



**MAGNUM BERHAD (24217-M)**  
(formerly known as MULTI-PURPOSE HOLDINGS BERHAD)  
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 JUNE 2013**  
(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	3 months ended		6 months ended	
	30.06.2013 RM'000	30.06.2012 RM'000 (restated)	30.06.2013 RM'000	30.06.2012 RM'000 (restated)
<b>Continuing operations</b>				
Revenue	700,319	758,638	1,547,744	1,598,718
Cost of sales	(580,518)	(634,782)	(1,224,643)	(1,320,215)
Gross profit	119,801	123,856	323,101	278,503
Other income	8,104	33,016	13,462	49,238
Administrative expenses	(8,395)	(9,095)	(17,054)	(17,647)
Other expenses	(19,887)	(21,033)	(47,294)	(44,265)
<b>Operating profit</b>	99,623	126,744	272,215	265,829
Finance costs	(13,277)	(22,139)	(27,901)	(45,550)
<b>Profit before tax</b>	86,346	104,605	244,314	220,279
Income tax expense	(14,037)	(456)	(43,637)	(34,689)
<b>Profit/(Loss) for the period from continuing operations</b>	72,309	104,149	200,677	185,590
<b>Discontinued operations</b>				
Profit/(Loss) for the period from discontinued operations	(70,742)	27,072	(45,162)	30,908
<b>Profit for the period</b>	<b>1,567</b>	<b>131,221</b>	<b>155,515</b>	<b>216,498</b>
<b>Other comprehensive income</b>				
<u>Continuing operations</u>				
Foreign currency translation	-	(3)	-	(1)
Changes in fair value of available-for-sale("AFS") assets	(153)	(24,325)	(156)	(24,407)
	(153)	(24,328)	(156)	(24,408)
<u>Discontinued operations</u>				
Realization of revaluation reserves	-	(32)	-	(32)
Changes in fair value of available-for-sale("AFS") assets	2,689	(672)	6,702	4,601
	2,689	(704)	6,702	4,569
<b>Total comprehensive income for the period</b>	<b>4,103</b>	<b>106,189</b>	<b>162,061</b>	<b>196,659</b>
<b>Profit for the period attributable to:</b>				
Owners of the company	649	134,624	150,094	218,348
Non-controlling interests	918	(3,403)	5,421	(1,850)
	<b>1,567</b>	<b>131,221</b>	<b>155,515</b>	<b>216,498</b>
<b>Total comprehensive income for the period attributable to:</b>				
Owners of the Company	3,185	109,592	156,640	198,509
Non-controlling interests	918	(3,403)	5,421	(1,850)
<b>Profit for the period</b>	<b>4,103</b>	<b>106,189</b>	<b>162,061</b>	<b>196,659</b>
<b>Earnings per share ("EPS") attributable to owners of the Company (sen per share):</b>				
Basic, for profit from continuing operations	5.0	7.3	13.7	12.9
Basic, for profit/(loss) from discontinued operations	(5.0)	2.1	(3.2)	2.4
Basic EPS	-	9.4	10.5	15.3

These condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to these interim financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2013

	(UNAUDITED) AS AT 30.06.2013 RM'000	(AUDITED) AS AT 31.12.2012 RM'000
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	44,017	138,074
Investment properties	8,825	659,040
Associated company	-	1,238
Investment securities	238,917	239,968
Intangible assets	2,738,337	2,879,223
Reinsurance assets	-	358,727
Deferred tax assets	1,356	4,502
	<u>3,031,452</u>	<u>4,280,772</u>
<b>Current assets</b>		
Investment securities	68,072	507,649
Inventories	1,363	1,541
Receivables	132,944	197,643
Tax recoverable	90,981	86,333
Cash and bank balances	1,428,435	631,537
	<u>1,721,795</u>	<u>1,424,703</u>
Assets held for sale	-	192,940
	<u>4,753,247</u>	<u>5,898,415</u>
<b>Total Assets</b>		
<b>Equity and liabilities</b>		
<b>Equity attributable to owners of the company</b>		
Share capital	1,437,749	1,437,749
Treasury Shares	(17,657)	(17,657)
Reserves	1,840,462	1,985,194
<b>Shareholders' equity</b>	<u>3,260,554</u>	<u>3,405,286</u>
<b>Non-controlling interests</b>	35,941	27,131
<b>Total equity</b>	<u>3,296,495</u>	<u>3,432,417</u>
<b>Non-current liabilities</b>		
Borrowings	1,037,921	1,130,373
Deferred tax liabilities	3,576	27,499
Provision for retirement benefits	1,199	1,127
Insurance contract liabilities	-	703,003
	<u>1,042,696</u>	<u>1,862,002</u>
<b>Current liabilities</b>		
Payables	411,926	391,036
Borrowings	-	187,112
Tax payable	2,130	8,560
	<u>414,056</u>	<u>586,708</u>
Liabilities held for sale	-	17,288
	<u>1,456,752</u>	<u>2,465,998</u>
<b>Total liabilities</b>		
<b>Total equity and liabilities</b>	<u>4,753,247</u>	<u>5,898,415</u>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<u>2.28</u>	<u>2.39</u>

These condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to these interim financial statements.

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30 JUNE 2013**

	----- Attributable to Equity Holders of the Company -----						NON- CONTROLLING INTERESTS RM'000	TOTAL RM'000
	----- Non-distributable -----							
	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	OTHER RESERVES RM'000	TREASURY SHARES RM'000	RETAINED PROFITS RM'000			
<b>At 1 January 2012</b>	1,437,749	1,413,108	(622,638)	(17,657)	911,774	299,630	3,421,966	
effects arising from adopting of MFRS:								
- MFRS 140	-	-	-	-	219,499	-	219,499	
- MFRS 10	-	-	(102,394)	-	(10,249)	(261,924)	(374,567)	
<b>At 1 January 2012 (restated)</b>	<b>1,437,749</b>	<b>1,413,108</b>	<b>(725,032)</b>	<b>(17,657)</b>	<b>1,121,024</b>	<b>37,706</b>	<b>3,266,898</b>	
Total comprehensive income for the period	-	-	(19,839)	-	218,348	(1,850)	196,659	
Dividend paid	-	-	-	-	(53,525)	(960)	(54,485)	
<b>At 30 June 2012</b>	<b>1,437,749</b>	<b>1,413,108</b>	<b>(744,871)</b>	<b>(17,657)</b>	<b>1,285,847</b>	<b>34,896</b>	<b>3,409,072</b>	
<b>At 1 January 2013</b>	1,437,749	1,413,108	(743,362)	(17,657)	1,315,448	27,131	3,432,417	
Total comprehensive income for the period	-	-	6,546	-	150,094	5,421	162,061	
Accretion of interest arising from the acquisition of additional shares in subsidiaries	-	-	-	-	-	(117)	(117)	
Dividend paid	-	-	-	-	(53,525)	(1,275)	(54,800)	
Disposal of subsidiary companies	-	-	61,390	-	-	4,781	66,171	
Deemed distribution*	-	-	-	-	(309,237)	-	(309,237)	
<b>At 30 June 2013</b>	<b>1,437,749</b>	<b>1,413,108</b>	<b>(675,426)</b>	<b>(17,657)</b>	<b>1,102,780</b>	<b>35,941</b>	<b>3,296,495</b>	

\*The retained profits of the Group included a sum of RM309,237,500 as deemed distribution to shareholders of Magnum Berhad pursuant to the demerger of MPHB Capital Berhad group ("MPHB Cap") from Magnum Berhad. The fair value of the 715,000,000 shares of MPHB Cap is valued at the volume weighted average price of RM1.4325 upon listing and the difference of RM0.4325 (fair value minus nominal value of shares) is deemed as a distribution to shareholders.

These condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to these interim financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2013

	6 months ended	
	30.6.2013	30.6.2012
	RM'000	RM'000
<b>OPERATING ACTIVITIES</b>		
Profit/(Loss) before tax		
- continuing operations	244,314	220,279
- discontinued operations	(36,380)	30,718
Adjustments for:		
Accretion of discounts less amortisation of premiums	2	3
Amortisation of :		
- facility fees	-	6,255
- intangible assets	232	143
Bad debts written off	310	600
Changes in fair value of derivative liabilities	-	(395)
Changes in fair value of investment securities	(3,025)	(11,817)
Depreciation of property, plant and equipment	7,787	8,102
Depreciation of investment properties	884	860
Dividend income on quoted shares and unit trust	(3,211)	(3,033)
Gain on disposal of an associate	-	(17,862)
Gain on disposal of investment securities	(6,476)	(8,244)
Gain on disposal of property, plant and equipment	(129)	(62)
Gain on disposal of investment properties	(1,401)	-
Net loss on disposal of subsidiaries	69,872	-
Increase in reserves for unexpired risks	10,945	11,819
Interest expense	30,640	47,635
Interest income	(20,911)	(18,788)
Impairment losses on property, plant and equipment	-	-
Property, plant and equipment written off	12	29
Provision for bad and doubtful debts	-	10,329
Provision for retirement benefits	435	432
Share of results of associates	310	(3,331)
Unrealised loss on foreign exchange	-	48
Write-back of provision for doubtful debts	-	(1,014)
Operating cash flows before working capital changes	294,210	272,706
Changes in working capital:		
Inventories	(41)	352
Receivables	(45,204)	101,646
Clients' and remisers' monies held in trust	-	1,950
Payables	345,013	(72,859)
Cash flows generated from operations	593,978	303,795
Income tax paid	(62,112)	(81,920)
Retirement benefits paid	(363)	(366)
<b>Net cash flows generated from operating activities</b>	531,503	221,509
<b>INVESTING ACTIVITIES</b>		
Proceeds from disposals of :		
- property, plant and equipment	805	529
- investment securities	133,838	112,316
- associated company	-	62,724
Net cash inflow from disposal of subsidiaries	430,597	-
Purchase of :		
- property, plant and equipment	(4,908)	(4,410)
- investment properties	(1,094)	(1,106)
- investment securities	(57,944)	(181,288)
- intangible assets	(311)	(607)
- additional shares in subsidiaries	(117)	-
Movement in cash deposits pledged	(75)	2,470
Net dividend received from :		
- quoted shares and unit trusts	3,211	3,033
- associate	500	2,500
Interest paid	(30,732)	(46,232)
Interest received	20,933	17,372
<b>Net cash flows generated from/(used in) investing activities</b>	494,703	(32,699)
<b>FINANCING ACTIVITIES</b>		
Dividend paid	(53,525)	(54,485)
Dividend paid to the non controlling entities of a subsidiary	(1,275)	-
Net movement in fixed deposits with licensed bank	278	224
Net repayment of borrowings	(174,583)	(576,965)
<b>Net cash flows used in financing activities</b>	(229,105)	(631,226)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	797,101	(442,416)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	609,195	1,035,029
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	1,406,296	592,613
Cash and cash equivalents consist of :		
Deposits, cash and bank balances	1,428,435	677,935
Bank overdrafts	-	(3,712)
Cash deposits pledged	(21,939)	(22,368)
Clients' money held in trust	-	(51,661)
Remisers' deposits money held in trust	-	(7,111)
Cash deposits with licensed banks with maturity period of more than 3 months	(200)	(470)
	1,406,296	592,613

These condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to these interim financial statements.

## A EXPLANATORY NOTES PURSUANT TO MFRS 134

### A1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in compliance with the requirements of Malaysian Financial Reporting Standard ("MFRS) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Chapter 9 paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The unaudited interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012. The explanatory notes attached to the interim financial statement provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2012.

### A2 Significant Accounting Policies

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the most recent annual financial statement for the year ended 31 December 2012 except for the adoption of the following with effect from 1 January 2013:

#### Effective for financial periods beginning on or after 1 July 2012

Amendments to MFRS 101	Presentation of Items of Other Comprehensive Income
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#### Effective for financial periods beginning on or after 1 January 2013

MFRS 3	Business Combinations
MFRS 10	Consolidated Financial Statements
MFRS 13	Fair Value Measurement
MFRS 119	Employee Benefits
Amendments to MFRS 7	Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 101	Presentation of Financial Statements
Amendments to MFRS 116	Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)
Amendments to MFRS 132	Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)
Amendments to MFRS 134	Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)
Amendments to MFRS 10	Consolidated Financial Statements: Transition Guidance
Amendments to MFRS 11	Joint Arrangements: Transition Guidance
Amendments to MFRS 12	Disclosure of Interests in Other Entities: Transition Guidance

The adoption of the above MFRSs and Amendments to MFRSs did not result in any significant changes in the accounting policies and presentation of the financial results of the Group.

### A3 Seasonal or Cyclical Factors

The business operations of the Group are generally dependent on the state of the overall economic environment.

### A4 Unusual Items Affecting Interim Financial Report

There were no other unusual items as a result of their nature, size or incidence that had affected assets, liabilities, equity, net income or cash flows for the period ended 30 June 2013 except for that as disclosed in Note A10.

### A5 Accounting Estimates

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the current financial quarter.

### A6 Changes in Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the quarter under review.

## A EXPLANATORY NOTES PURSUANT TO MFRS 134

### A7 Dividends Paid

During the financial period ended 30 June 2013, the Company paid an interim dividend on 2 April 2013, in respect of financial year ending 31 December 2013, of 5 sen per share less 25% tax amounting to RM53.5 million.

### A8 Segmental Information

	6 months ended	
	30.06.2013	30.06.2012
	RM'000	RM'000
<b>Segmental Revenue</b>		
Gaming	1,546,572	1,598,561
Corporate & others	30,348	19,951
	<u>1,576,920</u>	<u>1,618,512</u>
Eliminations	(29,176)	(19,794)
Continuing operations	1,547,744	1,598,718
Discontinued operations	152,862	186,245
Total	<u>1,700,606</u>	<u>1,784,963</u>
<b>Segmental Results</b>		
Gaming	222,101	167,593
Corporate & others	402,600	139,096
	<u>624,701</u>	<u>306,689</u>
Eliminations	(380,387)	(86,410)
Continuing operations	244,314	220,279
Discontinued operations	(36,380)	30,718
Profit Before Tax	<u>207,934</u>	<u>250,997</u>

### A9 Material Subsequent Events

There were no other material subsequent events except as disclosed in Note B7 since the end of the current quarter up to the date of this announcement.

### A10 Changes in Composition of the Group

There were no changes in the composition of the Group during the financial period ended 30 June 2013 except for the following:

- (a) On 18 January 2013, the Company announced that the proposed disposal of the entire issued and paid-up shares of A.A. Anthony Securities Sdn Bhd ("AAA") had been completed at a total purchase price of RM169,263,137 based on the NTA of AAA as at 31 December 2012 of RM174,265,637 less the Agreed Distribution of RM20,002,500 to DPSB, a wholly-owned subsidiary of the Company, plus a premium of RM15,000,000.

Following the completion of the Proposed Disposal, AAA and its subsidiaries (i.e. A.A. Anthony Nominees (Tempatan) Sdn Bhd and A.A. Anthony Nominees (Asing) Sdn Bhd) have ceased to be subsidiaries of the Company.

- (b) On 27 June 2013, the Company announced the completion of its offer for sale of all its 715,000,000 shares of RM1.00 each in MPH Capital Berhad ("Offer for Sale") to all entitled shareholders of the Company at an offer price of RM1.00 each.

Following the completion of the Offer for Sale, MPH Capital Berhad and its subsidiaries ceased to be subsidiaries of the Company.

## A EXPLANATORY NOTES PURSUANT TO MFRS 134

### A11 Fair Value Hierarchy

The Group uses the following hierarchy for determining the fair value of all financial instruments carried at fair value:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value observable, either directly or indirectly.

As at the reporting date, the Group held the following financial assets that are measured at fair value:

		Level 1 RM'000	Level 2 RM'000	Not at fair value RM'000	Total RM'000
<b>30 June 2013</b>					
Current	FVTPL	67,654	-	-	67,654
Current	AFS	-	-	418	418
Non-current	AFS	-	-	238,917	238,917
		<u>67,654</u>	<u>-</u>	<u>239,335</u>	<u>306,989</u>
<b>31 December 2012</b>					
Current	FVTPL	150,952	-	-	150,952
Current	AFS	61,967	294,730	-	356,697
Non-current	AFS	-	-	239,968	239,968
		<u>212,919</u>	<u>294,730</u>	<u>239,968</u>	<u>747,617</u>

### A12 Contingent Liabilities

There were no changes in contingent liabilities or contingent assets since the last audited reporting date as at 31 December 2012.

## B NOTES REQUIRED UNDER THE LISTING REQUIREMENTS OF BURSA SECURITIES

### B1 Review of Performance of the Group

#### 2Q 2013 vs 2Q 2012

The Groups' pre-tax profit from continuing operations for the current quarter shows a lower profitability at RM86.3 million when compared to RM104.6 million achieved in 2Q 2012. The decline in pre-tax profit is due to lower gain recorded in the Corporate division, mitigated by a slightly higher pre-tax profit registered by the Gaming division as a result of lower operating expenses and finance cost.

As Magnum Berhad's business is now more focused as a number forecast operator, the results is dependent on the number of draws in the financial period, together with the actual payout ratio and disposable income of the general public.

#### **Gaming**

Gaming pre-tax profit saw a slight increase of RM5.2 million from RM68.5 million in the corresponding quarter last year to RM73.7 million in the current quarter due to better prize payout, lower operating expenses and finance cost. Sales figures have declined between the comparing quarters due to weaker economic environment and competition from illegal operators, coupled with weaker pull factors at outlets as the 4D Jackpot game prize pool remained low in this quarter due to higher frequency of its Jackpot 1 prize pool being struck.

#### **Corporate and Others**

The Corporate and Others Division reported a pre-tax profit of RM12.6 million in the current quarter as compared to a profit of RM36 million in 2012. The lower profit is mainly due to gains recorded in 2012 arising from the sale of shares in an associated company as well as higher gain on fair value adjustment in quoted investments.

## **B NOTES REQUIRED UNDER THE LISTING REQUIREMENTS OF BURSA SECURITIES**

### **B1 Review of Performance of the Group (Cont'd)**

#### **2Q 2013 vs 2Q 2012 (cont'd)**

##### **Discontinued Operations**

Included in the loss from discontinued operations is a loss on disposal of shares in MPHB Capital Berhad of RM84.9 million, pursuant to the demerger and listing exercise of MPHB Cap which was completed on 28 June 2013.

#### **1H 2013 vs 1H 2012**

The Group reported a 6 months pre-tax profit of RM244.3 million compared to RM220.2 million recorded in 1H 2012, which is RM24.1 million higher than that recorded in the last year corresponding period. The better result is due to better performance from the Gaming division.

##### **Gaming**

Gaming pre-tax profit increased by RM54.5 million from RM167.6 million of 1H 2012 to RM222.1 million in the current 6 months period. Despite of the drop in gaming revenue, the better results was mainly attributable to the lower prize payout and finance cost. Gaming revenue have declined between the year-to-date periods due to weaker economic environment and competition from illegal operators, coupled with weaker pull factors at outlets as the 4D Jackpot 1 prize pool remained low due to the frequency of strikes.

##### **Corporate and Others**

The Corporate and Others Division recorded a lower pre-tax profit of RM22.2 million when compared to the last corresponding period of RM52.7 million. The drop in profit was due to a higher gains registered in 2012 arising from the sale of shares in an associated company and gains from fair value adjustments in quoted investments.

##### **Discontinued Operations**

Included in the loss from discontinued operations is a net loss on disposal of RM69.8 million arising from the disposal of MPHB Cap, pursuant to the demerger and listing exercise and the gain from disposal of the stockbroking subsidiary.

### **B2 Material change in Profit Before Tax for the current quarter compared with the immediate preceding quarter**

The Group's pre-tax profit is lower in current quarter compared to preceding quarter by RM86.7 million, dropped from RM173.0 million in preceding quarter to RM86.3 million in current quarter. This is mainly caused by lower gaming profits as explained in the ensuing paragraph.

Revenue in the current quarter is lower by RM147.3 million when compared to preceding quarter mainly due to preceding quarter benefiting from the seasonal Chinese New Year factor. The drop in revenue was also exacerbated by 2 less draws in this current quarter at 44 draws vs 46 draws in preceding quarter. Prize payout was also higher in the current quarter compared to the preceding quarter, resulting in a lower profit.

### **B3 Prospects**

Despite global economic uncertainties, the Malaysian economy remains relatively resilient as it is mainly domestically driven with various initiatives under the Economic Transformation Programme.

With the completion of the demerger exercise, the management will be able to concentrate on the gaming business to improve the operational and financial efficiency so as to achieve its goals and objectives.

##### **Gaming**

The Gaming Division will continue to play a pivotal role to drive revenue by creating market presence and through brand loyalty. First quarter of the year where the Chinese New Year festive season falls will remain the major contributing factor to revenue. Other factors that affect the level of sales are the size of the Jackpot prize pool and the disposable income of the customers.



## B NOTES REQUIRED UNDER THE LISTING REQUIREMENTS OF BURSA SECURITIES

### B4 Statement of the Board of Directors' opinion on achievability of revenue or profit estimate, forecast, projection and internal targets previously announced

Not applicable

### B5 Profit Forecast and Profit Guarantee

There was no profit forecast or profit guarantee issued by the Company.

### B6 Income Tax Expense

	3 months ended		6 months ended	
	30.06.2013 RM'000	30.06.2012 RM'000 (restated)	30.06.2013 RM'000	30.06.2012 RM'000 (restated)
<b>Continuing operations:</b>				
Current income tax:				
Malaysian income tax	14,037	(324)	43,666	33,616
income tax in prior years	-	567	(29)	567
	<u>14,037</u>	<u>243</u>	<u>43,637</u>	<u>34,183</u>
Deferred tax	-	-	-	-
Relating to origination and reversal of temporary differences	-	213	-	501
Overprovision in prior years	-	-	-	5
Total income tax expense from continuing operations	<u>14,037</u>	<u>456</u>	<u>43,637</u>	<u>34,689</u>
<b>Discontinued operations:</b>				
Current income tax:				
Malaysian income tax	5,510	6,725	8,782	8,840
income tax in prior years	-	(1)	-	(106)
	<u>5,510</u>	<u>6,724</u>	<u>8,782</u>	<u>8,734</u>
Deferred tax	-	-	-	-
Relating to origination and reversal of temporary differences	-	(3)	-	(7)
Overprovision in prior years	-	(8,917)	-	(8,917)
Total income tax expense from discontinued operations	<u>5,510</u>	<u>(2,196)</u>	<u>8,782</u>	<u>(190)</u>
<b>Total income tax expense</b>	<u>19,547</u>	<u>(1,740)</u>	<u>52,419</u>	<u>34,499</u>

The effective tax rate on the continuing operations of the Group was lower than the statutory tax rate mainly due to availability of tax credit for set-off against tax expenses.

### B7 Corporate Proposals

- I. Proposed demerger of the Gaming and Special Purpose Vehicle Capital Businesses of the Company and its subsidiaries;
- II. Proposed capital repayment to the entitled shareholders of the Company ("Capital Repayment"); and
- III. Proposed name change  
(Collectively referred to as the "Proposals")

On 20 August 2013, the Company implemented the final phase of the above Proposals, which is the Capital Repayment, whereby an amount of RM696,500,000 was distributed to all entitled shareholders of the Company in proportion to their shareholdings in the Company. With the completion of these Proposals, there were no other corporate proposals announced but not completed as at the date of this announcement.

## B NOTES REQUIRED UNDER THE LISTING REQUIREMENTS OF BURSA SECURITIES

### B8 Borrowings

The Group's borrowings as at 30 June 2013 are as follows:

	<b>Secured RM'000</b>
<b>Long term</b>	
Medium term notes	987,988
Term loan	49,933
<b>Total</b>	<b><u>1,037,921</u></b>

All the borrowings are denominated in Ringgit Malaysia.

### B9 Material Litigation

Following the completion of the Offer for Sale of MPH Capital Berhad shares (as disclosed in Note A10 (b)) where MPH Capital Berhad and subsidiaries ceased to be subsidiaries of the Company, there is no pending material litigation as at the date of this announcement.

### B10 Dividends

The Board of Directors is pleased to declare a 2nd interim single tier dividend of 5% for the financial year ending 31 December 2013 to be paid on 27 September 2013 to shareholders registered on the Register of Depositors at the close of business on 11 September 2013.

### B11 Basic Earnings Per Share

Basic earnings per share is calculated by dividing the profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period, excluding treasury shares held by the Company.

	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>30.06.2013</b>	<b>30.06.2012</b>	<b>30.06.2013</b>	<b>30.06.2012</b>
Profit from continuing operations (RM'000)	71,143	103,808	195,498	183,913
Profit/(Loss) from discontinued operations (RM'000)	<u>(70,494)</u>	<u>30,816</u>	<u>(45,404)</u>	<u>34,435</u>
<b>Profit for the period attributable to owners of the Company (RM'000)</b>	<b><u>649</u></b>	<b><u>134,624</u></b>	<b><u>150,094</u></b>	<b><u>218,348</u></b>
Weighted average number of ordinary share in issue ('000)	1,427,321	1,427,321	1,427,321	1,427,321
Basic EPS for profit from continuing operations (sen)	5.0	7.3	13.7	12.9
Basic EPS for profit from discontinued operations (sen)	<u>(5.0)</u>	<u>2.1</u>	<u>(3.2)</u>	<u>2.4</u>
<b>Basic EPS (sen)</b>	<b><u>-</u></b>	<b><u>9.4</u></b>	<b><u>10.5</u></b>	<b><u>15.3</u></b>

### B12 Auditor's Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 December 2012 was not qualified.

## B NOTES REQUIRED UNDER THE LISTING REQUIREMENTS OF BURSA SECURITIES

### B13 Profit before tax

	2nd quarter ended 30.06.2013 RM'000	6 months ended 30.06.2013 RM'000
<b>The profit before taxation for the period is arrived after charging/(crediting):</b>		
<b><u>Continuing operations</u></b>		
Amortisation of intangible assets	3	6
Changes in fair value of investment securities	(3,346)	(4,255)
Depreciation of property, plant and equipment	2,174	4,349
Dividend income on quoted shares and unit trust	(387)	(697)
Loss/(Gain) on disposal of property, plant and equipment	57	(13)
Gain on disposal of investment securities	(122)	(1,164)
Interest expense	13,277	27,901
Interest income	(3,855)	(6,489)
Property, plant and equipment written off	3	5
Provision for retirement benefits	217	435
Write-back of provision for doubtful debts	(315)	(435)
<b><u>Discontinued operations</u></b>		
Amortisation of intangible assets	115	226
Bad debts written off	268	310
Changes in fair value of investment securities	(906)	1,230
Depreciation of investment properties	442	884
Depreciation of property, plant and equipment	1,716	3,438
Dividend income on quoted shares and unit trust	(1,321)	(2,514)
Gain on disposal of investment properties	-	(1,401)
Gain on disposal of property, plant and equipment	-	(115)
Gain on disposal of investment securities	(1,618)	(5,312)
Net loss on disposal of subsidiaries	84,907	69,872
Increase in reserves for unexpired risks	6,103	10,945
Interest expense	1,373	2,739
Interest income	(8,509)	(14,422)
Property, plant and equipment written off	7	7
Write-back of provision for doubtful debts	(594)	(232)
Share of results of associates	21	310

### B14 Retained profits

	As at 30.06.2013 RM'000	As at 31.12.2012 RM'000
Total retained profits		
- realised	1,100,179	1,264,195
- unrealised	2,601	32,903
Total share of retained profits from associates		
- realised	-	18,350
- unrealised	-	-
Retained profits as per Statement of Changes in Equity	1,102,780	1,315,448

By Order Of The Board

Company Secretary  
22 August 2013