



Condensed Consolidated Financial Statements  
For the Quarter and Year Ended  
31 December 2018

**Condensed Consolidated Statement of Financial Position**  
**As at 31 December 2018**

(The figures below have not been audited)

|   | Unaudited<br>As at<br>31/12/18<br>RM'000 | Audited<br>As at<br>31/12/17<br>RM'000 |
|---|--|--|
| <b>Non-Current assets</b>   |  |  |
| Property, plant and equipment   | 1,376                                    | 1,630                                  |
| Investment in associated company  | 670                                      | 763                                    |
|   | 2,046                                    | 2,393                                  |
| <b>Current assets</b>   |  |  |
| Inventories   | 12,928                                   | 13,458                                 |
| Trade and others receivables  | 9,255                                    | 11,147                                 |
| Amount due from associate company   | 151                                      | -                                      |
| Cash and bank balances  | 4,379                                    | 1,808                                  |
|   | 26,713                                   | 26,413                                 |
| <b>TOTAL ASSETS</b>   | <b>28,759</b>                            | <b>28,806</b>                          |
| <b>EQUITY AND LIABILITIES</b>   |  |  |
| <b>Equity attributable to equity holders of the parent</b>                |  |  |
| Share Capital   | 24,250                                   | 24,250                                 |
| Capital Reserves  | 878                                      | 878                                    |
| Retained earnings   | 1,015                                    | 991                                    |
| <b>Total equity</b>   | 26,143                                   | 26,119                                 |
| <b>Non-current liabilities</b>  |  |  |
| Deferred liabilities  | 112                                      | 102                                    |
| Deferred tax liabilities  | 212                                      | 224                                    |
|   | 324                                      | 326                                    |
| <b>Current liabilities</b>  |  |  |
| Trade and other payables  | 2,265                                    | 2,361                                  |
| Taxation  | 27                                       | -                                      |
|   | 2,292                                    | 2,361                                  |
| <b>Total liabilities</b>  | 2,616                                    | 2,687                                  |
| <b>TOTAL EQUITY AND LIABILITIES</b>                                       | <b>28,759</b>                            | <b>28,806</b>                          |
| Net assets per share attributable to ordinary<br>Owner of the parent (RM) | 0.54                                     | 0.54                                   |

*The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and accompanying explanatory notes attached to the interim financial statements.*

**Condensed Consolidated Statement of Comprehensive Income  
For the quarter and twelve months ended 31 December 2018**

(The figures below have not been audited)

|  | Individual quarter |                    | Cumulative quarter |                    |
|--|--------------------|--------------------|--------------------|--------------------|
|  | 31/12/18<br>RM'000 | 31/12/17<br>RM'000 | 31/12/18<br>RM'000 | 31/12/17<br>RM'000 |
| <b>Revenue</b>   | 14,287             | 16,683             | 57,851             | 57,255             |
| Operating expenses   | (14,073)           | (16,297)           | (57,387)           | (56,426)           |
| Other income   | 62                 | 122                | 248                | 429                |
| <b>Operating profit/ (loss)</b>  | 276                | 508                | 712                | 1,258              |
| Depreciation and amortization  | (92)               | (103)              | (423)              | (436)              |
| Interest expenses  | (2)                | (2)                | (10)               | (5)                |
| Interest income  | -                  | 1                  | 2                  | 5                  |
| Provision for and write off of receivables                               | -                  | -                  | (13)               | (5)                |
| 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)                | 4                  | 5                  |
| Share of profit/(loss) from an associate company                         | (40)               | (53)               | (93)               | (53)               |
| <b>Profit/ (loss) before tax</b>   | 142                | 153                | 179                | 578                |
| Taxation   | (56)               | (37)               | (155)              | (224)              |
| <b>Profit/ (loss) for the period</b>                                     | 86                 | 116                | 24                 | 354                |
| Other Comprehensive Income net of tax                                    | -                  | -                  | -                  | -                  |
| <b>Total Comprehensive Profit/ (loss) for the period</b>                 | 86                 | 116                | 24                 | 354                |
| <b>Profit/ (loss) attributable to:-</b>                                  |                    |                    |                    |                    |
| Owner of the parent  | 86                 | 116                | 24                 | 354                |
| Non-controlling interest   | -                  | -                  | -                  | -                  |
| Profit for the period  | 86                 | 116                | 24                 | 354                |
| <b>Earning per share (sen):-</b>   |                    |                    |                    |                    |
| Basic earning per share  | 0.18               | 0.24               | 0.05               | 0.73               |

*The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and accompanying explanatory notes attached to the interim financial statements.*

**Condensed Consolidated Statement of Changes in Equity**  
**For the twelve months ended 31 December 2018**  
(The figures below have not been audited)

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

|   | Share<br>Capital<br>RM'000 | Non -<br>Distributable<br>Capital<br>Reserves<br>RM'000 | Distributable<br>Retained<br>earnings/<br>Accumulated<br>(losses)<br>RM'000 | Total<br>RM'000 | Non-<br>controlling<br>Interests<br>RM'000 | Total<br>Equity<br>RM'000 |
|---|----------------------------|---|---|-----------------|--|---------------------------|
| At 1 January 2018   | 24,250                     | 878   | 991   | <b>26,119</b>   | -  | <b>26,119</b>             |
| Total comprehensive profit/ (loss) for the financial period | -                          | -   | 24  | <b>24</b>       | -  | <b>24</b>                 |
| <b>At 31 Dec 2018</b>                                       | <b>24,250</b>              | <b>878</b>  | <b>1,015</b>  | <b>26,143</b>   | -  | <b>26,143</b>             |
| At 1 January 2017   | 24,250                     | 878   | 637   | <b>25,765</b>   | -  | <b>25,765</b>             |
| Total comprehensive profit/ (loss) for the financial period | -                          | -   | 354   | <b>354</b>      | -  | <b>354</b>                |
| <b>At 31 Dec 2017</b>                                       | <b>24,250</b>              | <b>878</b>  | <b>991</b>  | <b>26,119</b>   | -  | <b>26,119</b>             |

*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 2017 and accompanying explanatory notes attached to the interim financial statements.*

**Condensed Consolidated Statement of Cash Flows**  
**For the twelve months ended 31 December 2018**

(The figures below have not been audited)

|   | <b>12 months ended</b> |                 |
|---|------------------------|-----------------|
|   | <b>31/12/18</b>        | <b>31/12/17</b> |
|   | <b>RM'000</b>          | <b>RM'000</b>   |
| <b>Cash flows from operating activities</b>                   |                        |                 |
| Net profit/ (loss) before tax                                 | 179                    | 578             |
| <u>Adjustment for non-cash items :-</u>                       |                        |                 |
| Depreciation and amortization                                 | 423                    | 436             |
| Interest expenses   | 10                     | 5               |
| Interest income   | (2)                    | (5)             |
| Provision for and write off of receivables                    | 13                     | 5               |
| Provision for and write off of inventories                    | -                      | 191             |
| Non-cash items  | 92                     | 62              |
| Operating profit before working capital changes               | 715                    | 1,272           |
| Decrease / (Increase) in inventories                          | 530                    | (1,657)         |
| Decrease / (Increase) in trade and other receivables          | 1,794                  | (2,314)         |
| Increase/ (Decrease) in trade and other payables              | (109)                  | (1,007)         |
| Increase/ (Decrease) in amount due from associated company    | (151)                  | -               |
| Net cash inflow/ (outflow) from operations                    | 2,779                  | (3,706)         |
| Net tax refund/ (paid)  | (56)                   | (24)            |
| <b>Net cash inflow/ (outflow) from operating activities</b>   | <b>2,723</b>           | <b>(3,730)</b>  |
| <b>Cash flows from investing activities</b>                   |                        |                 |
| Proceeds from disposal of property, plant and equipment       | 5                      | 8               |
| Purchase of property, plant and equipment                     | (112)                  | (163)           |
| Net cash inflow from disposal of a subsidiary company         | -                      | 2               |
| Investment in associated company                              | -                      | (793)           |
| Interest received   | 2                      | 5               |
| <b>Net cash outflow from investing activities</b>             | <b>(105)</b>           | <b>(941)</b>    |
| <b>Cash flows from financing activities</b>                   |                        |                 |
| Net repayment of finance lease liabilities                    | (37)                   | (13)            |
| Interest paid   | (10)                   | (5)             |
| <b>Net cash outflow from financing activities</b>             | <b>(47)</b>            | <b>(18)</b>     |
| Net increase/ (decrease) in cash and cash equivalents         | 2,571                  | (4,689)         |
| Cash and cash equivalents at beginning of the financial year  | 1,808                  | 6,497           |
| <b>Cash and cash equivalents at end of the financial year</b> | <b>4,379</b>           | <b>1,808</b>    |

*The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017 and accompanying explanatory notes attached to the interim financial statements*

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER  
ENDED 31 DECEMBER 2018**

**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 2017 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 2017.

**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 2017, including 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 2018*

- MFRS 9: *Financial Instruments*
- MFRS15: *Revenue from Contracts with Customers*
- Amendments to MFRS 2: *Classification and Measurement of Share-based Payment Transactions*
- Amendments to MFRS 4: *Insurance Contracts, Applying FRS 9 Financial Instruments with MFRS 4 Insurance Contracts*
- Amendments to MFRS 140: *Transfer of Investment Property*
- IC Interpretation 22: *Foreign Currency Transactions and Advance Consideration*
- Annual Improvements to MFRSs 2014–2016 Cycle
  - MFRS 1: *First-Time Adoption of MFRS*
  - MFRS 12: *Disclosure Of Interests in Other Entities*
  - MFRS 128: *Investments in Associates and Joint Ventures*

## **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 2019

- MFRS 16 : *Leases*
- IC Interpretation 23: *Uncertainty over Income Tax Treatment*
- Amendments to MFRS 9: *Prepayment Features with Negative Compensation*
- Amendments to MFRS 119: *Plan Amendments, Curtailment of Settlement*
- Amendments to MFRS 128: *Long-term Interest in Associates and Joint Ventures*
- Annual Improvements to MFRSs 2015–2017 Cycle
  - MFRS 3: *Business Combinations*
  - MFRS 11: *Joint Arrangements*
  - MFRS 112: *Income Taxes*
  - MFRS 123 : *Borrowing Costs*

### Effective for annual periods beginning on or after 1 January 2020

- Amendments to MFRS 2: *Share-based Payment Transactions*
- Amendments to MFRS 3: *Business Combinations*
- Amendments to MFRS 14: *Regulatory Deferral Account*
- Amendments to MFRS 101: *Presentations of Financial Statements*
- Amendments to MFRS 108: *Accounting Policies, Changes in Accounting Estimates and Errors*
- Amendments to MFRS 134: *Interim Financial Reporting*
- Amendments to MFRS 137: *Provisions, Contingent Liabilities and Contingent Assets*
- Amendments to MFRS 138: *Intangible Assets*

### Effective for annual periods beginning on or after 1 January 2021

- MFRS 17 : *Insurance Contracts*

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 2017 Annual Financial Statements**

The auditors' report on the financial statements for the financial year ended 31 December 2017 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.

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**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 December 2018.

**6. Changes in Estimates**

There were no changes in estimates that have had a material effect during the quarter and twelve months ended 31 December 2018.

**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 December 2018.

**8. Dividends Paid**

No dividend has been paid during the quarter and twelve months ended 31 December 2018.

**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 were no changes in the composition of the Group during the quarter and twelve months ended 31 December 2018 and up to the date of this Interim Financial Report.



### 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 2017.

### 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 |          |
|--|-----------------|----------|
|  | 31/12/18        | 31/12/17 |
|  | RM'000          | RM'000   |
| <b>Others</b>                                |                 |          |
| <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 (“GE”) 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 GE.
- b. Lim Kean Choong is a director of the Company and PCS. He holds 15% equity interest in GE.

## 15. Related Party Transactions (Cont'd)

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    |                    |
|------------------------------------|--------------------|--------------------|
|                                    | 31/12/18<br>RM'000 | 31/12/17<br>RM'000 |
| Fixed deposit with a licensed bank | -                  | -                  |
| Cash and bank balances             | 4,379              | 1,808              |
|                                    | <u>4,379</u>       | <u>1,808</u>       |

## 17. Review of Performance

The Group's revenue for the twelve months financial period ended 31 December 2018 has increased by 1.04% as compared to the corresponding period of the preceding year.

The Group's revenue for the fourth quarter ended 31 December 2018 dropped by 14.36% as compared to the corresponding period of the preceding year. The decrease in revenue was mainly due to fewer Aeon members' day promotion and other special weekend promotion sales.

The Group has recorded a Profit Before Tax ("PBT") of RM142,000 and RM179,000 for the fourth quarter and twelve months ended 31 December 2018 respectively compared to PBT of RM153,000 and RM578,000 in the corresponding financial period of the preceding year. The drop in PBT were mainly due to the lower gross profit margin resulting from the discounts given during the promotional activities to boost sales and the share of losses from an associate company.

|                                  | 3 months ended     |                    |             | 12 months ended    |                    |             |
|----------------------------------|--------------------|--------------------|-------------|--------------------|--------------------|-------------|
|                                  | 31/12/18<br>RM'000 | 31/12/17<br>RM'000 | Change<br>% | 31/12/18<br>RM'000 | 31/12/17<br>RM'000 | Change<br>% |
| Revenue                          | 14,287             | 16,683             | (14.36)     | 57,851             | 57,255             | 1.04        |
| Profit/(Loss)<br>before taxation | 142                | 153                | (7.19)      | 179                | 578                | (69.03)     |

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

The Group recorded a PBT of RM142,000 for the fourth quarter ended 31 December 2018 as compared to PBT of RM167,000 in the preceding quarter ended 30 Sep 2018. The drop was mainly due to decrease of revenue during the quarter under review.

|                               | 31/12/18<br>RM'000 | 30/09/18<br>RM'000 | Change<br>% |
|-------------------------------|--------------------|--------------------|-------------|
| Revenue                       | 14,287             | 15,877             | (10.02)     |
| Profit/(loss) before taxation | 142                | 167                | (14.97)     |

### 19. Commentary on Prospects

The core business of retailing in Aeon and Tesco malls is showing a decline whilst the e-business’s revenue is growing at a rapid pace. Currently, e-business contribute about 35% of the total revenue and it is expected to increase to 70% by the end of 2019. Whilst the revenue for this division is good, the margins are eroded due to payment of high courier cost and commission charged by third party handlers. The overall market for e-commerce is expected to grow at a very fast rate and the margins are also expected to be slim too. To mitigate these issues, the group will be looking at increasing the products lines to increase the revenue while keeping the cost low.

The Group foray into the F&B business is still very much intact and will continue to identify popular brands to expand into. The signing of the Letter of Intent with Genesis Supplies Sdn. Bhd for the bbq (Best of the Best Quality) brand of Korean Fried Chicken to open 3 franchise fast food outlets within the first half of 2019 is now in the planning stage.

The board of directors are optimistic of showing a better set of results for the year 2019.

### 20. Profit Forecast and Profit Guarantee

The Group did not announce any profit forecast or profit guarantee for the financial year ending 31 December 2018.

## 21. Income Tax Expenses

|  | 3 months ended |           | 12 months ended |            |
|--|----------------|-----------|-----------------|------------|
|  | 31/12/18       | 31/12/17  | 31/12/18        | 31/12/17   |
|  | RM'000         | RM'000    | RM'000          | RM'000     |
| Malaysia income tax                    |                |           |                 |            |
| -current year                          | 62             | 37        | 151             | 179        |
| -under/(over) provision in prior years | -              | -         | 16              | -          |
|  | 62             | 37        | 167             | 179        |
| Deferred taxation                      | (6)            | -         | (12)            | 45         |
| <b>TOTAL</b>                           | <b>56</b>      | <b>37</b> | <b>155</b>      | <b>224</b> |

The effective tax rate for the financial period ended 31 December 2018 and 31 December 2017 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 Company has on 24 December 2018 executed a Letter of Intent with Genesis Supplies Sdn Bhd for the subsequent execution of the Franchise Agreement between two parties to operate 3 outlets BBQ Chicken restaurants in Kuala Lumpur and Selangor. The Letter of Intent is still in progress with no material changes.

Save for the above, the Group does not have any other 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 December 2018.

## 24. Realised and Unrealised Profits/(Losses)

|  | As At        |            |
|--|--------------|------------|
|  | 31/12/2018   | 31/12/2017 |
|  | RM'000       | RM'000     |
| Total retained profits of the Company and its subsidiaries:                  |              |            |
| - Realised   | 1,227        | 1,215      |
| - Unrealised   | (212)        | (224)      |
| <b>Total Group retained profits as per statements of financial position.</b> | <b>1,015</b> | <b>991</b> |

## 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 December 2018.

## 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 |          |
|--|----------------|----------|-----------------|----------|
|  | 31/12/18       | 31/12/17 | 31/12/18        | 31/12/17 |
| Profit/ (Loss) attributable to the owners of the parent (RM'000) | 86             | 116      | 24              | 354      |
| Total number of ordinary Shares in issue ('000)                  | 48,500         | 48,500   | 48,500          | 48,500   |
| Basic earnings per share (sen)                                   | 0.18           | 0.24     | 0.05            | 0.73     |

There were no potential dilutive components in the shareholdings of Pineapple Resources Berhad as at 31 December 2018 and 31 December 2017.

## 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: 27 February 2019