Net loss for the period	-	-	-	-	-	-	-	(4,038)	(4,038)	(1,914)	(5,952)
Other comprehensive income 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	-	-	-	-	-	-	-	(4,057)	(4,057)	-	(4,057)
Ordinary shares issued pursuant to exercise of ESOS	100	-	-	-	-	(9)	-	-	91	-	91
At 31 December 2019	147,389	(17,844)	20,792	(15,622)	10,624	1,037	7,893	131,272	285,541	106,287	391,828

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For The Three Months Ended 31 December 2020

	31 December 2020 RM'000	31 December 2019 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation	1,523	(6,708)
Adjustments for :		
Depreciation of:		
- property, plant and equipment	487	550
- right-of-use assets	1,213	1,134
Amortisation of:		
- prepaid land lease payments	-	1
- intangible assets	140	137
Loss on disposal of property, plant and equipment	2	54
Property, plant and equipment written off	-	3
Gain on fair value of financial assets at fair value through profit or loss	(3,934)	(816)
Gain on disposal of investments	(352)	(323)
Gain on derecognition of right-of-use assets	-	(959)
Dividend income	(3,868)	(1,806)
Interest income	(1,686)	(3,154)
Income from Islamic fixed deposits	(126)	(994)
Interest expense	1,626	944
Write back in allowance for impairment:		
- insurance receivables	(548)	(90)
- trade receivables	-	(2)
Share of losses of associated companies	863	977
Allowance for unutilised leave	(174)	(377)
Share options expense	75	-
Unrealised loss/(gain) on foreign exchange	126	(841)
Operating loss before working capital changes	(4,633)	(12,270)
Changes in working capital:		
Disposal of investments	9,486	2,041
Purchase of investments	(13,754)	(15,243)
Decrease in deposits and placements with financial institutions	17,814	6,693
Decrease in loans	7	7
(Increase)/decrease in reinsurance assets	(3,742)	825
Decrease in insurance receivables	10,822	15,945
Increase in amounts due from associated companies	(1,346)	(2,344)
(Increase)/decrease in trade and other receivables	(3,288)	18,401
Decrease in lease receivables	136	8
Increase in inventories - goods for resale	(54)	(9)
Additional direct expenditure of land held for development	(819)	(677)
Decrease in insurance contract liabilities	(1,255)	(1,301)
Decrease in insurance payables	(3,065)	(70)
Decrease in payables	(1,430)	(2,237)
Cash generated from operations	4,879	9,769
Tax paid, net of tax refunded	(837)	(1,524)
Dividends received	1,911	1,508
Interest received	1,989	3,546
Income received from Islamic fixed deposits	126	994
Interest paid	(1,578)	(1,601)
Net cash generated from operating activities	6,490	12,692

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For The Three Months Ended 31 December 2020 (Cont'd)

	31 December 2020 RM'000	31 December 2019 RM'000
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of associated companies	(94)	(2,069)
Purchase of property, plant and equipment	(244)	(216)
Purchase of intangible assets	(2)	(63)
Purchase of investments	-	(10,497)
Disposal of investments	1,511	1,203
Maturities of Sukuk	-	33
Disposal of property, plant and equipment	1	184
Net cash generated from/(used in) investing activities	<u>1,172</u>	<u>(11,425)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Purchase of treasury shares	-	(688)
Issuance of share capital	-	91
Dividends paid to equity holders of the Company	(3,213)	(3,388)
Decrease in hire purchase creditors	-	(174)
Payment of principal portion of lease liabilities	(1,460)	(1,057)
Proceeds from drawdown of borrowings	3,438	4,544
Net cash used in financing activities	<u>(1,235)</u>	<u>(672)</u>
Net increase in cash and cash equivalents	6,427	595
Foreign exchange differences	368	(253)
Cash and cash equivalents at beginning of period	71,021	44,456
Cash and cash equivalents at end of period	<u>77,816</u>	<u>44,798</u>
Cash and cash equivalents comprise the following:		
Cash and bank balances #	<u>77,816</u>	<u>44,798</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	Borrowings RM'000	Total RM'000
At 1 October 2020	15,922	89,302	105,224
<u>Cash flows:</u>			
Payment of principal portion of lease liabilities	(1,460)	-	(1,460)
Drawdown of borrowings	-	3,438	3,438
<u>Non-cash transactions</u>			
Acquisition of right-of-use assets	286	-	286
Accretion of interests	211	-	211
Remeasurement of lease liabilities	-	-	-
Transaction costs	-	116	116
Translation differences	110	(22)	88
At 31 December 2020	<u>15,069</u>	<u>92,834</u>	<u>107,903</u>

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