

# PAN MALAYSIA HOLDINGS BERHAD

Company No : 95469-W  
(Incorporated in Malaysia)

## INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2009

The figures have not been audited

### CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2009

	THIRD QUARTER		CUMULATIVE 9 MONTHS	
	30.09.2009	30.09.2008	30.09.2009	30.09.2008
	RM'000	RM'000	RM'000	RM'000
<b>Continuing Operations</b>				
Revenue	4,294	5,153	12,917	16,717
Other operating income	52	120	135	372
Operating expenses	(3,936)	(5,909)	(11,380)	(16,541)
Profit/(Loss) from operations	410	(636)	1,672	548
Finance costs	(668)	(1,506)	(2,288)	(4,481)
Share of results of associated companies	(480)	(811)	(1,245)	(807)
Loss before taxation	(738)	(2,953)	(1,861)	(4,740)
Taxation	(3)	-	(8)	-
Loss for the period from continuing operations	(741)	(2,953)	(1,869)	(4,740)
<b>Discontinued Operation</b>				
Profit for the period from discontinued operation	-	745	223	2,166
Gain on disposal of investment property	-	-	8,932	-
	-	745	9,155	2,166
Profit/(Loss) for the financial period	(741)	(2,208)	7,286	(2,574)
Attributable to:				
Equity holders of the Company	(733)	(2,137)	7,299	(2,505)
Minority interests	(8)	(71)	(13)	(69)
	(741)	(2,208)	7,286	(2,574)
	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>
Earnings per 10 sen share attributable to equity holders of the Company:				
- Basic	(0.08)	(0.23)	0.79	(0.27)
- 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 2008 and the accompanying explanatory notes attached to the interim financial statements.

**PAN MALAYSIA HOLDINGS BERHAD**Company No : 95469-W  
(Incorporated in Malaysia)**CONDENSED CONSOLIDATED BALANCE SHEET  
AS AT 30 SEPTEMBER 2009**

	<b>30.09.2009</b>	<b>31.12.2008</b>
	<b>RM'000</b>	<b>(Audited) RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	24,250	24,941
Prepaid land lease payments	5,645	5,699
Investment in associated companies	52,110	53,355
Long term investments	702	770
	<u>82,707</u>	<u>84,765</u>
<b>Current assets</b>		
Inventories	462	390
Receivables	2,508	2,683
Tax recoverable	4	12
Amounts owing by related companies	833	775
Amounts owing by associated companies	55,796	55,673
Deposits, cash and bank balances	3,769	2,289
	<u>63,372</u>	<u>61,822</u>
<b>Non-current asset held for sale</b>	-	30,068
	<u>63,372</u>	<u>91,890</u>
<b>TOTAL ASSETS</b>	<u>146,079</u>	<u>176,655</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	92,887	92,887
Reserves	12,965	5,666
	<u>105,852</u>	<u>98,553</u>
<b>Minority interests</b>	150	163
<b>Total equity</b>	<u>106,002</u>	<u>98,716</u>
<b>Non-current liabilities</b>		
Long term bank borrowings	16,050	16,050
Deferred tax liabilities	1,238	1,238
	<u>17,288</u>	<u>17,288</u>
<b>Current liabilities</b>		
Payables	4,535	4,412
Amounts owing to ultimate holding company	142	142
Amounts owing to related companies	54	314
Amounts owing to an associated company	1,021	1,496
Short term bank borrowings	17,037	54,287
	<u>22,789</u>	<u>60,651</u>
<b>Total liabilities</b>	<u>40,077</u>	<u>77,939</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>146,079</u>	<u>176,655</u>
	RM	RM
<b>Net assets per share attributable to equity holders of the Company</b>	<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 2008 and the accompanying explanatory notes attached to the interim financial statements.

## PAN MALAYSIA HOLDINGS BERHAD

Company No : 95469-W  
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### CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2009

	<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>		
<b>9 months ended 30.09.2009</b>						
Balance as at 1.1.2009	92,887	(7,684)	13,350	98,553	163	98,716
Profit for the financial period	-	-	7,299	7,299	(13)	7,286
Balance as at 30.09.2009	92,887	(7,684)	20,649	105,852	150	106,002
<b>9 months ended 30.09.2008</b>						
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
Loss for the financial period	-	-	(2,505)	(2,505)	(69)	(2,574)
Balance as at 30.09.2008	92,887	(6,741)	13,631	99,777	226	100,003

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2008 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 30 SEPTEMBER 2009**

	<b>CUMULATIVE 9 MONTHS</b>	
	<b>30.09.2009</b>	<b>30.09.2008</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash Flows From Operating Activities</b>		
Profit/(Loss) before taxation		
- from continuing operations	(1,861)	(4,740)
- from discontinued operation	9,155	2,166
	<u>7,294</u>	<u>(2,574)</u>
Adjustments for:-		
Depreciation and amortisation	905	863
Gain on disposal of investment property	(8,932)	-
Interest expense	2,288	4,481
Interest income	(52)	(44)
Share of results of associated companies	1,245	807
Others	(18)	(2)
	<u>2,730</u>	<u>3,531</u>
Operating profit before working capital changes		
Net change in current assets	102	1,220
Net change in current liabilities	123	558
Interest paid	(28)	(28)
Tax paid	-	(15)
	<u>2,927</u>	<u>5,266</u>
Net cash from operating activities		
<b>Cash Flows From Investing Activities</b>		
Interest income received	52	44
Placement of term deposits pledged with banks	(18)	(38)
Proceeds from disposal of investment property	39,000	-
Proceeds from disposal of investments	69	4
Purchase of property, plant and equipment	(160)	(525)
	<u>38,943</u>	<u>(515)</u>
Net cash from/(used in) investing activities		
<b>Cash Flows From Financing Activities</b>		
Interest paid	(2,260)	(4,453)
Repayment of bank borrowings	(37,188)	-
Repayment of hire-purchase creditors	(62)	(62)
Repayment to associated companies	(598)	(151)
Repayment to related companies	(299)	(356)
	<u>(40,407)</u>	<u>(5,022)</u>
Net cash used in financing activities		
Effect of exchange rate changes	-	14
Net Increase/(Decrease) In Cash And Cash Equivalents	<u>1,463</u>	<u>(257)</u>
Cash And Cash Equivalents At Beginning Of The Period	1,652	2,191
<b>Cash And Cash Equivalents At End Of The Period</b>	<u>3,115</u>	<u>1,934</u>
Cash And Cash Equivalents consist of:-		
Deposits, cash and bank balances	3,769	2,964
Bank overdrafts	-	(376)
	<u>3,769</u>	<u>2,588</u>
Less : Deposits pledged to banks	(654)	(654)
	<u>3,115</u>	<u>1,934</u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

# PAN MALAYSIA HOLDINGS BERHAD

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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 Main Market 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 2008.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008.

#### A2. Audit Report of Preceding Annual Financial Statements

The audit report of the audited financial statements for the year ended 31 December 2008 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 30 September 2009.

#### 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 30 September 2009.

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

There were no issuances or repayments 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 30 September 2009.

#### A7. Dividends Paid

No dividend was paid during the financial period ended 30 September 2009.

#### A8. Segmental Information

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

#### For the 9 months ended 30.09.2009

	Continuing Operations				Total RM'000	Discontinued Operation		Group RM'000
	Hotel RM'000	Travel RM'000	Universal broking RM'000	Investment holding RM'000		Property RM'000	Elimination RM'000	
REVENUE								
External sales	7,418	5,405	-	94	12,917	379	-	13,296
Inter-segment sales	-	7	-	19	26	28	(54)	-
	<u>7,418</u>	<u>5,412</u>	<u>-</u>	<u>113</u>	<u>12,943</u>	<u>407</u>	<u>(54)</u>	<u>13,296</u>
RESULTS								
Segment results	1,837	(35)	-	(164)	1,638	223	-	1,861
Interest income	34	-	-	-	34	-	-	34
Finance costs	(1,021)	(28)	-	(1,239)	(2,288)	-	-	(2,288)
Gain on disposal of investment property	-	-	-	-	-	8,932	-	8,932
Share of results of associated companies	-	-	(1,245)	-	(1,245)	-	-	(1,245)
Profit/(Loss) before taxation	<u>850</u>	<u>(63)</u>	<u>(1,245)</u>	<u>(1,403)</u>	<u>(1,861)</u>	<u>9,155</u>	<u>-</u>	<u>7,294</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 30 September 2009, property, plant and equipment acquired by the Group amounted to RM160,000.

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

There are no material events subsequent to the financial period ended 30 September 2009 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 30 September 2009.

### 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. Accordingly, the investment property was classified as a non-current asset held for sale. The disposal was completed on 30 January 2009. Further details of the disposal are disclosed in Note B8.

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

	THIRD QUARTER		CUMULATIVE 9 MONTHS	
	30.09.2009	30.09.2008	30.09.2009	30.09.2008
	RM'000	RM'000	RM'000	RM'000
Revenue	-	975	379	2,925
Profit for the period from discontinued operation	-	745	223	2,166
Cash flows from operating activities	-	745	223	2,166

### 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 MAIN MARKET LISTING REQUIREMENTS

#### B1. Review of Performance

The Group recorded revenue of RM12.9 million for the nine months ended 30 September 2009 under Continuing Operations compared with RM16.7 million for the previous year corresponding period. The lower revenue was mainly due to the lower contribution from the Group's travel operations. The Group recorded a lower loss before tax of RM1.9 million for the nine months ended 30 September 2009 compared with a loss of RM4.7 million for the previous year corresponding period mainly due to reduced interest expenses. The contribution from the universal broking associated company during the period under review continued to be affected by the prevailing uncertainties in the global economic environment.

The disposal of the investment property, which was classified under Discontinued Operation, was completed on 30 January 2009. A gain of RM8.9 million was realised from the disposal and this contributed to the Group recording an overall net profit of RM7.3 million for the nine months ended 30 September 2009.

#### B2. Comparison with Preceding Quarter's Results

The Group's revenue of RM4.3 million for the current quarter was marginally higher than the preceding quarter revenue of RM4.1 million. The Group recorded a net loss of RM0.7 million for the current quarter compared to a net loss of RM0.2 million for the preceding quarter. The results of the current quarter were affected mainly by the share of losses in associated companies.

#### B3. Year 2009 Prospects

The Group's operations are expected to remain challenging as there are concerns over the sustainability of the recovery in the major economies and their effects on the Malaysian economy. In view of this, the Group continues to remain cautious of the general business environment for the remaining period in 2009 and will continue to be prudent in its risk management and review its business strategies to meet the challenges ahead.

#### B4. Variance on Forecast Profit/Profit Guarantee

This is not applicable to the Group.

#### B5. Taxation

	THIRD QUARTER		CUMULATIVE 9 MONTHS	
	30.09.2009	30.09.2008	30.09.2009	30.09.2008
	RM'000	RM'000	RM'000	RM'000
Current tax	3	-	8	-

#### B6. Sale of Unquoted Investment and/or Properties

There were no disposals of unquoted investments or properties in the financial period ended 30 September 2009 except as disclosed in Note B8.

#### B7. Quoted Securities

(i) There were no purchases or sales of quoted securities by the Group during the financial period ended 30 September 2009.

(ii) The investments in quoted securities of the Group are as follows:-

	30.09.2009 RM'000
At cost/book value	312
At market value	367

## PAN MALAYSIA HOLDINGS BERHAD

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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 ("Disposal"). The Disposal was approved by the Company's shareholders at the extraordinary general meeting held on 19 June 2008. The Disposal was completed on 30 January 2009 with a gain of RM8.9 million.

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

	30.09.2009 RM'000
Bank Borrowings	
Short term	
- secured	17,000
- hire purchase creditor	37
	<u>17,037</u>
Long term	
- unsecured	15,820
- hire-purchase creditor	230
	<u>16,050</u>
Total	<u>33,087</u>

### 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

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. The trial on the Intervener's claim commenced in September 2009 and is scheduled to continue in March 2010. The solicitors of both the companies are of the opinion, based on documents available, that the companies have a good answer to the claims of the Interveners.

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

### B12. Dividend

No dividend has been recommended by the Board for the financial period ended 30 September 2009 (30 September 2008: Nil)



## PAN MALAYSIA HOLDINGS BERHAD

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### B13. Earnings Per Share

(i) Basic earnings per share :-

The 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:-

	THIRD QUARTER		CUMULATIVE 9 MONTHS	
	30.09.2009 RM'000	30.09.2008 RM'000	30.09.2009 RM'000	30.09.2008 RM'000
Profit/(Loss) attributable to equity holders of the Company :				
- from continuing operations	(733)	(2,882)	(1,856)	(4,671)
- from discontinued operation	-	745	9,155	2,166
	<u>(733)</u>	<u>(2,137)</u>	<u>7,299</u>	<u>(2,505)</u>
	<b>Units</b>	<b>Units</b>	<b>Units</b>	<b>Units</b>
	<b>'000</b>	<b>'000</b>	<b>'000</b>	<b>'000</b>
Weighted average number of ordinary shares in issue	928,867	928,867	928,867	928,867
	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>
Earnings/(Loss) per share				
- from continuing operations	(0.08)	(0.31)	(0.20)	(0.50)
- from discontinued operation	-	0.08	0.99	0.23
	<u>(0.08)</u>	<u>(0.23)</u>	<u>0.79</u>	<u>(0.27)</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

20 November 2009