

**A. Notes To The Condensed Consolidated Interim Financial Statements
For The Six Months Ended 31 March 2023**

A1. Basis of Preparation

The condensed consolidated interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”). The condensed consolidated interim financial statements also comply with International Accounting Standard 34: Interim Financial Reporting issued by the International Accounting Standards Board (“IASB”).

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 September 2022.

The significant accounting policies adopted by the Group in this condensed consolidated interim financial statements are consistent with those adopted in the audited financial statements for the year ended 30 September 2022 except for the adoption of the following Amendments to MFRSs issued by the Malaysian Accounting Standards Board (“MASB”) which are mandatory for annual periods beginning on or after 1 January 2022.

Effective for financial periods beginning on or after 1 January 2022

Amendments to MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018-2020)
Amendments to MFRS 3	Business Combinations – Reference to the Conceptual Framework
Amendments to MFRS 9	Financial Instruments (Annual Improvements to MFRS Standards 2018-2020)
Amendments to MFRS 16	Leases (Annual Improvements to MFRS Standards 2018-2020)
Amendments to MFRS 116	Property, Plant and Equipment – Proceeds before Intended Use
Amendments to MFRS 137	Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts - Cost of Fulfilling a Contract
Amendments to MFRS 141	Agriculture (Annual Improvements to MFRS Standards 2018-2020)

The adoption of the above Amendments to MFRSs did not have any significant impact on the financial statements of the Group.

A2. MFRSs and Amendments to MFRSs yet to be effective

Effective for financial periods beginning on or after 1 January 2023

MFRS 17	Insurance Contracts
Amendments to MFRS 17	Insurance Contracts
Amendments to MFRS 17	Insurance Contracts – Initial Application of MFRS 17 and MFRS 9 – Comparative Information
Amendments to MFRS 101	Presentation of Financial Statements – Classification of Liabilities as Current or Non-current
Amendments to MFRS 101	Presentation of Financial Statements – Disclosure of Accounting Policies
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates
Amendments to MFRS 112	Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Effective for financial periods beginning on or after 1 January 2024

Amendments to MFRS 16	Leases – Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Presentation of Financial Statements – Non-current Liabilities with Covenants

Effective date to be announced by Malaysian Accounting Standard Board

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to MFRS 10 and MFRS 128)

A2. MFRSs and Amendments to MFRSs yet to be effective (Cont'd.)

The adoption of the above MFRSs and Amendments to MFRSs is not expected to result in significant financial impact to the Group, except as disclosed below:

- MFRS 17: Insurance Contracts and Amendments to MFRS 17

MASB has issued MFRS 17 Insurance Contracts ("MFRS 17"), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure, which will replace MFRS 4 Insurance Contracts ("MFRS 4") upon adoption. MFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of MFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in MFRS 4, which are largely based on grandfathering previous local accounting policies, MFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of MFRS 17 is the general model, supplemented by:

- A simplified approach (the premium allocation approach) mainly for short-duration contracts
- A specific adaptation for contracts with direct participation features (the variable fee approach)

MFRS 17 and Amendments to MFRS 17 are effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. Early application is permitted, provided the entity also applies MFRS 9 and MFRS 15 on or before the date it first applies MFRS 17.

The Group intends to adopt MFRS 17 on the required effective date. The Group has completed the documentation of business and technical requirements in technical papers, and is currently in the progress of designing and implementing the necessary system solutions and processes.

A3. Audit Qualification of the Preceding Annual Financial Statements

There was no qualification in the audit report of the preceding annual financial statements of the Group.

A4. Seasonality or Cyclicity of Operations

The businesses of the Group are not subject to seasonal or cyclical fluctuations.

A5. Unusual Items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items that affected the assets, liabilities, equity, net income or cash flows of the Group for the period under review other than as disclosed in Note A16.

A6. Change in Estimates

There were no changes in estimates of amounts reported in prior periods that have a material effect in the period under review.

A7. Issuances, Repurchases, Resale and Repayments of Debts and Equity Securities

(i) Issuance of shares

During the six months period ended 31 March 2023, 335,000 new ordinary shares each fully paid were issued pursuant to the exercise of options granted under the Company's Employees' Share Option Scheme ("ESOS") at the exercise prices of RM0.84 to RM0.95 per share. Details of the issued and paid up capital of the Company as at 31 March 2023 are as follows:

	<u>No. of shares</u>	<u>RM'000</u>
As at 1 October 2022	287,988,333	148,293
Ordinary shares issued pursuant to the ESOS	<u>335,000</u>	<u>326</u> ⁽¹⁾
As at 31 March 2023	<u><u>288,323,333</u></u>	<u><u>148,619</u></u>

⁽¹⁾ Includes capitalisation of share option reserves of RM29,073

A7. Issuances, Repurchases, Resale and Repayments of Debts and Equity Securities (Cont'd.)

(ii) Share buy-back

On 8 March 2023, the shareholders approved the renewal of the Company's plan to purchase its own ordinary shares. There was no purchase or resale of treasury shares during the period under review.

Of the total 288,323,333 issued and fully paid ordinary shares as at 31 March 2023, 19,303,493 are held as treasury shares by the Company. The number of outstanding ordinary shares in issue and fully paid after deduction of treasury shares is therefore 269,019,840 ordinary shares.

(iii) There were no issuance or repayment of debt securities during the period under review.

A8. Material Events Subsequent to End of Reporting Period

There were no material events subsequent to the end of the period reported up to the date of this report.

A9. Effect of Changes in Composition of the Group

There were no changes in the composition of the Group for the period ended 31 March 2023 except for the acquisition of a subsidiary company - Acumentive Limited as disclosed in Note A16(ii).

A10. Segment Information

	Insurance	Information Technology	Investment Holding	Investment in Start-ups	Others	Consolidation adjustments	Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Year to date ended							
<u>31 March 2023</u>							
REVENUE							
External sales	139,739	5,881	426	-	33	-	146,079
Inter-segment sales	122	11,344	26,215	-	98	(37,779)	-
Total segment Revenue	<u>139,861</u>	<u>17,225</u>	<u>26,641</u>	<u>-</u>	<u>131</u>	<u>(37,779)</u>	<u>146,079</u>
RESULTS							
Segment (loss)/profit	(5,044)	(2,463)	15,399	(3,793)	(3,989)	(16,401)	(16,291)
Share of losses of associated companies	-	-	-	(629)	-	-	(629)
Segment (loss)/profit before tax after accounting for :	(5,044)	(2,463)	15,399	(4,422)	(3,989)	(16,401)	(16,920)
Interest income	-	182	-	413	-	(60)	535
Finance cost	(114)	(2,326)	(249)	(2,394)	(1,773)	6,433	(423)
Depreciation	(1,638)	(1,368)	(233)	(260)	(347)	626	(3,220)
Amortisation	(276)	(179)	(5)	(1)	-	37	(424)
Unrealised foreign exchange gains/(losses)	-	462	(2,414)	30	(3)	-	(1,925)
Gain/(loss) on fair value of investments held at fair value through profit or loss	<u>6,343</u>	<u>-</u>	<u>151</u>	<u>(155)</u>	<u>-</u>	<u>-</u>	<u>6,339</u>

A10. Segment Information (Cont'd.)

	Insurance	Information Technology	Investment Holding	Investment in Start-ups	Others	Consolidation adjustments	Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Year to date ended							
31 March 2022							
REVENUE							
External sales	151,975	6,065	339	-	109	-	158,488
Inter-segment sales	134	10,533	11,023	-	83	(21,773)	-
Total segment Revenue	<u>152,109</u>	<u>16,598</u>	<u>11,362</u>	<u>-</u>	<u>192</u>	<u>(21,773)</u>	<u>158,488</u>
RESULTS							
Segment profit/(loss)	2,346	(986)	11,648	67,279	(822)	(10,587)	68,878
Share of losses of associated companies	-	-	-	(1,999)	-	-	(1,999)
Segment profit/(loss) before tax	2,346	(986)	11,648	65,280	(822)	(10,587)	66,879
after accounting for :							
Interest income	-	164	-	242	-	(91)	315
Finance cost	(2,913)	(2,159)	(1,491)	(2,675)	(156)	6,201	(3,193)
Depreciation	(2,118)	(1,315)	(196)	(277)	(149)	711	(3,344)
Amortisation	(222)	(70)	(7)	(1)	-	37	(263)
Unrealised foreign exchange gains/(losses)	-	620	(1,472)	787	-	-	(65)
Loss on fair value of investments held at fair value through profit or loss	(12)	-	(365)	(136)	-	-	(513)
Gain on disposal of an associated company	-	-	-	70,895	-	705	71,600

A11. Changes in Contingent Assets and Contingent Liabilities

The Group does not have any contingent assets since financial year ended 30 September 2022.

Details of the Group's contingent liabilities are as follow:

	As at 31 Mar 2023 RM'000	As at 31 Mar 2022 RM'000
(i) Performance guarantees - secured	<u>330</u>	<u>394</u>

A11. Changes in Contingent Assets and Contingent Liabilities

Details of the Group's contingent liabilities are as follow: (Cont'd.)

(ii) On-going litigation

On 10 August 2016, the Malaysia Competition Commission (MyCC) launched an investigation into Persatuan Insurans Am Malaysia (PIAM) and its 22 members, which includes the insurance subsidiary company (Pacific & Orient Insurance Co. Berhad), for allegedly violating the Competition Act 2010 by making an agreement with the Federation of Automobile Workshop Owners' Association of Malaysia (FAWOAM) regarding trade discount rates for certain vehicle parts and labour hour rates for workshops.

After considering written and oral representations from various parties, MyCC issued a final decision against PIAM and its members on 14 September 2020 and imposed financial penalties of RM173,655,300 on all 22 insurance companies, including the insurance subsidiary company, with a 25% reduction due to the COVID-19 pandemic.

The insurance subsidiary's share of the financial penalty was RM1,581,339, net of 25% discount granted arising from the Covid-19 pandemic.

PIAM and its 22 members appealed against the decision, and on 2 September 2022, the Competition Appeal Tribunal (CAT) unanimously overturned MyCC's decision and financial penalties.

However, MyCC filed an application for judicial review proceedings in the High Court, with a hearing scheduled on 8 May 2023.

On 8 May 2023 the High Court adjourned the matter to enable PIAM and the insurers to file their affidavits in reply by 22 May 2023 and MyCC to file its affidavit in reply by 6 June 2023. The High Court also directed both parties to file their further affidavits, if needed, and also to file written submissions by 10 August 2023 and replies to the written submissions, if any, by 1 September 2023.

As of the date of this report, the Group has not made any provisions regarding this ongoing litigation.

A12. Capital Commitments

There were no capital commitments for the purchase of property, plant and equipment and intangible asset (either approved and contracted for or approved but not contracted for) as at 31 March 2023 except for the following:

	As at 31 Mar 2023 RM'000	As at 31 Mar 2022 RM'000
<u>Contracted but not provided for:</u>		
Intangible assets	<u>1,076</u>	<u>-</u>

A13. Significant Related Party Transactions

The following transactions with related parties were carried out under the terms and conditions negotiated with the related parties:

	Year To Date	
	31 Mar 2023 RM'000	31 Mar 2022 RM'000
(a) Substantial shareholders of the Insurance subsidiary company - Expenditure:		
Product and pricing services	<u>126</u>	<u>126</u>
(b) Associated companies - Advances:		
Advances to associated companies by a foreign subsidiary company	<u>1,329</u>	<u>4,015</u>

A14. Risk-Based Capital (“RBC”) Framework of the Insurance Subsidiary

As at 31 March 2023, the insurance subsidiary has a capital adequacy ratio in excess of the minimum requirement as stipulated in the RBC Framework.

A15. Employees' Share Option Scheme

The Employees' Share Option Scheme ("ESOS") was approved by the shareholders at the Annual General Meeting held on 20 February 2019 and came into effect on 17 June 2019. The ESOS shall be in force for a period of up to five years until 16 June 2024.

The fair values of share options were estimated by the Group using the Black-Scholes-Merton option pricing model, taking into account the terms and conditions upon which the options were granted.

The fair values of share options granted are between RM0.075 and RM0.117 per share.

The movements in share options pursuant to the ESOS during the financial period ended 31 March 2023 and 31 March 2022 are as follows:

			<----- Number of Options ----->					
Grant Date	Expiry Date	Exercise Price	Outstanding	Granted	Forfeited	Exercised	Outstanding	Vested and
			as at 1 Oct 2022				as at 31 Mar 2023	exercisable as at 31 Mar 2023
13 Sept 2019	16 June 2024	RM0.89	17,242,000	-	-	(301,000)	16,941,000	14,671,000
28 Sept 2020	16 June 2024	RM0.73	3,934,000	-	-	-	3,934,000	3,007,500
30 Sept 2021	16 June 2024	RM0.84	75,000	-	-	(28,000)	47,000	21,000
30 Sept 2022	16 June 2024	RM0.95	1,616,000	-	-	(6,000)	1,610,000	841,000
			<u>22,867,000</u>	-	-	<u>(335,000)</u>	<u>22,532,000</u>	<u>18,540,500</u>
Weighted average share price (RM)			RM0.87	-	-	RM0.89	RM0.87	RM0.87
			<----- Number of Options ----->					
Grant Date	Expiry Date	Exercise Price	Outstanding	Granted	Forfeited	Exercised	Outstanding	Vested and
			as at 1 Oct 2021				as at 31 Mar 2022	exercisable as at 31 Mar 2022
13 Sept 2019	16 June 2024	RM0.89	18,569,000	-	-	(110,000)	18,459,000	13,919,000
28 Sept 2020	16 June 2024	RM0.73	4,256,000	-	-	-	4,256,000	2,187,000
30 Sept 2021	16 June 2024	RM0.84	244,000	-	-	(11,000)	233,000	85,000
			<u>23,069,000</u>	-	-	<u>(121,000)</u>	<u>22,948,000</u>	<u>16,191,000</u>
Weighted average share price (RM)			RM0.86	-	-	RM0.89	RM0.86	RM0.87

A15. Employees' Share Option Scheme (Cont'd.)

The movements of share options reserve during the period are presented as follows:

	Year To Date	
	31 Mar 2023 RM'000	31 Mar 2022 RM'000
Share options reserve at 1 October 2022/2021	1,865	1,737
Option charge recognised from share options granted	56	76
Option exercised during the period	(29)	(11)
Share options reserve at 31 March 2023/2022	<u>1,892</u>	<u>1,802</u>

A16. Significant Events

- (i) Disposal of ordinary shares of Ancom Nylex Berhad (formerly known as Ancom Berhad)

The Group has disposed an aggregate of 36,650,000 ordinary shares of Ancom Nylex Berhad ("Ancom Shares") for a total gross consideration of RM32,847,000 on Bursa Malaysia Securities Berhad via open market and direct business transactions from 17 November 2022 to 21 February 2023. Prior to the disposal, the Ancom Shares were classified as financial assets at fair value through other comprehensive income ("FVOCI") and had been stated at fair value at each reporting date.

The fair value loss in respect of the disposed shares, that arose during the current quarter and which was recognised in the statement of other comprehensive income up to the date of disposal, amounted to RM1,970,000 for the Group.

Arising from the disposal, the accumulated gain recognised in FVOCI reserve of the Group of RM25,976,000 in relation to this tranche of shares disposed has been transferred to retained profits during the period ended 31 March 2023.

A16. Significant Events (Cont'd.)

(ii) Acquisition of a subsidiary company

On 27 December 2022, the Company's wholly owned subsidiary company, Pacific & Orient Properties Limited ("POPL"), entered into a share purchase agreement for the acquisition of an additional 68.48% equity interest in Acumentive Limited ("ACM") for a purchase consideration of GBP1,253,000 (equivalent to approximately RM6,667,000) to be satisfied entirely via cash ("the Acquisition").

Prior to the Acquisition, ACM was a 31.52% owned associated company of POPL. Following the Acquisition, POPL's equity interest in ACM increased from 31.52% to 100.00%. ACM has consequently ceased to be an associated company of the Group and is regarded as a subsidiary company of the Group.

The financial effects of the Acquisition are disclosed as below:

(a) <u>Identified assets acquired and liabilities assumed</u>	RM'000
Property, plant and equipment	79
Intangible assets	1,605
Cash and bank balances	732
Total assets	<u>2,416</u>
Deferred tax liabilities	(16)
Trade and other payables	(5,630)
Borrowings	(195)
Total liabilities	<u>(5,841)</u>
Total identifiable net liabilities acquired	<u>(3,425)</u>
(b) <u>Net cash outflow arising from the Acquisition</u>	RM'000
Purchase consideration settled in cash and cash equivalents	6,667
Less: Cash and bank balances acquired	(732)
	<u>5,935</u>

A16. Significant Events (Cont'd.)

(ii) Acquisition of a subsidiary company (Cont'd.)

(c) Loss on remeasurement of previously held interests

RM'000

Carrying amount of 31.52% previously held interests as at 27 December 2022	4,465
Less: Fair value of 31.52% previously held interests	<u>(3,069)</u>
Loss on remeasurement of previously held interests	<u>1,396</u>

(d) Goodwill on consolidation

RM'000

Consideration transferred	6,667
Fair value of previously held interest	<u>3,069</u>
	9,736
Add: Fair value of identifiable net liabilities	<u>3,425</u>
Goodwill on consolidation	<u>13,161</u>

B. Additional Notes Pursuant To The Main Market Listing Requirements of Bursa Malaysia For The Six Months Ended 31 March 2023

B1. Review of Results

Financial review for current quarter and year to date

	Individual Period		Changes (Amount) RM'000	Changes (%)	Cumulative Period		Changes (Amount) RM'000	Changes (%)
	Current Year Quarter Ended 31 Mar 2023 RM'000	Preceding Year Corresponding Quarter Ended 31 Mar 2022 RM'000			Current Year To- date Ended 31 Mar 2023 RM'000	Preceding Year Corresponding Period Ended 31 Mar 2022 RM'000		
Revenue	73,872	82,690	(8,818)	(11%)	146,079	158,488	(12,409)	(8%)
Operating (loss)/profit	(4,119)	2,373	(6,492)	(274%)	(15,868)	72,071	(87,939)	(122%)
(Loss)/profit before tax	(4,524)	155	(4,679)	(3019%)	(16,920)	66,879	(83,799)	(125%)
(Loss)/profit after tax	(3,645)	(1,713)	(1,932)	113%	(16,509)	65,158	(81,667)	(125%)
(Loss)/profit attributable to equity holders of the Company	(1,690)	(2,773)	1,083	39%	(14,469)	64,557	(79,026)	(122%)

Financial Review for Current Quarter compared with Preceding Year Corresponding Quarter

Group revenue was RM73,872,000 compared to RM82,690,000 in the preceding year corresponding quarter. Loss before tax of RM4,524,000 was reported compared to pre-tax profit of RM155,000 in the preceding year corresponding quarter.

Insurance segment – Revenue decreased by RM10,466,000 to RM69,790,000 for the current quarter compared to the preceding year corresponding quarter. The decrease was primarily due to lower gross earned premium and investment income. Consequently, a loss before tax of RM1,106,000 was reported for the current period as compared to a pre-tax profit of RM8,020,000 in the preceding year corresponding quarter.

Information technology (IT) segment – Revenue increased by RM1,661,000 to RM3,878,000 for the current quarter compared to the preceding year corresponding quarter, principally due to higher income from software customisation services. Consequently, a profit before tax of RM252,000 was reported for the current quarter as compared to a pre-tax loss of RM2,657,000 in the preceding year corresponding quarter.

Investment in start-ups segment – Loss before tax of RM720,000 was reported for the current quarter as compared to a pre-tax loss of RM967,000 in the preceding year corresponding quarter. The decrease was principally due to the lower share of losses of the associated companies.

B1. Review of Results (Cont'd.)

Current Period compared with Preceding Year Corresponding Period

Group revenue was RM146,079,000 compared to RM158,488,000 in the preceding year corresponding period. Loss before tax of RM16,920,000 was reported compared to pre-tax profit of RM66,879,000 in the preceding year corresponding period.

Insurance segment – Revenue decreased by RM12,236,000 to RM139,739,000 for the current period compared to the preceding year corresponding period. The decrease was primarily due to lower gross earned premium and investment income. Consequently, a lower profit before tax of RM3,534,000 was reported for the current period as compared to a pre-tax profit of RM12,185,000 in the preceding year corresponding period.

Information technology (IT) segment – Revenue from external parties decreased by RM184,000 to RM5,881,000 for the current period compared to the preceding year corresponding period, principally due to lower income from software customisation services. A loss before tax of RM4,253,000 was reported in the current period as compared to a pre-tax loss of RM5,005,000 in the preceding year corresponding period, mainly due to write back of allowance for impairment on trade receivables.

Investment in start-ups segment – Loss before tax of RM2,395,000 was reported for the current period as compared to a pre-tax profit of RM69,255,000 in the preceding year corresponding period. This was principally due to the absence of gain on disposal of an associated company in the current period. In the preceding year corresponding period, the Group recorded a gain on disposal of an associated company of RM71,600,000.

Consolidated Statement of Comprehensive Income

Group's total other comprehensive loss for the current period ended 31 March 2023 amounted to RM1,055,000 as compared to a total other comprehensive income of RM30,501,000 in the preceding year corresponding period, mainly due to the lower fair value gain on FVOCI quoted shares.

Consolidated Statement of Financial Position

The Group's total assets as at 31 March 2023 was RM1,074,581,000, a decrease from RM1,088,071,000 as of 30 September 2022 mainly due to dividend payments.

The Group's total liabilities as at 31 March 2023 was RM629,401,000, an increase from RM616,002,000 as of 30 September 2022. The increase was principally due to the higher insurance payables.

The Group's equity attributable to equity holders of the Company was RM323,046,000 as at 31 March 2023 compared to RM349,739,000 as of 30 September 2022. The decrease was mainly due to lower retained profits arising from net losses and payment of dividends during the period.

B1. Review of Results (Cont'd.)

Consolidated Statement of Cash Flows

The Group's cash and cash equivalents as at 31 March 2023 was RM76,076,000.

The net cash used in operating activities of RM38,469,000 arose mainly from the additional direct expenditure of land held for development. The net cash generated from investing activities of RM27,310,000 was mainly from disposal of investments. The net cash used in financing activities of RM12,426,000 was principally for payment of dividends.

B2. Current Quarter compared with Immediate Preceding Quarter's Results

	Current Quarter 31 Mar 2023 RM'000	Immediate Preceding Quarter 31 Dec 2022 RM'000	Changes (Amount) RM'000	Changes (%)
Revenue	73,872	72,207	1,665	2%
Operating loss	(4,119)	(11,749)	7,630	(65%)
Loss before tax	(4,524)	(12,396)	7,872	(64%)
Loss after tax	(3,645)	(12,864)	9,219	(72%)
Loss attributable to equity holders of the Company	(1,690)	(12,779)	11,089	(87%)

Group revenue was RM73,872,000 compared to RM72,207,000 reported in the immediate preceding quarter. Loss before tax of RM4,524,000 was recorded compared to pre-tax loss of RM12,396,000 in the immediate preceding quarter.

Insurance segment – Revenue decreased by RM159,000 to RM69,790,000 for the current quarter compared to the immediate preceding quarter, primarily due to lower gross earned premium. A loss before tax of RM1,106,000 was reported for the current quarter as compared to a pre-tax profit of RM4,640,000 in the immediate preceding quarter, mainly due to lower underwriting results from decrease in net earned premium.

IT segment – Revenue increased by RM1,875,000 to RM3,878,000 for the current quarter mainly due to higher income from software customisation services. In correspondence to the increased revenue, a profit before tax of RM252,000 was reported for the current quarter as compared to a pre-tax loss of RM4,505,000 in the immediate preceding quarter.

Investment in start-ups segment – Loss before tax of RM720,000 was reported for the current quarter as compared to a pre-tax loss of RM1,675,000 in the immediate preceding quarter. The decrease was principally due to the absence of loss on remeasurement of previously held interests. In the immediate preceding quarter, the Group recorded a loss on remeasurement of previously held interests of RM1,396,000 as described in Note A16(ii)(c).

B3. Current Year Prospects

The expected implementation of wider phased liberalisation measures in the insurance industry and the persistent global inflationary pressures continue to pose challenges to the environment in which the Group operates. In response to these issues, the insurance subsidiary company and the IT Division continue to focus on improvements to the quality of customer service, development of newer and more relevant products and investment in digitalisation.

Notwithstanding the uncertainties that world events have brought to the Malaysian economy, the Board is generally confident that barring unforeseen circumstances, the steps that management has taken will result in a satisfactory outcome for the financial year ending 30 September 2023.

B4. Profit Forecast and Profit Guarantee

No forecast has been issued by the Group for the period ended 31 March 2023.

B5. Taxation

The taxation figures include the following:

	Quarter Ended		Year To Date	
	31 Mar 2023 RM'000	31 Mar 2022 RM'000	31 Mar 2023 RM'000	31 Mar 2022 RM'000
Income tax:				
Current year's provision				
- Malaysian tax	8	800	16	852
Deferred tax:				
- Relating to timing differences	(887)	1,068	(427)	869
	<u>(879)</u>	<u>1,868</u>	<u>(411)</u>	<u>1,721</u>

The effective rates of taxation of the Group are lower than the statutory rate of taxation principally due to certain expenses which are not deductible for tax purposes.

B6. Status of Corporate Proposal

There were no other corporate proposal announced but not completed as of the date of this report.

B7. Material Litigation

As at 31 March 2023 there was no material litigation against the Group other than those arising in the normal course of the insurance subsidiary's business and as disclosed in Note A11(ii).

B8. Group Borrowings

			As at 31 March 2023		As at 30 September 2022	
	Secured/ Unsecured	Currency	Foreign Currency '000	RM equivalent RM'000	Foreign Currency '000	RM equivalent RM'000
Long term						
a. Lease liabilities	Secured	GBP	87	478	125	645
	Secured	Baht	6,658	858	5,474	667
	Secured	USD	62	274	10	46
	Secured	RM	-	4,893	-	4,727
				6,503		6,085
b. Term loan	Secured	USD	163	719	163	755
c. Bounce back loan ⁽¹⁾	Unsecured	GBP	24	132	-	-
Total Long Term Borrowings				7,354		6,840
Short term						
a. Lease liabilities	Secured	GBP	75	408	76	393
	Secured	Baht	2,632	339	2,909	354
	Secured	USD	214	943	112	519
	Secured	RM	-	3,448	-	3,234
				5,138		4,500
b. Revolving credit facilities	Secured	RM	-	10	-	10
	Unsecured	RM	-	1,000	-	1,000
				1,010		1,010
c. Bounce back loan ⁽¹⁾	Unsecured	GBP	10	55	-	-
Total Short Term Borrowings				6,203		5,510
Total				13,557		12,350

(1) The bounce back loan (“BBL”) was assumed by the Group through acquisition of a subsidiary as disclosed in Note A16(ii). The BBL scheme is 100% guaranteed by the UK government as a means to support businesses during the COVID-19 pandemic and has a fixed interest rate of 2.5%. The BBL of the Group is repayable over 72 months until 17 August 2026.

B9. Dividends

	RM'000	Date of payment
In respect of financial year ended 30 September 2022:		
(i) A fifth interim single tier dividend of 1.20 sen per share declared on 21 October 2022	3,224	23 November 2022
In respect of financial year ending 30 September 2023:		
(ii) A first interim single tier dividend of 1.20 sen per share declared on 20 December 2022	3,226	20 January 2023
(iii) A second interim single tier dividend of 1.20 sen per share declared on 28 February 2023	3,228	28 March 2023
	<u>9,678</u>	
(iv) The Directors had on 26 April 2023 declared a third interim single tier dividend of 1.20 sen per share in respect of the current financial year, which was paid on 25 May 2023. This dividend has not been reflected in the financial statements for the current quarter ended 31 March 2023 but will be accounted for in equity as an appropriation of retained profits for the next quarter ending 30 June 2023.		

The total single tier dividend in respect of the current period was 3.60 sen per share (Previous corresponding period: single tier dividend of 6.80 sen per share).

B10. (Loss)/Earnings Per Share

		Quarter Ended		Year To Date	
		31 Mar 2023	31 Mar 2022	31 Mar 2023	31 Mar 2022
Net (loss)/profit for the period (A)	(RM'000)	(1,690)	(2,773)	(14,469)	64,557
Weighted average number of ordinary shares in issue (B)	('000)	268,882	267,819	268,818	267,792
Weighted average number of ordinary shares for diluted (loss)/earnings per share (C) ^(See note below)	('000)	* ⁽¹⁾	* ⁽¹⁾	* ⁽¹⁾	269,205
(Loss)/earnings per share:					
Basic (A ÷ B)	(sen)	(0.63)	(1.04)	(5.38)	24.11
Diluted (A ÷ C)	(sen)	* ⁽¹⁾	* ⁽¹⁾	* ⁽¹⁾	23.98
Note:					
Weighted average number of ordinary shares in issue	('000)	* ⁽¹⁾	* ⁽¹⁾	* ⁽¹⁾	267,792
Effects of dilution of ESOS	('000)	* ⁽¹⁾	* ⁽¹⁾	* ⁽¹⁾	1,413
Weighted average number of ordinary shares for diluted (loss)/earnings per share (C)	('000)	* ⁽¹⁾	* ⁽¹⁾	* ⁽¹⁾	269,205

*⁽¹⁾ Not disclosed as it is anti-dilutive.

B11. (Loss)/Profit For The Period

	Quarter Ended		Year To Date	
	31 Mar 2023 RM'000	31 Mar 2022 RM'000	31 Mar 2023 RM'000	31 Mar 2022 RM'000
(Loss)/profit for the period is arrived at after charging/(crediting):				
Interest expense	159	1,556	322	3,114
Depreciation of:				
- property, plant and equipment	498	473	1,001	952
- right-of-use assets	1,085	1,176	2,219	2,392
Amortisation of intangible assets	343	135	424	263
(Write back of allowance for)/ allowance for impairment:				
- amount due from an associated company	458	-	(362)	-
- insurance receivables	(250)	1,138	(70)	1,369
- trade receivables	(797)	-	(797)	-
Property, plant and equipment written off	14	-	15	-
(Gain)/loss on fair value of investments held at fair value through profit or loss (net)	(2,158)	567	(6,339)	513
Loss on remeasurement of previously held interests	-	-	1,396	-
(Gain)/loss on disposal of:				
- property, plant and equipment	(27)	25	(27)	52
- intangible assets	-	-	-	28
- investments (net)	122	74	133	(229)
- an associated company	-	-	-	(71,600)
Unrealised foreign exchange loss/(gain) (net)	(4,289)	250	1,925	65
Realised foreign exchange loss (net)	360	91	336	85
Interest income	(244)	(179)	(535)	(315)

There were no (i) write off of inventories, (ii) gain or loss on derivatives and (iii) exceptional items for the current quarter and period ended 31 March 2023.

BY ORDER OF THE BOARD
YONG KIM FATT
Company Secretary
Kuala Lumpur

30 May 2023