

**PAN MALAYSIAN INDUSTRIES BERHAD**

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

**INTERIM FINANCIAL REPORT  
FOR THE FIRST QUARTER ENDED 30 JUNE 2013**

**PAN MALAYSIAN INDUSTRIES BERHAD**

Company No : 5138 - W  
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT  
FIRST QUARTER ENDED 30 JUNE 2013**

(The figures are unaudited)

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2013**

	FIRST QUARTER		CUMULATIVE 3 MONTHS	
	30.06.2013 RM'000	30.06.2012 RM'000	30.06.2013 RM'000	30.06.2012 RM'000
<b>Continuing operations</b>				
Revenue	-	-	-	-
Operating expenses	(28)	(166)	(28)	(166)
Loss from operations	(28)	(166)	(28)	(166)
Finance cost	(2,208)	(2,259)	(2,208)	(2,259)
Share of results of an associate	1,378	(161)	1,378	(161)
Loss before tax	(858)	(2,586)	(858)	(2,586)
Tax expense	(104)	(106)	(104)	(106)
Loss for the financial period from continuing operations	(962)	(2,692)	(962)	(2,692)
<b>Discontinued operation</b>				
Profit for the financial period from discontinued operation, net of tax	660	650	660	650
Loss for the financial period	(302)	(2,042)	(302)	(2,042)
<b>Other comprehensive income :-</b>				
Other comprehensive income, net of tax:				
Share of other comprehensive income of an associate	965	2,918	965	2,918
Total comprehensive income for the financial period	663	876	663	876
(Loss)/Earnings per share attributable to equity holders of the Company:-				
	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>
<b>Continuing operations</b>				
Basic and diluted	(0.08)	(0.21)	(0.08)	(0.21)
<b>Discontinued operation</b>				
Basic and diluted	0.05	0.05	0.05	0.05

*The Condensed Consolidated Statements Of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2013 and the accompanying explanatory notes attached to the interim financial statements.*

**PAN MALAYSIAN INDUSTRIES BERHAD**

Company No: 5138-W  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 30 JUNE 2013**

	<b>30.06.2013</b> <b>(Unaudited)</b> <b>RM'000</b>	<b>31.03.2013</b> <b>(Audited)</b> <b>RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	5	6
Investment property	23,875	23,860
Associate	101,910	97,812
	<u>125,790</u>	<u>121,678</u>
<b>Current Assets</b>		
Non current assets held for sale	55,000	55,000
Trade and other receivables	437	529
Cash and cash equivalents	3,333	105
	<u>58,770</u>	<u>55,634</u>
<b>TOTAL ASSETS</b>	<u>184,560</u>	<u>177,312</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	63,163	63,163
Reserves	(54,448)	(56,867)
<b>Total Equity</b>	<u>8,715</u>	<u>6,296</u>
<b>Current Liabilities</b>		
Other payables	36,624	32,754
Bank borrowings	131,977	130,994
Current tax liabilities	7,244	7,268
	<u>175,845</u>	<u>171,016</u>
<b>Total Liabilities</b>	<u>175,845</u>	<u>171,016</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>184,560</u>	<u>177,312</u>
	<b>Sen</b>	<b>Sen</b>
Net assets per share attributable to equity holders of the Company	<u>0.69</u>	<u>0.50</u>

*The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2013 and the accompanying explanatory notes attached to the interim financial statements.*

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**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2013****CUMULATIVE 3 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 2013</b>	63,163	9,793	(66,660)	6,296
Loss for the financial period	-	-	(302)	(302)
Share of other comprehensive income of an associate	-	965	1,756	2,721
<b>At 30 June 2013</b>	<b>63,163</b>	<b>10,758</b>	<b>(65,206)</b>	<b>8,715</b>
<b>At 1 April 2012</b>				
As previously stated	63,163	13,145	(51,906)	24,402
Deferred tax	-	-	(956)	(956)
Change in accounting policies	-	-	11,273	11,273
As restated	<b>63,163</b>	<b>13,145</b>	<b>(41,589)</b>	<b>34,719</b>
Loss for the financial period	-	-	(2,042)	(2,042)
Share of other comprehensive income of an associate	-	2,918	-	2,918
<b>At 30 June 2012</b>	<b>63,163</b>	<b>16,063</b>	<b>(43,631)</b>	<b>35,595</b>

*The Condensed Consolidated Statements of Changes In Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2013 and the accompanying explanatory notes attached to the interim financial statements.*

**PAN MALAYSIAN INDUSTRIES BERHAD**

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

	<b>CUMULATIVE 3 MONTHS</b>	
	<b>30.06.2013</b>	<b>30.06.2012</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash Flows From Operating Activities</b>		
Profit/(Loss) before tax		
- Continuing operations	(858)	(2,586)
- Discontinued operation	750	701
Net adjustments :-		
Non-cash items	2,208	2,396
Non-operating items	(1,378)	161
Operating profit before working capital changes	<u>722</u>	<u>672</u>
Net changes in working capital	3,831	1,640
Interest expense paid	(2,075)	(2,159)
Net tax paid	(218)	(232)
Net cash generated from/(used in) operating activities	<u>2,260</u>	<u>(79)</u>
<b>Cash Flows From Investing Activity</b>		
Additional cost incurred on investment property	(15)	-
Net cash used in investing activity	<u>(15)</u>	<u>-</u>
<b>Cash Flows From Financing Activities</b>		
Drawdown of bank borrowings	983	62
Net cash generated from financing activities	<u>983</u>	<u>62</u>
Net increase/(decrease) in cash and cash equivalents	3,228	(17)
Cash and cash equivalents at 1 April	105	84
<b>Cash and cash equivalents at 30 June</b>	<u>3,333</u>	<u>67</u>

*The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2013 and the accompanying explanatory notes attached to the interim financial statements.*

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**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2013**

**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 2013. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to and understanding of changes in the financial position and performance of the Group since the year ended 31 March 2013.

**A2. Significant Accounting Policies**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 March 2013 except for the adoption of the following new Financial Reporting Standards ("FRS"), Amendments to FRSs and IC Interpretations with effect from 1 April 2013:-

MFRS 3	Business Combinations
MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of Interests in Other Entities
MFRS 13	Fair Value Measurement
MFRS 119	Employee Benefits (revised)
MFRS 127	Consolidated and Separate Financial Statements (revised)
MFRS 128	Investments in Associates and Joint Ventures (revised)
Amendments to MFRS 1	First-time Adoption of MFRS - Government Loans
Amendments to MFRS 7	Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 10	Consolidated Financial Statements: Transition Guidance
Amendments to MFRS 11	Joints Arrangements: Transition Guidance
Amendments to MFRS 12	Disclosure of Interests in Other Entities: Transition Guidance
Amendments to MFRS 101	Presentation of Items of Other Comprehensive Income
Annual Improvements to IC Interpretations and MFRSs 2009 - 2011 Cycle	

The Directors expect that the standards and interpretations above will have no material impact on the financial statements of the Group.

**Malaysian Financial Reporting Standards**

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") 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 and IC Interpretation 15 Agreements for Construction of Real Estate, including its parent, significant investor and venturer (herein called "Transitioning Entities")

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**A2. Significant Accounting Policies (continued)**

**Malaysian Financial Reporting Standards (continued)**

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year to be mandatory for annual periods beginning on or after 1 January 2013. The MASB has on 07 August 2013 decided that Transitioning Entities will be given an option to continue with the existing FRS Framework. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2015.

Malayan United Industries Berhad, an associate of the Group falls within the scope of definition of Transitioning Entities and has opted to defer adoption of the new MFRS Framework. As a result, the Group also temporarily deferred the adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 March 2016. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained earnings.

At the date of these financial statements, the Group has not completed its quantification of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework. Accordingly, the financial performance and financial position as disclosed in these financial statements for the year ended 31 March 2013 could be different if prepared under the MFRS Framework.

The Group expects to be in a position to fully comply with the requirement of the MFRS Framework for the financial year ending 31 March 2016.

**A3. 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.

**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 in the financial period ended 30 June 2013.

**A5. 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 during the financial period ended 30 June 2013.

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**A6. 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 June 2013.

**A7. Dividends Paid**

No dividend was paid in the financial period ended 30 June 2013.

**A8. Segment Information**

The analysis of the Group's operations for the 3 months ended 30 June 2013 is as follows:-

	Continuing operations		Sub Total RM'000	Discontinued Operation	Total Group RM'000
	Investment Property RM'000	Investment Holding RM'000		Property Investment RM'000	
<b>REVENUE</b>					
External revenue	-	-	-	1,017	1,017
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,017</u>	<u>1,017</u>
<b>RESULTS</b>					
Segment results	-	(28)	(28)	750	722
Finance costs					(2,208)
Share of results of an associate					1,378
Loss before tax					<u>(108)</u>
<b>Segment assets</b>	23,880	287	24,167	58,483	82,650
<b>Investment in associate</b>	-	101,910	101,910	-	101,910
	<u>23,880</u>	<u>102,197</u>	<u>126,077</u>	<u>58,483</u>	<u>184,560</u>

**A9. Property, Plant and Equipment**

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

**A10. Material Events Subsequent to the End of the Interim Period**

There were no material events subsequent to the financial period ended 30 June 2013 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.

**A11. Changes in the Composition of the Group**

There were no changes in the composition of the Group during the financial period ended 30 June 2013.

**A12. Contingent Liabilities**

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

**A13. Capital Commitments**

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



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**A14. Discontinued Operation**

On 16 May 2013 the Company announced the proposed disposal by Fairway Properties Sdn Bhd, a wholly owned subsidiary of Company, of all that piece and parcel of freehold land known as Lot No. 1161, Seksyen 0057, Town And District of Kuala Lumpur, state of Wilayah Persekutuan Kuala Lumpur comprised in Geran No. 5573 together with the Fifteen (15) storey office building erected thereon known as Menara PMI, bearing the postal address No.2, Jalan Changkat Ceylon, 50200 Kuala Lumpur to Admiral Gateway Sdn Bhd for a total cash consideration of RM60.0 Million ("Proposed Disposal"). The Proposed Disposal is subject to shareholders' approval.

In view of the disposal, the operation of the investment property business has been reclassified as discontinued operation as follows :-

	<b>Cumulative 3 Months</b>	
	<b>30/06/2013</b>	<b>30/06/2012</b>
	<b>RM'000</b>	<b>RM'000</b>
Revenue	1,017	1,111
Other income	19	-
Expenses	(286)	(410)
Profit before taxation	750	701
Tax expenses	(90)	(51)
Profit for the financial period	660	650

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

**B1. Review of Performance**

For the financial period ended 30 June 2013, the Group recorded loss before tax of RM0.9 million from continuing operations compared with loss before tax of RM2.6 million from continuing operations for the previous year corresponding period. The lower loss for the current period was due to share of better results from an associate.

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

The Group recorded loss before tax of RM0.9 million from continuing operations for the current quarter compared with loss before tax of RM48.3 million from continuing operations in the preceding quarter. In the preceding quarter, the Group recorded RM39.3 million loss arising from dilution of interest in an associate.

**B3. Prospects for Financial Year Ending 31 March 2014**

The Group expects the business environment in the financial year ending 31 March 2014 to remain challenging. Its associate is cautiously optimistic of its performance for the financial year ending 31 December 2013.

The Group will continue to rationalise its assets in order to improve its financial position.

**B4. Profit/(Loss) Before Tax**

Included in the profit/(loss) before tax are the following items :-

	<b>Current quarter</b>		<b>Cumulative quarter</b>	
	<b>3 months ended</b>		<b>3 months ended</b>	
	<b>30.06.2013</b>	<b>30.06.2012</b>	<b>30.06.2013</b>	<b>30.06.2012</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Depreciation and amortisation	-	-	-	-

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**B5. Tax expense**

	<b>FIRST QUARTER</b>		<b>CUMULATIVE 3 MONTHS</b>	
	<b>30.06.2013</b>	<b>30.06.2012</b>	<b>30.06.2013</b>	<b>30.06.2012</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Tax expense comprises :-				
Continuing Operations				
Current taxation	104	106	104	106
Discontinued Operation				
Current taxation	90	51	90	51

The tax provision of the Group for the period ended 30 June 2013 included the Company and a subsidiary with taxable profit.

**B6. Status of Corporate Proposals**

On 16 May 2013 the Company announced the proposed disposal by Fairway Properties Sdn Bhd, a wholly owned subsidiary of Company, of all that piece and parcel of freehold land known as Lot No. 1161, Seksyen 0057, Town And District of Kuala Lumpur, state of Wilayah Persekutuan Kuala Lumpur comprised in Geran No. 5573 together with the Fifteen (15) storey office building erected thereon known as Menara PMI, bearing the postal address No.2, Jalan Changkat Ceylon, 50200 Kuala Lumpur to Admiral Gateway Sdn Bhd for a total cash consideration of RM60.0 Million ("Proposed Disposal"). The Proposed Disposal is subject to shareholders' approval.

On 31 May 2013, the Board announced that the Company is considered a Practice Note 17 ("PN17") company pursuant to Paragraph 8.04 and Paragraph 2.1(a) of PN17 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The PN17 criteria was triggered as a result of the Company's latest unaudited accounts for the financial year ended 31 March 2013 that was announced on 31 May 2013 where the Company's shareholders' equity on a consolidated basis is 25% or less of the issued and paid-up capital and such shareholders' equity is less than RM40 million.

**B7. Group Borrowings**

Total Group borrowing as at 30 June 2013 is as follows:-

	<b>RM'000</b>
Short Term Borrowings	
-Secured	131,977
	131,977

**B8. Derivative Financial Instruments**

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

**B9. Fair Value Changes of Financial Liabilities**

As at 30 June 2013, the Group does not have any financial liabilities measured at fair value through profit or loss.

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**B10. Realised and Unrealised Profits/(Losses)**

The accumulated losses of the Group comprised the following:-

	<b>30.06.2013</b>	<b>31.03.2013</b>
	<b>RM'000</b>	<b>(Audited) RM'000</b>
The accumulated losses of the Company and its subsidiaries:-		
Realised	(493,393)	(453,238)
Unrealised	28,353	28,353
	(465,040)	(424,885)
Total share of accumulated profits/(losses) of an associate:		
Realised	(283,115)	(282,261)
Unrealised	4,097	(3,098)
	(744,058)	(710,244)
Less : Consolidation adjustments	678,852	643,584
Total accumulated losses	(65,206)	(66,660)

**B11. Material Litigation**

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

**B12. Dividend**

No dividend has been declared by the Board for the financial period ended 30 June 2013.

**B13. Earnings/(Loss) Per Share**

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

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

	<b>FIRST QUARTER</b>		<b>CUMULATIVE 3 MONTHS</b>	
	<b>30.06.2013</b>	<b>30.06.2012</b>	<b>30.06.2013</b>	<b>30.06.2012</b>
Weighted average number of ordinary shares in issue ('000)	1,263,261	1,263,261	1,263,261	1,263,261
i) Continuing Operations				
Loss for the financial year attributable to equity holders of the Company (RM'000)	(962)	(2,692)	(962)	(2,692)
Basic and diluted loss per share (sen)	(0.08)	(0.21)	(0.08)	(0.21)
ii) Discontinued Operation				
Profit for the financial year attributable to equity holders of the Company (RM'000)	660	650	660	650
Basic and diluted earnings per share (sen)	0.05	0.05	0.05	0.05

**(b) Diluted loss per share**

Diluted loss per ordinary share is not presented as the Company has no dilutive potential ordinary shares in issue.

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**B14. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the financial statements for the financial year ended 31 March 2013 was not qualified.

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

**SOO-HOO SIEW HOON**  
**HO CHUN FUAT**  
**Joint Company Secretaries**  
**29 August 2013**