

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME

For the 4th Quarter Ended 30.06.2019

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter Ended 30.06.2019 RM'000	Preceding Quarter Ended 30.06.2018 RM'000	Current Year-to-date Ended 30.06.2019 RM'000	Preceding 15 Months Year-to-date Ended 30.06.2018 RM'000
Revenue	9,589	9,571	85,599	50,174
Cost of sales	(7,618)	(6,856)	(73,923)	(44,154)
Gross profit	1,971	2,715	11,676	6,020
Other income	1,409	576	1,982	2,148
Distribution costs	(18)	(16)	(56)	(99)
Administrative and other expenses	(7,001)	(5,918)	(14,956)	(16,892)
Profit/ (loss) from operations	(3,639)	(2,643)	(1,354)	(8,823)
Finance costs*	(1,160)	(16)	(1,200)	(82)
Profit/ (Loss) before taxation	(4,799)	(2,659)	(2,554)	(8,905)
Taxation	(880)	(60)	(1,010)	(61)
Profit/ (Loss) for the period	(5,679)	(2,719)	(3,564)	(8,966)
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	(5,679)	(2,719)	(3,564)	(8,966)
Profit/ (Loss) attributable to:				
Owners of the Parent	(4,914)	(2,574)	(2,765)	(8,819)
Non-controlling interests	(764)	(145)	(799)	(147)
	(5,679)	(2,719)	(3,564)	(8,966)
Total comprehensive income attributable to:				
Owners of the Parent	(4,914)	(2,574)	(2,765)	(8,819)
Non-controlling interests	(764)	(145)	(799)	(147)
	(5,676)	(2,719)	(3,564)	(8,966)
Profit/ (Loss) per share attributable to the owners of the Company (sen):-				
Basic loss per share (sen)	(1.39)	(0.87)	(0.78)	(2.99)
Diluted loss per share (sen)	N/A	N/A	N/A	N/A

*Included in finance costs is a fair value adjustment on receivable amounting to RM1.151 mil for the current quarter ended 30 June 2019.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30.06.2019

	(unaudited) As at 30.06.2019 RM'000	(Audited) As at 30.06.2018 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	9,841	5,794
Intangible assets	1	9
Investment properties	0	433
Goodwill arising from consolidation	1,100	1,096
Trade receivables	12,307	14,258
Deferred Tax Assets	440	-
	<u>23,689</u>	<u>21,590</u>
Current assets		
Inventories	-	245
Receivables, deposits and prepayments	19,578	24,726
Tax recoverable	345	488
Contract costs	5,810	-
Cash and cash equivalents	14,730	9,277
	<u>40,463</u>	<u>34,736</u>
Assets held for sale	255	1,726
TOTAL ASSETS	<u>40,718</u>	<u>36,462</u>
	<u>64,407</u>	<u>58,052</u>
EQUITY AND LIABILITIES		
Share capital	50,977	46,931
Warrant reserve	8,400	8,401
Other reserves	-	1,460
Accumulated losses	(10,364)	(8,511)
Equity attributable to owners of the parent	<u>49,013</u>	<u>48,281</u>
Non-controlling interests	39	(202)
TOTAL EQUITY	<u>49,052</u>	<u>48,079</u>
Non-current liabilities		
Borrowings	-	326
Deferred taxation	320	-
	<u>320</u>	<u>326</u>
Current liabilities		
Trade and other payables	6,234	8,921
Contract Liabilities	7,871	-
Amount due to a Director	-	51
Borrowings	-	621
Provision for taxation	931	54
	<u>15,036</u>	<u>9,647</u>
TOTAL LIABILITIES	<u>15,356</u>	<u>9,973</u>
TOTAL EQUITY AND LIABILITIES	<u>64,407</u>	<u>58,052</u>
Net assets per share attributable to the owners of the parent(RM)	0.14	0.16

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial period ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the 4th Quarter Ended As at 30.06.2019

	Attributable to owners of the Parent					Non-controlling interests	Total Equity
	Share Capital	ESOS Reserve	Warrant Reserve	Other Reserve	Retained Earnings		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 30 June 2018	46,931	-	8,401	1,460	(8,511)	(202)	48,079
Issuance Of Share Capital	4,045						4,045
Exercise of ESOS	-	-	-	-	-	-	-
Shares options granted Under ESOS	-	-	-	-	-	-	-
Realization Of ESOS	-	-	-	-	-	-	-
Acquisition/Disposal of Additional Interest From Non-Controlling Interest	-	-	-	-	913	1,040	1,953
Total comprehensive income for the financial year	-	-	-	(1,460)	(2,765)	(799)	(5,024)
At 30 June 2019	50,976	-	8,401	-	(10,364)	39	49,053

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial period ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the 4th Quarter Ended As at 30.06.2019

	Attributable to owners of the Parent					Non-controlling interests	Total Equity
	Share Capital	ESOS Reserve	Warrant Reserve	Other Reserve	Retained Earnings		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 April 2017	38,531	-	8,401	1,460	308	(8)	48,692
Exercise of ESOS	6,300	-	-	-	-	-	6,300
Shares options granted Under ESOS	-	2,100	-	-	-	-	2,100
Realization Of ESOS	2,100	(2,100)	-	-	-	-	-
Acquisition/Disposal of Additional Interest From Non-Controlling Interest	-	-	-	-	-	(47)	(47)
Total comprehensive income for the financial year	-	-	-	-	(8,819)	(147)	(8,966)
At 30 June 2018	46,931	-	8,401	1,460	(8,511)	(202)	48,079

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial period ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the 4th Quarter Ended 30.06.2019
(The figures have not been audited)

	Cumulative quarter	
	Current Year-to-date RM'000	(Audited) As at 30.06.2018 RM'000
Cash flow from operating activities		
Profit/ (loss) before taxation	(2,554)	(8,905)
Adjustments for:-		
Amortisation of intangible assets	8	630
Bad debts written off	-	37
Depreciation of property, plant and equipment	1,320	2,542
Depreciation of investment properties	-	68
Deposits written off	524	187
Gain on disposal of property, plant and equipment	(248)	(3)
Gain on disposal of investment properties		(33)
Impairment loss on property, plant and equipment	590	45
Impairment loss on intangible assets	-	19
Gain on winding up of a subsidiary company	-	(36)
Intangible assets written off	-	6
Unrealised (Gain)/Loss on foreign exchange	(5)	-
Finance costs	-	82
Fair value adjustment on trade receivables	1,151	2,542
Interest income	(153)	(65)
Interest expense	45	-
Inventories written off	3	386
(Gain)/Loss on acquisition of subsidiary companies	-	-
(Gain)/Loss on disposal of subsidiary companies	277	(11)
Property, plant and equipment written off	503	808
Share options granted under ESOS	-	2,100
Operating profit / (loss) before working capital changes	1,461	399
Changes in working capital:		
Inventories	10	517
Receivables, deposits and prepayments	(995)	(7,479)
Payables and accruals	7,286	(468)
	6,301	(7,430)
Cash used in operations	7,762	(7,031)
Interest paid	4	(82)
Tax paid	(723)	(89)
Tax refund	40	387
	(679)	216
Net cash used in operating activities	7,083	(6,815)

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial period ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the 4th Quarter Ended 30.06.2019

	Cumulative quarter	
	Current	(Audited)
	Year-to-date	As at
	RM'000	30.06.2018
	RM'000	RM'000
Cash flows from investing activities		
Net movement of amount due to a Director	-	1
Interest received	153	65
Purchase of property, plant and equipment (Note a)	(7,897)	(1,936)
Proceeds from disposal of property, plant and equipment	2,681	1,838
Proceed from disposal of investment properties	-	1,860
Net cash outflows from acquisition of subsidiary companies	-	62
Net cash (used in) / from investing activities	(5,063)	1,890
Cash flows from financing activities		
Issuance of share capital	4,045	6,300
(Decreased) / increased of fixed deposits pledged		(13)
Repayment of finance lease payables	(260)	(527)
Net cash flows from / (used in) financing activities	3,785	5,760
Net (decrease) / increase in cash and cash equivalents		
Effect of foreign exchange rate changes	5	-
Cash and cash equivalents at the beginning of the financial year	8,919	7,601
Cash and cash equivalents at the end of the financial year (Note b)	14,730	8,436
 (a) Purchase of property, plant and equipment:		
- financed by cash	7,897	1,936
	7,897	1,936
 (b) Analysis of cash and cash equivalents:		
Cash and bank balances	14,730	7,716
Fixed deposits with licensed banks	-	1,224
Short-term funds	-	337
	14,730	9,277
Less: Bank overdrafts	-	(504)
	14,730	8,773
Less: Fixed deposit pledged to a licensed bank	-	(337)
	14,730	8,436

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial period ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

**Part A – Explanatory Notes Pursuant to Malaysian Financial Reporting Standard (MFRS)
134- Interim Financial Reporting (Continued)**

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with MFRS 134: Interim Financial Reporting and Rule 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad for the ACE Market.

The interim financial statements should be read in conjunction with the audited financial statements of Macpie Berhad (“Macpie Group” or “Company”) on a consolidated basis with its subsidiaries (“Macpie Group” or “Group”) for the financial period 30 June 2018 and the explanatory notes attached to the interim financial statements, which provide an explanation of events and transactions that are significant to understand the changes in the financial position and performance of the Group since the financial period 30 June 2018.

2. Changes In Accounting Policies

The accounting policies and methods of computation used in the preparation of the quarterly financial statements are consistent with those applied in the latest audited annual financial statements for the financial period 30 June 2018.

The significant accounting policies adopted are consistent with those of the audited financial statements financial period 30 June 2018.

3. Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the financial statements of the Group for the financial period 30 June 2018 was not subject to any qualification.

4. Seasonal or Cyclical Factors

The Group is subjected to the cyclical effects of the global and Malaysian technology industry.

5. Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter.

6. Material Changes in Estimates

There were no changes in estimates of amounts which have a material effect for the current quarter results under review.

7. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and other repayments of debt and equity securities during the current quarter.

8. Dividends Paid

No dividend has been paid during the current quarter

**Part A – Explanatory Notes Pursuant to Malaysian Financial Reporting Standard (MFRS)
134- Interim Financial Reporting (Continued)**

9. Segmental Information

Sales revenue by division to external parties for the quarter ended 30 June 2019 are as follows:-

	<u>Event</u>	<u>ICT</u>	<u>Hydraulic</u>	<u>Other Operating Segment</u>	<u>Consolidated</u>
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External sales	5,068	10,948	(5,186)	107	10,937
Gross profit / (loss)	1,211	1,661	501	(55)	3,319
Profit/ (loss) before taxation	542	(2,610)	(2,391)	(340)	(4,799)

Sales revenue by division to external parties for the quarter ended 30 June 2018 are as follows:-

	<u>Hydraulic</u>	<u>ICT</u>	<u>Other Operating Segment</u>	<u>Consolidated</u>
	RM'000	RM'000	RM'000	RM'000
Revenue				
External sales	1,058	8,292	221	9,571
Gross profit / (loss)	(30)	2,743	2	2,715
Profit/ (Loss) before taxation	(620)	(314)	(1,725)	(2,659)

10. Changes of Composition of the Group

There were no changes to the composition of the Group as at and for the quarter ended 30 June 2019 except for the following:-

On 28 June 2019, the Board of Directors of “MB” (“**Board**”) announced that “MB” (“**Vendor**”) had on 28 June 2019 entered into a Share Sale And Purchase Agreement (“**SSA**”) with Sim Wooi Lee (NRIC No.: 810905-07-5459) and Tan Joo Kok (NRIC No.: 660209-07-5403) (“**Purchasers**”) for the disposal of the entire equity interest in TSB comprising 2,407,500 ordinary shares in TSB (“**TSB Shares**”) (“**TSB Sale Shares**”) at the purchase price of RM1.00 only (“**Disposal Consideration**”) to be satisfied by cash consideration of RM1.00 only.

**Part A – Explanatory Notes Pursuant to Malaysian Financial Reporting Standard (MFRS)
134- Interim Financial Reporting (Continued)**

11. Valuation of Property, Plant and Equipment

The Group did not revalue any of its assets from the previous audited financial statements for the financial period 30 June 2018.

12. Contingent Assets or Liabilities

There are no contingent assets and liabilities since the previous audited financial statement for the financial period 30 June 2018.

13. Capital Commitments

There were no capital commitments for the current quarter under review.

14. Material Events Subsequent to the End of the Interim Reporting Period

There were no material events subsequent to the end of the current quarter under review up to 27 Aug 2019 (the latest practicable date not earlier than seven (7) days from the date of issue of this quarterly report), except for on 16 Apr 2019, the Board of Directors of MP announced the change of company name from SPB to Macpie Berhad (“MP”).

Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirement of Bursa Malaysia Securities Berhad (Continued)

1. Review of Performance

Current Year Quarter versus Preceding Period Corresponding Quarter

	Individual Period		Change		Cumulative Period		Change	
	Current Year Quarter 30/06//2019 RM'000	Preceding Year corresponding Quarter 30/06/2018 RM'000	Percentage	%	Current Year Quarter 30/06/2019 RM'000	Preceding Year corresponding Quarter 30/06//2018 RM'000	Percentage	%
Revenue	9,589	9,571	18	0%	85,599	50,174	35,425	71%
Operating profit/ (loss)	(3,639)	(2,643)	(996)	(38%)	(1,354)	(8,823)	7,469	85%
Profit/ (loss) before interest and tax	(3,639)	(2,643)	(996)	(38%)	(1,354)	(8,823)	7,469	85%
Profit/ (loss) before tax	(4,799)	(2,659)	(2,140)	(80%)	(2,554)	(8,905)	6,351	71%
Profit / (loss) after tax	(5,679)	(2,719)	(2,960)	(109%)	(3,564)	(8,966)	5,402	60%
Profit/ (loss) Attributable to Ordinary Equity Holders of the Parent	(4,914)	(2,574)	(2,340)	(91%)	(2,765)	(8,819)	6,054	69%

For the cumulated current year quarter ended 30 June 2019, the Group recorded revenue of RM85.6 million as compared to the revenue for the cumulated preceding year's corresponding quarter 30 June 2018 ("YTD 2018") of RM50.1 million. The increase of RM35.5 million was mainly contributed by concert/event approximately RM16.5 million and sales of smartphones approximately RM19.0 million.

The Group recorded pre-tax loss of RM2.5 million as compared to pre-tax loss of RM8.9 million in the preceding year, the improvement was due to extension of the company's business strategic into the event management industry and slightly contributed by retail management.

The pre-tax loss of RM2.5mil was mainly due to disposal of subsidiary amounted RM0.3mil (Hydraulic), fair value adjustment amounted RM1.2mil (ICT/Others) and written off adjustment amounted RM2.0 million (ICT/Others).

Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirement of Bursa Malaysia Securities Berhad (Continued)

2. Variation of Results against Preceding Quarter

	Current Quarter	Immediate	Change	
	30/06/2019	Preceding Quarter		
	RM'000	31/03/2019	RM'000	%
		RM'000		
Revenue	9,589	27,884	(18,295)	(66%)
Operating profit/ (loss)	(3,639)	833	(4,472)	(537%)
Profit/ (loss) before interest and tax	(3,639)	833	(4,472)	(537%)
Profit/ (loss) before tax	(4,799)	821	(5,620)	(685%)
Profit/ (loss) after tax	(5,679)	746	(6,425)	(861%)
Profit/ (loss) attributable to ordinary equity holders of the parent	(4,914)	726	(5,640)	(777%)

The decrease in profit was mainly due to disposal of subsidiary in hydraulic business, fair value adjustment and written off adjustment.

3. Commentary on Prospects

The Group believes that the Malaysian retail sector will face a challenging year ahead in 2019. However, in light of the abolishment of GST from 1 June 2018 onwards, the group believes that this will stimulate retail spending for the remaining of the year. In addition, the Group will continue to explore event management business to bring positive results to the performance of the company.

4. Actual Profit against Profit Forecast

There was no profit forecast or guarantee made public for the financial period under review.

Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirement of Bursa Malaysia Securities Berhad (Continued)

5. Income Tax Expense

	Current Quarter Ended		Cumulative Quarter Ended	
	30.06.2019	30.06.2018	30.06.2019	30.06.2018
	RM'000	RM'000	RM'000	RM'000
Current tax	690	61	690	61
Deferred tax	320	-	320	-
Tax expense	1,009	61	1,009	61

The effective tax rate of the Group for the current quarter under review is higher than the statutory tax rate 24% mainly due to taxable income incurred for some of the subsidiary.

6. Sales of Unquoted Investments and Properties

There were no disposals of unquoted investment and properties during the current quarter under review.

7. Quoted Securities

There were no purchases or disposals of quoted securities during the current quarter under review. The Group did not hold any investments in quoted securities as at 30 June 2018.

8. Status of Corporate Exercises

On 13 November 2018, 15 November 2018, 29 November 2018, 30 November 2018, 13 May 2019, 14 May 2019, 21 May 2019, 23 May 2019, 27 May 2019, 30 May 2019, 4 June 2019 and 13 June 2019 in relation to the Private Placement (“Announcements”), the Board of Director of “MP” announced that the Private Placement is deemed completed on 14 June 2019 pursuant to Bursa Securities’ approval letter dated 27 May 2019 for the implementation of the Private Placement until 29 August 2019.

Tranches	No. of Placement Shares	Issue price per Placement Share (RM)	Listing date
1st	3,200,000	0.142	23-May-19
2nd	12,800,000	0.123	31-May-19
3rd	16,000,000	0.126	14-Jun-19
Total	32,000,000		

9. Borrowings and Debt Securities

The Group’s borrowings as at 30.06.2019 are as follows:-

	Payable within 12 months RM'000	Payable after 12 months RM'000	Total Outstanding RM'000
<u>Secured</u>			
Bank overdraft	-	-	-
Finance lease	-	-	-
Total	-	-	-

Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirement of Bursa Malaysia Securities Berhad (Continued)

9. Borrowings and Debt Securities (continued)

The banker's acceptance are secured by fixed deposits of a subsidiary company and jointly and severally guaranteed by all the directors of the subsidiary company.

The finance lease are secured by the assets of the Group under finance lease arrangements.

The term loan are secured and covered by the fixed deposit with licensed bank.

The Group's borrowings and other facilities are denoted in local currency. The Group does not have any foreign borrowings and debt securities as at 30 June 2019.

10. Derivative Financial Instruments

There were no derivative financial instruments as at 27 Aug 2019 (the latest practicable date which is not earlier than 7 days from the issue of this quarterly report).

11. Changes in Material Litigation

There is no material litigation at 27 Aug 2019 (the latest practicable date which is up to date of the meeting).

12. Dividend

No dividend has been proposed for the financial year under review.

13. Basic earnings per Share

Basic earnings per share is calculated by dividing profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

14. Basic earnings per Share (continued)

	Current Quarter Ended		Cumulative Quarter Ended	
	30.06.2019	30.06.2018	30.06.2019	30.06.2018
	RM'000	RM'000	RM'000	RM'000
Profit/ (loss) for the quarter	(4,914)	(2,574)	(2,765)	(8,919)
Weighted average number of ordinary shares of RM0.10 in issue	323,387	294,788	323,387	294,788
Basic earnings per share (sen)	(1.53)	(0.87)	(0.86)	(2.99)

The fully diluted earnings per share is not disclosed as the effects on the assumed exercise of the share options under Warrants is anti-dilutive.

Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirement of Bursa Malaysia Securities Berhad (Continued)

15. Disclosure of Realised and Unrealised Profits or Accumulated losses

On 25 March 2010, Bursa Securities issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of the Bursa Securities Ace Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into realised and unrealised profits or losses.

On 20 December 2010, Malaysian Institute of Accountants further issued guidance on the disclosure and the format required.

The breakdown of the (accumulated losses)/retained profits of the Group as at 30 June 2019 into realised and unrealised (accumulated losses)/profits, pursuant to the directive, is as follows:

	As at 30.06.2019 RM'000	As at 30.06.2018 RM'000
Total (accumulated losses) retained profits of the Group:		
- Realised	(10,364)	(8,511)
- Unrealised	-	-
	<u>(10,364)</u>	<u>(8,511)</u>

The determination of realised and unrealised profits is compiled based on Guidance of Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

16. Authorisation for Issue

These unaudited financial statements were authorised for release by the Company in accordance with a resolution of the Directors dated 29 Aug 2019.