

**PASDEC HOLDINGS BERHAD**  
Company no: 367122-D  
(Incorporated in Malaysia)

**Financial Statements**  
**31 December 2009**

**PASDEC HOLDINGS BERHAD**

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED INCOME STATEMENTS  
For the Quarter Ended 31 December 2009**

	INDIVIDUAL QUARTER 3 months ended		CUMULATIVE QUARTER 12 months ended	
	31.12.2009 RM'000	31.12.2008 RM'000	31.12.2009 RM'000	31.12.2008 RM'000
Revenue	<b>27,900</b>	16,911	<b>80,097</b>	97,175
Cost of sales	<b>(13,194)</b>	(7,839)	<b>(51,346)</b>	(69,369)
<b>Gross profit</b>	<b>14,706</b>	9,072	<b>28,751</b>	27,806
Other (loss)/income	<b>(12,832)</b>	(62)	<b>(6,179)</b>	8,620
Finance income	<b>501</b>	126	<b>724</b>	511
Other expenses	<b>(5,490)</b>	(7,036)	<b>(22,300)</b>	(22,780)
Finance costs	<b>(1,293)</b>	(1,947)	<b>(7,062)</b>	(7,188)
Share of loss of associates	<b>(53)</b>	13	<b>(404)</b>	(274)
<b>(Loss)/profit before tax</b>	<b>(4,461)</b>	166	<b>(6,470)</b>	6,695
Taxation	<b>(978)</b>	(2,912)	<b>(2,965)</b>	(3,117)
<b>(Loss)/profit for the year</b>	<b>(5,439)</b>	(2,746)	<b>(9,435)</b>	3,578
<b>Attributable to:</b>				
Equity holders of the parent	<b>(2,468)</b>	(2,610)	<b>(4,890)</b>	4,463
Minority interest	<b>(2,971)</b>	(136)	<b>(4,545)</b>	(885)
	<b>(5,439)</b>	(2,746)	<b>(9,435)</b>	3,578
Earnings per share attributable to equity holders of the parent (Sen)				
Basic	<b>-1.20</b>	-1.27	<b>-2.37</b>	<b>2.17</b>
Diluted	<b>NA</b>	NA	<b>NA</b>	<b>NA</b>
Dividend per share (Sen)	-	-	-	-

The condensed consolidated income statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

# PASDEC HOLDINGS BERHAD

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## Condensed Consolidated Balance Sheet As at 31 December 2009

	<b>Unaudited 31.12.2009 RM'000</b>	<b>Audited 31.12.2008 RM'000</b>
<b>ASSETS</b>		
<b>Non Current Assets</b>		
Property, plant and equipment	<b>17,885</b>	21,171
Prepaid lease land	<b>80</b>	82
Investment property	<b>7,338</b>	7,516
Land held for development	<b>166,682</b>	143,720
Investment in associates	<b>2,974</b>	3,378
Other investments	<b>42,677</b>	46,202
Intangible assets	<b>823</b>	823
	<b>238,459</b>	222,892
<b>Current Assets</b>		
Development properties	<b>113,136</b>	164,919
Inventories	<b>23,600</b>	11,610
Trade receivables	<b>64,958</b>	68,205
Other receivables	<b>37,806</b>	16,977
Deposit, cash and bank balances	<b>19,108</b>	25,176
	<b>258,608</b>	286,887
<b>TOTAL ASSETS</b>	<b>497,067</b>	509,779
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holder of the parent</b>		
Share capital	<b>205,978</b>	205,978
Share premium	<b>43,008</b>	43,008
Retained earnings	<b>96,523</b>	101,413
	<b>345,509</b>	350,399
Minority interest	<b>4,030</b>	8,575
<b>Total Equity</b>	<b>349,539</b>	358,974

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## Condensed Consolidated Balance Sheet As at 31 December 2009

	<b>Unaudited 31.12.2009 RM'000</b>	<b>Audited 31.12.2008 RM'000</b>
<b>Non Current Liabilities</b>		
Deferred tax liabilities	<b>316</b>	316
Retirement benefits	<b>3,052</b>	2,358
Rainbow Exchangeable Bonds	<b>44,000</b>	46,000
Redemption Premium	<b>7,371</b>	5,257
Borrowings	<b>14,363</b>	6,753
	<b>69,102</b>	60,684
<b>Current Liabilities</b>		
Retirement benefits	<b>180</b>	284
Borrowings	<b>34,485</b>	41,980
Trade payables	<b>23,130</b>	30,420
Other payables	<b>16,902</b>	16,428
Taxation	<b>3,729</b>	1,009
	<b>78,426</b>	90,121
<b>Total Liabilities</b>	<b>147,528</b>	150,805
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>497,067</b>	509,779
Net assets per share (RM)	<b>1.68</b>	1.70

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

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**Condensed Consolidated Statement of Changes in Equity  
For the Year Ended 31 December 2009**

	---Attributable to the holders of the parent---				Minority interest	Total
	-----Non distributable-		Distributable			
	Share capital RM'000	Share premium RM'000	Retained earnings RM'000	Total RM'000	RM'000	RM'000
<b>1 January 2009</b>	205,978	43,008	101,413	350,399	8,575	358,974
Loss for the year	-	-	(4,890)	(4,890)	(4,545)	(9,435)
<b>31 December 2009</b>	<b>205,978</b>	<b>43,008</b>	<b>96,523</b>	<b>345,509</b>	<b>4,030</b>	<b>349,539</b>
<b>1 January 2008(restated)</b>	205,978	43,008	99,998	348,984	9,374	358,358
Profit for the year	-	-	4,463	4,463	(884)	3,578
Net changes in the interest from minority shareholders	-	-	-	-	86	86
Dividend	-	-	(3,048)	(3,048)	-	(3,048)
<b>31 December 2008</b>	<b>205,978</b>	<b>43,008</b>	<b>101,413</b>	<b>350,399</b>	<b>8,575</b>	<b>358,974</b>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

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**Condensed Consolidated Cash Flow Statement  
For the Year Ended 31 December 2009**

	<b>CUMULATIVE QUARTER</b>	
	<b>31.12.2009</b>	<b>31.12.2008</b>
	<b>RM'000</b>	<b>RM'000</b>
Net cash used in operating activities	<b>(13,573)</b>	(22,918)
Net cash generated from investing activities	<b>12,701</b>	16,766
Net cash used in financing activities	<b>(2,533)</b>	(755)
	<hr/>	<hr/>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(3,405)</b>	(6,907)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF FINANCIAL YEAR</b>	<b>1,053</b>	7,960
	<hr/>	<hr/>
<b>CASH AND CASH EQUIVALENTS AT THE END OF FINANCIAL YEAR</b>	<b>(2,352)</b>	1,053
	<hr/>	<hr/>
Represented by:		
Deposits, cash and bank balances	<b>19,108</b>	27,011
Bank overdrafts (included within short term borrowings in note 22)	<b>(21,460)</b>	(19,051)
	<b>(2,352)</b>	7,960
	<hr/>	<hr/>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

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## **Explanatory Notes Pursuant to FRS 134 : Interim Financial Reporting and Listing Requirements of Bursa Malaysia Securities Berhad**

### **1 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 paragraph 9.22 of the 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 December 2008. These explanatory notes attached to the interim financial statements 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 year ended 31 December 2008.

### **2 Auditors' report on preceding annual financial statements**

The auditors' report on the financial statement for the year ended 31 December 2008 was not qualified.

### **3 Seasonal or cyclical factors**

The Group's performance is not materially subject to seasonal or cyclical fluctuations.

### **4 Unusual items due to their nature, size or incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current quarter under review.

### **5 Changes in estimates**

There were no material changes in estimates that have had a material effect in the current quarter results.

### **6 Issuance or repayment of debt and equity securities**

There were no issuance, cancellations, repurchases, resale of debts and equity securities for the current quarter.

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## 7 Valuation of property, plant and equipment

There was no valuation of property, plant and equipment conduct during the quarter for the Group.

## 8 Dividend paid

There was no dividend paid during the current quarter.

## 9 Segmental information

The segment information by activities for the Company and its subsidiaries for the current year is as follows:-

	<b>CUMULATIVE QUARTER 12 months ended 31.12.2009 RM'000</b>	<b>CUMULATIVE QUARTER 12 months ended 31.12.2008 RM'000</b>
<b>Segment Revenue</b>		
Investment holding	<b>6,008</b>	16,980
Property development	<b>74,685</b>	74,558
Construction	<b>12,025</b>	16,670
Trading	<b>4,373</b>	10,946
Manufacturing	<b>2,884</b>	2,504
Others	<b>2,305</b>	1,924
	<b>102,280</b>	123,582
Elimination	<b>(22,183)</b>	(26,407)
<b>Total revenue</b>	<b>80,097</b>	97,175
<b>Segment Results</b>		
Investment holding	<b>1,221</b>	9,711
Property development	<b>4,082</b>	15,257
Construction	<b>(2,925)</b>	623
Trading	<b>(960)</b>	440
Manufacturing	<b>(709)</b>	(552)
Others	<b>(1,693)</b>	242
<b>Sub Total</b>	<b>(984)</b>	25,721

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Finance cost	<b>(7,062)</b>	(7,188)
Share of loss of associates	<b>(404)</b>	(274)
<b>Sub Total</b>	<b>(8,450)</b>	18,259
Elimination	<b>1,980</b>	<b>(11,564)</b>
<b>(Loss)/profit before tax</b>	<b>(6,470)</b>	<b>6,695</b>

**10 Subsequent event**

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

**11 Changes in the composition of the Group**

There were no changes in the composition of the Group for the quarter under review.

**12 Contingent liabilities**

Contingent liabilities of the Group comprise of the followings:-

	<b>As at 31.12.2009 RM'000</b>	<b>As at 31.12.2008 RM'000</b>
Bank guarantee	<b>283</b>	283
Performance bond	<b>210</b>	210
<b>Total</b>	<b>493</b>	493

**13 Capital commitments**

The Group did not have any capital commitment for the interim financial statement as at 31 December 2009.

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## 14 Review of performance

The Group recorded total revenue of RM80.1 million for the financial year ended 31 December 2009, 18% lower than the preceding year mainly due to lower contribution from the property sector.

Loss before taxation for the year was RM6.5 million as opposed to last year's profit of RM6.7 million, mainly due to current market condition and certain provisions of doubtful debt, assets impairment and loss on disposal of land.

## 15 Review of current quarter profitability against preceding quarter

	<b>Current Quarter 31.12.2009 RM'000</b>	<b>Preceding Quarter 30.09.2009 RM'000</b>
Turnover	<b>27,900</b>	<b>26,096</b>
(Loss)/profit before tax	<b>(4,461)</b>	<b>464</b>

During the quarter under review, the Group recorded pre-tax loss of RM4.4 million compared with RM0.46 million profit in the immediate preceding quarter due to certain provisions of doubtful debt, assets impairment and loss on disposal of land.

## 16 Prospects for the current financial year

Barring any unforeseen circumstances, the Board expects the Group's performance to be satisfactory for the financial year ending 31 December 2010.

## 17 Profit forecast and profit guarantee

The Group has not provided any profit forecast or profit guarantee in a public document.

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**18 Taxation**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE YEAR</b>	
	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31.12.2009</b>	<b>31.12.2008</b>	<b>31.12.2008</b>	<b>31.12.2008</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Malaysian tax: - current year	<b>978</b>	2,912	<b>2,965</b>	3,117

The effective tax rate for the cumulative year is higher than the statutory tax rate due to certain expenses which were not deductible and losses of certain subsidiaries that cannot be set off against taxable profit made by other subsidiaries.

**19 Profit on sale of unquoted investment and/or properties**

There was no disposal of unquoted investment or properties held as fixed assets for the financial quarter to date.

**20 Purchase/Disposal of quoted securities**

The exchange of RM2.0 million nominal value of REBs under Series 2 during the financial year to date and the profit arising there from are as follows:-

	<b>Current quarter RM'000</b>	<b>Year to date RM'000</b>
Amount of REBs exchanged	-	2,000
Carrying value of shares	-	1,089
Total profit	-	<b>911</b>

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Total investment in quoted securities as at 31 December 2009 is as follows:-

	<b>RM'000</b>
At cost	<b>43,458</b>
At carrying value	<b>40,966</b>
At market value	<b>88,157</b>

**21 Corporate proposals**

There was no corporate proposal announced and pending completion during the quarter under review.

**22 Group borrowings and debt securities**

The Group exposures in borrowings are as follows:

	<b>As at 31.12.2009 RM'000</b>	<b>As at 31.12.2008 RM'000</b>
Short term borrowings		
- secured	<b>34,416</b>	41,980
- unsecured	<b>69</b>	-
Total short term borrowings	<b>34,485</b>	41,980
Long term borrowings		
- secured	<b>65,643</b>	57,663
- unsecured	<b>91</b>	347
Total long term borrowings	<b>65,734</b>	58,010
<b>Total borrowings</b>	<b>100,219</b>	99,990

**23 Off balance sheet financial instruments**

There were no financial instruments with material off balance sheet risk at the date of this report.

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**24 Material litigation**

There was no material litigation involving the Group at the date of this report.

**25 Dividend**

No dividend has been declared for the current quarter.

**26 Earnings per share**

	<b>INDIVIDUAL QUARTER 3 months ended</b>		<b>CUMULATIVE QUARTER 12 months ended</b>	
	<b>31.12.2009</b>	<b>31.12.2008</b>	<b>31.12.2009</b>	<b>31.12.2008</b>
<b>Basic earnings per share</b>				
(Loss)/Profit attributable to the equity holder of the parent RM'000	<b>(2,468)</b>	<b>(2,610)</b>	<b>(4,890)</b>	<b>4,463</b>
Number of shares at the beginning of the period Unit (000)	<b>205,978</b>	<b>205,978</b>	<b>205,978</b>	<b>205,978</b>
Basic earnings per share (Sen)	<b>-1.20</b>	<b>-1.27</b>	<b>-2.37</b>	<b>2.17</b>