PAN MALAYSIA CORPORATION BERHAD
Company No : 4920 - D
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 31 MARCH 2019
(The figures are unaudited)

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019

	QUARTER ENDED		CUMULATIVE 9 MONTHS	
	31/03/2019 RM'000	**31/03/2018 RM'000**	**31/03/2019 RM'000**	**31/03/2018 RM'000**
Revenue	15,477	14,595	60,780	51,899
Cost of sales	(10,983)	(11,105)	(41,749)	(37,629)
Gross profit	4,494	3,490	19,031	14,270
Other income	1,469	859	3,526	2,717
Administration and operating expenses	(4,358)	(3,308)	(12,128)	(10,086)
Selling and distribution expenses	(2,086)	(2,983)	(5,926)	(7,325)
Exceptional item (refer note A4)	62	(1,679)	1,447	(3,574)
Finance costs	-	(3)	-	(3)
Share of results in an associate	(251)	-	(251)	-
(Loss)/Profit before taxation	(670)	(3,624)	5,699	(4,001)
Taxation	(25)	358	(1,138)	(512)
(Loss)/Profit for the financial period	(695)	(3,266)	4,561	(4,513)
(Loss)/Profit for the financial period attributable to:-				
Equity holders of the Company	(695)	(3,266)	4,561	(4,513)
	Sen	**Sen**	**Sen**	**Sen**
(Loss)/Earnings per share attributable to equity holders of the Company:				
Basic / Diluted	(0.10)	(0.46)	0.64	(0.64)

The Condensed Consolidated Statements of Profit or Loss should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

PAN MALAYSIA CORPORATION BERHAD
Company No : 4920 - D
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019

	QUARTER ENDED		CUMULATIVE 9 MONTHS	
	31/03/2019 RM'000	31/03/2018 RM'000	31/03/2019 RM'000	31/03/2018 RM'000
(Loss)/Profit for the financial period	(695)	(3,266)	4,561	(4,513)
Other comprehensive expenses, net of tax				
Net loss on fair value changes of equity investments	(4,688)	(1,127)	(7,934)	(2,155)
Foreign currency translation differences for foreign operations	23	345	(487)	151
Total comprehensive expenses for the financial period	(5,360)	(4,048)	(3,860)	(6,517)
Total comprehensive expenses for the financial period attributable to:-				
Equity holders of the Company	(5,360)	(4,048)	(3,860)	(6,517)

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

PAN MALAYSIA CORPORATION BERHAD
Company No : 4920 - D
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2019

	31/03/2019	30/06/2018
		Restated
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	31,076	31,708
Investment property	12,686	12,558
Investments	80,707	89,829
Investment in an associate	499	-
Goodwill on consolidation	45,406	45,406
Trademarks	4,984	4,984
Deferred tax assets	238	234
	175,596	184,719
Current assets		
Inventories	13,661	13,158
Trade and other receivables	23,617	16,713
Refund assets	600	519
Current tax assets	1,598	1,850
Deposits, bank balances and cash	92,343	93,327
	131,819	125,567
TOTAL ASSETS	307,415	310,286
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	221,959	221,959
Treasury shares	(30,484)	(30,484)
Reserves	100,984	104,844
Total Equity	292,459	296,319
Non-current liabilities		
Deferred tax liabilities	999	992
Current liabilities		
Trade and other payables	12,451	11,883
Refund liabilities	1,000	865
Current tax liabilities	506	227
	13,957	12,975
Total Liabilities	14,956	13,967
TOTAL EQUITY AND LIABILITIES	307,415	310,286
	RM	**RM**
Net Assets per share attributable to equity holders of the Company	0.41 *	0.42 *

* *The net assets per share is based on the number of ordinary shares in issue less treasury shares .*

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

PAN MALAYSIA CORPORATION BERHAD
Company No : 4920 - D
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019

	Share Capital	Treasury Shares	Exchange Translation Reserve	Fair Value Reserve	Retained Profits	Total Equity
Cumulative 9 months	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
At 1 July 2018	221,959	(30,484)	(580)	2,278	104,070	297,243
Effect of :						
Initial adoption of MFRS 9 adjustments	-	-	-	-	(578)	(578)
Initial adoption of MFRS 15 adjustments	-	-	-	-	(346)	(346)
At 1 July 2018 (Restated)	221,959	(30,484)	(580)	2,278	103,146	296,319
Other comprehensive income:						
Net loss on fair value changes of equity investments	-	-	-	(7,934)	-	(7,934)
Foreign currency translation differences for foreign operations	-	-	(487)	-	-	(487)
Profit for the financial period	-	-	-	-	4,561	4,561
Total comprehensive income/(expenses) for the financial period	-	-	(487)	(7,934)	4,561	(3,860)
At 31 March 2019	221,959	(30,484)	(1,067)	(5,656)	107,707	292,459
At 1 July 2017	221,959	(30,484)	(1,655)	5,474	107,294	302,588
Effect of :						
Initial adoption of MFRS 15 adjustments	-	-	-	-	(352)	(352)
At 1 July 2017 (Restated)	221,959	(30,484)	(1,655)	5,474	106,942	302,236
Other comprehensive income:						
Net loss on fair value changes of equity investments	-	-	-	(2,155)	-	(2,155)
Foreign currency translation differences for foreign operations	-	-	151	-	-	151
Loss for the financial period	-	-	-	-	(4,513)	(4,513)
Total comprehensive expenses for the financial period	-	-	151	(2,155)	(4,513)	(6,517)
At 31 March 2018	221,959	(30,484)	(1,504)	3,319	102,429	295,719

The Condensed Consolidated Statements of Changes In Equity should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

PAN MALAYSIA CORPORATION BERHAD
Company No : 4920 - D
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019

	CUMULATIVE 9 MONTHS	
	31/03/2019	31/03/2018
	RM'000	RM'000
Cash Flows From Operating Activities		
Profit/(Loss) before taxation	5,699	(4,001)
Net adjustments:-		
Non-cash items	(1,610)	(567)
Non-operating items	(1,126)	3,105
Operating profit/(loss) before working capital changes	2,963	(1,463)
Net change in working capital	(6,059)	(290)
Cash used in operations	(3,096)	(1,753)
Interest paid	-	(3)
Interest received	2,350	1,928
Net tax (paid)/ refund	(606)	157
Net cash (used in)/generated from operating activities	(1,352)	329
Cash Flows From Investing Activities		
Purchase of equipment of property	-	(59)
Purchase of property, plant and equipment	(641)	(1,629)
Investment in an associate	(750)	-
Proceeds from redemption of debenture	1,188	-
Proceeds from disposal of property, plant and equipment	184	-
Placement of fixed deposit for more than 3 months	(5,079)	-
Uplift of fixed deposits pledged with licensed banks	1,285	-
Use of restricted fund to purchase property, plant and equipment (Note B14)	-	1,684
Net cash used in investing activities	(3,813)	(4)
Cash Flows From Financing Activities		
Advance to related company	(21)	-
Net cash used in financing activities	(21)	-
Net (Decrease)/increase in cash and cash equivalents	(5,186)	325
Exchange translation differences	167	(781)
Cash and cash equivalents at 1 July	61,831	50,762
Cash and cash equivalents at 31 March	56,812	50,306

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.

NOTES TO THE INTERIM FINANCIAL REPORT

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

The condensed consolidated interim financial statements, other than financial instruments, have been prepared under the historical cost convention. Certain financial instruments have been carried at fair value in accordance with Malaysian Financial Reporting Standards ("MFRS") 139 Financial Instruments: Recognition and Measurement.

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 June 2018. These explanatory notes attached to the condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to and understanding of the changes in the financial position and performance of the Group since the year ended 30 June 2018.

A2. Significant Accounting Policies

The financial statements of the Group and the Company have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards (“IFRSs”) and the requirements of the Companies Act, 2016 in Malaysia.

During the current financial period, the Group has adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

- Amendments to MFRS 107: Disclosure Initiative
- Amendments to MFRS 112: Recognition of Deferred Tax Assets for Unrealised Losses
- Annual Improvements to MFRS Standards 2014 - 2016 Cycle: Amendments to MFRS 12: Clarification of the Scope of the Standard
- Amendments to MFRS 15: Revenue from Contracts with Customers
- Amendments to MFRS 9: Financial Instruments

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Group’s financial statements.

NOTES TO THE INTERIM FINANCIAL REPORT (Continued)

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING (continued)

A2. Significant Accounting Policies (continued)

MFRS 9 Financial Instruments

MFRS 9 replaces the guidance in MFRS 139 on the impairment of financial assets. The new classification and measurement requirements for financial assets that reflects the business model in which the financial assets are managed and their cash flow characteristics.

MFRS 9 introduces a new classification and measurement requirements for financial assets that reflects the business model in which the financial assets are managed and their cash flow characteristics. MFRS 9 contains 3 principal classification categories for financial assets i.e. measured at amortised cost, fair value through profit or loss, fair value through other comprehensive income and eliminates the previous categories of held to maturity, loans and receivables and available-for-sale financial assets. In addition, MFRS 9 replaces the ‘incurred loss’ model in MFRS 139 with an ‘expected credit loss’ model. This new impairment approach is forward-looking and eliminates the need for a trigger event to have occurred before credit losses are recognised.

In order to measure the consequences of the new standards, the Group has engaged the review on the business model corresponding to the financial assets. Investment in equity instruments and debt instrument are measured at fair value through profit or loss. The Group has applied the simplified approach and record 12 months expected losses on its financial assets at amortised cost and there were no significant impact on the Group’s financial performance and position.

MFRS 15 Revenue from Contracts with Customers

MFRS 15 requires an entity to recognise revenue to depict the transfer of promised goods to customers for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods. Revenue is recognised when a customer obtains control of goods, i.e. when the customer has the ability to direct the use of the goods.

The Group has adopted MFRS 15 using the full retrospective method of adoption. The impact to the Group is to estimate the goods of return based on the Trading Term Agreement with customers that provide a right of return. Besides, the Group has reclassified the sales related expenses to offset against the revenue which was treated as marketing and distribution expenses previously. The marketing and distribution expenses included rebates, promotion support and other sales related discount to customers. The adoption of MFRS 15 has no significant financial impact to the Group.

The restatement of the Group's financial statement as at 31 March 2018 is as below :-

i) Reconciliation of Profit & Loss

	As Previously Reported 31/03/2018 RM'000	Effect of MFRS 15 RM'000	Restated 31/03/2018 RM'000
Revenue	55,685	(3,786)	51,899
Cost of sales	(37,629)	-	(37,629)
Gross profit	18,056	(3,786)	14,270
Other income	2,717	-	2,717
Administration and operating expenses	(10,086)	-	(10,086)
Selling and distribution expenses	(11,115)	3,790	(7,325)
Exceptional item (refer note A4)	(3,574)	-	(3,574)
Finance costs	(3)	-	(3)
Loss before taxation	(4,005)	4	(4,001)
Taxation	(512)	-	(512)
Loss for the financial period	(4,517)	4	(4,513)

NOTES TO THE INTERIM FINANCIAL REPORT (Continued)

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING (continued)

A2. Significant Accounting Policies (continued)

ii) Reconciliation of Financial Position

	As Previously Reported 30/06/2018 RM'000	Effect of MFRS 9 RM'000	Effect of MFRS 15 RM'000	Restated 30/06/2018 RM'000
ASSETS				
Non-Current Assets	94,890	-	-	94,890
Investments	89,649	180	-	89,829
Total Non-Current Assets	184,539	180	-	184,719
Inventories	13,158	-	-	13,158
Trade and other receivables	17,275	(562)	-	16,713
Current tax assets	1,850	-	-	1,850
Refund assets	-	-	519	519
Deposits, bank balances and cash	93,523	(196)	-	93,327
Total Current Assets	125,806	(758)	519	125,567
TOTAL ASSETS	310,345	(578)	519	310,286
EQUITY				
Share capital	221,959	-	-	221,959
Treasury shares	(30,484)	-	-	(30,484)
Reserves	105,768	(578)	(346)	104,844
Total Equity	297,243	(578)	(346)	296,319
LIABILITIES				
Non-Current Liabilities	992	-	-	992
Trade and other payables	11,883	-	-	11,883
Refund Liabilities	-	-	865	865
Current tax liabilities	227	-	-	227
Total Current Liabilities	12,110	-	865	12,975
TOTAL EQUITY AND LIABILITIES	310,345	(578)	519	310,286

NOTES TO THE INTERIM FINANCIAL REPORT (Continued)

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING (continued)

A2. Significant Accounting Policies (continued)

The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 16 Leases	1 January 2019
MFRS 17 Insurance Contracts	1 January 2021
IC Interpretation 22 Foreign Currency Transactions and Advance Consideration	1 January 2018
IC Interpretation 23 Uncertainty Over Income Tax Treatments	1 January 2019
Amendments to MFRS 2: Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to MFRS 4: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts	1 January 2018
Amendments to MFRS 9: Prepayment Features with Negative Compensation	1 January 2019
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 15: Effective Date of MFRS 15	1 January 2018
Amendments to MFRS 15: Clarifications to MFRS 15 'Revenue from Contracts with Customers'	1 January 2018
Amendments to MFRS 119: Plan Amendment, Curtailment or Settlement	1 January 2019
Amendments to MFRS 128: Long-term Interests in Associates and Joint Ventures	1 January 2019
Amendments to MFRS 140 – Transfers of Investment Property	1 January 2018
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
Annual Improvements to MFRS Standards 2014 – 2016 Cycles:'	
- Amendments to MFRS 1: Deletion of Short-term Exemptions for First-time Adopters	
- Amendments to MFRS 128: Measuring an Associate or Joint Venture at Fair Value	1 January 2018
Annual Improvements to MFRS Standards 2015 – 2017 Cycles	1 January 2019

The adoption of above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application except as follows:

Amendments to MFRS 9: Prepayment Features with Negative Compensation

Under MFRS 9, a debt instrument can be measured at amortised cost or at fair value through other comprehensive income, provided that the contractual cash flows are solely payments of principal and interest on the principal amount outstanding (the SPPI criterion - Solely Payments of Principal and Interest) and the instrument is held within the appropriate business model for that classification. The amendments to MFRS 9 clarify that a financial asset passes the SPPI criterion regardless of the event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

A3. Seasonal or Cyclical Factors

The food business of the Group is affected by seasonal factors.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no items affecting assets, liabilties, equity, net income or cash flows that are unusual because of their nature, size or incidence during the financial period ended 31 March 2019 other than the exceptional item as follows:-

Exceptional item	QUARTER ENDED		CUMULATIVE 9 MONTHS	
	31/03/2019 RM'000	31/03/2018 RM'000	31/03/2019 RM'000	31/03/2018 RM'000
Net gain/(loss) on foreign exchange:				
- Realised	(88)	(280)	(32)	(469)
- Unrealised	(384)	(1,399)	945	(3,105)
Reversal of impairment loss	534	-	534	-
	62	(1,679)	1,447	(3,574)

A5. Changes In Estimates of Amounts Reported Previously

There were no changes in estimates of amounts reported in prior financial years which may have a material effect in the financial period ended 31 March 2019.

A6. Issuances or Repayments of Debt and Equity Securities

As at 31 March 2019, the number of treasury shares held is 64,959,800 ordinary shares.

Ordinary shares issued and fully paid:	No Of Shares In '000	RM'000
At 31 March 2019 (net of 64,959,800 treasury shares)	708,397	221,959

There were no issuances and repayments of debt and equity securities, share buy-backs, share cancellations and resale of treasury shares for the financial period ended 31 March 2019.

A7. Dividend Paid

No dividend was paid by the Company during the financial period ended 31 March 2019 (31 March 2018: Nil).

A8. Operating Segments

Segment information is presented in respect of the Group's business segments.

For the 9 months ended 31 March 2019

	Food RM'000	Investment Holding RM'000	Total RM'000
REVENUE			
- External revenue	60,780	-	60,780
Total	60,780	-	60,780
RESULTS			
Segment results	5,447	252	5,699
Profit before taxation	5,447	252	5,699
Segment assets	159,500	146,317	305,817
Unallocated assets			1,598
			307,415

A9. Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation. The valuations of land and buildings have been brought forward without amendment from the previous annual report.

A10. Events Subsequent to the End of the Interim Period

There were no material events subsequent to the financial period ended 31 March 2019 that have not been reflected in the financial statements for the said period as at the date of this report.

A11. Changes in the Composition of the Group

(a) On 22 October 2018, Uniwell Nominees (Tempatan) Sdn Bhd, a wholly-owned subsidiary of the Group was placed under members' voluntary winding-up pursuant to Section 439(1)(b) of the Companies Act 2016 (“Winding-Up”).

(b) On 15 November 2018, Tiffany Hampers & Gifts Pte Ltd ("THG") and Specialist Food Retailers Pte Ltd ("SFR"), both incorporated in Singapore and indirect wholly-owned subsidiaries of PMC, have been struck off from the Register on 5 November 2018 following an earlier application by THG and SFR to the Companies Registry in Singapore.

The Winding-Up and dissolution of the subsidiaries did not have any material financial or operational effect to the Group.

Other than the above, there were no changes in the composition of the Group during the financial period ended 31 March 2019.

A12. Contingent Liabilities

There were no material contingent liabilities as at the date of this report.

A13. Capital Commitments

As at 31 March 2019, the Group has commitments in respect of capital expenditure as follows:-

	RM'000
Authorised but not contracted for	265
Contracted but not provided for	-

B ADDITIONAL INFORMATION REQUIRED PURSUANT TO BURSA SECURITIES MAIN MARKET LISTING REQUIREMENTS

B1. Review of Performance

	QUARTER ENDED		CHANGES	CUMULATIVE 9 MONTHS		CHANGES
	31/03/2019 RM'000	31/03/2018 RM'000	%	31/03/2019 RM'000	31/03/2018 RM'000	%
Revenue	15,477	14,595	6.0	60,780	51,899	17.1
(Loss)/Profit before tax ("PBT/(LBT)")	(670)	(3,624)	(81.5)	5,699	(4,001)	(242.4)

Quarter Ended 31 March 2019 vs Quarter Ended 31 March 2018

For the current quarter ended 31 March 2019, the Group recorded revenue of RM15.5 million compared with RM14.6 million in the corresponding quarter of the financial period ended 31 March 2018, representing an increase of 6% mainly driven by higher local and export sales in Crispy and contract manufacturing.

The Group recorded LBT of RM0.7 million for the current quarter ended 31 March 2019 compared with LBT of RM3.6 million for the preceding financial period's corresponding quarter. The decrease in LBT was mainly due to higher sales (RM0.9 million), higher other income (RM0.6 million) and lower foreign exchange loss (RM1.2 million).

Financial Period Ended 31 March 2019 vs Financial Period Ended 31 March 2018

For the financial period ended 31 March 2019, the Group recorded revenue of RM60.8 million compared with RM51.9 million for the preceding financial period ended 31 March 2018, representing an increase of 17% driven by higher local and export sales in Crispy, Tango and contract manufacturing.

The Group recorded PBT of RM5.7 million for the financial period ended 31 March 2019 compared with LBT of RM4.0 million for the financial period ended 31 March 2018. The increase in PBT was mainly due to higher sales (RM8.9 million), higher other income (RM0.8 million), unrealised gain on foreign exchange translation of intragroup balances (RM4.5 million) and reversal of impairment loss (RM0.5 million).

B2. Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter

	QUARTER ENDED		
	31/03/2019 RM'000	31/12/2018 RM'000	CHANGES %
Revenue	15,477	25,358	(39.0)
(Loss)/Profit before tax ("(LBT)/PBT")	(670)	895	(174.9)

For the current quarter, the Group recorded lower revenue of RM15.5 million, representing a decrease of 39% compared with RM25.4 million in the preceding quarter. The decrease in revenue was mainly due to the seasonal lower sales in local and export markets, after the festive peak season in the preceding quarter.

The Group recorded LBT of RM0.7 million compared with the preceding quarter's PBT of RM0.9 million. The decrease in PBT was mainly due to decrease in revenue and share of loss of an associate company.

B3. Prospects for the Financial Year Ending 30 June 2019

Despite the anticipated seasonal dip in the January-March quarter, the Group continued to perform above expectation, showing a 6% improvement in revenue for the quarter compared with a year earlier and 17% for YTD comparisons.

The Group expects the growth momentum to continue in the next quarter with the relaunch of the Crispy brand as well as the realignment of domestic distributors which had been put in place in the last quarter. This streamlining will result in better distribution efficiency and greater market penetration.

B4. (Loss)/Profit Before Taxation

Included in the (loss)/profit before taxation are the following items :

	QUARTER ENDED		CHANGES	CUMULATIVE 9 MONTHS		CHANGES
	31/03/2019 RM'000	31/03/2018 RM'000	%	31/03/2019 RM'000	31/03/2018 RM'000	%
Depreciation / amortisation	(465)	(439)	(5.9)	(1,376)	(1,306)	(5.4)
Gain on disposal of property, plant and equipment	181	-	100.0	181	-	100.0
Interest income	700	666	5.1	2,350	1,928	21.9
Interest income from related party	57	58	(1.7)	175	211	(17.1)
Write down of inventories	(205)	(129)	(58.9)	(335)	(266)	(25.9)

B5. Taxation

Taxation comprises:-	QUARTER ENDED		CHANGES	CUMULATIVE 9 MONTHS		CHANGES
	31/03/2019 RM'000	31/03/2018 RM'000	%	31/03/2019 RM'000	31/03/2018 RM'000	%
Current tax expense	(24)	358	(106.7)	(1,137)	(532)	113.7
(Under)/Over provision in respect of respect of prior year	(1)	-	(100.0)	(1)	20	(105.0)
	(25)	358	(107.0)	(1,138)	(512)	122.3

The effective tax rate for the financial period ended 31 March 2019 is lower than the statutory tax rate applicable mainly due to utilisation of unabsorded tax credit against the taxable profit of certain subsidiary.

B6. Status of Corporate Proposals

a) On 20 September 2018, a wholly-owned subsidiary, Megafort Sdn Bhd ("MSB") entered into a joint venture and shareholders agreement with Baker & Cook Pte Ltd ("B&C") for the purpose of forming a Joint Venture Company to carry on the franchise business of retail food and beverage outlet in Malaysia.

On 24 September 2018, joint venture company under the name of Baker & Cook (Malaysia) Sdn Bhd (1296339-M) ("B&C Malaysia") has been incorporated on 24 September 2018. The principal activity of B&C Malaysia is to establish and operate the franchise business of retail food and beverage outlets operated and conducted under the trade names of "Baker & Cook" and "Plank Sourdough Pizza" subject to the terms and conditions of the Joint Venture and Shareholders Agreement dated 20 September 2018.

The current paid-up share capital of B&C Malaysia is RM1,500,000.00, comprising of 100,000 ordinary shares.

The Shareholders and their respective shareholding in B&C Malaysia are as follows:-

a) Megafort Sdn Bhd - 50%; and
b) Baker & Cook Pte Ltd - 50%.

b) On 22 April 2019, Jomuda Sdn Bhd ("JSB" or the "Purchaser"), a wholly-owned subsidiary of PMC, had entered into a share sale agreement ("SSA") with Millionmart Sdn Bhd ("MSB" or the "Vendor"), a wholly-owned subsidiary of Metrojaya Berhad ("MJB"), which is in turn a 98.21%-owned subsidiary of Malayan United Industries Berhad ("MUIB") to acquire 11,200,000 ordinary shares representing 1.51% of the total issued and paid-up share capital of MUI Properties Berhad ("MPB") ("MPB Shares") for a total cash consideration of RM2,240,000 ("Purchase Consideration") ("Proposed Acquisition") in one lump sum by JSB to MSB. PMC is a 66.51%-owned subsidiary of MUIB.

On 29 April 2019, the acquisition has been completed.

Other than the above, the Group has not announced any corporate proposals as at the date of this report.

B7. Trade Receivables

(a) The credit term of trade receivables range from 30 to 120 days.

(b) The ageing of trade receivables as at the end of the reporting period was:-

	31/03/2019 RM'000	30/06/2018 RM'000	CHANGES %
Not past due	7,395	5,542	33.4
Past due 1-30 days	2,980	2,438	22.2
Past due 31-60 days	1,728	1,207	43.2
Past due 61-120 days	2,618	374	600.0
Past due more than 120 days	830	-	100.0
	15,551	9,561	62.7

B8. Group Borrowings

There were no Group borrowings as at 31 March 2019 (31 March 2018: Nil).

B9. Derivative Financial Instruments

There were no derivative financial instruments at the date of this report.

B10. Fair Value Changes of Financial Liabilities

As at 31 March 2019, the Group did not have any financial liabilities measured at fair value through profit or loss.

B11. Material Litigations

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

B12. Dividend

No dividend was declared by the Board for the financial period ended 31 March 2019 (31 March 2018: Nil).

B13. (Loss)/Earnings Per Share

(i) (Loss)/Earnings per share

The basic (loss)/earnings per ordinary share is calculated by dividing the (loss)/profit for the financial period attributable to equity holders of the Company with the weighted average number of shares in issue during the period as follows:-

	QUARTER ENDED		CHANGES	CUMULATIVE 9 MONTHS		CHANGES
	31/03/2019	31/03/2018	%	31/03/2019	31/03/2018	%
(Loss)/Profit attributable to equity holders of the the Company (RM'000)	(695)	(3,266)	78.7	4,561	(4,513)	201.1
Weighted average number of ordinary shares in issue ('000)	708,397	708,397	-	708,397	708,397	-
(Loss)/Earnings per share (sen)	(0.10)	(0.46)	78.3	0.64	(0.64)	200.0

(ii) The diluted earnings per share is not disclosed as there is no dilutive potential ordinary shares.

B14. Other Matters

The utilisation of the balance of the proceeds from the disposal of the cement-based associates is as follows:-

Proposed utilisation as approved by the Securities Commission ("SC")	**Balance as at 01/07/2018 RM'000**	**Amount utilised RM'000**	**Balance as at 31/03/2019 RM'000**
To finance the development of the adjoining factory property acquired and existing properties for the expansion of Network Foods Industries Sdn Bhd's manufacturing operations and consolidation with the marketing and distribution operations of Network Foods (Malaysia) Sdn Bhd.	26,693	-	26,693
Total	26,693	-	26,693

B15. Auditors' Report

The auditors' report on the audited financial statements for the financial year ended 30 June 2018 was unmodified.

By order of the Board
PAN MALAYSIA CORPORATION BERHAD

LEE CHIK SIONG
NORLYN BINTI KAMAL BASHA
Joint Company Secretaries

Date: 24 May 2019