

**MALAYSIA PACIFIC CORPORATION BERHAD**

**(12200 - M)**

**(Incorporated in Malaysia)**

**UNAUDITED INTERIM FINANCIAL REPORT**

**FOR THE FINANCIAL PERIOD ENDED**

**31 March 2015**

**MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER**  
**COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	3 months ended		9 months ended	
	31/3/2015	31/3/2014	31/3/2015	31/3/2014
	RM'000	RM'000	RM'000	RM'000
Revenue	3,329	2,912	10,340	9,206
Cost of sales	1,188	(1,583)	(1,311)	(4,658)
<b>Gross profit</b>	<b>4,517</b>	<b>1,329</b>	<b>9,029</b>	<b>4,548</b>
Other income	34	18	106	34
Administrative expenses	(2,219)	(3,028)	(6,558)	(7,404)
<b>Profit/(Loss) from operations</b>	<b>2,332</b>	<b>(1,681)</b>	<b>2,577</b>	<b>(2,822)</b>
Finance costs	(7,460)	(193)	(8,177)	(9,298)
<b>Loss before tax</b>	<b>(5,128)</b>	<b>(1,874)</b>	<b>(5,600)</b>	<b>(12,120)</b>
Taxation	(43)	(34)	(129)	(118)
<b>Loss for the period</b>	<b>(5,171)</b>	<b>(1,908)</b>	<b>(5,729)</b>	<b>(12,238)</b>
<b>Other comprehensive loss, net of tax</b>				
Foreign currency transaction differences for foreign operations	-	(25)	(30)	(76)
<b>Total comprehensive loss</b>	<b>(5,171)</b>	<b>(1,933)</b>	<b>(5,759)</b>	<b>(12,314)</b>
<b>Loss attributable to:</b>				
Owners of the parent	(5,171)	(1,908)	(5,729)	(12,238)
Non-controlling interest	-	-	-	-
	<b>(5,171)</b>	<b>(1,908)</b>	<b>(5,729)</b>	<b>(12,238)</b>
<b>Total comprehensive loss attributable to:</b>				
Owners of the parent	(5,171)	(1,933)	(5,759)	(12,314)
Non-controlling interest	-	-	-	-
	<b>(5,171)</b>	<b>(1,933)</b>	<b>(5,759)</b>	<b>(12,314)</b>
<b>Loss per share attributable to owners of the parent:</b>				
a) Basic (sen)	(1.80)	(0.66)	(1.99)	(4.25)
b) Diluted (sen)	N/A	N/A	N/A	N/A

The condensed consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.

**MALAYSIA PACIFIC CORPORATION BERHAD (12200 - M)**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2015**

	As at 31/03/2015 RM'000	As at 30/06/2014 RM'000
<b>Non-current assets</b>		
Property, plant and equipment	961	1,455
Investment property	320,000	320,000
Land held for property development	225,683	225,683
<b>Total non-current assets</b>	<u>546,644</u>	<u>547,138</u>
<b>Current assets</b>		
Property development cost	15,358	15,358
Inventory	-	274
Trade and other receivables	2,764	1,944
Current tax assets	30	30
Cash and cash equivalents	1,078	718
<b>Total current assets</b>	<u>19,230</u>	<u>18,324</u>
<b>Total assets</b>	<u><u>565,874</u></u>	<u><u>565,462</u></u>
<b>Equity and liabilities</b>		
Share capital	287,660	287,660
Reserves	(43,452)	(37,693)
<b>Total equity</b>	<u>244,208</u>	<u>249,967</u>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Bank borrowings	731	925
Deferred tax liabilities	33,275	33,275
	<u>34,006</u>	<u>34,200</u>
<b>Current liabilities</b>		
Trade and other payables	192,658	188,877
Provision for liquidated and ascertained damages	257	257
Bank borrowings	91,872	89,286
Current tax liabilities	2,873	2,875
	<u>287,660</u>	<u>281,295</u>
<b>Total liabilities</b>	<u>321,666</u>	<u>315,495</u>
<b>Total equity and liabilities</b>	<u><u>565,874</u></u>	<u><u>565,462</u></u>
<b>Net assets per share (RM)</b>	0.85	0.87

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.

**MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015**

← Attributable to owners of the parent →

	Share capital RM'000	Warrants reserve RM'000	Foreign exchange reserve RM'000	Accumulated losses RM'000	Total equity RM'000
As at 1 July 2014	287,660	10,011	135	(47,839)	249,967
Foreign currency translation	-	-	(30)	-	(30)
Loss for the period	-	-	-	(5,729)	(5,729)
<b>Total comprehensive loss for the period</b>	-	-	(30)	(5,729)	(5,759)
<b>As at 31 March 2015</b>	<b>287,660</b>	<b>10,011</b>	<b>105</b>	<b>(53,568)</b>	<b>244,208</b>
As at 1 July 2013	287,660	10,011	154	(16,702)	281,123
Foreign currency translation	-	-	(76)	-	(76)
Loss for the period	-	-	-	(12,238)	(12,238)
<b>Total comprehensive loss for the period</b>	-	-	(76)	(12,238)	(12,314)
<b>As at 31 March 2014</b>	<b>287,660</b>	<b>10,011</b>	<b>78</b>	<b>(28,940)</b>	<b>268,809</b>

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.

**MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015**

	9 months ended 31/3/2015 RM'000	9 months ended 31/3/2014 RM'000
<b>Cash flows from operating activities</b>		
Loss before tax	(5,600)	(12,120)
Adjustments for :		
Depreciation of property, plant and equipment	542	697
Interest expenses	8,177	9,298
Interest income	-	(6)
Gain on disposal of property, plant and equipment	-	(2)
Operating profit/(loss) before working capital changes	<u>3,119</u>	<u>(2,133)</u>
Inventory	274	-
Trade and other receivables	(850)	(513)
Trade and other payables	<u>3,779</u>	<u>(9,894)</u>
Cash generated from/(used in) operations	6,322	(12,540)
Interest expenses paid	(8,177)	(2,100)
Interest income received	-	6
Tax paid	<u>(129)</u>	<u>(118)</u>
<b>Net cash used in operating activities</b>	<u>(1,984)</u>	<u>(14,752)</u>
<b>Cash flows from investing activities</b>		
(Repayment to)/Advances from related parties	-	13,287
Development expenditure incurred in property development costs	-	(342)
Proceeds from disposal of property, plant and equipment	-	8
Purchase of property, plant and equipment	<u>(48)</u>	<u>(8)</u>
<b>Net cash (used in)/ generated from investing activities</b>	<u>(48)</u>	<u>12,945</u>
<b>Cash flows from financing activities</b>		
Repayment of bank borrowings	<u>(187)</u>	<u>(181)</u>
<b>Net cash used in financing activities</b>	<u>(187)</u>	<u>(181)</u>
Net decrease in cash and cash equivalents	(2,219)	(1,988)
Cash and cash equivalents at beginning of financial period	<u>(62,602)</u>	<u>(61,011)</u>
<b>Cash and cash equivalents at end of the financial period</b>	<u>(64,821)</u>	<u>(62,999)</u>

Cash and cash equivalents at the end of the financial period comprise the following:

	As at 31/3/2015 RM'000	As at 31/3/2014 RM'000
Cash and bank balances	1,078	337
Bank overdrafts	<u>(65,899)</u>	<u>(63,336)</u>
	<u>(64,821)</u>	<u>(62,999)</u>

The condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements.

**MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2015**

**SECTION A – EXPLANATORY NOTES PURSUANT TO FRS 134**

**A1. ACCOUNTING POLICIES**

The quarterly consolidated financial statements are unaudited and have been prepared in accordance with the reporting requirements of Financial Reporting Standards (“FRS”) 134: *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the main market Listing Requirements of Bursa Malaysia Securities Berhad.

The significant accounting policies adopted in the interim financial statements are consistent with those of the audited financial statements for the financial year ended 30 June 2014 except for adoption of the following accounting standards, amendments and interpretations issued by the MASB that are effective for the Group’s financial statements commencing 1 July 2014:-

**Title**

- Amendments to FRS 10 *Consolidated Financial Statements: Investment Entities*
- Amendments to FRS 12 *Disclosure of Interests in Other Entities: Investment Entities*
- Amendments to FRS 127 *Separate Financial Statements (2011): Investment Entities*
- Amendments to FRS 132 *Offsetting Financial Assets and Financial Liabilities*
- Amendments to FRS 136 *Recoverable Amount Disclosures for Non-Financial Assets*
- Amendments to FRS 139 *Novation of Derivatives and Continuation of Hedge Accounting*
- IC Interpretation 21 *Levies*
- Amendments to FRS 119 *Defined Benefit Plans: Employee Contributions*
- Amendments to FRSs Annual Improvements to FRSs 2010 – 2012 Cycle
- Amendments to FRSs Annual Improvements to FRSs 2011 – 2013 Cycle

The application of the above accounting standards, amendments and interpretations did not result in any significant changes in the accounting policies and presentation of the financial results of the Group.

**A2. QUALIFICATION OF PRECEDING ANNUAL FINANCIAL STATEMENTS**

Messrs BDO, the Company's External Auditors, had expressed a disclaimer opinion in the Company’s Audited Financial Statements for the financial year ended 30 June 2014.

**MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)**

**A3. SEASONALITY OR CYCLICALITY OF OPERATIONS**

There were no significant seasonal and cyclical factors that affect the business of the Group.

**A4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE**

There were no unusual items affecting assets, liabilities, equity, net income or cash flow during the financial period.

**A5. MATERIAL CHANGES IN ESTIMATES**

There were no changes in estimates of amount reported in prior financial year that have a material effect during the financial period under review.

**A6. DEBTS AND EQUITY SECURITIES**

There were no issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the financial period under review.

**A7. DIVIDENDS PAID**

There was no dividend paid during the financial period under review.

**MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)**

**A8. SEGMENTAL REPORTING**

The segmental analysis for the Group for the financial period ended 31 March 2015 as follows:-

a) 9 months ended 31 March 2015

Description	Property development and construction (RM'000)	Investment properties (RM'000)	Elimination (RM'000)	Consolidation (RM'000)
<b>Revenue</b>				
External sales	1,059	9,281	-	10,340
Inter-segment sales	-	6,698	(6,698)	-
<b>Sub-total</b>	<b>1,059</b>	<b>15,979</b>	<b>(6,698)</b>	<b>10,340</b>
<b>Results</b>				
Segment results	211	2,366	-	2,577
Finance costs	(8)	(8,169)	-	(8,177)
<b>Profit/ (Loss) before taxation</b>	<b>203</b>	<b>(5,803)</b>	<b>-</b>	<b>(5,600)</b>
Taxation				(129)
<b>Loss after taxation</b>				<b>(5,729)</b>

b) 9 months ended 31 March 2014

Description	Property development and construction (RM'000)	Investment properties (RM'000)	Elimination (RM'000)	Consolidation (RM'000)
<b>Revenue</b>				
External sales	-	9,206	-	9,206
Inter-segment sales	-	9,083	(9,083)	-
<b>Sub-total</b>	<b>-</b>	<b>18,289</b>	<b>(9,083)</b>	<b>9,206</b>
<b>Results</b>				
Segment results	(1,046)	3,203	(4,979)	(2,822)
Finance costs	(3,502)	(10,775)	4,979	(9,298)
<b>Loss before taxation</b>	<b>(4,548)</b>	<b>(7,572)</b>	<b>-</b>	<b>(12,120)</b>
Taxation				(118)
<b>Loss after taxation</b>				<b>(12,238)</b>

**MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)**

**A9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT**

There were no amendments to the valuation of property, plant and equipment brought forward.

**A10. SUBSEQUENT MATERIAL EVENTS**

There were no material events subsequent to the end of the financial period under review that have not been reflected in the interim financial report for the current period.

**A11. CHANGES IN THE COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group for the financial period under review.

**A12. CHANGES IN CONTINGENT LIABILITIES/ASSETS**

There were no changes in contingent liabilities or contingent assets for the financial period under review.

**A13. LOSS BEFORE TAX**

	<b>Individual Period 3 months ended 31/03/2015 RM'000</b>	<b>Cumulative Period 9 months ended 31/03/2015 RM'000</b>
Loss before tax is arrived at after charging/ (crediting):		
Other income	(34)	(106)
Depreciation of property, plant and equipment	165	542
Interest expenses	7,460	8,177
	<u>7,591</u>	<u>8,613</u>

**MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)**

**SECTION B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. PERFORMANCE REVIEW**

The Group's revenue for the financial period ended 31 March 2015 has increased to RM3.3 million as compared to the preceding corresponding financial period of RM2.9 million due to contribution from rental and property management services.

The loss before tax for the current financial quarter was RM5.1 million as opposed to a loss before tax of RM1.9 million for the corresponding quarter ended 31 March 2014. The loss before tax for the quarter are mainly due to the revolving credit interest of RM7.4 million in the current reported quarter.

For loss before tax for nine (9) months financial period was RM 5.6 million as opposed to a loss before tax of RM12.1 million for the preceding corresponding financial period 31 March 2014. The better results was primarily due to better revenue in rental and property management services and reduces in cost of sales on property segmental.

The net asset value per share ("NAV") of the Group for both reported quarter and preceding corresponding quarter is RM0.85 and RM0.87 respectively.

**B2. COMPARISON WITH IMMEDIATE PRECEDING QUARTER'S RESULTS**

In the current financial quarter under review, the Group recorded higher revenue of RM3.3 million as compared with the immediate preceding financial quarter ended 31 December 2014 of RM3.9 million due to additional revenue rental and management services in the current financial quarter.

The loss before tax in the reported financial quarter was RM5.1 million as opposed to a profit before tax of RM2.8 million for the immediate preceding quarter ended 31 December 2014. The loss before tax for the quarter are mainly due to the revolving credit interest of RM7.4 million in the current reported quarter.

**B3. PROSPECTS FOR THE FINANCIAL YEAR**

The Group's property development segment is anticipated to contribute to the Group's result for the financial year. Barring unforeseen circumstances, the Group's prospect for the financial year is optimistic.

**B4. VARIANCES ON ACTUAL PROFIT FROM FORECAST PROFIT**

This is not applicable to the Group.

**MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)**

**B5. TAXATION**

	<b>Current Quarter RM'000</b>	<b>Current Year-To-Date RM'000</b>
Taxation based on results for the financial period:		
Current financial period	(43)	(129)
	<u>(43)</u>	<u>(129)</u>

**B6. PROFITS/ (LOSSES) ON SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES**

There were no sales of unquoted investments for the current quarter ended 31 March 2015.

**B7. PURCHASE OR DISPOSAL OF QUOTED SECURITIES**

There were no purchases or disposal of quoted securities by the Group in the current quarter under review.

**B8. STATUS OF CORPORATE PROPOSAL BUT NOT COMPLETED**

On 26 January 2015, the Company has announced that the Board of Directors has decided to abort the Proposals following the admission of the Company into PN17.

**B9. OTHER PAYABLES**

Included in other payables are:

- i) An amount of RM115.0 million which represents the balance of the settlement sum according to the Settlement Agreement with Amanahraya Development Sdn Bhd dated 10 March 2014.
- ii) An amount of RM25.8 million is due to major shareholders of the Company on a periodic emergency financial assistance requested by the Company. The amount owing is unsecured, interest free and with no fixed terms of repayment.
- iii) Interest accrued on revolving credit of RM12.2 million.

## MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)

### B10. GROUP BORROWINGS

Total Group's borrowings as at 31 March 2015 are as follow: -

	Short Term Secured RM'000	Long Term Secured RM'000	Total RM'000
Hire purchase creditors	269	731	1,000
Revolving credit	25,704	-	25,704
Bank overdraft	65,899	-	65,899
Total	<u>91,872</u>	<u>731</u>	<u>92,603</u>

All the borrowings are denominated in Ringgit Malaysia (RM).

### B11. MATERIAL LITIGATION UPDATES

(a) Kuala Lumpur High Court Originating Summons No. 24 NCVc-1341-08/2013

Wisma MPL JMB ("Plaintiffs") vs. Malaysia Pacific Corporation Berhad ("Defendant" or "the Company").

The Company is currently awaiting Solicitor's advice on the feasibility of filing Judicial Review on Federal Court's decision dated 27 January 2015 (dismissal of the Company's Application for Leave to Appeal).

(b) Johor Bahru High Court Originating Summons No. 24FC-1845-11/2014

AmanahRaya Development Sdn Bhd ("ARDSB" or "Plaintiff") vs Taman Bandar Baru Masai Sdn Bhd ("TBBM" or "Defendant")

On 22 January 2015, the Johor Bahru High Court has fixed the case management of the Originating Summon on 26 July 2015.

(c) Kuala Lumpur High Court Civil Suit No. S-22-347-2010

Wong Seng Huat & Safe Deposit Box Sdn Bhd ("Respondent") vs Malaysia Pacific Corporation Berhad ("MPCORP" or the "Company") & MPC Properties Sdn Bhd ("MPC"), a wholly-owned subsidiary of MPCORP (hereinafter referred to as the "Petitioners")

The Court of Appeal has adjourned the hearing of the Respondent's appeal of High Court Judgement to 15 July 2015.

## MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)

### B12. DIVIDEND

The Board does not recommend any interim dividend for the current financial period ended 31 March 2015.

### B13. EARNINGS/(LOSS) PER SHARE

#### (a) Basic

	<b>Individual Period 3 months ended 31/03/2015</b>	<b>Individual Period 3 months ended 31/03/2014</b>	<b>Cumulative Period 9 months ended 31/03/2015</b>	<b>Cumulative Period 9 months ended 31/03/2014</b>
Profit/(Loss) attributable to owners of the parent (RM'000)	<u>(5,171)</u>	<u>(1,908)</u>	<u>(5,729)</u>	<u>(12,238)</u>
Weighted average number of ordinary shares in issue ('000)	<u>287,660</u>	<u>287,660</u>	<u>287,660</u>	<u>287,660</u>
Basic loss per share (sen)	<u>(1.80)</u>	<u>(0.66)</u>	<u>(1.99)</u>	<u>(4.25)</u>

#### (b) Diluted

The diluted loss per ordinary share is not presented as the average market value of the ordinary shares of the company is lower than the exercise price for the outstanding warrants and thus it is anti-dilutive.

### B14. REALISED AND UNREALISED PROFITS OR LOSSES

The following analysis of realised and unrealised retained profits is pursuant to Paragraphs 2.06 and 2.23 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and in accordance with the Guidance on Special Matter No.1 – Determination of Realised and Unrealised Profits or Losses as issued by the Malaysian Institute of Accountants. This disclosure is based on the format prescribed by Bursa Securities and is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

**MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)**

	<b>Group 31/03/2015 RM'000</b>	<b>Group 30/06/2014 RM'000</b>
Total (accumulated losses)/retained earnings of the Group:		
Realised	(342,394)	(336,665)
Unrealised	288,826	288,826
Total accumulated losses	<u>(53,568)</u>	<u>(47,839)</u>

**B15.** This interim financial report is dated 22 May 2015.