

PACIFIC & ORIENT BERHAD

Registration no. 199401022687 (308366-H)

CONDENSED CONSOLIDATED FINANCIAL POSITION

| | As At 30/6/2022 RM'000 | As At 30/9/2021 RM'000 |
|---|------------------------------|------------------------------|
| ASSETS | | |
| Property, plant and equipment | 19,288 | 20,092 |
| Investment properties | 650 | 650 |
| Right-of-use assets | 12,231 | 13,284 |
| Intangible assets | 1,063 | 1,495 |
| Deferred tax assets | 941 | 993 |
| Investments | 390,508 | 549,061 |
| Fair value through other comprehensive income | 108,769 | 174,230 |
| Fair value through profit or loss | 281,739 | 374,831 |
| Investment in associated companies | 4,583 | 18,879 |
| Inventories - goods for resale | 237 | 317 |
| Land held for development | 59,859 | 54,658 |
| Loans | 2,099 | 2,138 |
| Reinsurance assets | 217,949 | 193,946 |
| Insurance receivables | 7,809 | 23,453 |
| Trade receivables | 2,733 | 4,902 |
| Lease receivables | 394 | 563 |
| Other receivables | 55,420 | 57,976 |
| Due from associated companies | 7,593 | 17,823 |
| Tax recoverable | - | 290 |
| Deposits and placements with financial institutions | 219,969 | 115,790 |
| Cash and bank balances | 92,547 | 51,005 |
| Total assets | 1,095,873 | 1,127,315 |
| LIABILITIES | | |
| Insurance contract liabilities | 576,206 | 543,686 |
| Insurance payables | 16,397 | 23,788 |
| Deferred tax liabilities | 3,730 | 9,488 |
| Trade payables | 939 | 465 |
| Other payables | 11,802 | 16,174 |
| Borrowings | 11,917 | 93,029 |
| Lease liabilities | 11,312 | 12,669 |
| Tax payable | 1,080 | - |
| Total liabilities | 633,383 | 699,299 |
| EQUITY | | |
| Share capital | 148,137 | 147,401 |
| Treasury shares | (20,191) | (20,244) |
| Merger reserve | 20,792 | 20,792 |
| Translation reserve | (17,408) | (16,132) |
| Revaluation reserve | 11,289 | 11,289 |
| Fair value through other comprehensive income ("FVOCI") reserve | 17,434 | 70,082 |
| Share options reserve | 1,786 | 1,737 |
| Retained profits | 180,336 | 100,449 |
| Equity attributable to equity holders of the Company | 342,175 | 315,374 |
| Non-controlling interest | 120,315 | 112,642 |
| Total equity | 462,490 | 428,016 |
| Total liabilities and equity | 1,095,873 | 1,127,315 |
| Net assets per share (Sen) | 127 | 118 |
| Based on number of shares (net of treasury shares)(('000) | 268,525 | 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 Nine Months Ended 30 June 2022

| | Quarter ended 30-Jun-22 RM'000 | Quarter ended 30-Jun-21 RM'000 | Year to date 30-Jun-22 RM'000 | Year to date 30-Jun-21 RM'000 |
|---|--------------------------------------|--------------------------------------|-------------------------------------|-------------------------------------|
| Revenue | 76,496 | 63,926 | 234,984 | 208,537 |
| Other operating income/(expenses) | 9,858 | (290) | 97,236 | 29,143 |
| | 86,354 | 63,636 | 332,220 | 237,680 |
| Operating expenses | (108,514) | (67,377) | (282,309) | (225,661) |
| (Loss)/profit from operations | (22,160) | (3,741) | 49,911 | 12,019 |
| Finance costs | (1,404) | (1,647) | (4,597) | (4,949) |
| | (23,564) | (5,388) | 45,314 | 7,070 |
| Share of losses of associated companies | (362) | (1,830) | (2,361) | (3,664) |
| (Loss)/profit before tax | (23,926) | (7,218) | 42,953 | 3,406 |
| Income tax | 1,275 | (1,061) | (446) | (1,362) |
| (Loss)/profit for the period | (22,651) | (8,279) | 42,507 | 2,044 |
| Attributable to : | | | | |
| Equity holders of the Company | (20,440) | (6,687) | 44,117 | 2,447 |
| Non-controlling interest | (2,211) | (1,592) | (1,610) | (403) |
| (Loss)/earnings per share attributable to equity holders of the Company : | | | | |
| - Basic (loss)/earnings per share (sen) | (7.62) | (2.50) | 16.46 | 0.91 |
| - Diluted (loss)/earnings per share (sen) | # ⁽¹⁾ | # ⁽¹⁾ | 16.31 | 0.91 |
| [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 2021.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For The Nine Months Ended 30 June 2022

| | Quarter ended 30-Jun-22 RM'000 | Quarter ended 30-Jun-21 RM'000 | Year to date 30-Jun-22 RM'000 | Year to date 30-Jun-21 RM'000 |
|---|--------------------------------------|--------------------------------------|-------------------------------------|-------------------------------------|
| (Loss)/profit for the period | (22,651) | (8,279) | 42,507 | 2,044 |
| Other comprehensive (loss)/income: | | | | |
| Items that may be reclassified to income statement in subsequent periods: | | | | |
| Currency translation differences in respect of foreign operations | (1,447) | 120 | (1,276) | (2,900) |
| Fair value changes on FVOCI financial assets - debt instruments | | | | |
| - (Loss)/gain on fair value changes | (117) | 646 | (364) | (786) |
| - Deferred tax | 28 | (155) | 87 | 189 |
| | (89) | 491 | (277) | (597) |
| 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 | (16,244) | 6,043 | 14,418 | 36,648 |
| - Deferred tax | 827 | (426) | 683 | (2,595) |
| | (15,417) | 5,617 | 15,101 | 34,053 |
| Other comprehensive (loss)/income for the period, net of tax | (16,953) | 6,228 | 13,548 | 30,556 |
| Total comprehensive (loss)/income for the period | (39,604) | (2,051) | 56,055 | 32,600 |
| Attributable to : | | | | |
| Equity holders of the Company | (36,065) | (1,390) | 56,824 | 29,238 |
| Non-controlling interest | (3,539) | (661) | (769) | 3,362 |

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 Nine Months Ended 30 June 2022

| | 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 | 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/(loss) for the period | - | - | - | - | - | - | - | 44,117 | 44,117 | (1,610) | 42,507 |
| Other comprehensive (loss)/income for the period | - | - | - | (1,276) | - | - | 13,983 | - | 12,707 | 841 | 13,548 |
| Total comprehensive (loss)/income for the period | - | - | - | (1,276) | - | - | 13,983 | 44,117 | 56,824 | (769) | 56,055 |
| Dividends to equity holders of the Company (Note B9) | - | - | - | - | - | - | - | (21,433) | (21,433) | - | (21,433) |
| Dividend to a non-controlling interest by a subsidiary company | - | - | - | - | - | - | - | - | - | (980) | (980) |
| Option charge arising from share options granted | - | - | - | - | - | 114 | - | - | 114 | - | 114 |
| Ordinary shares issued pursuant to exercise of ESOS | 736 | - | - | - | - | (65) | - | - | 671 | - | 671 |
| Transfer of FVOCI reserve to retained profits upon disposal of financial assets at FVOCI | - | - | - | - | - | - | (66,631) | 57,209 | (9,422) | 9,422 | - |
| At 30 June 2022 | 148,137 | (20,191) | 20,792 | (17,408) | 11,289 | 1,786 | 17,434 | 180,336 | 342,175 | 120,315 | 462,490 |

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For The Nine Months Ended 30 June 2022 (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 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/(loss) for the period | - | - | - | - | - | - | - | 2,447 | 2,447 | (403) | 2,044 |
| Other comprehensive (loss)/income for the period | - | - | - | (2,900) | - | - | 29,691 | - | 26,791 | 3,765 | 30,556 |
| Total comprehensive (loss)/income for the period | - | - | - | (2,900) | - | - | 29,691 | 2,447 | 29,238 | 3,362 | 32,600 |
| Dividends to equity holders of the Company | - | - | - | - | - | - | - | (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 |

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

PACIFIC & ORIENT BERHAD

Registration no. 199401022687 (308366-H)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For The Nine Months Ended 30 June 2022

| | 30 June 2022 RM'000 | 30 June 2021 RM'000 |
|--|---------------------------|---------------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 42,953 | 3,406 |
| Adjustments for : | | |
| Depreciation of: | | |
| - property, plant and equipment | 1,435 | 1,451 |
| - right-of-use assets | 3,506 | 3,700 |
| Amortisation of intangible assets | 401 | 413 |
| Loss/(gain) on disposal of: | | |
| - property, plant and equipment | 1 | 27 |
| - intangible assets | 75 | - |
| - investments | (87) | 342 |
| - an associated company | (71,600) | - |
| Property, plant and equipment written off | 6 | 3 |
| Loss/(gain) on fair value of financial assets at fair value through profit or loss | 7,285 | (5,786) |
| Gain on derecognition of right-of-use assets | (83) | (38) |
| Net loss/(gain) on remeasurement of leases | 29 | (72) |
| Income from COVID-19 related rent concessions | (9) | - |
| Dividend income | (3,567) | (7,907) |
| Distribution income | (4,711) | - |
| Interest income | (6,897) | (4,866) |
| Income from Islamic fixed deposits | (297) | (373) |
| Interest expense | 4,435 | 4,849 |
| Allowance for impairment: | | |
| - investment in an associated company | 2,405 | - |
| - amount due from an associated company | 15,916 | - |
| - insurance receivables | 1,106 | - |
| Write back in allowance for impairment: | | |
| - insurance receivables | - | (407) |
| Share of losses of associated companies | 2,361 | 3,664 |
| Allowance for unutilised leave | (900) | 33 |
| Pension cost - defined benefit plan | 1,254 | - |
| Share options expense | 114 | 224 |
| Unrealised gain on foreign exchange | (5,705) | (6,108) |
| Operating loss before working capital changes | (10,574) | (7,445) |
| Changes in working capital: | | |
| Disposal of investments | 99,059 | 26,801 |
| Purchase of investments | (12,991) | (31,219) |
| (Increase)/decrease in deposits and placements with financial institutions | (104,179) | 8,342 |
| Decrease in loans | 39 | 22 |
| Increase in reinsurance assets | (24,003) | (26,173) |
| Decrease in insurance receivables | 14,538 | 9,859 |
| Increase in amounts due from associated companies | (6,257) | (3,241) |
| Decrease/(increase) in trade and other receivables | 4,024 | (2,977) |
| Decrease in lease receivables | 537 | 416 |
| Decrease in inventories - goods for resale | 80 | 9 |
| Additional direct expenditure of land held for development | (3,414) | (2,567) |
| Increase in insurance contract liabilities | 32,520 | 18,104 |
| (Decrease)/increase in insurance payables | (7,392) | 3,859 |
| Decrease in payables | (3,244) | (1,230) |
| Cash used in operations | (21,257) | (7,440) |
| Tax paid, net of tax refunded | (4,009) | (3,964) |
| Dividends received | 3,418 | 5,921 |
| Distribution income received | 1,093 | - |
| Interest received | 5,431 | 5,008 |
| Income received from Islamic fixed deposits | 297 | 373 |
| Interest paid | (3,292) | (3,449) |
| Net cash used in operating activities | (18,319) | (3,551) |

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For The Nine Months Ended 30 June 2022 (Cont'd)

| | 30 June 2022 RM'000 | 30 June 2021 RM'000 |
|--|------------------------------------|------------------------------------|
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Acquisition of associated companies | - | (94) |
| Purchase of property, plant and equipment | (701) | (350) |
| Acquisition of right-of-use assets | (257) | (20) |
| Purchase of intangible assets | (55) | (223) |
| Purchase of investments | (1,037) | (41) |
| Disposal of investments | 84,078 | 2,488 |
| Disposal of property, plant and equipment | 35 | 81 |
| Disposal of intangible asset | 14 | - |
| Derecognition of right-of-use assets | 56 | - |
| Disposal of an associated company | 79,771 | - |
| Net cash generated from investing activities | <u>161,904</u> | <u>1,841</u> |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Resale of treasury shares | 46 | - |
| Issuance of share capital | 670 | - |
| Dividends paid to equity holders of the Company | (21,433) | (12,851) |
| Dividend paid to a non-controlling interest | (980) | (3,675) |
| Payment of principal portion of lease liabilities | (4,374) | (4,426) |
| (Repayment)/drawdown of borrowings, net | (81,500) | 3,436 |
| Net cash used in financing activities | <u>(107,571)</u> | <u>(17,516)</u> |
| Net increase/(decrease) in cash and cash equivalents | 36,014 | (19,226) |
| Foreign exchange differences | 5,528 | 220 |
| Cash and cash equivalents at beginning of period | 51,005 | 71,021 |
| Cash and cash equivalents at end of period | <u>92,547</u> | <u>52,015</u> |
| Cash and cash equivalents comprise the following: | | |
| Cash and bank balances # | <u>92,547</u> | <u>52,015</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 | (4,374) | - | (4,374) |
| Repayment of borrowings (net) | - | (81,500) | (81,500) |
| <u>Non-cash transactions</u> | | | |
| Acquisition of right-of-use assets | 2,569 | - | 2,569 |
| Accretion of interests | 527 | - | 527 |
| Remeasurement of lease liabilities | (57) | - | (57) |
| COVID-19 related rent concessions | (9) | - | (9) |
| Transaction costs | - | 353 | 353 |
| Translation differences | (13) | 35 | 22 |
| At 30 June 2022 | <u>11,312</u> | <u>11,917</u> | <u>23,229</u> |

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