

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2020**

The figures have not been audited

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 MARCH 2020**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year- To-Date	Preceding Year Corresponding Period
	31/03/2020 RM'000	31/03/2019 RM'000	31/03/2020 RM'000	31/03/2019 RM'000
<b>Revenue</b>	376,289	330,108	1,159,149	1,142,026
Cost of sales	(330,023)	(290,127)	(972,651)	(944,420)
<b>Gross profit</b>	46,266	39,981	186,498	197,606
Operating expenses	(16,582)	(12,286)	(49,549)	(47,983)
Other operating income/(expenses)	3,639	(1,407)	10,577	682
<b>Profit from operation</b>	33,323	26,288	147,526	150,305
Interest income	1,392	98	2,840	1,462
Finance costs	(494)	(898)	(1,358)	(2,869)
<b>Profit before taxation</b>	34,221	25,488	149,008	148,898
Taxation	(8,004)	(4,006)	(25,842)	(24,563)
<b>Profit for the period</b>	26,217	21,482	123,166	124,335
<b>Profit attributable to:</b>				
Owners of the Company	22,054	16,767	103,944	98,270
Non-controlling interests	4,163	4,715	19,222	26,065
<b>Profit for the period</b>	26,217	21,482	123,166	124,335
<b>Earnings per ordinary share (sen):</b>				
(a) Basic	11.59	8.82	54.67	51.72
(b) Fully diluted	N/A	N/A	N/A	N/A

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2019.

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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
 COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 MARCH 2020 (cont'd)**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year- To-Date	Preceding Year Corresponding Period
	31/03/2020 RM'000	31/03/2019 RM'000	31/03/2020 RM'000	31/03/2019 RM'000
<b>Profit for the period</b>	26,217	21,482	123,166	124,335
Foreign currency translation differences for foreign operations	20,208	2,310	10,242	728
Cash flow hedge	(4,242)	4,152	(3,009)	3,909
<b>Total comprehensive income for the period</b>	<b>42,183</b>	<b>27,944</b>	<b>130,399</b>	<b>128,972</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	39,307	22,441	112,094	102,119
Non-controlling interests	2,876	5,503	18,305	26,853
<b>Total comprehensive income for the period</b>	<b>42,183</b>	<b>27,944</b>	<b>130,399</b>	<b>128,972</b>

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2019.

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**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31  
 MARCH 2020**

	As At End of Current Quarter	As At End of Preceding Financial Year
	31/03/2020 RM'000	30/06/2019 RM'000
Property, plant and equipment	711,269	663,977
Right-of-use assets	32,907	-
Investment properties	29,941	30,639
Investments	46	46
<b>Total non-current assets</b>	<b>774,163</b>	<b>694,662</b>
Inventories	113,299	105,432
Trade and other receivables, including derivatives	233,399	190,536
Tax recoverable	5,565	4,364
Deposits, cash and bank balances	823,344	713,386
<b>Total current assets</b>	<b>1,175,607</b>	<b>1,013,718</b>
<b>TOTAL ASSETS</b>	<b>1,949,770</b>	<b>1,708,380</b>
<b>Equity attributable to owners of the Company</b>		
Share capital	352,373	352,373
Reserves	1,175,035	1,080,654
Treasury shares	(163,816)	(163,816)
	1,363,592	1,269,211
<b>Non-controlling interests</b>	<b>236,571</b>	<b>230,021</b>
<b>TOTAL EQUITY</b>	<b>1,600,163</b>	<b>1,499,232</b>
Lease liabilities	23,542	-
Deferred tax liabilities	316	2,082
<b>Total non-current liabilities</b>	<b>23,858</b>	<b>2,082</b>
Trade and other payables, including derivatives	287,988	194,298
Borrowings (unsecured)	14,450	-
Lease liabilities	2,730	-
Current tax liabilities	20,581	12,768
<b>Total current liabilities</b>	<b>325,749</b>	<b>207,066</b>
<b>TOTAL LIABILITIES</b>	<b>349,607</b>	<b>209,148</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,949,770</b>	<b>1,708,380</b>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<b>7.15</b>	<b>6.68</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2019.

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**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2020**

	Attributable to owners of the Company							Total	Non-controlling interests	Total equity	
	Non-distributable				Distributable						
	Share capital	Other reserve	Hedging reserve	Exchange fluctuation reserve	Reserve for own shares	Executive share scheme Reserve	Treasury shares				Retained earnings
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
<b>Current year-to-date ended 31 March 2020</b>											
At 1 July 2019	352,373	30,042	(140)	75,425	(52,771)	5,385	(163,816)	1,022,713	1,269,211	230,021	1,499,232
Profit for the period	-	-	-	-	-	-	-	103,944	103,944	19,222	123,166
Other comprehensive income/(expense)											
-foreign currency translation differences	-	-	-	10,242	-	-	-	-	10,242	-	10,242
-cash flow hedge	-	-	(2,092)	-	-	-	-	-	(2,092)	(917)	(3,009)
<b>Total comprehensive income/(expense) for the period</b>	-	-	(2,092)	10,242	-	-	-	103,944	112,094	18,305	130,399
Dividend	-	-	-	-	-	-	-	(19,006)	(19,006)	(12,300)	(31,306)
Share-based payment	-	-	-	-	-	1,293	-	-	1,293	545	1,838
ESS shares exercised	-	-	-	-	3,173	(2,812)	-	(361)	-	-	-
<b>Total transactions with owners of the Company</b>	-	-	-	-	3,173	(1,519)	-	(19,367)	(17,713)	(11,755)	(29,468)
<b>At 31 March 2020</b>	<b>352,373</b>	<b>30,042</b>	<b>(2,232)</b>	<b>85,667</b>	<b>(49,598)</b>	<b>3,866</b>	<b>(163,816)</b>	<b>1,107,290</b>	<b>1,363,592</b>	<b>236,571</b>	<b>1,600,163</b>

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**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2020 (cont'd)**

	Attributable to owners of the Company								Total	Non-controlling interests	Total equity
	Non-distributable				Distributable						
	Share capital	Other reserve	Hedging reserve	Exchange fluctuation reserve	Reserve for own shares	Executive share scheme Reserve	Treasury shares	Retained earnings			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Preceding year corresponding period ended 31 March 2019</b>											
At 1 July 2018	352,373	24,567	(3,723)	76,991	(53,043)	3,127	(163,816)	951,070	1,187,546	217,383	1,404,929
Profit for the period	-	-	-	-	-	-	-	98,270	98,270	26,065	124,335
Other comprehensive income/(expense)											
-foreign currency translation differences	-	-	-	728	-	-	-	-	728	-	728
-cash flow hedge	-	-	3,121	-	-	-	-	-	3,121	788	3,909
<b>Total comprehensive income/(expense) for the period</b>	-	-	3,121	728	-	-	-	98,270	102,119	26,853	128,972
Dividend	-	-	-	-	-	-	-	(19,001)	(19,001)	(10,500)	(29,501)
Share-based payment	-	-	-	-	-	1,977	-	-	1,977	781	2,758
ESS shares exercised	-	-	-	-	272	(371)	-	99	-	-	-
<b>Total transactions with owners of the Company</b>	-	-	-	-	272	1,606	-	(18,902)	(17,024)	(9,719)	(26,743)
<b>At 31 March 2019</b>	<b>352,373</b>	<b>24,567</b>	<b>(602)</b>	<b>77,719</b>	<b>(52,771)</b>	<b>4,733</b>	<b>(163,816)</b>	<b>1,030,438</b>	<b>1,272,641</b>	<b>234,517</b>	<b>1,507,158</b>

Dividends received by the trust set up for the Executive Share Scheme ("ESS") ("ESS Trust") amounted to RM884,000 (2018/2019: RM889,000) are eliminated against the dividend expense of the Company following the consolidation of ESS Trust.

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2019.

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**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2020**

	Current Year- To-Date 31/03/2020 RM'000	Preceding Year Corresponding Period 31/03/2019 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	149,008	148,898
Adjustments for:-		
Depreciation and amortisation	134,686	129,867
Dividend income	(11,305)	(12,693)
Non-cash items	(2,741)	(4,848)
Net financing (income)/cost	(1,482)	1,407
Operating profit before changes in working capital	268,166	262,631
Changes in working capital		
Net change in current assets	(45,310)	78,303
Net change in current liabilities	89,264	(19,383)
Taxation paid	(20,154)	(18,870)
Net financing income received/cost (paid)	1,482	(1,407)
Dividend received	11,305	12,693
<b>Net cash generated from operating activities</b>	<b>304,753</b>	<b>313,967</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(173,481)	(170,185)
Proceeds from disposal of property, plant and equipment	218	341
<b>Net cash used in investing activities</b>	<b>(173,263)</b>	<b>(169,844)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid to owner of the company	(19,006)	(19,001)
Dividend paid to non-controlling shareholders of a subsidiary	(12,300)	(10,500)
Drawdown from borrowings	19,540	12,066
Repayments of borrowings	(5,090)	(39,533)
Payment of lease liabilities	(9,973)	-
<b>Net cash used in financing activities</b>	<b>(26,829)</b>	<b>(56,968)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>104,661</b>	<b>87,155</b>
<b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>713,386</b>	<b>647,621</b>
<b>EFFECT OF EXCHANGE RATE FLUCTUATION ON CASH HELD</b>	<b>5,297</b>	<b>1,248</b>
<b>CASH &amp; CASH EQUIVALENTS AT END OF PERIOD</b>	<b>823,344</b>	<b>736,024</b>

Cash and cash equivalents included in the consolidated statements of cash flows comprise the following consolidated statements of financial position amounts:

	31/03/2020 RM'000	31/03/2019 RM'000
Deposits, cash and bank balances	823,344	736,024

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2019.

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**1. Basis of preparation**

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134 “Interim Financial Reporting” and the applicable disclosure provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group’s audited financial statements for the financial year ended 30 June 2019. This interim financial report also complies with International Accounting Standards 34 “Interim Financial Reporting” issued by the International Accounting Standards Board.

The accounting policies and presentation adopted for this interim report are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2019 except for the adoption of MFRSs, amendments and interpretations that are effective for annual periods beginning on or after 1 January 2019 which are applicable to the Group. The initial adoption of these applicable MFRSs, amendments and interpretations do not have any material impact on the financial statements of the Group except for the adoption of MFRS 16 Leases which requires the lessee to recognise the right-of-use of the underlying lease asset and future lease payments liabilities in the statement of financial position.

In accordance with the transitional provisions provided in MFRS 16 Leases, comparative information for the previous financial year ended 30 June 2019 were not restated. The financial impact on the financial statements of the Group arising from the adoption of MFRS 16 Leases on 1 July 2019 are as follows:

**Condensed Statement of Financial Position**

	At 30 June 2019 RM’000	Adoption of MFRS 16 RM’000	At 1 July 2019 RM’000
<b>Non-current assets</b>			
Right-of-use assets	-	36,357	36,357
<b>Non-current liabilities</b>			
Lease liabilities	-	32,662	32,662
<b>Current liabilities</b>			
Lease Liabilities	-	3,695	3,695

**2. Qualification of audit report of the preceding annual financial statements**

The audit report for the preceding annual financial statements was not qualified.

**3. Seasonality or cyclicity of interim operations**

There has been no material seasonal or cyclical factor affecting the results of the quarter under review.

**4. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence**

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence during the quarter under review and financial year-to-date.

**5. Changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years**

There were no changes in estimates of amounts reported in the prior financial years.

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**6. Issuances, cancellations, repurchases, resale and repayments of debt and equity securities**

- (a) There were no additional shares bought back during the quarter under review and financial year-to-date. The total number of shares bought back as at 31 March 2020 was 10,988,000 shares and the shares are being held as treasury shares in accordance with the requirement of Section 127 of the Companies Act 2016.
- (b) During the quarter under review, a total of 555,736 existing ordinary shares in the Company ("MPI Shares"), free of consideration, were vested to eligible executives of the Group pursuant to the Executive Share Scheme ("ESS") and accordingly 547,403 MPI Shares held in the ESS Trust were transferred to the eligible executives while the remaining 8,333 MPI Shares are pending transfer.

There were no additional shares purchased by the ESS Trust during the quarter under review and financial year-to-date. As at 31 March 2020, the total number of shares held by the ESS Trust was 8,292,597 shares, including the 8,333 MPI Shares mentioned above.

There were no issuance of shares, shares cancellation, resale of treasury shares or repayment of debt or equity securities during the quarter under review and financial year-to-date.

**7. Dividend paid**

During the financial year-to-date, the Company paid an interim single tier dividend of 10.0 sen per share amounted to RM19.9 million on 24 December 2019.

**8. Operating Segments**

The Group's segmental report for the financial year-to-date is as follows:

	Asia RM'000	United States of America ("USA") RM'000	Europe RM'000	Total RM'000
<b>Segment profit</b>	98,479	19,662	25,662	143,803
Included in the measure of segment profit are:				
Revenue from external customers	737,876	158,229	258,148	1,154,253
Depreciation and amortisation	89,555	17,343	27,688	134,586
<b>Reconciliation of segment profit</b>				
<b>Profit</b>				<b>RM'000</b>
Reportable segments				143,803
Non-reportable segments				3,723
Interest income				2,840
Finance costs				(1,358)
Consolidated profit before taxation				149,008
			<b>External revenue RM'000</b>	<b>Depreciation and amortisation RM'000</b>
Reportable segments			1,154,253	134,586
Non-reportable segments			4,896	100
<b>Total</b>			<b>1,159,149</b>	<b>134,686</b>



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**9. Material events not reflected in the financial statements**

There are no material subsequent events to be disclosed as at the date of this report.

**10. Changes in the composition of the Group**

There were no changes in the composition of the Group during the quarter under review, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations.

**11. Review of performance**

For the quarter under review, the Group recorded revenue of RM376.3 million and profit before taxation ("PBT") of RM34.2 million as compared with revenue and PBT of RM330.1 million and RM25.5 million respectively for the corresponding quarter of the preceding year ended 30 June 2019 ("FY2019"). Revenue for the Asia and USA segments were both higher by 25% and 9% respectively while the Europe segment was lower by 7% against the corresponding quarter of FY2019.

The Group's revenue for the financial year-to-date was RM1,159.1 million, 1% higher as compared with revenue of RM1,142.0 million for the preceding year's corresponding period. Revenue for the Asia segment was higher by 7% while the USA and Europe segments were both lower by 10% and 6% respectively against the preceding year's corresponding period. PBT for the financial year-to-date closed at RM149.0 million against RM148.9 million for the corresponding period of the preceding year.

Higher revenue and foreign exchange gain had contributed favourably to the improved PBT for the quarter and year-to-date under review.

**12. Material changes in profit before taxation against the immediate preceding quarter**

The Group's revenue for the quarter under review was RM376.3 million against the preceding quarter of RM413.8 million, the lower revenue was arising from seasonal factor and the effect of the coronavirus (COVID-19) pandemic's containment actions and safety protocols taken by the Group's manufacturing facilities. Revenue for the Asia, USA and Europe segments were lower by 7%, 8% and 16% respectively against the preceding quarter.

For the quarter under review, the Group recorded PBT of RM34.2 million as compared with RM65.5 million for the preceding quarter. The lower PBT for the quarter under review was mainly due to lower revenue as mentioned above.

**13. Prospects**

The adverse impact of the ongoing China and USA trade conflict is now compounded by the COVID-19 pandemic. The trade conflict and pandemic, coupled with the oil price crash, have affected the global economy and led to reduced visibility of customer demand which makes it difficult to assess the full impact for the coming quarters. The Malaysia Movement Control Order has also adversely affected the Group's productivity in the last few months and is expected to continue in the foreseeable months ahead. In anticipation of these challenges and backed by a strong balance sheet, the Group is taking cost containment measures and re-assessing its business portfolio to mitigate the adverse impact of events beyond the Group's control. The Board is of the view that the Group's performance for the financial year ending 30 June 2020 will be satisfactory.

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14. Profit forecast / profit guaranteed

This note is not applicable.

15. Profit before taxation

	Current Year Quarter	Current Year- to-date
Profit before taxation is arrived at after charging/(crediting):	31/03/2020 RM'000	31/03/2020 RM'000
Gross dividend income from short term investments	(3,769)	(11,305)
Depreciation and amortisation	45,591	134,686
Impairment and write off of trade receivables	90	268
(Gain)/loss on foreign exchange	(538)	6,565
Fair value loss on derivatives	1,822	1,426
Share-based payments	568	1,838
Provision for and write off of inventories	1,014	3,657
Impairment of property, plant and equipment	-	-
Gain on disposal of quoted /unquoted investments or properties	-	-

16. Taxation

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To-date	Preceding Year Corresponding Period
	31/03/2020 RM'000	31/03/2019 RM'000	31/03/2020 RM'000	31/03/2019 RM'000
Current taxation				
Malaysian				
- current year	3,161	1,736	8,366	11,043
- prior years	(374)	(77)	(374)	(77)
	2,787	1,659	7,992	10,966
Overseas				
- current year	5,338	2,013	19,805	13,312
- prior years	(121)	-	(1,155)	(49)
	5,217	2,013	18,650	13,263
Deferred taxation				
- current year	-	334	(800)	334
	-	334	(800)	334
	8,004	4,006	25,842	24,563

The Group's effective tax rate for the quarter under review is lower than statutory tax rate mainly due to tax incentive granted to subsidiaries of the Company.

17. Corporate proposals

There are no corporate proposals announced but not completed as at the date of this report.

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**18. Group's borrowings and debt securities**

Particulars of the Group's borrowings and debt securities as at 31 March 2020 are as follows:

Unsecured short term borrowings	<b>RM'000</b> <u>14,450</u>
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There were no borrowings denominated in foreign currencies as at 31 March 2020.

**19. Changes in material litigation**

There are no material litigations as at the date of this report.

**20. Dividend**

- (a) The Board has declared a second interim single tier dividend of 17.0 sen per share for the quarter ended 31 March 2020 of the financial year ending 30 June 2020 (3<sup>rd</sup> quarter 2018/2019: a second interim single tier dividend of 17.0 sen per share) to be paid on 23 June 2020 to holders of ordinary shares whose names appear in the Record of Depositors at the close of business on 9 June 2020.
- (b) This is to inform that a Depositor shall qualify for the entitlement only in respect of:-
- (ii) shares transferred into the Depositor's securities account before 4.30 p.m. on 9 June 2020 in respect of ordinary transfers; and
  - (ii) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Bursa Malaysia Securities Berhad's Listing Requirements.
- (c) For the financial year-to-date, a total single tier dividend of 27.0 sen per share (2018/2019: single tier dividend of 27.0 sen per share) has been declared.

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21. Earnings per ordinary share

(a) Basic earnings per ordinary share

The basic earnings per ordinary share for the quarter under review is calculated by dividing the Group's profit attributable to owners of the Company of RM22,054,000 (3<sup>rd</sup> quarter 2018/2019: RM16,767,000) by the weighted average number of ordinary shares during the quarter of 190,268,200 (3<sup>rd</sup> quarter 2018/2019: 190,031,419).

The basic earnings per ordinary share for financial year-to-date is calculated by dividing the Group's profit attributable to owners of the Company of RM103,944,000 (2018/2019: RM98,270,000) and the weighted average number of ordinary shares during the period of 190,126,499 (2018/2019: 190,014,631).

	Weighted average number of ordinary shares			
	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year to-date	Preceding Year Corresponding Period
	31/03/2020 '000	31/03/2019 '000	31/03/2020 '000	31/03/2019 '000
Issued ordinary shares at beginning of period	209,884	209,884	209,884	209,884
Treasury shares held at beginning of period	(10,988)	(10,988)	(10,988)	(10,988)
Trust Shares held at beginning of period	(8,840)	(8,890)	(8,840)	(8,890)
	190,056	190,006	190,056	190,006
Effect of Trust Shares vested	212	25	70	9
Weighted average number of ordinary shares (basic)	190,268	190,031	190,126	190,015

b) Diluted earnings per ordinary share

The Group has no dilution in its earnings per ordinary share in the quarter under review/financial year-to-date and preceding year corresponding quarter/period as there were no dilutive potential ordinary shares.

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**The figures have not been audited**

**22. Derivatives**

The Group has entered into a number of forward foreign exchange contracts by subsidiaries to hedge the cash flow risk in relation to the variations of cash flows arising from future forecasted transactions.

The forward foreign exchange contracts are stated at fair value using observable market prices in active markets, including recent market transactions and valuation techniques that include discounted cash flow models and option pricing models, as appropriate.

As at 31 March 2020, the contract amount, fair value and maturity tenor of the forward foreign exchange contracts are as follows:

	<b>Contract amount</b>	<b>Fair Value Assets / (Liabilities)</b>
	<b>RM'000</b>	<b>RM'000</b>
Less than 1 year	196,856	(5,673)
1 – 2 years	6,771	(62)
Total	<u>203,627</u>	<u>(5,735)</u>

Derivatives (which are classified as financial assets/liabilities) categorised as fair value through profit or loss are subsequently measured at their fair values with the gains/losses recognised in profit or loss. Gains/losses arising from fair value changes of derivatives is as disclosed in Note 15.

There is no change to the type of derivative financial contracts entered into, cash requirements of the derivatives, risk associated with the derivatives and the risk management objectives and policies to mitigate these risks since the previous financial year ended 30 June 2019.

**23. Gains/losses arising from fair value changes of financial liabilities**

Other than derivatives which are classified as financial liabilities when they are at fair value loss position, the Group does not remeasure its financial liabilities at fair value after the initial recognition.

By Order of the Board  
Malaysian Pacific Industries Berhad

Joanne Leong Wei Yin  
Company Secretary

Kuala Lumpur  
20 May 2020