

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(Unaudited) As at 30 / 09 / 2013 RM ' 000	(Audited) As at 31 / 03 / 2013 RM ' 000
ASSETS		
Non-current assets		
Investment properties	312,883	312,703
Property, plant and equipment	34,026	34,904
Deferred tax assets	619	1,280
	347,528	348,887
Current assets		
Property development cost	18,566	13,572
Inventories	44	30
Trade and other receivables	5,587	2,469
Current tax assets	20	36
Cash and cash equivalents	12,367	2,401
	36,584	18,508
	384,112	367,395
TOTAL ASSETS		
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the company		
Share capital	136,208	136,208
Reserves	72,030	71,690
Total equity	208,238	207,898
Non-current liabilities		
Borrowings	93,046	85,374
Deferred tax liabilities	356	139
	93,402	85,513
Current liabilities		
Trade and other payables	46,408	16,456
Borrowings	35,287	56,202
Current tax liabilities	777	1,326
	82,472	73,984
Total liabilities	175,874	159,497
	384,112	367,395
TOTAL EQUITY AND LIABILITIES		
Net Assets per shares (RM)	1.53	1.53

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the annual audited financial statements of the Group for the financial year ended 31 March 2013 and the accompanying explanatory notes to the interim financial statements.

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	30/09/2013	30/09/2012	30/09/2013	30/09/2012
	RM ' 000	RM ' 000	RM ' 000	RM ' 000
Revenue	7,894	7,312	15,718	14,198
Cost of sales	(2,146)	(1,929)	(4,085)	(3,590)
Gross profit	5,748	5,383	11,633	10,608
Other operating income	32	52	70	94
Operating expenses	(3,510)	(2,494)	(6,197)	(4,999)
Profit from operations	2,270	2,941	5,506	5,703
Finance cost	(1,918)	(2,053)	(4,068)	(3,805)
Profit/ (loss) before taxation	352	888	1,438	1,898
Taxation	(534)	(455)	(1,098)	(905)
Net profit/ (loss) for the financial period	(182)	433	340	993
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income / (loss) for the financial period	(182)	433	340	993
Profit/ (loss) attributable to:-				
Owners of the Company	(182)	433	340	993
Non -controlling interest	-	-	-	-
	(182)	433	340	993
Earnings /(loss) per share attributable to owners of the Company (sen) :				
(a) Basic	(0.13)	0.32	0.25	0.74
(b) Fully diluted	n/a	n/a	n/a	n/a

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the annual audited financial statements of the Group for the financial year ended 31 March 2013 and the accompanying explanatory notes to the interim financial statements.

PERDUREN (M) BERHAD (Company No. 236800-T)

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2013

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	← Attributable to equity holders of the Company →					
	Share Capital RM ' 000	Treasury Shares RM ' 000	Share Premium RM ' 000	Capital Reserves RM ' 000	Retained profits RM ' 000	Total equity RM ' 000
6 months ended 30 September 2013						
As at 01 April 2013	136,208	(1,199)	8,536	275	64,078	207,898
Total comprehensive income for the financial period	-	-	-	-	340	340
As at 30 September 2013	<u>136,208</u>	<u>(1,199)</u>	<u>8,536</u>	<u>275</u>	<u>64,418</u>	<u>208,238</u>
6 months ended 30 September 2012						
As at 01 April 2012	136,208	(1,199)	8,536	275	61,698	205,518
Total comprehensive loss for the financial period	-	-	-	-	993	993
As at 30 September 2012	<u>136,208</u>	<u>(1,199)</u>	<u>8,536</u>	<u>275</u>	<u>62,691</u>	<u>206,511</u>

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the annual audited financial statements of the Group for the financial year ended 31 March 2013 and the accompanying explanatory notes to the interim financial statements.

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Period ended	
	30/09/2013 RM ' 000	30/09/2012 RM ' 000
Cash flows from operating activities		
Profit / (loss) before taxation	1,438	1,898
Adjustments for non cash items	1,310	970
Operating profit / (loss) before changes in working capital	2,748	2,868
Changes in working capital	21,248	(7,193)
Tax paid	(753)	(523)
Interest expense	4,068	3,805
Interest received	(34)	(24)
Net cash generated from operating activities	27,277	(1,067)
Cash flows from investing activities		
Interest received	34	24
Placement of short term deposits	(2,523)	(46)
Purchase of :		
- investment properties	(100)	(176)
- property, plant and equipment	(250)	(556)
Net cash used in investing activities	(2,839)	(754)
Cash flows from financing activities		
Proceeds from borrowings	-	12,745
Interest paid	(3,751)	(3,459)
Repayment of borrowings		
- Term loans	(6,760)	(5,719)
- Finance lease and hire purchase creditors	(40)	(43)
Net cash generated from financing activities	(10,551)	3,524
Net increase / (decrease) in cash and cash equivalents	13,887	1,703
Cash and cash equivalents at beginning of financial period	(26,256)	(25,614)
Cash and cash equivalents at end of financial period	<u>(12,369)</u>	<u>(23,911)</u>
Cash and cash equivalents comprise:-		
Cash and bank balances	8,270	1,551
Bank overdraft	(20,639)	(25,462)
	<u>(12,369)</u>	<u>(23,911)</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the annual audited financial statements of the Group for the financial year ended 31 March 2013 and the accompanying explanatory notes to the interim financial statements.

Compliance with Financial Reporting Standard (FRS) 134, Interim Financial Reporting and Bursa Malaysia Securities Berhad Listing Requirements**1 Basis of preparation**

The interim financial report is unaudited and has been prepared in accordance with the requirements of FRS134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial report should be read in conjunction with the audited financial statements of the Company for the year ended 31 March 2013.

2 Changes in Significant Accounting Policies

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the annual audited financial statements for the financial year ended 31 March 2013, except for the adoption of the following standards, amendments to published standards and interpretations to existing standards which are effective for the financial period commencing on 1 April 2013:

FRS 3	: Business Combinations
FRS 10	: Consolidated Financial Statements
FRS 11	: Joint Arrangements
FRS 12	: Disclosure of Interests in Other Entities
FRS 13	: Fair Value Measurement
FRS 119	: Employees Benefits (Revised)
FRS 127	: Separate Financial Statements
FRS 128	: Investments in Associates and Joint Ventures

Amendments to:

FRS 7	: Disclosures - Offsetting Financial Assets and Financial Liabilities
FRSs Annual Improvements 2009-2011 Cycle	
FRS 10,11 & 12	: Consolidated Financial Statements, Joint Arrangements and Disclosure of Interest in Other Entities: Transition Guidance
FRS 101	: Presentation of Items of Other Comprehensive Income

The adoption of the above standards, amendments to published standards and interpretations does not give rise to any material effects to the Group.

On 19 November 2011, the MASB issued the new accounting framework, the Malaysian Financial Reporting Standards ("MFRS") framework, which is effective for financial periods beginning on or after 1 January 2012 with the exception of entities that are within the scope of MFRS 141 and IC Interpretation 15 (hereafter called "Transitioning Entities"). On 30 June 2012, MASB has allowed the Transitioning Entities to defer adoption of MFRS framework for two (2) years. The Group falls within the scope of Transitioning Entities and has opted to defer the adoption of MFRS framework for the financial periods as allowed.

3 Qualification of auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the financial year ended 31 March 2013 were not subject to any audit qualification.

4 Seasonal and cyclical factors

The business of the Group was not affected by any significant seasonal and cyclical factors during the interim financial period under review.

5 Unusual items due to their nature, size and incidence

There were no items during the interim financial period under review affecting the assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence.

6 Changes in estimates

There were no changes in estimates which have a material effect on the results of the interim financial period under review.

7 Debt and equity securities

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities during the interim financial period under review.

8 Dividends paid

No dividend has been paid in the interim financial period under review.

9 Segmental reporting

Period ended 30 September 2013	Investment properties RM'000	Car park RM'000	Hotel operation RM'000	Property Development RM'000	Eliminations RM'000	Consolidated RM'000
Revenue						
- External	10,258	1,683	3,777	-	-	15,718
- Inter-segment	1,499	10			(1,509)	-
Total revenue	11,757	1,693	3,777	-	(1,509)	15,718
Results						
Operating profit/(loss)	5,558	101	684	(907)	-	5,436
Other income						70
Finance cost						(4,068)
Tax expense						(1,098)
Profit for the interim financial period						340
Period ended 30 September 2012						
Revenue						
- External	9,751	1,877	2,570	-	-	14,198
- Inter-segment	1,489	-	-	-	(1,489)	-
Total revenue	11,240	1,877	2,570	-	(1,489)	14,198
Results						
Operating profit/(loss)	4,183	1,417	62	(53)	-	5,609
Other income						94
Finance cost						(3,805)
Tax expense						(905)
Profit for the interim financial period						993

10 Carrying amount of revalued assets

Save for investment properties carried at fair values, there are no revalued assets as at 30 September 2013

11 Subsequent events

There are no material events subsequent to the end of the interim financial period that have not been reflected in the interim financial statements for the interim financial period under review

12 Changes in the composition of the Group

There were no changes in the composition of the Group for the interim financial period under review.

13 Changes in contingent liabilities

There were no changes to contingent liabilities or contingent assets since the last financial year ended 30 September 2013.

14 Capital commitments

(i) Capital expenditure in respect of construction of property, plant and equipment	RM '000
- Approved and contracted but not provided for	8
(ii) - Periodic payment commitment in relation to property development Joint Venture Agreement	46,200

15 Significant related party transactions

There were no significant related party transactions during the interim financial period under review.

16 Review of performance

The Group's business activities during the interim financial period under review remains the holding of investment properties (comprising of Plaza Sentosa and units in Holiday Plaza, both located in Johor Bahru, a 6 storey office building located at Shamelin Business Centre in Kuala Lumpur), the operation of a hotel in Plaza Sentosa and a joint-venture property development in Taman Shamelin Perkasa.

For the interim financial period under review, the Group recorded a higher revenue of RM15.718 million as compared to RM14.198 million for the preceding corresponding interim financial period principally due to higher revenue derived from hotel operations and Plaza Sentosa after the completion of refurbishment and expansion of hotel operation. However, due to sales and marketing cost for property development and banking facility fees incurred for the period ended, the Group recorded a decrease of post tax profit from RM0.993 million to RM0.340 million, a drop of RM 0.653 million as compared to the same period of last year.

17 Material change in profit before taxation

The lower net profit before tax for the current quarter under review of RM0.352 million compared to the immediate preceding quarter of RM 1.086 million is mainly due to the sales and marketing cost incurred for the property development project during the current quarter.

18 Current year prospects

The Group's joint-venture property development project (Shamelin Star, comprising of serviced apartments and retail units) is expected to contribute to the Group's revenue and earnings in the forthcoming financial year.

Barring any unforeseen circumstances, the Board is of the view that the Group performance will remain satisfactory in the financial year under review.

19 Profit forecast

The Group has not issued any profit forecast in a public document.

20 Profit before tax

	Current Quarter	Period ended
	30/09/2013	30/09/2013
	RM ' 000	RM ' 000
Profit before tax is arrived at after charging / (crediting)		
Depreciation of property, plant and equipment	503	1,014
Impairment loss on trade and other receivables	262	262
Interest expense	1,918	4,068
Interest income	(22)	(34)
Property, plant and equipment written off	1	34
Rental of:		
- premises	50	57
- equipment	4	7

21 Income tax expense

	Current Quarter		Period Ended	
	30/09/2013	30/09/2012	30/09/2013	30/09/2012
	RM ' 000	RM ' 000	RM ' 000	RM ' 000
Current taxation				
Malaysian income tax :-				
- current year	158	653	198	1,058
- under / (over) provision for prior year	23	(166)	23	(166)
Deferred tax	353	(32)	877	13
	<u>534</u>	<u>455</u>	<u>1,098</u>	<u>905</u>

The Group's effective tax rate for the interim financial period under review is higher than the statutory tax rate as certain expenses are not allowable for tax deductions.

22 Status of corporate proposals

There are no corporate proposals announced but not completed as at the date of issuance of this financial statements.

23 Borrowings and debts securities

Total borrowings of the Group denominated in Ringgit Malaysia as at 30 September 2013 were as follows :

	Short Term RM ' 000	Long Term RM ' 000
Secured		
Bank Overdraft	20,639	-
Term Loan	14,559	77,833
Hire purchase and lease creditors	89	213
	<u>35,287</u>	<u>78,046</u>
Unsecured		
Term Loan	-	15,000
	<u>35,287</u>	<u>93,046</u>

24 Material litigation

The Group is not engaged in any material litigation as at the date of issuance of this financial statements.

25 Dividends

No dividends were declared for the financial year ended 31 March 2013 and no dividend has been paid in the interim financial period under review.

26 Earnings per ordinary share

Basic earnings per share are calculated by dividing profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period, excluding any treasury shares held by the Company.

	Quarter Ended		Period Ended	
	30/09/2013	30/09/2012	30/09/2013	30/09/2012
Profit attributable to equity holders of the Company (RM ' 000)	(182)	433	340	993
Weighted average number of ordinary shares in issue ('000)				
Total number of ordinary shares	136,208	136,208	136,208	136,208
Treasury shares	(1,289)	(1,289)	(1,289)	(1,289)
	<u>134,919</u>	<u>134,919</u>	<u>134,919</u>	<u>134,919</u>
Basic earnings per share (sen) :	<u>(0.13)</u>	<u>0.32</u>	<u>0.25</u>	<u>0.74</u>

There are no diluted earnings per share as the Company does not have any potential dilutive ordinary shares outstanding as at 30 September 2013.

27 Analysis of realised and unrealised profits

	As at 30/09/2013	As at 31/03/2013
	Total retained earnings of the Group	
Realised	823	(2,240)
Unrealised	(877)	1,674
	<u>(54)</u>	<u>(566)</u>
Add:- Consolidation adjustments	64,472	64,644
	<u>64,418</u>	<u>64,078</u>

By Order of the Board
Perduren (M) Berhad
Wong Yeow Chor
Secretary

Date: 28 November 2013