

PESONA METRO HOLDINGS BERHAD (Co. No. 957876-T)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 30 JUNE 2013**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	(Unaudited) Current Year Quarter 30.6.2013 RM'000	(Unaudited) Preceding Year Quarter 30.6.2012 RM'000	(Unaudited) Current Year To Date 30.6.2013 RM'000	(Unaudited) Preceding Year To Date 30.6.2012 RM'000
Revenue	80,588	N/A	154,325	N/A
Cost of sales	(71,438)	N/A	(136,824)	N/A
Gross profit	9,150	N/A	17,501	N/A
Other operating income	304	N/A	1,027	N/A
Selling and administrative expenses	(3,559)	N/A	(7,140)	N/A
Profit from operations	5,895	N/A	11,388	N/A
Finance costs	(15)	N/A	(29)	N/A
Profit before tax	5,880	N/A	11,359	N/A
Income tax expense	(1,544)	N/A	(2,968)	N/A
Profit for the period	4,336	N/A	8,391	N/A
Other comprehensive income	-	N/A	-	N/A
Total comprehensive income for the period	4,336	N/A	8,391	N/A
Total comprehensive income attributable to:				
• Owners of the parent	4,336	N/A	8,391	N/A
• Non-controlling interests	-	N/A	-	N/A
Earnings per share (Sen)				
• Basic	0.93	N/A	1.81	N/A
• Diluted	-	N/A	-	N/A

Notes:

- (1) Pesona Metro Holdings Berhad ("PMHB") was incorporated in Malaysia on 19 August 2011 as a special purpose vehicle to assume the listing status of Mithril Berhad pursuant to the Proposed Restructuring Exercise as disclosed in the Explanatory Statement-Cum-Circular dated 11 July 2012. The Proposed Restructuring Exercise was completed on 28 September 2012 and PMHB was listed on 10 October 2012. Accordingly, the first interim financial report on the condensed consolidated statement of comprehensive income is for the financial period commencing from 1 October 2012.
- (2) N/A: Not applicable.

The unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

PESONA METRO HOLDINGS BERHAD (Co. No. 957876-T)**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013**

	(Unaudited) 30.6.2013 RM'000	(Audited) 31.12.2012 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	15,237	12,818
Investment properties	1,560	1,560
Trade receivables	5,283	4,495
	<u>22,080</u>	<u>18,873</u>
Current assets		
Inventories	2,561	2,710
Trade and other receivables	56,867	50,433
Amount due from customers for contract	11,397	8,271
Deposits with licensed financial institutions	32,491	40,792
Cash and bank balances	25,509	10,053
	<u>128,825</u>	<u>112,259</u>
TOTAL ASSETS	150,905	131,132
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	115,955	115,955
Reverse acquisition reserve	(91,000)	(91,000)
Retained earnings	42,281	38,528
Total equity attributable to owners of the parent	<u>67,236</u>	<u>63,483</u>
Non-current liabilities		
Bank borrowings	-	17
Hire purchase	88	-
Trade payables	13,965	11,153
Deferred tax liabilities	830	830
	<u>14,883</u>	<u>12,000</u>
Current liabilities		
Trade and other payables	42,421	44,682
Amount due to customers for contract	22,885	8,012
Bank borrowings	1,394	1,451
Hire purchase	22	-
Tax liabilities	2,064	1,504
	<u>68,786</u>	<u>55,649</u>
TOTAL LIABILITIES	83,669	67,649
TOTAL EQUITY AND LIABILITIES	150,905	131,132
Net assets per share attributable to owners of the parent (Sen)	14.50	13.69

The unaudited condensed consolidated statement of financial position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

PESONA METRO HOLDINGS BERHAD (Co. No. 957876-T)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2013**

	ATTRIBUTABLE TO OWNERS OF THE PARENT			Total RM'000
	<u>Non-distributable</u>	Reverse acquisition reserve	<u>Distributable</u> Retained earnings	
	Share capital RM'000	RM'000	RM'000	
As at 1 January 2013	115,955	(91,000)	38,528	63,483
Total comprehensive income for the period	-	-	8,391	8,391
Dividend paid	-	-	(4,638)	(4,638)
As at 30 June 2013	115,955	(91,000)	42,281	67,236

The unaudited condensed consolidated statement of statement of changes in equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

PESONA METRO HOLDINGS BERHAD (Co. No. 957876-T)

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE SECOND QUARTER ENDED 30 JUNE 2013**

	(Unaudited) Current Year to date 30.6.2013 RM'000	(Audited) Preceding Year to date 31.12.2012 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	11,359	17,195
Adjustments for:-		
• Depreciation	1,540	3,597
• Loss on disposal of investment	-	3,099
• Interest income	(377)	(1,203)
• Other non-cash operating items	(389)	(240)
Operating profit before working capital changes	12,133	22,448
Changes in inventories	252	(364)
Changes in trade and other receivables	(7,229)	9,782
Changes in trade and other payables	552	6,840
Changes in amounts due from/(to) customers for contract	11,747	(13,527)
Cash generated from operations	17,455	25,179
Interest received	377	1,203
Interest paid	(29)	(83)
Tax paid	(2,403)	(4,442)
Net cash generated from operating activities	15,400	21,857
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(4,168)	(3,338)
Proceeds from disposal of property, plant and equipment	524	364
Net cash used in investing activities	(3,644)	(2,974)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid to shareholders	(4,638)	(13,500)
Proceeds from issuance of shares	-	10,000
Drawdown from hire purchase	110	-
Repayment of bank borrowings	(73)	(1,343)
Changes in fixed deposits pledged with licensed banks	(103)	1,110
Net cash used in financing activities	(4,704)	(3,733)
Net increase in cash and cash equivalents	7,052	15,150
Cash and cash equivalents at the beginning of period	31,711	16,561
Cash and cash equivalents at the end of period	38,763	31,711
Cash and cash equivalents comprise of the following:		
• Deposits with licensed financial institutions	32,491	40,792
• Cash and bank balances	25,509	10,053
	58,000	50,845
Less: Fixed deposits pledged with licensed banks	(19,237)	(19,134)
	38,763	31,711

The unaudited condensed consolidated cash flow statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

PESONA METRO HOLDINGS BERHAD (Co. No. 957876-T)

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING

A1. Basis of preparation

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

The interim financial statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2012.

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 Company and its subsidiaries ("The Group") since the financial year ended 31 December 2012.

A2. Changes in Accounting Policies

The Group has adopted the Malaysian Financial Reporting Standards issued by the Malaysian Accounting Standards Board for accounting period beginning 1 January 2013.

A3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report of the Group's annual financial statements for the financial year ended 31 December 2012 was not qualified.

A4. Seasonal or Cyclical Factors

The business operations of the Group are not significantly affected by any seasonal or cyclical factors.

A5. Unusual Items

There were no other unusual items affecting assets, liabilities, equity, net income or cash flows in the financial quarter under review.

A6. Changes in Estimates

There was no change in estimates of amounts reported in prior interim periods that had a material effect in the current reporting quarter.

A7. Changes in Debt and Equity Securities

There were no changes in debt and equity securities during the quarter under review.

PESONA METRO HOLDINGS BERHAD (Co. No. 957876-T)

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING

A8. Dividend Paid

The following dividend was paid during the six months ended 30 June 2013:

In respect of financial year ended 31 December 2012:

- Final single tier dividend of 1 sen per ordinary share, paid on 28 June 2013, amounting to RM4,638,204.48.

A9. Segmental Reporting

The Group’s segmental report for the 6 months period ended 30 June 2013 is as follows:-

	Investment holding	Construction	Manufacturing of polyurethane products	Elimination	Total
	RM’000	RM’000	RM’000	RM’000	RM’000
Revenue					
External sales	168	147,405	6,752	-	154,325
Inter-segment sales	-	5,935	-	(5,935)	-
Total revenue	168	153,340	6,752	(5,935)	154,325
Interest income	-	377	-	-	377
Interest expense	-	(2)	(27)	-	(29)
Depreciation	-	(1,259)	(281)	-	(1,540)
Loss on disposal of investment	-	-	-	-	-
Results					
(Loss)/Profit from operations	(111)	11,271	228	-	11,388
Finance costs	-	(2)	(27)	-	(29)
(Loss)/Profit before tax	(111)	11,269	201	-	11,359
Income tax expense	-	(2,968)	-	-	(2,968)
(Loss)/Profit after tax	(111)	8,301	201	-	8,391

A10. Valuation of Property, Plant and Equipment

The Group’s property, plant and equipment are stated at cost. There is no policy of regular revaluation of its property, plant and equipment as at the end of the financial period under review.

PESONA METRO HOLDINGS BERHAD (Co. No. 957876-T)

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING

A11. Material Events Subsequent to the End of the Interim Period

There were no material events subsequent to the end of the interim period.

A12. Changes in Composition of the Group

There were no changes in composition of the Group.

A.13 Capital Commitments

	As at 30.6.2013 RM'000
Approved but not contracted for	
- Purchase of property, plant and equipment	<u>2,458</u>

A14. Changes in Contingent Liabilities

	As at 30.6.2013 RM'000
Bank guarantees issued by licensed banks in respect of construction projects	
- Secured via placement of fixed deposits	<u>70,291</u>

A15. Significant Related Party Transactions

The significant related party transactions during the quarter under review in which directors of the Company have substantial financial interest are as follows:-

	Current Year Quarter 30.6.2013 RM'000	Current Year To date 30.6.2013 RM'000
Provision of construction works to companies in which directors have substantial financial interest	<u>27,179</u>	<u>50,271</u>

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B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 AMD PART A OF APPENDIX 9B OF THE LISTING REQUIREMENT OF BURSA SECURITIES

B1. Review of Performance

Current Year Quarter:

The Group achieved a revenue of RM80.6 million for the quarter under review with 95% and 5% of revenue contributed by construction segment and manufacturing of PU products respectively.

The Group generated a profit before tax of RM5.9 million for the quarter under review. The profit before tax is substantially contributed by the on-going 3 infrastructure and 2 building projects in Malaysia.

Current Year-to-date:

For the first half ended 30 June 2013, the Group achieved a revenue of RM154.3 million with 96% and 4% of revenue contributed by construction segment and manufacturing of PU products respectively. The first half revenue represents approximately 70% of the full year revenue achieved in year 2012.

In line with the increase in revenue, the Group generated a profit before tax of RM11.4 million for the first half ended 30 June 2013. This represents approximately 66% of the full year profit before tax achieved in year 2012.

B2. Comparison with Immediate Preceding Quarter's Results

	Current Quarter 30.6.2013	Preceding Quarter 31.3.2013	Variance	
	RM'000	RM'000	RM'000	%
Revenue	80,588	73,737	6,851	9
Profit before tax	5,880	5,479	401	7

Both the revenue and profit before tax from the construction division have improved as compared to the last quarter as a result of higher activities for the current on-going projects.

B3. Prospects for the Current Financial Year

As announced, the Group has recently secured two new projects amounting to RM237 million. Accordingly, coupled with the existing order book, barring any unforeseen circumstances, the Group is expected to be profitable for the remaining quarters.

PESONA METRO HOLDINGS BERHAD (Co. No. 957876-T)

B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 AMD PART A OF APPENDIX 9B OF THE LISTING REQUIREMENT OF BURSA SECURITIES

B4. Profit Forecast

There was no profit forecast announced in relation to the financial quarter under review.

As announced on 23 April 2013, pursuant to the acquisition of the entire equity interests of Pesona Metro Sdn Bhd on 12 September 2012, the vendors of Pesona Metro Sdn Bhd, namely Mr. Wie Hock Beng and Mdm. Chak May Teng ("the Vendors") had unconditionally and irrevocably represent, guarantee and warrant to the Company that the aggregated Profit after Tax of Pesona Metro Sdn Bhd Group for the financial year ended 31 December 2012 shall not be less than RM15 million. The auditors, Messrs UHY Chartered Accountant has on 17 April 2013 confirmed that the Profit Guarantee of RM15 million has been achieved and thus, the Guaranteed Profit of Pesona Metro Sdn Bhd Group has been fulfilled by the Vendors.

B5. Taxation

	Current Year Quarter 30.6.2013 RM'000	Current Year To date 30.6.2013 RM'000
Current year tax	1,543	2,967
(Over)/Under provision in prior year	1	1
Deferred tax	-	-
	1,544	2,968

The effective tax rate is higher than the statutory tax rate due to certain non-allowable expenses.

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B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 AMD PART A OF APPENDIX 9B OF THE LISTING REQUIREMENT OF BURSA SECURITIES

B6. Note to the Statement of Comprehensive Income

The note to the statement of comprehensive income is arrived at after charging or crediting the following items:

	Current Year Quarter 30.6.2013 RM'000	Current Year To date 30.6.2013 RM'000
Interest income	(114)	(377)
Other income	(60)	(166)
Interest expense	15	29
Depreciation charges	788	1,540
Provision for and write off of receivables	-	-
Provision for and write off of inventories	-	-
Gain on disposal of property, plant and equipment	(112)	(321)
Gain or loss on disposal of quoted or unquoted investment or properties	-	-
Impairment of assets	-	-
Foreign exchange (gain)/loss	(35)	(66)
Gain or loss on derivatives	-	-
Exceptional items	-	-

B7. Status of Corporate Proposal

There is no pending corporate proposal.

B8. Group's Borrowings and Debt Securities

The Group's borrowings as at 30 June 2013 were as follows:-

	As at 30.6.2013 RM'000
Long term borrowings	
Secured:	
• Hire purchase	88
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Short term borrowings	
Secured:	
• Export credit refinancing	1,310
• Term loans	84
• Hire purchase	22
	<hr/>
	1,416
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B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 AMD PART A OF APPENDIX 9B OF THE LISTING REQUIREMENT OF BURSA SECURITIES

B9. Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk.

B10. Material Litigation

During the quarter under review, neither the Group nor the Company involves in any material litigation.

B11. Dividend

No dividend has been proposed during the quarter under review.

B12. Earnings per Share

	Current Year Quarter 30.6.2013	Current Year To date 30.6.2013
Profit for the period (RM'000)	4,336	8,391
Weighted average number of ordinary shares in issue ('000)	463,820	463,820
Basic earnings per share (sen)	0.93	1.81

B13. Realised and unrealised earnings or losses disclosure

	As at 30.6.2013 RM'000
Total retained earnings for the Group:	
• Realised	40,305
• Unrealised	1,170
• Consolidated adjustment	806
	<u>42,281</u>

B14. Authorisation for Issue

This interim financial report was authorized for issuance by the Board of Directors of the Company on 30 August 2013.