

**PAN MALAYSIAN INDUSTRIES BERHAD**

**Company No: 5138 - W  
(Incorporated in Malaysia)**

**INTERIM FINANCIAL REPORT  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2011**

**PAN MALAYSIAN INDUSTRIES BERHAD**

Company No : 5138 - W  
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT  
SECOND QUARTER ENDED 30 SEPTEMBER 2011**

(The figures are unaudited)

**CONDENSED CONSOLIDATED INCOME STATEMENT  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011**

	SECOND QUARTER		CUMULATIVE 6 MONTHS	
	30.09.2011	30.09.2010	30.09.2011	30.09.2010
	RM'000	RM'000	RM'000	RM'000
Revenue	1,117	1,198	2,274	2,394
Operating expenses	(741)	(833)	(1,335)	(1,292)
Profit from operations	376	365	939	1,102
Other income	-	-	-	7
Exceptional items	-	(52)	-	(681)
Finance cost	(2,300)	(2,209)	(4,483)	(4,266)
Share of results of an associate	(1,048)	6,320	(1,021)	6,616
(Loss)/Profit before tax	(2,972)	4,424	(4,565)	2,778
Tax expense	(213)	(55)	(279)	(115)
(Loss)/Profit for the financial period	(3,185)	4,369	(4,844)	2,663
	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>
(Loss)/Earnings per share attributable to equity holders of the Company:				
- Basic	(0.25)	0.35	(0.38)	0.21
- Diluted	N/A	N/A	N/A	N/A

N/A : Not applicable

*The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2011 and the accompanying explanatory notes attached to the interim financial statements.*

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**INTERIM FINANCIAL REPORT**  
**SECOND QUARTER ENDED 30 SEPTEMBER 2011**  
(The figures are unaudited)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011**

	SECOND QUARTER		CUMULATIVE 6 MONTHS	
	30.09.2011 RM'000	30.09.2010 RM'000	30.09.2011 RM'000	30.09.2010 RM'000
(Loss)/Profit for the financial period	(3,185)	4,369	(4,844)	2,663
Other comprehensive gain/(loss), net of tax:				
Share of other comprehensive loss of an associate	2,537	(1,168)	1,486	(1,807)
Total comprehensive (loss)/gain for the the financial period	<u>(648)</u>	<u>3,201</u>	<u>(3,358)</u>	<u>856</u>
Total comprehensive (loss)/gain attributable to equity holders of the Company:	<u>(648)</u>	<u>3,201</u>	<u>(3,358)</u>	<u>856</u>

*The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2011 and the accompanying explanatory notes attached to the interim financial statements.*

**PAN MALAYSIAN INDUSTRIES BERHAD**

Company No: 5138-W  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2011**

	30.09.2011 RM'000	31.03.2011 RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	2	3
Investment property	39,001	39,276
Associate	127,981	127,517
Land held for property development	10,048	10,006
Goodwill on consolidation	2,269	2,269
	<hr/> 179,301	<hr/> 179,071
<b>Current Assets</b>		
Trade and other receivables	816	798
Cash and cash equivalents	408	311
	<hr/> 1,224	<hr/> 1,109
<b>TOTAL ASSETS</b>	<hr/> <b>180,525</b>	<hr/> <b>180,180</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	63,163	63,163
Reserves	(37,035)	(33,677)
<b>Total Equity</b>	<hr/> <b>26,128</b>	<hr/> <b>29,486</b>
<b>Non-Current Liability</b>		
Borrowings	44,192	65,172
Deferred tax	2,273	2,273
	<hr/> 46,465	<hr/> 67,445
<b>Current Liabilities</b>		
Other payables	16,684	16,642
Bank borrowings	91,020	66,568
Current tax	228	39
	<hr/> 107,932	<hr/> 83,249
<b>Total Liabilities</b>	<hr/> <b>154,397</b>	<hr/> <b>150,694</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<hr/> <b>180,525</b>	<hr/> <b>180,180</b>
	<b>Sen</b>	<b>Sen</b>
Net assets per share attributable to equity holders of the Company	2.07	2.35

*The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2011 and the accompanying explanatory notes attached to the interim financial statements.*

**PAN MALAYSIAN INDUSTRIES BERHAD**

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011**

**CUMULATIVE 6 MONTHS**

	<b>Share Capital RM'000</b>	<b>Non- distributable Reserves RM'000</b>	<b>Accumulated Losses RM'000</b>	<b>Total Equity RM'000</b>
<b>At 1 April 2011</b>				
As previously stated	63,163	12,545	(46,222)	29,486
Total comprehensive gain/(loss) for the financial year	-	1,486	(4,844)	(3,358)
<b>At 30 September 2011</b>	<b>63,163</b>	<b>14,031</b>	<b>(51,066)</b>	<b>26,128</b>
<b>At 1 April 2010</b>				
As previously stated	61,983	17,071	(42,211)	36,843
- effect of adopting IC Int. 13 by an associate	-	-	(727)	(727)
- effect of adopting FRS 139 by an associate	-	3,296	19	3,315
As restated	61,983	20,367	(42,919)	39,431
Total comprehensive gain/(loss) for the financial period	-	(1,807)	2,663	856
Issuance of shares	1,180	-	-	1,180
<b>At 30 September 2010</b>	<b>63,163</b>	<b>18,560</b>	<b>(40,256)</b>	<b>41,467</b>

*The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2011 and the accompanying explanatory notes attached to the interim financial statements.*

**PAN MALAYSIAN INDUSTRIES BERHAD**

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011**

	<b>CUMULATIVE 6 MONTHS</b>	
	<b>30.09.2011</b>	<b>30.09.2010</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash Flows From Operating Activities</b>		
(Loss)/Profit before tax	(4,565)	2,778
Net adjustments :-		
Non-cash items	4,758	4,526
Non-operating items	1,021	(5,935)
Operating profit before working capital changes	<u>1,214</u>	<u>1,369</u>
Net change in current assets	(18)	1,030
Net change in current liabilities	(213)	(900)
Incidental cost on development property	(42)	-
Interest expense paid	(4,227)	(4,026)
Interest income received	-	14
Tax paid	(90)	(124)
Net cash used in operating activities	<u>(3,376)</u>	<u>(2,637)</u>
<b>Cash Flows From Investing Activities</b>		
Net cash used in investing activities	<u>-</u>	<u>-</u>
<b>Cash Flows From Financing Activities</b>		
Proceeds from issuance of ordinary shares	-	1,180
Drawdown of bank borrowings	3,473	3,117
Net cash from financing activities	<u>3,473</u>	<u>4,297</u>
Net increase in cash and cash equivalents	97	1,660
Cash and cash equivalents at beginning of the financial year	311	1,722
<b>Cash and cash equivalents at end of the financial year</b>	<u><b>408</b></u>	<u><b>3,382</b></u>
Cash and cash equivalents consist of the following:-		
Deposits, bank balances and cash	<u>408</u>	<u>3,382</u>

*The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2011 and the accompanying explanatory notes attached to the interim financial statements.*

**PAN MALAYSIAN INDUSTRIES BERHAD**

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**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011**

**A. EXPLANATORY NOTES PURSUANT TO FRS 134 INTERIM FINANCIAL REPORTING**

**A1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and Chapter 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2011. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of changes in the financial position and performance of the Group since the year ended 31 March 2011.

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 March 2011 except for the adoption of the following new Financial Reporting Standards ("FRS"), Amendments to FRSs and IC Interpretations with effect from 1 April 2011:-

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations (Revised)
FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 1	Additional Exemptions For First-time Adopters
Amendments to FRS 2	Share-based payment
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 7	Financial Instruments: Disclosures
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 138	Intangible Assets
IC Interpretation 4	Determining Whether an Arrangement Contains a lease
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
IC Interpretation 18	Transfers of Assets from Customer
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives

Other than the disclosures under the amendments to FRS 7, the adoption of the above FRSs, Amendments to FRSs and IC Interpretation did not result in any significant changes in the accounting policies and the presentation of the financial results of the Group.

**A2. Seasonal or Cyclical Factors**

The business of the Group's associate where seasonal or cyclical factors would have some effects on the operations are as follows:-

- (a) The retailing operations in Malaysia have seasonal peaks in tandem with the year end school holidays, various festive seasons and during sales promotions. The retailing operations in United Kingdom normally record better sales in the third quarter of the financial year due to Christmas season;
- (b) The hotel operations in United Kingdom normally experience low trading after Christmas, New Year and Easter due to the after effects of the holiday seasons. Additionally, winter periods will also experience a decline in trading; and
- (c) The food and confectionery operations in Malaysia, Singapore and Hong Kong will normally record better sales during the various festive seasons.

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**A3. 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 in the financial period ended 30 September 2011.

**A4. Changes in Estimates Reported in Prior Interim Periods**

There were no changes in estimates of amounts reported in prior financial year which may have a material effect in the financial period ended 30 September 2011.

**A5. Issuance or Repayment of Debts and Equity Securities**

There were no issuances or repayments of debt and equity securities, share buybacks, share cancellations and resale of treasury shares for the financial period ended 30 September 2011.

**A6. Dividends Paid**

No dividend was paid in the financial period ended 30 September 2011.

**A7. Segment Information**

The analysis of the Group's operations for the 6 months ended 30 September 2011 is as follows:-

	<b>Investment Property RM'000</b>	<b>Investment Holding RM'000</b>	<b>Elimination RM'000</b>	<b>Group RM'000</b>
<b>REVENUE</b>				
External revenue	2,274	-	-	2,274
Inter-segments revenue	7	1,125	(1,132)	-
	<u>2,281</u>	<u>1,125</u>	<u>(1,132)</u>	<u>2,274</u>
<b>RESULTS</b>				
Segment results	<u>1,359</u>	<u>(420)</u>		939
Finance costs				(4,483)
Share of results of an associate				(1,021)
Loss before tax				<u>(4,565)</u>
Tax expense				(279)
Loss for the financial period				<u>(4,844)</u>
<b>Segment assets</b>	<u>52,348</u>	<u>128,177</u>		<u>180,525</u>

**A8. Property, Plant and Equipment**

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

**A9. Material Events Subsequent to the End of the Interim Period**

There were no material events subsequent to the financial period ended 30 September 2011 and up to date of this report that have not been reflected in the financial statements for the said period as at the date of this report.

**A10. Changes in the Composition of the Group**

There were no changes in the composition of the Group during the financial period ended 30 September 2011.



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**A11. Contingent Liabilities**

There are no material contingent liabilities as at the date of this report.

**A12. Capital Commitments**

The Group has no material capital commitments as at the date of this report.

**B. ADDITIONAL INFORMATION PURSUANT TO BURSA SECURITIES MAIN MARKET LISTING REQUIREMENTS**

**B1. Review of Performance**

The Group recorded a revenue of RM2.3 million for the 6 months ended 30 September 2011. The revenue comprised substantially rental income from its investment property. For the same period, the Group recorded loss before tax of RM4.6 million as compared to the pre tax profit of RM2.8 million for the previous year corresponding period. The pre tax loss for the current period was mainly due to share of losses of an associate.

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

In the current quarter, the Group recorded a revenue of RM1.1 million, which is close to preceding quarter's revenue of RM1.2 million and pre tax loss of RM3.0 million as compared to pre tax loss of RM1.6 million in the preceding quarter. The higher loss for the current quarter was mainly due to higher share of losses of an associate.

**B3. Prospects for Financial Year Ending 31 March 2012**

The Company received a Notice of an Unconditional Take-Over Offer from the Joint Offerors on 26 August 2011, the details of which are disclosed in B8.

Notwithstanding the above, the Group expects the business environment in the financial year ending 31 March 2012 to remain challenging as the main source of revenue is rental income. The Group will continue its efforts to increase earnings base and further implement its rationalisation exercises to strengthen its financial position.

**B4. Variance of Actual Results from Projected Results**

There was no profit forecast announced by the Company relating to the financial period ended 30 September 2011.

**B5. Tax expense**

	SECOND QUARTER		CUMULATIVE 6 MONTHS	
	30.09.2011	30.09.2010	30.09.2011	30.09.2010
	RM'000	RM'000	RM'000	RM'000
Current taxation	237	55	303	115
Over provision in respect of prior years	(24)	-	(24)	-
	213	55	279	115

The tax provision of the Group for the financial period ended 30 September 2011 includes the company and a subsidiary with taxable profit.

**B6. Sale of Unquoted Investments and/or Properties**

There were no disposals of unquoted investments or properties in the financial period ended 30 September 2011.

**B7. Quoted Securities**

There were no purchases or disposals of quoted securities in the financial period ended 30 September 2011.

## PAN MALAYSIAN INDUSTRIES BERHAD

Company No: 5138-W  
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### B8. Status of Corporate Proposals

The Board of Directors of Pan Malaysian Industries Berhad ("PMI" or the "Company") announced that on 26 August 2011 received a Notice of an Unconditional Take-Over Offer ("Notice") from PM Securities Sdn Bhd on behalf of Soo Lay Holdings Sdn Bhd, Norcross Limited and Cherubim Investment (HK) Limited (collectively referred to as the "Joint Offerors") of the Joint Offerors' intention to undertake an unconditional take-over offer ("Offer") to acquire the remaining 558,000,148 ordinary shares of RM0.05 each in the Company ("PMI Shares"), representing 44.17% of the issued and paid-up share capital of PMI which are not already owned by the Joint Offerors ("Offer Shares") at a cash offer price of RM0.045 per Offer Share.

The Board of Directors of PMI also announced that it is not seeking another person to make an offer for PMI shares.

The Offer is conditional upon the approvals being obtained from the following:

- (a) the SC for the Offer Document;
- (b) the Equity Compliance Unit of the SC ("ECU") approving the Offer under the equity requirements for companies listed on Bursa Malaysia Securities Berhad ("Bursa Securities") and
- (c) any other relevant parties, if required.

Other than the above, the Group has not announced any corporate proposals which have not been completed as at the date of this report.

### B9. Group Borrowings

As at 30 September 2011, all the Group borrowings amounting to RM135.2 million which are unsecured were classified under current and non current liabilities. There are no borrowings denominated in foreign currencies.

### B10. Derivative Financial Instruments

There were no derivative financial instruments at the date of this report.

### B11. Fair Value Changes of Financial Liabilities

As at 30 September 2011, the Group does not have any financial liabilities measured at fair value through profit or loss.

### B12. Realised and Unrealised Profits/(Losses)

The accumulated losses of the Group comprised the following:-

	30.09.2011	31.03.2011
	RM'000	RM'000
The accumulated losses of the Company and its subsidiaries:-		
Realised	(474,281)	(471,480)
Unrealised	(2,273)	(2,273)
	<u>(476,554)</u>	<u>(473,753)</u>
Total share of accumulated profit/(losses) of an associate:		
Realised	(257,043)	(259,084)
Unrealised	822	3,884
	<u>(732,775)</u>	<u>(728,953)</u>
Less : Consolidation adjustments	681,709	682,731
Total accumulated losses	<u>(51,066)</u>	<u>(46,222)</u>

### B13. Material Litigation

There is no material litigation as at the date of this report.

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**B14. Dividend**

No dividend has been declared by the Board for the financial period ended 30 September 2011.

**B15. (Loss)/Earnings Per Share**

**(a) (Loss)/Earnings per share**

The (loss)/earnings per share is calculated by dividing the (loss)/profit for the year attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period as follows:

	<b>SECOND QUARTER</b>		<b>CUMULATIVE 6 MONTHS</b>	
	<b>30.09.2011</b>	<b>30.09.2010</b>	<b>30.09.2011</b>	<b>30.09.2010</b>
(Loss)/Profit attributable to equity holders of the Company (RM'000)	(3,185)	4,369	(4,844)	2,663
Weighted average number of ordinary shares in issue ('000)	1,263,261	1,244,536	1,263,261	1,244,536
(Loss)/Earnings per share (sen)	(0.25)	0.35	(0.38)	0.21

**b) Diluted loss per share**

The diluted loss per share is not disclosed as it is not applicable

**B16. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the financial statements for the financial year ended 31 March 2011 was not qualified.

**On behalf of the Board**  
**PAN MALAYSIAN INDUSTRIES BERHAD**

**LEONG PARK YIP**  
**Company Secretary**  
**22 November 2011**