

PAN MALAYSIA HOLDINGS BERHAD

Company No : 95469-W
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011

The figures have not been audited

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011

	THIRD QUARTER		CUMULATIVE 9 MONTHS	
	30.09.2011 RM'000	30.09.2010 RM'000	30.09.2011 RM'000	30.09.2010 RM'000
Revenue	2,287	3,543	8,576	13,243
Other operating income	118	69	590	5,470
Operating expenses	(2,147)	(3,691)	(7,724)	(12,363)
Profit/(Loss) from operations	258	(79)	1,442	6,350
Finance costs	(564)	(623)	(1,717)	(1,837)
Share of results of associates	(446)	(270)	(1,469)	(1,052)
(Loss)/Profit before taxation	(752)	(972)	(1,744)	3,461
Income tax expense	-	(11)	(1)	(14)
(Loss)/Profit for the period	(752)	(983)	(1,745)	3,447
Attributable to:				
Equity holders of the Company	(751)	(964)	(1,762)	3,470
Minority interests	(1)	(19)	17	(23)
	(752)	(983)	(1,745)	3,447
	Sen	Sen	Sen	Sen
(Loss)/Earnings per share attributable to equity holders of the Company:				
- Basic	(0.08)	(0.10)	(0.19)	0.37
- 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 2010 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 COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011

	THIRD QUARTER		CUMULATIVE 9 MONTHS	
	30.09.2011 RM'000	30.09.2010 RM'000	30.09.2011 RM'000	30.09.2010 RM'000
(Loss)/Profit for the period	(752)	(983)	(1,745)	3,447
Available-for-sale investments' fair value movements	19	(16)	415	(36)
Total comprehensive (loss)/income for the period	<u>(733)</u>	<u>(999)</u>	<u>(1,330)</u>	<u>3,411</u>
Total comprehensive (loss)/income attributable to:				
Equity holders of the Company	(732)	(980)	(1,347)	3,434
Minority interests	(1)	(19)	17	(23)
	<u>(733)</u>	<u>(999)</u>	<u>(1,330)</u>	<u>3,411</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2010 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 FINANCIAL POSITION
AS AT 30 SEPTEMBER 2011**

	30.09.2011	31.12.2010
	RM'000	(Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	27,804	28,517
Investment in associates	48,344	49,814
Available-for-sale investments	1,221	806
	<u>77,369</u>	<u>79,137</u>
Current assets		
Inventories	356	264
Trade and other receivables	2,027	1,817
Tax recoverable	11	3
Amounts owing by related companies	950	983
Amounts owing by associates	53,511	55,705
Deposits, cash and bank balances	2,010	3,019
	<u>58,865</u>	<u>61,791</u>
TOTAL ASSETS	<u>136,234</u>	<u>140,928</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	92,887	92,887
Reserves	13,662	15,009
	<u>106,549</u>	<u>107,896</u>
Minority interests	139	122
Total equity	<u>106,688</u>	<u>108,018</u>
Non-current liabilities		
Borrowings	15,330	15,330
Deferred tax liabilities	1,238	1,238
	<u>16,568</u>	<u>16,568</u>
Current liabilities		
Trade and other payables	1,898	2,501
Amounts owing to ultimate holding company	57	57
Amounts owing to related companies	60	64
Amounts owing to associates	943	943
Borrowings	10,020	12,775
Taxation	-	2
	<u>12,978</u>	<u>16,342</u>
Total liabilities	<u>29,546</u>	<u>32,910</u>
TOTAL EQUITY AND LIABILITIES	<u>136,234</u>	<u>140,928</u>
	RM	RM
Net assets per share attributable to equity holders of the Company	<u>0.12</u>	<u>0.12</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2010 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 30 SEPTEMBER 2011

	<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>		
9 months ended 30.09.2011						
Balance as at 1.1.2011	92,887	(7,580)	22,589	107,896	122	108,018
Total comprehensive income/(loss) for the period	-	415	(1,762)	(1,347)	17	(1,330)
Balance as at 30.09.2011	92,887	(7,165)	20,827	106,549	139	106,688
9 months ended 30.09.2010						
Balance as at 1.1.2010, as previously stated	92,887	(7,684)	19,258	104,461	165	104,626
Effects of adoption of FRS 139	-	142	40	182	-	182
Balance as at 1.1.2010, as restated	92,887	(7,542)	19,298	104,643	165	104,808
Total comprehensive income/(loss) for the period	-	(36)	3,470	3,434	(23)	3,411
Balance as at 30.09.2010	92,887	(7,578)	22,768	108,077	142	108,219

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

PAN MALAYSIA HOLDINGS BERHAD

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011**

	CUMULATIVE 9 MONTHS	
	30.09.2011	30.09.2010
	RM'000	RM'000
Cash Flows From Operating Activities		
(Loss)/Profit before taxation	(1,744)	3,461
Adjustments for:-		
Non-cash items	765	(4,380)
Non-operating items	1,377	1,790
Share of results of associates	1,469	1,052
Operating profit before working capital changes	<u>1,867</u>	<u>1,923</u>
Net change in current assets	(302)	263
Net change in current liabilities	(603)	(1,510)
Interest paid	-	(7)
Net tax paid	(10)	-
Net cash from operating activities	<u>952</u>	<u>669</u>
Cash Flows From Investing Activities		
Interest income received	44	40
Withdrawal of term deposits pledged with banks	481	330
Proceeds from disposal of property, plant and equipment	302	7
Purchase of property, plant and equipment	(58)	(553)
Net cash from/(used in) investing activities	<u>769</u>	<u>(176)</u>
Cash Flows From Financing Activities		
Interest paid	(1,717)	(1,881)
Repayment of bank borrowings	(2,630)	(4,630)
Repayment of hire-purchase creditors	(125)	(79)
Payment from a subsidiary not consolidated	-	5,292
Payment to ultimate holding company	-	(199)
Payment from/(to) associates	2,194	(6)
Payment from related companies	29	21
Net cash used in financing activities	<u>(2,249)</u>	<u>(1,482)</u>
Net decrease In Cash And Cash Equivalents	(528)	(989)
Cash And Cash Equivalents At Beginning Of The Period	<u>2,538</u>	<u>3,421</u>
Cash And Cash Equivalents At End Of The Period	<u>2,010</u>	<u>2,432</u>
Cash And Cash Equivalents consist of:-		
Deposits, cash and bank balances	2,010	2,758
Less : Deposits pledged to banks	-	(326)
	<u>2,010</u>	<u>2,432</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 December 2010 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 requirement of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2010. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2010.

A2. Significant Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2010, except for the adoption of the following new Financial Reporting Standards (FRSs), Amendments to FRSs and IC Interpretations which are applicable for the Group's financial period beginning 1 January 2011.

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations (Revised)
FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 1	Limited Exemptions from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 1	Additional Exemptions for First-time Adopters
Amendments to FRS 2	Share-based Payment
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 138	Intangible Assets
IC Interpretation 4	Determining Whether an Arrangement Contains a Lease
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
IC Interpretation 18	Transfers of Assets from Customers
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives : Embedded derivatives
Improvements to FRSs issued in 2010 in respect of various FRSs	

IC Interpretation 12 Service Concession Arrangements will also be effective for annual periods beginning on or after 1 July 2010. This IC Interpretation is, however, not applicable to the Group.

Other than the disclosures under the Amendments to FRS 7, the adoption of the above FRSs, Amendments to FRSs and Interpretations did not result in any significant changes in the accounting policies and presentation of the financial result of the Group.

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 2011.

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 2011.

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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 2011.

A7. Dividends Paid

No dividend was paid during the financial period ended 30 September 2011.

A8. Operating Segments

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

For the 9 months ended 30.09.2011

	Hotel RM'000	Travel RM'000	Universal broking RM'000	Investment holding RM'000	Total RM'000	Elimination RM'000	Group RM'000
REVENUE							
External sales	7,382	1,194	-	-	8,576	-	8,576
Inter-segment sales	-	-	-	18	18	(18)	-
	<u>7,382</u>	<u>1,194</u>	<u>-</u>	<u>18</u>	<u>8,594</u>	<u>(18)</u>	<u>8,576</u>
RESULTS							
Segment results	1,637	95	-	(290)	1,442	-	1,442
Finance costs	(1,003)	(10)	-	(704)	(1,717)	-	(1,717)
Share of results of associates	-	-	(1,469)	-	(1,469)	-	(1,469)
Profit/(Loss) before taxation	<u>634</u>	<u>85</u>	<u>(1,469)</u>	<u>(994)</u>	<u>(1,744)</u>	<u>-</u>	<u>(1,744)</u>
Segment assets	32,297	695	-	54,887	87,879	-	87,879
Investments in associates							48,344
Unallocated assets							11
Total assets							<u>136,234</u>

A9. Material Events Subsequent to the End of the Interim Period

There are no material events subsequent to the financial period ended 30 September 2011 that have not been reflected in the interim financial statements for the said period as at the date of this report.

A10. Changes in the Composition of the Group

There were no changes in the composition of the Group during the financial period ended 30 September 2011 except for the following:-

- a) Pengkalen (UK) Plc, a subsidiary of the Group, which was placed under creditors' voluntary winding-up on 26 August 2004 was dissolved on 7 March 2011.
- b) Pengkalen Engineering & Construction Sdn Bhd, Pengkalen Pasar Borong Sdn Bhd and Pengkalen Raya Sdn Bhd, all subsidiaries of the Group, which were placed under creditors' voluntary winding-up on 12 December 2001 were dissolved on 7 July 2011 pursuant to Section 272 (5) of the Companies Act, 1965.

A11. 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 a lower revenue of RM8.6 million for the nine months ended 30 September 2011 compared to RM13.2 million for the previous year corresponding period. The decrease was mainly due to the lower revenue from the Group's travel operations. The Group recorded a loss before tax of RM1.7 million for the nine months ended 30 September 2011 compared to a profit before tax of RM3.4 million for the previous year corresponding period. The profit for the previous year included an amount of RM5.3 million being recovery of debt previously written off from a subsidiary not consolidated.

B2. Comparison with Preceding Quarter's Results

The Group's revenue reduced to RM2.3 million for the current quarter from RM3.5 million in the preceding quarter due to the Group's travel operations which has ceased operation since July 2011. The Group recorded a slightly lower net loss of RM0.8 million for the current quarter compared to a net loss of RM1.0 million for the preceding quarter, due to the lower share of losses in associates.

B3. Year 2011 Prospects

The Group's operations are expected to remain challenging as the rising inflation caused by higher price of food and significant debt concerns in Europe and in the US may affect the market sentiment and their effects on the Malaysian economy. In view of this, the Group continues to remain cautious in 2011 and will continue to be prudent in its risk management and focus on its business strategies to meet the challenges ahead.

B4. Variance on Forecast Profit/Profit Guarantee

This is not applicable to the Group.

B5. Income Tax Expense

	THIRD QUARTER		CUMULATIVE 9 MONTHS	
	30.09.2011	30.09.2010	30.09.2011	30.09.2010
	RM'000	RM'000	RM'000	RM'000
Current tax	-	11	1	14

B6. Sale of Unquoted Investment and/or Properties

There were no disposals of unquoted investments or properties in the financial period ended 30 September 2011.

B7. Quoted Securities

(i) There were no purchases or sales of quoted securities by the Group during the financial period ended 30 September 2011.

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

	30.09.2011 RM'000
At cost	18,050
At book/market value	771

B8. Realised and Unrealised Profits/(Losses)

	30.09.2011 RM'000	31.12.2010 RM'000
Retained profits of the Company and subsidiaries		
- Realised	26,550	26,843
Share of accumulated losses in associated company		
- Realised	(5,723)	(4,254)
	<u>20,827</u>	<u>22,589</u>

B9. Status of Corporate Proposals

The Group has not announced any corporate proposals which have not been completed as at the date of this report.

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B10. Group Borrowings

	30.09.2011 RM'000
Bank Borrowings Secured	
- Current	10,020
- Non-current	15,330
Total	<u>25,350</u>

B11. Derivative Financial Instruments

There were no derivative financial instruments as at the date of this report.

B12. Fair Values Changes of Financial Liabilities

As at 30 September 2011, the Group does not have any financial liabilities measured at fair value through profit or loss.

B13. Material Litigation

There are no material litigations as at the date of this report.

B14. Dividend

No dividend has been recommended by the Board for the financial period ended 30 September 2011 (30 September 2010: Nil)

B15. (Loss)/Earnings Per Share

(i) (Loss)/earnings per share :-

The (loss)/earnings per ordinary share is calculated by dividing the (loss)/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:-

	<u>THIRD QUARTER</u>		<u>CUMULATIVE 9 MONTHS</u>	
	30.09.2011 RM'000	30.09.2010 RM'000	30.09.2011 RM'000	30.09.2010 RM'000
(Loss)/Profit attributable to equity holders of the Company	(751)	(964)	(1,762)	3,470
	Units '000	Units '000	Units '000	Units '000
Weighted average number of ordinary shares in issue	928,867	928,867	928,867	928,867
	Sen	Sen	Sen	Sen
(Loss)/Earnings per share	(0.08)	(0.10)	(0.19)	0.37

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

B16. Audit Report of Preceding Annual Financial Statements

The audit report of the audited financial statements for the year ended 31 December 2010 was not qualified.

BY ORDER OF THE BOARD
PAN MALAYSIA HOLDINGS BERHAD

LEONG PARK YIP
Company Secretary
17 November 2011