



# **PINEAPPLE RESOURCES BERHAD**

Registration No.: 198001001637 (55420-P)  
(Incorporated in Malaysia)

Unaudited Condensed Consolidated Financial Statements  
For the First Quarter and Year-to-Date Ended  
30 September 2024

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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST FINANCIAL QUARTER  
AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2024**

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FIRST QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2024**

	Quarter Ended		Year-to-Date Ended	
	30/09/24 RM'000 (Unaudited)	30/09/23 RM'000 (Audited)	30/09/24 RM'000 (Unaudited)	30/09/23 RM'000 (Audited)
<b>Revenue</b>	9,654	10,577	9,654	10,577
Operating expenses	(9,470)	(10,460)	(9,470)	(10,460)
Other income	150	249	150	249
<b>Operating (Loss)/ Profit</b>	<u>334</u>	<u>366</u>	<u>334</u>	<u>366</u>
Depreciation and amortization	(192)	(186)	(192)	(186)
Depreciation right of use assets	(364)	(278)	(364)	(278)
Interest expenses	(70)	(50)	(70)	(50)
Interest income	1	-	1	-
Provision for and write off of receivables	-	-	-	-
Provision for and write off of inventories	-	-	-	-
Foreign exchange loss	-	-	-	-
<b>(Loss) / Profit before tax</b>	<u>(291)</u>	<u>(148)</u>	<u>(291)</u>	<u>(148)</u>
Taxation	-	16	-	16
<b>(Loss) / Profit for the period</b>	<u>(291)</u>	<u>(132)</u>	<u>(291)</u>	<u>(132)</u>
Other Comprehensive Income net of tax	-	-	-	-
<b>Total Comprehensive (Loss) / Profit for the period</b>	<u>(291)</u>	<u>(132)</u>	<u>(291)</u>	<u>(132)</u>
<b>(Loss) / Profit attributable to:-</b>				
Owner of the parent	(290)	(189)	(290)	(189)
Non-controlling interest	(1)	57	(1)	57
<b>(Loss) / Profit for the period</b>	<u>(291)</u>	<u>(132)</u>	<u>(291)</u>	<u>(132)</u>
<b>Earnings per share (sen):-</b>				
Basic (Loss) / Profit per share	(0.60)	(0.39)	(0.60)	(0.39)

*The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 June 2024 and accompanying explanatory notes attached to the interim financial statements.*

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2024**

	As at 30/09/24 RM'000 (Unaudited)	As at 30/06/24 RM'000 (Audited)
<b>Non-Current assets</b>		
Plant and equipment	2,244	2,392
Right-of-use assets	3,077	2,717
Intangible assets	1,200	1,200
	6,521	6,309
<b>Current assets</b>		
Inventories	9,171	9,311
Trade and others receivables	4,734	3,964
Cash and bank balances	1,394	1,780
	15,299	15,055
<b>TOTAL ASSETS</b>	<b>21,820</b>	<b>21,364</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share Capital	24,250	24,250
Capital Reserves	28	28
Retained earnings	(9,094)	(8,804)
	15,184	15,474
Non- controlling interest	7	8
<b>Total equity</b>	15,191	15,482
<b>Non-current liabilities</b>		
Term Loan	1,234	1,263
Contract liabilities	64	71
Lease liabilities	1,798	1,717
	3,096	3,051
<b>Current liabilities</b>		
Trade and other payables	2,001	1,598
Term Loan	113	111
Contract liabilities	30	30
Lease liabilities	1,389	1,092
	3,533	2,831
<b>Total liabilities</b>	6,629	5,882
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>21,820</b>	<b>21,364</b>
Net assets per share attributable to ordinary Owner of the parent (RM)	0.31	0.32

*The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 June 2024 and accompanying explanatory notes attached to the interim financial statements.*

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR-TO-DATE ENDED 30 SEPTEMBER 2024**

	← 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
<b><u>Unaudited</u></b>						
At 1 July 2024	24,250	28	(8,804)	15,474	8	15,482
Total comprehensive profit/(loss) for the financial period	-	-	(290)	(290)	(1)	(291)
<b>At 30 Sept 2024</b>	<b>24,250</b>	<b>28</b>	<b>(9,094)</b>	<b>15,184</b>	<b>7</b>	<b>15,191</b>
<b><u>Audited</u></b>						
At 1 July 2023	24,250	28	(5,959)	21,107	(420)	17,899
Total comprehensive profit/ (loss) for the financial period	-	-	(2,845)	(2,845)	428	(2,417)
<b>At 30 June 2024</b>	<b>24,250</b>	<b>28</b>	<b>(8,804)</b>	<b>15,474</b>	<b>8</b>	<b>15,482</b>

*The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 June 2024 and accompanying explanatory notes attached to the interim financial statements.*

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR-TO-DATE ENDED 30 SEPTEMBER 2024**

	Year-to-Date Ended	
	30/09/2024 RM'000 (Unaudited)	30/06/2024 RM'000 (Audited)
<b>Cash flows from operating activities</b>		
Net (Loss) before tax	(291)	(2,433)
<u>Adjustment for non-cash items :-</u>		
Depreciation and amortization	192	908
Depreciation right of use assets	364	1,382
Interest expenses	70	264
Interest income	(1)	(5)
Provision for and write off of inventories	-	-
Non-cash items	14	(40)
Operating profit/(loss) before working capital changes	348	76
Decrease in inventories	140	1,336
Decrease in trade and other receivables	(771)	(469)
Increase/ (Decrease) in trade and other payables	395	(6)
Net cash inflow from operations	112	937
Tax paid	-	-
Tax refunded	-	44
<b>Net cash inflow/ (outflow) from operating activities</b>	<b>112</b>	<b>981</b>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of plant and equipment	60	46
Purchase of plant and equipment	(117)	(1,300)
Interest received	1	5
<b>Net cash outflow from investing activities</b>	<b>(56)</b>	<b>(1,249)</b>
<b>Cash flows from financing activities</b>		
Interest paid on term loan	(24)	(113)
Interest paid on lease liabilities	(46)	(151)
Upfront payment for lease of motor vehicle	-	(140)
Repayment of term loan	(27)	(90)
Payment of lease liabilities	(345)	(1,322)
<b>Net cash outflow from financing activities</b>	<b>(442)</b>	<b>(1,816)</b>
Net increase/ (decrease) in cash and cash equivalents	(386)	(2,084)
Cash and cash equivalents at beginning of the financial period	1,780	3,864
<b>Cash and cash equivalents at end of the financial period</b>	<b>1,394</b>	<b>1,780</b>

*The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 30 June 2024 and accompanying explanatory notes attached to the interim financial statements*

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**REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND YEAR-TO-DATE ENDED  
30 SEPTEMBER 2024**

**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 30 June 2024 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 30 June 2024.

**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 30 June 2024, except for the adoption of the following new MFRSs which are effective for annual periods beginning on or after 1 January 2024.

Amendments to MFRS 16 – Lease Liability in a Sale and Leaseback  
Amendments to MFRS 101 – Classification of Liabilities as Current or Non-current  
Amendments to MFRS 101 – Non-current Liabilities with Covenants  
Amendments to MFRS 107 and MFRS 7- Supplier Finance Arrangements

The adoption the above amendments to MFRSs are not expected to have any significant impact on the financial statements of the Group.

The Group will adopt the following amendments to MFRSs that are applicable when they become effective.

**Effective for annual periods beginning on or after 1 January 2025**

Amendments to MFRS 121 - Lack of Exchangeability

**Effective for annual periods beginning on or after 1 January 2026**

Amendments to MFRS 9 and MFRS 7 - Amendments to the Classification and Measurement of Financial Instruments

Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107 contained in the document entitled "Annual Improvements - Volume 11"

**Effective for annual periods beginning on or after 1 January 2027**

MFRS 18, Presentation and Disclosure in Financial Statements

MFRS 19, Subsidiaries without Public Accountability : Disclosures

**Effective for annual periods beginning on or after a date to be determined by MASB**

Amendments to MFRS 10 and MFRS 128 – Sales or Contribution of Assets between an Investor and its Associate or Joint Venture

The new MFRS 18 will replace MFRS 101, Presentation of Financial Statements while retaining many of the requirements in MFRS 101 with limited changes. MFRS 18 introduces new specified categories and defined subtotals in the statement of profit or loss, disclosures on management-defined performance measures that are reported outside an entity's financial statements in the notes to the financial statements, and enhanced principles on aggregation and disaggregation of information in the financial statements. The new standard will redefine financial performance reporting by an entity through a new structure of the statement of profit or loss and additional disclosures for performance measures. It will not impact the recognition and measurement of items in the financial statements of an entity.

Except as disclosed above with regard to the new MFRS 18, the initial application of the new MFRSs and amendments to MFRSs is not expected to have any significant impact on the financial statements of the Group and of the Company.

### **3 Auditors' report in respect of preceding annual financial statements**

The auditors' report on the financial statements for the financial year ended 30 June 2024 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 three months ended 30 September 2024.

### **6 Changes in estimates**

There were no changes in estimates that have had a material effect during the quarter and three months ended 30 September 2024.

### **7 Debt and equity securities**

There were no issuances, cancellations, repurchases, resale and repayment of debt and equity securities during the quarter and three months ended 30 September 2024.

### **8 Dividends paid**

No dividend has been paid during the quarter and three months ended 30 September 2024.



## 9 Segmental information

	Individual Quarter Current year quarter 3 months 30/09/24 RM'000	Individual Quarter Preceding year quarter 3 months 30/09/23 RM'000	Cumulative Quarter Current year to date 3 months 30/09/24 RM'000	Cumulative Quarter Preceding year to date 3 months 30/09/23 RM'000
<b>Revenue</b>				
Trading of IT related products	6,472	7,585	6,472	7,585
Food & beverage	3,182	2,992	3,182	2,992
	<u>9,654</u>	<u>10,577</u>	<u>9,654</u>	<u>10,577</u>
<b>Profit/(Loss) before taxation</b>				
Trading of IT related products	(406)	(532)	(406)	(532)
Food & beverage	115	384	115	384
	<u>(291)</u>	<u>(148)</u>	<u>(291)</u>	<u>(148)</u>

## 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

There were no changes in the composition of the Group during the quarter and three months ended 30 September 2024 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 30 June 2024.

## 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 of Chuan Huat Resources Berhad (“CHRB”) group of companies (“CHRB Group”).

The significant related party transactions are as follows:

	Current year to date 3 months 30/09/24 RM'000	Preceding year to date 3 months 30/09/23 RM'000	Current year to date 3 months 30/09/24 RM'000	Preceding year to date 3 months 30/09/23 RM'000
<u>Related Parties Transactions</u>				
Rental of premises paid to CHRB Group	60	60	60	60
Utility charges received from CHRB Group	9	9	9	9
Advertising fee income received from CHRB Group	50	50	50	50

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

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 Review of performance

The Group's revenue for the current quarter decreased by 8.7% from RM10.58 to RM9.65 million in the preceding year quarter.

As for the profit and loss before taxation, it registered a loss before tax (“LBT”) of RM291,000 for the current quarter as compared to LBT of RM148,000 in the preceding year quarter.

	Current year quarter 30/09/24 RM'000	Preceding year quarter 30/09/23 RM'000	Change %	Current year to date 3 months 30/09/24 RM'000	Preceding year to date 3 months 30/09/23 RM'000	Change %
<b>Revenue</b>						
Trading of IT related products	6,472	7,585	-14.7	6,472	7,585	-14.7
Food & beverage	3,182	2,992	6.4	3,182	2,992	6.4
	<u>9,654</u>	<u>10,577</u>	<u>-8.7</u>	<u>9,654</u>	<u>10,577</u>	<u>-8.7</u>

<b>Profit/(Loss) before taxation</b>						
Trading of IT related products	(406)	(532)	23.7	(406)	(532)	23.7
Food & beverage	115	384	-70.1	115	384	-70.1
	<u>(291)</u>	<u>(148)</u>	<u>-96.6</u>	<u>(291)</u>	<u>(148)</u>	<u>-96.6</u>

The reasons for the changes in the various sectors are as follows:

**i) Trading of IT related products**

**Current quarter against preceding year quarter (3 months)**

The lower revenue and loss before taxation (“LBT”) were mainly due to slower sales and reduction in operating expenses respectively.

**ii) Food & Beverage Division**

**Current quarter against preceding year quarter (3 months)**

Despite revenue was relatively unchanged, the bottom line reported a slightly lower profit before taxation due to higher food cost.

**17 Material changes in profit / (loss) before taxation (“PBT/LBT”) against preceding quarter**

	Current year quarter ended 30/09/24 RM'000	Immediate preceding quarter ended 30/06/24 RM'000	Change %
<b>Revenue</b>			
Trading of IT related products	6,472	7,104	-8.9
Food & beverage	3,182	3,182	0.0
	<u>9,654</u>	<u>10,286</u>	<u>-6.1</u>
<b>Profit/(loss) before taxation</b>			
Trading of IT related products	(406)	(666)	39.0
Food & beverage	115	(19)	705.3
	<u>(291)</u>	<u>(685)</u>	<u>57.5</u>

**i) Trading of IT related products**

The lower revenue was mainly due to the slowdown in the retail market while the bottom line improved by 39% with a lower loss before taxation due to lower operating cost.

**ii) Food & Beverage Division**

The improvement in the bottom line from a loss of RM19,000 to a profit of RM115,000 was due to lower staff cost.

## 18 Commentary on prospects

PRB's IT division is currently navigating through a challenging business environment in the IT accessories market marked by intense competition from both established players and emerging direct-to-consumer vendors leveraging e-commerce, declining consumer demand and exacerbated by a shift toward bundled solutions. Furthermore aggressive discounting practices have constrained gross profit margins resulting in limited revenue growth. PRB is adapting to these challenges by making cost management a critical area of focus with the closure of unprofitable retail outlets, reviewing its fixed and operating costs structure and internal restructuring, if necessary. Similarly the company is continuously looking at differentiating its products offerings through innovation, tapping into niche markets and investing in direct-to-consumers strategies to strengthen its competitive edge in the e-commerce platform.

PRB's F&B division is implementing a growth strategy and focused on franchising and opening new outlets of its PappaRich restaurants over the next 24 months to enhance revenue and profitability. However, this expansion comes amid heightened competition and subdued consumer demand due to slower economy growth than expected resulting in cautious consumer spending affecting the growth of discretionary sectors like F&B. Nonetheless, the franchising model remains a preferred strategy for expansion, allowing our PappaRich brand to scale quickly with limited capital investment. The company will focus on sustainable growth of its F&B business with emphasis on a cost conscious approach to expansion, prioritise franchisee support, conduct in-depth market research for new locations in high demand and footfall areas and streamline operations to counteract rising costs in food ingredients and human resources. Despite economic uncertainties and intense competition, our focus on franchising and outlet expansion offers a viable path to revenue and profitability growth. By prioritising operational excellence supported by the strong PappaRich household brand consistency, and customer engagement, the company can strengthen its position in the F&B market.

PRB's current financial facilities will need to be reviewed to facilitate the implementation of its plans for the sustainable growth of its IT and F&B businesses.

## 19 Profit forecast and profit guarantee

The Group has not announced or disclosed any profit forecast or profit guarantee in any public documents.

## 20 Income Tax expenses

	Current year quarter ended 30/09/24 RM'000	Preceding year quarter ended 30/09/23 RM'000	Current Year-to- date ended 30/09/24 RM'000	Preceding Year-to- date ended 30/09/23 RM'000
Malaysia income tax				
-current year	-	--	-	-
-under/(over) provision in prior years	-	-	-	-
Deferred taxation	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The effective tax rate for the financial year ended 30 Sept 2024 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.

## 21 Corporate proposals

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

## 22 Borrowings and debt securities

The details of the Group's borrowings as at 30 Sept 2024 are as follows:-

	Current Year-to- date ended 30/09/24 RM'000	Preceding Year-to- date ended 30/09/23 RM'000
Term Loan- secured		
-short term	113	115
-long term	1,234	1,321
	1,347	1,436

Term loan of the Group is secured by way of a corporate guarantee executed by Pineapple Resources Berhad and carries interest rate of 6.4% per annum.

## 23 Realised and unrealised losses

	As At 30/09/2024 RM'000 Unaudited	As At 30/06/2024 RM'000 Audited
Total retained profits of the Company and its subsidiaries:		
- Realised	(9,094)	(8,804)
- Unrealised	-	-
Total Group retained losses as per statements of financial position.	(9,094)	(8,804)

## 24 Off balance sheet financial instruments

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

## 25 Changes in material litigation

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

## 26 Dividend

No dividend has been declared or recommended for payment for the quarter and three months ended 30 Sept 2024.

## 27 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:

	Current year quarter ended 30/09/24 RM'000	Preceding year quarter ended 30/09/23 RM'000	Current Year-to- date ended 30/09/24 RM'000	Preceding Year-to- date ended 30/09/23 RM'000
Profit/(Loss) attributable to the owners of the parent (RM'000)	(290)	(189)	(290)	(189)
Total number of ordinary Shares in issue ('000)	48,500	48,500	48,500	48,500
Basic earnings per share (sen)	(0.60)	(0.39)	(0.60)	(0.39)

There were no potential dilutive components in the shareholdings of Pineapple Resources Berhad as at 30 September 2024.

## 28 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: 25 November 2024