

PETALING TIN BERHAD

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2009  
(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31 Oct 09 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31 Oct 08 RM'000	CURRENT YEAR TO DATE 31 Oct 09 RM'000	PRECEDING YEAR CORRESPONDING YEAR TO DATE 31 Oct 08 RM'000
Revenue	3,359	5,711	18,208	18,110
Gross Profit	530	1,372	1,390	3,166
Other Operating Income	144	253	584	912
Operating Expenses	(104)	(10,205)	(4,517)	(14,356)
Profit/(Loss) from Operations	570	(8,580)	(2,543)	(10,278)
Finance Cost	(5)	(51)	(60)	(25)
Share of Profits and Losses of Associated Companies	-	-	-	-
Profit/(Loss) Before Taxation	565	(8,631)	(2,603)	(10,303)
Taxation	285	4,046	213	4,012
Net Profit/(Loss) Attributable to Shareholders of the Company	850	(4,585)	(2,390)	(6,291)
Profit/(Loss) Per Share (sen)				
- Basic	0.25	(1.33)	(0.69)	(1.83)
- Fully Diluted	0.25	N/A	N/A	N/A

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 October 2008)

**PETALING TIN BERHAD**

**CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 OCTOBER 2009**

	(Unaudited) CURRENT FINANCIAL PERIOD  AS AT 31 Oct 2009 RM'000	(Audited) PRECEDING FINANCIAL YEAR  AS AT 31 Oct 2008 RM'000
<b>ASSETS</b>		
Non- Current Assets		
Property, Plant & Equipment	338	3,070
Investment in Associated Companies	-	-
Investment Properties	142,624	138,598
Land Held for Property Development	232,441	233,076
	<u>375,403</u>	<u>374,744</u>
Current Assets		
Property Development Expenditures	46,154	34,885
Inventories	11,160	6,278
Trade & Other Receivables	12,568	34,235
Short Term Investments	1,627	2,121
Fixed Deposits with Financial Institutions	1,075	1,381
Cash and Bank Balances	2,422	2,920
	<u>75,006</u>	<u>81,820</u>
Total Assets	<u>450,409</u>	<u>456,564</u>
<b>EQUITY AND LIABILITIES</b>		
Share Capital	344,292	344,292
Treasury Shares	(68)	(68)
Reserves	23,613	26,004
Irredeemable Convertible Unsecured Loan Stocks 2000/2010 ("ICULS")	2,100	2,100
Total Equity	<u>369,937</u>	<u>372,328</u>
Non- Current Liabilities		
Deferred Taxation	32,496	32,748
Long Term Borrowings	236	345
	<u>32,732</u>	<u>33,093</u>
Current Liabilities		
Trade Payables	3,583	4,280
Other Payables and Accrued Liabilities	13,079	10,934
Borrowings	108	96
Taxation	30,970	35,833
	<u>47,740</u>	<u>51,143</u>
Total Liabilities	80,472	84,236
Total Equity and Liabilities	<u>450,409</u>	<u>456,564</u>
Net Assets Per Share (RM)	1.07	1.08

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Statements for the year ended 31 October 2008)

PETALING TIN BERHAD

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD  
ENDED 31 OCTOBER 2009  
(The figures have not been audited)

	SHARE CAPITAL	SHARE PREMIUM	RESERVES	ICULS- EQUITY INSTRUMENTS	ACCUMULATED LOSSES	TREASURY SHARES	TOTAL SHAREHOLDERS' EQUITY
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 November 2008	344,292	43,664	6,429	2,100	(24,090)	(68)	372,327
Net loss for the period	-	-	-	-	(2,390)	-	(2,390)
Realisation of revaluation surplus on sales of development properties	-	-	(599)	-	599	-	-
At 31 October 2009	344,292	43,664	5,830	2,100	(25,881)	(68)	369,937
At 1 November 2007	344,292	43,664	5,097	2,100	(16,466)	(68)	378,619
Net loss for the period	-	-	-	-	(6,291)	-	(6,291)
Realisation of revaluation deficit on sales of development properties	-	-	1,333	-	(1,333)	-	-
At 31 October 2008	344,292	43,664	6,430	2,100	(24,090)	(68)	372,328

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 October 2008)

**PETALING TIN BERHAD**

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

(The figures have not been audited)

	CURRENT FINANCIAL PERIOD ENDED 31 October 2009 RM'000	PRECEDING FINANCIAL PERIOD ENDED 31 October 2008 RM'000
<b>Cash Flows From Operating Activities</b>		
Loss before taxation	(2,603)	(10,302)
Adjustment for:-		
Non-Cash Items	(1,262)	8,157
Non-Operating Items	(129)	(367)
Operating Loss Before Working Capital Changes	(3,994)	(2,512)
Changes in Working Capital		
Net Change in Current Assets	2,287	3,161
Net Change in Current Liabilities	1,446	(513)
Cash (Used In)/Generated from Operations	(261)	136
Taxes (Paid)/Refund	(1,037)	517
Interest Received	143	382
Interest Paid	(18)	(22)
Net Cash (Used In)/Generated From Operating Activities	(1,173)	1,013
<b>Cash Flows from Investing Activities</b>		
Equity Investments	(1)	(13,843)
Other Investments	772	12,046
Net Cash Generated From/(Used In) In Investing Activities	771	(1,797)
<b>Cash Flows from Financing Activity</b>		
Bank Borrowings	(96)	(90)
Net Cash Used In Financing Activity	(96)	(90)
Net Decrease in Cash & Cash Equivalents	(498)	(874)
Cash & Cash Equivalents at Beginning of the Period	2,920	3,794
Cash & Cash Equivalents at End of the Period	2,422	2,920

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 October 2008)

Notes

1. Basis of Preparation

The quarterly financial statements have been prepared in accordance with Financial Reporting Standards (“FRS”) 134 – Interim Financial Reporting and appendix 9B part A of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, and should be read in conjunction with Petaling Tin Berhad’s audited financial statements for the year ended 31 October 2008.

The accounting policies and methods of computation adopted by the Group in this financial report are consistent with those adopted in the financial statements for the year ended 31 October 2008.

New and Revised FRSs, Amendments to FRSs and Issues Committee (“IC”) Interpretations Not Adopted.

The Malaysian Accounting Standards Board has also issued the following new and revised FRSs, amendments to FRSs and IC Interpretations that have not been adopted in preparing these financial statements.

		For financial periods beginning on or after
FRS 4	Insurance Contracts	1 January 2010
FRS 7	Financial Instruments: Disclosures	1 January 2010
FRS 8	Operating Segments	1 July 2009
FRS 101	Presentation of Financial Statements	1 January 2010
FRS 123	Borrowing Costs	1 January 2010
FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards and FRS 127 Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
Amendments to FRS 2	Share-based Payment: Vesting Conditions and Cancellations	1 January 2010
Amendments to FRS 139	Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosures and IC Interpretation 9 Reassessment of Embedded Derivatives	1 January 2010
Amendments to FRSs	contained in the document entitled “Improvement to FRSs (2009)”	1 January 2010
IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11	FRS 2 – Group and Treasury Share Transactions	1 January 2010
IC Interpretation 13	Customer Loyalty Programmes	1 January 2010
IC Interpretation 14	FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010

By virtue of the exemption in FRS 4, 7 and 139, the impact of applying the respective FRSs on these financial statements upon their first adoption as required by paragraph 30(b) of FRS 108, Accounting Policies, Changes in Accounting Estimates and Errors is not disclosed.

The adoption of the other FRSs, Amendments to FRSs and IC Interpretations are not expected to have any significant impact on the results and financial position of the Company.

**2. Qualification of Financial Statements**

The Group's audited financial statements for the preceding year ended 31 October 2008 was not subject to any qualification.

**3. Seasonality or Cyclical Factors**

The Group's current quarter and financial year to date performance were not affected nor influenced by seasonal or cyclical factors.

**4. Items of Unusual Nature and Amount**

There were no items affecting the assets, liabilities, equity, net income, or cash flow of the Group that are unusual because of their nature, size or incidence for the current quarter and financial year to date.

**5. Changes in Estimates**

There were no changes in the estimates of amounts reported in the prior interim periods of the current financial year or changes in estimates of amounts reported in the prior financial years that have a material effect in the current quarter and financial year to date.

**6. Issuance and Repayment of Debt and Equity Securities**

There were no issuance and repayments of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current quarter and financial year to date.

**7. Dividends Paid**

There were no dividends paid during the current quarter and financial year to date.

**8. Segmental Reporting**

**Analysis by Business Segment**

**Current Year to date ended 31 October 2009**

	Property Development RM'000	Other Operations RM'000	Total Before Elimination RM'000	Elimination RM'000	Consolidated RM'000
<b>Revenue</b>					
External revenue	18,208	-	18,208	-	18,208
Inter-segment revenue	-	3,261	3,261	(3,261)	-
	18,208	3,261	21,469	(3,261)	18,208
<b>Results</b>					
Segment results	419	(3,151)	(2,732)	-	(2,732)
Interest expense					(18)
Interest income					143
Dividend revenue					4
Loss before taxation					(2,603)
Income taxes					213
Loss after taxation					(2,390)

## 8. Segmental Reporting

### Analysis by Business Segment (cont'd)

#### Preceding Year to date ended 31 October 2008

	Property Development RM'000	Other Operations RM'000	Total Before Elimination RM'000	Elimination RM'000	Consolidated RM'000
<b>Revenue</b>					
External revenue	18,110	-	18,110	-	18,110
Inter-segment revenue	-	3,207	3,207	(3,207)	-
	<u>18,110</u>	<u>3,207</u>	<u>21,317</u>	<u>(3,207)</u>	<u>18,110</u>
<b>Results</b>					
Segment results	(6,039)	(4,631)	(10,670)	-	(10,670)
Interest expense					(22)
Interest income					382
Dividend revenue					<u>7</u>
Loss before taxation					<u>(10,303)</u>
Income taxes					<u>4,012</u>
Loss after taxation					<u><u>(6,291)</u></u>

The geographical analysis is not presented as the Group's operations are solely based in Malaysia.

## 9. Valuation of Property, Plant and Equipment

The values of property, plant and equipment have been brought forward without amendment from the previous annual financial statements.

## 10. Material Events

The Company announced on 24 July 2009 that its wholly owned subsidiary, Majurama Developments Sdn Bhd had on even date entered into a Sale & Purchase Agreement with FACB Land Sdn Bhd, a wholly-owned subsidiary of Karambunai Corp Bhd ("KCB") to acquire approximately 8,790 square metres of leasehold land held under H.S. (M) 19319, P.T. 16028, Mukim Petaling, Negeri Selangor for a cash consideration of RM1,655,000. The acquisition was deemed a related party transaction by virtue of Tan Sri Dr. Chen Lip Keong, Datuk Wan Kassim Bin Ahmed, Chen Yiy Hwuan and Chen Yiy Fon being directors and/or substantial shareholders in both the Company and KCB.

## 11. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter and financial year to date.

**12. Changes in Contingent Liabilities and Contingent Assets**

There was no contingent asset that had arisen since the last annual balance sheet date. There were also no changes in the contingent liabilities since the last annual balance sheet date. The contingent liabilities as at the date of this report are as follows:

- (i.) A purchaser has instituted legal proceedings against the subsidiary company, Magilds Park Sdn. Bhd., for recovery of progressive payments paid to the subsidiary company amounting to RM314,503 and liquidated ascertained damages of RM92,394 of which RM344,500 has been accrued for in the financial statements.

No additional provision has been made as the legal proceedings are still pending.

- (ii.) A consultant has instituted legal action against the subsidiary company, Magilds Park Sdn. Bhd., for the recovery of debts amounting to RM467,253 of which RM200,000 has been accrued in the financial statements.

The balance of claim amounting to RM267,253 has not been accrued in the financial statements as the outcome of this litigation is still pending.

**13. Capital Commitment**

The amount of commitment for the purchase of leasehold land held under H.S. (M) 19319, P.T. 16028, Mukim Petaling, Negeri Selangor, not provided for in the interim financial statements as at 31 October 2009 is as follow:-

	RM'000
Approved and contracted for	<u>1,655</u>

**14. Subsequent Event**

There were no material events subsequent to the end of the current quarter.



**Additional information required by the Bursa Malaysia's Listing Requirement**

**1. Review of Performance of the Company and its Principal Subsidiaries**

For the current year to date under review, the Group recorded revenue of RM18,208,182 and a loss before taxation of RM2,603,404 as compared to revenue of RM18,110,603 and a loss before taxation of RM10,302,334 for the preceding year to date. The current quarter and year to date result is mainly contributed by the revenue generated from its property development and construction contract works, and sales of development properties at Desa Bukit Indah and Taman Kelab Ukay, Ampang.

In the opinion of the Directors, the result for the current quarter and financial year to date have not been affected by any transactions or events of a material or unusual nature which has arisen between 31 October 2009 and the date of this announcement.

**2. Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter**

For the current quarter ended 31 October 2009, the Group has recorded a profit before taxation of RM565,350 as compared to a loss before taxation of RM942,240 for the previous quarter ended 31 July 2009. The higher profit before taxation for current quarter was mainly due to sales of development properties at Desa Bukit Indah and reversal of impairment loss on property, plant and equipment no longer required for the current quarter.

**3. Prospects for the Next Financial Year**

Barring unforeseen circumstances, the Group expects the next financial year to be positive with the anticipated launch of its new phase of residential developments at Desa Bukit Indah, Sungai Buloh and its soon to be embarked residential developments at Kinrara, Puchong.

**4. Profit Forecast and Profit Guarantee**

Not applicable as the Group did not announce any forecast results or undertake any profit guarantee in respect of the financial year.

**5. Taxation**

	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Corresponding Year To Date
	31 October 09 RM'000	31 October 08 RM'000	31 October 09 RM'000	31 October 08 RM'000
Taxation comprises the followings:				
Malaysian Taxation based on results for the year	(22)	12	39	34
Originating temporary differences	(263)	(198)	(252)	(186)
Tax Credit	-	(3,860)	-	(3,860)
	<u>(285)</u>	<u>(4,046)</u>	<u>(213)</u>	<u>(4,012)</u>

Financial year to date, there is tax charged due to no group relief that can be utilised to offset against taxable profits of other subsidiaries within the Group.

**6. Profit on Sales of Unquoted Investments and/or Properties**

There was no disposal of unquoted investments or properties for the current quarter and financial year to date.

**7. Short term Investments**

a) Quoted Investments in Malaysia

	As At 31 October 09
	RM'000
At Costs	189
Add: Additions	-
Less: Impairment loss	(53)
Less: Disposal during the period	(136)
At book value	-
Market value	-
Sales Proceeds	146
Less: Quoted Securities at Costs	(218)
Loss on Disposal of Quoted Securities	(72)

Other short term investments include the following:-

- b) Short-term funds placement in fixed income trust fund as at 31 October 2009 amounting to RM 1,627,353 (2008 : RM2,025,648) bear interest at rates ranging from 2.39% to 2.46% per annum and have an average maturity ranging from 1 to 365 days.

**8. Status of Corporate Proposals**

As at the date of this report, the rescue exercise duly approved by the shareholders at an Extraordinary General Meeting held on 20 August 1999 has been completed, save and except for the transfer of land title of the Ulu Kelang Project, which is in the progress. The Group has on 6 November 2009 submitted to the Authorities the application for subdivision of individual titles for the Ulu Kelang Project.

**9. Group Borrowings and Debt Securities**

Total Group borrowings as at 31 October 2009 are as follows:

	RM'000
<i>Secured</i>	
<i>Long Term Borrowings</i>	
Total outstanding hire purchase liabilities	344
Repayment due within the next 12 months	(108)
Total	236
 <i>Short Term Borrowings</i>	
Current portion of hire purchase liabilities	108

The above borrowings are denominated in Ringgit Malaysia.

**10. Off Balance Sheet Financial Instruments**

The Group does not have any financial instruments with off balance sheet risk as at the date of this report.

## 11. Cash and Cash Equivalents

	Current Year To Date 31 October 09	Preceding Financial Year To Date 31 October 08
	RM'000	RM'000
Fixed Deposits with Financial Institutions	1,075	1,381
Cash and Bank Balances	2,422	2,920
	3,497	4,301
Less: Fixed Deposits under lien	(1,075)	(1,381)
Cash & Cash Equivalents at End of Period	2,422	2,920

## 12. Material Litigation

Save as disclosed below, the Group is not engaged in any material litigation as at the date of this report.

- (a) On 12 April 1996, Lam Hong Kee Sdn. Bhd. ("LHKSB") entered into a Sale and Purchase Agreement with Magilds Park Sdn. Bhd. ("MPSB"), a subsidiary of the Company, for the purchase of an industrial lot held under the land title H.S. (D) 37590 Lot No. 19694, Mukim of Batu, District of Gombak, Selangor Darul Ehsan at the purchase price of RM786,258. On 18 April 2000, LHKSB as the Plaintiff filed a suit against MPSB. LHKSB is claiming, among others for a refund of RM314,503 which they have paid in respect of the progressive payment towards the purchase price and a claim for the sum of RM92,394 being interest of the progressive purchase price paid. Upon MPSB's application, the High Court has on 22 September 2004 struck out the Plaintiff's claim with costs. However, the Plaintiff is entitled to appeal to the Court of Appeal against the High Court's decision and has done so on 21 October 2004. The matter is now pending hearing at the Court of Appeal on a date to be fixed by the Court of Appeal.

Provision has been made in the accounts of MPSB in accordance to legal advice.

- (b) In 2003, Newmet Konsultan ("Plaintiff") filed a suit against Magilds Park Sdn. Bhd. ("MPSB"), a subsidiary of the Company, claiming for RM467,252.50 being the professional fees claimed to be owed by MPSB for services rendered of which RM200,000 has been accrued in the financial statements. MPSB's solicitors had filed appearance and defense on behalf of MPSB. The matter is currently fixed for the full trial before the High Court Judge on 26/04/2010 and 27/04/2010. The parties are in the process of finalizing the evidential documents as well as the disputed issues to be determined by the Court.
- (c) On 19 August 2005, Majurama Developments Sdn Bhd ("MDSB"), a subsidiary of the company, entered into a Sale & Purchase Agreements with Barter Fortune Sdn. Bhd. ("BFSB"), for the disposal of 275 parcels of leasehold land within Mukim Ampangan, District of Seremban, State of Negeri Sembilan at a price of RM15,552,075. On 13 June 2007, MDSB and BFSB entered into a Supplemental Agreement ("SA") of which one of the terms was BFSB to provide a bank guarantee to the sum of RM315,000 granted by BFSB's banker CIMB Bank to MDSB upon fulfillment of certain obligation on the part of MDSB towards BFSB.

Subsequently when MDSB exercised the bank guarantee upon fulfillment of its obligation under the SA, CIMB Bank together with BFSB refused to honour the bank guarantee and payment.

MDSB has filed a legal suit against BFSB by way of a writ and statement of claim with the Alor Star High Court on 11 September 2008 on grounds that BFSB failed to settle the outstanding sum of RM315,000 together with late payment interest and CIMB Bank for not releasing the bank guarantee sum.

## 12. Material Litigation (cont'd)

- (c) MDSB had on 8 June 2009 obtained judgment on legal suit against CIMB Bank with regards to the bank guarantee, after which on 6 October 2009 recovered the sum of RM315,000 together with judgment interest at 8% per annum running from 14 February 2009 to full and final settlement.

As for the Order 14 Application against BFSB, this was dismissed with costs by the Judge on 27 August 2009 a result of which MDSB will now have to proceed to trial to try its case against BFSB. Presently the matter is fixed for Case Management on 24 January 2010 for compliance of pre-trial directions.

## 13. Dividend

There was no dividend proposed or declared for the current quarter and financial year to date.

## 14. Earning Per Share/Loss Per Share

- (a) The calculation of basic profit per share for the current quarter and financial year to date are based on the Group profit after tax of RM850,421 for the current quarter and Group loss after tax RM2,390,225 for the financial year to date divided by 344,020,635 shares, being the weighted average ordinary shares in issue excluding the weighted average treasury shares held by the Company. The calculation of basic loss per share for the preceding year corresponding quarter and year to date are based on Group loss after tax of RM4,584,519 and RM6,290,811 divided by weighted average ordinary shares in issue of 344,020,635 shares.
- (b) The fully diluted earnings per shares for the current quarter are based on the Group profit after tax of RM850,421 divided by weighted average ordinary shares in issue of 346,664,035 for the current quarter and financial year to date on the assumption that the outstanding 2,100,000 nominal value of ICULS (2000/2010) have been exercise and converted into new ordinary shares of RM1.00 each in the Company and reissue of 271,700 treasury shares on 1 November 2007. The fully diluted loss per share for the preceding year corresponding quarter and financial year to date are not presented as the assumed conversion of the outstanding ICULS and reissue of the treasury shares are anti-dilutive.

By Order of The Board

**PETALING TIN BERHAD**



**LAM HOI KHONG**  
Chief Financial Officer  
Petaling Jaya, Selangor

Date: 29 DEC 2009