

**PAN MALAYSIA HOLDINGS BERHAD**Company No : 95469-W  
(Incorporated in Malaysia)**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2012**

The figures have not been audited

**CONDENSED CONSOLIDATED INCOME STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012**

	<b>THIRD QUARTER</b>		<b>CUMULATIVE 9 MONTHS</b>	
	<b>30.09.2012</b>	<b>30.09.2011</b>	<b>30.09.2012</b>	<b>30.09.2011</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	2,449	2,287	7,830	8,576
Other operating income	107	118	180	590
Operating expenses	(2,328)	(2,147)	(6,736)	(7,724)
Profit from operations	228	258	1,274	1,442
Finance costs	(435)	(564)	(1,390)	(1,717)
Share of results of associate	(859)	(446)	(390)	(1,469)
Loss before taxation	(1,066)	(752)	(506)	(1,744)
Income tax expense	-	-	-	(1)
Loss for the period	(1,066)	(752)	(506)	(1,745)
Attributable to:				
Equity holders of the Company	(1,066)	(751)	(506)	(1,762)
Non-controlling interest	-	(1)	-	17
	(1,066)	(752)	(506)	(1,745)
	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>
Loss per share attributable to equity holders of the Company:				
- Basic	(0.11)	(0.08)	(0.05)	(0.19)
- Diluted	N/A	N/A	N/A	N/A

**Notes:-**

"N/A" - Not applicable

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements

**PAN MALAYSIA HOLDINGS BERHAD**

Company No : 95469-W

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012**

	<b>THIRD QUARTER</b>		<b>CUMULATIVE 9 MONTHS</b>	
	<b>30.09.2012</b>	<b>30.09.2011</b>	<b>30.09.2012</b>	<b>30.09.2011</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Loss for the period	(1,066)	(752)	(506)	(1,745)
Fair value for available-for-sale investments	599	19	211	415
Total comprehensive loss for the period	<u>(467)</u>	<u>(733)</u>	<u>(295)</u>	<u>(1,330)</u>
Total comprehensive loss attributable to:				
Equity holders of the Company	(467)	(732)	(295)	(1,347)
Non-controlling interest	-	(1)	-	17
	<u>(467)</u>	<u>(733)</u>	<u>(295)</u>	<u>(1,330)</u>

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements

**PAN MALAYSIA HOLDINGS BERHAD**

Company No : 95469-W  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2012**

	30.09.2012	31.12.2011	01.01.2011
	RM'000	Restated*	Restated*
		RM'000	RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	27,287	27,537	28,517
Investment in associate	48,837	49,227	49,814
Available-for-sale investments	1,412	1,201	806
	<u>77,536</u>	<u>77,965</u>	<u>79,137</u>
<b>Current assets</b>			
Inventories	481	399	264
Trade and other receivables	1,952	3,013	2,800
Tax recoverable	7	15	3
Amounts owing by associate	53,171	53,545	55,705
Deposits, cash and bank balances	625	2,326	3,019
	<u>56,236</u>	<u>59,298</u>	<u>61,791</u>
<b>TOTAL ASSETS</b>	<u>133,772</u>	<u>137,263</u>	<u>140,928</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the Company</b>			
Share capital	92,887	92,887	92,887
Other reserves	5,423	5,212	4,817
Retained profits	11,110	11,616	10,192
	<u>109,420</u>	<u>109,715</u>	<u>107,896</u>
<b>Non-controlling interest</b>	-	-	122
<b>Total equity</b>	<u>109,420</u>	<u>109,715</u>	<u>108,018</u>
<b>Non-current liabilities</b>			
Borrowings	14,060	14,480	15,330
Deferred tax liabilities	1,238	1,238	1,238
	<u>15,298</u>	<u>15,718</u>	<u>16,568</u>
<b>Current liabilities</b>			
Trade and other payables	1,619	2,040	2,501
Amounts owing to ultimate holding company	-	115	57
Amounts owing to related companies	42	72	64
Amounts owing to associate	943	943	943
Borrowings	6,450	8,660	12,775
Taxation	-	-	2
	<u>9,054</u>	<u>11,830</u>	<u>16,342</u>
<b>Total liabilities</b>	<u>24,352</u>	<u>27,548</u>	<u>32,910</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>133,772</u>	<u>137,263</u>	<u>140,928</u>
	RM	RM	RM
<b>Net assets per share attributable to equity holders of the Company</b>	<u>0.12</u>	<u>0.12</u>	<u>0.12</u>

\* Upon the adoption of the MFRS framework, the Condensed Consolidated Statements of Financial Position as at 31 December 2011 and 1 January 2011 have been restated

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements

**PAN MALAYSIA HOLDINGS BERHAD**

Company No : 95469-W  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012**

	<u>Attributable to Equity Holders of the Company</u>				<u>Non-</u>	<u>Total</u>
	<u>Non-</u>		<u>Distributable</u>	<u>Total</u>	<u>controlling</u>	<u>Equity</u>
	<u>Share</u>	<u>Other</u>	<u>Retained</u>		<u>interest</u>	
	<u>Capital</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>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<b>9 months ended 30 September 2012</b>						
Balance as at 1 January 2012 (restated)	92,887	5,212	11,616	109,715	-	109,715
Total comprehensive income/(loss) for the period	-	211	(506)	(295)	-	(295)
Balance as at 30 September 2012	92,887	5,423	11,110	109,420	-	109,420
<b>9 months ended 30 September 2011</b>						
Balance as at 1 January 2011 (restated)	92,887	4,817	10,192	107,896	122	108,018
Total comprehensive income/(loss) for the period	-	415	(1,762)	(1,347)	17	(1,330)
Balance as at 30 September 2011	92,887	5,232	8,430	106,549	139	106,688

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2011 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 STATEMENTS OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012**

	<b>CUMULATIVE 9 MONTHS</b>	
	<b>30.09.2012</b>	<b>30.09.2011</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash Flows From Operating Activities</b>		
Loss before taxation	(506)	(1,744)
Adjustments for:-		
Depreciation and amortisation	750	765
Interest expense	1,390	1,717
Interest income	(24)	(44)
Gain on disposal of property, plant and equipment	-	(296)
Share of results of associate	390	1,469
Operating profit before working capital changes	<u>2,000</u>	<u>1,867</u>
Net change in current assets	907	(269)
Net change in current liabilities	(495)	(607)
Net tax refund/(paid)	9	(10)
Net cash from operating activities	<u>2,421</u>	<u>981</u>
<b>Cash Flows From Investing Activities</b>		
Interest income received	24	44
Placement of term deposits pledged with banks	-	481
Proceeds from disposal of property, plant and equipment	-	302
Purchase of property, plant and equipment	(500)	(58)
Net cash used in investing activities	<u>(476)</u>	<u>769</u>
<b>Cash Flows From Financing Activities</b>		
Interest paid	(1,390)	(1,717)
Repayment of bank borrowings	(2,630)	(2,630)
Repayment of hire-purchase creditors	-	(125)
Repayment from associates	374	2,194
Net cash used in financing activities	<u>(3,646)</u>	<u>(2,278)</u>
Net decrease In Cash And Cash Equivalents	(1,701)	(528)
Cash And Cash Equivalents At Beginning Of The Period	<u>2,326</u>	<u>2,538</u>
<b>Cash And Cash Equivalents At End Of The Period</b>	<u>625</u>	<u>2,010</u>

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2011 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 condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board ("IASB").

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2011. These explanatory notes attached to the condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to and understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2011. For the periods up to and including the year ended 31 December 2011, the Group prepared its financial statements in accordance with Financial Reporting Standards ("FRS").

These condensed consolidated interim financial statements is the Group's first Malaysian Financial Reporting Standards ("MFRS") condensed consolidated interim financial statements for part of the period covered by the Group's first MFRS annual financial statements for the year ending 31 December 2012. MFRS 1 *First-Time Adoption of Malaysian Financial Reporting Standards* ("MFRS 1") has been applied

The date of transition to the MFRS framework is 1 January 2011. At the transition date, the Group has performed the assessment of the impact of adoption of MFRS. The impact of the transition from FRS to MFRS is described in Note 2 below.

**A2. Significant Accounting Policies**

**Application of MFRS 1**

The audited financial statements of the Group for the year ended 31 December 2011 were prepared in accordance with FRS. As the requirements under FRS and MFRS are similar, the significant accounting policies adopted in preparing this Interim Financial Report are consistent with those of the audited financial statements for the year ended 31 December 2011 except as discussed below:-

**Foreign currency translation reserve**

Under FRS, the Group recognised translation differences on foreign operations as a separate component of equity. Cumulative foreign currency translation differences for all foreign operations are deemed to be nil as at the date of transition to MFRS.

Accordingly, at the date of transition to MFRS, the cumulative foreign currency translation differences of RM12,397,000 (30 September 2011: RM12,397,000; 31 December 2011: RM12,397,000) were adjusted to retained profits.

The reconciliations of equity for comparative periods and of equity at the date of transition reported under FRS to those

**Reconciliation of equity as at 1 January 2011**

<b>RM'000</b>	<b>FRS as at 01.01.2011</b>	<b>Reclassifications</b>	<b>MFRS as at 01.01.2011</b>
<b>Equity</b>			
Other reserves	(7,580)	12,397	4,817
Retained profits	22,589	(12,397)	10,192

**Reconciliation of equity as at 30 September 2011**

<b>RM'000</b>	<b>FRS as at 30.09.2011</b>	<b>Reclassifications</b>	<b>MFRS as at 30.09.2011</b>
<b>Equity</b>			
Other reserves	(7,165)	12,397	5,232
Retained profits	20,827	(12,397)	8,430

**Reconciliation of equity as at 31 December 2011**

<b>RM'000</b>	<b>FRS as at 31.12.2011</b>	<b>Reclassifications</b>	<b>MFRS as at 31.12.2011</b>
<b>Equity</b>			
Other reserves	(7,185)	12,397	5,212
Retained profits	24,013	(12,397)	11,616

**PAN MALAYSIA HOLDINGS BERHAD**

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**A3. Seasonal or Cyclical Factors**

The businesses of the Group are affected by seasonal or cyclical factors.

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

There were 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 2012.

**A5. Changes in Estimates Reported in Prior Interim Periods**

There were no changes in estimates of amounts reported in prior financial period, which may have a material effect during the financial period ended 30 September 2012.

**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 2012.

**A7. Dividends Paid**

No dividend was paid during the financial period ended 30 September 2012.

**A8. Operating Segments**

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

**For the 9 months ended 30 September 2012**

	Hotel RM'000	Universal broking RM'000	Investment holding RM'000	Total RM'000	Elimination RM'000	Group RM'000
<b>REVENUE</b>						
External sales	7,830	-	-	7,830	-	7,830
Inter-segment sales	-	-	18	18	(18)	-
	<u>7,830</u>	<u>-</u>	<u>18</u>	<u>7,848</u>	<u>(18)</u>	<u>7,830</u>
<b>RESULTS</b>						
Segment results	1,613	-	(339)	1,274	-	1,274
Finance costs	(964)	-	(426)	(1,390)	-	(1,390)
Share of results of associate	-	(390)	-	(390)	-	(390)
Profit/(Loss) before taxation	<u>649</u>	<u>(390)</u>	<u>(765)</u>	<u>(506)</u>	<u>-</u>	<u>(506)</u>
Segment assets	<u>29,942</u>	<u>-</u>	<u>54,986</u>	<u>84,928</u>	<u>-</u>	<u>84,928</u>
Investment in associate						48,837
Unallocated assets						7
Total assets						<u>133,772</u>

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

There were no material events subsequent to the financial period ended 30 September 2012 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 2012.

**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.

**PAN MALAYSIA HOLDINGS BERHAD**

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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 RM7.8 million for the nine months ended 30 September 2012 compared with RM8.6 million for the previous year corresponding period. The decrease was mainly due to the cessation of the Group's travel operations, which recorded a revenue of RM1.2 million in the previous year corresponding period. The revenue from hotel operations improved slightly from RM7.4 million to RM7.8 million in the period under review. The Group recorded a loss before tax of RM0.5 million for the nine months ended 30 September 2012 compared with a loss of RM1.7 million for the previous year corresponding period. The decrease in loss was attributable to the following:-

- i) share of lower losses in associate; and
- ii) lower finance costs due to repayment of borrowings.

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

The Group's revenue of RM2.4 million for the current quarter was lower than the preceding quarter revenue of RM2.8 million. The Group recorded a loss before tax of RM1.0 million for the current quarter compared with a loss before tax of RM0.2 million for the preceding quarter. This was mainly due to increase share of losses of associate for the current quarter of RM0.9 million compared with the share of losses of associate of RM0.2 million for the preceding quarter.

**B3. Year 2012 Prospects**

Despite challenging external environment, the Malaysian economy is projected to grow at a moderate rate of between 4.0% and 5.0% in 2012. To meet the challenges ahead, the Group will focus on improving the occupancy and average room rate of its hotel operations as well as business development and exercise financial prudence in its universal broking business. The Group expects the performance of its universal brokers business to be challenging for the remaining period of the year.

**B4. Variance of Actual Profit from Forecast Profit**

This is not applicable to the Group.

**B5. Profit/(Loss) Before Tax**

Included in the profit/(loss) before tax are the following:-

	THIRD QUARTER		CUMULATIVE 9 MONTHS	
	30.09.2012	30.09.2011	30.09.2012	30.09.2011
	RM'000	RM'000	RM'000	RM'000
Interest income	4	15	24	44
Depreciation	(249)	(250)	(750)	(765)

**B6. Income Tax Expense**

	THIRD QUARTER		CUMULATIVE 9 MONTHS	
	30.09.2012	30.09.2011	30.09.2012	30.09.2011
	RM'000	RM'000	RM'000	RM'000
Current tax	-	-	-	1

There is no current tax due to the utilisation of previously unabsorbed tax losses.

**B7. Realised and Unrealised Profits/(Losses)**

The retained profits as at the end of the reporting period may be analysed as follows:-

	30.09.2012	31.12.2011
	RM'000	Restated RM'000
Retained profits of the Company and subsidiaries		
- Realised	16,341	16,457
Share of accumulated losses in associate company		
- Realised	(5,231)	(4,841)
	<u>11,110</u>	<u>11,616</u>

**B8. Status of Corporate Proposals**

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



**PAN MALAYSIA HOLDINGS BERHAD**

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**B9. Group Borrowings**

	<b>30.09.2012</b>
	<b>RM'000</b>
Bank Borrowings Secured	
- current	6,450
- non-current	14,060
<b>Total</b>	<b><u>20,510</u></b>

**B10. Derivative Financial Instruments**

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

**B11. Fair Values Changes of Financial Liabilities**

As at 30 September 2012, the Group does not have any financial liabilities measured at fair value through profit or loss.

**B12. Material Litigation**

There was no material litigation as at the date of this report.

**B13. Dividend**

No dividend has been recommended by the Board for the financial period ended 30 September 2012 (30 September 2011: Nil)

**B14. Loss Per Share**

(i) Loss per share :-

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

	<b>THIRD QUARTER</b>		<b>CUMULATIVE 9 MONTHS</b>	
	<b>30.09.2012</b>	<b>30.09.2011</b>	<b>30.09.2012</b>	<b>30.09.2011</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Loss attributable to equity holders of the Company	(1,066)	(751)	(506)	(1,762)
	<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>
Loss per share	(0.11)	(0.08)	(0.05)	(0.19)

(ii) The diluted earnings per share is not disclosed as there is no dilutive potential ordinary shares.

**B15. Audit Report of Preceding Annual Financial Statements**

The audit report of the audited financial statements for the year ended 31 December 2011 was not qualified.

**BY ORDER OF THE BOARD**  
**PAN MALAYSIA HOLDINGS BERHAD**

Soo-Hoo Siew Hoon  
Ng Hock Ping  
Joint Company Secretaries  
26 November 2012