

PASUKHAS GROUP BERHAD (686389-A)  
 UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
 FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2013

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30 - June - 2013 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30 - June - 2012 RM'000	CURRENT YEAR TO DATE 30 - June - 2013 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30 - June - 2012 RM'000
Revenue	11,421	6,780	18,325	12,024
Contract Expenses	(9,968)	(4,940)	(16,248)	(8,450)
Gross Profit	1,453	1,840	2,077	3,574
Other Operating Income	1,533	249	1,724	449
	2,986	2,089	3,801	4,023
Administrative Expenses	(1,059)	(644)	(1,953)	(1,533)
Other Expenses	(50)	(100)	(121)	(251)
Finance Costs	(90)	(46)	(173)	(80)
Share of Profit From Joint Ventures (Net)	-	-	-	43
Profit Before Taxation	1,787	1,299	1,554	2,202
Income Tax Expenses	(441)	(221)	(441)	(355)
Profit After Taxation	1,346	1,078	1,113	1,847
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income For The Financial Year	1,346	1,078	1,113	1,847
Profit After Taxation Attributable To :-				
Owners of the Company	1,346	1,078	1,113	1,847
Non-controlling interests	-	-	-	-
	1,346	1,078	1,113	1,847
Total Comprehensive Income Attributable To :-				
Owner of the Company	1,346	1,078	1,113	1,847
Non-Controlling Interests	-	-	-	-
	1,346	1,078	1,113	1,847
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)	0.46	0.53	0.38	0.90

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 SECOND (2ND) QUARTER ENDED 30 JUNE 2013

	UNAUDITED AS AT END OF CURRENT QUARTER 30-June-2013 RM'000	AUDITED AS AT 31-December-2012 RM'000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Plant and equipment	9,793	11,555
Deferred tax assets	1,689	1,689
Other investments	104	104
	<u>11,586</u>	<u>13,348</u>
<b>CURRENT ASSETS</b>		
Inventories	1,769	2,573
Amount owing by contract customers	-	3,645
Trade receivables	19,965	17,697
Other receivables, deposits and prepayments	501	546
Amount owing by joint ventures	30	6
Amount owing by related parties	33	58
Tax recoverable	664	416
Fixed deposits with licensed banks	18,053	19,039
Cash and bank balances	4,894	4,586
	<u>45,909</u>	<u>48,566</u>
<b>TOTAL ASSETS</b>	<u>57,495</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	13,674	12,561
<b>TOTAL EQUITY</b>	<u>33,624</u>	<u>32,511</u>
<b>NON-CURRENT LIABILITIES</b>		
Hire purchase payables	187	225
Deferred income	-	2,381
	<u>187</u>	<u>2,606</u>
<b>CURRENT LIABILITIES</b>		
Amount owing to contract customers	1,374	-
Trade payables	9,238	13,620
Other payables and accruals	808	1,206
Amount owing to related parties	30	37
Amount owing to joint venture partner	27	27
Short-term borrowings	6,163	4,765
Deferred income	6,044	7,142
	<u>23,684</u>	<u>26,797</u>
<b>TOTAL LIABILITIES</b>	<u>23,871</u>	<u>29,403</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>57,495</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.

**PASUKILAS GROUP BERHAD (686389-A)**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND (2ND) QUARTER ENDED 30 JUNE 2013**

	<----- Share Capital RM'000	Non-Distributable Fair Value RM'000	Merger Deficit RM'000	-----> Share Premium RM'000	Distributable Retained Profits RM'000	Shareholders' Funds RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
<b>Current year to date ended 30 June 2013</b>								
Balance at 1 January 2013 (Audited)	29,500	17	(10,500)	933	12,561	32,511	-	32,511
Profit after taxation/Total comprehensive income for the financial period	-	-	-	-	1,113	1,113	-	1,113
Balance at 30 June 2013 (Unaudited)	<u>29,500</u>	<u>17</u>	<u>(10,500)</u>	<u>933</u>	<u>13,674</u>	<u>33,624</u>	<u>-</u>	<u>33,624</u>
<b>Preceding year to date ended 30 June 2012</b>								
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	-	-	-	-	1,847	1,847	-	1,847
Balance at 30 June 2012 (Audited)	<u>20,500</u>	<u>17</u>	<u>(10,500)</u>	<u>-</u>	<u>10,962</u>	<u>20,979</u>	<u>-</u>	<u>20,979</u>

*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 SECOND (2ND) QUARTER ENDED 30 JUNE 2013

	UNAUDITED CURRENT YEAR TO DATE 30-June-2013 RM'000	AUDITED PRECEDING YEAR AS AT 31-December-2012 RM'000
<b>CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES</b>		
Profit before taxation	1,554	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	1,792	3,308
Loss / (Gain) on foreign exchange - unrealised	(65)	83
Interest expense	155	269
Listing expenses written off	-	680
Gain on disposal of plant and equipment	(19)	(2)
Interest income	(363)	(414)
Share of profits from joint ventures (net)	-	(11)
Writeback of allowance of doubtful debts on trade receivables	(1,223)	(139)
<b>Operating profit before working capital changes</b>	<b>1,831</b>	<b>8,053</b>
(Increase) / Decrease in inventories	804	(1,162)
(Increase) / Decrease in amount owing by contract customers	-	(862)
Increase / (Decrease) in amount owing to contract customers	5,019	-
(Increase) / Decrease in trade and other receivables	(1,001)	(9,149)
Increase / (Decrease) in trade and other payables	(4,710)	8,591
(Decrease) / Increase in deferred income	(3,478)	(1,229)
Net (decrease)/increase in amount owing to joint ventures	(25)	(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>(1,542)</b>	<b>4,099</b>
Interest paid	(155)	(269)
Income tax paid	(688)	(1,867)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(2,385)</b>	<b>1,963</b>
<b>CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES</b>		
Interest received	363	414
Purchase of plant and equipment	(30)	(4,682)
Proceeds from disposal of plant and equipment	19	2
<b>NET CASH FOR INVESTING ACTIVITIES</b>	<b>352</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	1,414	689
Repayment of hire purchase obligations	(54)	(90)
Listing expenses paid	-	(1,547)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>1,360</b>	<b>9,852</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(673)</b>	<b>7,549</b>
<b>FOREIGN EXCHANGE RATE ADJUSTMENT</b>	<b>(5)</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>22,947</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.

PASUKIHAS 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
- 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.

MFRSs and IC Interpretations (Including The Consequential Amendments)	Effective Date
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

	M&E Engineering Services RM'000	Manufacturing of LV switchboards RM'000	Trading of Equipment RM'000	Elimination RM'000	Group RM'000
<u>30-June-2013</u>					
Revenue					
External revenue	18,188	137	-	-	18,325
Inter-segment revenue	-	-	-	-	-
Total segment revenue	<u>18,188</u>	<u>137</u>	<u>-</u>	<u>-</u>	<u>18,325</u>
Segment result	2065	12	-	-	2,077
Other operating income					1,724
Administrative expenses					(1,953)
Other expenses					(121)
Finance costs					(173)
Tax expense					(441)
Profit after taxation					<u>1,113</u>

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 basis and are not allocated to operating segments.

##### Revenue by geographical markets

	Current Year To Date 30 - June - 2013	
	RM'000	%
Malaysia	<u>18,325</u>	<u>100.0</u>
	<u>18,325</u>	<u>100.0</u>

**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 :-

	<b>Current Quarter Ended 30 - June - 2013 RM'000</b>	<b>Preceding Financial Year Ended 31 - December - 2012 RM'000</b>
<b>Contingent Liability</b>		
- Bank guarantee issued	<u>3,074</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:-

	<b>Current Quarter Ended 30 - June - 2013 RM'000</b>	<b>Cumulative Year-To-Date 30 - June - 2013 RM'000</b>
<b>Nature of transaction</b>		
Insurance and road tax expenses	-	19
Rental of premises	<u>161</u>	<u>322</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 RM1,421 million and a profit before tax of RM1,787 million.

The Group recorded an increase in revenue by RM4.641 million representing an increase of 68.5% to RM11.421 million for the current financial quarter under review as compared to RM6.780 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 for the current financial quarter under review was derived only from Malaysia.

The Group registered a profit before tax of RM1,787 million during the current financial quarter under review representing an increase of RM0.488 million or 37.6% as compared to RM1.299 million profit before tax in the same quarter of the preceding year mainly due to the writeback of allowance for doubtful debts on trade receivables.

The M&E engineering services remain the largest contributor to the Group's revenue and gross profit, with 99.3% (RM18,188 million) and 99.4% (RM2,065 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 RM1.54 million and a net cash flow from operating activities of RM2.39 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 and decrease in trade payables, whereby increased payments were made to trade creditors.

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

	Current Quarter 30-June-2013 RM'000	Preceding Quarter 31-March-2013 RM'000	Variance RM'000
Revenue	11,421	6,904	4,517
Profit/(Loss) before tax	1,787	(233)	2,020

Revenue of the Group increased by 65.4% to RM11.421 million for the current financial quarter as compared to the preceding financial quarter mainly due to contribution from one (1) M&E engineering services project. The increase in profit before tax during the current quarter as compared to the preceding quarter was mainly due to writeback of allowance of doubtful debts on trade receivables.

### B3. Prospects

The main revenue driver of the Group in the current first half of the year is from M&E work and moving forward to the second half of the year, the M&E segment would continue to be our core income.

Intense competitive market and continued pressure of pricing remain the significant factors that may have an impact on the Group's earning moving forward, while the availability of resources to undertake large projects remains a challenge to the Group.

Despite the above, the Group has been aggressively seeking new projects by selectively participating in sizeable contracts to increase the book order as well as seeking new business avenues or joint venture partners.

The management will continue to emphasize on improving the Group's profit margin through productivity enhancement, marketing efforts and undertaking selective projects.

Barring unforeseen circumstances, the Board of Directors of Pasukhas anticipates the results for the remaining of the financial year to be challenging, with attention given to improving competitiveness and profitability.

### B4. Taxation

	Current Quarter 30-June-2013 RM'000	Cumulative Year-to-Date 30-June-2013 RM'000
Current tax for the current financial period	<u>441</u>	<u>441</u>

The effective tax rate for the current financial quarter and financial year-to-date are 24.68% and 28.38%, respectively as compared to the statutory tax rate of 25% as there is no provision for tax from holding company 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 30 June 2013 are as follows :-

Purpose	Proposed Amount RM'000	Amount Utilised RM'000	Amount Unutilised RM'000	Timeframe for Utilisation upon Listing
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 30 June 2013 are as follows :-

<u>Secured</u>	Short Term RM'000	Long Term RM'000
Hire purchase payables	90	187
Bankers' acceptances	6,073	-
	<u>6,163</u>	<u>187</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 30-June-2013	Preceding Year Corresponding Quarter Ended 30-June-2012	Current Year To Date 30-June-2013	Preceding Year Corresponding Period To Date 30-June-2012
(Loss) / Profit attributable to the equity holders of the Company (RM'000)	1,346	1,078	1,113	1,847
Weighted average number of ordinary shares in issue ('000)	295,001	205,001	295,001	205,001
Basic earnings per share (sen)	0.46	0.53	0.38	0.90

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 30-June-2013	Preceding Financial Year Ended 31-December-2012
	RM'000	RM'000
Total retained profits of the Group :-		
- Realised	11,920	10,955
- Unrealised	1,754	1,606
	<u>13,674</u>	<u>12,561</u>
Less : Consolidation adjustments	-	-
Total Group retained profits as per consolidated accounts	<u>13,674</u>	<u>12,561</u>

#### B13. Profit for the Period

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

	Current Quarter Ended 30-June-2013	Current Year To Date 30-June-2013
	RM'000	RM'000
(a) Interest income	(241)	(363)
(b) Other income	(22)	(49)
(c) Interest expense	82	155
(d) Depreciation and amortisation	896	1,792
(e) Foreign exchange gain (net)	(29)	(48)
(f) Gain on disposal of plant and equipment	(19)	(19)
(g) Writeback of allowance of doubtful debts on trade receivables	(1,223)	(1,223)

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 21 August 2013

By order of the Board of Directors

TENG AH KIONG  
MANAGING DIRECTOR  
21 August 2013