

# PAN MALAYSIA HOLDINGS BERHAD

Company No : 95469-W  
(Incorporated in Malaysia)

## INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2009

The figures have not been audited

### CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2009

	FOURTH QUARTER		CUMULATIVE 12 MONTHS	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
	RM'000	RM'000	RM'000	RM'000
<b>Continuing Operations</b>				
Revenue	5,378	5,358	18,295	22,075
Other operating income	532	220	667	592
Operating expenses	(5,528)	(5,682)	(16,908)	(22,223)
Profit/(Loss) from operations	382	(104)	2,054	444
Finance costs	(648)	(1,455)	(2,936)	(5,936)
Share of results of associated companies	(1,116)	(931)	(2,361)	(1,738)
Loss before taxation	(1,382)	(2,490)	(3,243)	(7,230)
Taxation	6	(4)	(2)	(4)
Loss for the period from continuing operations	(1,376)	(2,494)	(3,245)	(7,234)
<b>Discontinued Operation</b>				
Profit for the period from discontinued operation	-	2,150	223	4,316
Gain on disposal of investment property	-	-	8,932	-
	-	2,150	9,155	4,316
Profit/(Loss) for the financial period	(1,376)	(344)	5,910	(2,918)
Attributable to:				
Equity holders of the Company	(1,391)	(281)	5,908	(2,786)
Minority interests	15	(63)	2	(132)
	(1,376)	(344)	5,910	(2,918)
	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>
Earnings/(Loss) per 10 sen share attributable to equity holders of the Company:				
- Basic	(0.15)	(0.03)	0.64	(0.30)
- 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  
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## CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2009

	31.12.2009	31.12.2008 (Audited)
	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	23,675	24,941
Prepaid land lease payments	5,627	5,699
Investment in associated companies	50,994	53,355
Long term investments	702	770
	80,998	84,765
<b>Current assets</b>		
Inventories	257	390
Receivables	2,060	2,683
Tax recoverable	13	12
Amounts owing by related companies	1,110	775
Amounts owing by associated companies	55,772	55,673
Deposits, cash and bank balances	4,078	2,289
	63,290	61,822
<b>Non-current asset held for sale</b>	-	30,068
	63,290	91,890
<b>TOTAL ASSETS</b>	144,288	176,655
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	92,887	92,887
Reserves	11,574	5,666
	104,461	98,553
<b>Minority interests</b>	165	163
<b>Total equity</b>	104,626	98,716
<b>Non-current liabilities</b>		
Long term bank borrowings	28,105	16,050
Deferred tax liabilities	1,238	1,238
	29,343	17,288
<b>Current liabilities</b>		
Payables	4,128	4,412
Taxation	2	-
Amounts owing to ultimate holding company	199	142
Amounts owing to related companies	29	314
Amounts owing to associated companies	1,015	1,496
Short term bank borrowings	4,946	54,287
	10,319	60,651
<b>Total liabilities</b>	39,662	77,939
<b>TOTAL EQUITY AND LIABILITIES</b>	144,288	176,655
	RM	RM
<b>Net assets per share attributable to equity holders of the Company</b>	0.11	0.11

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 31 DECEMBER 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>Profits</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>12 months ended 31.12.2009</b>						
Balance as at 1.1.2009	92,887	(7,684)	13,350	98,553	163	98,716
Profit for the financial period	-	-	5,908	5,908	2	5,910
Balance as at 31.12.2009	92,887	(7,684)	19,258	104,461	165	104,626
<b>12 months ended 31.12.2008</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
Under provision of deferred tax liabilities on revaluation surplus in prior years	-	(943)	-	(943)	-	(943)
Loss for the financial period	-	-	(2,786)	(2,786)	(132)	(2,918)
Balance as at 31.12.2008	92,887	(7,684)	13,350	98,553	163	98,716

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  
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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2009**

	<b>CUMULATIVE 12 MONTHS</b>	
	<b>31.12.2009</b>	<b>31.12.2008</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash Flows From Operating Activities</b>		
Profit/(Loss) before taxation		
- from continuing operations	(3,243)	(7,230)
- from discontinued operation	9,155	4,316
	<u>5,912</u>	<u>(2,914)</u>
Adjustments for:-		
Depreciation and amortisation	1,216	1,223
Gain on disposal of investment property	(8,932)	-
Gain on disposal of property, plant and equipment	(39)	-
Loss on disposal of investment	28	-
Interest expense	2,936	5,936
Interest income	(78)	(81)
Share of results of associated companies	2,361	1,738
Others	173	(908)
	<u>3,577</u>	<u>4,994</u>
Operating profit before working capital changes		
Net change in current assets	701	1,105
Net change in current liabilities	(193)	(323)
Interest paid	(22)	(34)
Tax paid	-	(17)
	<u>4,063</u>	<u>5,725</u>
<b>Cash Flows From Investing Activities</b>		
Interest income received	60	79
Placement of term deposits pledged with banks	(20)	(20)
Proceeds from disposal of investment property	39,000	-
Proceeds from disposal of property, plant and equipment	39	-
Proceeds from disposal of investment	40	4
Purchase of property, plant and equipment	(316)	(1,067)
	<u>38,803</u>	<u>(1,004)</u>
Net cash from/(used in) investing activities		
<b>Cash Flows From Financing Activities</b>		
Interest paid	(2,914)	(5,902)
Payments from ultimate holding company	57	71
Payments (to)/from related companies	(373)	24
Payments (to)/from associated companies	(580)	639
Repayment of bank borrowings	(37,188)	-
Repayment of hire-purchase creditors	(99)	(91)
	<u>(41,097)</u>	<u>(5,259)</u>
Net cash used in financing activities		
Net Increase/(Decrease) In Cash And Cash Equivalents	1,769	(538)
Cash And Cash Equivalents At Beginning Of The Period	1,653	2,191
<b>Cash And Cash Equivalents At End Of The Period</b>	<u>3,422</u>	<u>1,653</u>
Cash And Cash Equivalents consist of:-		
Deposits, cash and bank balances	4,078	2,289
Less : Deposits pledged to banks	(656)	(636)
	<u>3,422</u>	<u>1,653</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 31 December 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 31 December 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 31 December 2009.

#### A7. Dividends Paid

No dividend was paid during the financial period ended 31 December 2009.

#### A8. Segmental Information

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

#### For the 12 months ended 31.12.2009

	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	10,652	7,549	-	94	18,295	379	-	18,674
Inter-segment sales	25	7	-	26	58	28	(86)	-
	<u>10,677</u>	<u>7,556</u>	<u>-</u>	<u>120</u>	<u>18,353</u>	<u>407</u>	<u>(86)</u>	<u>18,674</u>
RESULTS								
Segment results	2,626	25	-	(655)	1,994	223	-	2,217
Interest income	49	11	-	-	60	-	-	60
Finance costs	(1,360)	(21)	-	(1,555)	(2,936)	-	-	(2,936)
Gain on disposal of investment property	-	-	-	-	-	8,932	-	8,932
Share of results of associated companies	-	-	(2,361)	-	(2,361)	-	-	(2,361)
Profit/(Loss) before taxation	<u>1,315</u>	<u>15</u>	<u>(2,361)</u>	<u>(2,210)</u>	<u>(3,243)</u>	<u>9,155</u>	<u>-</u>	<u>5,912</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 December 2009, property, plant and equipment acquired by the Group amounted to RM316,000.

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

There are no material events subsequent to the financial period ended 31 December 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 31 December 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:-

	FOURTH QUARTER		CUMULATIVE 12 MONTHS	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
	RM'000	RM'000	RM'000	RM'000
Revenue	-	1,072	379	3,997
Profit for the period from discontinued operation	-	2,150	223	4,316
Cash flows from operating activities	-	458	223	2,624

### 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 RM18.3 million for the year ended 31 December 2009 under Continuing Operations compared with RM22.1 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 RM3.2 million for the year ended 31 December 2009 compared with a loss of RM7.2 million for the previous year corresponding period mainly due to reduced interest expenses and better performance of the hotel operation. The contribution from the universal broking associated company during the year under review was affected by the global financial crisis, particularly in the first half of 2009.

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 RM5.9 million for the year ended 31 December 2009.

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

The Group's revenue of RM5.4 million for the current quarter was higher than the preceding quarter revenue of RM4.3 million mainly due to higher contributions from hotel operation which was in line with the year end holiday season. The Group recorded a net loss of RM1.4 million for the current quarter compared to a net loss of RM0.7 million for the preceding quarter. Whilst the hotel operation recorded better performance, the results of the current quarter were affected mainly by the share of losses in associated company.

#### B3. Year 2010 Prospects

There are some signs of recovery in the major economies following the global financial crisis. The Group will focus on its business strategies to meet the necessary challenges so as to ride on the expected improved business environment in Malaysia for the year 2010.

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

This is not applicable to the Group.

#### B5. Taxation

	FOURTH QUARTER		CUMULATIVE 12 MONTHS	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
	RM'000	RM'000	RM'000	RM'000
Current tax	6	(4)	(2)	(4)

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

There were no disposals of unquoted investments or properties in the financial period ended 31 December 2009 except as disclosed in Note B8 and the disposal of a club membership for RM40,000 with a loss of RM28,000.

#### B7. Quoted Securities

- (i) There were no purchases or sales of quoted securities by the Group during the financial period ended 31 December 2009.
- (ii) The investments in quoted securities of the Group are as follows:-

	31.12.2009 RM'000
At cost/book value	312
At market value	368

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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 and 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

	<b>31.12.2009</b>
	<b>RM'000</b>
Bank Borrowings	
Short term	
- secured	4,840
- hire purchase creditor	106
	<hr/> 4,946
Long term	
- secured	27,980
- hire-purchase creditor	125
	<hr/> 28,105
Total	<hr/> <hr/> 33,051

### 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 31 December 2009 (31 December 2008: Nil)



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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:-

	FOURTH QUARTER		CUMULATIVE 12 MONTHS	
	31.12.2009 RM'000	31.12.2008 RM'000	31.12.2009 RM'000	31.12.2008 RM'000
Profit/(Loss) attributable to equity holders of the Company :				
- from continuing operations	(1,391)	(2,431)	(3,247)	(7,102)
- from discontinued operation	-	2,150	9,155	4,316
	<u>(1,391)</u>	<u>(281)</u>	<u>5,908</u>	<u>(2,786)</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	(0.15)	(0.26)	(0.35)	(0.76)
- from discontinued operation	-	0.23	0.99	0.46
	<u>(0.15)</u>	<u>(0.03)</u>	<u>0.64</u>	<u>(0.30)</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

22 February 2010