

MALPAC HOLDINGS BERHAD (197424-V)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021**

	Unaudited As At 31.03.21 RM'000	Audited As At 30.06.20 RM'000
Non-current assets		
Property, plant and equipment	65	103
Investment properties	61,190	63,113
Financial assets at fair value through profit or loss (quoted shares)	18,447	11,031
Goodwill on consolidation	9	18
	79,711	74,265
Current assets		
Short term cash investments (unit trust)	58,062	67,435
Financial assets at fair value through profit or loss (quoted shares)	7,666	4,908
Trade and non-trade receivables	49,169	49,124
Tax recoverable	17	13
Cash and cash equivalents	27,146	11,630
	142,060	133,110
Assets classified as held for sale	-	2,386
	142,060	135,496
TOTAL ASSETS	221,771	209,761
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	99,367	99,367
Retained earnings	78,122	65,508
TOTAL EQUITY	177,489	164,875
LIABILITIES		
Non current liabilities		
Provisions	170	162
	170	162
Current Liabilities		
Trade and non-trade payables	658	1,122
Revolving credit	5,690	6,043
Provisions	37,764	37,517
	44,112	44,682
Liabilities classified as held for sale	-	42
	44,112	44,724
TOTAL LIABILITIES	44,282	44,886
TOTAL EQUITY AND LIABILITIES	221,771	209,761
Net Assets Per Share (RM) based on 75,000,000 Ordinary Shares	2.37	2.20

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Notes to this Interim Financial Report together with Audited Financial Statements for the year ended 30 June 2020)

MALPAC HOLDINGS BERHAD (197424-V)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2021**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER		
	Current Qtr Ended	Comparative Qtr Ended (Restated)	Current Year-To-Date	Preceding Year-To-Date (Restated)	
	31.03.21 RM'000	31.03.20 RM'000	31.03.21 RM'000	31.03.20 RM'000	
Revenue	638	895	4,310	2,762	
Other income	210	-	346	5	
Fair value gain/(loss) on other investment	5,619	(3,208)	11,244	(3,583)	
Administrative expenses	(645)	(941)	(2,226)	(2,346)	
Other operating expenses	<u>(418)</u>	<u>(18)</u>	<u>(888)</u>	<u>(54)</u>	
Profit from operation	5,404	(3,272)	12,786	(3,216)	
Finance costs	<u>(12)</u>	<u>(12)</u>	<u>(36)</u>	<u>(37)</u>	
Profit/(loss) before tax	5,392	(3,284)	12,750	(3,253)	
Tax expense	<u>-</u>	<u>-</u>	<u>(135)</u>	<u>-</u>	
Profit/loss for the period	<u>5,392</u>	<u>(3,284)</u>	<u>12,615</u>	<u>(3,253)</u>	
Attributable to:					
Equity holders of the parent	<u>5,392</u>	<u>(3,284)</u>	<u>12,615</u>	<u>(3,253)</u>	
Profit/(loss) per share (sen)	-Basic	7.19	(4.38)	16.82	(4.34)
	-Diluted	N/A	N/A	N/A	N/A

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Notes to this Interim Financial Report together with Audited Financial Statements for the year ended 30 June 2020)

MALPAC HOLDINGS BERHAD (197424-V)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 MARCH 2021**

	Share capital* RM'000	Retained earnings RM'000	Total RM'000
9 months ended 31 March 2021			
As at 1 July 2020	99,367	65,507	164,874
Comprehensive income			
Profit for the period	-	12,615	12,615
Total comprehensive profit for the period	-	12,615	12,615
As at 31 March 2021	99,367	78,122	177,489

9 months ended 31 March 2020			
As at 1 July 2019	99,367	67,315	166,682
Comprehensive income			
Loss for the period	-	(3,253)	(3,253)
Total comprehensive profit for the period	-	(3,253)	(3,253)
As at 31 March 2020	99,367	64,062	163,429

* The new Companies Act 2016("the Act"), which came into operation on 31 January 2017, abolished the concept of authorised share capital and par value of share capital. Consequently, the amounts standing to the credit of the share premium account become part of the Company's share capital pursuant to the transitional provisions set out in Section 618(2) of the Act. Notwithstanding this provision, the Company may within 24 months from the commencement of the Act, use the amount standing to the credit of its share premium account of RM24,366,592.62 for purpose as at out in Section 618(3) of the Act. There is no impact on the numbers of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition.

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Notes to this Interim Financial Report together with Audited Financial Statements for the year ended 30 June 2020)

MALPAC HOLDINGS BERHAD (197424-V)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE QUARTER ENDED 31 MARCH 2021**

	9 months ended 31.03.21 RM'000	9 months ended 31.03.20 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	12,750	(3,253)
Adjustments for:		
Non-cash items	(12,443)	4,591
Reversal of impairment losses on trade receivable	-	(136)
Distribution income from short term cash investments	(1,009)	(1,666)
Dividend income	(475)	(297)
Interest income	(362)	(297)
Interest expense	36	37
<i>Operating loss before working capital changes</i>	(1,503)	(1,021)
Changes in working capital		
Net change in current assets	2,340	138
Net change in current liabilities	(502)	163
<i>Cash from/(used) in operations</i>	335	(720)
Utilisation of provision	(220)	(458)
Tax paid	(139)	(5)
Tax refund	-	8
<i>Net cash from/(used) in operating activities</i>	(24)	(1,175)
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividend received	134	297
Interest received	362	297
Proceeds from disposal of:		
Financial assets at fair value through profit or loss (quoted shares)	1,318	-
Short term cash investments (unit trust)	16,810	1,430
Property, plant and equipment	-	4
Investment properties	3,580	-
Investment in subsidiaries	120	-
Purchase of:		
Financial assets at fair value through profit or loss (quoted shares)	(423)	(166)
Short term cash investments (unit trust)	(6,300)	(220)
<i>Net cash (used)/from investing activities</i>	15,601	1,642
CASH FLOWS FROM FINANCING ACTIVITIES		
Revolving credit	(20)	(140)
Interest paid	(41)	(33)
	(61)	(173)
Net increase in cash and cash equivalents	15,516	294
Cash and cash equivalents at beginning of the period	11,630	7,382
Cash and cash equivalents at end of the period	27,146	7,676
Cash and cash equivalents comprise of:-		
Fixed deposits/short term placement	26,725	7,371
Cash and bank balances	421	305
	27,146	7,676

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Notes to this Interim Financial Report together with Audited Financial Statements for the year ended 30 June 2020)

Quarterly Report for the Period Ended 31 March 2021

PART A - EXPLANATORY NOTES AS REQUIRED BY MFRS 134

A1 Basis of Preparation

The consolidated interim financial statements have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (“MFRS”) 134 *Interim Financial Reporting* in Malaysia and Appendix 9B of the Listing Requirement of Bursa Malaysia Securities Berhad. It should be read in conjunction with the annual audited financial statements of the Group for the financial year ended 30 June 2020.

The significant accounting policies and method of computation adopted in these quarterly interim financial reports are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2020 except for the changes arising from the adoption of the new MFRS, Amendments to MFRS and IC Interpretations that are effective on or after 1 July 2020.

The Directors expect that the adoption of the new MFRS, Amendments to MFRS and IC Interpretations above will have no material impact on the financial statements in the period of initial application.

A2 Seasonal or Cyclical Factor

The Group holds some quoted shares as part of its investment portfolio, as such the Group’s performance is also affected by market conditions in the local bourse.

A3 Unusual Items Affecting Financial Statements

The Company has been designated by Bursa as having triggered the provisions under Paragraph 8.03A of the Main Market Listing Requirements and announcement have been made accordingly to that effect on 17 February 2020, and on a monthly basis thereafter.

A4 Change in Estimates

There was no change in estimates of the amount reported in the prior financial period, which may have a material effect in the current quarter or financial period-to-date.

A5 Issuance, Repurchase and Repayment of Debt and Equity Securities

There have been no issuance, repurchase and repayment of debt and equity securities during the current quarter and financial period to-date.

A6 Dividend Paid

There was no dividend proposed or paid during the current financial quarter.

A7 Segmental Information

Segmental information was not applicable to the Group’s current operations.

A8 Valuations of Property, Plant and Equipment

The valuations of property, plant and equipment have been brought forward without amendment from the previous annual financial statements.

Quarterly Report for the Period Ended 31 March 2021

A9 Subsequent Material Events

There were no other material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.

A10 Changes in the Composition of the Group

There was no change in the business combinations or disposal of subsidiaries, long-term investments, restructurings and discontinuing operations during the current quarter and financial year-to-date.

A11 Changes in Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets to be disclosed.

A12 Capital Commitments

There were no capital commitments for the current quarter and for financial year-to-date.

A13 Significant Related Party Transactions

There were no significant related party transactions for the current quarter under review.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1 Performance Analysis

For the quarter ended 31 March 2021, the Group recorded a pre-tax gain of RM5.39 million compared to a pre-tax loss of RM3.28 million in the corresponding quarter of preceding year. The difference was due mainly to higher fair value gain of RM5.62 million on quoted shares and unit trusts held during the quarter compared with fair value loss of RM3.21 million in the same quarter of preceding year.

For the financial period ended 31 March 2021, the pre-tax profit was RM12.75 million compared with pre-tax loss of RM3.25 million in the same period of preceding year. The profit was due mainly to the gain on disposal of an investment property of RM1.82 million and higher fair value gain of RM11.24 million on quoted shares and unit trusts held compared with fair value loss of RM3.58 million in the same quarter of preceding year.

B2 Changes in Profit in the Quarterly Results compared to the Results of the Immediate Preceding Quarter

The Group recorded a pre-tax gain of RM5.39 million in the current quarter compared with pre-tax gain of RM3.90 million in the immediate preceding quarter. The difference was due mainly to higher fair value gain on quoted shares and unit trusts held of RM5.62 million compared to RM2.25 million for the immediate preceding quarter. There was also a one-off gain of RM1.82 million on disposal of an investment property in the preceding quarter.

Quarterly Report for the Period Ended 31 March 2021

B3 Prospects for the Year

As required by Bursa, the Company has been making the necessary monthly announcements as Bursa has decided that the Company has triggered the provisions under Paragraph 8.03A of Bursa's Listing Requirements due to insignificant business level.

The Company has and will continue to look for good business opportunities. In view of the current pandemic and movement control orders in place, the Group is adopting a very cautious approach in this respect.

B4 Board's Statement on Revenue or Profit Estimate, Forecast, Projection or Internal Targets Previously Announced or Disclosed in a Public Document

This note is not applicable as no revenue or profit estimate, forecast, projection or internal targets were announced previously.

B5 Variance of Actual Profit from Forecast Profit and Shortfall in Profit Guarantee

This note is not applicable as no profit forecast or profit guarantee was issued for the financial period.

B6 Taxation

There was no provision of tax expense for the current quarter under review.

B7 Status of Corporate Proposals

There were no corporate proposals announced for the current quarter under review.

B8 Borrowings

	Foreign currency JPY'000
Revolving Credit	
Secured by local fixed deposit: Foreign currency drawdown in yen	151,458

B9 Material Litigation

As at 24 February 2021, save as disclosed below, the Group was not engaged in any material litigation either as plaintiff or defendant and the Directors are not aware of any proceeding pending or threatened against the Group or any facts likely to give rise to any proceeding which might materially and adversely affect the financial position or business operations of the Group.

Malpac Capital Sdn. Bhd., a wholly owned subsidiary of the Company had on 17 May 2021 received a Notice of Directions (Assessment of Damages) from Mr. Yong Toi Mee and Mr. Cheang Kim Leong ("the Purchasers") pursuant to the Ipoh High Court Judgement dated 5 May 2011 under Ipoh High Court Civil Suit No. 22-109-2007, for the following orders and/or directions:-

1. an assessment of damages against the 1st Defendant for loss and damage suffered by the Plaintiffs;
2. the time by which a notice of appointment for such an assessment of damages shall be filled and served;

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3. the costs of this application be costs in the cause; and
4. such further order and/or directions that this Honourable Court deems fit and just.

This matter has been forwarded to our solicitors for their attention and further action. The matter is fixed for case management on 1 June 2021 at the Ipoh High Court.

B10 Dividend

The Board of Directors does not recommend any interim dividend for the current quarter and current financial period to-date.

B11 Earning Per Share("EPS")/Loss Per Share ("LPS")

	Individual Quarter		Cumulative Quarter	
	Current Quarter ended 31/03/21 RM'000	Comparative Quarter ended 31/03/20 RM'000	Year-To-Date ended 31/03/21 RM'000	Year-To-Date ended 31/03/20 RM'000
a) Basic EPS/(LPS)				
<u>Numerator</u> Profit/(Loss) for the financial period attributable to equity holders of the parent	5,392	(3,284)	12,615	(3,253)
<u>Denominator</u> Weighted average number of shares in issue.	75,000	75,000	75,000	75,000
Basic:EPS/(LPS) (sen)	7.19	(4.38)	16.82	(4.34)
b) Diluted EPS	Nil	Nil	Nil	Nil

The Company does not have any instrument that would dilute the Issued Share Capital of the Company.

B12 Audit Qualification

The audit report of the Company's preceding annual financial statements was not qualified.

*Quarterly Report for the Period Ended 31 March 2021***B13 Realised and Unrealised Profits and Losses Disclosure**

	Current quarter ended 31 Mar 2021 RM'000	Immediate preceding quarter ended 31 Dec 2020 RM'000	As at last financial period ended 31 Mar 2020 RM'000
Total retained profits of Malpac Holdings Bhd and its subsidiaries:			
- Realised	73,164	71,475	63,600
- Unrealised profits	4,587	884	92
- Add : Consolidation adjustment	<u>371</u>	<u>371</u>	<u>370</u>
Total group retained profits as per consolidated accounts	<u>78,122</u>	<u>72,730</u>	<u>64,062</u>

Total share of retained profits/(accumulated losses) from associated companies and jointly controlled entities are not applicable.

B14 Notes to Statement of Comprehensive income

The following items have been included in the Statement of Comprehensive Income:-

	Current Quarter ended 31/03/21 RM'000	Comparative Quarter ended 31/03/20 RM'000	Year-to-date ended 31/03/21 RM'000	Year-to-date ended 31/03/20 RM'000
<u>After crediting</u>				
Interest income	84	72	362	297
Dividend income	28	49	475	178
Distribution income	333	631	1,009	1,666
Fair value (loss)/gain on unit trust	(15)	(83)	572	46
Gain/(loss) on disposal of unit trusts	6	6	-	18
Gain on disposal of PPE	-	-	-	4
Gain on disposal of investment in subsidiaries	-	-	314	-
Gain on disposal of investment properties	-	-	1,820	-
Gain on disposal of quoted investment	114	-	55	-
Unrealised gain on foreign exchange	210	-	333	-
<u>After debiting</u>				
Depreciation	(64)	(69)	(185)	(169)
Fair value gain/(loss) on quoted shares (non-current)	4,080	(2,072)	7,308	(2,118)
Fair value gain/(loss) on quoted shares (current)	1,553	(1,052)	3,365	(1,511)
Interest expense on revolving credit	12	(12)	(36)	(37)
Provision for post-judgment interest and cost	(413)	-	(413)	-

There are no income/expenses in relation to the below items:-

- (i) Provision for and write off of receivables
- (ii) Provision for and write off of inventories
- (iii) Impairment of assets
- (iv) Exceptional items