

RELIANCE PACIFIC BERHAD (244521 A)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 MARCH 2014

	2014	2013	2014	2013
	Current Period	Preceding Period	Current Year	Preceding Year
	Quarter Ended	Quarter Ended	Cumulative to date	Period Ended
	Mar 31	Mar 31	Mar 31	Mar 31
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue	48,187	53,911	207,978	216,356
Operating Expenses	-44,086	-49,833	-190,922	-200,184
Other Operating Income	79	1,126	239	1,747
Depreciation and amortisation	-970	-767	-3,556	-3,488
Finance Costs	-2,336	-2,821	-10,252	-11,311
Share of results of associates	0	-5	11	-18
Profit before tax	874	1,611	3,498	3,102
Taxation	-345	-295	-946	-1,122
Profit for the year	529	1,316	2,552	1,980
Profit Attributable to :				
Owner of the Parent	423	1,040	2,127	1,775
Non-controlling interest	106	276	425	205
	529	1,316	2,552	1,980
Basic earnings per share (sen)	0.05	0.12	0.25	0.21
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 2013)

RELIANCE PACIFIC BERHAD (244521 A)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2014

	2014	2013	2014	2013
	Current Period	Preceding Period	Current Year	Preceding Year
	Quarter Ended	Quarter Ended	Cumulative to date	Period Ended
	Mar 31	Mar 31	Mar 31	Mar 31
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Profit for the year	529	1,316	2,552	1,980
Items that may be reclassified subsequently to profit or loss :				
Exchange differences on translating foreign operations	23	189	966	481
Net changes in fair value of Available-for-sale	171	1	973	-393
Total comprehensive income for the year	<u>723</u>	<u>1,506</u>	<u>4,491</u>	<u>2,068</u>
Total Comprehensive Income Attributable to :				
Owner of the Parent	617	1,230	4,066	1,863
Non-controlling interest	106	276	425	205
	<u>723</u>	<u>1,506</u>	<u>4,491</u>	<u>2,068</u>

Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with audited Financial Statements for the year ended 31st March 2013)

RELIANCE PACIFIC BERHAD (244521 A)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2014**

	As at Mar 31, 14 (RM'000) (Unaudited)	As at Mar 31, 13 (RM'000) (Audited)
ASSETS:		
Non Current Assets		
Property, plant & equipment	230,997	231,540
Investment property	3,858	3,898
Goodwill arising on consolidation	32,035	32,035
Investment in Associates	36,857	36,846
Available-for-sales financial assets	1,207	237
Deferred and development expenditure	26	215
Land held for development	72,855	79,058
Deferred tax assets	221	221
Total Non Current Assets	<u>378,056</u>	<u>384,050</u>
Current Assets		
Inventories	12,812	22,233
Trade and other receivables	97,455	89,550
Development properties	40,671	18,448
Fixed and call deposits	18,922	18,503
Cash and bank balances	3,141	2,734
Total Current Assets	<u>173,001</u>	<u>151,468</u>
TOTAL ASSETS	<u>551,057</u>	<u>535,518</u>
EQUITY AND LIABILITIES:		
Equity attributable to owners of the Parent:		
Share capital	171,710	171,710
Other Reserves	100,119	98,180
Retained Profit	78,181	76,054
Attributable to equity holders of the parent	350,010	345,944
Non-controlling interest	6,037	5,612
TOTAL EQUITY	<u>356,047</u>	<u>351,556</u>
Non-Current Liabilities:		
Term Loan	67,032	86,533
Hire purchase	178	205
Deferred tax liabilities	536	536
Total Non-Current Liabilities	<u>67,746</u>	<u>87,274</u>
Current Liabilities		
Trade and other payables	26,912	21,232
Short term borrowings	99,083	74,597
Hire purchase	140	118
Taxation	1,129	741
Total Current Liabilities	<u>127,264</u>	<u>96,688</u>
TOTAL LIABILITIES	<u>195,010</u>	<u>183,962</u>
TOTAL EQUITY AND LIABILITIES	<u>551,057</u>	<u>535,518</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31st March 2013)

RELIANCE PACIFIC BERHAD (244521 A)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2014

	← 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 2014										
Balance at beginning of year as at 1 Apr. 2013	171,710	19,911	8,930	1,133	-4,905	73,111	76,054	345,944	5,612	351,556
Total comprehensive income for the year	0	0	0	966	973	0	2,127	4,066	425	4,491
Balance at end of year	<u>171,710</u>	<u>19,911</u>	<u>8,930</u>	<u>2,099</u>	<u>-3,932</u>	<u>73,111</u>	<u>78,181</u>	<u>350,010</u>	<u>6,037</u>	<u>356,047</u>
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	481	-393	0	1,775	1,863	205	2,068
Balance at end of year	<u>171,710</u>	<u>19,911</u>	<u>8,930</u>	<u>1,133</u>	<u>-4,905</u>	<u>73,111</u>	<u>76,054</u>	<u>345,944</u>	<u>5,612</u>	<u>351,556</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31st March 2013)

RELIANCE PACIFIC BERHAD (244521 A)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2014

	2014	2013
	Year	Year
	ended	ended
	Mar 31	Mar 31
	(RM'000)	(RM'000)
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	3,498	3,102
Adjustment :-		
Non-cash items	3,545	3,076
Non-operating items (which are investing / financing)	10,186	10,116
Operating profit before changes in working capital	<u>17,229</u>	<u>16,294</u>
Changes in working capital		
Net Change in current assets	-3,764	17,795
Net Change in current liabilities	5,788	271
Cash generated from operations	<u>19,253</u>	<u>34,360</u>
Interest paid	-10,252	-11,311
Tax Paid	-932	-1,073
Net cash flows generated from operating activities	<u>8,069</u>	<u>21,976</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Other investment	66	1,195
Proceeds from disposal of land held for development	0	9,180
Proceeds from disposal of property, plant and equipment	0	203
Purchase of property, plant and equipment	-1,080	-1,250
Purchase of investment in properties	0	-2,111
Increase of land held for development	-10,904	-3,777
Acquisition of Associate Company, nett off deposit paid	0	-20,929
Net cash flows used in investing activities	<u>-11,918</u>	<u>-17,489</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Net Bank Borrowings	-16,204	1,073
Net cash flows (used in) / generated from financing activities	<u>-16,204</u>	<u>1,073</u>
Net change in cash & cash equivalents	-20,053	5,560
Cash & cash equivalents at beginning of period	-16,823	-22,424
Effects of exchange rate changes on cash & cash equivalents at end of period	-174	41
Cash & cash equivalents at end of period	<u>-37,050</u>	<u>-16,823</u>
Cash & cash equivalents comprise the following:		
Fixed and call deposits	18,922	18,503
Cash and bank balances	3,141	2,734
Bank overdraft	-59,113	-38,060
	<u>-37,050</u>	<u>-16,823</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31st March 2013)

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 IAS 34 Interim Financial Reporting, Malaysian Financial Reporting Standards ("MFRS") 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2013. 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 2013.

The financial information presented herein has been prepared in accordance with the accounting policies to be used in preparing the annual consolidated financial statements for 31 March 2013 under the Malaysian Financial Reporting Standards (MFRS) framework.

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) Tourism

The major festivities and school holidays generally affect the performance of Hotel & Tourism 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 period to date.

A7 Dividend Paid

There were no dividends paid during the period under review.

A8 Segmental Reporting

a) Revenue

Continuing Operations	Individual Quarter		Cumulative Year-to-date	
	Current Quarter Ended 31 Mar 2014 (RM'000)	Current Quarter Ended 31 Mar 2013 (RM'000)	Current Year Ended 31 Mar 2014 (RM'000)	Current Year Ended 31 Mar 2013 (RM'000)
Hotel	11,411	11,310	44,532	42,120
Property	2,495	4,305	32,778	15,117
Tourism	33,314	37,251	126,753	155,137
RPB & others	967	1,045	3,915	3,982
Grand Total	48,187	53,911	207,978	216,356

b) Profit/(Loss) before taxation

Continuing Operations	Individual Quarter		Cumulative Year-to-date	
	Current Quarter Ended 31 Mar 2014 (RM'000)	Current Quarter Ended 31 Mar 2013 (RM'000)	Current Year Ended 31 Mar 2014 (RM'000)	Current Year Ended 31 Mar 2013 (RM'000)
Hotel	1,501	829	8,812	8,163
Property	42	(467)	1,599	(492)
Tourism	(237)	178	(894)	706
RPB & others	(432)	1,076	(6,030)	(5,257)
Share of results of associates	0	(5)	11	(18)
Grand Total	874	1,611	3,498	3,102

A9 Material events subsequent to the end of the financial period

There were no material events subsequent to the end of the current financial year ended 31 March 2014 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 2014 and up to the date of this report other than the following:

- a) Avillion Hotels International (Aust) Pty Ltd, a wholly owned subsidiary of RPB was deregistered from the Australian Securities and Investments Commission ("ASIC") under section 601 AA(4) of the Corporations Act 2001. This was announced on 30 July 2013.

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 2014 are set out below. The relationship of the related parties are disclosed in the audited financial statements for the financial year ended 31 March 2013 and the approved shareholders' mandate in the circular dated 6 September 2012 for recurrent related party transactions.

	Current Year Ended 31 Mar 2014 (RM'000)
Services rendered to the companies controlled by certain directors	1,436
Services rendered by the companies controlled by certain directors	1,315
Purchases from the companies controlled by certain directors	7,846
Sales to the companies controlled by certain directors	20,747

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 10.6% as compared to the preceding year 4th quarter.

The Hotel and Property division continue to improve in their performance, the lower profit registered in the 4th quarter was mainly due to the lower contribution from Tourism and Other division.

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

The Group registered slight improvement in revenue of 2.8% in comparison to the preceding quarter.

However, the profit in the 3rd quarter is higher mainly due to the higher contribution and higher yield achieved by the Hotel division.

B3 Variance from Profit Forecast

Not applicable.

B4 Commentary on Prospect

Hotel Division

The existing hotels are expected to continue to perform in the new financial year. The expansion of Avillion Private Collection (APC) and signing up of new Hotel Management Contracts are expected to contribute positively to the performance of the Hotel Division.

Property Division

The development of 165-acre project in Bandar Tenggara, Johor is expected to continue to contribute to RPB's revenue in new financial year. Phase 1A of the development which comprised of commercial and residential development is expected to be completed and hand over by 2nd qtr of the new financial year.

In addition to the existing on-going development, a few development projects are now being planned for launching from year 2014 to 2017.

Tourism Division

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

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

B5 Profit before taxation

Profit before taxation is derived after charging / (credited) of the following:

	Individual Quarter		Cumulative Year-to-date	
	Current Quarter Ended 31 Mar 2014 (RM'000)	Current Quarter Ended 31 Mar 2013 (RM'000)	Current Year Ended 31 Mar 2014 (RM'000)	Current Year Ended 31 Mar 2013 (RM'000)
Interest income	(54)	(923)	(66)	(1,195)
Gain on disposal of land held for development	0	0	0	(328)
Gain on disposal of property, plant and equipment	0	(113)	0	(113)

B6 Taxation

	Individual Quarter		Cumulative Year-to-date	
	Current Quarter Ended 31 Mar 2014 (RM'000)	Current Quarter Ended 31 Mar 2013 (RM'000)	Current Year Ended 31 Mar 2014 (RM'000)	Current Year Ended 31 Mar 2013 (RM'000)
a) Income Tax				
i) Current taxation	345	558	946	1,385
ii) Overprovision in prior years	0	(188)	0	(188)
iii) Deferred taxation	0	(75)	0	(75)
b) Total	345	295	946	1,122

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	57,256	1,857	59,113
ii. Revolving Credit	8,500	-	8,500
iii. Long term borrowings repayable within twelve months	31,470	-	31,470
iv. Hire Purchase repayable within 12 months	140	-	140
v. Total	<u>97,366</u>	<u>1,857</u>	<u>99,223</u>
b) Long term borrowings			
i. Long term loans	98,502	-	98,502
Less portion of long term loans payable within 12 months	<u>(31,470)</u>	<u>-</u>	<u>(31,470)</u>
	<u>67,032</u>	<u>0</u>	<u>67,032</u>
ii. Hire purchase	318	-	318
Less portion of Hire Purchase payable within 12 months	<u>(140)</u>	<u>-</u>	<u>(140)</u>
	<u>178</u>	<u>0</u>	<u>178</u>
iii. Total	67,210	0	67,210
c) Total borrowings	164,576	1,857	166,433

b) Foreign currency borrowings included in the above in Ringgit Malaysia equivalent as at 31 March 2014 were as follows:

	RM'000
<u>Foreign Currency</u>	
Singapore Dollar	3,436
Hong Kong Dollar	<u>7,213</u>
Total	<u>10,649</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 2014 are as follows:

	Individual Quarter		Cumulative Year-to-date	
	Current Quarter Ended 31 Mar 2014 (RM'000)	Current Quarter Ended 31 Mar 2013 (RM'000)	Current Year Ended 31 Mar 2014 (RM'000)	Current Year Ended 31 Mar 2013 (RM'000)
Net profit attributable to owner of the Parent (RM'000)	423	1,040	2,127	1,775
Basic ('000)				
Total Weighted average number of ordinary shares	858,552	858,552	858,552	858,552
Basic earnings per share(sen)	0.05	0.12	0.25	0.21

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 2014.

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 2014 (RM'000)	As at 31 Mar 2013 (RM'000)
Retained profits of the Company and its subsidiaries :		
Realised	78,780	76,663
Unrealised	(315)	(315)
Total Retained profits of the Company and its subsidiaries	78,465	76,348
Total share of Retained profits from associated companies :		
Realised	(284)	(294)
Total Group Retained profits as per consolidated accounts	78,181	76,054

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

Secretary

Kuala Lumpur
Date: 30 May 2014