

# **MAGNA PRIMA BERHAD**

**Registration No.: 199501040315 (369519-P)**

**(Incorporated in Malaysia)**

**Interim Financial Statements**

**31 March 2023**

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Registration No.: 199501040315 (369519-P)  
(Incorporated in Malaysia)

## **Interim Financial Statements - 31 March 2023**

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**MAGNA PRIMA BERHAD**

Registration No.: 199501040315 (369519-P)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at 31 March 2023

(The figures have not been audited)

	AS AT 31/03/2023 RM'000 (Unaudited)	AS AT 31/12/2022 RM'000 (Audited)
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	102	111
Right-use-of-assets	-	-
Investment properties	369,650	369,650
Land held for property development	112,979	112,979
	<u>482,732</u>	<u>482,739</u>
<b>Current Assets</b>		
Inventories	64,300	64,300
Contract assets	-	-
Trade and other receivables	1,030	27,816
Tax recoverable	205	86
Cash held under Housing Development Accounts	843	840
Fixed and short term deposits with licensed banks	7	202
Cash and bank balances	152	6,569
<b>TOTAL CURRENT ASSETS</b>	<u>66,537</u>	<u>99,814</u>
Non-current assets held for sale	-	-
<b>TOTAL ASSETS</b>	<u>549,269</u>	<u>582,554</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to Owners of the Company</b>		
Share capital	150,945	150,945
Treasury shares	(2,385)	(2,385)
Other reserves	13,306	14,335
Retained profits	253,677	257,762
	<u>415,543</u>	<u>420,657</u>
<b>Non-controlling interests</b>	1,697	1,697
<b>TOTAL EQUITY</b>	<u>417,240</u>	<u>422,354</u>
<b>Non-Current Liabilities</b>		
Borrowings	17,812	17,812
Lease liability	-	-
Deferred tax liabilities	21,921	21,025
	<u>39,733</u>	<u>38,837</u>
<b>Current Liabilities</b>		
Trade and other payables	19,252	22,058
Contract liabilities	-	-
Borrowings	62,152	88,217
Lease liability	-	-
Current tax liabilities	10,892	11,088
	<u>92,296</u>	<u>121,362</u>
<b>TOTAL LIABILITIES</b>	<u>132,029</u>	<u>160,200</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>549,269</u>	<u>582,554</u>
<b>Net assets per share of RM0.25 each attributable to Owners of the Company (RM)</b>	<u>1.04</u>	<u>1.05</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2022 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 March 2023

(The figures have not been audited)

	3 months ended	
	31/03/2023 RM'000	31/03/2022 RM'000
Revenue	-	(0)
Cost of sales	-	(73)
Gross profit	-	(73)
Other operating income	60	4,595
Selling and distribution expenses	(460)	-
Administration expenses	(861)	(1,228)
Other operating expenses	(641)	(360)
Profit/(Loss) before interest and tax	(1,902)	2,934
Finance costs	(2,097)	(3,138)
Profit/(Loss) before taxation	(3,998)	(203)
Taxation	(88)	(15)
Profit/(Loss) for the period	(4,086)	(218)
Other comprehensive income / (expense) :		
Items that may be reclassified subsequently to profit or loss		
Currency translation differences	(898)	6,748
Other comprehensive income for the period	(898)	6,748
Total comprehensive income for the period	(4,984)	6,530
Profit/(Loss) attributable to:		
Owners of the Company	(4,086)	138
Non-controlling interests	(0)	(356)
	(4,086)	(218)
Total comprehensive income/(expense) attributable to:		
Owners of the Company	(4,984)	6,886
Non-controlling interests	(0)	(356)
	(4,984)	6,530
Earnings per share attributable to Owners of the Company:		
- Basic (sen)	(1.02)	0.04

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 2022 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 March 2023

*(The figures have not been audited)*

	Attributable to Owners of the Company				Retained profit/(loss) RM'000	Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
	Non-Distributable		Distributable					
	Share capital RM'000	Treasury shares RM'000	Capital reserve RM'000	Translation reserve RM'000				
<b>Balance as at 1 January 2023</b>	<b>150,945</b>	<b>(2,385)</b>	<b>19,706</b>	<b>(5,372)</b>	<b>257,762</b>	<b>420,657</b>	<b>1,697</b>	<b>422,354</b>
<b>Profit / (Loss) for the period</b>	-	-	-	-	<b>(4,086)</b>	<b>(4,086)</b>	-	<b>(4,086)</b>
<b>Other comprehensive expense for the period</b>	-	-	-	<b>(1,028)</b>	-	<b>(1,028)</b>	<b>(0)</b>	<b>(1,029)</b>
<b>Total comprehensive income / (expense) for the period</b>	-	-	-	<b>(1,028)</b>	<b>(4,086)</b>	<b>(5,114)</b>	<b>(0)</b>	<b>(5,115)</b>
<b>Balance as at 31 March 2023</b>	<b>150,945</b>	<b>(2,385)</b>	<b>19,706</b>	<b>(6,400)</b>	<b>253,676</b>	<b>415,542</b>	<b>1,697</b>	<b>417,240</b>
Balance as at 1 January 2022 (restated)	150,945	(2,385)	19,706	(3,086)	211,119	376,298	(717)	375,581
Profit / (Loss) for the period	-	-	-	-	46,644	46,644	2,415	49,059
Other comprehensive income for the period	-	-	-	(2,285)	-	(2,285)	-	(2,285)
Total comprehensive income / (expense) for the period	-	-	-	(2,285)	46,644	44,359	2,415	46,774
Balance as at 31 December 2022	150,945	(2,385)	19,706	(5,372)	257,762	420,657	1,697	422,354

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2022 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 CASH FLOWS

For the period ended 31 March 2023

(The figures have not been audited)

	3 months ended 31/03/2023 RM'000	3 months ended 31/03/2022 RM'000
<b>Cash Flows From Operating Activities</b>		
Loss before taxation	(3,998)	(203)
Adjustments for :-		
Depreciation of property, plant and equipment	9	11
Finance income	(3)	(20)
Finance expense	2,735	1,738
Operating profit before changes in working capital	(1,257)	1,527
Changes in working capital		
Land held for property development	-	54,030
Inventories	-	1,625
Trade and other receivables/payables	24,788	(66,080)
	24,788	(10,425)
Net cash generated from/(used in) operations	23,531	(8,898)
Interest paid	(2,735)	(993)
Interest received	3	20
Tax paid	(315)	-
	(3,047)	(973)
Net cash generated from/(used in) operating activities	20,484	(9,871)
<b>Cash Flows From Financing Activities</b>		
Repayment of bank borrowings	(26,065)	0
Net cash (used in)/generated from financing activities	(26,065)	0
<b>Net change in cash &amp; cash equivalents</b>	(5,581)	(9,871)
<b>Cash &amp; cash equivalents at the beginning of the financial period</b>	7,611	11,700
<b>Effect of exchange rate changes</b>	(1,028)	6,748
<b>Cash &amp; cash equivalents at the end of the financial period</b>	1,002	8,577

	As at 31/03/2023 RM'000	As at 31/03/2022 RM'000
Cash and bank balances	152	2,389
Cash held under Housing Development Accounts	843	1,313
Fixed and short term deposits with licensed banks	7	4,875
	1,002	8,577
Less: Fixed deposits pledged with licensed banks	-	-
	1,002	8,577

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2022 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 are unaudited and have been prepared in accordance with the requirement of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2022.

**Significant Accounting Policies**

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2022, except for the adoption of the following New and Revised Malaysian Financial Reporting Standards ("MFRSs") and amendments/Improvements to MFRS and New IC Interpretations ("IC Int") for financial periods beginning on or after 1 January 2022:-

Amendments to MFRS 3, "Business Combinations" (Reference to the Conceptual Framework)  
 Amendments to MFRS 116, "Property, Plant and Equipment" (Proceeds before Intended Use)  
 Amendments to MFRS 137, "Provision, Contingent Liabilities and Contingent Assets" (Onerous Contracts – Cost of Fulfilling a Contract)  
 Annual Improvements to MFRSs Standard 2018 to 2020

As at the date of authorisation of the interim financial report, the following new MFRSs, amendments/Improvements to MFRSs and IC Interpretations were issued but not yet effective and have not been adopted by the Group:-

**Annual period beginning on or after 1 January 2023**

- MFRS 17, "Insurance Contracts"
- Amendments to MFRS 17, "Insurance Contracts"
- Amendments to MFRS 101, "Presentation of Financial Statements" (Classification of Liabilities as Current or Non-current)
- Amendments to MFRS 101, "Presentation of Financial Statements" (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)

**Effective date yet to be determined by the Malaysian Accounting Standard Board**

- 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)

**A2 Auditors' Report For The Financial Year Ended 31 December 2022**

The auditors' report on the financial statements for the financial year ended 31 December 2022 was not subjected to any qualification.

**A3 Seasonal or Cyclical Factors**

The Group's operations during the financial period 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 period 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.

	<b>No. of Treasury Shares Units</b>	<b>Treasury Shares RM</b>
Balance as at 31 March 2023	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 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
<b>Period ended 31/03/2023 :</b>						
Total revenue	-	-	-	-	-	-
Intersegment revenue	-	-	-	39	(39)	-
<b>Segment revenue :</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39</b>	<b>(39)</b>	<b>-</b>
<b>Primary geographical markets:</b>						
Australia	-	-	-	-	-	-
Malaysia	-	-	-	39	(39)	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>39</b>	<b>(39)</b>	<b>-</b>
<b>Nature of product</b>						
Commercial properties	-	-	-	39	(39)	-
Residential properties	-	-	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>39</b>	<b>(39)</b>	<b>-</b>
<b>Segment profit / (loss) before tax :</b>	<b>(3,876)</b>	<b>(2)</b>	<b>(3)</b>	<b>(118)</b>	<b>-</b>	<b>(3,998)</b>
<i>Included in the segment profit / (loss) are :-</i>						
Finance income	3	-	-	-	-	3
<b>Segment assets :</b>	<b>736,926</b>	<b>39</b>	<b>5</b>	<b>463,345</b>	<b>(651,047)</b>	<b>549,269</b>
<b>Segment liabilities :</b>	<b>476,471</b>	<b>3,881</b>	<b>2,383</b>	<b>206,460</b>	<b>(557,167)</b>	<b>132,029</b>

**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**

There were no material events subsequent to the end of the period.

**A11 Changes in the Composition of the Group**

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 31/03/2023 RM'000	As at 31/12/2022 RM'000
Utilised portion of corporate guarantees given to financial institutions for facilities granted to subsidiary companies:		
- Secured on assets of subsidiary companies	79,964	106,029
- Unsecured	-	-
	<b>79,964</b>	<b>106,029</b>

**B Bursa Malaysia Listing Requirements**

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

	31/03/2023 RM'000	3 months ended 31/03/2022 RM'000	Changes %
Revenue	-	(0)	-100%
Cost of sales	-	(73)	(100%)
Gross profit	-	(73)	(100%)
Profit/(Loss) before interest and tax	(1,902)	2,934	
Profit/(Loss) before taxation	(3,998)	(203)	
Profit/(Loss) for the period	(4,086)	(218)	
Profit/(Loss) attributable to:			
Owners of the Company	(4,086)	138	

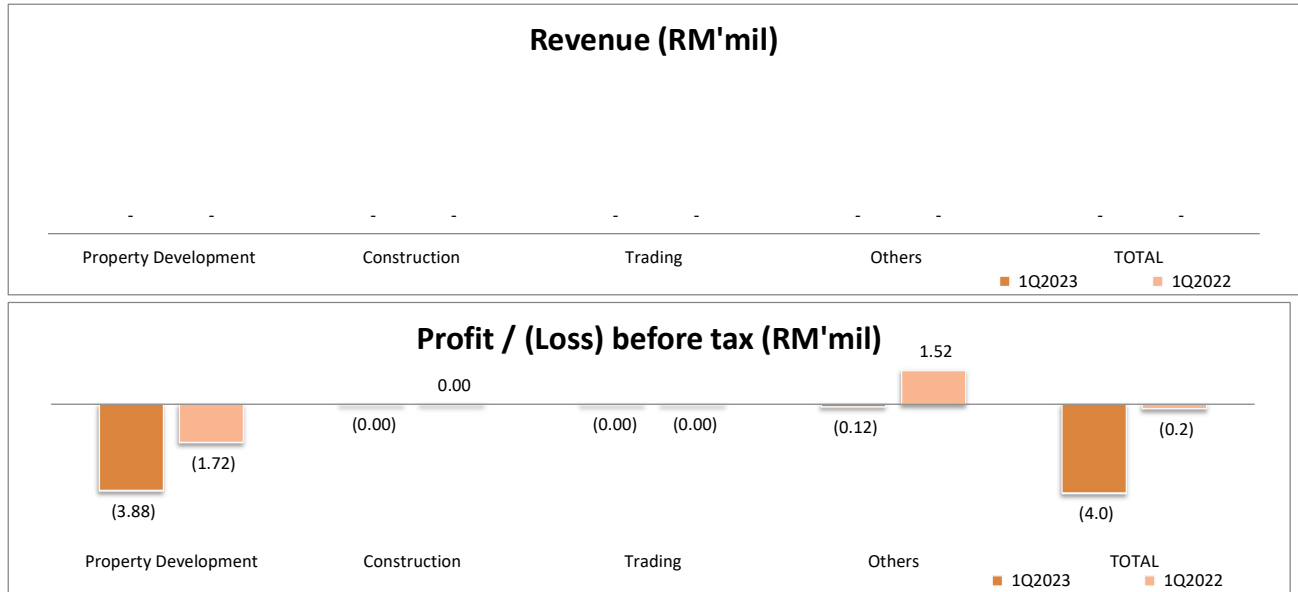
For the 3 months ending 31 March 2023, the Group achieved a revenue of RM0.0 million, zero revenue compared to previous corresponding



period amounting to RM0.0 million and an increase for loss before tax of RM-4.0 million compared to loss of RM-0.2 million recorded in the previous corresponding period ended 31 March 2022.

No Revenue in the current Quarter and no revenue in the previous corresponding Quarter, and loss before taxation increase due to the interest expenses in the current Quarter.

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



**Property Development**

The property development segment recorded a revenue of RM0.0 million and loss before tax of RM3.88 million in the current quarter compared to revenue of RM0.00 million and loss before tax of RM1.72 million in the previous corresponding quarter.

**Construction & Engineering**

The Construction & Engineering segment registered no revenue and loss before tax of RM0.00 million in current quarter as compared to no revenue and loss before tax of RM0.00 million in the previous corresponding quarter.

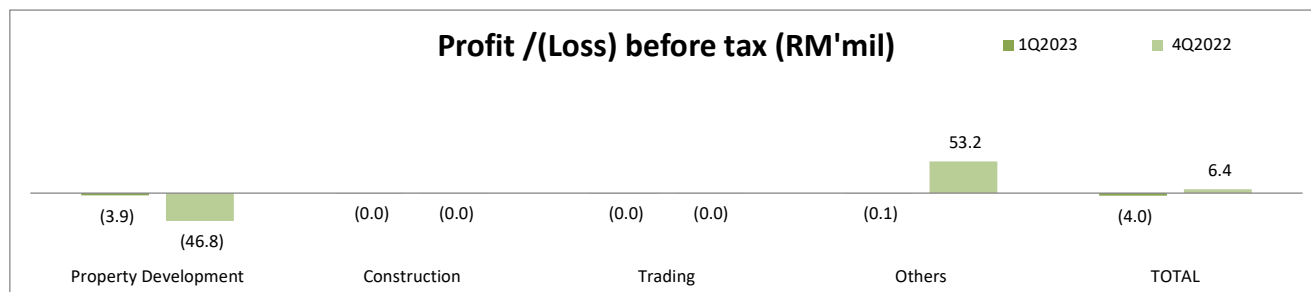
**Trading**

Trading segment reported no revenue and profit before tax RM0.0 million as compared to no revenue and loss before tax of RM0.0 million in the corresponding quarter of the previous financial year.

	<b>Current Quarter 31/03/2023 RM'000</b>	Immediate Preceding 31/12/2022 RM'000	Changes %
Revenue	-	81,600	(100%)
Cost of sales	-	(65,412)	(100%)
Gross profit	-	16,188	
Profit/(Loss) before interest and tax	<b>(1,902)</b>	9,810	(119%)
Profit/(Loss) before taxation	<b>(3,998)</b>	6,409	
Profit/(Loss) for the period	<b>(4,086)</b>	6,394	
Profit/(Loss) attributable to: Owners of the Company	<b>(4,086)</b>	3,109	(231%)

For the current quarter, the Group recorded a revenue of RM0.0 million, as compared to turnover RM81.6 million in the immediate preceding quarter ended 31 December 2022.





**B3 Prospects for the Current Financial Year**

The Group has on 07 Sept 2022 awarded a turnkey construction contract to Tafi Home and office Sdn Bhd (a subsidiary of Tafi Industried Berhad) for its proposed development project in Metro Prima, Kepong on a piece of one (1) acre land on a joint venture basis with Dewan Bandaraya Kuala Lumpur (DBKL). The project consists of 266 units service apartment with Gross Development Value of RM130 million. DBKL has approved the Developer Order and Building Plans with increased density to 306 units. As the negotiation on the terms of the supplemental agreement with DBKL is still ongoing and is expected to be finalised in June 2023, the proposed launch of the project is now postponed to the third quarter of 2023. The Group's subsidiary, Magna City Shah Alam Sdn Bhd has executed a Joint Venture Agreement with Golden Armani Sdn Bhd ("GASB") on 28 February, 2023 to develop its project at Kelab Golf Sultan Abdul Aziz Shah, Shah Alam comprising 315 units of condominiums on the site of a 5.25 acres prime land facing the golf course. GASB has undertaken to pay a sum of money that is sufficient to redeem from Affin Bank Berhad the loan which is secured by the subject land on or before July, 2023.

The Group has on 20 April 2022, through its 70% owned subsidiary company Magna Ecocity Sdn. Bhd entered into a Joint Venture Agreement ("JVA") with OCR Avenue Sdn. Bhd. ("OCR Avenue") to fund and undertake the development. Pursuant to the JVA, OCR Avenue has discretion in the planning, construction, project management and sale of the entire development project. In return, MESB is entitled to a total sum of RM160,000,000 ("Minimum Entitlement"), and the differential sum between 30% of the development profit and the Minimum Entitlement of RM160,000,000, if any. The Group has received the first tranche payment under the joint venture amounting to RM80 Million in the months of December 2022 and January 2023. The first tranche payment had been used to substantially pare down the Group's borrowings.

With regard to the potential new business ventures identified by the Management, the parties to the business ventures are still negotiating on the mode of financing and cooperation for the intended acquisitions and as such, it will make the appropriate announcements with regard to the proposed ventures in due course.

**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	
	31/03/2023	31/12/2021
	RM'000	RM'000
In respect of:		
- current year	87	(1,114)
- deferred taxation	896	152
	<u>982</u>	<u>(962)</u>

The effective tax rate of the Group for the financial period ended 31 December 2022 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**

There were no corporate proposal as at the date of this report.

**B7 Group Borrowings**

Details of Group borrowings as at 31 March 2023 are as follows:

Secured	As at	As at
	31/03/2023	31/12/2022
	RM'000	RM'000
Borrowings repayable		
- within 12 months	62,152	88,217
- after 12 months	17,812	17,812
Total borrowings	<u>79,964</u>	<u>106,029</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**

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

**B10 Dividend Proposed/Declared**

There were no dividend proposed for the current financial quarter ended 31 March 2023.

**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 period to-date by the weighted average number of ordinary shares in issue.

	<b>3 months ended</b>	
	<b>31/03/2023</b>	31/03/2022
Net profit/(loss) attributable to ordinary equity holders of the Company (RM'000)	<b>(4,086)</b>	138
Weighted average number of ordinary shares in issue ('000)	<b>399,153</b>	362,153
Basic EPS (sen)	<b><u>(1.02)</u></b>	<u>0.04</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**

	<b>3 months ended</b>	
	<b>31/3/2023</b>	<b>31/3/2022</b>
	<b>RM'000</b>	<b>RM'000</b>
Depreciation of property, plant and equipment	9	11
Interest expenses	2,735	1,738
Interest income	(3)	(20)
Other income	(60)	(4,595)
Unrealised (gain)/loss of foreign exchange	<b><u>(1,028)</u></b>	<u>6,748</u>

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-