

MAGNA PRIMA BERHAD

Company No.: 369519-P

(Incorporated in Malaysia)

Interim Financial Statements

31 December 2020

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(Incorporated in Malaysia)

Interim Financial Statements - 31 December 2020

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MAGNA PRIMA BERHAD

(Company No.: 369519-P)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

(The figures have not been audited)

	AS AT 31/12/2020 RM'000 (Unaudited)	AS AT 31/12/2019 RM'000 (Audited)
ASSETS		
Non-Current Assets		
Property, plant and equipment	290	506
Right-use-of-assets	292	40
Investment properties	377,169	520,769
Land held for property development	249,547	194,732
Deferred tax assets	-	796
	627,298	716,843
Current Assets		
Inventories	100,045	109,192
Contract assets	894	408
Contract cost assets	-	375
Trade and other receivables	5,588	8,889
Tax recoverable	82	110
Cash held under Housing Development Accounts	1,517	3,540
Fixed and short term deposits with licensed banks	430	5,084
Cash and bank balances	1,433	930
TOTAL CURRENT ASSETS	109,989	128,528
TOTAL ASSETS	737,287	845,371
EQUITY AND LIABILITIES		
Equity attributable to Owners of the Company		
Share capital	121,009	121,009
Share premium	-	-
Treasury shares	(2,385)	(2,385)
Other reserves	20,352	7,653
Retained profits	207,150	357,512
	346,126	483,789
Non-controlling interests	905	2,235
TOTAL EQUITY	347,031	486,024
Non-Current Liabilities		
Borrowings	98,276	53,537
Lease liability	45	65
Deferred tax liabilities	20,850	25,699
	119,171	79,301
Current Liabilities		
Trade and other payables	82,689	73,683
Contract liabilities	18,211	20,001
Borrowings	110,402	147,877
Lease liability	261	142
Current tax liabilities	59,522	38,343
	271,085	280,046
TOTAL LIABILITIES	390,256	359,347
TOTAL EQUITY AND LIABILITIES	737,287	845,371
Net assets per share at par value of RM0.25 each attributable to Owners of the Company (RM)	1.04	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 31 December 2020

(The figures have not been audited)

	3 months ended		12 months ended	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
	RM'000	RM'000	RM'000	RM'000
Revenue	12,530	7,095	18,958	30,067
Cost of sales	(4,869)	(3,664)	(9,443)	(20,831)
Gross profit	7,661	3,431	9,515	9,236
Other operating income	167	2,854	2,247	5,857
Selling and distribution expenses	(569)	384	(676)	(1,256)
Administration expenses	(5,385)	(5,244)	(9,948)	(17,974)
Other operating expenses	(116,809)	(3,652)	(117,211)	(7,841)
Profit/(Loss) before interest and tax	(114,935)	(2,227)	(116,073)	(11,978)
Finance costs	(4,629)	(7,623)	(17,107)	(19,761)
Profit/(Loss) before taxation	(119,564)	(9,850)	(133,180)	(31,739)
Taxation	(17,068)	(2,692)	(18,511)	(2,962)
Profit/(Loss) for the period	(136,632)	(12,542)	(151,691)	(34,701)
Other comprehensive income / (expense) :				
Items that may be reclassified subsequently to profit or loss				
Currency translation differences	6,947	2,285	12,700	(3,303)
Other comprehensive income for the period	6,947	2,285	12,700	(3,303)
Total comprehensive income for the period	(129,685)	(10,257)	(138,991)	(38,004)
Profit/(Loss) attributable to:				
Owners of the Company	(136,286)	(12,023)	(150,362)	(32,903)
Non-controlling interests	(346)	(519)	(1,329)	(1,798)
	(136,632)	(12,542)	(151,691)	(34,701)
Total comprehensive income/(expense) attributable to:				
Owners of the Company	(129,339)	(9,738)	(137,662)	(36,206)
Non-controlling interests	(346)	(519)	(1,329)	(1,798)
	(129,685)	(10,257)	(138,991)	(38,004)
Earnings per share attributable to Owners of the Company:				
- Basic (sen)	(40.97)	(3.61)	(45.20)	(9.89)
- Diluted (sen)	(39.78)	(3.36)	(43.89)	(9.18)

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 31 December 2020

(The figures have not been audited)

	Attributable to Owners of the Company							
	Non-Distributable				Distributable		Non-controlling Interests	Total Equity
	Share capital	Treasury shares	Capital reserve	Translation reserve	Retained profit/(loss)	Total		
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)	357,512	483,788	2,235	486,023
Prior year adjustment				-	-	-		-
Profit / (Loss) for the year	-	-	-	-	(150,362)	(150,362)	(1,329)	(151,691)
Other comprehensive expense for the year	-	-	-	12,699		12,699	-	12,699
Total comprehensive income / (expense) for the year	-	-	-	12,699	(150,362)	(137,663)	(1,329)	(138,992)
Balance as at 31 December 2020	121,009	(2,385)	19,706	646	207,150	346,125	906	347,031
Balance as at 1 January 2019	121,009	(2,385)	19,706	(8,750)	390,415	519,994	4,033	524,028
Profit / (Loss) for the year	-	-	-	-	(32,903)	(32,903)	(1,798)	(34,701)
Other comprehensive income for the year	-	-	-	(3,304)	-	(3,304)	-	(3,304)
Total comprehensive income / (expense) for the year	-	-	-	(3,304)	(32,903)	(36,207)	(1,798)	(38,005)
Balance as at 31 December 2019	121,009	(2,385)	19,706	(12,053)	357,512	483,788	2,235	486,023

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 31 December 2020

(The figures have not been audited)

	12 months 31/12/2020 RM'000	12 months 31/12/2019 RM'000
Cash Flows From Operating Activities		
Loss before taxation	(133,180)	(21,889)
Adjustments for :-		
Depreciation of property, plant and equipment	113	116
Impairment of trade receivables		340
Revaluation of Property, plant and equipment	88,785	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 loss / (gain)	-	(1,882)
Finance income	(29)	(156)
Finance expense	17,107	12,138
Operating profit before changes in working capital	(27,204)	(16,036)
Changes in working capital		
Inventories	9,147	16,004
Contract cost liabilities	(1,900)	-
Trade and other receivables	3,302	7,873
Trade and other payables	8,967	11,585
	19,516	35,462
Net cash (used in)/generated from operations	(7,688)	19,426
Interest paid	(1,954)	(15,496)
Interest received	29	156
Tax paid	118	(2,359)
	(1,807)	(17,699)
Net cash (used in)/generated from operating activities	(9,495)	1,727
Cash Flows From Investing Activities		
Net devaluation of investment property	-	-
Proceeds from disposal of property, plant and equipment	113	-
Net cash inflow/(outflow) from deconsolidation of the subsidiary	-	-
Net cash generated from investing activities	113	-
Cash Flows From Financing Activities		
Repayment of hire purchase liabilities	(12)	(86)
Repayment of bank borrowings	(10,119)	(6,165)
Fixed deposits with licensed banks	4,480	6,543
Net cash (used in)/generated from financing activities	(5,651)	292
Net change in cash & cash equivalents	(15,033)	2,019
Cash & cash equivalents at the beginning of the financial year	4,658	8,435
Effect of exchange rate changes	13,357	(5,003)
Cash & cash equivalents at the end of the financial year	2,982	5,451

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

	As at 31/12/2020 RM'000	As at 31/12/2019 RM'000
Cash and bank balances	1,433	1,530
Cash held under Housing Development Accounts	1,517	3,735
Fixed and short term deposits with licensed banks	430	7,567
	3,380	12,832
Less: Fixed deposits pledged with licensed banks	(398)	(7,381)
	2,982	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

During the financial year 2020, Malaysia Government implemented various phases of Movement Control Order ('MCO') since 18 March 2020 as a preventive measure in respond to the Covid-19 pandemic.

The Group's operations during the financial year 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 year 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 / 31 December 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 year 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>Year ended 31/12/2020 :</u>						
Total revenue	18,877	-	-	(599)	-	18,278
Intersegment revenue	-	-	-	4,774	(4,093)	681
Segment revenue :	18,877	-	-	4,175	(4,093)	18,959
<u>Primary geographical markets:</u>						
Australia	-	-	-	-	-	-
Malaysia	18,877	-	-	4,175	(4,093)	18,959
	18,877	-	-	4,175	(4,093)	18,959
<u>Nature of product</u>						
Commercial properties	9,202	-	-	4,175	(4,093)	9,284
Residential properties	9,675	-	-	-	-	9,675
	18,877	-	-	4,175	(4,093)	18,959
<u>Timing of revenue recognition:</u>						
Good transferred at a point in time	18,877	-	-	-	-	18,877
Good transferred over time	-	-	-	4,175	(4,093)	82
	18,877	-	-	4,175	(4,093)	18,959
Segment profit / (loss) before tax :	(37,194)	(3,905)	(16)	(105,025)	12,959	(133,181)
<i>Included in the segment profit / (loss) are :-</i>						
Finance income	18	-	-	11	-	29
Segment assets :	936,049	40,249	5	375,034	(614,049)	737,288
Segment liabilities :	657,077	72,502	2,459	143,487	(485,269)	390,256

Year ended 31/12/2019 :

Total revenue	29,389	-	-	1,118	(440)	30,067
Intersegment revenue	-	-	-	-	-	-
Segment revenue :	<u>29,389</u>	<u>-</u>	<u>-</u>	<u>1,118</u>	<u>(440)</u>	<u>30,067</u>
<u>Primary geographical markets:</u>						
Australia	-	-	-	-	-	-
Malaysia	29,389	-	-	1,118	(440)	30,067
	<u>29,389</u>	<u>-</u>	<u>-</u>	<u>1,118</u>	<u>(440)</u>	<u>30,067</u>
<u>Nature of product</u>						
Commercial properties	23,382	-	-	-	-	23,382
Residential properties	6,007	-	-	1,118	(440)	6,685
	<u>29,389</u>	<u>-</u>	<u>-</u>	<u>1,118</u>	<u>(440)</u>	<u>30,067</u>
<u>Timing of revenue recognition:</u>						
Good transferred at a point in time	22,511	-	-	-	-	22,511
Good transferred over time	7,996	-	-	-	(440)	7,556
	<u>30,507</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(440)</u>	<u>30,067</u>
Segment profit / (loss) before tax :	<u>(18,832)</u>	<u>(2,027)</u>	<u>-</u>	<u>(2,520)</u>	<u>(8,360)</u>	<u>(31,739)</u>
<u>Included in the segment profit / (loss) are :-</u>						
Finance income	154	0	-	1	1	156
Segment assets :	<u>941,610</u>	<u>48,137</u>	<u>6</u>	<u>532</u>	<u>(144,914)</u>	<u>845,370</u>
Segment liabilities :	<u>631,277</u>	<u>66,531</u>	<u>2,443</u>	<u>15,135</u>	<u>(356,039)</u>	<u>359,347</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>Year ended 31/12/2020 :</u>			
Total revenue	18,959	-	18,959
Intersegment revenue	-	-	-
Segment revenue :	<u>18,959</u>	<u>-</u>	<u>18,959</u>
Segment profit / (loss) before tax :	<u>(120,065)</u>	<u>(13,116)</u>	<u>(133,181)</u>
Segment assets :	<u>560,923</u>	<u>176,365</u>	<u>737,288</u>
Segment liabilities :	<u>386,459</u>	<u>3,797</u>	<u>390,256</u>
<u>Year ended 31/12/2019 :</u>			
Total revenue	30,067	-	30,067
Intersegment revenue	-	-	-
Segment revenue :	<u>30,067</u>	<u>-</u>	<u>30,067</u>
Segment profit before tax :	<u>(33,108)</u>	<u>1,369</u>	<u>(31,739)</u>
Segment assets :	<u>754,899</u>	<u>90,471</u>	<u>845,370</u>
Segment liabilities :	<u>356,502</u>	<u>2,845</u>	<u>359,347</u>

Major customers

The Group is engaged primarily in property development 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

Investment properties are stated at fair value, which has been determined base on the valuations performed by independent valuer. The fair value of the properties has been determined using comparison method depending on the nature of the property.

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, 19 Oct, 19 Nov, 12 Dec 2020, 19 Jan and 23 Feb 2021.

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 31/12/2020 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	208,679	201,554
Utilised portion of corporate guarantees given to trade payables of subsidiary companies for credit facilities granted to subsidiary companies:		
- Unsecured	2	2
	208,681	201,556

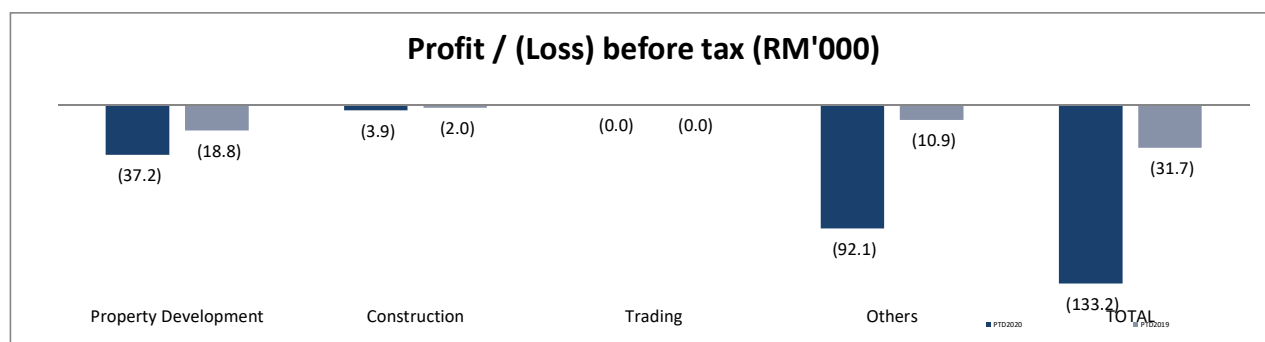
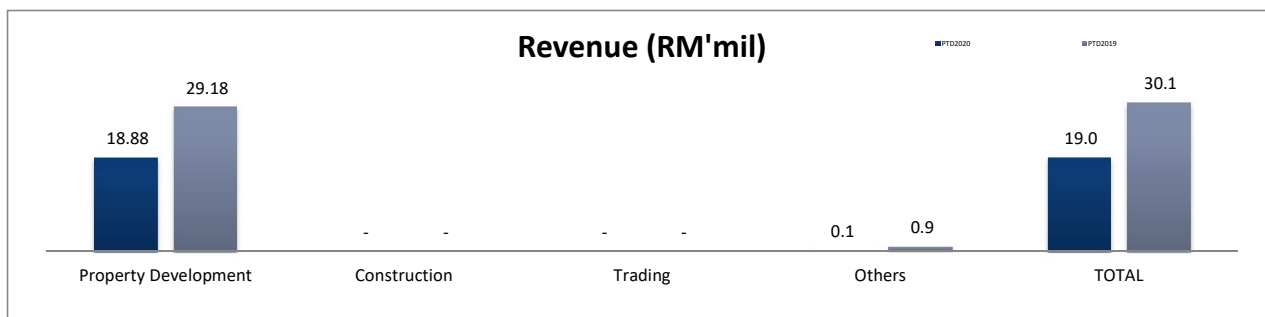
B Bursa Malaysia Listing Requirements

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

	3 months ended			12 months ended		
	31/12/2020 RM'000	31/12/2019 RM'000	Changes %	31/12/2020 RM'000	31/12/2019 RM'000	Changes %
Revenue	12,530	7,095	77%	18,958	30,067	(37%)
Cost of sales	(4,869)	(3,664)	33%	(9,443)	(20,831)	(55%)
Gross profit	7,661	3,431	123%	9,515	9,236	3%
Profit/(Loss) before interest and tax	(114,935)	(2,227)	5061%	(116,073)	(11,978)	869%
Profit/(Loss) before taxation	(119,564)	(9,850)	1114%	(133,180)	(31,739)	320%
Profit/(Loss) for the period	(136,632)	(12,542)	989%	(151,691)	(34,701)	337%
Profit/(Loss) attributable to: Owners of the Company	(136,286)	(12,023)	1034%	(150,362)	(32,903)	357%

For the 12 months ended 31 Dec 2020, the Group achieved a revenue of RM19.0 million, a decrease of 37% compared to previous corresponding period amounting to RM30.1 million and an increase of 320% for loss before tax of RM133.2 million compared to loss of RM31.7 million recorded in the previous corresponding period ended 31 Dec 2019.

The increase in loss before tax compared to the previous corresponding period are mainly due to the downwards revaluation of JKCC Mall and Shopping Centre at Jalan Kuching. Additional provision for tax assessment and penalties (prior year) as a result of tax audit by IRB.

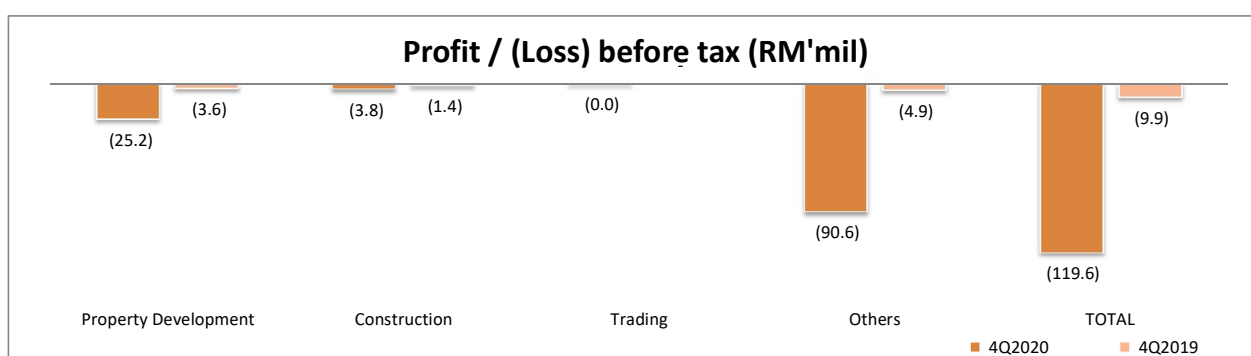
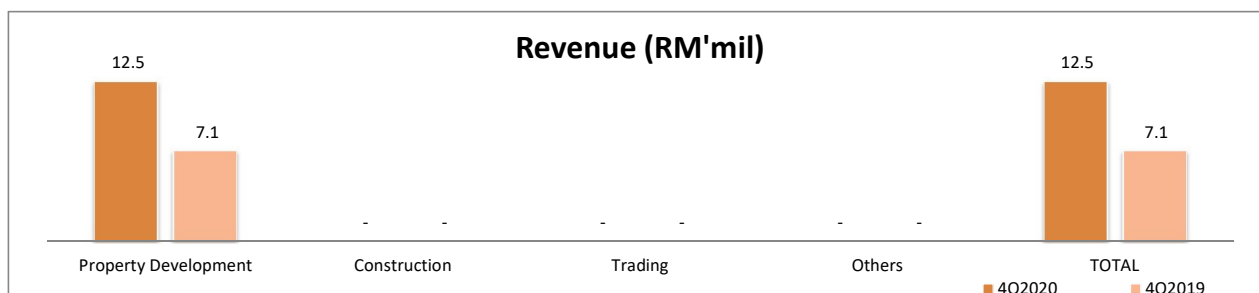


B1 Review of Performance - Comparison with Previous Corresponding Period and Quarter (cont'd)

For the current quarter ended 31 December 2020, the Group recorded a revenue of RM12.5 million, an increase of 77% from RM7.1 million compared to the previous corresponding quarter ended 31 December 2019.

The increase in revenue for current quarter was due to slight improve sentiment during the Conditional Movement Control Order ("CMCO") implemented by the government under the Prevention and Control of Infections Diecease Act 1988 to curb the spread of Covid-19 pandemic.

The loss before tax for the current quarter is RM119.6 million, an increase of 11 times as compared to loss before tax of RM9.9 million in the corresponding quarter. This is mainly due to downwards revaluation of JKCC Mall and Shopping Centre at Jalan Kuching and additional provision for tax assessment & penalties (prior year) as a result of tax audit by IRB.



Property Development

The property development segment recorded a revenue of RM12.5 million and loss before tax of RM25.2 million in the current quarter compared to revenue of RM7.1 million and loss before tax of RM3.6 million in the corresponding quarter of the previous financial year.

Construction & Engineering

The Construction & Engineering segment registered no revenue and loss before tax of RM3.78 million in current quarter as compared to no revenue and loss before tax of RM1.39 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.

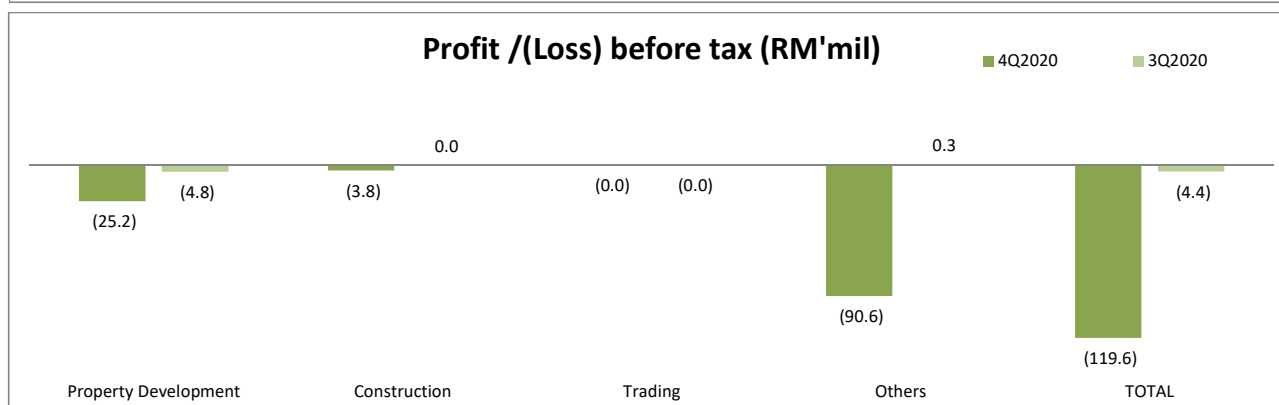
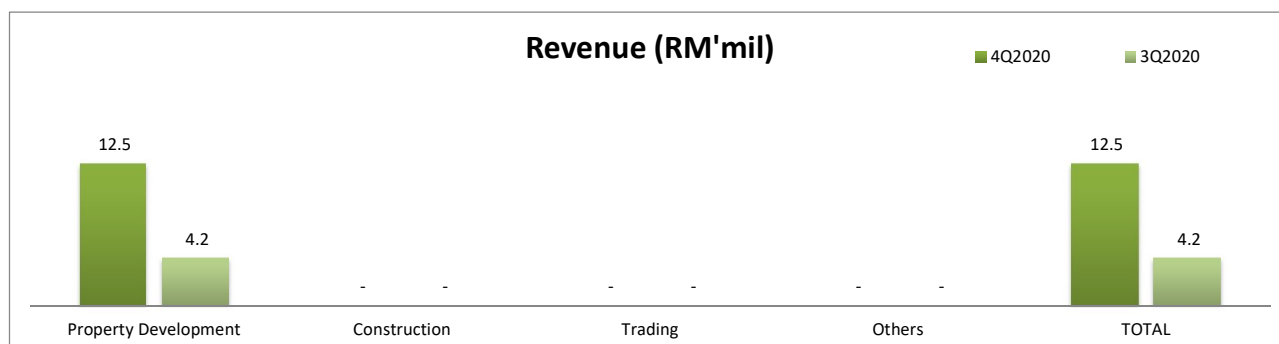
B2 Review of Performance - Comparison with Immediate Preceding Quarter

	Current Quarter 31/12/2020 RM'000	Immediate Preceding 30/09/2020 RM'000	Changes %
Revenue	12,530	4,174	200%
Cost of sales	(4,869)	(4,051)	20%
Gross profit	7,661	123	6128%
Profit/(Loss) before interest and tax	(114,935)	(502)	22795%
Profit/(Loss) before taxation	(119,564)	(4,399)	2618%
Profit/(Loss) for the period	(136,632)	(5,749)	2277%
Profit/(Loss) attributable to: Owners of the Company	(136,286)	(5,407)	2421%

For the current quarter, the Group recorded a revenue of RM12.5 million, as compared to turnover RM4.2 million in the immediate preceding quarter ended 30 September 2020.

The Group posted a loss before tax of RM119.6 million in the current quarter, as compared to loss before tax of RM4.4 million in the immediate preceding quarter ended 30 September 2020.

Current quarter performance were due to downwards revaluation of JKCC Mall and Shopping Centre at Jalan Kuching about RM 86 million and additional provision for tax assessment & penalties (prior year) as a result of tax audit by IRB of RM 11.6 million.



B3 Prospects for the Next Financial Year

The Board expects the current financial year to be challenging due to the ongoing Covid-19 pandemic. However with the vaccination programme in place, we expect the economy to recover progressively.

With various incentives offered by the government and low interest rates, the group would continue to focus its sale of its inventory in Boulevard Business Park @ Jalan Kuching. In the meantime, the following properties were identified for disposal :-

Nos	Description of assets
1	Lot No 80791, Mukim of Batu, District of KL, consist of a mall and shopping centre at Jalan Kuching, approximately 246,189 sq ft built up
2	H.S.D 16667, Lot PT12, Seksyen 15 Shah Alam, approximately 871,200 sq ft

The proposed disposal above shall generate sufficient working capital and reduce the group borrowings.

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	12 months ended	
	31/12/2020	31/12/2019
	RM'000	RM'000
In respect of :		
- current year	22,616	238
- deferred taxation	(4,105)	2,724
	18,511	2,962

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
	31/12/2020	31/12/2019
	RM'000	RM'000
Realised	(58,134)	131,747
Unrealised	222,311	196,599
	164,177	328,346
Consolidation adjustments	42,972	29,166
Total retained profits	207,149	357,512

B7 Corporate Proposals

There were no corporate proposal announced not completed as at 01 March 2021, 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 31 December 2020 are as follows:

Secured	As at	As at
	31/12/2020	31/12/2019
	RM'000	RM'000
Borrowings repayable		
- within 12 months	110,402	147,877
- after 12 months	98,276	53,537
Total borrowings	208,678	201,414

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 31 December 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 year by the weighted average number of ordinary shares in issue.

	3 months ended		12 months ended	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Net profit/(loss) attributable to ordinary equity holders of the Company (RM'000)	(136,286)	(12,023)	(150,362)	(32,903)
Weighted average number of ordinary shares in issue ('000)	332,627	332,627	332,627	332,627
Basic EPS (sen)	(40.97)	(3.61)	(45.20)	(9.89)

The basic 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 excluding treasury shares held by the Company.

(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		12 months ended	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Net profit/(loss) attributable to ordinary equity holders of the Company (RM'000)	(136,286)	(12,023)	(150,362)	(32,903)
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)	342,608	358,347	342,608	358,347
Basic EPS (sen)	(40.97)	(3.61)	(45.20)	(9.89)
Diluted EPS (sen)	(39.78)	(3.36)	(43.89)	(9.18)

(a) Basic EPS

The basic 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 excluding treasury shares held by the Company.

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

	12 months ended	
	31/12/2020	31/12/2019
	RM'000	RM'000
Depreciation of property, plant and equipment	113	116
Interest expenses	17,107	12,138
Interest income	(29)	(156)
Other income	2,247	5,857
Unrealised (gain)/loss of foreign exchange	4,543	(3,304)
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-