

**MAGMA GROUP BERHAD**  
(Formerly known as Impiana Hotels Berhad)  
Registration No: 200601021085 (740838-A)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE QUARTER AND PERIOD-TO-DATE ENDED 31 DECEMBER 2023**

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding Quarter	Quarter	Corresponding Quarter
	31.12.2023 (Reviewed)	31.12.2022 (Unaudited)	31.12.2023 (Reviewed)	31.12.2022 (Unaudited)
<b>RM'000</b>				
Revenue	(2,457)	2,586	14,365	18,679
Other income	(23)	(1,914)	1,278	(1,722)
Operating expenses	1,265	(4,914)	(17,971)	(22,207)
Finance costs	(1,344)	(1,850)	(8,668)	(9,167)
Share of results of associate	249	617	205	(482)
Operating loss before tax	<u>(2,310)</u>	<u>(5,475)</u>	<u>(10,791)</u>	<u>(14,899)</u>
Taxation	(837)	(100)	(1,735)	(493)
Net loss after tax	<u>(3,147)</u>	<u>(5,575)</u>	<u>(12,526)</u>	<u>(15,392)</u>
Other comprehensive income				
- Revaluation surplus, net of deferred tax	883	1,860	883	28,134
Total comprehensive (loss)/income for the period	<u>(2,264)</u>	<u>(3,715)</u>	<u>(11,643)</u>	<u>12,742</u>
Loss attributable to:				
Owners of the Company	(3,186)	(5,574)	(12,563)	(15,391)
Non-controlling interest	39	(1)	37	(1)
	<u>(3,147)</u>	<u>(5,575)</u>	<u>(12,526)</u>	<u>(15,392)</u>
Total comprehensive loss attributable to:				
Owners of the Company	(2,303)	(3,714)	(11,680)	12,743
Non-controlling interest	39	(1)	37	(1)
	<u>(2,264)</u>	<u>(3,715)</u>	<u>(11,643)</u>	<u>12,742</u>
Loss per share attributable to Owners of the Company (sen):-				
Basic	(0.378)	(0.419)	(2.150)	(0.965)

*The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial period ended 31 December 2022 and the accompanying explanatory notes attached.*

**MAGMA GROUP BERHAD**  
(Formerly known as Impiana Hotels Berhad)  
Registration No: 200601021085 (740838-A)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023**

<b>RM'000</b>	<b>As at 31.12.2023 (Reviewed)</b>	<b>As at 31.12.2022 (Audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	109,221	110,682
Intangible assets	-	5,314
Right-of-use assets	1,921	-
Investment in associate	40,223	39,398
Total non-current assets	<u>151,365</u>	<u>155,394</u>
<b>Current assets</b>		
Inventories	49,166	27,186
Contract assets	8,152	12,138
Trade receivables	22,808	20,962
Other receivables, deposits and prepayments	7,260	2,831
Amounts due from associate	-	175
Fixed deposits	712	691
Cash and bank balances	19,822	2,439
Total current assets	<u>107,920</u>	<u>66,422</u>
<b>TOTAL ASSETS</b>	<u><u>259,285</u></u>	<u><u>221,816</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	178,856	125,960
Irredeemable convertible preference shares (ICPS)	4,197	5,070
Accumulated losses	(134,114)	(122,434)
Revaluation reserve	56,207	57,090
Equity attributable to Owners of the Company	<u>105,146</u>	<u>65,686</u>
Non-controlling interest	37	-
Total equity	<u>105,183</u>	<u>65,686</u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	16,663	15,828
Lease liabilities	1,661	-
Borrowings	73,397	65,166
Total non-current liabilities	<u>91,721</u>	<u>80,994</u>

*The above condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial period ended 31 December 2022 and the accompanying explanatory notes attached.*

**MAGMA GROUP BERHAD**  
(Formerly known as Impiana Hotels Berhad)  
Registration No: 200601021085 (740838-A)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023  
(CONT'D)**

<b>RM'000</b>	<b>As at 31.12.2023 (Reviewed)</b>	<b>As at 31.12.2022 (Audited)</b>
<b>Current liabilities</b>		
Trade payables	7,776	9,320
Other payables and accruals	45,783	48,716
Contract liabilities	65	458
Borrowings	4,034	6,651
Lease liabilities	278	-
Amounts due to Directors' related companies	1,231	1,304
Amount due to a Director	-	5,910
Amount due to an associate	44	-
Tax payable	3,170	2,777
	<u>62,381</u>	<u>75,136</u>
	<u>259,285</u>	<u>221,816</u>
 Net assets per share attributable to owners of the Company (RM)	 <u>0.111</u>	 <u>0.227</u>

*The above condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial period ended 31 December 2022 and the accompanying explanatory notes attached.*

**MAGMA GROUP BERHAD**  
(Formerly known as Impiana Hotels Berhad)  
Registration No: 200601021085 (740838-A)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD-TO-DATE ENDED 31 DECEMBER 2023**

(Reviewed)	←----- Attributable to Owners of the Company -----→							Non-controlling Interest	Total Equity
	←----- Non-Distributable -----→			Revaluation Reserve	Accumulated losses	Total			
	Share Capital	ICPS	Redeemable Convertible Notes (RCN)						
12 months period	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	
Balance as of 1 January 2023	125,960	5,070	-	57,090	(122,434)	65,686	-	65,686	
Loss for the financial year	-	-	-	(883)	(11,680)	(12,563)	37	(12,526)	
<b>Transaction with Owners of the Group:</b>									
Issuance of redeemable convertible notes ("RCN")	-	-	32,500	-	-	32,500	-	32,500	
Conversion of RCN	32,500	-	(32,500)	-	-	-	-	-	
Conversion of Irredeemable convertible preference shares - B ("ICPS - B")	873	(873)	-	-	-	-	-	-	
Issuance of shares via Private Placement	19,523	-	-	-	-	19,523	-	19,523	
<b>Total transactions with Owners of the Group</b>	<b>52,896</b>	<b>(873)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>52,023</b>	<b>-</b>	<b>52,023</b>	
Balance as of 31 December 2023	178,856	4,197	-	56,207	(134,114)	105,146	37	105,183	
<hr/>									
<b>(Unaudited)</b>									
<b>12 months period</b>									
Balance as of 1 January 2022	125,960	5,070	-	28,956	(107,043)	52,943	1	52,944	
Loss for the financial period	-	-	-	-	(15,391)	(15,391)	(1)	(15,392)	
<b>Other comprehensive income</b>									
Asset revaluation reserve, net of tax	-	-	-	28,134	-	28,134	-	28,134	
Balance as of 31 December 2022	125,960	5,070	-	57,090	(122,434)	65,686	-	65,686	

The above condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial period ended 31 December 2022 and the accompanying explanatory notes attached.

**MAGMA GROUP BERHAD**  
(Formerly known as Impiana Hotels Berhad)  
Registration No: 200601021085 (740838-A)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD-TO-DATE ENDED 31 DECEMBER 2023**

RM'000	31.12.2023 (Reviewed)	31.12.2022 (Unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(10,791)	(14,899)
Adjustments for:		
Amortisation of intangible assets	693	705
Depreciation of property, plant and equipment	2,632	2,360
Depreciation of right-of-use assets	84	-
Intangible assets written off	4,621	-
Property, plant and equipment written off	27	-
Impairment loss on trade receivables	1,060	-
Interest expense	8,668	9,167
Interest income	(21)	(13)
Share of results of associate	(205)	482
<b>Operating profit/(loss) before working capital changes</b>	<b>6,768</b>	<b>(2,198)</b>
Inventories	(21,980)	(3,899)
Contract assets/liabilities	3,593	42,123
Receivables	(7,335)	(18,764)
Payables	3,192	(17,028)
<b>Cash (used in)/from operations</b>	<b>(15,762)</b>	<b>234</b>
Interest received	21	13
Interest paid	(8,887)	-
Income tax paid	(507)	(49)
<b>Net cash (used in)/from operating activities</b>	<b>(25,135)</b>	<b>198</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(1,198)	-
<b>Net cash used in investing activities</b>	<b>(1,198)</b>	<b>-</b>

*The above condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial period ended 31 December 2022 and the accompanying explanatory notes attached.*

**MAGMA GROUP BERHAD**  
(Formerly known as Impiana Hotels Berhad)  
Registration No: 200601021085 (740838-A)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD-TO-DATE ENDED 31 DECEMBER 2023  
(CONT'D)**

RM'000	31.12.2023 (Reviewed)	31.12.2022 (Unaudited)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
(Repayment to)/advance from Director	(5,911)	945
Advance to an associate	(401)	-
Repayment of borrowings	(65)	-
Increase in fixed deposits pledged	(21)	(13)
(Repayment to)/advances from Directors' related companies	(73)	548
Proceeds from issuance of RCN	32,500	-
Proceeds from issuance of shares via Private Placement	19,523	-
Repayment of lease liabilities	(66)	-
<b>Net cash generated from financing activities</b>	<b>45,486</b>	<b>1,480</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	19,153	1,678
Effect of Exchange Rate Changes	-	-
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR/PERIOD</b>	<b>(1,032)</b>	<b>(2,709)</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD</b>	<b>18,121</b>	<b>(1,031)</b>
 <b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD  COMPRISE:</b>		
Cash and bank balances	19,822	2,439
Fixed deposit pledged to licensed banks	712	691
	20,534	3,130
Less : Fixed deposit pledged to licensed banks	(712)	(691)
Less : Bank overdraft	(1,701)	(3,470)
	<b>18,121</b>	<b>(1,031)</b>

*The above condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial period ended 31 December 2022 and the accompanying explanatory notes attached.*

**A1. BASIS OF PREPARATION**

These condensed consolidated interim financial statements (Condensed Report), other than financial instruments and certain property, plant and equipment, has been prepared under the historical cost convention. Certain financial instruments have been carried at fair value in accordance with the Malaysian Financial Reporting Standards (MFRS) 139 *Financial Instruments: Recognition and Measurement* and land and buildings of the Group are carried at the valuation model in accordance with MFRS 116 *Property, Plant and Equipment*.

These condensed consolidated interim financial statements (Condensed Report) have been prepared in accordance with MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

These Condensed Report should be read in conjunction with the audited financial statements for the financial period ended 31 December 2022. The explanatory notes attached to the Condensed Report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial period ended 31 December 2022.

**A2. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and presentations adopted by the Group in the preparation of the Condensed Report are consistent with those followed in the preparation of the Group's audited financial statements for the financial period ended 31 December 2022.

**Accounting pronouncements that are effective and adopted during the financial period**

The Group has adopted the following new accounting pronouncements that are mandatory for the current financial period:

Amendments to MFRS 3	Reference to the Conceptual Framework
Amendments to MFRS 116	Property, Plant and Equipment - Proceeds before Intended Use
Amendments to MFRS 137	Onerous Contracts - Cost of Fulfilling a Contract
Annual Improvements to MFRSs 2018-2020	
MFRS 17	Insurance Contracts
Amendments to MFRS 17	Insurance Contracts
Amendments to MFRS 17	Insurance Contracts - Initial Application of MFRS 17 and MFRS 9 - Comparative Information
Amendments to MFRS 101	Classification of Liabilities as Current or Non-Current
Amendments to MFRS 101 and MFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to MFRS 112	International Tax Reform - Pillar Two Model Rules

**Accounting pronouncements that are issued but not yet effective and have not been early adopted**

**Effective for financial periods beginning on or after 1 January 2024**

Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Non-current Liabilities with Covenants
Amendments to MFRS 7 and MFRS 107	Suppliers Finance Arrangements

**Effective for financial periods beginning on or after 1 January 2025**

Amendments to MFRS 121	Lack of Exchangeability
------------------------	-------------------------

**Effective date to be announced**

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
------------------------------------	---

The Group will adopt the above accounting pronouncements when they become effective in the respective financial periods. These accounting pronouncements are not expected to have any effect to the financial statements of the Group upon their initial applications.

### A3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The Company's external Auditors, Messrs Moore Stephens Associates PLT have highlighted a material uncertainty relating to going concern, as the Group and the Company incurred a net loss of RM14,307,338 and RM97,899,924 during the financial period ended 31 December 2022 and, as of that date, the Group's and the Company's current liabilities exceeded its current assets by RM8,714,992 and RM18,599,887. These events or conditions, along with the matters as set forth in the financial statements, indicate the existence of a material uncertainty that may cast significant doubt on the Group's and the Company's ability to continue as a going concern.

### A4. SEASONAL AND CYCLICAL FACTORS

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter and current financial period-to-date.

### A5. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

There were no material items of an unusual nature and amount during the current quarter and period-to-date ended 31 December 2023.

### A6. MATERIAL ESTIMATES AND CHANGES IN ESTIMATES

There were no material changes in the estimates used in the current quarter and period-to-date ended 31 December 2023.

### A7. ISSUANCES, CANCELLATIONS, REPURCHASES, RESALE AND REPAYMENTS OF DEBT AND EQUITY SECURITIES

- a) During the year, the Company increased its issued share capital from RM481,724,820 (Q4 increased RM5,000,000) to RM514,224,820 by way of conversion of RM32,500,000 redeemable convertible notes to 560,742,391 new shares (Q4 92,589,437 new shares) to total 849,610,194 ordinary shares.

There is 9,698,285 conversion of irredeemable convertible preference shares ("ICPS-B") to Ordinary Shares @ RM0.09

Proposed utilisation of proceeds as set out in the Circular	RM150 million RCN RM'mn	(X)	(Y)	Variances
		Tranche 1 Scenario RM30 million only RM'mn	Actual utilisation RM'mn	(Y) - (X) RM'mn
<b>Repayment of borrowings (A)</b>	<b>72.9</b>	-	<b>7.6</b>	<b>7.6</b>
<b>Working capital</b>				
Refurbishment of Impiana Hotel Ipoh	3.0	2.0	1.5	(0.5)
Refurbishment of Impiana KLCC Hotel	9.3	8.4	4.9	(3.5)
Refurbishment of Impiana Cherating	11.0	-	0.3	0.3
	23.3	10.4	6.7	(3.7)
Operating expenses of the Group				
(i) Salaries	14.2	6.0	3.8	(2.2)
(ii) Payment to other creditors (comprises income tax payable and settlement, stamp duties, electricity charges and quit rent)	17.7	9.1	9.9	0.8
(iii) Professional fees	4.9	2.0	1.0	(1.0)
(iv) advertising and business promotion	5.3	0.9	-	(0.9)
Sub-total for Operating expenses	42.1	18.0	14.7	(3.3)
<b>Sub-total for Working Capital (B)</b>	<b>65.4</b>	<b>28.4</b>	<b>21.4</b>	<b>(7.0)</b>
Estimated expenses				
Professional fees (including fees payable to, amongst others, the principal adviser, solicitors, lead arranger, facility agent, Regulatory fee	2.4	1.8	1.2	(0.6)
Administrative fees to subscribers	0.2	0.2	0.1	(0.1)
Printing, advertising and other miscellaneous expenses	9.0	2.0	2.0	-
	0.1	0.1	0.2	-
<b>Sub-total for Estimated Expenses (C)</b>	<b>11.7</b>	<b>4.1</b>	<b>3.5</b>	<b>(0.6)</b>
<b>TOTAL = (A)+(B)+(C)</b>	<b>150.0</b>	<b>32.5</b>	<b>32.5</b>	<b>-</b>

- b) On 15 December 2023, Private Placement of 85,930,800 shares which up to 10% of the total number of issued shares of Impiana Hotels Berhad (excluding treasury shares, if any) at issue price per share of RM0.2272 with total of RM19,523,477.76 has 100% subscribed by investors.

### A8. DIVIDEND PAID

There were no dividends paid during the current and previous corresponding quarter.



## A9. SEGMENTAL INFORMATION

MFRS 8 requires separate reporting of segmental information for operating segments. Operating segments reflect the Group's management structure and the way financial information is regularly reviewed by the top management and the Board of Directors.

The segmental analysis for the current quarter and period-to-date ended 31 December 2023 is as follows:

RM'000	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter 31.12.2023	Corresponding Quarter 31.12.2022	Quarter 31.12.2023	Corresponding Quarter 31.12.2022
<b>Segment Revenue and Results</b>				
- Hotel Operation	3,405	3,906	12,082	10,839
- Hotel Management	1,281	1,245	4,832	3,675
- Property Development	(7,143)	(2,564)	(2,549)	4,166
	<u>(2,457)</u>	<u>2,586</u>	<u>14,365</u>	<u>18,679</u>
<b>Total Revenue</b>	<b>(2,457)</b>	<b>2,586</b>	<b>14,365</b>	<b>18,679</b>
<b>RM '000</b>				
Profit/(Loss) After Tax				
- Hotel Operation	4,658	2,541	2,661	(756)
- Hotel Management	(4,026)	889	(2,398)	1,974
- Property Development	(235)	(3,671)	(2,002)	(6,753)
- Other Unallocated Expenses	(3,544)	(5,334)	(10,787)	(9,857)
	<u>(3,147)</u>	<u>(5,575)</u>	<u>(12,526)</u>	<u>(15,392)</u>

During current year quarter, the revenue of (RM2.457 million) was mainly due to Property Development segment rescinded Sale and Purchase Agreement ("SPA") with several purchasers and signed a new SPA with a purchaser with the net effect of (RM7.143 million), and (RM2.564 million) during the preceding year. Contributed from the Hotel Operation segment under Impiana Ipoh Sdn Bhd of RM3.405 million & the Hotel Management segment of RM1.281 million during the quarter. The improvement recorded in the hotel operation and management under hospitality segment was mainly due to increased occupancy rate as the hospitality industry continue its recovery from the pandemic and exceptional travel visa for China travellers.

The overall group recorded a loss after tax of RM3.147 million compared to loss after tax of RM5.575 million in the preceding quarter in FPE 2022 despite the decrease in revenue mainly due to increased occupancy rate in the Hotel Operation segment as the hospitality industry continue its recovery from the pandemic. Loss in Hotel management due to write off the contract management with Cherating & Tioman of RM4.658 million and net effect of rescission in property development segment.

## A10. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the quarter and period-to-date ended 31 December 2023.

## A11. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There was no revaluation of property, plant and equipment (PPE) during the quarter and period-to-date ended 31 December 2023. The last revaluation exercise of the Group's Property, Plant & Equipment was conducted in 30 December 2022.

## A12. RELATED PARTY TRANSACTIONS

RM '000	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter 31.12.2023	Corresponding Quarter 31.12.2022	Quarter 31.12.2023	Corresponding Quarter 31.12.2022
Hotel management fees received and receivable from:				
- Impiana Resort Patong (IPC)	240	208	743	474
- Impiana Resort Villas Kata Noi (IPV)	59	23	206	100
- Impiana Resort Chaweng Noi (IRS)	30	51	196	95
- Impiana Private Villas Seminyak (TVB)	232	331	1,033	640
- Impiana Private Villas Cemagi	11	12	43	39
	<u>11</u>	<u>12</u>	<u>43</u>	<u>39</u>

The transactions were entered in the normal course of business and have been established under normal commercial terms that are no less favourable than those arranged with independent third parties. The transactions were also transacted within the threshold as per the approved Recurrent Related Party Transactions ("RRPT") mandate.

## A13. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no contingent liabilities and assets as at the date of this report.

## A14. CAPITAL COMMITMENT

There were no capital commitments by the Group during the quarter and period-to-date ended 31 December 2023.

## ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES

### B1. FINANCIAL REVIEW FOR CURRENT QUARTER AND CUMULATIVE QUARTER

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding	Quarter	Corresponding
	31.12.2023	Quarter	31.12.2022	Quarter
		31.12.2022	31.12.2023	31.12.2022
<b>RM'000</b>				
Revenue	(2,457)	2,586	14,365	18,679
Operating Loss Before Tax	(2,310)	(5,475)	(10,791)	(14,899)
Taxation	(837)	(100)	(1,735)	(493)
Loss Attributable to Owners of the Company	(3,186)	(5,574)	(12,563)	(15,391)
Loss Attributable to non-controlling interest	39	(1)	37	(1)

During the 4th quarter of FYE 2023, the Group generated revenue of (RM2.457 million) and incurred an operating loss before tax of RM2.310 million. The profit during the quarter despite decrease revenue compared to the preceding year quarter was mainly due to rescission and a new purchaser with net effect of the revenue and operating profit.

For the cumulative quarter, revenue of RM14.365 million and incurred an operating loss before tax of RM10.791 million. The lower operating loss before tax as compared to preceding cumulative was mainly due to rescission and a new purchaser with the net effect of the results.

### B2. FINANCIAL REVIEW FOR CURRENT QUARTER AND PRECEDING QUARTER

	Individual Quarter	
	Current Year	Preceding Year
	Quarter	Quarter
	31.12.2023	31.12.2022
<b>RM'000</b>		
Revenue	(2,457)	2,586
Loss before tax	(2,310)	(5,475)
Loss Attributable to owners of the Company	(3,186)	(5,574)
Profit/(loss) Attributable to non-controlling interest	39	(1)

The Group's revenue for 4th quarter of FYE 2023 was (RM2.457 million) as compared to RM2.586 million recorded in the preceding quarter in FPE 2022. The decrease in revenue was mainly due to rescission and offset with a new purchaser with the net effect. Improvement recorded in the hotel operation and management under hospitality segment was mainly due to increased occupancy rate as the hospitality industry continue its recovery from the pandemic.

The Group registered a loss after tax attributable to the owners of the Company of RM3.186 million during the current quarter compared with (RM5.574 million) in the preceding quarter in FPE 2022 for the same reasons mentioned in Notes A9 and B1 above.

### B3. CURRENT PROSPECTS

The post-Covid financial performance recovery is clearly displaying traction as the year-on-year figures suggest for the Hotel Operation and Hotel Management segments. The Group's loss after tax has narrowed compared to the preceding year quarter in FPE 2022 despite the no progress completion for the Property Sales segment. The Group intends to continue driving and sustaining this improvement while diligently maintaining the cost discipline practiced during the Covid period without sacrificing quality and service. The recovery trend is encouraging thus far and the Group is cautiously optimistic of sustaining this improvement this financial year.

The resumption of travel for the Chinese market has improved performance only slightly due to the lack of flight frequencies compared to pre-Covid times. The industry is expected to further improve as and when exceptional visa for China trevellers increased.

### B4. PROFIT FORECAST

Not applicable as the Group does not issue profit forecasts.

### B5. LOSS BEFORE TAXATION

Loss before taxation is determined after charging/(crediting) amongst other items the following:-

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding	Quarter	Corresponding
	31.12.2023	Quarter	31.12.2022	Quarter
		31.12.2022	31.12.2023	31.12.2022
<b>RM '000</b>				
Amortisation of Intangible Assets	173	150	693	705
Interest Expense	1,344	807	8,668	9,167
Interest Income	(6)	-	(21)	(13)
Depreciation of Property, Plant and Equipment	914	695	2,632	2,360
Share of results of Associate	(249)	(617)	(205)	482

Other than the above, the items listed under Appendix 9B Note 16 of the Listing Requirement of Bursa Malaysia Securities Berhad are not applicable.

**B6. TAXATION**

RM '000	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter 31.12.2023	Corresponding Quarter 31.12.2022	Quarter 31.12.2023	Corresponding Quarter 31.12.2022
Income Tax				
- current period expense	(837)	(100)	(1,735)	(493)
	<u>(837)</u>	<u>(100)</u>	<u>(1,735)</u>	<u>(493)</u>

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% of the estimated assessable profit for the financial period.

**B7. GROUP BORROWINGS**

Group's total borrowing as at 31 December 2023 are as follows:

RM '000	31.12.2023 (Reviewed)			31.12.2022 (Audited)		
	Short term	Long term	Total	Short term	Long term	Total
Secured						
- Term Loan	2,333	73,397	75,730	3,181	65,166	68,347
- Bank Overdraft	1,701	-	1,701	3,470	-	3,470
	<u>4,034</u>	<u>73,397</u>	<u>77,431</u>	<u>6,651</u>	<u>65,166</u>	<u>71,817</u>

**B8. TRADE RECEIVABLES**

The Group's normal credit term ranges from 30 to 60 days (31.12.2022: 30 to 60 days). Other credit terms are assessed and approved on a case to case basis. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

RM '000	As at 31.12.2023 (Reviewed)	As at 31.12.2022 (Audited)
Not past due	1,378	19,054
Past due but not impaired:		
1 day to 30 days	20,589	323
31 days to 60 days	545	751
61 days to 90 days	432	275
91 days to 270 days	1,054	391
	<u>22,620</u>	<u>1,740</u>
Credit impaired	-	298
	<u>23,998</u>	<u>21,092</u>
Less : Allowance for expected credit losses	<u>(1,190)</u>	<u>(130)</u>
	<u>22,808</u>	<u>20,962</u>

Trade receivables are non-interest bearing and normal credit terms offered by the Group is 30 to 60 days from the date of invoices. Other credit terms are assessed and approved on a case by case basis.

**B9. MATERIAL LITIGATION**

- i) Astaka Mekar Sdn Bhd, a wholly-owned subsidiary of the Company ("1st Defendant"), Data Sepadu Sdn Bhd ("2nd Defendant"), Impiana Sdn Bhd ("3rd Defendant") and Dato' Seri Ismail @ Farouk Bin Abdullah ("4th Defendant") [collectively "the Defendants"] had on 14 June 2023 been served with a Writ of Summons and Statement of Claim dated 8 June 2023 respectively from Public Bank Berhad ("the Plaintiff") regarding a lawsuit ("the Suit"). The Plaintiff's claim against the Defendants arises from the failure of the 1st Defendant to settle the outstanding sums due and payable under the Term Loan Facilities and Overdraft Facility granted by the Plaintiff to the 1st Defendant and the default of the 2nd Defendant, 3rd Defendant and 4th Defendant to settle the sums due and payable under the Term Loan Facilities and Overdraft Facility pursuant to the Letters of Guarantee.
- The details of the Claim are as follows:
- The Defendants, jointly and severally, pay to the Plaintiff the sum of RM30,006,873.22 as at 24 May 2023 under the Term Loan 1 Facility together with continuing interest thereon at the rate of 3.5% per annum above the Plaintiff's Base Lending Rate at monthly rests calculating from 25 May 2023 until the date of full settlement;
  - The Defendants, jointly and severally, pay to the Plaintiff the sum of RM7,790,393.04 as at 24 May 2023 under the term Loan 2 Facility together with continuing interest at the rate of 3.5% per annum above the Plaintiff's Base Lending Rate at monthly rests calculating from 25 May 2023 until the date of full settlement;
  - The Defendants, jointly and severally, pay to the Plaintiff the sum of RM3,872,665.12 as at 24 May 2023 under the Term Loan 3 Facility together with continuing interest thereon at the rate of 3.5% per annum above the Plaintiff's Base Lending Rate at monthly rests calculating from 25 May 2023 until the date of full settlement;
  - The Defendants, jointly and severally, pay to the Plaintiff the sum of RM907,150.24 as at 24 May 2023 under the Term Loan 4 Facility together with continuing interest thereon at the rate of 3.5% per annum above the Plaintiff's Base Lending Rate at monthly rests calculating from 25 May 2023 until the date of full settlement;
  - The Defendants, jointly and severally, pay to the Plaintiff the sum of RM1,738,506.24 as at 24 May 2023 under the Overdraft Facility together with continuing interest thereon at the rate of 3.5% per annum above the Plaintiff's Base Lending Rate at daily rests calculating from 25 May 2023 until the date of full settlement;
  - Costs; and
  - Such other orders and/or reliefs that the Honorable Court deems fit and proper.
- i The Case Management held on 9 January 2024, the Court has granted permission for the Plaintiff to withdraw the Suit against the Defendants. This withdrawal is with the liberty to file a fresh and without any order as to costs.

- ii) Artha Global Sdn Bhd ("AGSB") vs Impiana Hotels ("IHB"), Impiana Sdn Bhd ("ISB") and Impiana Cherating Sdn Bhd ("ICSB")  
On 1 August 2022, AGBS has filed a civil suit (WA-B52NCC-493-08/2022) against IHB, ISB and ICSB at Kuala Lumpur Sessions Court. The following are the claims by AGBS:
- Refund of deposit in the sum of RM750,000;
  - Interest of 5% from 27 May 2022 until full settlement of judgement sum;
  - Costs; and
  - Such further and/or other reliefs as the Court deems fit and proper.

Subsequently, IHB, ISB and ICSB filed the following counterclaims;

- A declaration that AGBS has breached the Exclusive Right Agreement;
- A declaration that ICSB is entitled to forfeit the deposit paid by AGBS, in whole or in part, due to AGBS's breach of the Exclusive Right Agreement;
- An order for general damages;
- Further and/or in the alternative, damages to be assessed by the Court against AGBS for breach of contract, to be payable to IHB, ISB and ICSB;
- An Order for pre-judgement interest at the rate of 8% per annum on any sums awarded by the Court to IHB, ISB and ICSB from the date of the contractual breach up until the date of the judgement by the Court;
- An Order for post-judgement interest at a rate of 5% per annum on the judgement debt from the date of the judgement to the date of full payment and/or settlement by AGBS;
- Costs; and
- Such further and/or other reliefs as the Court deems fit and proper.

The Defendants' application to amend the Defence and Counterclaim is schedule for Decision on 30.11.2023.

Full Trial has been scheduled from 25.11.2024 to 28.11.2024.

#### B10. DERIVATIVE FINANCIAL INSTRUMENT

The Group does not have any derivative financial instrument as at the end of reporting period.

#### B11. OFF BALANCE SHEET FINANCIAL INSTRUMENT

There is no off balance sheet financial instrument which has a material impact to the financial statement under review as at the end of financial period and up to date of this announcement.

#### B12. DIVIDEND PAYABLE

No interim dividend has been declared for the current financial period-to-date-ended 31 December 2023.

#### B13. EARNINGS/(LOSS) PER SHARE ("EPS")/("LPS")

RM '000	Individual Quarter		Cumulative Quarter	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Loss attributable to Owners of the Company (RM '000)	(3,186)	(5,574)	(12,563)	(15,391)
Basic:				
Weighted average number of Ordinary Shares in issue ('000)	843,813	1,328,981	584,445	1,594,777
Basic LPS (sen)	(0.378)	(0.419)	(2.150)	(0.965)

#### B14. AUTHORISED FOR ISSUE

The interim financial statements were reviewed by the Audit Committee ("AC") and duly authorised for issue by the Board of Directors ("BOD") in accordance with a resolution of the Directors dated 29 February 2024.

#### B15. SUBSEQUENT EVENTS

There are no subsequent events after the financial year ended 31 December 2023.

**B16. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors' report on the financial statements for the financial period ended 31 December 2022 was unmodified.

**B17. REVIEW BY EXTERNAL AUDITORS**

The Board of Directors ("Board") had engaged the external auditors to review and report on the Condensed Report of Bursa Malaysia Berhad for the quarter and year-to-date ended 31 December 2023 in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

The external auditors reported to the Board that nothing had come to their attention to cause them to believe that the Condensed Report was not prepared, in all material respects, in accordance with the MFRS 134 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting*. The report was made to the Board in accordance with the terms of the engagement letter with external auditors and for no other purpose.

**B18. AUTHORISED FOR ISSUE**

The Condensed Report was authorised for issue by the Board in accordance with a resolution of the Directors on 29 February 2024.