

**PFCE BERHAD**  
**(504718-U)**

**QUARTERLY REPORT FOR THE 3<sup>rd</sup> QUARTER ENDED 30 SEPTEMBER 2013**

The Board of Directors of PFCE Berhad (PFCE) is pleased to announce the following unaudited condensed financial statements of PFCE Group for the third quarter ended 30 September 2013 which should be read in conjunction with Explanatory Notes on pages 5 – 16.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Note	<u>INDIVIDUAL PERIOD</u>		<u>CUMULATIVE PERIOD</u>	
		3 months ended		9 months ended	
		30.09.2013	30.09.2012	30.09.2013	30.09.2012
		RM'000	RM'000	RM'000	RM'000
Revenue	14	2,829	43,611	9,831	123,345
Cost of sales		(2,168)	(38,839)	(7,350)	(111,042)
Gross profit		661	4,772	2,481	12,303
Other operating income		215	90	376	345
Operating expenses		(2,290)	(1,970)	(5,661)	(5,530)
Other operating expenses		(19,711)	(123)	(19,970)	(380)
Finance costs		(77)	(15)	(124)	(57)
(Loss)/Profit before taxation	24	(21,202)	2,754	(22,898)	6,681
Income tax expense	18	(8)	(690)	(8)	(1,540)
<b>(Loss)/Profit after taxation</b>		<b>(21,210)</b>	<b>2,064</b>	<b>(22,906)</b>	<b>5,141</b>
<b>Other comprehensive income net of tax :</b>					
Exchange differences on translating foreign operations		30	(26)	86	(21)
Other comprehensive income for the financial period, net of tax		30	(26)	86	(21)
<b>Total comprehensive income for the financial period</b>		<b>(21,180)</b>	<b>2,038</b>	<b>(22,820)</b>	<b>5,120</b>
(Loss)/Profit after taxation attributable to:					
Owners of the Company		(14,203)	977	(15,523)	2,694
Non-controlling interests		(7,007)	1,087	(7,383)	2,447
		<b>(21,210)</b>	<b>2,064</b>	<b>(22,906)</b>	<b>5,141</b>
Total comprehensive income/(expense) attributable to:					
Owners of the Company		(14,173)	951	(15,437)	2,673
Non-controlling interests		(7,007)	1,087	(7,383)	2,447
		<b>(21,180)</b>	<b>2,038</b>	<b>(22,820)</b>	<b>5,120</b>
Earnings per share:					
- Basic (sen)	23	(14.95)	1.03	(16.34)	2.84
- Diluted (sen)	23	NA	NA	NA	NA

**PFCE BERHAD**  
(504718-U)

**QUARTERLY REPORT FOR THE 3<sup>rd</sup> QUARTER ENDED 30 SEPTEMBER 2013**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Note	AS AT 30.09.2013 RM'000	AS AT 31.12.2012 RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		30,952	31,691
Goodwill on consolidation		2,575	2,575
Prepaid land lease payments		171	172
		<u>33,698</u>	<u>34,438</u>
<b>Current assets</b>			
Inventories		6,645	6,881
Trade receivables		1,283	1,576
Other receivables and prepaid expenses		2,044	2,050
Amount owing by related parties		21,270	5,517
Amount owing by contract customer		-	39,323
Derivative Financial Instruments		-	4
Tax recoverable		8	10
Deposits with financial institutions		56	56
Cash and bank balances		2,390	3,643
		<u>33,696</u>	<u>59,060</u>
<b>TOTAL ASSETS</b>		<u>67,394</u>	<u>93,498</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the parent</b>			
Share capital		47,500	47,500
Share Premium		12,361	12,361
Other Reserves		169	83
Accumulated Loss		(31,911)	(16,388)
		<u>28,119</u>	<u>43,556</u>
<b>Non-controlling interests</b>		<u>(5,914)</u>	<u>1,469</u>
<b>Total equity</b>		<u>22,205</u>	<u>45,025</u>
<b>Non-current liabilities</b>			
Borrowings	20	326	328
Deferred tax liabilities		2,962	2,962
		<u>3,288</u>	<u>3,290</u>
<b>Current liabilities</b>			
Borrowings	20	675	1,390
Trade payables		21,620	40,683
Derivative Financial Instruments		45	-
Other payables and accrued expenses		18,286	1,898
Tax Liabilities		1,275	1,212
		<u>41,901</u>	<u>45,183</u>
<b>Total liabilities</b>		<u>45,189</u>	<u>48,473</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>67,394</u>	<u>93,498</u>



**PFCE BERHAD**  
(504718-U)

**QUARTERLY REPORT FOR THE 3<sup>rd</sup> QUARTER ENDED 30 SEPTEMBER 2013**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Attributable to Owners of the Company							
	Non-Distributable			Translation of Foreign Operations	Distributable	Total	Non- controlling Interests	Total Equity
	Share Capital	Share Premium	Revaluation Reserves		Accumulated Losses			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2012	44,000	11,661	-	102	(16,416)	39,347	157	39,504
Profit after taxation for the financial period	-	-	-	-	28	28	1,312	1,340
Other Comprehensive expenses for the financial year, net of tax:	-	-	-	(19)	-	(19)	-	(19)
Total comprehensive expenses for the financial period	-	-	-	(19)	28	9	1,312	1,321
Issue of ordinary shares	3,500	700	-	-	-	4,200	-	4,200
Transfer from accumulated losses	-	-	-	-	-	-	-	-
At 31 December 2012/1 January 2013	<u>47,500</u>	<u>12,361</u>	<u>-</u>	<u>83</u>	<u>(16,388)</u>	<u>43,556</u>	<u>1,469</u>	<u>45,025</u>
At 1 January 2013	47,500	12,361	-	83	(16,388)	43,556	1,469	45,025
Loss after taxation for the financial period	-	-	-	-	(15,523)	(15,523)	(7,383)	(22,906)
Other Comprehensive income for the financial year, net of tax:	-	-	-	86	-	86	-	86
Total comprehensive expenses for the financial period	-	-	-	86	(15,523)	(15,437)	(7,383)	(22,820)
At 30 Sept 2013	<u>47,500</u>	<u>12,361</u>	<u>-</u>	<u>169</u>	<u>(31,911)</u>	<u>28,119</u>	<u>(5,914)</u>	<u>22,205</u>

**PFCE BERHAD**  
(504718-U)

**QUARTERLY REPORT FOR THE 3<sup>rd</sup> QUARTER ENDED 30 SEPTEMBER 2013**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	9 months ended	
	30.09.2013 RM'000	30.09.2012 RM'000
<b>(Loss)/profit before tax</b>	(22,898)	6,681
Adjustment for non-cash flow:-		
Non-cash items	1,004	1,056
Non-operating items	123	62
Operating (loss)/profit before changes in working capital	(21,771)	7,799
Changes in working capital		
Net changes in current assets	24,271	(42,204)
Net changes in current liabilities	(2,677)	31,119
Cash flows generated from/(used in) operating activities	(177)	(3,286)
Interest paid	(124)	(57)
Income tax paid	66	(147)
Net cash flows generated from/(used in) operating activities	(235)	(3,490)
Investing Activities		
- Purchase of property, plant & equipment	(212)	(1,335)
- Proceeds from disposal of property, plant & equipment	-	2
- Interest Received	1	2
Net cash flow used in investing activities	(211)	(1,331)
Financing Activities		
- Proceeds from issuance of shares	-	4,200
- Bank borrowings	(593)	(184)
Net cash flow (used in)/generated from financing activities	(593)	4,016
Net Changes in Cash & Cash Equivalents	(1,039)	(805)
Cash & Cash Equivalents at beginning of period/year	3,065	4,730
Effects of exchange rate changes	(9)	13
Cash & Cash Equivalents at end of period/year	2,017	3,938
Cash and cash equivalents at end of financial period comprise the following:		
Cash and bank balances	2,390	4,320
Fixed deposits with licensed banks	56	55
Less: Bank overdrafts (included within short term borrowings in Note 20)	(429)	(437)
	2,017	3,938



**PFCE BERHAD**  
**(504718-U)**

**QUARTERLY REPORT FOR THE 3<sup>rd</sup> QUARTER ENDED 30 SEPTEMBER 2013**

**PART B – DISCLOSURE NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING  
REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD**

**1. BASIS OF PREPARATION**

The condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure provision of the Listing Requirements of Bursa Malaysia Securities Berhad and Malaysia Financial Reporting Standard 134: *Interim Financial Reporting* (“MFRS 134”) and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2012. The explanatory notes attached to the condensed consolidated 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 2012.

Within the context of these financial statements, the Group comprises the Company and its subsidiaries as at and for the quarter ended 30 September 2013.

**2. CHANGES IN ACCOUNTING POLICIES**

The financial information presented herein has been prepared in accordance with the accounting policies to be used in preparing the annual consolidated financial statements for 31 December 2013 under the MFRS framework. These policies do not differ significantly from those used in the audited consolidated financial statements for 31 December 2012 except as described below.

As of 1 January 2013, the Group has adopted the following new and revised MFRSs, amendments and IC interpretations (collectively referred to as “pronouncements”) which are effective for annual periods beginning on or after 1 January 2013.

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	Separate Financial Statements
MFRS 128	Investments in Associates and Joint Ventures
Amendments to MFRS 1	Government Loans
Amendments to MFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities
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
Amendments to MFRS 116	Properties, Plant and Equipment (Annual Improvements 2009-2011 Cycle)



**PFCE BERHAD**  
**(504718-U)**

**QUARTERLY REPORT FOR THE 3<sup>rd</sup> QUARTER ENDED 30 SEPTEMBER 2013**

**PART B – DISCLOSURE NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING  
REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD**

**2. CHANGES IN ACCOUNTING POLICIES (Cont.)**

Amendments to MFRS 132 Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)

Amendments to MFRS 134 Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)

IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine Annual improvement 2012

The adoption of the above pronouncements does not have material impact on the financial statements of the Group.

**Effective for financial period beginning on or after 1 January 2014**

Amendments to MFRS 132 Offsetting Financial Assets and Financial Liabilities

**Effective for financial period beginning on or after 1 January 2015**

MFRS 9 Financial Instruments

Amendments to MFRS 9 Mandatory Effective Date of MFRS 9 and Transition Disclosures

**3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

There was no qualified audit report issued by the auditors in the annual financial statements for the year ended 31 December 2012.

**4. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS**

The ceramic business is cyclical in nature as it is affected by the seasonal pattern of the export countries, whereas the oil and gas business has not been materially affected by any seasonality or cyclicity during the current quarter and financial period-to-date under review.

**5. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows for the current quarter and financial period-to-date under review.



**PFCE BERHAD**  
**(504718-U)**

**QUARTERLY REPORT FOR THE 3<sup>rd</sup> QUARTER ENDED 30 SEPTEMBER 2013**

**PART B – DISCLOSURE NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING  
REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD**

**6. CHANGE IN ESTIMATES OF AMOUNTS REPORTED IN PRIOR INTERIM PERIODS  
OF THE CURRENT FINANCIAL PERIOD OR IN PRIOR FINANCIAL YEARS**

There were no material changes in estimates of the amounts reported in the interim financial statements of the Group for the quarter ended 30 September 2013 that may have a material effect in the current quarter results.

**7. PROPERTY, PLANT AND EQUIPMENT**

Freehold land is stated at cost and is not depreciated. Other property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

**8. DEBT AND EQUITY SECURITIES**

There were no issuances, cancellations, repurchase, resale and repayment of debt and equity securities during the quarter ended 30 September 2013.

**9. DIVIDENDS**

No dividend was paid for the financial period ended 30 September 2013.

**10. SEGMENTAL INFORMATION**

The Group has three reporting segments, as described below, which offer different products and services and are managed separately because they require different technologies and marketing strategies. The following summary describes the operations in each of the Group's reporting segments:

- Oil and Gas – activities include fabrication of oil and gas steel structures and platforms.
- Ceramic – activities include retail, trading, manufacturing, exporting and marketing of pottery and porcelain products, ceramic ware and ornaments.

The Group operates mainly in Malaysia and accordingly, information by geographical location of the Group's operations is not presented.

Segmental information is provided based on business segment, as follows:

**PFCE BERHAD**  
(504718-U)

**QUARTERLY REPORT FOR THE 3<sup>rd</sup> QUARTER ENDED 30 SEPTEMBER 2013**

**PART B – DISCLOSURE NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD**

**10. SEGMENTAL INFORMATION (Cont.)**

	<u>Oil &amp; Gas</u> RM'000	<u>Ceramic</u> RM'000	<u>Investment</u> <u>Holding</u> RM'000	<u>Group</u> RM'000
<b>Results for the financial period ended 30 Sept 2013</b>				
<b>External Revenue</b>	197	9,634	-	9,831
<b>Results</b>				
Segment results	(21,021)	(781)	(973)	(22,775)
Interest Income	-	0	0	1
Finance Cost	(64)	(60)	(0)	(124)
Loss before taxation	(21,086)	(841)	(973)	(22,898)
Income tax expense	(8)	-	-	(8)
Loss after taxation for the financial period	(21,093)	(841)	(973)	(22,906)
	<u>Oil &amp; Gas</u> RM'000	<u>Ceramic</u> RM'000	<u>Investment</u> <u>Holding</u> RM'000	<u>Group</u> RM'000
<b>Results for the financial period ended 30 Sept 2012</b>				
<b>External Revenue</b>	115,805	7,540	-	123,345
<b>Results</b>				
Segment results	9,746	(1,042)	(1,967)	6,737
Interest Income	-	2	-	2
Finance Cost	(1)	(57)	-	(58)
(Loss)/Profit before taxation	9,745	(1,097)	(1,967)	6,681
Income tax expense	(1,540)	-	-	(1,540)
(Loss)/Profit after taxation for the financial period	8,205	(1,097)	(1,967)	5,141





**PFCE BERHAD**  
**(504718-U)**

**QUARTERLY REPORT FOR THE 3<sup>rd</sup> QUARTER ENDED 30 SEPTEMBER 2013**

**PART B – DISCLOSURE NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING  
REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD**

**11. SUBSEQUENT EVENTS**

In light of the completion of the oil and gas project undertaken by one of its subsidiaries, the Group has intention to cease its oil and gas activities via disposal of the said subsidiary and is actively identifying potential buyer for the same.

**12. CHANGES IN COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group during the current quarter.

**13. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

There were no changes in contingent liabilities or contingent assets, since the last financial year ended 31 December 2012.

**14. REVIEW OF GROUP PERFORMANCES**

**Current quarter against the corresponding quarter**

	<b>3 months ended</b>	
	<b>30.09.2013</b>	<b>30.09.2012</b>
	<b>RM'000</b>	<b>RM'000</b>
Revenue	2,829	43,611
(Loss)/Profit before taxation	(21,202)	2,754
(Loss)/Profit for the period	(21,210)	2,064

The Group's revenue for the current quarter was RM2.83 million, a decrease of RM40.78 million as compared to the corresponding quarter in the previous year due to no revenue contribution from oil and gas segment.

In addition, the significant loss recorded for the quarter as compared to profit for the corresponding quarter was mainly due to a general impairment of RM19.52 million made for a long outstanding debtor.

**QUARTERLY REPORT FOR THE 3<sup>rd</sup> QUARTER ENDED 30 SEPTEMBER 2013**

**PART B – DISCLOSURE NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD**

**14. REVIEW OF GROUP PERFORMANCE (Cont.)**

**Current quarter against the corresponding quarter (Cont.)**

The following section will provide further analysis of the Group performance by operating segments.

	<b>3 months ended</b>	
	<b>30.09.2013</b>	<b>30.09.2012</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>		
Segment :-		
Oil and Gas	-	42,079
Ceramic	2,829	1,532
Investment Holding	-	-
	<u>2,829</u>	<u>43,611</u>
<b>(Loss)/Profit before taxation</b>		
Segment :-		
Oil and Gas	(20,351)	4,229
Ceramic	(533)	(574)
Investment Holding	(318)	(901)
	<u>(21,202)</u>	<u>2,754</u>
<b>(Loss)/ Profit for the period</b>		
Segment :-		
Oil and Gas	(20,359)	3,539
Ceramic	(533)	(574)
Investment Holding	(318)	(901)
	<u>(21,210)</u>	<u>2,064</u>

**Oil and Gas**

No revenue for the current quarter as compared to the corresponding quarter in 2012 of RM42.08 million due to completion of project.



**PFCE BERHAD**  
**(504718-U)**

**QUARTERLY REPORT FOR THE 3<sup>rd</sup> QUARTER ENDED 30 SEPTEMBER 2013**

**PART B – DISCLOSURE NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING  
REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD**

**14. REVIEW OF GROUP PERFORMANCE (Cont.)**

**Current quarter against the corresponding quarter (Cont.)**

**Ceramic**

Ceramic segment registered revenue of RM2.83 million for the current quarter an increase of RM1.29 million or 84.31% as compared to the corresponding quarter due to increase of export to North America.

**15. COMPARISON WITH PRECEDING QUARTER RESULTS**

	<b>3 months ended</b>	
	<b>30.09.2013</b>	<b>30.06.2013</b>
	<b>RM'000</b>	<b>RM'000</b>
Revenue	2,829	2,113
Loss before taxation	(21,202)	(1,226)
Loss for the period	(21,210)	(1,226)

For the quarter under review, the Group registered higher revenue of RM2.83 million representing an increase of RM0.72 million or 25.44% as compared to the immediate preceding quarter of RM2.11 million merely due to increase in export.

In addition, the significant increase of recorded loss for the quarter as compared with preceding quarter was mainly due to general impairment of RM19.52 million made for a long outstanding debtor.

**16. COMMENTARY ON PROSPECTS**

The outlook for the Group especially ceramic activities remains positive.

**17. PROFIT FORECAST OR PROFIT GUARANTEE**

Not applicable as the Group did not publish any profit forecast.



**PFCE BERHAD**  
**(504718-U)**

**QUARTERLY REPORT FOR THE 3<sup>rd</sup> QUARTER ENDED 30 SEPTEMBER 2013**

**PART B – DISCLOSURE NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING  
REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD**

**18. TAXATION**

	<b>Current Quarter Ended 30.09.2013</b>	<b>9 months ended 30.09.2013</b>
	<b>RM'000</b>	<b>RM'000</b>
Deferred tax	-	-
Current tax	<u>(8)</u>	<u>(8)</u>
Income tax expense	<u><u>(8)</u></u>	<u><u>(8)</u></u>

**19. CORPORATE PROPOSALS**

The Securities Commission (“SC”) had vide its letter dated 21 October 2013, informed PFCE that the SC has not granted an extension of time of six (6) months for PFCE to complete, amongst others, the acquisition of the entire equity interest in PFC Engineering Sdn. Bhd. (“PFC Engineering”) for a purchase consideration of RM300 million, to be satisfied by the issuance of 500,000,000 new shares of PFCE at an issue price of RM0.60 per share (“Proposals”) and to address and comply with the conditions in SC’s approval dated 11 March 2013. As such, the approval from the SC for the Proposals dated 11 March 2013, has lapsed. As such, there are no outstanding corporate proposals as at the date of this report.

**PFCE BERHAD**  
(504718-U)

**QUARTERLY REPORT FOR THE 3<sup>rd</sup> QUARTER ENDED 30 SEPTEMBER 2013**

**PART B – DISCLOSURE NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD**

**20. BORROWINGS AND DEBT SECURITIES**

Particulars of Group's borrowings are as follow:

	<u>As at</u> <u>30.09.2013</u> RM'000	<u>As at</u> <u>31.12.2012</u> RM'000
Non Current		
Term Loan	-	-
Finance lease liabilities	326	328
	<u>326</u>	<u>328</u>
Current		
Term Loan	-	209
Finance lease liabilities	117	104
Bank Overdraft	429	634
Bankers Acceptance	129	443
	<u>675</u>	<u>1,390</u>
	<u>1,001</u>	<u>1,718</u>

	<u>Total</u> RM'000	<u>&lt; 1 year</u> RM'000	<u>1-2 years</u> RM'000	<u>2-5 years</u> RM'000	<u>&gt; 5 years</u> RM'000
Term Loan	-	-	-	-	-
Finance Lease Liabilities	443	117	123	203	-
	<u>443</u>	<u>117</u>	<u>123</u>	<u>203</u>	<u>-</u>

	<u>As at 30.09.2013</u>		
	<u>Minimum lease payments</u> RM'000	<u>Future finance charges</u> RM'000	<u>Present Value</u> RM'000
Less than one year	137	20	117
Between 1 - 2 years	137	14	123
2 - 5 years	212	9	203
More than 5 years	-	-	-
	<u>486</u>	<u>43</u>	<u>443</u>



**PFCE BERHAD**  
**(504718-U)**

**QUARTERLY REPORT FOR THE 3<sup>rd</sup> QUARTER ENDED 30 SEPTEMBER 2013**

**PART B – DISCLOSURE NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING  
REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD**

**21. CHANGES IN MATERIAL LITIGATION**

The Directors were not aware of any material litigation, which, if enforced, may have a material impact on the profit or net asset value of the Group.

**22. PROPOSED DIVIDEND**

There were no dividends proposed or declared by the Company for the current quarter and financial period-to-date.

**23. EARNINGS PER SHARE**

The basic earnings per ordinary share of the Group were calculated by dividing the net profit attributed to owners of the Company by the weighted number of ordinary shares in issue during the reporting period.

	<b>3 months ended</b>		<b>9 months ended</b>	
	<b>30.09.2013</b>	<b>30.09.2012</b>	<b>30.09.2013</b>	<b>30.09.2012</b>
(Loss)/Profit attributable to owners of the Company (RM'000)	(14,203)	977	(15,523)	2,694
Weighted average number of ordinary shares issue ('000)	95,000	95,000	95,000	95,000
Basic earning per share (in sen)	(14.95)	1.03	(16.34)	2.84

Fully diluted earnings per share were not computed as there were no outstanding potential ordinary shares to be issued as at the end of the reporting period.



**PFCE BERHAD**  
(504718-U)

**QUARTERLY REPORT FOR THE 3<sup>rd</sup> QUARTER ENDED 30 SEPTEMBER 2013**

**PART B – DISCLOSURE NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD**

**24. LOSS BEFORE TAXATION**

	<b>3 months ended 30.09.2013 RM'000</b>	<b>9 months ended 30.09.2013 RM'000</b>
<b>Loss before taxation is arrived at after Charging/(crediting) :-</b>		
Depreciation and amortization	375	1,118
Gain on derivative	45	44
Impairment of receivable	19,520	19,520
Interest expense	77	124
Interest income	(0)	(1)
Net realised loss on foreign exchange	(40)	(3)
Net unrealised gain on foreign exchange	(94)	(185)
Other income including investment income	(71)	(219)

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

**25. REALISED AND UNREALISED PROFIT OR LOSSES**

The breakdown of the accumulated losses of the Group as at the end of reporting period into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad is as follows:-

	<b>As at 30.09.2013 RM'000</b>	<b>As at 31.12.2012 RM'000</b>
Total Retained Profits of PFCE and its subsidiaries:		
- Realised	185	21,314
- Unrealised	<u>(2,030)</u>	<u>(309)</u>
	(1,845)	21,005
Less: Consolidation Adjustments	<u>(30,066)</u>	<u>(37,393)</u>
Total Group retained profits	<u><u>(31,911)</u></u>	<u><u>(16,388)</u></u>



**PFCE BERHAD**  
**(504718-U)**

**QUARTERLY REPORT FOR THE 3<sup>rd</sup> QUARTER ENDED 30 SEPTEMBER 2013**

**PART B – DISCLOSURE NOTES PURSUANT TO APPENDIX 9B OF MAIN MARKET LISTING  
REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD**

**26. AUTHORISATION FOR ISSUE**

The interim financial report for the period under review is authorised and approved for issue and announcement to Bursa Malaysia Securities Berhad by PFCE's Board in accordance with a resolution of the directors on 29<sup>th</sup> November 2013

**By Order of the Board**  
Dated: 29<sup>th</sup> November 2013