



**PW CONSOLIDATED BHD.** (420049-H)  
(Incorporated in Malaysia)

**Condensed Consolidated Financial Statements  
for the Quarter Ended 30 June 2013**



**PW CONSOLIDATED BHD.**

**Condensed Consolidated Statement of Financial Position**  
**As At 30 June 2013**

	<b>Quarter Ended</b> <b>30 June 2013</b> (RM'000)	<b>Year Ended</b> <b>31 Dec 2012</b> (RM'000) (audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	249,047	238,418
Investment properties	7,606	7,606
Goodwill	5,241	5,241
	<u>261,894</u>	<u>251,265</u>
<b>Current Assets</b>		
Inventories	39,833	42,740
Trade debtors	22,212	18,722
Other debtors	3,071	6,496
Tax recoverable	221	202
Investment securities	948	-
Derivative financial assets	435	-
Fixed deposits with licensed	20	65
Cash & cash equivalents	1,225	3,324
	<u>67,965</u>	<u>71,549</u>
<b>Total assets</b>	<u><u>329,859</u></u>	<u><u>322,814</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	60,911	60,911
Reserves	148,362	144,933
<b>Total equity</b>	<u>209,273</u>	<u>205,844</u>
<b>Non-current liabilities</b>		
Long-term borrowings	15,173	8,966
Deferred taxation	18,196	18,499
<b>Total non-current liabilities</b>	<u>33,369</u>	<u>27,465</u>
<b>Current liabilities</b>		
Trade creditors	8,273	7,695
Other creditors	7,723	6,001
Overdraft & short term borrowings	69,654	75,057
Derivative financial liabilities	-	187
Taxation	1,567	565
<b>Total current liabilities</b>	<u>87,217</u>	<u>89,505</u>
Total liabilities	<u>120,586</u>	<u>116,970</u>
<b>Total equity and liabilities</b>	<u><u>329,859</u></u>	<u><u>322,814</u></u>
Net assets per share attributable to shareholders of the company (RM)	3.51	3.45

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012



**PW CONSOLIDATED BHD.**

**Condensed Consolidated Statement of Comprehensive Income**  
**For The Period Ended 30 June 2013**

	<u>2013</u> Current Qtr Ended 30-Jun (RM'000)	<u>2012</u> Current Qtr Ended 30-Jun (RM'000)	<u>2013</u> 6 months Cumulative To-date (RM'000)	<u>2012</u> 6 months Cumulative To-date (RM'000)
Revenue	57,543	54,338	114,813	106,659
Operating expenses	(53,405)	(52,310)	(108,088)	(106,568)
Other operating income	332	449	506	1,026
Profit from operations	4,470	2,477	7,231	1,117
Finance costs	(1,256)	(1,075)	(2,528)	(2,251)
Profit before taxation	3,214	1,402	4,703	(1,134)
Taxation	(1,483)	(210)	(1,655)	(428)
Profit for the period from continuing operations	1,731	1,192	3,048	(1,562)
Profit/(Loss) for the period from discontinued operations	-	(49)	-	(51)
Profit for the period	1,731	1,143	3,048	(1,613)
Other comprehensive income	-	-	381	-
Total comprehensive Income for the period	<u>1,731</u>	<u>1,143</u>	<u>3,429</u>	<u>(1,613)</u>
Attributable to:				
Equity holders of the parent	1,731	1,143	3,048	(1,613)
Minority interest	-	-	-	-
Profit for the period	<u>1,731</u>	<u>1,143</u>	<u>3,048</u>	<u>(1,613)</u>
Attributable to:				
Equity holders of the parent	1,731	1,143	3,429	(1,613)
Minority interest	-	-	-	-
Comprehensive income for the period	<u>1,731</u>	<u>1,143</u>	<u>3,429</u>	<u>(1,613)</u>
Earnings per share for profit attributable to equity holder of the parent				
- Basic (sen),for profit from continuing operatinon	2.90	1.99	5.11	(2.61)
- Basic (sen),for profit from discontinued operatinon	-	(0.08)	-	(0.09)
- Basic (sen), for profit for the period	2.90	1.91	5.11	(2.70)
- Diluted (sen)	2.90	1.91	5.11	(2.70)

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012



PW CONSOLIDATED BHD

**Condensed Consolidated Statements of Changes in Equity**  
**For The Period Ended 30 June 2013**

	Attributable to Equity Holder of the Parent					Total (RM'000)	Total Equity (RM'000)
	Share Capital (RM'000)	Treasury Share (RM'000)	Share Premium (RM'000)	Capital Reserve (RM'000)	Retained Profit (RM'000)		
<i>6 months ended</i>							
<i>30 June 2013</i>							
Balance as at 1 January 2013	60,911	(841)	919	90,158	54,697	205,844	205,844
Total comprehensive income for the period	-	-	-	(635)	4,064	3,429	3,429
Balance as at 30 June 2013	60,911	(841)	919	89,523	58,761	209,273	209,273

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012

**Condensed Consolidated Statements of Changes in Equity**  
**For The Period Ended 30 June 2012**

	Attributable to Equity Holder of the Parent					Total (RM'000)	Total Equity (RM'000)
	Share Capital (RM'000)	Treasury Share (RM'000)	Share premium (RM'000)	Capital Reserve (RM'000)	Retained Profit (RM'000)		
<i>6 months ended</i>							
<i>30 June 2012</i>							
Balance as at 1 January 2012	60,911	(841)	919	14,868	54,259	130,116	130,116
Total comprehensive income for the period	-	-	-	-	(1,613)	(1,613)	(1,613)
Realisation of revaluation surplus upon depreciation	-	-	-	(1,321)	1,321	-	-
Balance as at 30 June 2012	60,911	(841)	919	14,868	52,646	128,503	128,503

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2011



## PW CONSOLIDATED BHD

### Condensed Consolidated Statement of Cash Flows For The Period Ended 30 June 2013

	<b>6 months ended 30 June 2013 (RM'000)</b>	<b>6 months ended 30 June 2012 (RM'000)</b>
Profit before tax		
- Continuing operations	4,703	(1,133)
- Discontinued operations	-	(51)
	<u>4,703</u>	<u>(1,184)</u>
<u>Adjustment for non-cash flow:</u>		
Non-Cash items	4,175	6,359
Non-Operating items (which are investing / financing)	<u>2,414</u>	<u>1,650</u>
Operating profit before changes in working capital	11,292	6,825
Changes in working capital		
Net Changes in current assets	2,886	11,729
Net Changes in current liabilities	<u>2,300</u>	<u>(3,647)</u>
	5,186	8,082
Cash generated from operating activities	16,478	14,907
Tax paid	(593)	(1,154)
Interest paid	<u>(2,528)</u>	<u>(2,251)</u>
Net cash flows from operating activities	<u>13,357</u>	<u>11,502</u>
Investing Activities		
- Proceeds from disposal of Property, plant and equipment	116	828
- Proceeds from disposal of investment securities	-	84
- Proceeds from disposal of non-current assets held for sale	-	2,020
- Acquisition of other investment	(1,011)	(3,811)
- Purchase of Property, plant and equipment	(5,392)	(6,109)
- Rental received	76	49
- Interest received	2	1
- Dividend received	-	14
	<u>(6,209)</u>	<u>(6,924)</u>
Financing Activities		
- Bank borrowings	(4,112)	(8,548)
	<u>(4,112)</u>	<u>(8,548)</u>
Net Change in Cash & Cash Equivalents	3,036	(3,970)
Cash and cash equivalents as at 1 January	<u>(13,316)</u>	<u>(7,577)</u>
Cash and cash equivalents as at 30 June	<u>(10,280)</u>	<u>(11,547)</u>
Represented by:		
Cash and bank balances	1,225	1,771
Bank Overdrafts	<u>(11,504)</u>	<u>(13,318)</u>
	<u>(10,279)</u>	<u>(11,547)</u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012



## Notes to the financial report for the quarter ended 30 June 2013

### A. DISCLOSURE REQUIREMENTS AS PER FRS 134

#### 1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with FRS 134 - Interim Financial Reporting and Chapter 9 Part K Para 9.22 of the Bursa Malaysia Listing Requirements.

This interim financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2012. These explanatory notes attached to the interim financial report 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.

#### Malaysian Financial Reporting Standards ("MFRS")

The Malaysian Accounting Standards Board ("MASB") had on 19 November 2011 issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS") which are mandatory for annual financial 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 venture (herein referred to as 'Transitioning Entities').

Transitioning Entities will be allowed to defer adoption of the new MFRSs to 1 January 2015. Consequently, adoption of the MFRSs by Transitioning Entities will be mandatory for annual period beginning on or after 1 January 2015. The Group falls within the definition of Transitioning Entities and has opted to defer adoption of the new MFRS framework. Accordingly, the Group will be required to prepare its first MFRS financial statements for the year ending 31 December 2015.

#### 2. Auditors' Report of the Preceding Annual Financial Statements

There was no qualification on the Group's preceding annual financial statements.

#### 3. Seasonal or Cyclical Factors

The business of the Group was not affected by any significant seasonal or cyclical factors in this quarter.

**4. Unusual Items**

There were no items affecting assets, liabilities, equity, net income, or cash flow that are unusual because of their size, or incidence.

**5. Material Changes in Estimates**

There was no material changes in estimates that had any material effect on the quarter ended 30 June 2013.

**6. Debt and Equity Securities, Share Buy-backs, Share Cancellations and Treasury Shares**

There was no issuance, cancellations, repurchases, resale and repayments of debts and equity security during the period under review.

**7. Dividends Paid**

There was no dividend paid during the current quarter and financial year-to-date.

**8. Segmental Reporting**

Segmental information has not been prepared due to integrated nature of the Group's poultry business and that it operates wholly in Malaysia.

**9. Valuation of Property, Plant and Equipment**

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

**10. Subsequent Events**

There were no material events subsequent to the end of the interim period that has not been reflected in the financial statements for the interim period.

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

There has been no change in the composition of the Group for this quarter and financial year-to-date.

## **12. Contingent Liabilities and Contingent Assets**

The corporate guarantees issued by the Company for the banking facilities granted to its subsidiaries totalled RM138.7 million as at the date of issue of this report.

## **B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS**

### **1. Review of Performance**

Group revenue for the quarter and financial year ended 30 June 2013 increased from RM54.3 million and RM106.7 million in the corresponding period of the preceding year to RM57.5 and RM114.8 million or increase of 5.9% and 7.6% respectively. The higher revenue was mainly attributable to higher selling price of broiler during the quarter and financial year.

Profit before tax ('PBT') for the quarter under review rose to RM3.2 million or 129.2%, from RM1.4 million recorded in the corresponding quarter of preceding year at the back of increased margin from higher selling price of broiler. Cumulatively, the Group posted a PBT of RM4.7 million which compared favourably with losses for the financial year to 30 June of preceding year of RM1.1 million.

### **2. Variation of Results for the Quarter Compared with the Preceding Quarter**

Revenue and Profit before tax for the Group for the quarter and financial year ended 30 June 2013 was higher by 0.5% and 115.8% compared with RM57.3 million and RM1.5 million recorded in the immediate preceding period. This was attributed to higher selling price of broiler and lower raw material cost during the quarter and financial year to 30 June 2013.

### **3. Current Year Prospects**

Market price of broiler is expected to remain satisfactory in the remaining financial year 2013. On the supply side, we expect poultry feed cost to increase marginally due to adverse impact of a stronger US dollar.

### **4. Profit Forecast**

Not applicable.



## 5. Profit for the period

Profit for the period is arrived at after crediting/(charging):-

	<b>Current Year To Date 30-6-2013 RM '000</b>	<b>Current Year Quarter 30-6-2013 RM '000</b>
Interest income	2	-
Other Income (including investment income)	196	66
Interest expense	(2,489)	(1,272)
Depreciation and amortisation charged	(4,284)	(2,076)
Provision for and write off of receivables	-	-
Provision for and write off of inventories	-	-
Gain / (Loss) on disposal of property, plant and equipment	90	36
Profit on disposal of quoted or unquoted investment or properties	-	-
Impairment of assets	-	-
Foreign exchange gain/(loss)	256	61
Fair value gain on derivative instruments	622	550
Exceptional items	-	-

## 6. Taxation

	<b>Individual Quarter</b>		<b>Cumulative Quarters</b>	
	<b>Current Year Quarter 30-6-2013 RM '000</b>	<b>Preceding Year Corresponding Quarter 30-6-2012 RM '000</b>	<b>Current Year To Date 30-6-2013 RM '000</b>	<b>Preceding Year Corresponding Period 30-6-2012 RM '000</b>
Current Taxation	1,281	443	1,577	704
Deferred Taxation	202	(233)	78	(276)
Total	<b>1,483</b>	<b>210</b>	<b>1,655</b>	<b>428</b>

The Group's effective tax rate for the current quarter and financial period ended 30 June 2013 are inconsistent with the statutory tax rate mainly due to claims of certain tax incentives under the Income Tax Act, 1967, disallowable expenses for tax purpose and losses of certain subsidiaries which cannot be set off against taxable profit made by other subsidiaries.

#### 7. Profits/(Losses) on Sale of Unquoted Investments and/or Properties

There was no material disposal of unquoted investments and/or properties for the current quarter and financial year-to-date.

#### 8. Status of Corporate Proposals Announced but Not Completed

There was no corporate proposal being carried out during the period under review.

#### 9. Borrowings

Group borrowings as at 30 June 2013 are as follows: -

	<b>30-6-2013</b> <b>RM'000</b>	<b>31-12-2012</b> <b>RM'000</b>
<i>Short term borrowings</i>		
Secured	16,203	20,460
Unsecured	53,451	54,597
	<u>69,654</u>	<u>75,057</u>
<i>Long term borrowings</i>		
Secured	15,173	8,966
Unsecured	-	-
	<u>15,173</u>	<u>8,966</u>
	<u>84,827</u>	<u>84,023</u>

All bank borrowings are in Ringgit Malaysia.

## 10. Derivative Financial Instruments

There is no outstanding derivative financial instrument other than as disclosed below :

Type of derivative	Nominal value ( in thousands RM)	Fair value gain / (loss ) ( in thousands RM)
Forward foreign currency Purchase contract denominated in USD - Less than 1 year	9,108	435

Forward foreign currency contract are entered into for the purpose of managing exposure to foreign currency fluctuations.

## 11. Material Litigation

Neither the Company nor its subsidiaries are engaged in any litigation or arbitration proceedings, either as plaintiff or defendant, which has a material effect on the financial position of the Group and the Directors do not know of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially and adversely affect the position or business of the Group.

## 12. Proposed Dividends

No dividend has been recommended by the Board for the quarter and financial year to date.

### 13. Earnings/(Loss) Per Share

The basic earnings/loss per share, computed by dividing the net profit/(loss) for the period attributable to ordinary shareholders by the number of ordinary shares in issued during the financial year excluding treasury share as follow: -

	<b>Individual Current Year Quarter 30-6-2013</b>	<b>Individual Preceding Year Quarter 30-6-2012 (Restated)</b>	<b>Cumulative Current Year To Date 30-6-2013</b>	<b>Cumulative Preceding Year To Date 30-6-2012 (Restated)</b>
Profit/(loss) for the period from continuing operation (RM'000)	1,731	1,192	3,048	(1,562)
Profit/(loss) for the period from discontinued operation (RM'000)	-	(49)	-	(51)
Profit/(loss) for the period (RM'000)	1,731	1,143	3,048	(1,613)
Weighted average number of ordinary shares in issued	59,690,750	59,690,750	59,690,750	59,690,750
Basic earnings per share from continuing operation (sen)	2.90	2.00	5.11	(2.62)
Basic loss per share from discontinued operation (sen)	-	0.08	-	0.09
Basic earning per share for the period (sen)	2.90	1.92	5.11	(2.70)

#### 14. Realised and Unrealised Profits/Losses

The retained earnings as at 30 June 2013 and 31 December 2012 is analysed as follow:

	<b>As at 30-6-2013</b>	<b>As at 31-12-2012</b>
	<b>RM'000</b>	<b>RM'000</b>
Realised	109,342	105,348
Unrealised	(14,581)	(15,519)
	<hr/> 94,761	<hr/> 89,829
Consolidation adjustments	(36,000)	(35,132)
	<hr/> 58,761	<hr/> 54,697

By Order of the Board

Ch'ng Lay Hoon  
Company Secretary

Dated this 30<sup>th</sup> day of August 2013.