

PAN MALAYSIA HOLDINGS BERHAD

Registration No : 198301000236 (95469-W)

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 31 DECEMBER 2022**

(The figures are unaudited)

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2022**

	QUARTER ENDED		CUMULATIVE 6 MONTHS	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Revenue	1,701	1,581	3,331	1,772
Cost of services	(743)	(514)	(1,408)	(556)
Gross profit	958	1,067	1,923	1,216
Other operating income	42	1,753	73	1,763
Administrative expenses	(1,064)	(981)	(2,227)	(1,552)
Finance costs	(191)	(205)	(387)	(411)
Impairment reversal/(loss) on financial assets (Note A4(b))	-	(61)	-	192
Profit/(Loss) before taxation	(255)	1,573	(618)	1,208
Income tax expense	-	-	-	-
Profit/(Loss) after taxation/Total comprehensive income/ (expenses) attributable to owners of the Company	(255)	1,573	(618)	1,208
Earnings/(Loss) per share attributable to owners of the Company:	Sen	Sen	Sen	Sen
Basic/Diluted	(0.03)	0.17	(0.07)	0.13

The Condensed Consolidated Statements of Profit or Loss should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.

PAN MALAYSIA HOLDINGS BERHAD

Registration No : 198301000236 (95469-W)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

	31.12.2022 RM'000	30.06.2022 RM'000 (Audited)
ASSETS		
Non-Current Assets		
Property, plant and equipment	14,321	14,680
Right-of-use asset	4,014	4,058
	<hr/> 18,335	<hr/> 18,738
Current Assets		
Inventories	84	68
Trade and other receivables	32,557	32,344
Current tax assets	35	32
Cash and bank balances	426	267
	<hr/> 33,102	<hr/> 32,711
TOTAL ASSETS	<hr/> 51,437	<hr/> 51,449
EQUITY AND LIABILITIES		
Equity Attributable To Owners Of The Company		
Share capital	92,887	92,887
Accumulated losses	(63,567)	(62,949)
Total Equity	<hr/> 29,320	<hr/> 29,938
Non-Current Liabilities		
Borrowing	14,511	14,511
Deferred tax liability	294	294
	<hr/> 14,805	<hr/> 14,805
Current Liabilities		
Trade and other payables	7,312	6,706
Borrowing	-	-
	<hr/> 7,312	<hr/> 6,706
Total Liabilities	<hr/> 22,117	<hr/> 21,511
TOTAL EQUITY AND LIABILITIES	<hr/> 51,437	<hr/> 51,449
	RM	RM
Net assets per share attributable to owners of the Company	0.03	0.03

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.

PAN MALAYSIA HOLDINGS BERHAD

Registration No : 198301000236 (95469-W)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2022**

	Share Capital RM'000	Accumulated Losses RM'000	Total RM'000
At 1 July 2022	92,887	(62,949)	29,938
Total comprehensive expenses for the financial period	-	(618)	(618)
At 31 December 2022	<u>92,887</u>	<u>(63,567)</u>	<u>29,320</u>
At 1 July 2021	92,887	(62,887)	30,000
Total comprehensive income for the financial period	-	1,208	1,208
At 31 December 2021	<u>92,887</u>	<u>(61,679)</u>	<u>31,208</u>

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.

PAN MALAYSIA HOLDINGS BERHAD

Registration No : 198301000236 (95469-W)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2022**

	CUMULATIVE 6 MONTHS	
	31.12.2022	31.12.2021
	RM'000	RM'000
Operating Activities		
Profit/(Loss) before taxation	(618)	1,208
Depreciation	532	541
Property, plant and equipment written off	5	-
Interest expense	387	411
Impairment reversal on financial assets	-	(192)
Operating profit before working capital changes	306	1,968
Net change in working capital	(160)	(1,917)
Net tax paid	(3)	(3)
Net cash from operating activities	143	48
Investing Activities		
Purchase of property, plant and equipment	(134)	(131)
Repayment from an associate	150	161
Net cash from investing activities	16	30
Financing Activities		
Advance from ultimate holding company	-	200
Interest paid	-	(150)
Net cash from financing activities	-	50
Net increase in cash and cash equivalents	159	128
Cash and cash equivalents at beginning of financial period	267	197
Cash and cash equivalents at end of financial period	426	325

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.

PAN MALAYSIA HOLDINGS BERHAD

Registration No : 198301000236 (95469-W)

(Incorporated in Malaysia)

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*, paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the requirements of the Companies Act 2016 in Malaysia. The Condensed Report, other than for financial instruments has been prepared under the historical cost convention. Certain financial instruments are carried at fair value in accordance with MFRS 9 *Financial Instruments*.

This Condensed Report should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022. 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 2022.

A2. Significant Accounting Policies

The accounting standards adopted in the preparation of the Condensed Report are consistent with those adopted in the preparation of the Group's audited financial statements for the financial year ended 30 June 2022, except for the following:

<u>MFRSs and/or IC Interpretations (Including The Consequential Amendments)</u>	<u>Effective Date</u>
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022

The adoption of the above accounting standards and/or interpretation (including the consequential amendments, if any) did not have any material impact on the Group's financial statements.

The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:

<u>MFRSs and/or IC Interpretations (Including The Consequential Amendments)</u>	<u>Effective Date</u>
MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 17: Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 16: Leases - Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

PAN MALAYSIA HOLDINGS BERHAD

Registration No : 198301000236 (95469-W)

(Incorporated in Malaysia)

A3. Seasonal or Cyclical Factors

The hotel business of the Group comprising the Corus Paradise Resort in Port Dickson, Negeri Sembilan is affected by seasonal or cyclical factors.

The stockbroking and asset management business of the Group's associate, Pan Malaysia Capital Berhad is not 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 31 December 2022 other than the following items:

(a) Impairment reversal/(loss) on financial assets

	QUARTER ENDED		CUMULATIVE 6 MONTHS	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Amount owing by an associate	-	(61)	-	192

A5. Changes in Estimates

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 2022.

A6. 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 2022.

A7. Dividend Paid

No dividend was paid during the financial period ended 31 December 2022 (31 December 2021 : Nil).

PAN MALAYSIA HOLDINGS BERHAD

Registration No : 198301000236 (95469-W)

(Incorporated in Malaysia)

A8. Operating Segments

Cumulative 6 months ended 31 December 2022

	Hotel RM'000	Investment holding RM'000	Total RM'000	Elimination RM'000	Group RM'000
REVENUE					
External sales	3,331		3,331	-	3,331
Inter-segment sales	-	12	12	(12)	-
	<u>3,331</u>	<u>12</u>	<u>3,343</u>	<u>(12)</u>	<u>3,331</u>
RESULTS					
Segment results	(55)	(176)	(231)	-	(231)
Finance costs	(387)	-	(387)	-	(387)
Loss before taxation	<u>(442)</u>	<u>(176)</u>	<u>(618)</u>	<u>-</u>	<u>(618)</u>
Segment assets	19,684	31,718	51,402	-	51,402
Unallocated assets					35
Total assets					<u>51,437</u>

Cumulative 6 months ended 31 December 2021

REVENUE					
External sales	1,772	-	1,772	-	1,772
Inter-segment sales	-	12	12	(12)	-
	<u>1,772</u>	<u>12</u>	<u>1,784</u>	<u>(12)</u>	<u>1,772</u>
RESULTS					
Segment results	1,570	49	1,619	-	1,619
Finance costs	(411)	-	(411)	-	(411)
Profit before taxation	<u>1,159</u>	<u>49</u>	<u>1,208</u>	<u>-</u>	<u>1,208</u>
Segment assets	20,198	32,209	52,407	-	52,407
Unallocated assets					29
Total assets					<u>52,436</u>

A9. Events Subsequent to the End of the Financial Period

There were no material events subsequent to the financial period ended 31 December 2022 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

On 6 January 2023, the Company announced that its associate companies, Pan Malaysia Capital Berhad ("PM Capital") and PM Asset Management Sdn Bhd had entered into share sale and purchase agreements with NewParadigm Capital Ventures Sdn Bhd to dispose of the entire issued and paid-up share capital of PM Securities Sdn Bhd, PCB Asset Management Sdn Bhd and Miranex Sdn Bhd for a total cash consideration of RM90,000,003 ("Disposal"). PM Capital has obtained the shareholders' approval for the Disposal during the Extraordinary General Meeting held on 8 February 2023.

Other than the above, there were no other changes in the composition of the Group as at the date of this report.

A11. Commitments and Contingent Liabilities

(i) Contingent Liabilities

The Group does not have any material contingent liabilities not provided for as at 31 December 2022.

(ii) Capital Commitments

The Group does not have any material capital commitments as at 31 December 2022.

PAN MALAYSIA HOLDINGS BERHAD

Registration No : 198301000236 (95469-W)

(Incorporated in Malaysia)

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			CUMULATIVE 6 MONTHS		
	31.12.2022 (Q2FY23) RM'000	31.12.2021 (Q2FY22) RM'000	Changes %	31.12.2022 (6MFY23) RM'000	31.12.2021 (6MFY22) RM'000	Changes %
Revenue						
Hotel	1,701	1,581	7.6	3,331	1,772	88.0
Profit/(Loss) before tax (PBT/LBT)						
Hotel	(194)	1,715	(111.3)	(442)	1,159	(138.1)
Investment holding	(61)	(142)	57.0	(176)	49	(459.2)
	<u>(255)</u>	<u>1,573</u>	<u>(116.2)</u>	<u>(618)</u>	<u>1,208</u>	<u>(151.2)</u>

Q2FY23 vs Q2FY22

The Group recorded a revenue of RM1.7 million in Q2FY23 compared to RM1.6 million for the same period last year, representing an increase of 7.6%. This was mainly due to higher occupancy rate, which was mainly contributed by online travel agent bookings. Despite higher revenue in the current quarter, the Group reported an LBT of RM0.3 million due to higher operating expenses. The PBT of RM1.6 million recorded for the same reporting period last year, however, was mostly the result of a one-off reversal of RM1.7 million in service charge provision.

6MFY23 vs 6MFY22

Revenue for the Group in 6MFY23 was 88.0% higher than in 6MFY22. This was mostly caused by the fact that 6MFY23 had a higher occupancy rate and 6MFY22 had a lower operating month. The Group reported an LBT of RM0.6 million in 6MFY23 compared to a PBT of RM1.2 million in 6MFY22 because operational costs are higher in the current financial period. There was no one-off reversal of the provision for service charge in 6MFY23.

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

	QUARTER ENDED		
	31.12.2022 (Q2FY23) RM'000	30.09.2022 (Q1FY23) RM'000	Changes %
Revenue			
Hotel	1,701	1,630	4.4
Loss before tax (LBT)			
Hotel	(194)	(248)	21.8
Investment holding	(61)	(115)	47.0
	<u>(255)</u>	<u>(363)</u>	<u>29.8</u>

The Group's revenue increased slightly in the current quarter due to the higher room rates. The Group's LBT narrowed by 29.8% in the current quarter from RM0.4 million to RM0.3 million, attributing mostly to lower operational expenditures.

PAN MALAYSIA HOLDINGS BERHAD

Registration No : 198301000236 (95469-W)

(Incorporated in Malaysia)

B3. Prospects for the Financial Year Ending 30 June 2023

Port Dickson will remain a popular destination for domestic market from Klang Valley and southern states of Melaka and Johor during school holidays, public holidays and weekends. It's also a popular destination that is still attracting corporate team-building events.

Besides the initial arrivals around Chinese New Year and until after February 2023, it is expected that international markets such as Taiwan would continue. Meanwhile, despite prior reports in January 2023 and February 2023, the worldwide tourist industry is predicted to make a significant leap especially from the China market after third quarter of the financial year ending 30 June 2023. On 3 February 2023, OkeMedan, an Indonesian news portal, featured Corus Paradise resort Port Dickson's medical tourism packages in collaboration with UCSI hospital. As the hospital is located 15 minutes from Corus Paradise resort Port Dickson, medical tourism will become a potential source of revenue.

B4. Variance of Actual Profit from Forecast Profit

Not applicable.

B5. Profit/(Loss) Before Taxation

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

	QUARTER ENDED			CUMULATIVE 6 MONTHS		
	31.12.2022	31.12.2021	Changes	31.12.2022	31.12.2021	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Depreciation	(266)	(271)	1.8	(532)	(541)	1.7
Property, plant and equipment written off	5	-	100.0	5	-	100.0
Interest expense	(191)	(205)	6.8	(387)	(411)	5.8

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:

	31.12.2022	30.06.2022	Changes
	RM'000	RM'000	%
Not past due	261	100	161.0
Past due			
1 to 30 days	21	10	110.0
31 to 60 days	-	5	(100.0)
More than 90 days	102	29	251.7
	384	144	166.7

B7. Status of Corporate Proposals

There were no corporate proposals announced that are not completed as at the date of this report.

B8. Group Borrowing

	31.12.2022			30.06.2022		
	Non-current	Current	Total	Non-current	Current	Total
	RM'000	RM'000	Borrowing RM'000	RM'000	RM'000	Borrowing RM'000
Secured term loan	14,511	-	14,511	14,511	-	14,511

There was no bank borrowing denominated in foreign currency as at the end of the financial period.

PAN MALAYSIA HOLDINGS BERHAD

Registration No : 198301000236 (95469-W)

(Incorporated in Malaysia)

B9. Derivative Financial Instruments

There were no derivative financial instruments as at 31 December 2022.

B10. Fair Values Changes of Financial Liabilities

There were no financial liabilities measured at fair value through profit or loss as at 31 December 2022.

B11. Material Litigation

On 14 February 2023, the Company had received an Originating Summons ("Action") and Notice of Application for Interim Injunction ("Injunction Application"), having the same suit number of WA-24NCC-73-02/2023 filed in Kuala Lumpur High Court by Chan Weng Fui ("the Plaintiff") against Pan Malaysia Holdings Berhad (PMH), the current entire Board of Directors of PMH and 13 others.

The Originating Summons was filed pursuant to the Companies Act 2016, the Rules of Court 2012 and Main Market Listing Requirements of Bursa Malaysia Securities Berhad for the matters disclosed in the Company announcement made on Bursa Malaysia's website.

Further to our announcement made on 14 February 2023, pursuant to the Case Management of the Action and Injunction Application on 16 February 2023, the Court has fixed the next Case Management date on 27 February 2023.

The Company categorically denies any impropriety alleged/insinuated by the Plaintiff through the Action. In this regard, the Company has engaged its legal counsel to defend the Company against the Action and to oppose the Injunction Application filed by the Plaintiff.

The Company's position is that the alleged claims made by the Plaintiff are without merit. The Company shall take all necessary steps to vigorously defend itself against the various claims and shall pursue all legal recourse available stemming from the Action as appropriate.

B12. Dividend

No dividend was declared by the Board for the financial period ended 31 December 2022 (31 December 2021: Nil).

B13. Loss Per Share

	QUARTER ENDED		CUMULATIVE 6 MONTHS	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Weighted average number of ordinary shares in issue ('000)	928,867	928,867	928,867	928,867
Profit/(Loss) attributable to owners of the Company (RM'000)	(255)	1,573	(618)	1,208
Basic/diluted earnings/(loss) per share attributable to owners of the Company (sen)	(0.03)	0.17	(0.07)	0.13

The Company has not issued any potentially dilutive ordinary shares and hence, the diluted earnings/(loss) per share is equal to the basic loss per share.

B14. Audit Report of Preceding Annual Financial Statements

The auditors' report on the audited financial statements for the financial year ended 30 June 2022 was unmodified.

BY ORDER OF THE BOARD
PAN MALAYSIA HOLDINGS BERHAD

Lee Chik Siong
Wong Shuk Fuen
Joint Company Secretaries

Date: 22 February 2023