

RELIANCE PACIFIC BERHAD (244521 A)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2013

	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	Current Period Quarter Ended Mar 31 (RM'000)	Preceding Year Quarter Ended Mar 31 (RM'000)	Current Year Cumulative to date Mar 31 (RM'000)	Preceding Year Ended Mar 31 (RM'000)
Revenue	52,830	56,855	215,275	240,040
Operating Expenses	-48,987	-53,008	-199,338	-224,543
Other Operating Income	1,362	625	1,983	834
Depreciation and amortisation	-790	-904	-3,511	-3,626
Finance Costs	-2,850	-2,501	-11,340	-9,949
Share of results of associates	-10	17	-23	-37
Profit before tax	1,555	1,084	3,046	2,719
Taxation	-322	-430	-1,149	-1,170
Profit for the year	1,233	654	1,897	1,549
Profit Attributable to :				
Owner of the Parent	964	639	1,698	1,633
Non-controlling interest	269	15	199	-84
	1,233	654	1,897	1,549
Basic earnings per share (sen)	0.11	0.07	0.20	0.19
Diluted earning per share	N / A	N / A	N / A	N / A

(The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31st March 2012)

RELIANCE PACIFIC BERHAD (244521 A)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2013

	<u>2013</u> Current Period Quarter Ended Mar 31 (RM'000)	<u>2012</u> Preceding Year Quarter Ended Mar 31 (RM'000)	<u>2013</u> Current Year Cumulative to date Mar 31 (RM'000)	<u>2012</u> Preceding Year Ended Mar 31 (RM'000)
Profit for the year	1,233	654	1,897	1,549
Exchange differences on translating foreign operations	188	-442	480	187
Net changes in fair value of Available-for-sale	1	-5	-393	11
Total comprehensive income for the year	<u>1,422</u>	<u>207</u>	<u>1,984</u>	<u>1,747</u>
Total Comprehensive Income Attributable to :				
Owner of the Parent	1,153	192	1,785	1,831
Non-controlling interest	269	15	199	-84
	<u>1,422</u>	<u>207</u>	<u>1,984</u>	<u>1,747</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31st March 2012)

RELIANCE PACIFIC BERHAD (244521 A)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2013**

	As at Mar 31, 13 (RM'000) (Unaudited)	As at Mar 31, 12 (RM'000) (Audited)
ASSETS:		
Non Current Assets		
Property, plant & equipment	231,898	233,464
Investment property	3,898	1,827
Goodwill arising on consolidation	32,035	32,035
Investment in Associates	36,842	46
Available-for-sales financial assets	237	629
Deferred and development expenditure	203	366
Land held for development	76,428	83,897
Deferred tax assets	149	149
Total Non Current Assets	<u>381,690</u>	<u>352,413</u>
Current Assets		
Inventories	22,329	22,891
Trade and other receivables	74,976	124,170
Development properties	18,405	16,446
Fixed and call deposits	18,503	15,888
Cash and bank balances	2,924	3,008
Total Current Assets	<u>137,137</u>	<u>182,403</u>
TOTAL ASSETS	<u>518,827</u>	<u>534,816</u>
EQUITY AND LIABILITIES:		
Equity attributable to owners of the Parent:		
Share capital	171,710	171,710
Other Reserves	98,179	98,091
Retained Profit	75,977	74,279
Attributable to equity holders of the parent	345,866	344,081
Non-controlling interest	5,606	5,407
TOTAL EQUITY	<u>351,472</u>	<u>349,488</u>
Non-Current Liabilities:		
Term Loan	45,956	50,909
Hire purchase	205	157
Deferred tax liabilities	539	539
Total Non-Current Liabilities	<u>46,700</u>	<u>51,605</u>
Current Liabilities		
Trade and other payables	8,949	20,746
Short term borrowings	110,713	112,283
Hire purchase	118	78
Taxation	875	616
Total Current Liabilities	<u>120,655</u>	<u>133,723</u>
TOTAL LIABILITIES	<u>167,355</u>	<u>185,328</u>
TOTAL EQUITY AND LIABILITIES	<u>518,827</u>	<u>534,816</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31st March 2012)

RELIANCE PACIFIC BERHAD (244521 A)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2013

	← Attributable to Equity Holders of the Parent →						Distributable Reserves	Non-Controlling Interest	Total Equity	
	← Non Distributable Reserves →									
	Share Capital (RM'000)	Share Premium Reserve (RM'000)	Share Buy-back Reserve (RM'000)	Foreign Currency Translation Reserve (RM'000)	Available-for-sale Reserve (RM'000)	Revaluation Reserve (RM'000)				Retained Profits (RM'000)
Year ended 31 March 2013										
Balance at beginning of year as at 1 Apr. 2012	171,710	19,911	8,930	652	-4,512	73,111	74,279	344,081	5,407	349,488
Total comprehensive income/ (loss) for the year	0	0	0	480	-393	0	1,698	1,785	199	1,984
Balance at end of year	171,710	19,911	8,930	1,132	-4,905	73,111	75,977	345,866	5,606	351,472
Year ended 31 March 2012										
Balance at beginning of year as at 1 Apr. 2011	171,710	19,911	8,930	465	-4,523	73,111	72,646	342,250	5,491	347,741
Total comprehensive income/ (loss) for the year	0	0	0	187	11	0	1,633	1,831	-84	1,747
Balance at end of year	171,710	19,911	8,930	652	-4,512	73,111	74,279	344,081	5,407	349,488

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31st March 2012)

RELIANCE PACIFIC BERHAD (244521 A)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2013

	2013	2012
	Year	Year
	ended	ended
	Mar 31	Mar 31
	(RM'000)	(RM'000)
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	3,046	2,719
Adjustment :-		
Non-cash items	3,230	3,631
Non-operating items (which are investing / financing)	-405	-1,492
	<u>5,871</u>	<u>4,858</u>
Operating profit before changes in working capital		
Changes in working capital		
Net Change in current assets	45,566	29,083
Net Change in current liabilities	-12,981	-24,786
	<u>38,456</u>	<u>9,155</u>
Cash generated from operations		
Tax Paid	-631	-854
	<u>37,825</u>	<u>8,301</u>
Net cash flows generated from operating activities		
CASH FLOW FROM INVESTING ACTIVITIES		
Other investment	405	1,492
Proceeds from disposal of land held for development	9,180	1,020
Proceeds from disposal of property, plant and equipment	0	2,275
Purchase of property, plant and equipment	-1,165	-3,959
Purchase of land held for development	-198	-8,188
Net cash outflow from acquisition of Associates / Subsidiary	-36,819	-28,407
	<u>-28,597</u>	<u>-35,767</u>
Net cash flows used in investing activities		
CASH FLOW FROM FINANCING ACTIVITIES		
Net Bank Borrowings	-3,926	-7,479
	<u>-3,926</u>	<u>-7,479</u>
Net cash flows used in financing activities		
Net change in cash & cash equivalents	5,302	-34,945
Cash & cash equivalents at beginning of year	-22,424	12,310
Effects of exchange rate changes on cash & cash equivalents at end of year	-50	211
	<u>-17,172</u>	<u>-22,424</u>
Cash & cash equivalents at end of year		
	<u>-17,172</u>	<u>-22,424</u>
Cash & cash equivalents comprise the following:		
Fixed and call deposits	18,503	15,888
Cash and bank balances	2,924	3,008
Bank overdraft	-38,599	-41,320
	<u>-17,172</u>	<u>-22,424</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31st March 2012)

RELIANCE PACIFIC BERHAD (244521 A)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2013

	2013 Year ended Mar 31 (RM'000)
CASH FLOW FROM OPERATING ACTIVITIES	
Profit before taxation	3,046
Adjustment :-	
Non-cash items	3,230
Non-operating items (which are investing / financing)	-405
Operating profit before changes in working capital	<u>5,871</u>
Changes in working capital	
Net Change in current assets	45,566
Net Change in current liabilities	-12,981
Cash generated from operations	<u>38,456</u>
Tax Paid	-631
Net cash flows generated from operating activities	<u>37,825</u>
CASH FLOW FROM INVESTING ACTIVITIES	
Other investment	405
Proceeds from disposal of land held for development	9,180
Proceeds from disposal of property, plant and equipment	0
Purchase of property, plant and equipment	-1,165
Purchase of land held for development	-198
Net cash outflow from acquisition of Associates / Subsidiary	-36,819
Net cash flows used in investing activities	<u>-28,597</u>
CASH FLOW FROM FINANCING ACTIVITIES	
Net Bank Borrowings	-3,926
Net cash flows used in financing activities	<u>-3,926</u>
Net change in cash & cash equivalents	5,302
Cash & cash equivalents at beginning of year	-22,424
Effects of exchange rate changes on cash & cash equivalents at end of year	-50
Cash & cash equivalents at end of year	<u>-17,172</u>
Cash & cash equivalents comprise the following:	
Fixed and call deposits	18,503
Cash and bank balances	2,924
Bank overdraft	-38,599
	<u>-17,172</u>

(The Condensed Consolidated Statement of Cash Flows should be read in co the Audited Financial Statements for the year ended 31st March 2012)

RELIANCE PACIFIC BERHAD

(Company no. 244521 A)

Notes

A. NOTES TO THE INTERIM FINANCIAL REPORT

A1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The financial statements of the Group for the financial year ended 31 March 2012 were prepared in accordance with the Financial Reporting Standards ("FRSs").

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2012. These explanatory notes attached to 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 Group since the year ended 31 March 2012.

A2 Audit Report of Preceding Annual Financial Statement

The annual audited financial statement in the preceding year was not qualified.

A3 Seasonal or Cyclical Factors

The Group is principally engaged in the following business operations:

- a) Hotel
- b) Property
- c) Travel

The major festivities and school holidays generally affect the performance of Hotel & Travel Division. The performance of Property Division is affected by the sentiments of the property cycle, as the division's profitability is dependent on the sale of its properties.

A4 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group.

A5 Accounting Estimates

There were no changes in estimates of amounts reported in prior financial quarters of the current financial year or in prior financial years that have a material effect in the current financial quarter.

A6 Issuance or Repayment of Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial year to date.

A7 Dividend Paid

There were no dividends paid during the year under review.

A8 Segmental Reporting

a) Revenue

Continuing Operations	Individual Quarter		Cumulative Year-to-date	
	Current Quarter Ended 31 Mar 2013 (RM'000)	Preceding Quarter Ended 31 Mar 2012 (RM'000)	Current Year Ended 31 Mar 2013 (RM'000)	Preceding Year Ended 31 Mar 2012 (RM'000)
Hotel	11,322	10,096	42,132	38,415
Property	4,295	3,982	15,107	10,676
Travel	36,188	41,076	154,074	184,855
RPB & others	1,025	1,701	3,962	6,094
Grand Total	52,830	56,855	215,275	240,040

b) Profit/(Loss) before taxation

Continuing Operations	Individual Quarter		Cumulative Year-to-date	
	Current Quarter Ended 31 Mar 2013 (RM'000)	Preceding Quarter Ended 31 Mar 2012 (RM'000)	Current Year Ended 31 Mar 2013 (RM'000)	Preceding Year Ended 31 Mar 2012 (RM'000)
Hotel	905	913	8,238	7,372
Property	(498)	(85)	(523)	(640)
Travel	123	1,158	652	2,740
RPB & others	1,035	(919)	(5,298)	(6,716)
Share of results of associates	(10)	17	(23)	(37)
Grand Total	1,555	1,084	3,046	2,719

A9 Material events subsequent to the end of the financial year

There were no material events subsequent to the end of the current financial year ended 31 March 2013 and up to the date of this report.

A10 Changes in the Composition of the Group

There were no changes in the composition of the Group for the current financial year ended 31 March 2013 and up to the date of this report other than the following:

- a) Avillion Hotel Group Sdn Bhd and Avillion Hotels International Sdn Bhd both wholly owned subsidiaries of RPB have jointly incorporated a subsidiary company named PT. Avillion Indonesia in Indonesia. This was announced on 17 May 2012.
- b) RPB Development Sdn Bhd, a wholly owned subsidiary of RPB to announce that an application for striking off a subsidiary company known as Vector Junction Sdn Bhd under Section 308 of the Companies' Act 1965 was submitted to CCM. This was announced on 23 May 2012.
- c) ANV Productions Services Sdn Bhd which was placed under voluntary winding up was dissolved on 29 June 2012.

A11 Significant related party transactions

Significant related party transactions which were entered into on agreed terms and prices for the current year ended 31 March 2013 are set out below. The relationship of the related parties are disclosed in the audited financial statements for the financial year ended 31 March 2012 and the approved shareholders' mandate in the circular dated 6 September 2012 for recurrent related party transactions.

	Current Year Ended 31 Mar 2013 (RM'000)
Services rendered to the companies controlled by certain directors	1,424
Services rendered by the companies controlled by certain directors	1,404
Purchases from the companies controlled by certain directors	8,302
Sales to the companies controlled by certain directors	21,670

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD

B1 Review of Performance of the Company and its Principal Subsidiaries

The Group consolidated revenue for the current quarter has reduced by 7.1% as compared to the preceding year 4th quarter. The reduction in the revenue was mainly due to lower revenue registered by Travel division as a result of challenging business environment and less tourist arrival from Europe and US into Asia.

The Group consolidated profit before tax for the 4th quarter under review was RM1.555 million as compared to RM1.084 million in preceding year same quarter. The higher profit was mainly due to the better performance registered by RPB/Other division.

B2 Material Changes in the Quarterly Results as compared with the Preceding quarter

The Group consolidated revenue for the reporting quarter has increased by 3.8% in comparison to the preceding quarter. The improvement was mainly due to higher revenue achieved by Property Division based on the progress of work done and new sales.

The Group consolidated profit before tax for the 4th quarter under review has increased by 140.7% in comparison to the preceding quarter. The increase was mainly due to better performance achieved by Property Division which have higher yield.

B3 Variance from Profit Forecast

Not applicable.

B4 Commentary on Prospect

Whilst the growths of existing hotels are expected to be positive, the Hotel Division is poised to benefit with the expansion of its Avillion Private Collection (APC) and new Hotel Management Contracts.

As for the Property Division, we are fast tracking the development of the affordable and landed development of Desa Impian in Johor. The Iskandar Regional Development (IRDA) and Desaru Tourism Development Plan will be an added impetus to the demand of Desa Impian by virtue of its close proximity to IRDA and Desaru.

A few development projects are now being planned for launching from year 2014 to 2017.

The Travel Division is also well poised to perform positively in the coming new financial year by virtue of being located in established major tourist destinations of Hong Kong, Singapore, Thailand and Australia.

Barring any unforeseen circumstance, RPB remain cautiously confident to performance well in the new financial year.

B5 Profit before taxation

Profit before taxation is derived after credited of the following:

	Individual Quarter		Cumulative Year-to-date	
	Current Quarter Ended 31 Mar 2013 (RM'000)	Preceding Quarter Ended 31 Mar 2012 (RM'000)	Current Year Ended 31 Mar 2013 (RM'000)	Preceding Year Ended 31 Mar 2012 (RM'000)
Interest income	(133)	145	(405)	(64)
Gain on disposal of land held for development / property, plant & equipment	(113)	(41)	(441)	(41)
Gain on forex	(15)	(66)	(15)	(66)
Shopping income & Commission	(11)	(64)	(32)	(64)
Management fee	(1,046)	0	(1,046)	0
Special employment credit & SME Cash Grant	(42)	0	(42)	0
Handling & Administrative fees	(2)	(197)	(2)	(197)
Overprovision on disposal of Subsidiary companies	0	(402)	0	(402)

B6 Taxation

	Individual Quarter		Cumulative Year-to-date	
	Current Quarter Ended 31 Mar 2013 (RM'000)	Preceding Quarter Ended 31 Mar 2012 (RM'000)	Current Year Ended 31 Mar 2013 (RM'000)	Preceding Year Ended 31 Mar 2012 (RM'000)
a) Income Tax				
i) Current taxation	394	444	1,221	1,184
ii) (Over) /under provision in prior years	(72)	79	(72)	79
iii) Deferred taxation	0	(93)	0	(93)
b) Total	322	430	1,149	1,170

The Group tax rate is higher than the statutory tax rate applicable due to the Provision of taxation on profit by certain subsidiary companies.

B7 Corporate proposals

There were no other corporate proposals announced during the current quarter.

B8 Group Borrowings

a) Banking Facilities

	Secured (RM'000)	Unsecured (RM'000)	Total (RM'000)
a) Short term borrowings			
i. Overdraft	23,836	14,763	38,599
ii. Revolving Credit	5,000	3,500	8,500
iii. Long term borrowings repayable within twelve months	63,614	-	63,614
iv. Hire Purchase repayable within 12 months	118	-	118
v. Total	<u>92,568</u>	<u>18,263</u>	<u>110,831</u>
b) Long term borrowings			
i. Long term loans	109,570	-	109,570
Less portion of long term loans payable within 12 months	<u>(63,614)</u>	<u>-</u>	<u>(63,614)</u>
	<u>45,956</u>	<u>0</u>	<u>45,956</u>
ii. Hire purchase	323	-	323
Less portion of Hire Purchase payable within 12 months	<u>(118)</u>	<u>-</u>	<u>(118)</u>
	<u>205</u>	<u>0</u>	<u>205</u>
iii. Total	46,161	0	46,161
c) Total borrowings	138,729	18,263	156,992

b) Foreign currency borrowings included in the above in Ringgit Malaysia equivalent as at 31 March 2013 were as follows:

	RM'000
Foreign Currency	
Singapore Dollar	3,828
Hong Kong Dollar	<u>6,019</u>
Total	<u>9,847</u>

B9 Derivative Financial Instruments

The Group is not a party to any financial instruments, which may have an effect to the derivative financial instruments at the date of this report.

B10 Material Litigation

There was no material litigation pending as at the date of this announcement.

B11 Earnings Per Share

a) Basic

Basic earnings per share is calculated by dividing the net profit attributable to the shareholders for the current financial year ended 31 March 2013 are as follows:

	Individual Quarter		Cumulative Year-to-date	
	Current Quarter Ended 31 Mar 2013 (RM'000)	Preceding Quarter Ended 31 Mar 2012 (RM'000)	Current Year Ended 31 Mar 2013 (RM'000)	Preceding Year Ended 31 Mar 2012 (RM'000)
Net profit attributable to owner of the Parent (RM'000)	964	639	1,698	1,633
Basic ('000)				
Total Weighted average number of ordinary shares	858,552	858,552	858,552	858,552
Basic earnings per share(sen)	0.11	0.07	0.20	0.19

b) Diluted

Diluted earnings per share were not computed as the Company does not have any dilutive potential ordinary shares in issue as at the end of the current financial year ended 31 March 2013.

B12 Realised and Unrealised Profits or Losses

The breakdown of retained profits of the Group as at the reporting date, into realised and unrealised profits, is as follows:

	As at 31 Mar 2013 (RM'000)	As at 31 Mar 2012 (RM'000)
Retained profits of the Company and its subsidiaries :		
Realised	76,666	74,945
Unrealised	(390)	(390)
Total Retained profits of the Company and its subsidiaries	76,276	74,555
Total share of Retained profits from associated companies :		
Realised	(299)	(276)
Total Group Retained Profits as per Consolidated accounts	75,977	74,279

BY ORDER OF THE BOARD
TAN BEE LENG (MAICSA NO: 7009994)

Secretary

Kuala Lumpur
Date: 31 May 2013