

PAN MALAYSIA HOLDINGS BERHADCompany No : 95469-W
(Incorporated in Malaysia)**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2008**

The figures have not been audited

**CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2008**

	FIRST QUARTER		CUMULATIVE 3 MONTHS	
	31.03.2008	31.03.2007	31.03.2008	31.03.2007
	RM'000	RM'000	RM'000	RM'000
Continuing Operations				
Revenue	6,282	5,958	6,282	5,958
Other operating income	193	771	193	771
Operating expenses	(5,810)	(5,794)	(5,810)	(5,794)
Profit from operations	665	935	665	935
Finance costs	(1,479)	(1,460)	(1,479)	(1,460)
Share of results of associated companies	134	2,144	134	2,144
Profit/(Loss) before taxation	(680)	1,619	(680)	1,619
Taxation	-	(4)	-	(4)
Profit/(Loss) for the period from continuing operations	(680)	1,615	(680)	1,615
Discontinued Operation				
Profit for the period from discontinued operation	718	606	718	606
Profit for the financial period	38	2,221	38	2,221
Attributable to:				
Equity holders of the Company	31	2,222	31	2,222
Minority interests	7	(1)	7	(1)
	38	2,221	38	2,221
	Sen	Sen	Sen	Sen
Earnings per 10 sen share attributable to equity holders of the Company:				
- Basic	0.01	0.24	0.01	0.24
- Diluted	N/A	N/A	N/A	N/A

Notes:-

"N/A" - Not applicable

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.

PAN MALAYSIA HOLDINGS BERHADCompany No : 95469-W
(Incorporated in Malaysia)**CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2008**

	31.03.2008	31.12.2007
	RM'000	(Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	24,821	25,025
Prepaid land lease payments	5,753	5,771
Investment in associated companies	55,226	55,093
Long term investments	871	871
	<u>86,671</u>	<u>86,760</u>
Current assets		
Inventories	613	614
Short term investments	2	2
Receivables	4,677	4,457
Tax recoverable	-	1
Amounts owing by related companies	1,039	557
Amounts owing by associated companies	55,987	55,759
Deposits, cash and bank balances	3,404	3,197
	<u>65,722</u>	<u>64,587</u>
Non-current asset held for sale	28,376	28,376
	<u>94,098</u>	<u>92,963</u>
TOTAL ASSETS	<u>180,769</u>	<u>179,723</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	92,887	92,887
Reserves	9,426	9,381
	<u>102,313</u>	<u>102,268</u>
Minority interests	302	295
Total equity	<u>102,615</u>	<u>102,563</u>
Non-current liabilities		
Long term bank borrowings	15,657	15,649
Deferred tax liabilities	295	295
	<u>15,952</u>	<u>15,944</u>
Current liabilities		
Payables	5,653	4,742
Amounts owing to ultimate holding company	71	71
Amounts owing to related companies	253	290
Amounts owing to an associated company	943	943
Taxation	-	1
Short term bank borrowings	55,282	55,169
	<u>62,202</u>	<u>61,216</u>
Total liabilities	<u>78,154</u>	<u>77,160</u>
TOTAL EQUITY AND LIABILITIES	<u>180,769</u>	<u>179,723</u>
	RM	RM
Net assets per share attributable to equity holders of the Company	<u>0.11</u>	<u>0.11</u>

The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.

PAN MALAYSIA HOLDINGS BERHAD

Company No : 95469-W
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2008**

	<u>Attributable to Equity Holders of the Company</u>				<u>Minority</u>	<u>Total</u>
	<u>Share</u>	<u>Non-</u>	<u>Distributable</u>	<u>Total</u>	<u>Interests</u>	<u>Equity</u>
	<u>Capital</u>	<u>Other</u>	<u>Retained</u>			
	<u>RM'000</u>	<u>Reserves</u>	<u>Profit</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
		<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>		
3 months ended 31.03.2008						
Balance as at 1.1.2008	92,887	(6,755)	16,136	102,268	295	102,563
Exchange adjustments, recognised in equity	-	14	-	14	-	14
Profit for the financial period	-	-	31	31	7	38
Balance as at 31.03.2008	92,887	(6,741)	16,167	102,313	302	102,615
3 months ended 31.03.2007						
Balance as at 1.1.2007	92,887	(6,514)	9,881	96,254	230	96,484
Exchange adjustments, recognised in equity	-	(234)	-	(234)	-	(234)
Profit for the financial period	-	-	2,222	2,222	(1)	2,221
Balance as at 31.03.2007	92,887	(6,748)	12,103	98,242	229	98,471

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.

PAN MALAYSIA HOLDINGS BERHAD

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2008**

	CUMULATIVE 3 MONTHS	
	31.03.2008	31.03.2007
	RM'000	RM'000
Cash Flows From Operating Activities		
Profit/(Loss) before taxation		
- from continuing operations	(680)	1,619
- from discontinued operation	718	606
	<u>38</u>	<u>2,225</u>
Adjustments for:-		
Depreciation and amortisation	288	514
Interest expense	1,479	1,460
Interest income	(15)	(19)
Share of results of associated companies	(134)	(2,144)
Other non-cash items	-	75
Operating profit before working capital changes	<u>1,656</u>	<u>2,111</u>
Net change in current assets	(445)	(753)
Net change in current liabilities	333	119
Tax refund	-	2
Tax paid	(4)	-
Net cash from operating activities	<u>1,540</u>	<u>1,479</u>
Cash Flows From Investing Activities		
Interest income received	15	19
Purchase of property, plant and equipment	(67)	(26)
Placement of term deposits pledged with banks	(11)	(9)
Net cash used in investing activities	<u>(63)</u>	<u>(16)</u>
Cash Flows From Financing Activities		
Interest paid	(1,479)	(1,460)
Repayment of bank borrowings	(20)	(21)
Net cash used in financing activities	<u>(1,499)</u>	<u>(1,481)</u>
Effect Of Exchange Rate Changes	<u>14</u>	<u>(234)</u>
Net Decrease In Cash And Cash Equivalents	<u>(8)</u>	<u>(252)</u>
Cash And Cash Equivalents At Beginning Of The Period	<u>2,191</u>	<u>2,298</u>
Cash And Cash Equivalents At End Of The Period	<u>2,183</u>	<u>2,046</u>
Cash And Cash Equivalents consist of:-		
Deposits, cash and bank balances	3,404	3,094
Bank overdrafts	(594)	(442)
	<u>2,810</u>	<u>2,652</u>
Less : Deposits pledged to banks	(627)	(606)
	<u>2,183</u>	<u>2,046</u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.

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NOTES TO THE INTERIM FINANCIAL REPORT

A. EXPLANATORY NOTES PURSUANT TO FRS 134 INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134 Interim Financial Reporting and Chapter 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). The significant accounting policies and methods of computation applied in this unaudited interim financial report are consistent with those adopted in the audited financial statements for the year ended 31 December 2007 except for the adoption of the following new/revised Financial Reporting Standards ("FRS") effective for financial period beginning 1 July 2007:

FRS 107	Cash Flow Statements
FRS 111	Construction Contracts
FRS 112	Income Taxes
FRS 118	Revenue
FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets

The adoption of the above FRSs does not have any significant financial impact on the Group.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2007.

A2. Audit Report of Preceding Annual Financial Statements

The audit report of the audited financial statements for the year ended 31 December 2007 was not qualified.

A3. Seasonal or Cyclical Factors

The businesses of the Group are not materially affected by seasonal or cyclical factors.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There are no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size, or incidence during the financial period ended 31 March 2008.

A5. Changes in Estimates Reported in Prior Interim Periods

There were no changes in estimates of amounts reported in prior financial year, which may have a material effect during the financial period ended 31 March 2008.

A6. Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

There was no issuance or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the financial period ended 31 March 2008.

A7. Dividends Paid

No dividend was paid during the financial period ended 31 March 2008.

A8. Segmental Information

Segment information is presented in respect of the Group's business segments.

For the 3 months ended 31.03.2008

	Continuing Operations				Total RM'000	Discontinued Operation	Elimination RM'000	Group RM'000
	Hotel RM'000	Travel RM'000	Universal broking RM'000	Investment holding RM'000		Property RM'000		
REVENUE								
External sales	2,571	3,709	-	2	6,282	974	-	7,256
Inter-segment sales	-	1	-	10	11	8	(19)	-
	<u>2,571</u>	<u>3,710</u>	<u>-</u>	<u>12</u>	<u>6,293</u>	<u>982</u>	<u>(19)</u>	<u>7,256</u>
RESULTS								
Segment results	704	55	-	(109)	650	718	-	1,368
Interest income	15	-	-	-	15	-	-	15
Finance costs	(338)	(19)	-	(1,122)	(1,479)	-	-	(1,479)
Share of results of associated companies	-	-	134	-	134	-	-	134
Profit before taxation	<u>381</u>	<u>36</u>	<u>134</u>	<u>(1,231)</u>	<u>(680)</u>	<u>718</u>	<u>-</u>	<u>38</u>

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A9. Property, Plant and Equipment

The valuations of property, plant and equipment have been brought forward without amendment from the previous annual financial statements.

During the financial period ended 31 March 2008, property, plant and equipment acquired by the Group amounted to RM67,000.

A10. Material Events Subsequent to the End of the Interim Period

There are no material events subsequent to the financial period ended 31 March 2008 that have not been reflected in the interim financial statements for the said period as at the date of this report.

A11. Changes in the Composition of the Group

There were no changes in the composition of the Group during the financial period ended 31 March 2008.

A12. Discontinued Operation

On 14 September 2007, the Company entered into an agreement with Pan Malaysian Industries Berhad ("PMI") to dispose to PMI the office building located at No. 2, Jalan Changkat Ceylon, Kuala Lumpur. Further details of the Proposed Disposal are disclosed in Note B8. Accordingly, the investment property is classified as a non-current asset held for sale.

The revenue, results and cash flows of the investment property are as follows:-

	FIRST QUARTER		CUMULATIVE 3 MONTHS	
	31.03.2008	31.03.2007	31.03.2008	31.03.2007
	RM'000	RM'000	RM'000	RM'000
Revenue	974	1,010	974	1,010
Profit for the period from discontinued operation	718	606	718	606
Cash flows from operating activities	718	787	718	787

A13. Commitments and Contingent Liabilities

(i) Contingent Liabilities

The Group does not have any material contingent liabilities as at the date of this report.

(ii) Capital Commitments

The Group does not have any material capital commitments as at the date of this report.

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B. ADDITIONAL INFORMATION REQUIRED PURSUANT TO BURSA SECURITIES LISTING REQUIREMENTS

B1. Review of Performance

The Group recorded revenue of RM6.3 million for the period ended 31 March 2008 under Continuing Operations compared with RM6.0 million for the previous year corresponding period. The higher revenue was mainly due to better performance from the Group's travel operations. However, the Group recorded a loss before tax of RM0.7 million for the financial period ended 31 March 2008 under Continuing Operations compared with profit of RM1.6 million for the previous year corresponding period. This was mainly attributable to lower contributions from the universal broking associated company due to the decrease in market value of transactions on Bursa Securities.

The investment property, which has been classified under Discontinued Operation, recorded marginal improvement in its profitability.

Overall, the Group recorded a marginal profit for the financial period of RM0.04 million compared with profit of RM2.2 million in the previous year corresponding period.

B2. Comparison with Preceding Quarter's Results

The Group's overall revenue of RM7.3 million for the current quarter was largely the same as the preceding quarter. However, the Group recorded a net profit of RM0.04 million for the current quarter compared to RM2.2 million for the preceding quarter, mainly due to the lower contribution from the universal broking associated company as explained above.

B3. Year 2008 Prospects

The Group's hotel and travel operations are expected to continue to benefit from increased tourism activities in the country. As for the universal broking associated company, its operation is expected to be challenging amidst concerns over the US sub-prime mortgage crisis and the slowdown in the US economy, and their effects on Bursa Securities.

The Group remains cautious of the general business environment in 2008.

B4. Variance on Forecast Profit/Profit Guarantee

This is not applicable to the Group.

B5. Taxation

Taxation comprises the following:-

	FIRST QUARTER		CUMULATIVE 3 MONTHS	
	31.03.2008	31.03.2007	31.03.2008	31.03.2007
	RM'000	RM'000	RM'000	RM'000
Current tax	-	(4)	-	(4)

B6. Sale of Unquoted Investment and/or Properties

There were no disposals of unquoted investments or properties in the financial period ended 31 March 2008.

B7. Quoted Securities

- (i) There were no purchases or sales of quoted securities by the Group during the financial period ended 31 March 2008.
- (ii) The investments in quoted securities of the Group are as follows:-

	31.03.2008 RM'000
At cost/book value	383
At market value	383

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B8. Status of Corporate Proposals

On 14 September 2007, the Company entered into an agreement with Pan Malaysian Industries Berhad ("PMI") to dispose to PMI the office building located at No.2, Jalan Changkat Ceylon, Kuala Lumpur for a cash consideration of RM39.0 million ("Proposed Disposal").

The Proposed Disposal is subject to the approvals of the shareholders of the Company and PMI at their respective general meeting to be convened. PMI has obtained the approval of the Securities Commission for the proposal on 28 April 2008.

Other than the above, the Group has not announced any corporate proposals which have not been completed as at the date of this report.

B9. Group Borrowings and Debt Securities

	31.03.2008
	RM'000
(i) Bank Borrowings	
Short term	
- secured	52,188
- unsecured	3,094
	<hr/> 55,282
Long term	
- hire-purchase creditors	337
- unsecured	15,320
	<hr/> 15,657
Total	<hr/> <hr/> 70,939

B10. Off Balance Sheet Financial Instruments

The Group does not have any material off balance sheet financial instruments as at the date of this report.

B11. Material Litigation

- (i) On 13 September 1995, Wakefield Nominees Ltd ("WNL"), which is incorporated in Hong Kong, presented a petition to the Supreme Court of Bermuda against the Company and AGA Holdings Ltd ("AGA") in which the Company allegedly has a 35% equity interest. WNL has petitioned to seek for compensation in respect of the dilution of its interest in AGA and Central Reinsurance Limited ("CRL"), a subsidiary company of AGA.

Consequent to the petition described above, Receivers and Managers have been appointed by the court for AGA and the Receivers and Managers have further petitioned and obtained an order to liquidate CRL. The Company's solicitors are of the opinion that based upon available evidence, the Company has a valid defence to the petition.

- (ii) A suit was filed on 17 May 1996 in the High Court of Kuala Lumpur by Loyal Design Sdn Bhd ("LDSB"), a wholly-owned subsidiary of Malayan United Industries Berhad ("MUI"), against the Company and all its former directors for breach of directors' duties in conducting the affairs of the Company during the period involved with the takeover offer by MUI through LDSB in respect of the Company. The suit also sought to declare, inter alia, that various options granted by the Company under the Company's Executive Share Option Scheme ("ESOS") were void. The parties to the suit had agreed to effect a full and final settlement by way of a compromise and a consent order was recorded on 12 January 2006, whereupon LDSB discontinued its claim against the Company and all its former directors. The compromise has no impact on the Company.

Former employees of the Company with 6,880,000 shares ("Interveners") had rejected the compromise and had filed applications for leave to intervene in the suit. The Interveners had filed respective defences and counterclaims against MUI and the Company, inter alia, for a declaration that the ESOS is valid and binding and for an order that MUI purchases from them the ESOS shares under the said takeover offer. MUI and the Company had filed their replies and defences to the counterclaims and this matter is now pending trial. The solicitors of both the companies are of the opinion, based on documents available, that the Interveners' alleged entitlements are doubtful.

Other than the above, there are no material litigations as at the date of this report.

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B12. Dividend

No dividend has been recommended by the Board for the financial period ended 31 March 2008 (31 March 2007 : Nil)

B13. Earnings Per Share

(i) Basic earnings per share :-

The basic earnings per ordinary share is calculated by dividing the profit for the period attributable to equity holders of the Company with the weighted average number of shares in issue during the period as follows:-

	FIRST QUARTER		CUMULATIVE 3 MONTHS	
	31.03.2008	31.03.2007	31.03.2008	31.03.2007
	RM'000	RM'000	RM'000	RM'000
Profit attributable to equity holders of the Company :				
- from continuing operations	(680)	1,615	(680)	1,615
- from discontinued operation	718	606	718	606
Profit attributable to equity holders of the Company	<u>38</u>	<u>2,221</u>	<u>38</u>	<u>2,221</u>
	Units	Units	Units	Units
	'000	'000	'000	'000
Weighted average number of ordinary shares in issue	928,867	928,867	928,867	928,867
	Sen	Sen	Sen	Sen
Basic earnings/(loss) per share				
- from continuing operations	(0.07)	0.17	(0.07)	0.17
- from discontinued operation	0.08	0.07	0.08	0.07
	<u>0.01</u>	<u>0.24</u>	<u>0.01</u>	<u>0.24</u>

(ii) The diluted earnings per share is not disclosed as it is not applicable

BY ORDER OF THE BOARD
PAN MALAYSIA HOLDINGS BERHAD

LEONG PARK YIP
Company Secretary

Dated: 26 May 2008