

PAN MALAYSIA HOLDINGS BERHAD

Company No : 95469-W
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2018

(The figures are unaudited)

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

	QUARTER ENDED		CUMULATIVE 12 MONTHS	
	30.06.2018	30.06.2017	30.06.2018	30.06.2017
	RM'000	RM'000	RM'000	RM'000
Revenue	1,681	2,238	9,089	9,379
Other operating income	75	132	259	828
Operating expenses	(2,344)	(2,117)	(9,473)	(8,634)
(Loss)/Profit from operations	(588)	253	(125)	1,573
Finance costs	(282)	(288)	(1,165)	(1,182)
Share of results of associate	-	-	-	(270)
(Loss)/Profit before taxation	(870)	(35)	(1,290)	121
Tax expense	(15)	(12)	(15)	(12)
(Loss)/Profit for the financial period/year	(885)	(47)	(1,305)	109
Attributable to:				
Equity holders of the Company	(885)	(47)	(1,305)	109
Non-controlling interest	-	-	-	-
	(885)	(47)	(1,305)	109
	Sen	Sen	Sen	Sen
(Loss)/Profit per share attributable to equity holders of the Company:				
- Basic / Diluted	(0.10)	(0.01)	(0.14)	0.01

The Condensed Consolidated Statements of Profit or Loss should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2017 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 OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

	QUARTER ENDED		CUMULATIVE 12 MONTHS	
	30.06.2018 RM'000	30.06.2017 RM'000	30.06.2018 RM'000	30.06.2017 RM'000
(Loss)/Profit for the financial period/year	(885)	(47)	(1,305)	109
Fair value changes of available-for-sale financial assets	639	-	639	-
Total comprehensive (expense)/income for the financial period/year	<u>(246)</u>	<u>(47)</u>	<u>(666)</u>	<u>109</u>
Total comprehensive (expense)/income attributable to:				
Equity holders of the Company	(246)	(47)	(666)	109
Non-controlling interest	-	-	-	-
	<u>(246)</u>	<u>(47)</u>	<u>(666)</u>	<u>109</u>

The Condensed Consolidated Statements of Other Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2017 and the accompanying explanatory notes attached to the interim

PAN MALAYSIA HOLDINGS BERHAD

Company No : 95469-W

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2018**

	30.06.2018	30.06.2017
	RM'000	RM'000
		(Audited)
ASSETS		
Non-Current Assets		
Property, plant and equipment	22,388	22,878
Available-for-sale investments	2,429	1,790
	<hr/>	<hr/>
	24,817	24,668
Current Assets		
Inventories	340	253
Trade and other receivables	1,510	1,812
Current tax assets	3	11
Amounts owing by associate	49,066	49,766
Deposits, cash and bank balances	2,228	2,427
	<hr/>	<hr/>
	53,147	54,269
TOTAL ASSETS	<hr/>	<hr/>
	77,964	78,937
EQUITY AND LIABILITIES		
Equity Attributable To Equity Holders Of The Company		
Share capital	92,887	92,887
Other reserves	2,052	1,413
Accumulated losses	(38,398)	(37,093)
	<hr/>	<hr/>
	56,541	57,207
Non-Controlling Interests	-	-
Total Equity	<hr/>	<hr/>
	56,541	57,207
Non-Current Liabilities		
Borrowings	15,267	16,337
Deferred tax liabilities	294	294
	<hr/>	<hr/>
	15,561	16,631
Current Liabilities		
Trade and other payables	4,779	4,059
Borrowings	1,083	1,028
Current tax liabilities	-	12
	<hr/>	<hr/>
	5,862	5,099
Total Liabilities	<hr/>	<hr/>
	21,423	21,730
TOTAL EQUITY AND LIABILITIES	<hr/>	<hr/>
	77,964	78,937
	<hr/>	<hr/>
	RM	RM
Net assets per share attributable to equity holders of the Company	0.06	0.06

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2017 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 CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018**

	<u>Attributable to Equity Holders of the Company</u>				<u>Non- controlling interest</u>	<u>Total Equity</u>
	<u>Share Capital</u>	<u>Non- Distributable Other Reserves</u>	<u>Distributable Retained Profits</u>	<u>Total</u>		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
12 months ended 30 June 2018						
At 1 July 2017	92,887	1,413	(37,093)	57,207	-	57,207
Loss for the financial year			(1,305)	(1,305)		(1,305)
Fair value changes of available- for-sale financial assets		639		639		639
Total comprehensive (expenses)/ income for the financial year	-	639	(1,305)	(666)	-	(666)
At 30 June 2018	92,887	2,052	(38,398)	56,541	-	56,541
12 months ended 30 June 2017						
At 1 July 2016	92,887	1,413	(37,202)	57,098	-	57,098
Profit for the financial year			109	109		109
Total comprehensive income the financial year	-	-	109	109	-	109
At 30 June 2017	92,887	1,413	(37,093)	57,207	-	57,207

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2017 and the accompanying explanatory notes attached to the interim financial statements.

PAN MALAYSIA HOLDINGS BERHAD

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

	CUMULATIVE 12 MONTHS	
	30.06.2018	30.06.2017
	RM'000	RM'000
Cash Flows From Operating Activities		
(Loss)/Profit before taxation	(1,290)	121
Adjustments for:-		
Interest expense	1,165	1,182
Interest income	(47)	(46)
Share of results of associate	-	270
Non-operating items	1,097	1,058
Operating profit before working capital changes	<u>925</u>	<u>2,585</u>
Net change in working capital	936	6
Net tax paid	(19)	(19)
Net cash from operating activities	<u>1,842</u>	<u>2,572</u>
Cash Flows From Investing Activities		
Interest income received	47	46
Repayment from associate	700	-
Proceeds from disposal of property, plant and equipment	-	8
Purchase of property, plant and equipment	(608)	(186)
Net cash from/(used) in investing activities	<u>139</u>	<u>(132)</u>
Cash Flows From Financing Activities		
Interest paid	(1,165)	(1,182)
Repayment of bank borrowings	(1,015)	(985)
Net cash used in financing activities	<u>(2,180)</u>	<u>(2,167)</u>
Net (decrease)/increase In Cash And Cash Equivalents	(199)	273
Cash And Cash Equivalents At Beginning Of Financial Year	<u>2,427</u>	<u>2,154</u>
Cash And Cash Equivalents At End Of Financial Year	<u>2,228</u>	<u>2,427</u>

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2017 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 MFRS 134 INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

The condensed consolidated financial statements ("Condensed Report") has been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 *Interim Financial Reporting* and the requirements of the Companies Act 2016 in Malaysia, where applicable. The Condensed Report, other than for financial instruments and retirement benefit obligations, has been prepared under the historical cost convention. Certain financial instruments are carried at fair value in accordance with MFRS 9 *Financial Instruments* and the retirement benefit obligations include actuarial gains and losses in accordance with MFRS 119 *Employee Benefits*.

This condensed Report has also been prepared in accordance with paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

This condensed Report should be read in conjunction with the audited financial statements for the financial year ended 30 June 2017. The explanatory notes attached to the Condensed Report provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2017.

A2. Significant Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 30 June 2017 except for the adoption of the following new MFRSs, Amendments to MFRSs and IC Interpretations which are applicable for the Group's financial period beginning 1 July 2017:-

Amendments to MFRS 107 Disclosure Initiative
Amendments to MFRS 112 Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to MFRS 12 Clarification of the Scope of the Standard

The adoption of the above pronouncements did not have any impact on the financial statements of the group.

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 year ended 30 June 2018.

A5. Changes in Estimates

There were no changes in estimates of amounts reported in prior financial period, which may have a material effect during the financial year ended 30 June 2018.

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 year ended 30 June 2018.

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A7. Dividend Paid

No dividend was paid during the financial year ended 30 June 2018 (30 June 2017 : Nil).

A8. Operating Segments

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

For the 12 months ended 30 June 2018

	Investment		Total	Elimination	Group
	Hotel	holding			
	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE					
External sales	9,089	-	9,089	-	9,089
Inter-segment sales	-	24	24	(24)	-
	<u>9,089</u>	<u>24</u>	<u>9,113</u>	<u>(24)</u>	<u>9,089</u>
RESULTS					
Segment results	227	(352)	(125)	-	(125)
Finance costs	(1,165)	-	(1,165)	-	(1,165)
Loss before taxation	<u>(938)</u>	<u>(352)</u>	<u>(1,290)</u>	<u>-</u>	<u>(1,290)</u>
Segment assets	<u>26,955</u>	<u>51,006</u>	<u>77,961</u>	<u>-</u>	<u>77,961</u>
Investment in associate	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>26,955</u>	<u>51,006</u>	<u>77,961</u>	<u>-</u>	<u>77,961</u>
Unallocated assets					<u>3</u>
Total assets					<u>77,964</u>

A9. Events Subsequent to the End of the Financial Year

There were no material events subsequent to the financial year ended 30 June 2018 that have not been reflected in the interim financial statements for the said period as at the date of this report.

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A10. Changes in the Composition of the Group

- (i) On 1 August 2017, Kayangan Makmur Sdn Bhd, a wholly-owned subsidiary of the Group, has at their Extraordinary General Meeting held on 1 August 2017, obtained approval from the sole shareholder to commence members' voluntary winding-up pursuant to Section 439(1)(b) of the Companies Act 2016.
- (ii) On 14 September 2017, the following wholly-owned subsidiaries of the Group, has at their Extraordinary General Meeting held on 14 September 2017, obtained approval from the sole shareholder to commence members' voluntary winding-up pursuant to Section 439(1)(b) of the Companies Act 2016:-
 - a) Destiny Aims Sdn Bhd
 - b) Pengkalen Equities Sdn Bhd
 - c) Pengkalen Properties Sdn Bhd
 - d) Pan Malaysia Travel & Tours Sdn Bhd
- (ii) On 23 May 2018, Twin Phoenix Sdn Bhd, a wholly-owned subsidiary of the Group, has at their Extraordinary General Meeting held on 23 May 2018, obtained approval from the sole shareholder to commence members' voluntary winding-up pursuant to Section 439(1)(b) of the Companies Act 2016.

The member's voluntary winding-up of the above subsidiaries did not have any material financial or operational effect on the Group for the financial year 30 June 2018.

Other than the above, there were no changes in the composition of the Group during the financial year ended 30 June 2018.

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 of the Company and its Principal Subsidiaries

	QUARTER ENDED		Changes	CUMULATIVE 12 MONTHS		Changes
	30.06.2018	30.06.2017		30.06.2018	30.06.2017	
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue						
Hotel	1,681	2,238	(24.9)	9,089	9,379	(3.1)
(Loss)/Profit before tax ("LBT / PBT")						
Hotel	(786)	21	(3,842.9)	(938)	172	(645.3)
Financial Services	-	-	-	-	(270)	100.0
Investment Holdings	(84)	(56)	(50.0)	(352)	219	(260.7)
	<u>(870)</u>	<u>(35)</u>	<u>(2,385.7)</u>	<u>(1,290)</u>	<u>121</u>	<u>(1,166.1)</u>

Quarter Ended 30 June 2018 vs Quarter Ended 30 June 2017

The Group recorded revenue of RM1.7 million for the fourth quarter ended 30 June 2018 compared with RM2.2 million for the previous year corresponding quarter. The Group recorded a LBT of RM0.9 million for the fourth quarter ended 30 June 2018 compared with a LBT of RM0.04 million for the previous year corresponding quarter. The decrease in revenue and higher LBT in the current quarter were mainly attributed to lower room occupancy of Corus Paradise Resort Port Dickson ("Corus PD")

Financial Year Ended 30 June 2018 vs Financial Year Ended 30 June 2017

For the financial year ended 30 June 2018, the Group recorded revenue of RM9.1 million and LBT of RM1.3 million compared with revenue of RM9.4 million and PBT of RM0.1 million in the previous year. The decrease in revenue for the financial year was mainly due to lower average room rate of Corus PD. The higher LBT was recorded for the financial year mainly due to increase in operating expenses. There was a bad debt recovery in the previous financial year whereas it was none for the current financial year.

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B2. Material Changes in the Quarterly Results Compared with the Results of the Preceding Quarter

	QUARTER ENDED		Changes
	30.06.2018 RM'000	31.03.2018 RM'000	%
Revenue			
Hotel	1,681	2,087	(19.5)
(Loss)/Profit before tax ("LBT / PBT")			
Hotel	(786)	(329)	(138.9)
Investment Holdings	(84)	(105)	20.0
	<u>(870)</u>	<u>(434)</u>	<u>(100.5)</u>

Quarter Ended 30 June 2018 vs Quarter Ended 31 March 2018

The Group recorded a lower revenue of RM1.7 million for the current quarter from its hotel operation, compared to RM2.1 million in the preceding quarter, mainly due to a decline in room occupancy. As a result, the loss before tax for the quarter worsened to RM0.9 million from the previous quarter's loss of RM0.4 million.

B3. Prospects for the Financial Year Ending 30 June 2019

Competition for business in Port Dickson intensified further in the last quarter with the opening of a 300-room hotel in its town centre. To remain competitive, the hotel is undertaking a continuing refurbishment programme and plans to upgrade the ground's landscaping and the lagoon which will feature more sporting activities.

In addition to targeting more regional and domestic holiday makers, the hotel also plans to develop outdoor weddings and activities at its scenic lagoon.

Barring unforeseen circumstances, we expect to see improved performance.

B4. Variance of Actual Profit from Forecast Profit

Not applicable.

B5. Profit/(Loss) Before Tax

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

	QUARTER ENDED		Changes	CUMULATIVE 12 MONTHS		Changes
	30.06.2018 RM'000	30.06.2017 RM'000	%	30.06.2018 RM'000	30.06.2017 RM'000	%
Interest income	11	17	(35.3)	47	46	2.2
Bad debt recovered	-	-	-	-	586	(100.0)
Depreciation	(277)	(267)	(3.7)	(1,097)	(1,058)	(3.7)
	<u>(266)</u>	<u>(267)</u>	<u>(0.4)</u>	<u>(1,050)</u>	<u>(1,012)</u>	<u>(3.8)</u>

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B6. Trade Receivables

- (a) The Group's normal trade credit terms is 30 days.
- (b) The ageing analysis of trade receivables of the Group is as follows:-

	CUMULATIVE 12 MONTHS		Changes
	30.06.2018 RM'000	30.06.2017 RM'000	%
Neither past due	91	151	(39.7)
Not past due			
1 to 30 days	22	199	(88.9)
31 to 60 days	105	217	(51.6)
61 to 90 days	113	50	126.0
More than 90 days	212	39	443.6
	543	656	(17.2)

B7. Income Tax Expense

	QUARTER ENDED		Changes	CUMULATIVE 12 MONTHS		Changes
	30.06.2018 RM'000	30.06.2017 RM'000	%	30.06.2018 RM'000	30.06.2017 RM'000	%
Current taxation	15	12	25.0	15	12	25.0

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.

B9. Group Borrowings

- (a) Total Group borrowings as at 30 June 2018 were as follows:-

	30.06.2018		
	Long Term RM'000	Short Term RM'000	Total Borrowings RM'000
Secured	15,267	1,083	16,350
	30.06.2017		
	Long Term RM'000	Short Term RM'000	Total Borrowings RM'000
Secured	16,337	1,028	17,365

- (b) Repayment of RM1,015,000 was made during the financial year.
- (c) There were no bank borrowing denominated in foreign currency as at the reporting date.

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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 June 2018, the Group did 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 was declared by the Board for the financial year ended 30 June 2018 (30 June 2017: Nil).

B14. Earnings/ (Loss) Per Share

(a) Basic (Loss)/ Earnings Per Share

The basic (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:-

	QUARTER ENDED		Changes	CUMULATIVE 12 MONTHS		Changes
	30.06.2018	30.06.2017		30.06.2018	30.06.2017	
	RM'000	RM'000	%	RM'000	RM'000	%
(Loss)/Profit attributable to equity holders of the Company	(885)	(47)	(1783.0)	(1,305)	109	(1297.2)
	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	%
(Loss)/Profit per share	(0.10)	(0.01)	(1783.0)	(0.14)	0.01	(1297.2)

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

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B15. Audit Report of Preceding Annual Financial Statements

The auditors' report on the audited financial statements for the financial year ended 30 June 2017 was unmodified.

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

**Lee Chik Siong
Norlyn Binti Kamal Basha
Joint Company Secretaries
Date: 28 August 2018**