

# **MALAYSIA PACIFIC CORPORATION BERHAD**

(12200 – M)

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE FINANCIAL PERIOD ENDED**

**31 MARCH 2020**

## MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31-03-2020 RM'000	Preceding Year Corresponding Quarter 31-03-2019 RM'000	Current Year To Date 31-03-2020 RM'000	Preceding Year Corresponding Period 31-03-2019 RM'000
Revenue	(1,044)	4,294	3,019	11,074
Cost of sales	603	(3,387)	(2,460)	(7,597)
<b>Gross (loss)/ profit</b>	(441)	907	559	3,477
Other income/ loss	(1,640)	451	12,264	753
Administrative expenses	(9,842)	(2,592)	(14,895)	(7,247)
<b>Loss from operations</b>	(11,923)	(1,234)	(2,072)	(3,017)
Finance costs	(4)	(3,021)	(13)	(9,708)
	(11,927)	(4,255)	(2,085)	(12,725)
Share of results in an associate	(12)	-	(12)	-
<b>Loss before tax</b>	(11,939)	(4,255)	(2,097)	(12,725)
Taxation	10,265	245	10,330	369
<b>(Loss)/ Profit for the financial period</b>	(1,674)	(4,010)	8,233	(12,356)
<b>Other comprehensive (loss)/ profit, net of tax</b>				
Foreign currency transaction differences for foreign operations	(3)	2	35	-
<b>Total comprehensive (loss)/ profit</b>	(1,677)	(4,008)	8,268	(12,356)
<b>(Loss)/ Profit attributable to:</b>				
Owners of the parent	(1,674)	(4,010)	8,233	(12,356)
Non-controlling interest	-	-	-	-
	(1,674)	(4,010)	8,233	(12,356)
<b>Total comprehensive (loss)/ profit attributable to:</b>				
Owners of the parent	(1,677)	(4,008)	8,268	(12,356)
Non-controlling interest	-	-	-	-
	(1,677)	(4,008)	8,268	(12,356)
<b>(Loss)/ Profit per share attributable to owners of the parent:</b>				
a) Basic (sen)	(0.58)	(1.39)	2.86	(4.30)
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 2019.

# MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020

	As At End Of Current Quarter 31-03-2020 (Unaudited) RM'000	As At Preceding Financial Year Ended 30-06-2019 (Audited) RM'000
<b>Non-current assets</b>		
Property, plant and equipment	703	887
Inventories	217,672	217,761
Investment in associated company	38	50
<b>Total non-current assets</b>	<u>218,413</u>	<u>218,698</u>
<b>Current assets</b>		
Inventories	8,461	8,935
Trade and other receivables	12,196	18,158
Tax recoverable	39	1,244
Cash and cash equivalents	10,335	3,752
	<u>31,031</u>	<u>32,089</u>
Assets held for sales	-	189,000
<b>Total current assets</b>	<u>31,031</u>	<u>221,089</u>
<b>Total assets</b>	<u>249,444</u>	<u>439,787</u>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Share capital	287,660	287,660
Reserves	(224,517)	(232,785)
<b>Total equity</b>	<u>63,143</u>	<u>54,875</u>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Other payables	-	9,915
Bank borrowings	263	316
Deferred tax liabilities	17,279	33,098
	<u>17,542</u>	<u>43,329</u>
<b>Current liabilities</b>		
Trade and other payables	168,688	197,774
Bank borrowings	71	143,809
	<u>168,759</u>	<u>341,583</u>
<b>Total liabilities</b>	<u>186,301</u>	<u>384,912</u>
<b>Total equity and liabilities</b>	<u>249,444</u>	<u>439,787</u>
Net assets per share (RM)	0.22	0.19

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019.

# MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020

←————— 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 2019</b>	287,660	-	(1,274)	(231,511)	54,875
Other comprehensive income for the financial period	-	-	35	-	35
Profit for the financial period	-	-	-	8,233	8,233
<b>Total comprehensive profit for the financial period</b>	-	-	35	8,233	8,268
<b>As at 31 MARCH 2020</b>	287,660	-	(1,239)	(223,278)	63,143
<b>As at 1 JULY 2018</b>	287,660	-	(694)	(150,428)	136,538
Effects on adopting MFRS 9	-	-	-	(6)	(6)
Other comprehensive loss for the financial period	-	-	-	-	-
Loss for the financial period	-	-	-	(12,356)	(12,356)
<b>Total comprehensive loss for the financial period</b>	-	-	-	(12,362)	(12,362)
<b>As at 31 MARCH 2019</b>	287,660	-	(694)	(162,790)	124,176

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 2019.

# MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020

	As At End Of Current Quarter 31-03-2020 (Unaudited) RM'000	As At Preceding Financial Year Ended 30-06-2019 (Audited) RM'000
<b>Cash flows from operating activities</b>		
Loss before tax	(2,097)	(77,546)
Adjustments for :		
Bad debts written off	-	38
Depreciation of property, plant and equipment	185	241
Impairment loss/ (gain) on trade and other receivables	(123)	63
Impairment loss/ (gain) on assets held for sales	-	63,000
Interest expenses	13	13,040
Interest income	(119)	(176)
Waive of interest from bank borrowing	(13,632)	-
Gain on winding up of subsidiary companies	-	(100)
Unrealised loss/ (gain) on foreign exchange	-	(1)
Fair value adjustment on other payables	1,670	729
Reversal of payable arising from proof of debts	-	(1,996)
Reversal of Provision for liquidated and ascertained damages	-	(257)
Share of result of associate	-	37
Change in working capital	(14,103)	(2,928)
Inventories	563	4,947
Trade and other receivables	6,087	(7,521)
Trade and other payables	(40,669)	27,025
Foreign exchange reserve	35	(580)
Cash generated from operations	(48,087)	20,943
Interest expenses paid	(13)	(21)
Interest income received	119	176
Tax paid	(5,396)	2
Tax refund	1,108	(21)
<b>Net cash generated from operating activities</b>	<b>(52,269)</b>	<b>21,079</b>
<b>Cash flows from investing activities</b>		
Investment in associated company	12	(87)
Purchase of property, plant and equipment	-	(91)
Disposal of assets held for sales	189,000	-
<b>Net cash generated/ (used in) investing activities</b>	<b>189,012</b>	<b>(178)</b>
<b>Cash flows from financing activity</b>		
Repayment of bank borrowing	(37,063)	(10,692)
Repayment of finance lease liabilities	(51)	(105)
<b>Net cash used in financing activity</b>	<b>(37,114)</b>	<b>(10,797)</b>
Net increase in cash and cash equivalents	99,629	10,104
<b>Cash and cash equivalents at beginning of financial period</b>	<b>(89,294)</b>	<b>(99,399)</b>
<b>Effect of exchange translation differences on cash and cash equivalents</b>	<b>-</b>	<b>1</b>
<b>Cash and cash equivalents at end of the financial period</b>	<b>10,335</b>	<b>(89,294)</b>
Cash and cash equivalents comprise the following:		
Cash and bank balances	10,335	3,752
Bank overdrafts	-	(93,046)
	<b>10,335</b>	<b>(89,294)</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 2019.

# MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)

## NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2020

### 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 2019.

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 2019 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 2018. 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 2019.

<b>FRSs that have been issued by MASB but are not yet effective for the Group:</b>	<b>Effective dates for financial periods beginning on or after</b>	
MFRS 16	Leases	1 January 2019
IC Interpretation 23	Uncertainty Over Income Tax Treatments	1 January 2019
Amendments to MFRS 9	Prepayment Features with Negative Compensation	1 January 2019
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
Annual Improvements to MFRSs 2015 - 2017 Cycle:		
• Amendments to MFRS 3		1 January 2019
• Amendments to MFRS 11		1 January 2019
• Amendments to MFRS 112		1 January 2019
• Amendments to MFRS 123		1 January 2019
Amendments to References to the Conceptual Framework in MFRS Standards		1 January 2020
Amendments to MFRS 3	Definition of a Business	1 January 2020
Amendments to MFRS 101 and MFRS 108	Definition of Material	1 January 2020
MFRS 17	Insurance Contracts	1 January 2021
Amendments to MFRS 10 and MFRS 128	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

### **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 2021.

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 year ending 30 June 2020 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 2019 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 2019.

#### *Basis for Disclaimer of Opinion*

(a) Going concern assumption

- (i) On 1 December 2014, the Company announced that the Company was classified as an affected listed issuer pursuant to Paragraph 8.04 and Paragraph 2.1(d) of Practice Note 17 ("PN17") of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. As an affected listed issuer, the Company is required to submit a proposed regularisation plan to the relevant authorities for approval and to implement the regularisation plan within the stipulated time frame. On 17 July 2019, Bursa Malaysia Securities Berhad had granted approval to the Company for an extension of time up to 31 December 2019 to submit its proposed regularisation plan to the relevant authorities.

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

- (ii) As at 30 June 2019, the amount due to Wisma MPL JMB by the Group and the Company amounting to RM17,014,000 and RM16,625,000 respectively. The Company and certain of its subsidiary companies have entered into settlement agreements with Wisma MPL JMB for settlement of all outstanding maintenance charges and sinking fund contribution together with Car Parks Settlement Sum. However, the Company has not complied with the repayment within the agreed date stated in the now terminated settlement agreement. The Company undertake to fully settle the amount due to Wisma MPL JMB upon receiving full balance of proceeds from purchaser on disposal of Wisma MPL by 25 November 2019 (“Completion Date”). We would like to highlight that the ability of the Group and of the Company to discharge their liabilities is depends on the purchaser to fulfill its payment obligation at Completion Date.
- (iii) As disclosed in Note 2(c) to the financial statements, the Group and the Company incurred a net loss of RM81,074,000 and RM82,272,000 during the financial year ended 30 June 2019 respectively. As at 30 June 2019, the Group’s current liabilities exceeded its current assets by RM120,494,000 and the Company recorded a deficit in its shareholders’ equity of RM9,877,000.

The factors set forth above indicate the existence of material uncertainty that may cast significant doubt on the ability of the Group and of the Company to continue as going concern and therefore, they may be unable to realise their assets and discharge their liabilities in the normal course of business.

As at the date of this report, as the Company is currently in the midst of formalising the Regularisation Plan, we are unable to determine whether the Regularisation Plan will be approved by the relevant authorities and whether it will be successfully implemented for the Group and for the Company to achieve sustainable and viable operations.

As disclosed in Note 2(c) to the financial statements, the financial statements of the Group and of the Company are prepared on a going concern basis. The appropriateness of preparing the financial statements of the Group and of the Company on going concern basis is dependent upon the successful and timely formulation and implementation of the proposed regularisation plan.

Should the going concern basis of preparing the financial statements be no longer appropriate, adjustments would have to be made to reduce the value of all assets to their estimated realisable values, and to provide further estimated liabilities that may arise, and to reclassify property, plant and equipment and other non-current assets and non-current liabilities as current assets and current liabilities respectively. The financial statements of the Group and of the Company do not include any adjustment and classification relating to the recorded assets and liabilities that may be necessary should the Group and the Company be unable to continue as going concern.



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

- (b) As disclosed in Note 15(a) and 31(a) to the financial statements, on 28 September 2012, a creditor of a subsidiary company of the Company 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.

On 23 August 2019, the Company and its subsidiary companies entered into a settlement agreement with the creditor which involves the effective disposal of land as settlement of debts due to the creditor of RM115,000,000 (“Proposed Land Disposal”). The Proposed Land Disposal is pending completion as at the date of this report. Therefore, we could not determine the effect of adjustment, if any, on the financial statements of the Group and of the Company should the Proposed Land Disposal is not approved by the Company’s shareholders at an extraordinary general meeting to be convened and by the relevant authorities.

- (c) As at 30 June 2019, a trade receivable of the Group has not complied with the payment schedule as stipulated in the joint venture agreement amounting to RM8.07 million. The Directors are of the opinion that the amount are recoverable and accordingly no impairment is required to be made in the financial statements. However, we would like to highlight that the recoverability of the amount due is depends on the management’s continuous effort in debt recovery.

**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 ended.

**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 current financial period ended under review.

## MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)

### A6. DEBTS AND EQUITY SECURITIES

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

### A7. DIVIDEND PAID

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

### A8. SEGMENTAL REPORTING

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

#### Results for 9 months ended 31 March 2020

Description	Property Development RM'000	Investment Property RM'000	Elimination RM'000	Consolidation RM'000
Revenue				
- External Sales	1,043	1,976	-	3,019
- Inter-Segement Sales	-	-	-	-
Group's Revenue	1,043	1,976	-	3,019
Results				
Segment Results	(2,300)	216	-	(2,084)
Finance Costs	(13)	-	-	(13)
(Loss)/ Profit Before Tax	(2,313)	216	-	(2,097)
Taxation	45	10,285	-	10,330
(Loss)/ Profit After Tax	(2,268)	10,501	-	8,233

#### Results for 9 months ended 31 March 2019

Description	Property Development RM'000	Investment Property RM'000	Elimination RM'000	Consolidation RM'000
Revenue				
- External Sales	6,581	4,493	-	11,074
- Inter-Segement Sales	-	-	-	-
Sub Total	6,581	4,493	-	11,074
Results				
Segment Results	1,233	(4,250)	-	(3,017)
Finance Costs	(15)	(9,693)	-	(9,708)
Profit/ (Loss) Before Tax	1,218	(13,943)	-	(12,725)
Taxation	369	-	-	369
Profit/ (Loss) After Tax	1,587	(13,943)	-	(12,356)

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

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

Land held for property development

Base on the certificate of the update valuation issued by Ian Scott International (M) Sdn Bhd dated 10 October 2019. The market value of 34 parcels of freehold agricultural and commercial lands with an approximate aggregate land area of 17.72 million square foot amounting to RM413.09 million or average RM23.31 per square foot, based on “as is” basis by using comparison method, making reference relevant comparable transactions in the market. As such management is in view that no impairment is required for land held for property development.

On the assumptions that all the 34 parcels of land are converted into residential and commercial use and issued with separate unencumbered freehold land titles with all premiums and relevant statutory fees are fully paid. The market value of the 34 parcels freehold agricultural and commercial land amounting to RM553.47 million or average RM31.23 per square foot.

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

Save and disclosed below, there were no material events subsequent to the end of the financial period ended under review except;

On 10 March 2020, the Company announced the notice of Extraordinary General Meeting (EGM) to be held on 30 March 2020 for the purpose of proposed disposal of land in the Mukim of Plentong, District of Johor Bahru, Johor (“Johor Land”), by the company and its wholly-owned subsidiaries, Oriental Pearl City Properties Sdn Bhd, Lakehill Resort Development Sdn Bhd and Taman Bandar Baru Masai Sdn Bhd, as settlement of debt owing to Amanahraya Development Sdn Bhd amounting to RM115,000,000.

The EGM was postponed to 22 May 2020 due to the World Health Organisation’s declaration on 11 March 2020 that Covid-19 is now a pandemic disease and the Malaysian Health Ministry’s advisory note to refrain from holding public events and the subsequent announcement by our Prime Minister of Malaysia, Tan Sri Muhyiddin Yassin, on 16 March 2020, that a movement control order (MCO) has been imposed from 18 March 2020.

The resolution was dully passed at the postponed EGM held on 22 May 2020

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

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

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

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

## MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)

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

#### PROFIT/ (LOSS) BEFORE TAX

	<b>Individual period 3 months ended 31-03-2020 RM'000</b>	<b>Cumulative period 9 months ended 31-03-2020 RM'000</b>
Depreciation of property, plant and equipment	61	185
Interest expenses	4	13
Reversal of Impairment loss on receivables	(7)	(123)
Interest income	(56)	(119)

### A14. SIGNIFICANT RELATED PARTY TRANSACTIONS

There were no significant related party transactions have been entered into the normal course of business under normal trade terms except for advances from Top Lander Offshore Inc.

	<b>As At End Of Current Quarter 31-03-2020 (Unaudited) RM'000</b>	<b>As At Preceding Financial Year Ended 30-06-2019 (Audited) RM'000</b>
Advances from/ (Repayment to) Top Lander Offshore Inc. (net)	(530)	11,071

## **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 31 March 2020 registered negative revenue of RM1.04 million as compare to RM4.29 million in the preceding year's corresponding quarter ended 31 March 2019. The decrease in revenue for the current quarter was mainly due to lose of rental income upon completion of disposal of investment property and slow construction progress, cancellation of sales and purchase agreement (SPA) and price rebate to the buyer in property development segment.

The Group's registered pre-tax loss for the current quarter of RM11.94 million as compared to pre-tax loss in the preceding year's corresponding period ended 31 March 2019 of RM4.26 million. The increase in loss was mainly due to expenses incurred upon completion of disposal of investment property and slow construction progress, cancellation of sales and purchase agreement (SPA) and price rebate to the buyer in property development segment.

As on the year to date basis, the Group revenue decreased by RM8.05 million to RM3.02 million as compare to the proceeding year's corresponding financial year period ended 31 March 2019 of RM11.07 million. The decrease in revenue for the current financial period was mainly due to lose of rental income upon completion of disposal of investment property and slow construction progress, cancellation of sales and purchase agreement (SPA) and price rebate to the buyer in property development segment.

The Group recorded pre-tax loss for the current financial period of RM2.10 million as compared to pre-tax loss in the preceding year's corresponding period ended 31 March 2019 of RM12.73 million. The decrease in loss was saving from bank interest waived after recognize the full settlement of RHB bank loan account.

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

	<b>Current Quarter Ended 31-03-2020 RM'000</b>	<b>Preceding Quarter Ended 31-12-2019 RM'000</b>	<b>Difference</b>	
			<b>RM'000</b>	<b>%</b>
Revenue	(1,044)	1,010	(2,054)	(203.37)
Loss before tax	(11,939)	(1,971)	(9,968)	505.73

As compared to the preceding quarter, the Group revenue registered negative revenue of RM1.04 million. The decrease in revenue for the current quarter was mainly due to low construction progress, cancellation of sales and purchase agreement (SPA) and price rebate to the buyer.

## MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)

### B2. COMPARISON WITH IMMEDIATE PRECEDING QUARTER'S RESULTS (CONT'D)

The Group's registered pre-tax loss of RM11.94 million as compare to the preceding quarter pre-tax loss of RM1.97 million. The increase in loss was mainly due to expenses incurred upon completion of disposal of investment property and slow construction progress, cancellation of sales and purchase agreement (SPA) and price rebate to the buyer.

### B3. PROSPECTS AND OUTLOOK FOR THE FINANCIAL YEAR

The Board believes that the prospect for the financial year will be challenging due to global and local economic has been deeply impacted by the Covid-19 pandemic. Sluggish property market conditions to continue in year 2020. And it is crucial to submit comprehensive regularisation plan for Practice Note 17 including to address the going concern issue.

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

This is not applicable to the Group.

### B5. TAXATION

No provision for taxation for the current financial period ended as the Group of companies have no chargeable income and adjustment and non-recognition of deferred tax liabilities for temporary differences.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Quarter	To Date	Corresponding Period
	31-03-2020	31-03-2019	31-03-2020	31-03-2019
	RM'000	RM'000	RM'000	RM'000
Under/ (over) provision in prior year	100	(107)	100	(107)
Real Property Gain Tax	5,388	-	5,388	-
Deferred Tax	(15,753)	(138)	(15,818)	(262)
	<u>(10,265)</u>	<u>(245)</u>	<u>(10,330)</u>	<u>(369)</u>

Malaysian income tax is calculated at the statutory tax rate of 24% of the estimated assessable profits for the financial year ended

## MALAYSIA PACIFIC CORPORATION BERHAD (12200-M)

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### B6. GROUP BORROWINGS

Total Group's borrowings as at 31 March 2020 are as follow:-

	<b>Short Term Secured RM'000</b>	<b>Long Term Secured RM'000</b>	<b>Total RM'000</b>
Finance lease payables	71	263	334

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

### B7. MATERIAL LITIGATION UPDATES

There was no material litigation update for the current financial period ended.

### B8. DIVIDEND

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

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

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>Current Year</b>	<b>Preceding Year</b>	<b>Current Year</b>	<b>Preceding Year</b>
	<b>Quarter</b>	<b>Corresponding</b>	<b>Current Year</b>	<b>Corresponding</b>
	<b>31-03-2020</b>	<b>Quarter</b>	<b>To Date</b>	<b>Corresponding</b>
		<b>31-03-2019</b>	<b>31-03-2020</b>	<b>Period</b>
			<b>31-03-2020</b>	<b>31-03-2019</b>
<b>(a) Basic Earnings Per Share</b>				
(Loss)/ Profit attributable to members of the Company (RM'000)	(1,674)	(4,010)	8,233	(12,356)
Weighted average number of ordinary shares in issue ('000)	287,660	287,660	287,660	287,660
Basic (loss)/ profit per share (sen)	(0.58)	(1.39)	2.86	(4.30)

#### **(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 authorisation of these financial statements.

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

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

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

### **B11. PURCHASE OR DISPOSAL OF QUOTED SECURITIES**

There was no disposal of quoted securities for the current financial period ended.

### **B12. STATUS OF CORPORATE PROPOSAL**

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

### **B13. AUTHORISATION FOR ISSUE**

The interim financial statements were authorised for issue by the Board of Directors on 23 June 2020