

PASUKHAS GROUP BERHAD (686389-A)  
 UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
 FOR THE FIRST (1ST) QUARTER ENDED 31 MARCH 2013

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31 - March - 2013 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31 - March - 2012 RM'000	CURRENT YEAR TO DATE 31 - March - 2013 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31 - March - 2012 RM'000
Revenue	6,904	5,244	6,904	5,244
Contract Expenses	(6,280)	(3,510)	(6,280)	(3,510)
Gross Profit	624	1,734	624	1,734
Other Operating Income	191	200	191	200
	815	1,934	815	1,934
Administrative Expenses	(894)	(889)	(894)	(889)
Other Expenses	(71)	(151)	(71)	(151)
Finance Costs	(83)	(34)	(83)	(34)
Share of Profit From Joint Ventures (Net)	-	43	-	43
(Loss) / Profit Before Taxation	(233)	903	(233)	903
Income Tax Expenses	-	(134)	-	(134)
(Loss) / Profit After Taxation	(233)	769	(233)	769
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income For The Financial Year	(233)	769	(233)	769
(Loss) / Profit After Taxation Attributable To :-				
Owners of the Company	(233)	769	(233)	769
Non-controlling interests	-	-	-	-
	(233)	769	(233)	769
Total Comprehensive Income Attributable To :-				
Owner of the Company	(233)	769	(233)	769
Non-Controlling Interests	-	-	-	-
	(233)	769	(233)	769
Weighted average number of shares in issue ('000)	295,001	205,001	295,001	205,001
Earnings per share ("EPS") attributable to the equity holders of the Company (sen)	(0.08)	0.38	(0.08)	0.38

Notes:-

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Pasukhas Group Berhad and its subsidiaries ("Group") for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to this interim financial statements.

PASUKHAS GROUP BERHAD (686389-A)  
 UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
 FOR THE FIRST (1ST) QUARTER ENDED 31 MARCH 2013

	UNAUDITED AS AT END OF CURRENT QUARTER 31-March-2013 RM'000	AUDITED AS AT 31-December-2012 RM'000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Plant and equipment	10,672	11,555
Deferred tax assets	1,689	1,689
Other investments	104	104
	<u>12,465</u>	<u>13,348</u>
<b>CURRENT ASSETS</b>		
Inventories	2,388	2,573
Amount owing by contract customers	2,684	3,645
Trade receivables	13,147	17,697
Other receivables, deposits and prepayments	527	546
Amount owing by joint ventures	6	6
Amount owing by related parties	33	58
Tax recoverable	691	416
Fixed deposits with licensed banks	18,225	19,039
Cash and bank balances	5,270	4,586
	<u>42,971</u>	<u>48,566</u>
<b>TOTAL ASSETS</b>	<u>55,436</u>	<u>61,914</u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	29,500	29,500
Merger deficit	(10,500)	(10,500)
Fair value reserve	17	17
Share premium	933	933
Retained profits	12,328	12,561
<b>TOTAL EQUITY</b>	<u>32,278</u>	<u>32,511</u>
<b>NON-CURRENT LIABILITIES</b>		
Hire purchase payables	206	225
Deferred income	603	2,381
	<u>809</u>	<u>2,606</u>
<b>CURRENT LIABILITIES</b>		
Trade payables	8,479	13,620
Other payables and accruals	875	1,206
Amount owing to related parties	30	37
Amount owing to joint venture partner	27	27
Short-term borrowings	5,705	4,765
Deferred income	7,233	7,142
	<u>22,349</u>	<u>26,797</u>
<b>TOTAL LIABILITIES</b>	<u>23,158</u>	<u>29,403</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>55,436</u>	<u>61,914</u>
Net assets per share (RM)	<u>0.11</u>	<u>0.11</u>

**Notes:-**

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to this interim financial statements.

PASUKHAS GROUP BERHAD (686389-A)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST (1ST) QUARTER ENDED 31 MARCH 2013

	Share Capital RM'000	Non-Distributable Fair Value Reserve RM'000	Merger Deficit RM'000	Share Premium RM'000	Distributable Retained Profits RM'000	Shareholders' Fund RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
<u>Current year to date ended 31 March 2013</u>								
Balance at 1 January 2013 (Audited)	29,500	17	(10,500)	933	12,561	32,511	-	32,511
Loss after taxation/Total comprehensive income for the financial period	-	-	-	-	(233)	(233)	-	(233)
<b>Balance at 31 March 2013 (Unaudited)</b>	<b>29,500</b>	<b>17</b>	<b>(10,500)</b>	<b>933</b>	<b>12,328</b>	<b>32,278</b>	<b>-</b>	<b>32,278</b>
<u>Preceding year to date ended 31 March 2012</u>								
Balance at 1 January 2012 (Audited)	20,500	17	(10,500)	-	9,115	19,132	-	19,132
Profit after taxation/Total comprehensive income for the financial period	-	-	-	-	769	769	-	769
<b>Balance at 31 March 2012 (Audited)</b>	<b>20,500</b>	<b>17</b>	<b>(10,500)</b>	<b>-</b>	<b>9,884</b>	<b>19,901</b>	<b>-</b>	<b>19,901</b>

Notes:-

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to this interim financial statements.

PASUKHAS GROUP BERHAD (686389-A)  
 UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
 FOR THE FIRST (1ST) QUARTER ENDED 31 MARCH 2013

	UNAUDITED CURRENT YEAR TO DATE 31-March-2013 RM'000	AUDITED PRECEDING YEAR AS AT 31-December-2012 RM'000
<b>CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES</b>		
(Loss) / Profit before taxation	(233)	4,219
<b>Adjustments for:-</b>		
Allowance for impairment loss on quoted investment	-	3
Amortisation of non-current trade receivables	-	36
Bad debts written off	-	21
Depreciation of plant and equipment	896	3,308
Loss / (Gain) on foreign exchange - unrealised	(36)	83
Interest expense	73	269
Listing expenses written off	-	680
Gain on disposal of plant and equipment	-	(2)
Interest income	(122)	(414)
Share of profits from joint ventures (net)	-	(11)
Writeback of allowance for impairment losses on trade receivables	-	(139)
<b>Operating profit before working capital changes</b>	<b>578</b>	<b>8,053</b>
(Increase) / Decrease in inventories	184	(1,162)
(Increase) / Decrease in amount owing by contract customers	961	(862)
(Increase) / Decrease in trade and other receivables	4,568	(9,149)
Increase / (Decrease) in trade and other payables	(5,400)	8,591
(Decrease) / Increase in deferred income	(1,687)	(1,229)
Net (decrease)/increase in amount owing to joint ventures	-	(261)
Net (decrease) / increase in amount owing to related parties	18	(60)
Distribution received from joint ventures	-	296
Distribution paid to joint venture partner	-	(118)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>(778)</b>	<b>4,099</b>
Interest paid	(73)	(269)
Income tax paid	(275)	(1,867)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(1,126)</b>	<b>1,963</b>
<b>CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES</b>		
Interest received	122	414
Purchase of plant and equipment	(13)	(4,682)
Proceeds from disposal of plant and equipment	-	2
<b>NET CASH FOR INVESTING ACTIVITIES</b>	<b>109</b>	<b>(4,266)</b>
<b>CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES</b>		
Proceeds from issuance of share capital	-	10,800
Net drawdown in bankers' acceptances	948	689
Repayment of hire purchase obligations	(27)	(90)
Listing expenses paid	-	(1,547)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>921</b>	<b>9,852</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(96)</b>	<b>7,549</b>
<b>FOREIGN EXCHANGE RATE ADJUSTMENT</b>	<b>(34)</b>	<b>(70)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	<b>23,625</b>	<b>16,146</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	<b>23,495</b>	<b>23,625</b>

**Notes:-**

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to this interim financial statements.

**PASUKHAS GROUP BERHAD (686389-A)**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRSs") 134 : INTERIM FINANCIAL REPORTING**

**A1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRSs") 134 : Interim Financial Reporting in Malaysia and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements").

The unaudited Condensed Consolidated Interim Financial Statements should be read in conjunction with the audited consolidated financial statements of the Group for the financial year ended 31 December 2012. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2012.

**A2. Changes in Accounting Policies**

The significant accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2012.

The Group adopted the following Standards, Amendments and IC Interpretations :-

MFRS 10 Consolidated Financial Statements

MFRS 11 Joint Arrangements

MFRS 12 Disclosure of Interests in Other Entities

MFRS 13 Fair Value Measurement

MFRS 119 Employee Benefits

MFRS 127 Separate Financial Statements

MFRS 128 Investments in Associates and Joint Ventures

Amendments to MFRS 1: Government Loans

Amendments to MFRS 7: Disclosures - Offsetting Financial Assets and Financial Liabilities

Amendments to MFRS 10, MFRS 11 and MFRS 12: Transition Guidance

Amendments to MFRS 101: Presentation of Items of Other Comprehensive Income

IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine

Annual Improvements to MFRSs 2009 - 2011 Cycle

The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial period.

<b>MFRSs and IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
MFRS 9 Financial Instruments	1 January 2015
Amendments to MFRS 9: Mandatory Effective Date of MFRS 9 and Transition Disclosures	1 January 2015
Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities	1 January 2014
Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014

**A3. Auditor's Report on Preceding Annual Financial Statements**

There were no audit qualification to the annual audited financial statements of the Group for the financial year ended 31 December 2012.

**A4. Seasonal or Cyclical Factors**

The business operations of the Group were not significantly affected by seasonal or cyclical factors.

**A5. Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current financial quarter and financial year-to-date under review.

**A6. Material Changes in Estimates**

There were no changes in estimates of amounts reported in prior financial years that have a material effect on the current financial quarter under review and financial year-to-date.

**A7. Changes in Debts and Equity Securities**

There were no issuances, cancellations or repayments of debt and equity securities, share buy backs, share cancellation, shares held as treasury share and resale of treasury shares for the current financial quarter under review and financial year-to-date.

**A8. Dividend**

There were no dividends declared or paid during the financial year to date under review.

**A9. Segmental Information**

The segmental revenue and results for the financial year-to-date under review are as follows:-

**Revenue by operating segments**

31-March-2013	M&E Engineering Services RM'000	Manufacturing of LV switchboards RM'000	Trading of Equipment RM'000	Elimination RM'000	Group RM'000
<b>Revenue</b>					
External revenue	6,782	122	-	-	6,904
Inter-segment revenue	-	-	-	-	-
<b>Total segment revenue</b>	<b>6,782</b>	<b>122</b>	<b>-</b>	<b>-</b>	<b>6,904</b>
<b>Segment result</b>	<b>612</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>624</b>
Other operating income					191
Administrative expenses					(894)
Other expenses					(71)
Finance costs					(83)
Share of profit from joint ventures (net)					-
Tax expense					-
<b>Profit after taxation</b>					<b>(233)</b>

All 3 main business segments are held by the subsidiary, thus the Group's contract expenses, operating expenses, financing (including finance costs), income taxes, assets and liabilities are managed on a group and are not allocated to operating segments.

**Revenue by geographical markets**

	Current Year To Date 31 - March - 2013	
	RM'000	%
Malaysia	6,904	100.0
Indonesia	-	-
United Arab Emirates	-	-
	<b>6,904</b>	<b>100.0</b>

**A10. Valuation of plant and equipment**

There was no valuation of plant and equipment in the current financial quarter under review.

**A11. Subsequent Material Events**

There are no material events subsequent to the financial year ended 31 December 2012 that have not been reflected in this interim financial statements.

**A12. Changes in the Composition of the Group**

There were no changes in the composition of the Group for the current financial quarter under review.

### A13. Contingent Assets or Liabilities

Save as disclosed below, there were no contingent assets or contingent liabilities since the last audited financial statements of the Group for the financial year ended 31 December 2012 :-

	Current Quarter Ended 31 - March - 2013 RM'000	Preceding Financial Year Ended 31 - December - 2012 RM'000
Contingent Liability		
- Bank guarantee issued	<u>2,745</u>	<u>2,799</u>

### A14. Capital commitments

The Group does not have any material capital commitments in respect of plant and equipment as at the end of the current financial quarter under review.

### A15. Capital expenditure

There were no major additions and disposals of the plant and equipment during the current financial quarter under review.

### A15. Related Party Transactions

Save as disclosed below, there were no related party transactions for the current financial quarter under review and financial year-to-date:-

	Current Quarter Ended 31 - March - 2013 RM'000	Cumulative Year-To-Date 31 - March - 2013 RM'000
Nature of transaction		
Insurance and road tax expenses	19	19
Rental of premises	<u>161</u>	<u>161</u>

## B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

### B1. Review of performance

For the current financial quarter under review, the Group recorded revenue of RM6.904 million and a loss before tax of RM0.233 million.

The Group recorded an increase in revenue by RM1.660 million to RM6.904 million for the current financial quarter under review as compared to RM5.244 million in the preceding corresponding quarter. The increase in revenue was mainly attributed to the higher progress billings issued for a local M&E engineering services project. In addition, the Group's revenue was derived only from Malaysia.

The Group registered a loss before tax of RM0.233 million during the current financial quarter under review as compared to RM0.903 million profit before tax in the same quarter of the preceding year due to lower margin from a current ongoing project.

The M&E engineering services remain the largest contributor to the Group's revenue and gross profit, with 98.2% (RM6.782 million) and 98.1% (RM0.612 million) respectively. The remaining revenue and gross profit are from manufacturing of LV switchboard. There was no contribution from the trading of equipment for the current financial quarter under review.

Furthermore, the Group had recorded a negative cash flow from operating activities amounting to RM0.78 million and a net cash flow from operating activities of RM1.13 million after adjusting for interest and income tax paid. These were mainly contributed by the decrease in deferred income, whereby the income increased despite no cash collection, decrease in trade payables, whereby increased payments were made to trade creditors, and decrease in trade receivables whereby increased trade debt collections were made however they were insufficient to cover the payments made to creditors.

**B2. Comparison with preceding quarter's results**

	<b>Current Quarter 31-March-2013 RM'000</b>	<b>Preceding Quarter 31-December-2012 RM'000</b>	<b>Variance RM'000</b>
Revenue	6,904	16,087	(9,183)
(Loss) / Profit before tax	(233)	888	(1,121)

Revenue of the Group decreased by 57.1% to RM6.904 million for the current financial quarter as compared to the preceding financial quarter mainly due to lower progress billings issued in M&E engineering services segment. The Group reported loss before tax of RM0.233 million for the current financial quarter mainly due to decrease in the gross profit margin contributed by projects with lower gross profit margin.

**B3. Prospects**

Notwithstanding the loss after tax recorded for the first quarter ended 31 March 2013, the Group's current orderbook remains relatively sustainable. Furthermore, the Group has been actively tendering for new projects and expects a few projects to be awarded to Pasukhas Group in due course. The management will continue to emphasize and focus on the Group's core business activities with specific efforts undertaken to improve its profit margin through productivity enhancement and increasing its marketing efforts.

Despite the Group's efforts above, the continued uncertainties in the global economic environment, an intense competitive market including in the Middle East and Indonesian markets, and pressure on pricing are the significant factors that may impact on the Group's earnings moving forward. In view of the competitive market, the management shall also take into consideration all relevant factors, including the current market environment in the Group's targeted countries, prior to making a decision to enter or exit a market.

Overall, the Board of Directors of Pasukhas remains cautiously optimistic despite an expected year of challenges with attention given to improving competitiveness and profitability.

**B4. Taxation**

There was no provision for tax for the current financial quarter due to losses incurred before taxation.

**B5. Profit forecast and profit guarantee**

The Group has not issued any profit forecast or profit guarantee during the current financial quarter under review.

**B6. Status of Corporate Proposal**

There were no corporate proposals announced but not completed as at the date of issuance of this interim report.

**B7. Status of utilisation of proceeds**

Pasukhas Group Berhad was listed on 29 August 2012 on the ACE Market of Bursa Securities. The status of utilisation of the gross proceeds of RM10.8 million from the public issue by the Group as at 31 March 2013 are as follows :-

<b>Purpose</b>	<b>Proposed Amount RM'000</b>	<b>Amount Utilised RM'000</b>	<b>Amount Unutilised RM'000</b>	<b>Timeframe for Utilisation upon Listing</b>
R&D expenditure	600	-	600	Within 24 months
Repayment of bank borrowings	1,634	1,634	-	Within 12 months
Working Capital	6,366	331 *	6,035	Within 24 months
Estimated Listing Expenses	2,200	2,200	-	Upon Listing
	<u>10,800</u>	<u>4,165</u>	<u>6,635</u>	

\* Inclusive of excess in listing expenses amounting to RM330,815.



**B8. Group borrowings and debt securities**

The total borrowings of the Group as at 31 March 2013 are as follows :-

<u>Secured</u>	Short Term	Long Term
	RM'000	RM'000
Hire purchase payables	98	206
Bankers' acceptances	5,607	-
	<u>5,705</u>	<u>206</u>

All borrowings of the Group are denominated in Ringgit Malaysia.

**B9. Material litigation**

There were no material litigations involving the Group since the date of the last annual statement of financial position of the Group as at 31 December 2012 up to the date of this interim report.

**B10. Dividends**

There were no dividends declared or paid during the financial year-to-date under review.

**B11. Earnings per Share**

Basic earnings per share is calculated by dividing the profit attributable to the equity holders of the Company by the weighted average number of shares in issue for the financial period.

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended	Preceding Year Corresponding Quarter Ended	Current Year To Date	Preceding Year Corresponding Period To Date
	31-March-2013	31-March-2012	31-March-2013	31-March-2012
(Loss) / Profit attributable to the equity holders of the Company (RM'000)	(233)	769	(233)	769
Weighted average number of ordinary shares in issue ('000)	295,001	205,001	295,001	205,001
Basic earnings per share (sen)	(0.08)	0.38	(0.08)	0.38

Note :

Diluted earnings per share is not disclosed herein as it is not applicable to the Group.

**B12. Realised and Unrealised Profits**

The breakdown of the retained profits of the Group into realised and unrealised profits/(losses) for the current quarter and the preceding financial year are as follows:-

	Current Quarter Ended	Preceding Financial Year Ended
	31-March-2013	31-December-2012
	RM'000	RM'000
Total retained profits of the Group :-		
- Realised	10,603	10,955
- Unrealised	1,725	1,606
	<u>12,328</u>	<u>12,561</u>
Less : Consolidation adjustments	-	-
Total Group retained profits as per consolidated accounts	<u>12,328</u>	<u>12,561</u>

**B13. Profit for the Period**

Profit before taxation is arrived at after charging/(crediting) :-

	<b>Current Quarter Ended 31-March-2013 RM'000</b>	<b>Current Year To Date 31-March-2013 RM'000</b>
(a) Interest income	(122)	(122)
(b) Other income	(27)	(27)
(c) Interest expense	73	73
(d) Depreciation and amortisation	896	896
(e) Foreign exchange gain (net)	(19)	(19)

Other disclosure items pursuant to Note 16 of Appendix 9B of the ACE Market Listing Requirements of Bursa Securities are not applicable.

**B14. Authorisation for issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 23 May 2013.

**By order of the Board of Directors**

**TENG AH KIONG**  
**MANAGING DIRECTOR**  
23 May 2013