

MAGNA PRIMA BERHAD

Registration No.: 199501040315 (369519-P)

(Incorporated in Malaysia)

Interim Financial Statements

31 Dec 2021

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Interim Financial Statements - 31 Dec 2021

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MAGNA PRIMA BERHAD

Registration No.: 199501040315 (369519-P)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

(The figures have not been audited)

	AS AT 31/12/2021 RM'000 (Unaudited)	AS AT 31/12/2020 RM'000 (Audited)
ASSETS		
Non-Current Assets		
Property, plant and equipment	152	290
Right-use-of-assets	41	292
Investment properties	369,650	377,169
Land held for property development	119,918	119,915
	<u>489,761</u>	<u>497,666</u>
Current Assets		
Inventories	2,202	45,914
Contract assets	-	894
Trade and other receivables	4,656	5,903
Tax recoverable	82	82
Cash held under Housing Development Accounts	1,312	1,517
Fixed and short term deposits with licensed banks	8,042	424
Cash and bank balances	2,346	1,439
TOTAL CURRENT ASSETS	<u>18,640</u>	<u>56,174</u>
Non-current assets held for sale	183,662	183,662
TOTAL ASSETS	<u>692,063</u>	<u>737,501</u>
EQUITY AND LIABILITIES		
Equity attributable to Owners of the Company		
Share capital	150,945	121,009
Treasury shares	(2,385)	(2,385)
Other reserves	16,620	20,567
Retained profits	209,530	206,637
	<u>374,709</u>	<u>345,827</u>
Non-controlling interests	<u>(717)</u>	<u>905</u>
TOTAL EQUITY	<u>373,992</u>	<u>346,732</u>
Non-Current Liabilities		
Borrowings	19,816	21,668
Lease liability	-	45
Deferred tax liabilities	20,698	20,850
	<u>40,514</u>	<u>42,564</u>
Current Liabilities		
Trade and other payables	131,627	81,406
Contract liabilities	1,726	18,722
Borrowings	127,400	187,011
Lease liability	45	261
Current tax liabilities	16,759	60,806
	<u>277,557</u>	<u>348,206</u>
TOTAL LIABILITIES	<u>318,071</u>	<u>390,769</u>
TOTAL EQUITY AND LIABILITIES	<u>692,063</u>	<u>737,501</u>
Net assets per share of RM0.25 each attributable to Owners of the Company (RM)	<u>1.13</u>	<u>1.04</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

MAGNA PRIMA BERHAD

Registration No.: 199501040315 (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 2021

(The figures have not been audited)

	3 months ended		12 months ended	
	31/12/2021 RM'000	31/12/2020 RM'000	31/12/2021 RM'000	31/12/2020 RM'000
Revenue	2,784	12,273	6,531	18,701
Cost of sales	(4,964)	(4,986)	(8,326)	(9,560)
Gross profit	(2,180)	7,287	(1,795)	9,141
Other operating income	29,712	97	31,098	2,177
Selling and distribution expenses	(4)	(569)	(111)	(676)
Administration expenses	(2,946)	(5,283)	(5,545)	(9,846)
Other operating expenses	911	(116,989)	(7,617)	(117,391)
Profit/(Loss) before interest and tax	25,491	(115,457)	16,028	(116,595)
Finance costs	(3,573)	(4,629)	(15,118)	(17,107)
Profit/(Loss) before taxation	21,919	(120,086)	911	(133,702)
Taxation	439	(17,059)	359	(18,502)
Profit/(Loss) for the period	22,358	(137,145)	1,270	(152,204)
Other comprehensive income / (expense) :				
Items that may be reclassified subsequently to profit or loss				
Currency translation differences	531	7,161	(3,947)	12,914
Other comprehensive income for the period	531	7,161	(3,947)	12,914
Total comprehensive income for the period	22,889	(129,984)	(2,677)	(139,290)
Profit/(Loss) attributable to:				
Owners of the Company	23,107	(136,799)	2,893	(150,875)
Non-controlling interests	(749)	(346)	(1,623)	(1,329)
	22,358	(137,145)	1,270	(152,204)
Total comprehensive income/(expense) attributable to:				
Owners of the Company	23,638	(129,638)	(1,054)	(137,961)
Non-controlling interests	(749)	(346)	(1,623)	(1,329)
	22,889	(129,984)	(2,677)	(139,290)
Earnings per share attributable to Owners of the Company:				
- Basic (sen)	6.69	(41.13)	0.84	(45.36)

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 2020 and the accompanying explanatory notes attached to the interim financial statements.

MAGNA PRIMA BERHAD

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(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 31 December 2021

(The figures have not been audited)

	Attributable to Owners of the Company					Total	Non-controlling Interests	Total Equity
	Non-Distributable			Distributable				
	Share capital	Treasury shares	Capital reserve	Translation reserve	Retained profit/(loss)			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Balance as at 1 January 2021	121,009	(2,385)	19,706	860	206,637	345,827	905	346,732
Prior year adjustment	(0)			-	(0)	(0)		(0)
Profit / (Loss) for the year	-	-	-	-	2,893	2,893	(1,623)	1,270
Other comprehensive expense for the year	29,936	-	-	(3,947)		25,989	-	25,989
Total comprehensive income / (expense) for the year	29,936	-	-	(3,947)	2,893	28,882	(1,623)	27,259
Balance as at 31 December 2021	150,945	(2,385)	19,706	(3,086)	209,530	374,709	(717)	373,992
Balance as at 1 January 2020	121,009	(2,385)	19,706	(12,053)	357,512	483,788	2,235	486,023
Profit / (Loss) for the year	-	-	-	-	(150,875)	(150,875)	(1,329)	(152,204)
Other comprehensive income for the year	-	-	-	12,914	-	12,914	-	12,914
Total comprehensive income / (expense) for the year	-	-	-	12,914	(150,875)	(137,961)	(1,329)	(139,290)
Balance as at 31 December 2020	121,009	(2,385)	19,706	860	206,637	345,827	905	346,732

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 31 December 2021

(The figures have not been audited)

	12 months 31/12/2021 RM'000	12 months 31/12/2020 RM'000
Cash Flows From Operating Activities		
Profit / (Loss) before taxation	911	(133,702)
Adjustments for :-		
Depreciation of property, plant and equipment	56	146
Depreciation of right-of-use asset	251	232
Amortisation to contract cost		515
Impairment of trade receivables	-	(366)
Impairment of other receivables	-	862
Net gain on disposal of property, plant & equipment	-	(42)
Bad Debt Written off		45
Fair value adjustments on investment properties	12,700	89,570
Provision for liquidated and ascertained damages		2,580
Property, plant and equipment written off	82	7
Reversal impairment loss of trade receivables	-	(7)
(Gain)/loss on deconsolidation of a subsidiary	(24,980)	-
Unrealised foreign exchange (Gain)/ loss	(4,015)	13,170
Finance income	(28)	(58)
Finance expense	15,150	17,107
Operating profit before changes in working capital	127	(9,943)
Changes in working capital		
Inventories	46,517	8,463
Contract assets	894	-
Trade and other receivables	1,247	1,819
Trade and other payables	50,221	3,268
Contract liabilities	(16,996)	-
	81,883	13,550
Net cash generated from operations	82,010	3,608
Interest paid	(18,487)	(8,503)
Interest received	28	58
Tax paid	-	(332)
	(18,459)	(8,777)
Net cash generated from/(used in) operating activities	63,552	(5,170)
Cash Flows From Investing Activities		
Net devaluation of investment property	-	-
Proceeds from disposal of property, plant and equipment	7,515	113
Net cash inflow/(outflow) from deconsolidation of the subsidiary	(413)	-
Net cash generated from investing activities	7,103	113
Cash Flows From Financing Activities		
Dividend paid	-	-
Repayment of hire purchase liabilities	-	(386)
Repayment of bank borrowings	(58,387)	(758)
Fixed deposits with licensed banks	(13)	4,704
Proceeds from warrant exercised	-	-
Drawdown of bank borrowings	-	-
Repurchase of shares	-	-
Net cash (used in)/generated from financing activities	(58,400)	3,560
Net change in cash & cash equivalents	12,254	(1,497)
Cash & cash equivalents at the beginning of the financial year	3,189	4,658
Effect of exchange rate changes	(3,947)	27
Cash & cash equivalents at the end of the financial year	11,496	3,189

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

	As at 31/12/2021 RM'000	As at 31/12/2020 RM'000
Cash and bank balances	2,346	1,517
Cash held under Housing Development Accounts	1,312	1,439
Fixed and short term deposits with licensed banks	8,042	424
	11,700	3,380
Less: Fixed deposits pledged with licensed banks	(205)	(192)
	11,496	3,189

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

A Explanatory Notes Pursuant To MFRS 134

A1 Basis of Preparation

The interim financial statements for the 4th quarter ended 31 December 2021 of the Group have been prepared in accordance with Malaysian Financial Reporting Standards (MFRS)134 "Interim Financial Reporting" issued by Malaysian Accounting Standards Board (MASB), paragraph 9.22 and Appendix 9B of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2020. The accounting policies, method of computation and basis of consolidation applied in the unaudited interim financial statements and audited financial statements for the financial year are consistent with those used in the preparation of the 2020 audited financial statements except for the changes arising from the adoption of the amendments to MFRS issued by MASB that are effective for the Group's financial year beginning on 1 January 2021.

Significant Accounting Policies

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2021

- Amendments to MFRS 9, Financial Instruments, MFRS 139, Financial Instruments: Recognition and Measurement, MFRS 7, Financial Instruments: Disclosures, MFRS 4, Insurance Contracts and MFRS 16, Leases – Interest Rate Benchmark Reform – Phase 2

The Group had early adopted Amendment to MFRS 16, Leases– Covid-19-Related Rent Concessions beyond 30 June 2021 and Amendments to MFRS 116, Property, Plant and Equipment – Proceeds before Intended Use which will take effect for annual periods beginning on or after 1 April 2021 and 1 January 2022 respectively

The adoption of the above amendment do not have any material impact to the Group.

The following are accounting standards, amendments and interpretations of the MFRSs that have been issued by Malaysian Accounting Standards Board but have not been adopted by the Group:

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2022

- Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018-2020)
- Amendments to MFRS 3, Business Combinations - Reference to the Conceptual Framework
- Amendments to MFRS 9, Financial Instruments (Annual Improvements to MFRS Standards 2018-2020)
- Amendments to Illustrative Examples accompanying MFRS 16, Leases (Annual Improvements to MFRS Standards 2018-2020)
- Amendments to MFRS 137, Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract
- Amendments to MFRS 141, Agriculture (Annual Improvements to MFRS Standards 2018-2020)

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023

- MFRS 17, Insurance Contracts
- Amendments to MFRS 17, Insurance Contracts – Initial application of MFRS 17 and MFRS 9- Comparative Information
- Amendments to MFRS 101, Presentation of Financial Statements – Classification of Liabilities as Current or Non-current and Disclosure of Accounting Policies
- Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates
- Amendments to MFRS 112, Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

MFRSs, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Group plans to apply the abovementioned accounting standards, interpretations and amendments:

- from the annual period beginning on 1 January 2022 for the amendments that are effective for annual period beginning on or after 1 January 2022, except for amendments to MFRS 1 and amendments to MFRS 141 which are not applicable to the Group.
- from the annual period beginning on 1 January 2023 for the accounting standard and amendments that are effective for annual period beginning on or after 1 January 2023, except for MFRS 17 and amendments to MFRS 17 which are not applicable to Group.

A2 Auditors' Report For The Financial Year Ended 31 December 2020

The auditors' report on the financial statements for the financial year ended 31 December 2020 was not subjected to any qualification.

A3 Seasonal or Cyclical Factors

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

A4 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.

A5 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.

A6 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 31 December 2021	2,285,500	2,385,431

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

A7 Dividends Paid

No dividend was paid during the quarter under review.

A8 Segmental Analysis

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

By operating segment :

	Property Dev't RM'000	Const. & Engineering RM'000	Trading RM'000	Non- reportable segments RM'000	Intersegment eliminations RM'000	Consolidated RM'000
Year ended 31/12/2021 :						
Total revenue	6,531	-	-	-	-	6,531
Intersegment revenue	-	-	-	58	(58)	(0)
Segment revenue :	6,531	-	-	58	(58)	6,531
Primary geographical markets:						
Australia	-	-	-	-	-	-
Malaysia	6,531	-	-	58	(58)	6,531
	6,531	-	-	58	(58)	6,531
Nature of product						
Commercial properties	6,531	-	-	58	(58)	6,531
Residential properties	-	-	-	-	-	-
	6,531	-	-	58	(58)	6,531
Timing of revenue recognition:						
Good transferred at a point in time	6,531	-	-	-	-	6,531
Good transferred over time	-	-	-	-	-	-
	6,531	-	-	-	-	6,531
Segment profit / (loss) before tax :	(13,300)	(7,723)	(15)	(8,684)	30,632	911
<i>Included in the segment profit / (loss) are :-</i>						
Finance income	(6)	(3)	-	(20)	-	(28)
Segment assets :	934,101	44,967	4	591,757	(878,766)	692,063
Segment liabilities :	672,063	84,847	2,473	338,918	(780,230)	318,071
Year ended 31/12/2020 :						
Total revenue	19,060	-	-	(582)	-	18,478
Intersegment revenue	-	-	-	4,757	(4,534)	223
Segment revenue :	19,060	-	-	4,175	(4,534)	18,701
Primary geographical markets:						
Australia	-	-	-	-	-	-
Malaysia	18,877	-	-	4,175	(4,534)	18,518
	18,877	-	-	4,175	(4,534)	18,518
Nature of product						
Commercial properties	9,202	-	-	4,175	(4,534)	8,843
Residential properties	9,675	-	-	-	-	9,675
	18,877	-	-	4,175	(4,534)	18,518
Timing of revenue recognition:						
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 :	(37,328)	(3,905)	(16)	(104,985)	12,532	(133,702)
<i>Included in the segment profit / (loss) are :-</i>						

Finance income	18	-	-	11	-	29
Segment assets :	806,562	40,249	5	321,045	(614,020)	553,841
Segment liabilities :	657,248	72,502	2,459	143,487	(484,926)	390,770

By geographical segment :

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

	Malaysia	Australia	Consolidated
Year ended 31/12/2021 :			
Total revenue	6,531	-	6,531
Intersegment revenue	-	-	-
Segment revenue :	6,531	-	6,531
Segment profit / (loss) before tax :	(3,101)	4,012	911
Segment assets :	516,404	175,658	692,063
Segment liabilities :	321,096	(3,025)	318,071

Year ended 31/12/2020 :

Total revenue	18,701	-	18,701
Intersegment revenue	223	-	223
Segment revenue :	18,924	-	18,924
Segment profit before tax :	(135,071)	1,369	(133,702)
Segment assets :	463,370	90,471	553,841
Segment liabilities :	387,925	2,845	390,770

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.

A9 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.

A10 Material Events Subsequent to the End of the Period

As per Bursa announcement as follows :-

A10.1 Default in payment to Alliance Bank Malaysia Berhad

- 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.
- 17 July 2020 - Receiver and Manager appointed for Magna Ecocity Sdn Bhd (ME), a subsidiary of Magna Prima Berhad.
- 2 August 2021 - The Company announced that the Company and its subsidiary, Magna Ecocity Sdn Bhd, had executed the Agreement on the re-floatation and the reservation of right to re-appoint a receiver and manager with Alliance Bank Malaysia Berhad ("ABMB") and the Receiver and Manager on upliftment of the Receiver and Manager and is in the midst of preparation of the discharge of the receiver and manager from ABMB on August 2021.
- On 6 September 2021 the Company received a notification from Pricewaterhousecoopers Advisory Services Sdn Bhd informing that the Notice of Cessation of Office by Receiver or Receiver and Manager has been filed with the Companies Commission of Malaysia. As such, the upliftment of receivership is deemed completed.
- On 29 October 2021, the Company had made a payment of amounting to RM13,000,000 to Alliance Bank Malaysia Berhad pursuant to the Agreement dated 2 August 2021.

There is no major development on the defaulted financing facilities since the date of the last announcement.

A10.2 Disposal a four (4) storey commercial building of RM56,000,000.00

- Everhall, had on 19 April 2021, entered into a Sale and Purchase Agreement ("the Agreement") with Cowboy (KL) Sdn Bhd Company No. 202001023115 (1379435-X) ("the Purchaser"), to dispose a four (4) storey commercial building with a lower ground commercial area designated for supermarket together with 345 car park bays for a total cash consideration of RM56,000,000.00 ("the Disposal"). The Disposal has been completed on 16 February 2022.

A11 Changes in the Composition of the Group

On 24 September 2021, Magna City Development Sdn. Bhd. ("Magna City Development"), its wholly-owned subsidiary of the Company was filed with a legal suit by Isotechnic Electrical Sdn. Bhd. and interim liquidator was appointed on 25 August 2021.
On the 1st November 2021, the Company has disposed the issued and paid up share capital in the subsidiary company Dunia Epik Sdn Bhd comprising 2,600,000 ordinary shares of RM1.00 each fully paid up with negative NTA for a total cash consideration of RM1.00.

Save for the above mentioned, there were 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.

A12 Contingent Liabilities

Details of contingent liabilities of the company are as follows :

Company	As at 31/12/2021 RM'000	As at 31/12/2020 RM'000
Utilised portion of corporate guarantees given to financial institutions for facilities granted to subsidiary companies:		
- Secured on assets of subsidiary companies	127,400	208,679
Utilised portion of corporate guarantees given to trade payables of subsidiary companies for credit facilities granted to subsidiary companies:		
- Unsecured	2	2
	<u>127,401</u>	<u>208,681</u>

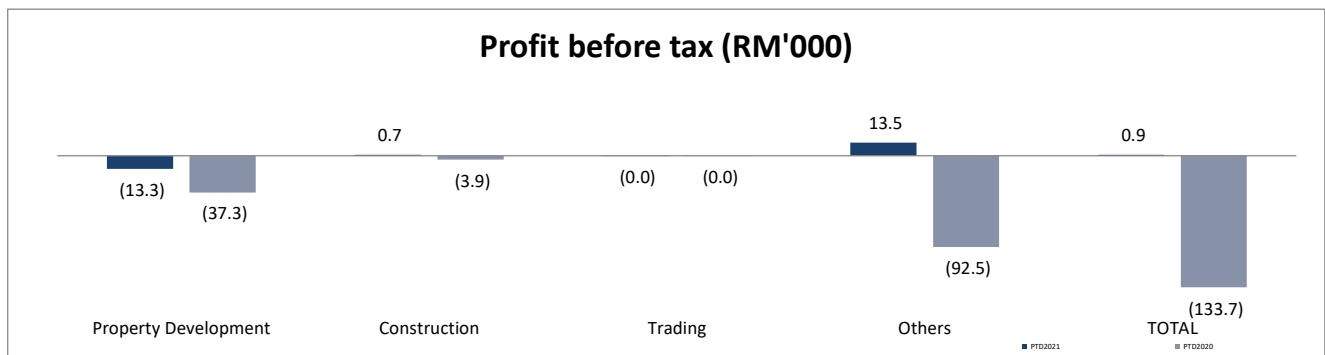
B Bursa Malaysia Listing Requirements

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

	12 months ended		
	31/12/2021 RM'000	31/12/2020 RM'000	Changes %
Revenue	6,531	18,701	(65%)
Cost of sales	(8,326)	(9,560)	(13%)
Gross profit	(1,795)	9,141	(120%)
Profit/(Loss) before interest and tax	16,028	(116,595)	(114%)
Profit/(Loss) before taxation	911	(133,702)	(101%)
Profit/(Loss) for the period	1,270	(152,204)	(101%)
Profit/(Loss) attributable to: Owners of the Company	2,893	(150,875)	(102%)

For the 12 months ended 31 Dec 2021, the Group achieved a revenue of RM6.5 million, an decrease of 65% compared to previous corresponding period amounting to RM18.7 million and a decrease of 101% for loss before tax of RM-0.9 million compared to loss of RM133.7 million recorded in the previous corresponding period ended 31 Dec 2020.

Revenue decrease due to sales decrease in the current Quarter, and Loss before taxation decrease by 101% due to the elimination of the share capital and retained earning upon strike off of Magna City Development Sdn Bhd taken up and the disposal of Dunia Epik Sdn Bhd taken up and a decrease of other operating expenses.



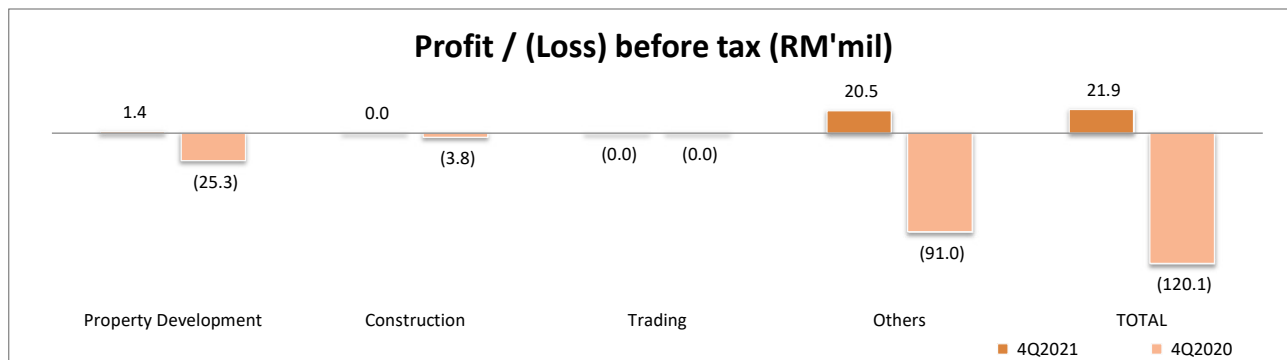
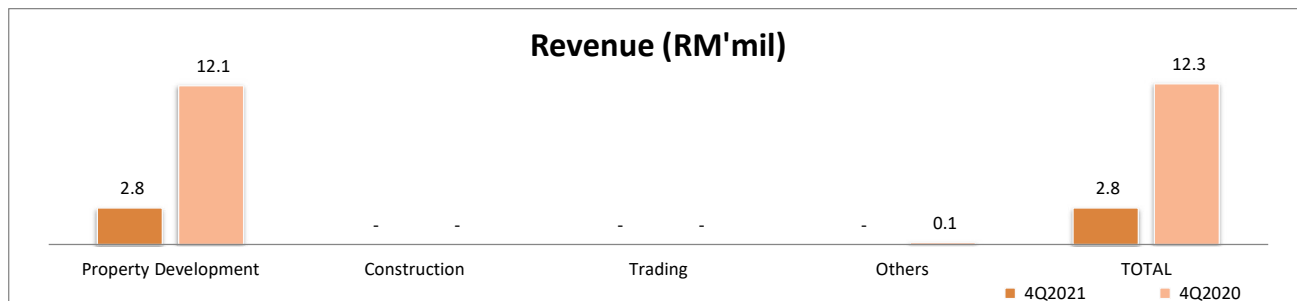
B1 Review of Performance - Comparison with Previous Corresponding Period and Quarter (cont'd)

For the current quarter ended 31 December 2021, the Group recorded a revenue of RM2.78 million, an decrease of 77% from RM12.13 million compared to the previous corresponding quarter ended 31 December 2020.

The decrease in revenue for current quarter was due to low demand.

The loss before tax for the current quarter is RM21.9 million, an decrease of 118% as compared to loss before tax of RM120.09 million in the corresponding quarter.

This is mainly due to the elimination of the share capital and retained earning upon strike off of Magna City Development Sdn Bhd taken up and the disposal of Dunia Epik Sdn Bhd taken up and a decrease of other operating expenses."



Property Development

The property development segment recorded a revenue of RM2.8 million and loss before tax of RM1.4 million in the current quarter compared to revenue of RM12.13 million and loss before tax of RM25.29 million in the previous corresponding quarter.

Construction & Engineering

The Construction & Engineering segment registered no revenue and loss before tax of RM-0.02 million in current quarter as compared to no revenue and loss before tax of RM3.78 million in the previous corresponding quarter.

The construction and engineering segment only carried out internal projects.

Trading

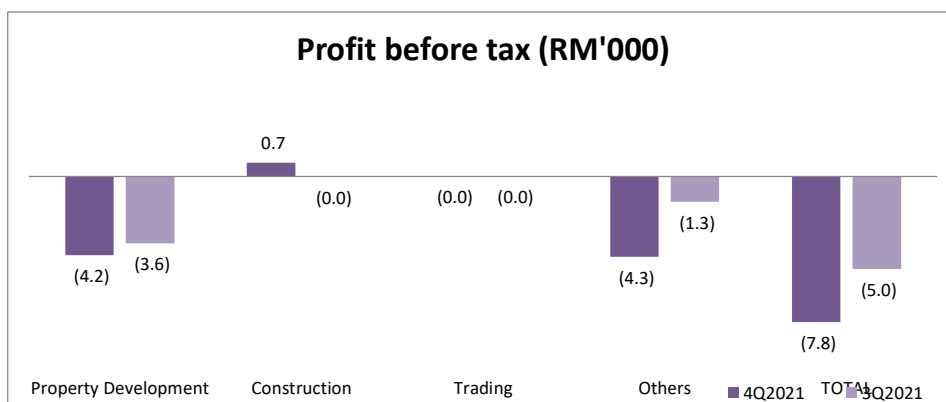
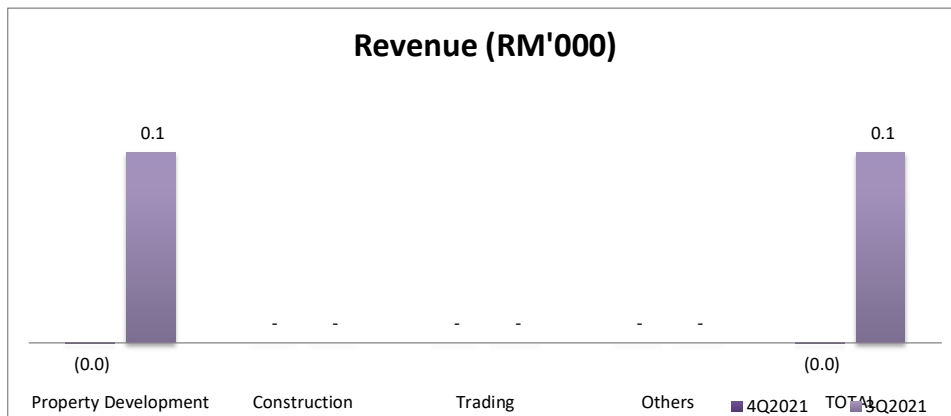
The trading segment had discontinued operation.

B2 Review of Performance - Comparison with Immediate Preceding Quarter

	Current Quarter 31/12/2021 RM'000	Immediate Preceding 30/09/2021 RM'000	Changes %
Revenue	2,784	0	2784082%
Cost of sales	(4,964)	41	(12208%)
Gross profit	(2,180)	41	(5417%)
Profit/(Loss) before interest and tax	25,491	(4,083)	(724%)
Profit/(Loss) before taxation	21,919	(7,785)	(382%)
Profit/(Loss) for the period	22,358	(7,790)	(387%)
Profit/(Loss) attributable to: Owners of the Company	23,107	(7,497)	(408%)

For the current quarter, the Group recorded a revenue of RM2.8 million, as compared to turnover RM0.0 million in the immediate preceding quarter ended 30 September 2021.

The Group posted a profit before tax of RM21.9 million in the current quarter, as compared to loss before tax of RM7.8 million in the immediate preceding quarter ended 30 September 2021.



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 in year 2022.

The Group is planning to launch, in the second quarter of 2022, its proposed development project in Metro Prima, Kepong on a piece of one (1) acres land on a joint venture basis with Dewan Bandaraya Kuala Lumpur. The project consists of 266 units service apartment with Gross Development Value of RM140 million.

Meanwhile, the Group is also revising the feasibility study for its project in Kelab Golf Sultan Abdul Aziz Shah, Shah Alam comprising 305 units of condominiums on site of 5.25 acres prime land facing the golf course. The revision is focused on the unit size and its layout and the selling price having taken account the present market sentiments. The proposed project has been issued with all relevant licenses and permits and the Group targets to launch the project in the third quarter of the year. The project will generate Gross Development Value of not less than RM150 million depending on the selling price.

The Group is also fast tracking the proposed development project in Section 15 Shah Alam on a piece of 20 acre commercial land. The Group has entered into a term sheet for a joint venture to develop the land and expects to receive a sum of RM80 million being the first tranche payment under the proposed joint venture by the third quarter of the year.

The Group is also actively identifying and venturing into new area of businesses which will generate cash flow to the Group. It is targeted to make announcements with regard to the proposed ventures by the second quarter of the year.

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	
	31/12/2021 RM'000	31/12/2020 RM'000
In respect of :		
- current year	(359)	22,721
- deferred taxation	-	(4,219)
	<u>(359)</u>	<u>18,502</u>

The effective tax rate of the Group for the financial period ended 31 December 2020 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 Corporate Proposals

On 3 May 2021, Bursa Securities has approve the listing of and quotation for up to 66,524,500 new ordinary shares in MPB to be issued pursuant to the Proposed Private Placement and was not completed as at 12 August 2021, being the latest practicable date which is not earlier than 7 days from the date of the issuance of this interim financial statements.

On 11 October 2021, the Company has fixed the issue price of the first tranche of the Placement Shares at RM0.45 per Placement Share to be issued pursuant to the Private Placement. The aforementioned issue price of RM0.45 per Placement Share represents a discount of approximately RM0.0325 or 6.74% from the 5-day volume weighted average market price of MPB from 4 October 2021 to 8 October 2021 of approximately RM0.4825 per share.

On 26 October 2021, the completion of the Private Placement following the listing of and quotation for 66,525,400 new ordinary shares in MPB on the Main Market of Bursa Malaysia Securities Berhad, raised a total of RM29.93 million. The utilization of proceeds is as follows:-

Status of Utilisation of Proceeds

Purpose	Proposed Utilisation	Actual Utilisation as at 31.12.2021	Intended Timeframe for Utilisation	Balance Unutilised	
	RM'000	RM'000		RM'000	%
Repayment of borrowing	26,181.00	22,476.00	Within eighteen (18) months	3,705.00	14%
Working Capital	3,545.00	-	Within eighteen (18) months	3,545.00	100%
Estimate expenses for PP	210.00	201.00	Immediate	9.00	4%
	29,936.00	22,677.00		7,259.00	24%

B7 Group Borrowings

Details of Group borrowings as at 31 December 2021 are as follows:

Secured	As at 31/12/2021 RM'000	As at 31/12/2020 RM'000
	Borrowings repayable	
- within 12 months	127,400	110,402
- after 12 months	19,816	98,276
Total borrowings	<u>147,216</u>	<u>208,678</u>

B8 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.

B9 Changes and Details of Pending Material Litigation

On 24 Sept 2021, Magna City Development Sdn. Bhd. ("Magna City Development"), its wholly-owned subsidiary of the Company had received a sealed copy of the Winding-Up Petition dated 25 August 2021 from Messrs. Ram Yogan Sivam, the solicitors of Isotechnic Electrical Sdn. Bhd. ("Isotechnic" or "the Petitioner").

The Petitioner claims Magna City Development had failed to settle the total outstanding amount of RM419,481.00 and the 5% interest calculated based on the date of judgement until full settlement owing to them as at 25 August 2021 pursuant to the Court Order issued by Kuala Lumpur High Court against Magna City Development on 21 September 2021. As such, the Petitioner has applied to the Court on the following:

- That Magna City Development be wound by the Court under the provisions of the Companies Act, 2016;
- That the official receiver be appointed as liquidator of Magna City Development; and
- Costs of RM10,000 to the Petitioner are paid through the Company's assets.

Magna City Development is not a major subsidiary of the Company.

The total cost of investment in Magna City Development is amounting to RM2,600,000.00.

There is no material impact on the financial and operation of the Magna Group.

The Company is not expected to incur any further loss arising from the Winding-Up Petition.

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Magna City Development has filed notice of appeal and a stay proceeding against the Winding-Up Order. Meantime, Magna City Development has negotiating with Isotechnics on the judgement sum and will make full settlement in due course. However parties has not reached any settlement on the judgment sum, subsequently Isotechnic together with other creditor mainly (JMB) of Boulevard Business Park has proposed to appoint their own Private Liquidators instead of the Official Receiver (insolvency KL). Magna Prima Berhad being the contributory has filled an objection on the appointment of the Private Liquidators. The Court of Appeal has fixed the hearing of the appeal on 7th July 2022.

B10 Dividend Proposed/Declared

There were no dividend proposed for the current financial quarter ended 31 December 2021.

B11 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.

	12 months ended	
	31/12/2021	31/12/2020
Net profit/(loss) attributable to ordinary equity holders of the Company (RM'000)	2,893	(150,875)
Weighted average number of ordinary shares in issue ('000)	345,568	332,627
Basic EPS (sen)	<u>0.84</u>	<u>(45.36)</u>

(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.

B12 Additional disclosures pursuant to para 16, Part A, Appendix 9b of Bursa Malaysia Securities Berhad Listing Requirements

	12 months ended	
	31/12/2021	31/12/2020
	RM'000	RM'000
Depreciation of property, plant and equipment	308	378
Interest expenses	15,150	17,107
Interest income	(28)	(58)
Other income	31,098	2,177
Unrealised (gain)/loss of foreign exchange	(3,947)	27
(Gain)/loss on deconsolidation of a subsidiary	<u>(24,980)</u>	<u>-</u>

Other than the 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-