

PETALING TIN BERHAD

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR FINANCIAL PERIOD
ENDED 30 JUNE 2014
(The figures have not been audited)**

INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
(Unaudited) CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	(Unaudited) CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING YEAR TO DATE
30 JUN 14 RM'000	30 JUN 13 RM'000	30 JUN 14 RM'000	30 JUN 13 RM'000

Revenue	2,931	3,070	4,600	4,261
Gross Profit	1,892	537	2,804	1,008
Other Operating Income	166	76	206	245
Operating Expenses	(4,658)	(2,920)	(7,085)	(4,602)
Loss from Operations	(2,600)	(2,307)	(4,075)	(3,349)
Finance Expenses	(44)	(75)	(96)	(162)
Share of Profits and Losses of Associated Companies	-	-	-	-
Loss Before Taxation	(2,644)	(2,382)	(4,171)	(3,511)
Taxation	(24)	107	(48)	107
Net Loss Attributable to Shareholders of the Company	(2,668)	(2,275)	(4,219)	(3,404)
Loss Per Share (sen)				
- Basic	(0.77)	(0.66)	(1.22)	(0.98)
- Fully Diluted	N/A	N/A	N/A	N/A

(The Condensed Consolidated Statement of Comprehensive Income Interim Report should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2013)

PETALING TIN BERHAD**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014**

	(Unaudited) CURRENT FINANCIAL YEAR TO DATE AS AT 30 JUN 2014 RM'000	(AUDITED) PRECEDING FINANCIAL YEAR AS AT 30 JUN 2013 RM'000
ASSETS		
Non- Current Assets		
Property, Plant & Equipment	820	273
Investment in Associated Companies	-	-
Investment Properties	155,527	155,527
Land held for Property Development	232,987	245,569
	389,334	401,369
Current Assets		
Property Development Costs	12,877	-
Inventories	703	1,788
Trade & Other Receivables	9,648	12,733
Accrued Billings in respect of property development costs	15,814	7,003
Cash and Cash Equivalents	5,058	9,860
	44,100	31,384
Total Assets	433,434	432,753
EQUITY AND LIABILITIES		
Share Capital	346,103	346,103
Treasury Shares	(68)	(68)
Reserves	15,732	23,578
Total Equity	361,767	369,613
Non- Current Liabilities		
Deferred Taxation	34,339	34,410
Long Term Borrowings	747	1,748
	35,086	36,158
Current Liabilities		
Payables	17,947	6,998
Provision	5,374	5,462
Borrowings	1,211	1,362
Taxation	12,049	13,160
	36,581	26,982
Total Liabilities	71,667	63,140
Total Equity and Liabilities	433,434	432,753
Net Assets Per Share (RM)	1.05	1.07

(The Condensed Consolidated Statement of Financial Position Interim Report should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2013)

PETALING TIN BERHAD**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2014****(The figures have not been audited)**

	SHARE CAPITAL	TREASURY SHARES	SHARE PREMIUM	REVALUATION RESERVE	OTHER RESERVE	ACCUMULATED LOSSES	TOTAL SHAREHOLDERS' EQUITY
	RM'000	RM'001	RM'000	RM'000	RM'001	RM'000	RM'000
At 1 January 2014	346,103	(68)	43,954	1,622	3,526	(29,151)	365,986
Total comprehensive income for the period	-	-	-	-	-	(4,219)	(4,219)
Realisation of revaluation surplus on sales of development properties	-	-	-	71	-	(71)	-
At 30 June 2014	<u>346,103</u>	<u>(68)</u>	<u>43,954</u>	<u>1,693</u>	<u>3,526</u>	<u>(33,441)</u>	<u>361,767</u>
At 1 January 2013 as restated	346,103	(68)	43,954	1,149	3,526	(21,647)	373,017
Total comprehensive income for the period	-	-	-	-	-	(3,404)	(3,404)
Realisation of revaluation deficit on sales of development properties	-	-	-	-	-	-	-
At 30 June 2013	<u>346,103</u>	<u>(68)</u>	<u>43,954</u>	<u>1,149</u>	<u>3,526</u>	<u>(25,051)</u>	<u>369,613</u>

(The Condensed Consolidated Statement of Changes in Equity Interim Report should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2013)

PETALING TIN BERHAD

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE FINANCIAL PERIOD
ENDED 30 JUNE 2014**

(The figures have not been audited)

	(Unaudited) CURRENT FINANCIAL YEAR TO DATE ENDED 30 JUN 2014 RM'000	PRECEDING YEAR CORRESPONDING YEAR TO DATE ENDED 30 JUN 2013 RM'000
Cash Flows from Operating Activities		
Loss before taxation	(4,171)	(3,511)
Adjustment for:-		
Non-Cash Items	1,105	841
Non-Operating Items	62	90
	<hr/>	<hr/>
Operating Loss before Working Capital Changes	(3,004)	(2,580)
Changes in Working Capital		
Decrease in Inventories	1,085	2,966
Increase in Land & Development Expenditure	(1,636)	(8)
Decrease in Trade & Other Receivables	83	5,954
Decrease / (Increase) in Trade & Other Payables	4,669	(1,943)
	<hr/>	<hr/>
Cash Generated From Operations	1,197	4,389
Tax Paid	(576)	(264)
Interest Received	33	72
Interest Paid	(95)	(162)
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Net Cash Generated From Operating Activities	559	4,035
Cash Flows from Investing Activities		
Purchase of Property, Plant & Equipment	(12)	(36)
	<hr/>	<hr/>
	(12)	(36)
Cash Flow from Financing Activities		
Repayment of Loans	(580)	(526)
Repayment of Finance Lease Liabilities	(11)	(28)
	<hr/>	<hr/>
	(591)	(554)
Net (Decrease) / Increase in Cash & Cash Equivalents	(44)	3,445
Cash & Cash Equivalents at Beginning of the Period	5,102	6,415
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Cash & Cash Equivalents at End of the Period	5,058	9,860
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(The Condensed Consolidated Statement of Cash Flow Interim Report should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2013)

Notes

1. Basis of Preparation

Statement of compliance

The interim financial statement is unaudited and has been prepared in compliance with FRS 134- Interim Financial Reporting and Appendix 9B Part A of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The accounting policies and methods of computation adopted by the Group in the interim financial statements are consistent with those adopted in the last audited annual financial statement except for the adoption of amendments to FRSs.

Amendments to FRS effective from financial periods beginning on or after 1 January 2014:

FRS 10	Consolidated Financial Statements
FRS 12	Disclosure of Interests in Other Entities
FRS 127	Separate Financial Statements
FRS 132	Financial Instruments: Presentation
FRS 136	Impairment of Assets
FRS 139	Financial Instruments: Recognition and Measurement

The adoption of the above FRSs did not have any significant financial impact on the Group.

Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standard Board (MBSB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (“MFRS Framework”).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venture (herein called ‘Transitioning Entities’).

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2015.

The Group falls within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in its first financial statements for the quarter ending 31 March 2015.

2. Qualification of Financial Statements

The Group’s audited financial statements for the preceding financial year ended 31 December 2013 was not subject to any qualification.

3. Seasonality or Cyclicity Factors

The Group’s current quarter and financial period 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 quarter and financial year to date.

PETALING TIN BERHAD
QUARTERLY REPORT ENDED 30/6/14

5. Changes in Estimates

There were no changes in the 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 Quarter Ended 30 June 2014

	Property Development RM'000	Other Operations RM'000	Total Before Elimination RM'000	Elimination RM'000	Consolidated RM'000
Revenue					
External revenue	3,400	1,200	4,600	-	4,600
Inter-segment revenue	-	1,088	1,088	(1,088)	-
	<u>3,400</u>	<u>2,288</u>	<u>5,688</u>	<u>(1,088)</u>	<u>4,600</u>
Results					
Segment loss before taxation	(3,620)	(551)	(4,171)	-	(4,171)
Interest expense	-	(53)	(53)	-	(53)
Depreciation	-	(97)	(97)	-	(97)
Interest income	28	5	33	-	33
Income taxes	(26)	(22)	(48)	-	(48)

Preceding Year Corresponding Quarter Ended 30 June 2013

	Property Development RM'000	Other Operations RM'000	Total Before Elimination RM'000	Elimination RM'000	Consolidated RM'000
Revenue					
External revenue	3,150	1,111	4,261	-	4,261
Inter-segment revenue	-	1,881	1,881	(1,881)	-
	<u>3,150</u>	<u>2,992</u>	<u>6,142</u>	<u>(1,881)</u>	<u>4,261</u>
Results					
Segment loss before taxation	(2,662)	(849)	(3,511)	-	(3,511)
Interest expense	(11)	(151)	(162)	-	(162)
Depreciation	-	(20)	(20)	-	(20)
Interest income	48	24	72	-	72
Income taxes	133	(26)	107	-	107

The geographical analysis is not presented as the Group's operations are 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

There were no material events subsequent to the second quarter ended 30 June 2014 till the date of this report that have not been reflected in the financial statements for the said period.

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 reporting date. There were also no changes in the contingent liabilities since the last annual reporting date.

13. Capital Commitment

There were no capital commitment for the purchase of property, plant and equipment not provided for in the interim financial statements.

14. Subsequent Event

There were no material events subsequent to the end of the current quarter till the date of this report.

PETALING TIN BERHAD
QUARTERLY REPORT ENDED 30/6/14

Additional information required by the Bursa Malaysia's Listing Requirement

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

For the current period to date ended 30 June 2014, the Group generated total revenue of RM4,599,567 and a loss before taxation of RM4,171,595 as compared to the total revenue of RM4,260,600 and a loss before taxation of RM3,511,241 for the previous year corresponding financial period to date. The higher loss before taxation for the current period to date compared to loss before taxation for the previous corresponding financial period to date is mainly due to infrastructure costs incurred for the Sungai Buloh project.

The revenue for the current period to date was mainly contributed by the Group's sale of industrial lot at Sungai Buloh amounted to RM2,331,450, revenue recognized on ongoing commercial development project of RM1,068,717 and rental income from its investment properties amounted to RM1,199,400.

2. Material Changes in the Current Quarter Result Compared to the Results of the Preceding Reporting Quarter

The Group has recorded a loss before taxation of RM2,643,831 for the current quarter ended 30 June 2014 as compared to a loss before taxation of RM1,527,764 for the previous quarter ended 31 March 2014. The higher loss before taxation for the current quarter is mainly due to quit rent and assessments and infrastructure costs incurred for the Sungai Buloh project.

3. Prospects

The Group expects to generate and unlock value from its development projects, properties and existing land banks within the Group.

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 Quarter Ended 30 Jun 14 RM'000	Preceding Year Corresponding Quarter Ended 30 Jun 13 RM'000	Current Year to date 30 Jun 14 RM'000	Preceding Year Corresponding Year to date 30 Jun 13 RM'000
Taxation comprises the followings:				
Malaysian Taxation based on results for the period	-	-	(24)	(28)
Originating Temporary Differences	(24)	107	(24)	135
Tax expenses/ Tax credit	(24)	107	(48)	107

PETALING TIN BERHAD
QUARTERLY REPORT ENDED 30/6/14

6. 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 progress. The Group has on 6 November 2009 submitted to the Authorities the application for subdivision of individual titles for the Ulu Kelang Project.

7. Group Borrowings and Debt Securities

Total Group borrowings as at 30 June 2014 are as follow:

Secured	RM'000
<i>Long Term Borrowings</i>	
Total outstanding term loan liabilities	1,921
Repayment due within the next 12 months	(1,187)
Total outstanding long term loan liabilities	<u>734</u>
Total outstanding hire purchase liabilities	37
Repayment due within the next 12 months	(24)
Total outstanding long term hire purchase liabilities	<u>13</u>
Total Long Term Borrowings	<u><u>747</u></u>
<i>Short Term Borrowings</i>	
Total outstanding term loan liabilities	1,187
Total outstanding hire purchase liabilities	24
Total Short Term Borrowings	<u><u>1,211</u></u>

The above borrowings are denominated in Ringgit Malaysia.

8. Cash and Cash Equivalents

	Current Year To Date Ended 30 Jun 14 RM'000	Preceding Year Corresponding Year to Date Ended 30 Jun 13 RM'000
Fixed Deposits with licensed banks	1,154	1,084
Cash and Bank Balances	2,397	410
Cash held under housing development accounts	1,485	3,160
Short term funds	22	5,206
Cash & Cash Equivalents	<u><u>5,058</u></u>	<u><u>9,860</u></u>

The fixed deposits with licensed banks are pledged as security for bank guarantee facilities granted to the Group and hence, are not freely available for general used.

9. Dividend

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

PETALING TIN BERHAD
QUARTERLY REPORT ENDED 30/6/14

10. Loss Per Share

The calculation of basic loss per share for the current quarter and financial year to date are based on the Group loss after taxation of RM2,667,429 for the current quarter and RM4,219,238 for the financial year to date divided by 345,830,979 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 financial year to date are based on the Group loss after taxation of RM2,274,488 for the preceding year corresponding quarter and RM3,404,392 for the corresponding financial year to date divided by 345,830,979 shares, being the weighted average ordinary shares in issue excluding the weighted average treasury shares held by the Company.

11. Supplementary information on the disclosure of realised and unrealised profit or loss

The following analysis of realised and unrealised accumulated losses of the Group at 30 June 2014 and 31 December 2013 is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad (“Bursa Securities”) dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

The accumulated losses of the Group as at 30 June 2014 and 30 June 2013 is analysed as follows:-

	Current Year to date Ended 30 Jun 14 RM’000	Preceding Financial Year Ended 30 Jun 13 RM’000
Total Retained Earnings/ (accumulated Losses)		
Realised	284,695	290,833
Unrealised	31,453	31,290
	<hr/>	<hr/>
	316,148	322,123
Less: Consolidation Adjustments	(349,589)	(347,174)
Total Accumulated Losses	<hr/>	<hr/>
	(33,441)	(25,051)

The disclosure of realised and unrealised losses above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purpose.

By Order of The Board
PETALING TIN BERHAD

LAM HOI KHONG
Chief Financial Officer
Petaling Jaya, Selangor
26 August 2014