

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2013**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	(Unaudited) Current Year Quarter 30.9.2013 RM'000	(Unaudited) Preceding Year Quarter 30.9.2012 RM'000	(Unaudited) Current Year To Date 30.9.2013 RM'000	(Unaudited) Preceding Year To Date 30.9.2012 RM'000
<b>Revenue</b>	<b>61,584</b>	<b>58,215</b>	<b>215,909</b>	<b>157,670</b>
Cost of sales	(54,185)	(52,329)	(191,010)	(132,645)
<b>Gross profit</b>	<b>7,399</b>	<b>5,886</b>	<b>24,899</b>	<b>25,025</b>
Other operating income	537	497	1,564	1,543
Selling and administrative expenses	(3,513)	(6,171)	(10,652)	(12,288)
<b>Profit from operations</b>	<b>4,423</b>	<b>212</b>	<b>15,811</b>	<b>14,280</b>
Finance costs	(16)	(23)	(45)	(85)
<b>Profit before tax</b>	<b>4,407</b>	<b>189</b>	<b>15,766</b>	<b>14,195</b>
Income tax expense	(1,139)	(827)	(4,108)	(4,254)
<b>Profit/(Loss) for the period</b>	<b>3,268</b>	<b>(638)</b>	<b>11,658</b>	<b>9,941</b>
Other comprehensive income	-	-	-	-
<b>Total comprehensive income/(loss) for the period</b>	<b>3,268</b>	<b>(638)</b>	<b>11,658</b>	<b>9,941</b>
<b>Total comprehensive income/(loss) attributable to:</b>				
• Owners of the parent	3,268	(638)	11,658	9,941
• Non-controlling interests	-	-	-	-
<b>Earnings/(Loss) per share (Sen)</b>				
• Basic	0.70	(0.14)	2.51	2.14
• Diluted	-	-	-	-

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 SEPTEMBER 2013

	(Unaudited) 30.9.2013 RM'000	(Audited) 31.12.2012 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	15,685	12,818
Investment properties	1,560	1,560
Trade receivables	7,540	4,495
	<u>24,785</u>	<u>18,873</u>
<b>Current assets</b>		
Inventories	3,188	2,710
Trade and other receivables	69,466	50,433
Amount due from customers for contract	158	8,271
Deposits with licensed financial institutions	53,783	40,792
Cash and bank balances	11,289	10,053
	<u>137,884</u>	<u>112,259</u>
<b>TOTAL ASSETS</b>	<b>162,669</b>	<b>131,132</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	115,955	115,955
Reverse acquisition reserve	(91,000)	(91,000)
Retained earnings	45,548	38,528
Total equity attributable to owners of the parent	<u>70,503</u>	<u>63,483</u>
<b>Non-current liabilities</b>		
Bank borrowings	-	17
Hire purchase	340	-
Trade payables	15,013	11,153
Deferred tax liabilities	830	830
	<u>16,183</u>	<u>12,000</u>
<b>Current liabilities</b>		
Trade and other payables	34,985	44,682
Amount due to customers for contract	39,055	8,012
Bank borrowings	1,197	1,451
Hire purchase	88	-
Tax liabilities	658	1,504
	<u>75,983</u>	<u>55,649</u>
<b>TOTAL LIABILITIES</b>	<b>92,166</b>	<b>67,649</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>162,669</b>	<b>131,132</b>
<b>Net assets per share attributable to owners of the parent (Sen)</b>	<b>15.20</b>	<b>13.69</b>

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 SEPTEMBER 2013**

	ATTRIBUTABLE TO OWNERS OF THE PARENT			
	<u>Non-distributable</u>		<u>Distributable</u>	
	Share capital	Reverse acquisition reserve	Retained earnings	Total
	RM'000	RM'000	RM'000	RM'000
<b>As at 1 January 2013</b>	<b>115,955</b>	<b>(91,000)</b>	<b>38,528</b>	<b>63,483</b>
Total comprehensive income for the period	-	-	11,658	11,658
<b>Transactions with owners:</b>				
• Dividend paid	-	-	(4,638)	(4,638)
<b>As at 30 September 2013</b>	<b>115,955</b>	<b>(91,000)</b>	<b>45,548</b>	<b>70,503</b>
<b>As at 1 January 2012</b>	*	-	<b>40,257</b>	<b>40,257</b>
Total comprehensive income for the period	-	-	9,941	9,941
<b>Transactions with owners:</b>				
• Acquisition of subsidiaries, accounted for as reverse acquisition reserve	96,000	(91,000)	-	5,000
• Scheme of arrangement with shareholders	9,955	-	-	9,955
• Issuance of shares	10,000	-	-	10,000
• Dividend paid	-	-	(13,500)	(13,500)
<b>As at 30 September 2012</b>	<b>115,955</b>	<b>(91,000)</b>	<b>36,698</b>	<b>61,653</b>

\* Denotes RM2.

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 THIRD QUARTER ENDED 30 SEPTEMBER 2013**

	(Unaudited) Current Year to date 30.9.2013 RM'000	(Audited) Preceding Year to date 31.12.2012 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	15,766	17,195
Adjustments for:-		
• Depreciation	2,345	3,597
• Loss on disposal of investment	-	3,099
• Interest income	(615)	(1,203)
• Other non-cash operating items	(557)	(240)
<b>Operating profit before working capital changes</b>	<b>16,939</b>	<b>22,448</b>
Changes in inventories	(327)	(364)
Changes in trade and other receivables	(22,079)	9,782
Changes in trade and other payables	(5,837)	6,840
Changes in amounts due from/(to) customers for contract	39,155	(13,527)
<b>Cash generated from operations</b>	<b>27,851</b>	<b>25,179</b>
Interest received	615	1,203
Interest paid	(45)	(83)
Tax paid	(4,952)	(4,442)
<b>Net cash generated from operating activities</b>	<b>23,469</b>	<b>21,857</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(5,670)	(3,338)
Proceeds from disposal of property, plant and equipment	909	364
<b>Net cash used in investing activities</b>	<b>(4,761)</b>	<b>(2,974)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid to shareholders	(4,638)	(13,500)
Proceeds from issuance of shares	-	10,000
Drawdown from hire purchase	428	-
Repayment of bank borrowings	(271)	(1,343)
Changes in fixed deposits pledged with licensed banks	(163)	1,110
<b>Net cash used in financing activities</b>	<b>(4,644)</b>	<b>(3,733)</b>
<b>Net increase in cash and cash equivalents</b>	<b>14,064</b>	<b>15,150</b>
Cash and cash equivalents at the beginning of period	31,711	16,561
<b>Cash and cash equivalents at the end of period</b>	<b>45,775</b>	<b>31,711</b>
<b>Cash and cash equivalents comprise of the following:</b>		
• Deposits with licensed financial institutions	53,783	40,792
• Cash and bank balances	11,289	10,053
	65,072	50,845
Less: Fixed deposits pledged with licensed banks	(19,297)	(19,134)
	<b>45,775</b>	<b>31,711</b>

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)**

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### **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 nine months ended 30 September 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 9 months period ended 30 September 2013 is as follows:-

	Investment holding RM'000	Construction RM'000	Manufacturing of polyurethane products RM'000	Elimination RM'000	Total RM'000
<b>Revenue</b>					
External sales	262	205,092	10,555	-	215,909
Inter-segment sales	-	8,804	-	(8,804)	-
<b>Total revenue</b>	<b>262</b>	<b>213,896</b>	<b>10,555</b>	<b>(8,804)</b>	<b>215,909</b>
Interest income	-	615	-	-	615
Interest expense	-	(3)	(42)	-	(45)
Depreciation	-	(1,951)	(394)	-	(2,345)
Loss on disposal of investment	-	-	-	-	-
<b>Results</b>					
(Loss)/Profit from operations	(159)	15,218	752	-	15,811
Finance costs	-	(3)	(42)	-	(45)
(Loss)/Profit before tax	(159)	15,215	710	-	15,766
Income tax expense	-	(4,108)	-	-	(4,108)
<b>(Loss)/Profit after tax</b>	<b>(159)</b>	<b>11,107</b>	<b>710</b>	<b>-</b>	<b>11,658</b>

#### 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)

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### 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 30.9.2013 RM'000
Approved but not contracted for	
- Purchase of property, plant and equipment	<u>957</u>

#### A14. Changes in Contingent Liabilities

	As at 30.9.2013 RM'000
Bank guarantees issued by licensed banks in respect of construction projects	<u>71,574</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 30.9.2013 RM'000	Current Year To date 30.9.2013 RM'000
Provision of construction works to companies in which directors have substantial financial interest	<u>18,226</u>	<u>68,497</u>

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

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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 RM61.6 million for the quarter under review with 94% and 6% of revenue contributed by construction segment and manufacturing of PU products respectively. The revenue increased by RM3.4 million or 6% as compared to the same quarter last year. The marginal increase is mainly due to the contribution from the 2 new building projects secured during the year.

The Group generated a profit before tax of RM4.4 million for the quarter under review. The profit before tax is substantially contributed by the on-going 2 infrastructure and 4 building projects in Malaysia. The profit before tax increased by RM4.2 million or more than 100% as compared to the same quarter last year. The increase is mainly due to the one-off loss on investment amounting to RM3.1 million recognised in the same quarter last year.

##### Current Year-to-date:

For the first nine months ended 30 September 2013, the Group achieved a revenue of RM215.9 million with 95% and 5% of revenue contributed by construction segment and manufacturing of PU products respectively. The revenue increased by RM58.2 million or 37% as compared to the same quarter last year. The increase is contributed by all the on-going projects across the board, substantially from a building project in Ampang, Kuala Lumpur and an infrastructure project in Gua Musang, Kelantan.

In line with the increase in revenue, the Group generated a profit before tax of RM15.8 million for the nine months ended 30 September 2013 as compared to RM14.2 million for the same period last year. This represents an increase of 11%.

#### B2. Comparison with Immediate Preceding Quarter's Results

	Current Quarter	Preceding Quarter	Variance	
	30.9.2013	30.6.2013	RM'000	%
Revenue	61,584	80,588	(19,004)	(24)
Profit before tax	4,407	5,880	(1,473)	(25)

Both the revenue and profit before tax from the construction division have reduced as compared to the last quarter as a result of the completion of an infrastructure project during the quarter and the lower percentage of recognition for a building project which is nearing completion. The decline is partially offset by the contribution from the 2 new projects which have commenced works during the quarter.



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

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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

#### B3. Prospects for the Current Financial Year

As at 30 September 2013, the Group has outstanding orders of RM421 million comprising 6 on-going projects. Accordingly, barring any unforeseen circumstances, the Group is expected to be profitable for the final quarter.

#### 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 30.9.2013 RM'000	Current Year To date 30.9.2013 RM'000
Current year tax	1,097	4,064
Under provision in prior year	42	44
Deferred tax	-	-
	<b>1,139</b>	<b>4,108</b>

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

## 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

#### 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 30.9.2013 RM'000	Current Year To date 30.9.2013 RM'000
Interest income	(238)	(615)
Other income	(107)	(273)
Interest expense	16	45
Depreciation charges	805	2,345
Provision for and write off of receivables	-	-
Provision for and write off of inventories	-	-
Gain on disposal of property, plant and equipment	(136)	(457)
Gain or loss on disposal of quoted or unquoted investment or properties	-	-
Impairment of assets	-	-
Foreign exchange (gain)/loss	(201)	(267)
Gain or loss on derivatives	-	-
Exceptional items	-	-

#### B7. Status of Corporate Proposal

On 31 October 2013, the Company announced the Proposed Private Placement which entails the issuance of up to 46,382,000 new ordinary shares of RM0.25 each in the Company, representing up to 10% of the Company's existing issued and paid-up share capital of RM115,955,112.

On 19 November 2013, Bursa Securities approved the application for the listing of and the quotation for up to 46,382,000 Placement Shares.

There is no other pending corporate proposal.

**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**

**B8. Group's Borrowings and Debt Securities**

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

	As at 30.9.2013 RM'000
<b>Long term borrowings</b>	
Secured:	
• Hire purchase	340
<b>Short term borrowings</b>	
Secured:	
• Export credit refinancing	1,146
• Term loans	51
• Hire purchase	88
	<u>1,285</u>

**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 30.9.2013	Current Year To date 30.9.2013
Profit for the period (RM'000)	3,268	11,658
Weighted average number of ordinary shares in issue ('000)	463,820	463,820
Basic earnings per share (sen)	0.70	2.51

**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**

**B13. Realised and unrealised earnings or losses disclosure**

	As at 30.9.2013 RM'000
<b>Total retained earnings for the Group:</b>	
• Realised	43,572
• Unrealised	1,170
• Consolidated adjustment	806
	<hr/> 45,548 <hr/>

**B14. Authorisation for Issue**

This interim financial report was authorized for issuance by the Board of Directors of the Company on 29 November 2013.