



Condensed Consolidated Financial Statements
For the Quarter and Year Ended
31 December 2017

Condensed Consolidated Statement of Financial Position
As at 31 Dec 2017

(The figures below have not been audited)

	Unaudited As at 31/12/17 RM'000	Audited As at 31/12/16 RM'000
Non-Current assets		
Property, plant and equipment	1,620	1,865
Investment in associated company	739	-
	2,359	1,865
Current assets		
Inventories	13,458	11,993
Trade and others receivables	11,353	8,993
Fixed deposits with licensed banks	-	1,500
Cash and bank balances	1,602	4,997
	26,413	27,483
TOTAL ASSETS	28,772	29,348
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share Capital	24,250	24,250
Capital Reserves	878	878
Retained earnings	957	637
Total equity	26,085	25,765
Non-current liabilities		
Deferred liabilities	102	51
Deferred tax liabilities	224	179
	326	230
Current liabilities		
Trade and other payables	2,361	3,353
Taxation	-	-
	2,361	3,353
Total liabilities	2,687	3,871
TOTAL EQUITY AND LIABILITIES	28,772	29,348
Net assets per share attributable to ordinary Owner of the parent (RM)	0.54	0.53

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement of Comprehensive Income
For the quarter and twelve months ended 31 Dec 2017

(The figures below have not been audited)

	Individual quarter		Cumulative quarter	
	31/12/17	31/12/16	31/12/17	31/12/16
	RM'000	RM'000	RM'000	RM'000
Revenue	16,682	13,873	57,254	51,220
Operating expenses	(16,311)	(13,791)	(56,440)	(51,383)
Other income	104	114	411	433
Operating profit/ (loss)	475	196	1,225	270
Depreciation and amortization	(103)	(151)	(436)	(655)
Interest expenses	(2)	(3)	(5)	(15)
Interest income	1	3	5	17
Provision for and write off of receivables	-	-	(5)	(47)
Provision for and write off of inventories	(191)	-	(191)	-
Gain/ (loss) on disposal of quoted or unquoted investments or properties	-	-	-	-
Impairment of assets	-	-	-	-
Foreign exchange gain/ (loss)	(7)	(20)	5	(20)
Share of profit/(loss) from an associate company	(54)	-	(54)	-
Profit/ (Loss) before tax	119	25	544	(450)
Taxation	(37)	10	(224)	72
Profit/ (Loss) for the period	82	35	320	(378)
Other Comprehensive Income net of tax	-	-	-	-
Total Comprehensive Income/ (Loss) for the period	82	35	320	(378)
Profit attributable to:-				
Owner of the parent	82	35	320	(378)
Non-controlling interest	-	-	-	-
Profit/ (Loss) for the period	82	35	320	(378)
Earning per share (sen):-				
Basic earning per share	0.17	0.07	0.66	(0.78)

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement of Changes in Equity
For the twelve months ended 31 Dec 2017
(The figures below have not been audited)

← **Attributable to owner of the parent** →

	Share Capital RM'000	Non - Distributable Capital Reserves RM'000	Distributable Retained earnings/ Accumulated (losses) RM'000	Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
At 1 January 2017	24,250	878	637	25,765	-	25,765
Total comprehensive profit for the financial period	-	-	320	320	-	320
At 31 Dec 2017	24,250	878	957	26,085	-	26,085
At 1 January 2016	24,250	878	1,015	26,143	-	26,143
Total comprehensive loss for the financial period	-	-	(378)	(378)	-	(378)
At 31 Dec 2016	24,250	878	637	25,765	-	25,765

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement of Cash Flows
For the twelve months ended 31 Dec 2017

(The figures below have not been audited)

	12 months ended	
	31/12/17	31/12/16
	RM'000	RM'000
Cash flows from operating activities		
Net (loss)/profit before tax	544	(450)
<u>Adjustment for non-cash items :-</u>		
Depreciation and amortization	436	655
Interest expenses	5	15
Interest income	(5)	(17)
Provision for and write off of receivables	5	47
Provision for and write off of inventories	191	-
Non-cash items	(94)	85
Operating (loss)/profit before working capital changes	1,082	335
Decrease / (Increase) in inventories	(1,466)	(3,786)
Decrease / (Increase) in trade and other receivables	(2,519)	(1,755)
(Decrease) / Increase in trade and other payables	(1,007)	1,210
Net cash (outflow)/ inflow from operations	(3,910)	(3,996)
Net tax (paid)/ refund	(25)	(27)
Net cash outflow from operating activities	(3,935)	(4,023)
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	8	8
Purchase of property, plant and equipment	(163)	(282)
Net cash inflow from disposal of a subsidiary company	2	-
Investment in associated company	(793)	-
Interest received	5	17
Net cash outflow from investing activities	(941)	(257)
Cash flows from financing activities		
Net repayment of finance lease liabilities	(13)	(382)
Interest paid	(5)	(15)
(Increase)/ decrease in fixed deposit pledged	-	240
Net cash outflow from financing activities	(18)	(157)
Net (decrease)/ increase in cash and cash equivalents	(4,895)	(4,437)
Cash and cash equivalents at beginning of the financial period	6,497	10,934
Cash and cash equivalents at end of the financial period	1,602	6,497

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and accompanying explanatory notes attached to the interim financial statements

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER
ENDED 31 DEC 2017**

1. Basis of Preparation

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2016 which were prepared under the Malaysian Financial Reporting Standards (“MFRS”) and amendments to standards to be applied by all Entities Other Than Private Entities.

These interim financial statements of the Group are not audited and have been prepared in accordance with the requirements of MFRS 134 – *Interim Financial Reporting* and the applicable disclosure provisions of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

The 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 financial year ended 31 December 2016.

2. Significant Accounting Policies

The accounting policies applied by the Group in these interim consolidated interim financial statements are consistent with the audited financial statements for the financial year ended 31 December 2016, except for the adoption of the following newly-issued MFRS for the financial periods beginning on or after 1 January:

Effective for annual periods beginning on or after 1 January 2017

- Amendments to MFRS 12: Annual Improvements to MFRSs 2014–2016 Cycle
- Amendments to MFRS 107: Disclosure Initiative
- Amendments to MFRS112: Recognition of Deferred Tax Assets for Unrealised Losses

Initial application of the above applicable standards, is not expected to have any material impact on the financial statements of the Group.

2. Significant Accounting Policies (cont'd)

As at the date of authorisation of these interim financial statements, the Group have not made early adoption of the following MFRSs, IC Interpretations and Amendments to MFRSs which have been issued and will be effective for the financial periods as stated below:-

Effective for annual periods beginning on or after 1 January 2018

- MFRS 9: Financial Instruments (IFRS 9 as issued by IASB in July 2014)
- MFRS15: Revenue from Contracts with Customers
- Amendments to MFRS 1: Annual Improvements to MFRSs 2014–2016 Cycle
- Amendments to MFRS 2: Classification and Measurement of Share-based Payment Transactions
- Amendments to MFRS 4: Applying FRS 9 Financial Instruments with MFRS 4 Insurance Contracts
- Amendments to MFRS 128: Annual Improvements to MFRSs 2014–2016 Cycle
- Amendments to MFRS 140: Transfer of Investment Property
- IC Interpretation 22: Foreign Currency Transactions and Advance Consideration

Effective for annual periods beginning on or after 1 January 2019

- MFRS 16 : Leases

The Group plans to apply the abovementioned MFRSs (and its consequential amendments) and Interpretations in the respective annual periods based on their effective dates and applicability.

3. Auditors' Report in respect of the 2016 Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2016 was not qualified.

4. Seasonality or Cyclicity of interim operations

The Group's operations were not significantly affected by any unusual seasonal or cyclical factors.

5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the quarter and twelve months ended 31 Dec 2017.

6. Changes in Estimates

There were no changes in estimates that have had a material effect during the quarter and twelve months ended 31 Dec 2017.

7. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayment of debt and equity securities during the quarter and twelve months ended 31 Dec 2017.

8. Dividends Paid

No dividend has been paid during the quarter and twelve months ended 31 Dec 2017.

9. Segmental Information

As the Group is principally involved in the trading and distribution of full range of computer peripherals and accessories within Malaysia, therefore there is no segment information has been presented.

10. Carrying Amount of Revalued Assets

There were no revaluation of property, plant and equipment brought forward from the previous audited financial statements as the Group did not adopt a revaluation on its property, plant and equipment.

11. Material Events Subsequent to the Balance Sheet Date

There were no material events which occurred subsequent to the balance sheet date until the date of this announcement.

12. Changes in the Composition of the Group

The changes in the composition of the Group during the quarter and year ended 31 December 2017 and up to the date of this Interim Financial Report is as follows:-

- (a) A wholly-owned subsidiary of the Company, Pineapple Computer Systems Sdn Bhd ("PCS"), had on 12 June 2017 entered into three (3) separate Sale of Shares Agreements for the disposal of 77,500 ordinary shares representing 77.5% of the issued and paid-up capital of Pineapple Computers & Accessories Sdn Bhd ("PCA") to Gema Naga 2 Sdn Bhd (55.0%), Great Eat Sdn Bhd (11.25%) and Efood Products Sdn Bhd (11.25%) for a total cash consideration of RM2,325 ("the Disposal"). Upon the completion of the Disposal, PCA has ceased to be a subsidiary of the PRB Group and has become an associate company of the PRB Group.

13. Contingent Liabilities/Contingent Assets

There were no changes in contingent liabilities/contingent assets since the last annual balance sheet date as at 31 December 2016.

14. Capital Commitments

There were no capital commitments for the current financial year-to-date.

15. Related Party Transactions

The related parties of the Group comprise the following:

- i) Chuan Huat Resources Berhad (“CHRB”) group of companies (“CHRB Group”)

The significant related party transactions are as follows:

	12 months ended	
	31/12/17	31/12/16
	RM'000	RM'000
Others		
<u>Related Parties</u>		
Rental of premises paid to CHRB Group	108	108
Water & electricity received from CHRB Group	24	24

CHRB holds 100% equity interest in Chuan Huat Hardware Holdings Sdn Bhd, which in turn holds 63.86% equity interest in PRB.

- ii) A Shareholders’ Agreement was executed on 9 January 2018 between Pineapple Computer Systems Sdn Bhd (“PCS”), a wholly-owned subsidiary of PRB, with Gema Naga 2 Sdn Bhd (“GN2”), Great Eat Sdn Bhd (“GRE”) and Efood Products Sdn Bhd (“EFP”) for the establishment of a joint venture company (“JV Arrangement”) named THS Restaurants Sdn Bhd (formerly known as Pineapple Computers & Accessories Sdn Bhd) (“THS”).

Amongst the salient feature of the JV Arrangement was the subscription of 540,000 shares in THS valued at RM793,381. The subscription of the shares was deemed to be a related party transaction as Directors of the Company has interest, direct or indirect in the JV Arrangement as follows:-

- a. Dato’ Lim Loong Heng is a director and major shareholder of the Company. He also sits on the boards of PCS and GRE.
- b. Lim Kean Choong is a director of the Company and PCS. He holds 15% equity interest in GRE.

In the opinion of the Directors, the above related party transactions entered into are in the best interest of the PRB Group and the terms are fair, reasonable and on normal commercial terms and not detrimental to the interest of the minority shareholders and are no more favourable than those arranged with independent third parties.

16. Cash and Cash Equivalents

	12 months ended	
	31/12/17 RM'000	31/12/16 RM'000
Fixed deposit with a licensed bank	-	1,500
Cash and bank balances	1,602	4,997
	<u>1,602</u>	<u>6,497</u>
Less : Fixed Deposits pledged	-	-
	<u>1,602</u>	<u>6,497</u>

17. Review of Performance

The Group's revenue for the fourth quarter and financial year ended 31 December 2017 increased by 20.25% and 11.78% respectively compared to the corresponding periods of the preceding year. The increase in revenue was mainly due to the additional Aeon members' day and special weekend promotion sales.

The Group has recorded a Profit Before Tax ("PBT") of RM119,000 and RM544,000 for the fourth quarter and year ended 31 Dec 2017 respectively compared to the PBT of RM25,000 and Loss Before Tax ("LBT") of RM450,000 in the corresponding financial periods of the preceding year. The increase of PBT was mainly due to increase of revenue and reduction in operating expenses.

	3 months ended			12 months ended		Change %
	31/12/17 RM'000	31/12/16 RM'000		31/12/17 RM'000	31/12/16 RM'000	
Revenue	<u>16,682</u>	<u>13,873</u>	20.25	<u>57,254</u>	<u>51,220</u>	11.78
Profit/(Loss) before taxation	<u>119</u>	<u>25</u>	376.00	<u>544</u>	<u>(450)</u>	220.89

18. Material changes in Profit/(Loss) Before Taxation (“PBT/LBT”) against preceding quarter

The Group recorded a PBT of RM119,000 for the fourth quarter ended 31 December 2017 as compared to RM182,000 in the preceding quarter ended 30 September 2017. The decrease in PBT was mainly due to write off of inventories during the quarter under reviewed.

	31/12/17 RM'000	30/09/17 RM'000	Change %
Revenue	16,682	13,849	20.46
Profit/(loss) before taxation	119	182	-34.62

19. Commentary on Prospects

The Group’s strategy to focus on expanding sales in hypermarkets and online is showing a vast improvement in the performance for the year. Further human resources will be added on to the online department to increase the sales as the market has changed rapidly to online from traditional shop’s retailing.

Baring any unforeseen circumstances the Group result will be sustained or improved further.

20. Profit Forecast and Profit Guarantee

The Group did not announce any profit forecast or profit guarantee for the financial year ending 31 December 2017.

21. Income Tax Expenses

	3 months ended		12 months ended	
	31/12/17 RM'000	31/12/16 RM'000	31/12/17 RM'000	31/12/16 RM'000
Malaysia income tax				
-current year	37	(7)	179	-
-under/(over) provision in prior years	-	(2)	-	(24)
	37	(9)	179	(24)
Deferred taxation	-	(1)	45	(48)
TOTAL	37	(10)	224	(72)

The effective tax rate for the financial year ended 31 Dec 2017 and 31 Dec 2016 are not reflective of the statutory tax rate, mainly due to the losses of certain subsidiaries which cannot be set off against taxable profits made by other subsidiaries, and certain expenses which are not deductible for tax purposes.

22. Corporate Proposals

The Group does not have any corporate proposals announced but not completed as at the date of this report.

23. Borrowings and Debt Securities

The Group does not have any borrowings or debt securities as at 31 Dec 2017.

24. Realised and Unrealised Profits/(Losses)

	As At 31/12/2017 RM'000	As At 31/12/2016 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	1,181	816
- Unrealised	(224)	(179)
Total Group retained profits as per statements of financial position.	957	637

25. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at the date of this report.

26. Changes in Material Litigation

There was no material litigation involving the Group as at the date of this report.

27. Dividend

No dividend has been declared or recommended for payment for the quarter and twelve months ended 31 Dec 2017.

28. Earnings Per Share

Basic

The basic earnings per share is calculated by dividing the profit attributable to owners of the parent for the period by the total number of ordinary shares of the Company in issue for the respective period as follows:

	3 months ended		12 months ended	
	31/12/17	31/12/16	31/12/17	31/12/16
(Loss)/Profit attributable to the owners of the parent (RM'000)	82	35	320	(378)
Total number of ordinary Shares in issue ('000)	48,500	48,500	48,500	48,500
Basic earnings per share (sen)	0.17	0.07	0.66	(0.78)

There were no potential dilutive components in the shareholdings of Pineapple Resources Berhad as at 31 Dec 2017 and 31 Dec 2016.

29. Authorisation For Issue

This interim financial statement were authorised for issue by the Board of Directors in accordance with a resolution of the Directors.

BY ORDER OF THE BOARD

DATO' LIM LOONG HENG
MANAGING DIRECTOR

Date: 23 February 2018