

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME

For the 4th Quarter Ended 30.06.2020

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter Ended 30.06.2020 RM'000	Preceding Quarter Ended 30.06.2019 RM'000	Current Year-to-date Ended 30.06.2020 RM'000	Preceding Year-to-date Ended 30.06.2019 RM'000
Revenue	9,813	9,589	64,934	85,599
Cost of sales	(11,951)	(7,618)	(61,122)	(73,923)
Gross profit	(2,138)	1,971	3,812	11,676
Other income	1,423	1,409	1,781	1,981
Distribution costs	12	(18)	-	(56)
Administrative and other expenses	(4,808)	(7,001)	(14,819)	(14,956)
Profit/ (loss) from operations	(5,511)	(3,639)	(9,226)	(1,355)
Finance costs	(127)	(1,160)	(127)	(1,200)
Profit/ (Loss) before taxation	(5,638)	(4,799)	(9,353)	(2,555)
Taxation	355	(880)	636	(1,010)
Profit/ (Loss) for the period	(5,283)	(5,679)	(8,717)	(3,565)
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	(5,283)	(5,679)	(8,717)	(3,565)
Profit/ (Loss) attributable to:				
Owners of the Parent	(4,807)	(4,914)	(8,144)	(2,766)
Non-controlling interests	(475)	(764)	(573)	(799)
	(5,283)	(5,679)	(8,717)	(3,565)
Total comprehensive income attributable to:				
Owners of the Parent	(4,807)	(4,914)	(8,144)	(2,766)
Non-controlling interests	(475)	(764)	(573)	(799)
	(5,283)	(5,676)	(8,717)	(3,565)
Profit/ (Loss) per share attributable to the owners of the Company (sen) :-				
Basic loss per share (sen)	(1.36)	(1.39)	(2.31)	(0.85)
Diluted loss per share (sen)	N/A	N/A	N/A	N/A

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**As at 30.06.2020**

	(Unaudited) As at 30.06.2020 RM'000	(Audited) As at 30.06.2019 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	10,095	9,841
Intangible assets	-	1
Goodwill arising from consolidation	1,100	1,100
Right of use assets	1,186	-
Trade receivables	13,568	12,307
Deferred Tax Assets	-	440
	25,949	23,689
Current assets		
Inventories	2,410	-
Receivables, deposits and prepayments	16,674	19,579
Tax recoverable	188	345
Contract costs	1,907	5,810
Cash and cash equivalents	3,763	14,730
	24,942	40,464
Assets held for sale	256	256
	25,198	40,720
TOTAL ASSETS	51,147	64,409
EQUITY AND LIABILITIES		
Share capital	50,976	50,976
Warrant reserve	8,401	8,401
Retained profits	(18,843)	(10,364)
Equity attributable to owners of the parent	40,535	49,013
Non-controlling interests	(534)	39
TOTAL EQUITY	40,000	49,052
Non-current liabilities		
Finance lease payables	324	-
Deferred taxation	-	320
	324	320
Current liabilities		
Trade and other payables	9,528	6,234
Finance lease payables	977	-
Provision for restoration cost	300	-
Contract Liabilities	-	7,871
Provision for taxation	18	932
	10,823	15,037
TOTAL LIABILITIES	11,147	15,357
TOTAL EQUITY AND LIABILITIES	51,147	64,409

Net assets per share attributable to the owners of the parent (RM)

0.11

0.14

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial period ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**For the 4th Quarter Ended as at 30.06.2020**

	Attributable to owners of the Parent					Non-controlling interests	Total Equity
	Share Capital	ESOS Reserve	Warrant Reserve	Other Reserve	Retained Earnings		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 30 June 2019	50,976	-	8,401	-	(10,364)	39	49,052
Effect on adoption of MFRS 16	-	-	-	-	(334)	-	(334)
Issuance of Share Capital	-	-	-	-	-	-	-
Exercise of ESOS	-	-	-	-	-	-	-
Shares options granted Under ESOS	-	-	-	-	-	-	-
Realization of ESOS	-	-	-	-	-	-	-
Acquisition/Disposal of Additional Interest From Non-Controlling Interest	-	-	-	-	-	-	-
Total comprehensive income for the financial year	-	-	-	-	(8,144)	(573)	(8,717)
At 30 June 2020	50,976	-	8,401	-	(18,843)	(534)	40,000

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial period ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**For the 4th Quarter Ended as at 30.06.2020**

	Attributable to owners of the Parent					Non-controlling interests	Total Equity
	Share Capital	ESOS Reserve	Warrant Reserve	Other Reserve	Retained Earnings		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 30 June 2018	46,931	-	8,401	1,460	(8,511)	(202)	48,079
Issuance of Share Capital	4,045	-	-	-	-	-	4,045
Exercise of ESOS	-	-	-	-	-	-	-
Shares options granted Under ESOS	-	-	-	-	-	-	-
Realization of ESOS	-	-	-	-	-	-	-
Acquisition/Disposal of Additional Interest From Non-Controlling Interest	-	-	-	-	913	1,040	1,953
Total comprehensive income for the financial year	-	-	-	(1,460)	(2,766)	(799)	(5,025)
At 30 June 2019	50,976	-	8,401	-	(10,364)	39	49,052

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial period ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**For the 4th Quarter Ended 30.06.2020****(The figures have not been audited)**

	Current	Cumulative quarter
	Year-to-date	(Audited)
	RM'000	As at 30.06.2019
		RM'000
Cash flow from operating activities		
Profit/ (loss) before taxation	(9,354)	(2,555)
Adjustments for:-		
Amortisation of intangible assets	-	8
Bad debts written off	-	514
Deposits written off	-	10
Depreciation of property, plant and equipment	1,947	1,452
Depreciation of investment properties	-	12
Depreciation of right of use	5,522	-
(Gain)/Loss on disposal of property, plant and equipment	149	(213)
(Gain)/Loss on disposal of assets held for sale	-	(42)
Impairment (Gain)/Loss on trade receivables	6,078	189
Inventories written off	-	3
Reversal of property, plant and equipment	-	376
Fair value adjustment on trade receivables	(1,261)	1,151
(Gain)/Loss on disposal of subsidiary companies	-	1,625
Property, plant and equipment written off	203	1,085
Finance costs	-	49
Interest income	(66)	(119)
Interest expense	138	-
Operating profit / (loss) before working capital changes	3,356	3,545
Changes in working capital:		
Inventories	(2,410)	(153)
Contract assets	-	(5,810)
Receivables, deposits and prepayments	(4,792)	3,980
Payables and accruals	(4,577)	(722)
Contract liabilities	-	7,871
	(11,779)	5,166
Cash used in operations	(8,423)	8,711
Interest receive	66	119
Interest paid	(138)	(49)
Tax paid	(432)	(270)
Tax refund	429	114
	(75)	(86)
Net cash used in operating activities	(8,498)	8,625

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial period ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the 4th Quarter Ended as at 30.06.2020

	Cumulative quarter	
	Current	(Audited)
	Year-to-date	As at
	RM'000	30.06.2019
	RM'000	RM'000
Cash flows from investing activities		
Purchase of property, plant and equipment (Note a)	(3,791)	(7,842)
Repayment of lease liability	(1,520)	-
Proceeds from disposal of property, plant and equipment	1,238	847
Net cash inflows from disposal of subsidiaries	-	460
Proceed from disposal of subsidiaries	(1,794)	-
Investment in subsidiaries	1,794	-
Net cash (used in) / from investing activities	<u>(4,073)</u>	<u>(6,535)</u>
Cash flows from financing activities		
Issuance of share capital	-	4,045
Issuance of shares by a subsidiary	-	490
Repayment of finance lease payables	-	(321)
Placement of short-term deposits with licensed bank	-	(10)
Net lease liability	1,602	-
Net cash flows from / (used in) financing activities	<u>1,602</u>	<u>4,204</u>
Net (decrease) / increase in cash and cash equivalents	(10,967)	6,294
Effect of foreign exchange rate changes	-	-
Cash and cash equivalents at the beginning of the financial year	14,730	8,436
Cash and cash equivalents at the end of the financial year (Note b)	<u>3,763</u>	<u>14,730</u>
(a) Purchase of property, plant and equipment:		
- financed by cash	3,791	7,897
	<u>3,791</u>	<u>7,897</u>
(b) Analysis of cash and cash equivalents:		
Cash and bank balances	3,763	14,730
Fixed deposits with licensed banks	-	-
Short-term funds	-	-
	<u>3,763</u>	<u>14,730</u>
Less: Bank overdrafts	-	-
	<u>3,763</u>	<u>14,730</u>
Less: Fixed deposit pledged to a licensed bank	-	-
	<u>3,763</u>	<u>14,730</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial period ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.

Part A – Explanatory Notes Pursuant to Malaysian Financial Reporting Standard (MFRS) 134 - Interim Financial Reporting (Continued)

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with MFRS 134: Interim Financial Reporting and Rule 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad for the ACE Market.

The interim financial statements should be read in conjunction with the audited financial statements of Macpie Berhad (“Macpie Group” or “Company”) on a consolidated basis with its subsidiaries (“Macpie Group” or “Group”) for the financial period 30 June 2019 and the explanatory notes attached to the interim financial statements, which provide an explanation of events and transactions that are significant to understand the changes in the financial position and performance of the Group since the financial period 30 June 2019.

2. Changes in Accounting Policies

The accounting policies and methods of computation used in the preparation of the quarterly financial statements are consistent with those applied in the latest audited annual financial statements for the financial period 30 June 2019.

The significant accounting policies adopted are consistent with those of the audited financial statements financial period 30 June 2019.

3. Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the financial statements of the Group for the financial period 30 June 2019 was not subject to any qualification.

4. Seasonal or Cyclical Factors

The Group is subjected to the cyclical effects of the global and Malaysian technology industry.

5. Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter.

6. Material Changes in Estimates

There were no changes in estimates of amounts which have a material effect for the current quarter results under review.

7. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and other repayments of debt and equity securities during the current quarter.

8. Dividends Paid

No dividend has been paid during the current quarter.

**Part A – Explanatory Notes Pursuant to Malaysian Financial Reporting Standard (MFRS)
134 - Interim Financial Reporting (Continued)**

9. Segmental Information

Sales revenue by division to external parties for the quarter ended 30 June 2020 are as follows:-

	<u>Event</u>	<u>ICT</u>	<u>Leasing</u>	<u>Financial Solution</u>	<u>Other Operating Segment</u>	<u>Consolidated</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue						
External sales	(2,333)	11,272	870	4	-	9,813
Gross profit / (loss)	(2,489)	147	200	4	-	(2,138)
Profit/ (loss) before taxation	(5,365)	311	(152)	668	(1,100)	(5,638)

Sales revenue by division to external parties for the quarter ended 31 March 2020 are as follows:-

	<u>Event</u>	<u>ICT</u>	<u>Leasing</u>	<u>Financial Solution</u>	<u>Other Operating Segment</u>	<u>Consolidated</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue						
External sales	1,101	11,287	2,281	244	-	14,913
Gross profit / (loss)	71	878	403	244	-	1,596
Profit/ (loss) before taxation	(923)	(58)	(364)	162	(494)	(1,677)

10. Changes of Composition of the Group

There were no changes to the composition of the Group as at and for the quarter ended 30 June 2020.

**Part A – Explanatory Notes Pursuant to Malaysian Financial Reporting Standard (MFRS)
134 - Interim Financial Reporting (Continued)**

11. Valuation of Property, Plant and Equipment

The Group did not revalue any of its assets from the previous audited financial statements for the financial period 30 June 2019.

12. Contingent Assets or Liabilities

There are no contingent assets and liabilities since the previous audited financial statement for the financial period 30 June 2019.

13. Capital Commitments

There were no capital commitments for the current quarter under review.

14. Material Events Subsequent to the End of the Interim Reporting Period

There were no material events subsequent to the end of the current quarter under review up to 28 Aug 2020 (the latest practicable date not earlier than seven (7) days from the date of issue of this quarterly report).

Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirement of Bursa Malaysia Securities Berhad (Continued)**1. Review of Performance****Current Year Quarter versus Preceding Period Corresponding Quarter**

	Individual Period		Change		Cumulative Period		Change	
	Current Year Quarter 30.06.2020 RM'000	Preceding Year corresponding Quarter 30.06.2019 RM'000	RM'000	Percentage %	Current Year Quarter 30.06.2020 RM'000	Preceding Year corresponding Quarter 30.06.2019 RM'000	RM'000	Percentage %
Revenue	9,813	9,589	224	2%	64,934	85,599	(20,665)	(24%)
Operating profit / (loss)	(2,138)	1,971	(4,109)	(208%)	3,812	11,676	(7,864)	(67%)
Profit / (loss) before interest and tax	(5,511)	(3,639)	(1,872)	51%	(9,226)	(1,355)	(7,871)	581%
Profit / (loss) before tax	(5,638)	(4,799)	(839)	17%	(9,353)	(2,555)	(6,798)	266%
Profit / (loss) after tax	(5,283)	(5,679)	396	(7%)	(8,717)	(3,565)	(5,152)	145%
Profit / (loss) Attributable to Ordinary Equity Holders of the Parent	(4,807)	(4,914)	107	(2%)	(8,144)	(2,766)	(5,378)	194%

Cumulative current year quarter end 30 June 2020 compared with preceding corresponding year ended 30 June 2019.

Revenue of the Group for the current year recorded RM64.9 million, a decrease of 24% compared with the previous year's corresponding quarter's revenue of RM85.6 million. The decrease mainly due to event segment, ICT segment and leasing segment which was decreased RM2.8 million, RM5.8 million and RM4.6 million respectively. The decrease was arising from the effect of the COVID-19 global pandemic. Partially from hydraulics segment RM4.5 million pursuant to the disposal of a wholly-owned subsidiary, on 28 June 2019.

A loss after tax of RM8.1 million was recorded for the current year compared to RM2.8 million in the previous year's corresponding quarter. The increase mainly contributed by Event segment was decreased RM5.3 million, higher impairment losses recorded in the current year quarter of the adverse impact from the Covid-19 pandemic.

Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirement of Bursa Malaysia Securities Berhad (Continued)**2. Variation of Results against Preceding Quarter**

	Current Quarter	Immediate Preceding Quarter	Change	
	30.06.2020	31.03.2020		
	RM'000	RM'000	RM'000	%
Revenue	9,813	14,912	(5,099)	(34%)
Operating profit / (loss)	(2,138)	1,596	(3,734)	(234%)
Profit / (loss) before interest and tax	(5,511)	(2,045)	(3,466)	(169%)
Profit / (loss) before tax	(5,638)	(2,045)	(3,593)	(176%)
Profit / (loss) after tax	(5,283)	(1,727)	(3,556)	(206%)
Profit / (loss) attributable to ordinary equity holders of the parent	(4,807)	(1,360)	(3,447)	(253%)

The Group recorded decrease in Revenue of RM5.1 million in 30 June 2020 (“4th Qtr 2020”) as compare to 31 March 2020 (“3rd Qtr 2020”) was mainly attributed by leasing segment and event segment due to sales were lower than anticipated demand. A loss after tax was increased RM3.4mil due to higher impairment losses recorded in 4th Qtr 2020.

3. Commentary on Prospects

The Covid-19 pandemic escalated so quickly and impacted overall event segment of the past few months, As such we will focus to grow ICT and financial solution segments. In the meantime, Macpie Group will continue the cost control measure across all of its operation entities.

4. Actual Profit against Profit Forecast

There was no profit forecast or guarantee made public for the financial period under review.

Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirement of Bursa Malaysia Securities Berhad (Continued)

5. Income Tax Expense

	Current Quarter Ended		Cumulative Quarter Ended	
	30.06.2020	31.03.2020	30.06.2020	31.03.2020
	RM'000	RM'000	RM'000	RM'000
Current tax	(355)	2	(636)	39
Deferred tax	-	(320)	-	(320)
Tax expense	(355)	(318)	(636)	281

The effective tax rate of the Group for the current quarter under review is higher than the statutory tax rate 24% mainly due to taxable income incurred for some of the subsidiary.

6. Sales of Unquoted Investments and Properties

There were no disposals of unquoted investment and properties during the current quarter under review.

7. Quoted Securities

There were no purchases or disposals of quoted securities during the current quarter under review. The Group did not hold any investments in quoted securities as of the financial period 30 June 2019.

8. Status of Corporate Exercises

There is no pending corporate exercise.

9. Borrowings and Debt Securities

The Group's borrowings as at 30.06.2020 are as follows:-

	Payable within 12 months RM'000	Payable after 12 months RM'000	Total Outstanding RM'000
<u>Secured</u>			
Bank overdraft	-	-	-
Finance lease	-	-	-
Total	-	-	-

10. Derivative Financial Instruments

There were no derivative financial instruments as at 28 Aug 2020 (the latest practicable date which is not earlier than 7 days from the issue of this quarterly report).

11. Changes in Material Litigation

There is no material litigation at 28 Aug 2020 (the latest practicable date which is up to date of the meeting).

Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirement of Bursa Malaysia Securities Berhad (Continued)

12. Dividend

No dividend has been proposed for the financial year under review.

13. Basic earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

14. Basic earnings per share (continued)

	Current Quarter Ended		Cumulative Quarter Ended	
	30.06.2020	30.06.2019	30.06.2020	30.06.2019
	RM'000	RM'000	RM'000	RM'000
Profit / (loss) for the quarter	(4,807)	(4,914)	(8,144)	(2,766)
Weighted average number of ordinary shares of RM0.10 in issue	353,295	323,387	353,295	323,387
Basic earnings per share (sen)	(1.36)	(1.39)	(2.31)	(0.85)

Diluted losses per ordinary share is not applicable for the current financial year as the unexercised share options were anti-dilutive in nature, this is due to the average market share price of the Company being below the exercise price of share options.

Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirement of Bursa Malaysia Securities Berhad (Continued)

15. Disclosure of Realised and Unrealised Profits or Accumulated losses

On 25 March 2010, Bursa Securities issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of the Bursa Securities Ace Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into realised and unrealised profits or losses.

On 20 December 2010, Malaysian Institute of Accountants further issued guidance on the disclosure and the format required.

The breakdown of the (accumulated losses)/retained profits of the Group as at 30 June 2020 into realised and unrealised (accumulated losses)/profits, pursuant to the directive, is as follows:

	As at 30.06.2020 RM'000	As at 30.06.2019 RM'000
Total (accumulated losses) retained profits of the Group:		
- Realised	(18,843)	(10,364)
- Unrealised	-	-
	<u>(18,843)</u>	<u>(10,364)</u>

The determination of realised and unrealised profits is compiled based on Guidance of Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

16. Authorisation for Issue

These unaudited financial statements were authorised for release by the Company in accordance with a resolution of the Directors dated 28 Aug 2020.