

PACIFIC & ORIENT BERHAD

Registration no. 199401022687 (308366-H)

CONDENSED CONSOLIDATED FINANCIAL POSITION

	As At 30/6/2021 RM'000	As At 30/9/2020 RM'000
ASSETS		
Property, plant and equipment	20,302	21,533
Investment properties	655	655
Right-of-use assets	13,899	16,646
Intangible assets	1,524	1,715
Deferred tax assets	945	979
Investments	520,964	478,789
Fair value through other comprehensive income	141,330	105,480
Fair value through profit or loss	379,634	373,309
Investment in associated companies	19,605	17,486
Inventories - goods for resale	601	611
Land held for development	53,410	51,124
Loans	2,112	2,134
Reinsurance assets	198,813	172,640
Insurance receivables	8,202	17,655
Trade receivables	5,556	2,881
Lease receivables	704	747
Other receivables	63,769	65,406
Due from associated companies	16,026	11,787
Tax recoverable	2,568	-
Deposits and placements with financial institutions	96,634	104,976
Cash and bank balances	52,015	71,021
Total assets	1,078,304	1,038,785
LIABILITIES		
Insurance contract liabilities	542,439	524,336
Insurance payables	15,770	11,910
Deferred tax liabilities	6,900	4,313
Trade payables	459	314
Other payables	11,799	13,948
Borrowings	92,904	89,302
Lease liabilities	13,244	15,922
Dividend payable	-	3,213
Tax payable	-	249
Total liabilities	683,515	663,507
EQUITY		
Share capital	147,401	147,401
Treasury shares	(20,244)	(20,244)
Merger reserve	20,792	20,792
Translation reserve	(17,871)	(14,971)
Revaluation reserve	11,182	11,182
Fair value through other comprehensive income ("FVOCI") reserve	42,902	13,273
Share options reserve	1,777	1,553
Retained profits	105,144	112,303
Equity attributable to equity holders of the Company	291,083	271,289
Non-controlling interest	103,706	103,989
Total equity	394,789	375,278
Total liabilities and equity	1,078,304	1,038,785
Net assets per share (Sen)	109	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 Nine Months Ended 30 June 2021

	Quarter ended 30-Jun-21 RM'000	Quarter ended 30-Jun-20 RM'000	Year to date 30-Jun-21 RM'000	Year to date 30-Jun-20 RM'000
Revenue	63,926	74,036	208,537	236,937
Other operating (expenses)/income	(290)	1,683	29,143	21,602
	63,636	75,719	237,680	258,539
Operating expenses	(67,377)	(68,849)	(225,661)	(258,538)
(Loss)/profit from operations	(3,741)	6,870	12,019	1
Finance costs	(1,647)	(1,490)	(4,949)	(3,499)
	(5,388)	5,380	7,070	(3,498)
Share of losses of associated companies	(1,830)	(185)	(3,664)	(1,861)
(Loss)/profit before tax	(7,218)	5,195	3,406	(5,359)
Income tax	(1,061)	(1,495)	(1,362)	(1,298)
(Loss)/profit for the period	(8,279)	3,700	2,044	(6,657)
Attributable to :				
Equity holders of the Company	(6,687)	(480)	2,447	(6,529)
Non-controlling interest	(1,592)	4,180	(403)	(128)
(Loss)/earnings per share attributable to equity holders of the Company :				
- Basic (loss)/earnings per share (sen)	(2.50)	(0.18)	0.91	(2.42)
- Diluted (loss)/earnings per share (sen)	# ⁽¹⁾	# ⁽¹⁾	0.91	# ⁽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 Nine Months Ended 30 June 2021

	Quarter ended 30-Jun-21 RM'000	Quarter ended 30-Jun-20 RM'000	Year to date 30-Jun-21 RM'000	Year to date 30-Jun-20 RM'000
(Loss)/profit for the period	(8,279)	3,700	2,044	(6,657)
Other comprehensive income/(loss):				
Items that may be reclassified to income statement in subsequent periods:				
Currency translation differences in respect of foreign operations	120	(122)	(2,900)	(522)
Fair value changes on FVOCI financial assets - debt instruments				
- Gain/(loss) on fair value changes	646	2,127	(786)	2,705
- Deferred tax	(155)	(511)	189	(649)
	491	1,616	(597)	2,056
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	6,043	11,095	36,648	7,902
- Deferred tax	(426)	(1,105)	(2,595)	(787)
	5,617	9,990	34,053	7,115
Other comprehensive income for the period, net of tax	6,228	11,484	30,556	8,649
Total comprehensive (loss)/income for the period	(2,051)	15,184	32,600	1,992
Attributable to :				
Equity holders of the Company	(1,390)	8,518	29,238	(88)
Non-controlling interest	(661)	6,666	3,362	2,080

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 STATEMENTS OF CHANGES IN EQUITY
For The Nine Months Ended 30 June 2021

	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	-	-	-	-	-	-	-	2,447	2,447	(403)	2,044
Other comprehensive income for the period	-	-	-	(2,900)	-	-	29,691	-	26,791	3,765	30,556
Total comprehensive income for the period	-	-	-	(2,900)	-	-	29,691	2,447	29,238	3,362	32,600
Dividends to equity holders of the Company (Note B9)	-	-	-	-	-	-	-	(9,638)	(9,638)	-	(9,638)
Dividend to a non-controlling interest by a subsidiary company	-	-	-	-	-	-	-	-	-	(3,675)	(3,675)
Option charge arising from share options granted	-	-	-	-	-	224	-	-	224	-	224
Transfer of FVOCI reserve to retained profits upon disposal of financial assets at FVOCI	-	-	-	-	-	-	(62)	32	(30)	30	-
At 30 June 2021	147,401	(20,244)	20,792	(17,871)	11,182	1,777	42,902	105,144	291,083	103,706	394,789

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For The Nine Months Ended 30 June 2021 (Cont'd)

	Attributable to Equity Holders of the Company								Non-Controlling Interest	Total Equity	
	Non Distributable						Distributable	Total			
	Share Capital	Treasury Shares	Merger Reserve	Translation Reserve	Revaluation Reserve	Share options Reserve	FVOCI Reserve				Retained Profits
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	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	-	(3,058)	-	-	-	-	-	-	(3,058)	-	(3,058)
Net loss for the period	-	-	-	-	-	-	-	(6,529)	(6,529)	(128)	(6,657)
Other comprehensive income for the period	-	-	-	(522)	-	-	6,963	-	6,441	2,208	8,649
Total comprehensive income for the period	-	-	-	(522)	-	-	6,963	(6,529)	(88)	2,080	1,992
Dividends to equity holders of the Company	-	-	-	-	-	-	-	(11,321)	(11,321)	-	(11,321)
Dividend to a non-controlling interest by a subsidiary company	-	-	-	-	-	-	-	-	-	(12,250)	(12,250)
Option charge arising from share options granted	-	-	-	-	-	282	-	-	282	-	282
Ordinary shares issued pursuant to exercise of ESOS	100	-	-	-	-	(9)	-	-	91	-	91
Forfeiture of ESOS	-	-	-	-	-	(7)	-	4	(3)	3	-
Transfer of FVOCI reserve to retained profits upon disposal of financial assets at FVOCI	-	-	-	-	-	-	(44)	22	(22)	22	-
At 30 June 2020	147,389	(20,214)	20,792	(17,559)	10,624	1,312	11,711	121,543	275,598	97,772	373,370

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For The Nine Months Ended 30 June 2021

	30 June 2021 RM'000	30 June 2020 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation	3,406	(5,359)
Adjustments for :		
Depreciation of:		
- property, plant and equipment	1,451	1,673
- right-of-use assets	3,700	2,413
Amortisation of:		
- prepaid land lease payments	-	3
- intangible assets	413	422
Loss on disposal of property, plant and equipment	27	59
Property, plant and equipment written off	3	5
(Gain)/loss on fair value of financial assets at fair value through profit or loss	(5,786)	4,306
Loss/(gain) on disposal of investments	342	(1,000)
Gain on derecognition of right-of-use assets	(38)	(318)
Net gain on remeasurement of leases	(72)	-
Dividend income	(7,907)	(5,565)
Interest income	(4,866)	(9,284)
Income from Islamic fixed deposits	(373)	(3,045)
Interest expense	4,849	3,277
Allowance for impairment:		
- investment in an associated company	-	2,886
- insurance receivables	-	338
Write back in allowance for impairment:		
- insurance receivables	(407)	-
- trade receivables	-	(2)
Share of losses of associated companies	3,664	1,861
Allowance for unutilised leave	33	295
Share options expense	224	282
Unrealised gain on foreign exchange	(6,108)	(4,591)
Operating loss before working capital changes	(7,445)	(11,344)
Changes in working capital:		
Disposal of investments	26,801	39,547
Purchase of investments	(31,219)	(163,657)
Decrease in deposits and placements with financial institutions	8,342	121,832
Decrease in loans	22	18
Increase in reinsurance assets	(26,173)	(15,555)
Decrease in insurance receivables	9,859	16,326
Increase in amounts due from associated companies	(3,241)	(4,233)
(Increase)/decrease in trade and other receivables	(2,977)	5,647
Decrease in lease receivables	416	141
Decrease/(increase) in inventories - goods for resale	9	(127)
Additional direct expenditure of land held for development	(2,567)	(2,493)
Increase in insurance contract liabilities	18,104	16,548
Increase/(decrease) in insurance payables	3,859	(2,909)
Decrease in payables	(1,230)	(1,954)
Cash used in operations	(7,440)	(2,213)
Tax paid, net of tax refunded	(3,964)	(4,456)
Dividends received	5,921	4,992
Interest received	5,008	9,534
Income received from Islamic fixed deposits	373	3,045
Interest paid	(3,449)	(3,493)
Net cash (used in)/generated from operating activities	(3,551)	7,409

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For The Nine Months Ended 30 June 2021 (Cont'd)

	30 June 2021 RM'000	30 June 2020 RM'000
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of associated companies	(94)	(2,069)
Purchase of property, plant and equipment	(350)	(655)
Acquisition of right-of-use assets	(20)	-
Purchase of intangible assets	(223)	(382)
Purchase of investments	(41)	(3)
Disposal of investments	2,488	1,108
Maturities of Sukuk	-	33
Disposal of property, plant and equipment	81	216
Net cash generated from/(used in) investing activities	<u>1,841</u>	<u>(1,752)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Purchase of treasury shares	-	(3,059)
Issuance of share capital	-	91
Dividends paid to equity holders of the Company	(12,851)	(14,709)
Dividend paid to a non-controlling interest	(3,675)	(12,250)
Decrease in hire purchase creditors	-	(502)
Payment of principal portion of lease liabilities	(4,426)	(3,324)
Proceeds from drawdown of borrowings	3,436	46,399
Net cash (used in)/generated from financing activities	<u>(17,516)</u>	<u>12,646</u>
Net (decrease)/increase in cash and cash equivalents	(19,226)	18,303
Foreign exchange differences	220	735
Cash and cash equivalents at beginning of period	71,021	44,456
Cash and cash equivalents at end of period	<u>52,015</u>	<u>63,494</u>
Cash and cash equivalents comprise the following:		
Cash and bank balances #	<u>52,015</u>	<u>63,494</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
Cash flows:			
Payment of principal portion of lease liabilities	(4,426)	-	(4,426)
Drawdown of borrowings	-	3,436	3,436
Non-cash transactions			
Acquisition of right-of-use assets	1,377	-	1,377
Accretion of interests	585	-	585
Remeasurement of lease liabilities	(332)	-	(332)
Transaction costs	-	165	165
Translation differences	118	1	119
At 30 June 2021	<u>13,244</u>	<u>92,904</u>	<u>106,148</u>

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