

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

|   | (Unaudited)<br>As at<br>30 / 09 / 2014<br>RM ' 000 | (Audited)<br>As at<br>31 / 03 / 2014<br>RM ' 000 |
|---|--|--|
| <b>ASSETS</b>   |  |  |
| <b>Non-current assets</b>                                   |  |  |
| Investment properties                                       | 317,650  | 312,953  |
| Property, plant and equipment                               | 32,341   | 33,289   |
|   | <u>349,991</u>                                     | <u>346,242</u>                                   |
| <b>Current assets</b>                                       |  |  |
| Property development cost                                   | 75,292   | 82,036   |
| Inventories   | 21   | 27   |
| Trade and other receivables                                 | 33,135   | 27,975   |
| Current tax assets  | 383  | 513  |
| Cash and cash equivalents                                   | 10,440   | 10,066   |
|   | <u>119,271</u>                                     | <u>120,617</u>                                   |
|   | <u><b>469,262</b></u>                              | <u><b>466,859</b></u>                            |
| <b>TOTAL ASSETS</b>   |  |  |
| <b>EQUITY AND LIABILITIES</b>                               |  |  |
| <b>Equity attributable to equity holders of the company</b> |  |  |
| Share capital   | 136,208  | 136,208  |
| Reserves  | 82,442   | 78,589   |
| <b>Total equity</b>   | <u>218,650</u>                                     | <u>214,797</u>                                   |
| <b>Non-current liabilities</b>                              |  |  |
| Borrowings  | 88,118   | 94,668   |
| Trade and other payables                                    | 41,934   | 50,959   |
| Deferred tax liabilities                                    | 791  | 732  |
|   | <u>130,843</u>                                     | <u>146,359</u>                                   |
| <b>Current liabilities</b>                                  |  |  |
| Trade and other payables                                    | 52,186   | 53,666   |
| Borrowings  | 65,922   | 51,210   |
| Current tax liabilities                                     | 1,661  | 827  |
|   | <u>119,769</u>                                     | <u>105,703</u>                                   |
| <b>Total liabilities</b>                                    | 250,612  | 252,062  |
|   | <u><b>469,262</b></u>                              | <u><b>466,859</b></u>                            |
| <b>TOTAL EQUITY AND LIABILITIES</b>                         |  |  |
|   | <u><b>469,262</b></u>                              | <u><b>466,859</b></u>                            |
| <b>Net Assets per shares (RM)</b>                           | <u><b>1.62</b></u>                                 | <u><b>1.59</b></u>                               |

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 2014 and the accompanying explanatory notes to the interim financial statements.

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

|   | Individual Quarter |              | Cumulative Quarter |              |
|---|--------------------|--------------|--------------------|--------------|
|   | 30/09/2014         | 30/09/2013   | 30/09/2014         | 30/09/2013   |
|   | RM ' 000           | RM ' 000     | RM ' 000           | RM ' 000     |
| Revenue   | 21,494             | 7,894        | 44,135             | 15,718       |
| Cost of sales   | (12,932)           | (2,146)      | (27,754)           | (4,085)      |
| Gross profit  | 8,562              | 5,748        | 16,381             | 11,633       |
| Other operating income  | 89                 | 32           | 278                | 70           |
| Operating expenses  | (3,438)            | (3,510)      | (6,740)            | (6,197)      |
| Profit from operations  | 5,213              | 2,270        | 9,919              | 5,506        |
| Finance cost  | (2,100)            | (1,918)      | (4,306)            | (4,068)      |
| <b>Profit before taxation</b>   | <b>3,113</b>       | <b>352</b>   | <b>5,613</b>       | <b>1,438</b> |
| Taxation  | (975)              | (534)        | (1,760)            | (1,098)      |
| <b>Net profit for the financial period</b>                              | <b>2,138</b>       | <b>(182)</b> | <b>3,853</b>       | <b>340</b>   |
| Other comprehensive income, net of tax                                  | -                  | -            | -                  | -            |
| <b>Total comprehensive income for the financial period</b>              | <b>2,138</b>       | <b>(182)</b> | <b>3,853</b>       | <b>340</b>   |
| Profit attributable to:-  |                    |              |                    |              |
| Owners of the Company   | 2,138              | (182)        | 3,853              | 340          |
| Non -controlling interest   | -                  | -            | -                  | -            |
|   | <b>2,138</b>       | <b>(182)</b> | <b>3,853</b>       | <b>340</b>   |
| <b>Earnings per share attributable to owners of the Company (sen) :</b> |                    |              |                    |              |
| (a) Basic   | 1.58               | (0.13)       | 2.86               | 0.25         |
| (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 2014 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 2014**

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The figures have not been audited

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

|   | ← Attributable to equity holders of the Company → |                                |                              |                                 |                                 |                          |
|---|---|--------------------------------|------------------------------|---------------------------------|---------------------------------|--------------------------|
|   | Share<br>Capital<br>RM ' 000                      | Treasury<br>Shares<br>RM ' 000 | Share<br>Premium<br>RM ' 000 | Capital<br>Reserves<br>RM ' 000 | Retained<br>profits<br>RM ' 000 | Total equity<br>RM ' 000 |
| <b>6 months ended 30 September 2014</b>             |   |                                |                              |                                 |                                 |                          |
| As at 01 April 2014                                 | 136,208   | (1,199)                        | 8,536                        | 275                             | 70,977                          | 214,797                  |
| Total comprehensive income for the financial period | -   | -                              | -                            | -                               | 3,853                           | 3,853                    |
| As at 30 September 2014                             | <u>136,208</u>                                    | <u>(1,199)</u>                 | <u>8,536</u>                 | <u>275</u>                      | <u>74,830</u>                   | <u>218,650</u>           |
| <b>6 months ended 30 September 2013</b>             |   |                                |                              |                                 |                                 |                          |
| 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>           |

*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 2014 and the accompanying explanatory notes to the interim financial statements.*

The figures have not been audited

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

|  | Period ended    |                 |
|--|-----------------|-----------------|
|  | 30/09/2014      | 30/09/2013      |
|  | RM ' 000        | RM ' 000        |
| <b>Cash flows from operating activities</b>                |                 |                 |
| Profit before taxation                                     | 5,613           | 1,438           |
| Adjustments for non cash items                             | 1,325           | 1,310           |
| Operating profit before changes in working capital         | <u>6,938</u>    | <u>2,748</u>    |
| Changes in working capital                                 | (18,360)        | 21,248          |
| Tax paid   | (737)           | (753)           |
| Interest expense   | 4,306           | 4,068           |
| Interest income  | (46)            | (34)            |
| <b>Net cash (used in)/from operating activities</b>        | <u>(7,899)</u>  | <u>27,277</u>   |
| <b>Cash flows from investing activities</b>                |                 |                 |
| Interest received  | 46              | 34              |
| Placement of pledged deposits                              | (36)            | (2,523)         |
| Purchase of :  |                 |                 |
| - investment properties                                    | (4,697)         | (100)           |
| - property, plant and equipment                            | (53)            | (250)           |
| Advances from a related party                              | 8,400           | -               |
| <b>Net cash from/(used in) investing activities</b>        | <u>3,660</u>    | <u>(2,839)</u>  |
| <b>Cash flows from financing activities</b>                |                 |                 |
| Drawdown from borrowings                                   | 18,721          | -               |
| Interest paid  | (3,585)         | (3,751)         |
| Repayment of borrowings                                    |                 |                 |
| - Term loans   | (16,306)        | (6,760)         |
| - Finance lease and hire purchase creditors                | (47)            | (40)            |
| <b>Net cash from/(used in) financing activities</b>        | <u>(1,217)</u>  | <u>(10,551)</u> |
| Net increase / (decrease) in cash and cash equivalents     | (5,456)         | 13,887          |
| Cash and cash equivalents at beginning of financial period | (15,062)        | (26,256)        |
| Cash and cash equivalents at end of financial period       | <u>(20,518)</u> | <u>(12,369)</u> |
| Cash and cash equivalents comprise:-                       |                 |                 |
| Cash and bank balances                                     | 8,484           | 8,270           |
| Bank overdraft   | (29,002)        | (20,639)        |
|  | <u>(20,518)</u> | <u>(12,369)</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 2014 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 2014.

**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 2014, 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 2014:

|                      |   |
|----------------------|---|
| Amendments to:       |   |
| FRS 10               | : Consolidated Financial Statements: Investment Entities          |
| FRS 12               | : Disclosures of Interest in Other Entities : Investment Entities |
| FRS 127              | : Separate Financial Statements (2011): Investment Entities       |
| FRS 132              | : Offsetting Financial Assets and Financial Liabilities           |
| FRS 136              | : Recoverable Amount Disclosures for Non-Financial Assets         |
| FRS 139              | : Novation of Derivatives and Continuation of Hedge Accounting    |
| IC Interpretation 21 | : Levies  |

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 announced the issuance of the new MFRS Framework that is applicable to entities other than private entities. However, the MASB deferred the effective date of MFRS Framework for transitioning entities (i.e. entities affected by MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate) from 1 January 2013 to 1 January 2015. The Group would subsequently adopt the MFRS Framework for the financial year ending 31 March 2016 as it is a transitioning entity.

**3 Qualification of auditors' report on preceding annual financial statements**

The auditors' report on the financial statements for the financial year ended 31 March 2014 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 2014          | Investment properties<br>RM'000 | Car park<br>RM'000 | Hotel operation<br>RM'000 | Property development<br>RM'000 | Eliminations<br>RM'000 | Consolidated<br>RM'000 |
|---|---------------------------------|--------------------|---------------------------|--------------------------------|------------------------|------------------------|
| <b>Revenue</b>                          |                                 |                    |                           |                                |                        |                        |
| - External                              | 10,771                          | 1,796              | 3,567                     | 28,001                         | -                      | 44,135                 |
| - Inter-segment                         | 1,571                           | 8                  | -                         | -                              | (1,579)                | -                      |
| Total revenue                           | 12,342                          | 1,804              | 3,567                     | 28,001                         | (1,579)                | 44,135                 |
| <b>Results</b>                          |                                 |                    |                           |                                |                        |                        |
| Operating profit                        | 5,438                           | 173                | (31)                      | 4,061                          | -                      | 9,641                  |
| Other income                            |                                 |                    |                           |                                |                        | 278                    |
| Finance cost                            |                                 |                    |                           |                                |                        | (4,306)                |
| Tax expense                             |                                 |                    |                           |                                |                        | (1,760)                |
| Profit for the interim financial period |                                 |                    |                           |                                |                        | 3,853                  |
| <b>Period ended 30 September 2013</b>   |                                 |                    |                           |                                |                        |                        |
| <b>Revenue</b>                          |                                 |                    |                           |                                |                        |                        |
| - External                              | 10,258                          | 836                | 1,909                     | -                              | -                      | 13,003                 |
| - Inter-segment                         | 1,499                           | 5                  | -                         | -                              | (728)                  | 776                    |
| Total revenue                           | 11,757                          | 841                | 1,909                     | -                              | (728)                  | 13,779                 |
| <b>Results</b>                          |                                 |                    |                           |                                |                        |                        |
| Operating profit                        | 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                    |

**10 Carrying amount of revalued assets**

Save for investment properties carried at fair values, there are no revalued assets as at 30 September 2014

**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 31 March 2014.

**14 Capital commitments**

There were no capital commitments for the purchase of property, plant and equipment as at the end of the financial period ended 30 September 2014.

**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 registered a higher revenue of RM21.494 million as compared to RM7.894 million for the preceding corresponding financial period principally due to revenue of RM13.454 million derived from property development segment being recognised during the financial period. The Group recorded an increase of post tax profit from RM0.340 million to RM3.853 million mainly due to post tax profit of RM3.046 million contributed from property development segment.

**17 Material change in profit before taxation**

The Group recorded a increased profit before taxation of RM3.113 million as compared to RM2.500 million in the immediate preceding quarter, the increase is mainly due the increase in the profit before taxation of its property development segment.

**18 Current year prospects**

Barring any unforeseen circumstances, the Group expects the property development division will continue to contribute positively to the Group's revenue and earnings.

**19 Profit forecast**

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

**20 Profit before tax**

|  | <b>Current Quarter</b> | <b>Period ended</b> |
|--|------------------------|---------------------|
|  | <b>30/09/2014</b>      | <b>30/09/2014</b>   |
|  | <b>RM ' 000</b>        | <b>RM ' 000</b>     |
| Profit before tax is arrived at after charging / (crediting) |                        |                     |
| Depreciation of property, plant and equipment                | 489                    | 986                 |
| Impairment loss on trade and other receivables               | 162                    | 324                 |
| Interest expense   | 2,100                  | 4,306               |
| Interest income  | (29)                   | (46)                |
| Property, plant and equipment written off                    | -                      | 15                  |
| Rental of:   |                        |                     |
| - premises   | 36                     | 72                  |
| - equipment  | 2                      | 4                   |

**21 Income tax expense**

|   | <b>Current Quarter</b> |                   | <b>Period Ended</b> |                   |
|---|------------------------|-------------------|---------------------|-------------------|
|   | <b>30/09/2014</b>      | <b>30/09/2013</b> | <b>30/09/2014</b>   | <b>30/09/2013</b> |
|   | <b>RM ' 000</b>        | <b>RM ' 000</b>   | <b>RM ' 000</b>     | <b>RM ' 000</b>   |
| Current taxation                          |                        |                   |                     |                   |
| Malaysian income tax :-                   |                        |                   |                     |                   |
| - current year                            | 1,039                  | 158               | 1,761               | 198               |
| - under / (over) provision for prior year | (60)                   | 23                | (60)                | 23                |
| Deferred tax                              | (4)                    | 353               | 59                  | 877               |
|   | <u>975</u>             | <u>534</u>        | <u>1,760</u>        | <u>1,098</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 2014 were as follows :

|                                   | Short Term<br>RM ' 000 | Long Term<br>RM ' 000 |
|-----------------------------------|------------------------|-----------------------|
| <b>Secured</b>                    |                        |                       |
| Bank overdrafts                   | 29,002                 | -                     |
| Term loans                        | 14,559                 | 63,274                |
| Hire-purchase and lease creditors | 90                     | 171                   |
| Other borrowings                  | 22,271                 | 9,673                 |
|                                   | <u>65,922</u>          | <u>73,118</u>         |
| <b>Unsecured</b>                  |                        |                       |
| Other borrowings                  | -                      | 15,000                |
|                                   | <u>65,922</u>          | <u>88,118</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 2014 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   |                |
|---|----------------|----------------|----------------|----------------|
|   | 30/09/2014     | 30/09/2013     | 30/09/2014     | 30/09/2013     |
| Profit attributable to equity holders of the Company (RM ' 000) | 2,138          | (182)          | 3,853          | 340            |
| 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>1.58</u>    | <u>(0.13)</u>  | <u>2.86</u>    | <u>0.25</u>    |

There are no diluted earnings per share as the Company does not have any potential dilutive ordinary shares outstanding as at 30 September 2014.

27 Analysis of realised and unrealised profits

|                                      | As at<br>30/09/2014 | As at<br>31/03/2014 |
|--------------------------------------|---------------------|---------------------|
| Total retained earnings of the Group |                     |                     |
| Realised                             | 8,033               | 3,948               |
| Unrealised                           | 3,095               | 3,154               |
|                                      | <u>11,128</u>       | <u>7,102</u>        |
| <br>Add:- Consolidation adjustments  |                     |                     |
|                                      | 63,702              | 63,875              |
|                                      | <u>74,830</u>       | <u>70,977</u>       |

By Order of the Board  
Perduren (M) Berhad

Wong Yeow Chor  
Secretary

Date: 27 November 2014