

# **MALAYSIA PACIFIC CORPORATION BERHAD**

(12200 – M)

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE  
FINANCIAL YEAR ENDED  
30 JUNE 2017**

## MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30-06-2017 RM'000	Preceding Year Corresponding Quarter 30-06-2016 RM'000	Current Year To Date 30-06-2017 RM'000	Preceding Year Corresponding Period 30-06-2016 RM'000
Revenue	4,721	10,171	10,063	16,332
Cost of sales	(2,054)	(8,952)	(5,229)	(14,841)
<b>Gross profit</b>	<b>2,667</b>	<b>1,219</b>	<b>4,834</b>	<b>1,491</b>
Other income	16,861	621	18,098	589
Administrative expenses	(13,869)	(72,941)	(20,529)	(80,442)
<b>Profit/ (Loss) from operations</b>	<b>5,659</b>	<b>(71,101)</b>	<b>2,403</b>	<b>(78,362)</b>
Finance costs	(3,215)	(3,392)	(12,383)	(10,064)
<b>Profit/ (Loss) before tax</b>	<b>2,444</b>	<b>(74,493)</b>	<b>(9,980)</b>	<b>(88,426)</b>
Taxation	(255)	496	(255)	4,157
<b>Profit/ (Loss) for the financial year</b>	<b>2,189</b>	<b>(73,997)</b>	<b>(10,235)</b>	<b>(84,269)</b>
<b>Other comprehensive profit/ (loss), net of tax</b>				
Foreign currency transaction differences for foreign operations	42	(179)	43	(88)
<b>Total comprehensive profit/ (loss)</b>	<b>2,231</b>	<b>(74,176)</b>	<b>(10,192)</b>	<b>(84,357)</b>
<b>Profit/ (Loss) attributable to:</b>				
Owners of the parent	2,189	(73,997)	(10,235)	(84,269)
Non-controlling interest	-	-	-	-
	<b>2,189</b>	<b>(73,997)</b>	<b>(10,235)</b>	<b>(84,269)</b>
<b>Total comprehensive profit/ (loss) attributable to:</b>				
Owners of the parent	2,231	(74,176)	(10,192)	(84,357)
Non-controlling interest	-	-	-	-
	<b>2,231</b>	<b>(74,176)</b>	<b>(10,192)</b>	<b>(84,357)</b>
<b>Profit/ (Loss) per share attributable to owners of the parent:</b>				
a) Basic (sen)	0.76	(25.72)	(3.56)	(29.29)
b) Diluted (sen)	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 audited financial statements for the financial year ended 30 June 2016.

# MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

	As At End Of Current Quarter 30-06-2017 (Unaudited) RM'000	As At Preceding Financial Year Ended 30-06-2016 (Audited) RM'000
<b>Non-current assets</b>		
Property, plant and equipment	567	450
Land held for property development	213,055	212,380
<b>Total non-current assets</b>	<u>213,622</u>	<u>212,830</u>
<b>Current assets</b>		
Property development cost	21,282	21,698
Trade and other receivables	4,481	1,307
Tax recoverable	1,674	592
Cash and cash equivalents	813	3,069
	<u>28,250</u>	<u>26,666</u>
Assets held for sales	256,000	250,000
<b>Total current assets</b>	<u>284,250</u>	<u>276,666</u>
<b>Total assets</b>	<u><u>497,872</u></u>	<u><u>489,496</u></u>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Share capital	287,660	287,660
Reserves	(149,017)	(138,825)
<b>Total equity</b>	<u>138,643</u>	<u>148,835</u>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Bank borrowings	206	297
Deferred tax liabilities	29,561	29,311
	<u>29,767</u>	<u>29,608</u>
<b>Current liabilities</b>		
Trade and other payables	197,733	191,697
Provision for liquidated and ascertained damages	257	257
Bank borrowings	131,472	119,094
Tax payable	-	5
	<u>329,462</u>	<u>311,053</u>
<b>Total liabilities</b>	<u>359,229</u>	<u>340,661</u>
<b>Total equity and liabilities</b>	<u><u>497,872</u></u>	<u><u>489,496</u></u>
Net assets per share (RM)	0.48	0.52

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2016

## MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)

### UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

← Attributable to owners of the parent →  
← Non-distributable →

	Share capital RM'000	Warrants reserve RM'000	Foreign exchange reserve RM'000	Accumulated losses RM'000	Total equity RM'000
<b>As at 1 JULY 2016</b>	287,660	-	(744)	(138,081)	148,835
Other comprehensive gain/ (loss) for the financial year	-	-	43	-	43
Loss for the financial year	-	-	-	(10,235)	(10,235)
<b>Total comprehensive gain/ (loss) for the financial year</b>	-	-	43	(10,235)	(10,192)
<b>As at 30 JUNE 2017</b>	287,660	-	(701)	(148,316)	138,643
<b>As at 1 JULY 2015</b>	287,660	-	(656)	(53,812)	233,192
Other comprehensive gain/ (loss) for the financial year	-	-	(88)	-	(88)
Loss for the financial year	-	-	-	(84,269)	(84,269)
<b>Total comprehensive gain/ (loss) for the financial year</b>	-	-	(88)	(84,269)	(84,357)
<b>As at 30 JUNE 2016</b>	287,660	-	(744)	(138,081)	148,835

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2016

# MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

	As At End Of Current Quarter 30-06-2017 (Unaudited) RM'000	As At Preceding Financial Year Ended 30-06-2016 (Audited) RM'000
<b>Cash flows from operating activities</b>		
Loss before tax	(9,980)	(88,426)
Adjustments for :		
Bad debts written off	-	38
Depreciation of property, plant and equipment	262	366
Impairment losses on trade and other receivables	-	40
Impairment (gain)/ losses on assets held for sales	(6,000)	70,000
Interest expenses	12,383	10,064
Interest income	(26)	(77)
Property, plant and equipment written off	-	8
Gain on disposal of property, plant and equipment	(156)	(2)
Unrealised loss on foreign exchange	528	-
Impairment losses on amount due from subsidiary companies	3,977	-
Operating profit/ (loss) before working capital changes	988	(7,989)
Property development costs	(259)	-
Trade and other receivables	(3,174)	5,557
Trade and other payables	6,036	9,454
Cash generated from operations	3,591	7,022
Interest expenses paid	(12,383)	(10,064)
Interest income received	26	77
Tax paid	(1,064)	(3,086)
<b>Net cash used in operating activities</b>	<b>(9,830)</b>	<b>(6,051)</b>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment	250	8
Purchase of property, plant and equipment	(308)	(42)
<b>Net cash used in investing activities</b>	<b>(58)</b>	<b>(34)</b>
<b>Cash flows from financing activity</b>		
Repayment of bank borrowings	(330)	(495)
<b>Net cash used in financing activity</b>	<b>(330)</b>	<b>(495)</b>
Net decrease in cash and cash equivalents	(10,218)	(6,580)
<b>Cash and cash equivalents at beginning of financial year</b>	<b>(72,101)</b>	<b>(65,521)</b>
<b>Cash and cash equivalents at end of the financial year</b>	<b>(82,319)</b>	<b>(72,101)</b>
Cash and cash equivalents comprise the following:		
Cash and bank balances	813	3,069
Bank overdrafts	(83,132)	(75,170)
	<b>(82,319)</b>	<b>(72,101)</b>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2016.

# MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)

---

## NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 30 JUNE 2017

### 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 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 interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2016.

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 2016 and all new and revised FRS and amendments to FRS issued by the MASB that are effective for annual financial periods beginning on or after 1 July 2015. The accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the financial year ended 30 June 2016.

<b>FRSs that have been issued by MASB but are not yet effective for the Group:</b>	<b>Effective Dates for financial period beginning on/or after</b>
FRS 14 Regulatory Deferral Accounts	1 January 2016
Amendments to FRS 11 : Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to FRS 10, FRS 12 and FRS 128: Investment Entities – Applying the Consolidation Exception	1 January 2016
Amendments to FRS 101: Disclosure Initiative	1 January 2016
Amendments to FRS 116 and FRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to FRS 127: Equity Method in Separate Financial Statements	1 January 2016
Annual Improvements to FRSs 2012 – 2014 Cycle	1 January 2016
Amendments to FRS 112: Recognition of Deferred Tax Assets for unrealised losses	1 January 2017
Amendments to FRS 107: Disclosure initiative	1 January 2017
FRS 9: Financial instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
Amendments to FRS 10 and FRS 128: Sale or contribution of assets between investor and its associate or joint venture	To be announced

**A1. ACCOUNTING POLICIES (CONT'D)**

The adoption of the above Amendments to FRSs does not have any material impact on the financial statements of the Group. The Group and the Company fall within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in their first MFRS financial statements for the financial year ending 30 June 2019

The Group and the Company have not completed its assessment of the financial effects of the differences between FRSs and accounting standards under the MFRS Frameworks. Accordingly, the consolidated and separate financial performance and financial position as disclosed in these financial statements for the financial period ended 30 September 2016 could be different if prepared under the MFRS Frameworks.

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

The independent auditors' report of the Company's audited financial statements for the financial year ended 30 June 2016 contained disclaimer of opinion on the financial statements.

The following Basis for Disclaimer of Opinion shown below are extracted from the independent auditors' report of the Company's audited financial statement for the financial year ended 30 June 2016.

*Basis for Disclaimer of Opinion*

1. We draw attention to Note 2(c) to the financial statements which state the following:
  - (i) The Group and the Company have reported net losses of RM84,269,000 and RM105,255,000 respectively during the financial year ended 30 June 2016 and, as of that date, the Group's current liabilities exceeded its current assets by RM34,387,000.
  - (ii) As disclosed in Note 16 to the financial statements, the Company was served with a Declaration of Default on 8 March 2013 by a financial institution on the default in the repayments of principal sums and interest in respect of the revolving credit and bank overdraft facilities. The Company has continued defaulted in the repayment of revolving credit and bank overdraft facilities as at 30 June 2016 amounting to RM118,957,000.
  - (iii) As disclosed in Note 22(a) and 32(a) to the financial statements, on 28 September 2012, a creditor of a subsidiary company of the Group had served a Writ of Summons on the subsidiary company and the Company (collectively known as the "Defendants") for a sum of RM113,170,308 together with interest of 7.20% per annum calculated from 19 September 2012 until the date of full settlement. The amount due to the creditor arose from a Put Option exercised by the creditor under a joint venture agreement dated 20 August 2008 entered into between the creditor and the subsidiary company and a Deed of Undertaking between the creditor and the Defendants.

**A2. QUALIFICATION OF PRECEDING ANNUAL FINANCIAL STATEMENTS (CONT'D)**

As at 30 June 2016, the Company has continued defaulted in the repayment of amount due to the creditor amounted to RM115,000,000 within the agreed date stated in the settlement agreement signed on 10 March 2014.

These conditions indicate the existence of material uncertainties which may cast significant doubt about the ability of the Group and of the Company to continue as going concerns. Should the going concern basis for the preparation of the financial statements be no longer appropriate, the Group and the Company may be unable to realise their assets and discharge their liabilities in the normal course of business.

However, the financial statements of the Group and of the Company have been drawn up on the basis of accounting principles applicable to going concerns. Accordingly, the financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to amounts and classification of liabilities, or to provision for further liabilities that may arise should the going concern basis for the preparation of the financial statements of the Group and of the Company be not appropriate. The assumption is premised on future events of which the outcome is inherently uncertain.

2. (i) As at the date of this report, replies relating to certain creditors confirmation requests of certain subsidiary companies are outstanding. We are unable to confirm or verify by alternative means as to whether the carrying amounts of the creditors balances for the financial year ended 30 June 2016 were appropriate.
- (ii) In current financial year, a subsidiary company has received a letter from Optima Mewah Sdn. Bhd. to mutually terminate the sale and purchase agreement (“Proposed Mutual Termination”) in relation to the disposal of land in Mukim Plentong, Johor as disclosed in Note 8(c) to the financial statements and the Board of Directors of the Company has subsequently approved the Proposed Mutual Termination. The total revenue and cost recognised in previous financial years amounted to RM10,742,000 and RM6,290,000 respectively. We are unable to determine whether any adjustments to be made in current financial year until the conclusion of extraordinary general meeting.

*Disclaimer of Opinion*

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis of an audit opinion. Accordingly, we do not express an opinion on the financial statements.



**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 year.

**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 year under review.

**A6. DEBTS AND EQUITY SECURITIES**

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

**A7. DIVIDEND PAID**

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

<p><b>THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK</b></p>
---

## MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)

### A8. SEGMENTAL REPORTING

The segmental analysis for the Group for the financial year ended 30 June 2017 as follows:-

#### Results for 12 months ended 30 June 2017

Description	Property Development RM'000	Investment Property RM'000	Elimination RM'000	Consolidation RM'000
Revenue				
- External Sales	3,091	6,972	-	10,063
- Inter-Segment Sales	-	-	-	-
Group's Revenue	3,091	6,972	-	10,063
Results				
Segment Results	(2,813)	5,216	-	2,403
Finance Costs	(9)	(12,374)	-	(12,383)
Loss Before Taxation	(2,822)	(7,158)	-	(9,980)
Taxation	610	(865)		(255)
Loss After Taxation	(3,432)	(8,023)	-	(10,235)

#### Results for 12 months ended 30 June 2016

Description	Property Development RM'000	Investment Property RM'000	Elimination RM'000	Consolidation RM'000
Revenue				
- External Sales	9,350	6,982	-	16,332
- Inter-Segment Sales	-	9,775	(9,775)	-
Sub Total	9,350	16,757	(9,775)	16,332
Results				
Segment Results	899	(79,338)	-	(78,439)
Finance Costs	-	(9,987)	-	(9,987)
Loss Before Taxation	899	(89,325)	-	(88,426)
Taxation	-	-	-	-
Loss After Taxation	899	(89,325)	-	(88,426)

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

The fair value of the investment property of the Group and the Company, which comprise office buildings and shoplots have been arrived at on the basis of a valuation carried out by an independent firm of professional valuers, JB Jurunilai Bersekutu (KL) Sdn Bhd (“JBJBKL”) on 26 October 2016. The fair values are within level 2 of the fair value hierarchy. The independent professional valuer has adopted the comparison and cost methods, making reference to relevant comparable transactions in the market as well as the present worth of the improvements and land value. In arriving at the valuation, the independent professional valuer has made adjustments for factors, which would affect the market value of the investment property including but not limited to views, size, floor levels and time factor.

Based on the valuation report issued by JBJBKL dated 26 October 2016, the market value of the investment property amounting to RM256 million. The increased in fair value of the investment property of the Group and the Company amounting to RM6 million has been recognised as impairment gain in profit and loss account during the financial year. The Company is in the midst of getting JBJBKL to issue the updated certificate of valuation.

### **A10. SIGNIFICANT AND SUBSEQUENT MATERIAL EVENTS**

Save and disclosed below, there were no material events subsequent to the end of the financial year under review:

- (a) On 30 June 2017, M&A Securities Sdn Bhd had submitted an application to Bursa Malaysia Security Berhad for a further extension of time up to 29 December 2017 to make the requisite announcement and up to 28 February 2018 to submit the Company’s regularisation plan to the regulatory authorities.

On 21 July 2017, Bursa Malaysia Securities Berhad had approved the application for an extension of time up to 31 December 2017 for the Company to make the requisite announcement and submit its regularisation plan to the regulatory authorities.

The extension of time is without prejudice to Bursa Securities’ right to proceed to suspend the trading of the listed securities of MPCORP and to de-list the Company in the event:

- (i) the Company fails to make the requisite announcement and to submit a regularisation plan to the regulatory authorities on or before 31 December 2017;
- (ii) the Company fails to obtain the approval from any of the regulatory authorities necessary for implementation of its regularisation plan; and
- (iii) the Company fails to implement its regularisation plan within the time frame or extended time frame stipulated by any of the regulatory authorities.

Upon occurrence of any events set out in (i) to (iii) above, Bursa Securities shall suspend the trading of the listed securities of MPCORP on the 6th market day after the date of notification of suspension by Bursa Securities and de-list the Company, subject to the Company’s right to appeal against the delisting

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

---

### **A10. SIGNIFICANT AND SUBSEQUENT MATERIAL EVENTS (CONT'D)**

- (b) On 12 July 2017, the company had via its wholly-owned subsidiaries Taman Bandar Baru Masai Sdn Bhd and Lakehill Resort Development Sdn Bhd have entered into a joint venture agreement with Chun Fu Development Sdn Bhd for a joint development over 13 pieces of lands in Mukim Plentong, Johor Bahru.

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

There were no changes in the composition of the Group during the quarter under review and financial period to-date.

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

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

### **A13. NOTES TO THE CONDENSED CONSOLIDATED STATEMENTS OF INCOME**

#### **LOSS BEFORE TAX**

	<b>Individual period 3 months ended 30-06-2017 RM'000</b>	<b>Cumulative period 12 months ended 30-06-2017 RM'000</b>
Depreciation of property, plant and equipment	40	262
Impairment gain on investment property	(6,000)	(6,000)
Interest income	(9)	(26)
Interest expenses	3,215	12,383
Gain on disposal of property, plant and equipment	(11)	(156)
Unrealised loss on foreign exchange	44	43

### **A14. SIGNIFICANT RELATED PARTY TRANSACTIONS**

There were no significant related party transactions during the financial period under review.

## **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 current financial quarter ended 30 June 2017 decreased by RM5.45 million as compared to the preceding year's corresponding quarter ended 30 June 2016 of RM10.17 million. The decreased in revenue for the current quarter were mainly contributed by lower recognition of revenue for the disposal of land as compare to the previous corresponding quarter.

The Group's profit before tax for the current financial quarter was RM2.44 million as compared to loss before tax of RM74.49 million for the preceding year's corresponding quarter ended 30 June 2016. The Group achieved the positive result by an increased of RM76.93 million. This was mainly contributed by the impairment losses in previous year from the investment property in Wisma MPL was recognised in the profit and loss account of RM70 million. In addition, during the current financial quarter, there was RM6 million had been recognised as reversal of impairment loss or impairment gain from the investment property.

As on the year to date basis, the Group revenue for the financial year ended 30 June 2017 of RM10.06 million was reduced by RM 6.27 million as compare to its corresponding financial year ended 30 June 2016 of RM16.33 million. The decreased in revenue for the current financial year were mainly contributed by lower recognition of revenue for the disposal of land as compare to the previous financial year.

The cumulative Group's loss before tax for the financial year ended 30 June 2017 of RM9.98 million was decreased by RM78.45 million as compared to its corresponding financial year ended 30 June 2016 of RM88.43million. This was mainly contributed by the impairment losses in previous year from the investment property in Wisma MPL which was recognised in the profit and loss account of RM70 million. In addition, during the financial quarter, there was RM6 million had been recognised as reversal of impairment loss or impairment gain from the investment property.

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

	<b>Current Quarter Ended 30-06-2017 RM'000</b>	<b>Preceding Quarter Ended 31-03-2017 RM'000</b>	<b>Difference</b>	
			<b>RM'000</b>	<b>%</b>
Revenue	4,721	1,762	2,959	167.94
Profit/ (Loss) before taxation	2,444	(4,185)	6,629	(158.40)

The positive result achieved by the Company in terms of revenue and profit as compared to the previous quarter were mainly contributed by the recognition of revenue in disposal of land and reversal of impairment loss or impairment gain on the investment property for the Wisma MPL.

## MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)

### B3. PROSPECTS FOR THE FINANCIAL YEAR

The Group's prospect for the financial year will remain challenging due to the local economic situation and depend on the successful submission of the regularization plan for Practice Note 17. The extension of time had been granted to the Company up to 31 December 2017 to make the requisite announcement and submit its regularization plan to the regulatory authorities.

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

This is not applicable to the Group.

### B5. TAXATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding Quarter	To Date	Corresponding Period
	30-06-2017	30-06-2016	30-06-2017	30-06-2016
	RM'000	RM'000	RM'000	RM'000
Income tax expense for the year	255	496	255	(4,157)

The tax provision was mainly due to the deferred tax on the fair value gain on the investment property.

No other provision for taxation was provided for the Group as there were no chargeable income. In addition the Group have sufficient unabsorbed capital allowances and unused tax losses available to offset against future taxable income but subject to the agreement of the Inland Revenue Board.

### B6. GROUP BORROWINGS

Total Group's borrowings as at 30 June 2017 are as follow:-

	Short Term	Long Term	Total
	Secured	Secured	Total
	RM'000	RM'000	RM'000
Finance lease payables	149	205	354
Revolving credit	-	48,191	48,191
Bank overdrafts	-	83,132	83,132
Total	149	131,528	131,677

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

**B7. MATERIAL LITIGATION UPDATES**

- (a) Johor Bahru High Court Originating Summons No. 24FC-1845-11/2014
- Amanahraya Development Sdn Bhd (“Plaintiff” or “Amanah Raya”) vs. Taman Bandar Baru Masai Sdn Bhd (“Defendant” or “Company”)
- On 31 July 2017, the Court had set the matter for further case management on 12 September 2017
- (b) Court of Appeal No. J-02(A)-619-04/2016
- Taman Bandar Baru Masai Sdn Bhd (“Appellant” or “Company”) vs. Amanah Raya Development Sdn Bhd (“Respondent” or “Amanah Raya”)
- On 27 July 2017, the Court had set the matter for case management on 6 September 2017.
- (c) Court of Appeal No. W-02(IM)(NCVC)-910/05/2017.  
Kuala Lumpur High Court Suit No. 22NCVC-691-12/2015
- Malaysia Pacific Corporation Berhad (“Appellant” or “Company”) vs. Wisma MPL JMB (“Respondent” or “JMB”)
- On 13 July 2017, the Federal High Court has set case management on 13 October 2017.
- For Court of Appeal has set final case management on 18 September 2017 and hearing on 5 Oct 2017.
- (d) Kuala Lumpur High Court Originating Summons No. WA-24FC-30-01/2016, A/E No.WA-38-550-09/2016
- RHB Bank Berhad (“Plaintiff” or “RHB”) vs. Malaysia Pacific Corporation Berhad (“Defendant” or “Company”)
- On 21 August 2017, the court has fixed the Decision on 12 October 2017.
- (e) Court of Appeal No. W02(A)-1716-09-2016
- Malaysia Pacific Corporation Berhad (“Appellant” or “Company”) vs. RHB Bank Berhad (“Respondent” or “RHB”)
- The Court of Appeal on 27 April 2017 had dismissed the Appellant’s claim with costs of RM10,000, establishing that the Order for Sale was rightly granted to the Respondent.

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

---

### **B7. MATERIAL LITIGATION UPDATES (CONT'D)**

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

Wisma MPL JMB (“Plaintiff” or “JMB”) vs. Malaysia Pacific Corporation Berhad (“Defendant” or “Company”)

On 18 August 2017, the Court has set the matter for case management on 15 September 2017.

- (g) Court of Appeal No. W-02(IM)(NCC)-1811-10/2016 and W-02(IM)(NCC)-1812-10/2016

Malaysia Pacific Corporation Berhad (“Plaintiff” or “Company”) v RHB Bank (“Defendant” or “Bank”)

On 9 June 2017, the matter was fixed for hearing on 15 September 2017.

<p><b>THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK</b></p>
---



## MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)

---

### B8. DIVIDEND

The Board does not recommend any interim dividend for the current financial quarter ended 30 June 2017.

### B9. PROFIT/ (LOSS) PER ORDINARY SHARE

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding	To Date	Corresponding
	30-06-2017	Quarter	30-06-2017	Period
		30-06-2016		30-06-2016
<b>(a) Basic Earnings Per Share</b>				
Net profit/ (loss) attributable to members of the Company (RM'000)	2,231	(74,176)	(10,192)	(84,357)
Weighted average number of ordinary shares in issue ('000)	287,660	287,660	287,660	287,660
Basic earnings/ (loss) per share (sen)	0.78	(25.79)	(3.54)	(29.29)

### (b) Diluted

The Group and the Company has no dilution in its loss per ordinary share as there is no dilutive potential ordinary share. There have been no other transactions involving ordinary shares or potential ordinary shares since the end of the financial period ended and before the authorization of these financial statements.

### B10. PROFITS/ (LOSSES) ON SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES

There was no disposal of unquoted investments and/or properties for the current quarter and financial year ended

### B11. PURCHASE OR DISPOSAL OF QUOTED SECURITIES

There was no disposal of quoted securities for the current quarter and financial year ended.

### B12. STATUS OF CORPORATE PROPOSAL

There are no corporate proposals announced as at the date of this report.

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

---

### **B13. REALISED AND UNREALISED PROFITS OR LOSSES**

The following analysis of realised and unrealized 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.

	<b>As at 30-06-2017 RM'000</b>
Total retained profits of the Company and its subsidiaries	
- Realised	(662,695)
- Unrealised	283,885
	<u>(378,810)</u>
Less: Consolidation adjustments	230,493
Total group retained profits as per consolidated financial statements	<u>(148,317)</u>

### **B14. AUTHORISATION FOR ISSUE**

The interim financial statements were authorised for issue by the Board of Directors on 30<sup>th</sup> August 2017