

MAGNA PRIMA BERHAD

Company No.: 369519-P

(Incorporated in Malaysia)

Interim Financial Statements

30 September 2020

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**Company No.: 369519-P
(Incorporated in Malaysia)**

Interim Financial Statements - 30 September 2020

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MAGNA PRIMA BERHAD

(Company No.: 369519-P)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2020

(The figures have not been audited)

	AS AT 30/09/2020 RM'000 (Unaudited)	AS AT 31/12/2019 RM'000 (Audited)
ASSETS		
Non-Current Assets		
Property, plant and equipment	305	506
Right-use-of-assets	40	40
Investment properties	520,769	520,769
Land held for property development	194,732	194,732
Deferred tax assets	796	796
	716,642	716,843
Current Assets		
Inventories	98,553	109,192
Contract assets	7,384	408
Contract cost assets	-	375
Trade and other receivables	6,316	8,889
Tax recoverable	110	110
Cash held under Housing Development Accounts	1,725	3,540
Fixed and short term deposits with licensed banks	411	5,084
Cash and bank balances	1,470	930
TOTAL CURRENT ASSETS	115,969	128,528
TOTAL ASSETS	832,611	845,371
EQUITY AND LIABILITIES		
Equity attributable to Owners of the Company		
Share capital	121,009	121,009
Treasury shares	(2,385)	(2,385)
Other reserves	8,187	7,653
Retained profits	343,437	357,512
	470,248	483,789
Non-controlling interests	1,251	2,235
TOTAL EQUITY	471,499	486,024
Non-Current Liabilities		
Borrowings	61,282	53,537
Lease liability	-	65
Deferred tax liabilities	27,703	25,699
	88,985	79,301
Current Liabilities		
Trade and other payables	81,702	73,683
Contract liabilities	5,662	20,001
Borrowings	144,592	147,877
Lease liability	33	142
Current tax liabilities	40,138	38,343
	272,127	280,046
TOTAL LIABILITIES	361,112	359,347
TOTAL EQUITY AND LIABILITIES	832,611	845,371
Net assets per share at par value of RM0.25 each attributable to Owners of the Company (RM)	1.41	1.45

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

MAGNA PRIMA BERHAD

(Company No.: 369519-P)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the quarter and period to-date ended 30 September 2020

(The figures have not been audited)

	3 months ended		9 months ended	
	30/09/2020	30/09/2019	30/09/2020	30/09/2019
	RM'000	RM'000	RM'000	RM'000
Revenue	4,174	7,161	6,428	22,972
Cost of sales	(4,051)	(4,908)	(4,574)	(17,167)
Gross profit	123	2,253	1,854	5,805
Other operating income	704	428	2,080	3,003
Selling and distribution expenses	(75)	(234)	(107)	(1,640)
Administration expenses	(1,256)	(5,918)	(4,563)	(12,730)
Other operating expenses	2	748	(402)	(4,189)
Profit/(Loss) before interest and tax	(502)	(2,723)	(1,138)	(9,751)
Finance costs	(3,897)	(4,412)	(12,478)	(12,138)
Profit/(Loss) before taxation	(4,399)	(7,135)	(13,616)	(21,889)
Taxation	(1,350)	-	(1,443)	(270)
Profit/(Loss) for the period	(5,749)	(7,135)	(15,059)	(22,159)
Other comprehensive income / (expense) :				
Items that may be reclassified subsequently to profit or loss				
Currency translation differences	791	(4,406)	5,753	(5,588)
Other comprehensive income for the period	791	(4,406)	5,753	(5,588)
Total comprehensive income for the period	(4,958)	(11,541)	(9,306)	(27,747)
Profit/(Loss) attributable to:				
Owners of the Company	(5,407)	(6,731)	(14,076)	(20,880)
Non-controlling interests	(342)	(404)	(983)	(1,279)
	(5,749)	(7,135)	(15,059)	(22,159)
Total comprehensive income/(expense) attributable to:				
Owners of the Company	(4,616)	(11,137)	(8,323)	(26,468)
Non-controlling interests	(342)	(404)	(983)	(1,279)
	(4,958)	(11,541)	(9,306)	(27,747)
Earnings per share attributable to Owners of the Company:				
- Basic (sen)	(1.63)	(2.02)	(4.23)	(6.28)
- Diluted (sen)	(1.58)	(1.88)	(4.11)	(5.83)

The Condensed Consolidated Statement of Profit or Loss And Other Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

MAGNA PRIMA BERHAD*(Company No.: 369519-P)***(Incorporated in Malaysia)****CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the period ended 30 September 2020

(The figures have not been audited)

	Attributable to Owners of the Company							Non-controlling Interests	Total Equity
	Non-Distributable				Distributable		Total		
	Share capital	Treasury shares	Capital reserve	Translation reserve	Retained profits	RM'000			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000			
Balance as at 1 January 2020	121,009	(2,385)	19,706	(12,053)	357,513	483,790	2,234	486,024	
Prior year adjustment				(5,218)	-	(5,218)		(5,218)	
Profit for the period	-	-	-	-	(14,076)	(14,076)	(983)	(15,059)	
Other comprehensive expense for the period	-	-	-	5,752		5,752	-	5,752	
Total comprehensive income / (expense) for the period	-	-	-	5,752	(14,076)	(8,324)	(983)	(9,307)	
Balance as at 30 September 2020	121,009	(2,385)	19,706	(11,519)	343,437	470,248	1,251	471,499	
	-	-	-	-	-	-	-	-	
Balance as at 1 January 2019	121,009	(2,385)	19,706	(8,750)	390,413	519,993	4,032	524,025	
Loss for the period	-	-	-	-	(32,903)	(32,903)	(1,798)	(34,701)	
Other comprehensive income for the period	-	-	-	(3,303)	-	(3,303)	-	(3,303)	
Total comprehensive income / (expense) for the period	-	-	-	(3,303)	(32,903)	(36,206)	(1,798)	(38,004)	
Balance as at 31 December 2019	121,009	(2,385)	19,706	(12,053)	357,510	483,787	2,234	486,021	

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

MAGNA PRIMA BERHAD

(Company No.: 369519-P)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 30 September 2020

(The figures have not been audited)

	9 months ended 30/09/2020 RM'000	9 months ended 30/09/2019 RM'000
Cash Flows From Operating Activities		
Loss before taxation	(13,616)	(21,889)
Adjustments for :-		
Depreciation of property, plant and equipment	80	116
Impairment of trade receivables		340
Property, plant and equipment written off	-	1
Overprovision for liquidated and ascertained damages	-	(348)
Reversal impairment loss of trade receivables	-	(321)
Loss on deconsolidation of a subsidiary		(4,035)
Unrealised foreign exchange gain	-	(1,882)
Finance income	(31)	(156)
Finance expense	12,478	12,138
Operating profit before changes in working capital	(1,089)	(16,036)
Changes in working capital		
Land held for property development	739	-
Inventories	2,924	16,004
Contract cost assets	375	-
Trade and other receivables	2,574	7,873
Trade and other payables	(7,670)	11,585
	(1,058)	35,462
Net cash (used in)/generated from operations	(2,147)	19,426
Interest paid	(5,220)	(15,496)
Interest received	31	156
Tax paid	-	(2,359)
	(5,189)	(17,699)
Net cash (used in)/generated from operating activities	(7,336)	1,727
Cash Flows From Financing Activities		
Repayment of hire purchase liabilities	-	(86)
Repayment of bank borrowings	2,427	(6,165)
Fixed deposits with licensed banks	2,286	6,543
Net cash generated from financing activities	4,713	292
Net change in cash & cash equivalents	(2,623)	2,019
Cash & cash equivalents at the beginning of the financial period	4,658	8,435
Effect of exchange rate changes	1,192	(5,003)
Cash & cash equivalents at the end of the financial period	3,227	5,451

Cash and cash equivalents at the end of the financial period comprises:

	As at 30/09/2020 RM'000	As at 30/09/2019 RM'000
Cash and bank balances	1,470	1,530
Cash held under Housing Development Accounts	1,725	3,735
Fixed and short term deposits with licensed banks	411	7,567
	3,606	12,832
Less: Fixed deposits pledged with licensed banks	(379)	(7,381)
	3,227	5,451

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

A Explanatory Notes Pursuant To MFRS 134

A1 Basis of Preparation

The unaudited interim financial report has been prepared in accordance with the reporting requirements as set out in the Malaysian Financial Reporting Standards ("MFRS") No. 134 - Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2019. These explanatory notes attached to the interim financial statements 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 year ended 31 December 2019.

A2 Significant Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2019, except for the adoption of the following new standards and amendments/improvements to existing standards that are applicable to the Group for the financial period beginning 1 January 2019 as set out below:

MFRSs, Amendments to MFRSs and Interpretations

MFRS 16	Leases
Amendments to MFRS 3	Business Combination (Annual improvements to 2015-2017 Cycle)
Amendments to MFRS 9	Prepayment Features with Negative Compensation
Amendments to MFRS 11	Joint Arrangements (Annual improvements to 2015-2017 Cycle)
Amendments to MFRS 112	Income taxes (Annual improvements to 2015-2017 Cycle)
Amendments to MFRS 119	Employee Benefits (Plan amendment, curtailment or settlement)
Amendments to MFRS 123	Borrowing Costs (Annual improvements to 2015-2017 Cycle)
Amendments to MFRS 128	Long-term Interest in Associates and Joint Ventures
IC Interpretation 23	Uncertainty over Income Tax Treatments

The effective new standards and amendments/improvements to existing standards above did not have any significant impact to the financial results and position of the Group.

A2.1 Amendments to MFRSs and IC Interpretations were issued but not yet effective and have not been applied by the Group:

MFRSs, Amendments to MFRSs and Interpretations		Effective for dates financial period beginning on or after
Amendments to MFRS 101	Presentation of Financial Statements	1 January 2020
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates & Errors	1 January 2020
Amendments to MFRS 137	Provisions, Contingent Liabilities and Contingent Assets	1 January 2020
Amendments to MFRS 138	Intangible Assets	1 January 2020
Amendments to MFRS Standards arising from Definition of Material :		
Amendments to MFRS 101	Presentation of Financial Statements	1 January 2020
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors.	1 January 2020
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date yet to be determined by the Malaysian Accounting Standards Board

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have a material impact to the financial statements of the Group upon their initial recognition. The Group is currently assessing the impact of these standards and plans to adopt these standards on the respective effective dates.

A3 Auditors' Report For The Financial Year Ended 31 December 2019

The auditors' report on the financial statements for the financial year ended 31 December 2019 was not subjected to any qualification.

A4 Seasonal or Cyclical Factors

The Group's operations during the financial period under review were not materially affected by any seasonal or cyclical factors.

A5 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items which affect the assets, liabilities, equity, net income or cash flows of the Group for the current quarter and current financial period under review.

A6 Material Changes in Estimates of Amounts

There were no changes in estimates that have had any material effect on the results for the current quarter and current financial period under review.

A7 Debts and Equity Securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current financial period, except:

1) Share buy back

The Company repurchased 2,285,500 ordinary shares at an average price of RM1.044 each of its issued share capital from the open market.

	No. of Treasury Shares Units	Treasury Shares RM
Balance as at 1 January 2020 / 30 September 2020	2,285,500	2,385,431

None of the treasury shares held were resold or cancelled during the period under review.

A8 Dividends Paid

No dividend was paid during the quarter under review.

A9 Segmental Analysis

The Group's segmental reports for the current financial period are as follows:

By operating segment :						
	Property Devt RM'000	Const. & Engineering RM'000	Trading RM'000	Non- reportable segments RM'000	Intersegment eliminations RM'000	Consolidated RM'000
<u>Period ended 30/09/2020 :</u>						
Total revenue	6,346	-	-	82	-	6,428
Intersegment revenue	-	-	-	2,995	(2,995)	-
Segment revenue :	6,346	-	-	3,077	(2,995)	6,428
<u>Primary geographical markets:</u>						
Australia	-	-	-	-	-	-
Malaysia	6,346	-	-	3,077	(2,995)	6,428
	6,346	-	-	3,077	(2,995)	6,428
<u>Nature of product</u>						
Commercial properties	2,172	-	-	3,077	(2,995)	2,254
Residential properties	4,174	-	-	-	-	4,174
	6,346	-	-	3,077	(2,995)	6,428
<u>Timing of revenue recognition:</u>						
Good transferred at a point in time	6,346	-	-	-	-	6,346
Good transferred over time	-	-	-	3,077	(2,995)	82
	6,346	-	-	3,077	(2,995)	6,428
Segment profit / (loss) before tax :	(12,042)	(128)	(11)	(1,504)	71	(13,614)
<i>Included in the segment profit / (loss) are :-</i>						
Finance income	7	-	-	1	-	8
Segment assets :	942,176	40,274	5	467,356	(617,199)	832,612
Segment liabilities :	639,935	60,268	2,454	134,450	(475,994)	361,113

Period ended 30/09/2019 :

Total revenue	22,081	-	-	891	-	22,972
Intersegment revenue	-	-	-	209,967	(209,967)	-
Segment revenue :	<u>22,081</u>	<u>-</u>	<u>-</u>	<u>210,858</u>	<u>(209,967)</u>	<u>22,972</u>
<u>Primary geographical markets:</u>						
Australia	-	-	-	-	-	-
Malaysia	23,251	(1,170)	-	210,858	(209,967)	22,972
	<u>23,251</u>	<u>(1,170)</u>	<u>-</u>	<u>210,858</u>	<u>(209,967)</u>	<u>22,972</u>
<u>Nature of product</u>						
Commercial properties	3,932	(1,170)	-	210,858	(209,967)	3,653
Residential properties	19,319	-	-	-	-	19,319
	<u>23,251</u>	<u>(1,170)</u>	<u>-</u>	<u>210,858</u>	<u>(209,967)</u>	<u>22,972</u>
<u>Timing of revenue recognition:</u>						
Good transferred at a point in time	229,378	-	-	-	(207,297)	22,081
Good transferred over time	(206,127)	(1,170)	-	210,858	(2,670)	891
	<u>23,251</u>	<u>(1,170)</u>	<u>-</u>	<u>210,858</u>	<u>(209,967)</u>	<u>22,972</u>
Segment profit / (loss) before tax :	<u>(15,234)</u>	<u>(634)</u>	<u>(9)</u>	<u>198,470</u>	<u>(204,482)</u>	<u>(21,889)</u>
<u>Included in the segment profit / (loss) are :-</u>						
Finance income	153	-	-	3	-	156
Segment assets :	<u>861,961</u>	<u>44,842</u>	<u>20</u>	<u>564,227</u>	<u>(606,779)</u>	<u>864,271</u>
Segment liabilities :	<u>626,828</u>	<u>63,365</u>	<u>2,453</u>	<u>128,616</u>	<u>(457,011)</u>	<u>364,251</u>

By geographical segment :

The Group's activities are carried out in Malaysia and Australia, represented by the following geographical segments :-

	Malaysia RM'000	Australia RM'000	Consolidated RM'000
<u>Period ended 30/09/2020 :</u>			
Total revenue	6,428	-	6,428
Intersegment revenue	-	-	-
Segment revenue :	<u>6,428</u>	<u>-</u>	<u>6,428</u>
Segment profit / (loss) before tax :	<u>(13,614)</u>	<u>-</u>	<u>(13,614)</u>
Segment assets :	<u>832,285</u>	<u>327</u>	<u>832,612</u>
Segment liabilities :	<u>361,113</u>	<u>-</u>	<u>361,113</u>

Period ended 30/09/2019 :

Total revenue	22,972	-	22,972
Intersegment revenue	-	-	-
Segment revenue :	<u>22,972</u>	<u>-</u>	<u>22,972</u>
Segment profit before tax :	<u>(23,258)</u>	<u>1,369</u>	<u>(21,889)</u>
Segment assets :	<u>773,800</u>	<u>90,471</u>	<u>864,271</u>
Segment liabilities :	<u>361,406</u>	<u>2,845</u>	<u>364,251</u>

Major customers

The Group is engaged primarily in property development and construction, and sells real estate properties by individual units to the mass market. As such, the Group does not have reliance on any particular major customer.

A10 Property, Plant and Equipment

There were no valuations done on the Group's property, plant and equipment during the financial period under review.

A11 Material Events Subsequent to the End of the Period

As per Bursa announcement as follows :-

- 1) 24 June 2020 - Default in payment to Alliance Bank Malaysia Berhad pursuant to paragraph 9.19A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
- 2) 17 July 2020 - Receiver and Manager appointed for Magna Ecocity Sdn Bhd (ME), a subsidiary of Magna Prima Berhad
- 3) There is no major development as per Bursa Malaysia Securities updates on 22 July, 24 Aug, 21 Sept and 19 October 2020.

A12 Changes in the Composition of the Group

There was no changes in the composition of the Group during the current financial period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinued operations.

A13 Contingent Liabilities

Details of contingent liabilities of the company are as follows :

Company	As at 30/09/2020 RM'000	As at 31/12/2019 RM'000
Utilised portion of corporate guarantees given to financial institutions for facilities granted to subsidiary companies:		
- Secured on assets of subsidiary companies	205,874	210,976
Utilised portion of corporate guarantees given to trade payables of subsidiary companies for credit facilities granted to subsidiary companies:		
- Unsecured	2	2
	205,876	210,978

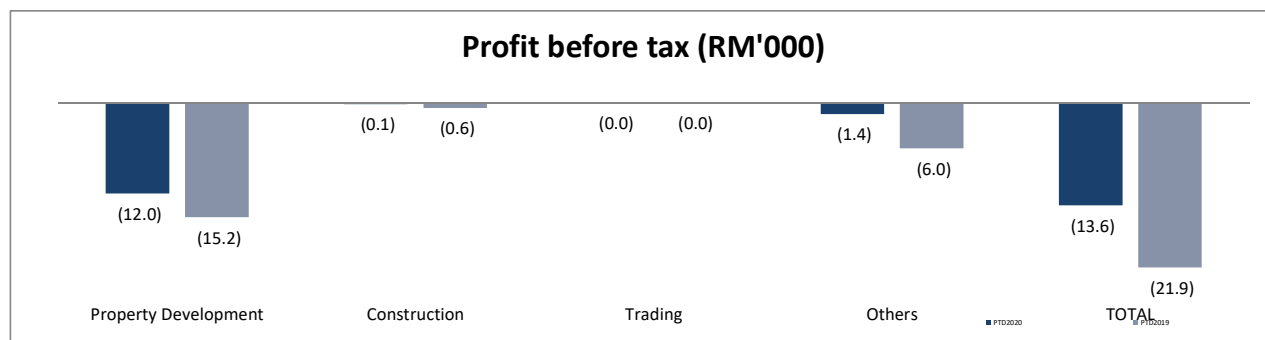
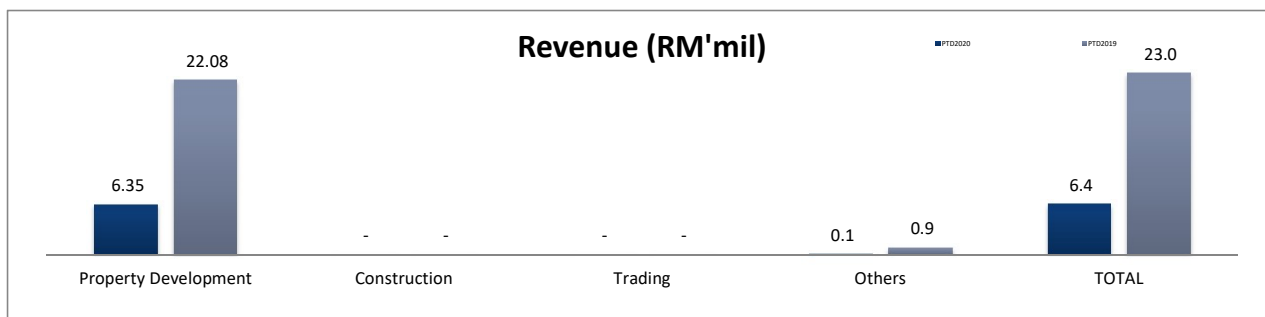
B Bursa Malaysia Listing Requirements

B1 Review of Performance - Comparison with Previous Corresponding Period and Quarter

	3 months ended			9 months ended		
	30/09/2020 RM'000	30/09/2019 RM'000	Changes %	30/09/2020 RM'000	30/09/2019 RM'000	Changes %
Revenue	4,174	7,161	(42%)	6,428	22,972	(72%)
Cost of sales	(4,051)	(4,908)	(17%)	(4,574)	(17,167)	(73%)
Gross profit	123	2,253	(95%)	1,854	5,805	(68%)
Profit/(Loss) before interest and tax	(502)	(2,723)	(82%)	(1,138)	(9,751)	(88%)
Profit/(Loss) before taxation	(4,399)	(7,135)	(38%)	(13,616)	(21,889)	(38%)
Profit/(Loss) for the period	(5,749)	(7,135)	(19%)	(15,059)	(22,159)	(32%)
Profit/(Loss) attributable to: Owners of the Company	(5,407)	(6,731)	(20%)	(14,076)	(20,880)	(33%)

For the 9 months ended 30 Sep 2020, the Group achieved a revenue of RM6.4 million, a decrease of 72% compared to previous corresponding period amounting to RM23.0 million and a decrease of 38% for loss before tax of RM13.6 million compared to loss of RM21.9 million recorded in the previous corresponding period ended 30 Sep 2019.

The decrease in loss before tax compare to the previous corresponding period mainly due to the sale of the shop office in Kepong only as compared with the sale for the service apartment and shop office in Jalan Kuching residential project in previous corresponding period.

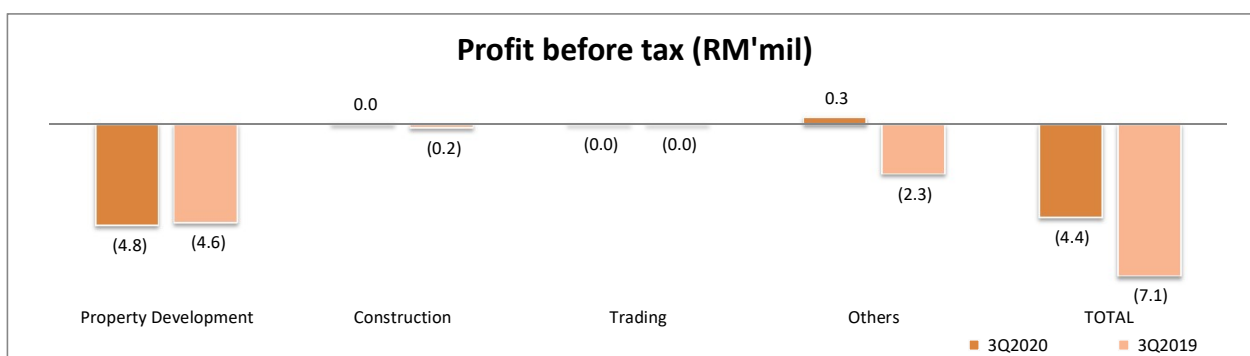
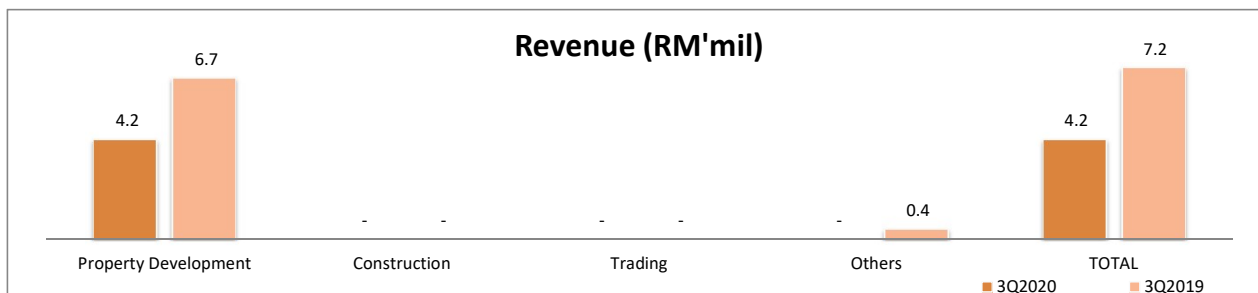


B1 Review of Performance - Comparison with Previous Corresponding Period and Quarter (cont'd)

For the current quarter ended 30 September 2020, the Group recorded a revenue of RM4.2 million, a decrease of 42% from RM7.2 million compared to the previous corresponding quarter ended 30 September 2019.

The decrease revenue for current quarter was also affected by the Conditional Movement Control Order ("CMCO") implemented by the government under the Prevention and Control of Infections Disease Act 1988 to curb the spread of Covid-19 pandemic.

The loss before tax for the current quarter is RM4.4 million, a decrease of 38% as compared to loss before tax of RM7.1 million in the corresponding quarter. This is mainly due to only sale of shop office in Kepong project in the current quarter as compared with the sale of Jalan Kuching residential and commercial property in previous corresponding quarter.



Property Development

The property development segment recorded a revenue of RM4.2 million and loss before tax of RM4.8 million in the current quarter compared to revenue of RM6.7 million and loss before tax of RM4.6 million in the corresponding quarter of the previous financial year.

Construction & Engineering

The Construction & Engineering segment registered no revenue and loss before tax of RM-0.04 million in current quarter as compared to no revenue and loss before tax of RM-0.2 million in the corresponding quarter of the previous financial year.

The construction and engineering segment only carried out internal projects.

Trading

The trading segment had discontinued operation.

B2 Review of Performance - Comparison with Immediate Preceding Quarter

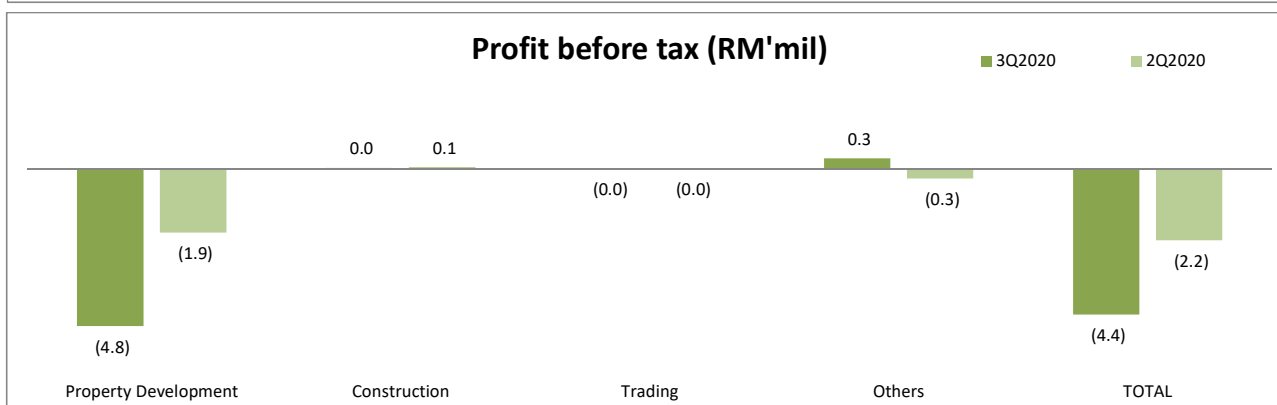
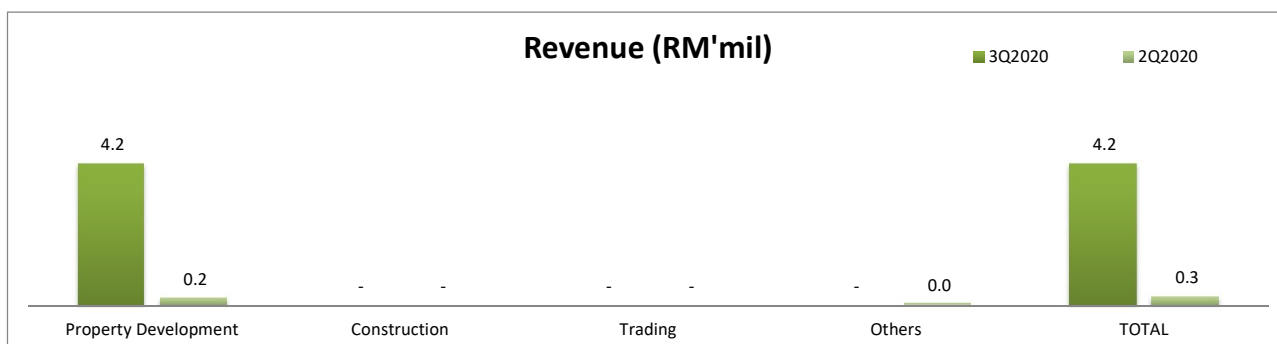
	Current Quarter 30/09/2020 RM'000	Immediate Preceding 30/06/2020 RM'000	Changes %
Revenue	4,174	267	1463%
Cost of sales	(4,051)	197	(2156%)
Gross profit	123	464	(73%)
Profit/(Loss) before interest and tax	(502)	675	(174%)
Profit/(Loss) before taxation	(4,399)	(2,160)	104%
Profit/(Loss) for the period	(5,749)	(1,961)	193%
Profit/(Loss) attributable to: Owners of the Company	(5,407)	(1,663)	225%

For the current quarter, the Group recorded a revenue of RM4.2 million, as compared to turnover RM0.3 million in the immediate preceding quarter ended 30 June 2020.

The Group posted a loss before tax of RM4.4 million in the current quarter, as compared to loss before tax of RM2.2 million in the immediate preceding quarter ended 30 June 2020.

Current quarter performance were due to sale of shop office in Kepong only as compared with the sale of shop office in Kepong, sale of residential and commercial property in Jalan Kuching project in the preceding quarter.

Include in the taxation was RM 1.2 million derived from the year of assessment 2015.



B3 Prospects for the Current Financial Year

The Board expects the current financial year to be challenging due to the ongoing Covid-19 pandemic. With the unforeseen Covid-19 pandemic, property industry is expected to have a more challenging and tougher environment compared previously.

The group would focus to continue sale of it's inventory in Boulevard Business Park @ Jalan Kuching. In the meantime, it also focus on disposing some of the properties to reduce it's gearing and sustain in the current challenging environment.

B4 Variance from Profit Forecast and Profit Guarantee

Not applicable as there were no profit forecast and profit guarantee published.

B5 Taxation

The breakdown of income tax charge is as follows:

Group	9 months ended	
	30/09/2020	30/09/2019
	RM'000	RM'000
In respect of :		
- current year	1,426	267
- deferred taxation	17	4
	<u>1,443</u>	<u>271</u>

The effective tax rate of the Group for the financial period ended 31 December 2019 is not consistent with the applicable statutory tax rate of 30% imposed by the Australian Tax Authority and 24% under the Malaysian statutory tax rate due to unrelieved tax losses.

B6 Retained Profits

Pursuant to Bursa Malaysia's directive on the disclosure of breakdowns for unappropriated profits or accumulated losses into realised and unrealised profits or losses issued on 25 March 2010, and subsequent guidance issued on 20 December 2010, the breakdown of the Group's retained profits are disclosed as follows :-

Group	As at	As at
	30/09/2020	31/12/2019
	RM'000	RM'000
Realised	118,191	131,747
Unrealised	195,042	196,599
	<u>313,233</u>	<u>328,346</u>
Consolidation adjustments	30,203	29,166
Total retained profits	<u>343,436</u>	<u>357,512</u>

B7 Corporate Proposals

There were no corporate proposal announced not completed as at 12 November 2020, being the latest practicable date which is not earlier than 7 days from the date of the issuance of this interim financial statements.

B8 Group Borrowings

Details of Group borrowings as at 30 September 2020 are as follows:

Secured	As at	As at
	30/09/2020	31/12/2019
	RM'000	RM'000
Borrowings repayable		
- within 12 months	144,592	147,877
- after 12 months	61,282	53,537
Total borrowings	<u>205,874</u>	<u>201,414</u>

B9 Details of Financial Instruments with Off Balance Sheet Risks

There were no off-balance sheet risks envisaged as at the date of this report that might materially affect the Group's business position.

B10 Changes and Details of Pending Material Litigation

There is no material litigation to be disclosed in these interim financial statements.

B11 Dividend Proposed/Declared

There were no dividend proposed for the current financial quarter ended 30 September 2020.

B12 Earnings per Share ("EPS")

(a) Basic EPS

The basic earnings per share has been calculated by dividing the Group's net profit attributable to ordinary equity holders of the Company for the period to-date by the weighted average number of ordinary shares in issue.

	3 months ended		9 months ended	
	30/09/2020	30/09/2019	30/09/2020	30/09/2019
Net profit/(loss) attributable to ordinary equity holders of the Company (RM'000)	(5,407)	(6,731)	(14,076)	(20,880)
Weighted average number of ordinary shares in issue ('000)	332,627	332,627	332,627	332,627
Basic EPS (sen)	<u>(1.63)</u>	<u>(2.02)</u>	<u>(4.23)</u>	<u>(6.28)</u>

(b) Diluted EPS

The diluted EPS is calculated by dividing the profit for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period after adjustment for the effects of dilutive potential ordinary shares comprising warrants in accordance with MFRS 133.

	3 months ended		9 months ended	
	30/09/2020	30/09/2019	30/09/2020	30/09/2019
Net profit/(loss) attributable to ordinary equity holders of the Company (RM'000)	<u>(5,407)</u>	<u>(6,731)</u>	<u>(14,076)</u>	<u>(20,880)</u>
Weighted average number of ordinary shares in issue ('000)	332,627	332,627	332,627	332,627
Effect of dilutive potential ordinary shares from the exercise of bonus warrants ('000)	9,981	25,720	9,981	25,720
Weighted average number of ordinary share in issue for diluted earnings per share ('000)	<u>342,608</u>	<u>358,347</u>	<u>342,608</u>	<u>358,347</u>
Diluted EPS (sen)	<u>(1.58)</u>	<u>(1.88)</u>	<u>(4.11)</u>	<u>(5.83)</u>

B13 Additional disclosures pursuant to para 16, Part A, Appendix 9b of Bursa Malaysia Securities Berhad Listing Requirements

	9 months ended	
	30/9/2020	30/9/2019
	RM'000	RM'000
Depreciation of property, plant and equipment	80	116
Interest expenses	12,478	12,138
Interest income	(31)	(156)
Other income	2,080	(348)
Unrealised (gain)/loss of foreign exchange	5,753	(1,882)
Loss on deconsolidation of a subsidiary	-	-

Other than items above which have been included in the profit or loss, there were no impairment of assets or exceptional items which may have an effect on the results for the current financial period under review.

- END OF REPORT-