

PACIFIC & ORIENT BERHAD

Registration no. 199401022687 (308366-H)

CONDENSED CONSOLIDATED FINANCIAL POSITION

	As At 31/3/2022 RM'000	As At 30/9/2021 RM'000
ASSETS		
Property, plant and equipment	19,297	20,092
Investment properties	650	650
Right-of-use assets	12,789	13,284
Intangible assets	1,196	1,495
Deferred tax assets	922	993
Investments	410,281	549,061
Fair value through other comprehensive income	125,166	174,230
Fair value through profit or loss	285,115	374,831
Investment in associated companies	8,215	18,879
Inventories - goods for resale	290	317
Land held for development	56,715	54,658
Loans	2,128	2,138
Reinsurance assets	216,296	193,946
Insurance receivables	9,798	23,453
Trade receivables	3,821	4,902
Lease receivables	467	563
Other receivables	58,243	57,976
Due from associated companies	21,382	17,823
Tax recoverable	-	290
Deposits and placements with financial institutions	284,687	115,790
Cash and bank balances	116,556	51,005
Total assets	1,223,733	1,127,315
LIABILITIES		
Insurance contract liabilities	577,847	543,686
Insurance payables	34,644	23,788
Deferred tax liabilities	5,610	9,488
Trade payables	619	465
Other payables	12,528	16,174
Borrowings	70,774	93,029
Lease liabilities	11,914	12,669
Tax payable	3,477	-
Total liabilities	717,413	699,299
EQUITY		
Share capital	147,519	147,401
Treasury shares	(20,191)	(20,244)
Merger reserve	20,792	20,792
Translation reserve	(15,961)	(16,132)
Revaluation reserve	11,289	11,289
Fair value through other comprehensive income ("FVOCI") reserve	31,612	70,082
Share options reserve	1,802	1,737
Retained profits	205,604	100,449
Equity attributable to equity holders of the Company	382,466	315,374
Non-controlling interest	123,854	112,642
Total equity	506,320	428,016
Total liabilities and equity	1,223,733	1,127,315
Net assets per share (Sen)	143	118
Based on number of shares (net of treasury shares)(('000)	267,892	267,721

The condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 September 2021.

CONDENSED CONSOLIDATED INCOME STATEMENT
For The Six Months Ended 31 March 2022

	Quarter ended 31-Mar-22 RM'000	Quarter ended 31-Mar-21 RM'000	Year to date 31-Mar-22 RM'000	Year to date 31-Mar-21 RM'000
Revenue	82,690	73,454	158,488	144,611
Other operating income	7,462	22,990	87,378	29,433
	90,152	96,444	245,866	174,044
Operating expenses	(87,779)	(84,731)	(173,795)	(158,284)
Profit from operations	2,373	11,713	72,071	15,760
Finance costs	(1,602)	(1,641)	(3,193)	(3,302)
	771	10,072	68,878	12,458
Share of losses of associated companies	(616)	(971)	(1,999)	(1,834)
Profit before tax	155	9,101	66,879	10,624
Income tax	(1,868)	(26)	(1,721)	(301)
(Loss)/profit for the period	(1,713)	9,075	65,158	10,323
Attributable to :				
Equity holders of the Company	(2,773)	7,773	64,557	9,134
Non-controlling interest	1,060	1,302	601	1,189
(Loss)/earnings per share attributable to equity holders of the Company :				
- Basic (loss)/earnings per share (sen)	(1.04)	2.90	24.11	3.41
- Diluted (loss)/earnings per share (sen)	# ⁽¹⁾	2.90	23.98	3.41
[Based on weighted average number of shares (net of treasury shares)]				

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

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For The Six Months Ended 31 March 2022

	Quarter ended 31-Mar-22 RM'000	Quarter ended 31-Mar-21 RM'000	Year to date 31-Mar-22 RM'000	Year to date 31-Mar-21 RM'000
(Loss)/profit for the period	(1,713)	9,075	65,158	10,323
Other comprehensive income:				
Items that may be reclassified to income statement in subsequent periods:				
Currency translation differences in respect of foreign operations	392	(3,097)	171	(3,020)
Fair value changes on FVOCI financial assets - debt instruments				
- Loss on fair value changes	(168)	(1,354)	(247)	(1,432)
- Deferred tax	40	325	59	344
	(128)	(1,029)	(188)	(1,088)
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	5,802	18,627	30,662	30,605
- Deferred tax	403	(1,272)	(144)	(2,169)
	6,205	17,355	30,518	28,436
Other comprehensive income for the period, net of tax	6,469	13,229	30,501	24,328
Total comprehensive income for the period	4,756	22,304	95,659	34,651
Attributable to :				
Equity holders of the Company	4,374	19,531	92,889	30,628
Non-controlling interest	382	2,773	2,770	4,023

The condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 September 2021.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For The Six Months Ended 31 March 2022

	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 2021	147,401	(20,244)	20,792	(16,132)	11,289	1,737	70,082	100,449	315,374	112,642	428,016
Resale of treasury shares	-	53	-	-	-	-	-	(6)	47	-	47
Net profit for the period	-	-	-	-	-	-	-	64,557	64,557	601	65,158
Other comprehensive income for the period	-	-	-	171	-	-	28,161	-	28,332	2,169	30,501
Total comprehensive income for the period	-	-	-	171	-	-	28,161	64,557	92,889	2,770	95,659
Dividends to equity holders of the Company (Note B9)	-	-	-	-	-	-	-	(16,605)	(16,605)	-	(16,605)
Dividend to a non-controlling interest by a subsidiary company	-	-	-	-	-	-	-	-	-	(980)	(980)
Option charge arising from share options granted	-	-	-	-	-	76	-	-	76	-	76
Ordinary shares issued pursuant to exercise of ESOS	118	-	-	-	-	(11)	-	-	107	-	107
Transfer of FVOCI reserve to retained profits upon disposal of financial assets at FVOCI	-	-	-	-	-	-	(66,631)	57,209	(9,422)	9,422	-
At 31 March 2022	147,519	(20,191)	20,792	(15,961)	11,289	1,802	31,612	205,604	382,466	123,854	506,320

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For The Six Months Ended 31 March 2022 (Cont'd)

	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	-	-	-	-	-	-	-	9,134	9,134	1,189	10,323
Other comprehensive income for the period	-	-	-	(3,020)	-	-	24,514	-	21,494	2,834	24,328
Total comprehensive income for the period	-	-	-	(3,020)	-	-	24,514	9,134	30,628	4,023	34,651
Dividends to equity holders of the Company	-	-	-	-	-	-	-	(6,425)	(6,425)	-	(6,425)
Dividend to a non-controlling interest by a subsidiary company	-	-	-	-	-	-	-	-	-	(3,675)	(3,675)
Option charge arising from share options granted	-	-	-	-	-	149	-	-	149	-	149
At 31 March 2021	147,401	(20,244)	20,792	(17,991)	11,182	1,702	37,787	115,012	295,641	104,337	399,978

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For The Six Months Ended 31 March 2022

	31 March 2022 RM'000	31 March 2021 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	66,879	10,624
Adjustments for :		
Depreciation of:		
- property, plant and equipment	952	973
- right-of-use assets	2,392	2,458
Amortisation of intangible assets	263	279
Loss/(gain) on disposal of:		
- property, plant and equipment	52	1
- intangible assets	28	-
- investments	(229)	371
- an associated company	(71,600)	-
Property, plant and equipment written off	-	3
Loss/(gain) on fair value of financial assets at fair value through profit or loss	513	(8,792)
Gain on derecognition of right-of-use assets	(13)	(149)
Net loss/(gain) on remeasurement of leases	36	(73)
Income from COVID-19 related rent concessions	(9)	-
Dividend income	(2,662)	(5,858)
Distribution income	(4,711)	-
Interest income	(4,346)	(3,302)
Income from Islamic fixed deposits	(197)	(248)
Interest expense	3,114	3,234
Allowance for impairment:		
- insurance receivables	1,369	-
Write back in allowance for impairment:		
- insurance receivables	-	(402)
Share of losses of associated companies	1,999	1,834
Allowance for unutilised leave	(898)	(277)
Pension cost - defined benefit plan	24	-
Share options expense	76	149
Unrealised loss/(gain) on foreign exchange	65	(6,146)
Operating loss before working capital changes	<u>(6,903)</u>	<u>(5,321)</u>
Changes in working capital:		
Disposal of investments	97,505	23,446
Purchase of investments	(8,108)	(24,295)
(Increase)/decrease in deposits and placements with financial institutions	(168,897)	5,423
Decrease in loans	10	15
Increase in reinsurance assets	(22,350)	(32,359)
Decrease in insurance receivables	12,285	13,347
Increase in amounts due from associated companies	(4,015)	(1,851)
Decrease/(increase) in trade and other receivables	384	(3,566)
Decrease in lease receivables	162	279
Decrease/(increase) in inventories - goods for resale	27	(76)
Additional direct expenditure of land held for development	(1,924)	(1,703)
Increase in insurance contract liabilities	34,161	28,279
Increase in insurance payables	10,856	17,738
(Decrease)/increase in payables	(2,363)	1,863
Cash (used in)/generated from operations	<u>(59,170)</u>	<u>21,219</u>
Tax paid, net of tax refunded	(1,843)	(1,812)
Dividends received	2,679	3,874
Distribution income received	1,093	-
Interest received	3,878	4,448
Income received from Islamic fixed deposits	197	248
Interest paid	(1,902)	(1,850)
Net cash (used in)/generated from operating activities	<u>(55,068)</u>	<u>26,127</u>

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For The Six Months Ended 31 March 2022 (Cont'd)

	31 March 2022 RM'000	31 March 2021 RM'000
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of associated companies	-	(94)
Purchase of property, plant and equipment	(226)	(300)
Acquisition of right-of-use assets	(182)	-
Purchase of intangible assets	(3)	(187)
Purchase of investments	(1,054)	(41)
Disposal of investments	84,078	1,511
Disposal of property, plant and equipment	28	1
Disposal of intangible asset	15	-
Disposal of an associated company	79,771	-
Net cash generated from investing activities	<u>162,427</u>	<u>890</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Resale of treasury shares	46	-
Issuance of share capital	107	-
Dividends paid to equity holders of the Company	(16,605)	(9,638)
Dividend paid to a non-controlling interest	(980)	(3,675)
Payment of principal portion of lease liabilities	(2,881)	(2,961)
(Repayment)/drawdown of borrowings	(22,500)	3,437
Net cash used in financing activities	<u>(42,813)</u>	<u>(12,837)</u>
Net increase in cash and cash equivalents	64,546	14,180
Foreign exchange differences	1,005	395
Cash and cash equivalents at beginning of period	51,005	71,021
Cash and cash equivalents at end of period	<u>116,556</u>	<u>85,596</u>
Cash and cash equivalents comprise the following:		
Cash and bank balances #	<u>116,556</u>	<u>85,596</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 2021	12,669	93,029	105,698
<u>Cash flows:</u>			
Payment of principal portion of lease liabilities	(2,881)	-	(2,881)
Repayment of borrowings	-	(22,500)	(22,500)
<u>Non-cash transactions</u>			
Acquisition of right-of-use assets	1,734	-	1,734
Accretion of interests	358	-	358
Remeasurement of lease liabilities	16	-	16
COVID-19 related rent concessions	(9)	-	(9)
Transaction costs	-	242	242
Translation differences	27	3	30
At 31 March 2022	<u>11,914</u>	<u>70,774</u>	<u>82,688</u>

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