



SUNSURIA BERHAD

Registration No.: 196801000641 (8235 - K)

INTERIM FINANCIAL STATEMENTS

FOR THE THIRD QUARTER ENDED 30 JUNE 2022

INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2022

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**

	Note	Individual Quarter		Year To Date	
		Current Year 30/06/2022 RM'000 (Unaudited)	Preceding Year 30/06/2021 RM'000 (Unaudited)	Current Year 30/06/2022 RM'000 (Unaudited)	Preceding Year 30/06/2021 RM'000 (Unaudited)
Revenue		122,492	62,214	302,333	173,102
Cost of sales		(95,351)	(40,591)	(219,975)	(112,706)
Gross profit		27,141	21,623	82,358	60,396
Investment Income		2,924	1,119	4,761	4,223
Other income		1,530	11,761	3,394	16,967
		31,595	34,503	90,513	81,586
Administrative and other expenses		(21,809)	(18,846)	(50,928)	(40,056)
Finance costs		(4,876)	(7,846)	(14,623)	(16,766)
Share of results in associates		(52)	-	(52)	2
Profit before taxation		4,858	7,811	24,910	24,766
Income tax expense	B5	1,413	(5,055)	(6,062)	(10,596)
Profit after taxation		6,271	2,756	18,848	14,170
Discontinued Operations					
Profit after taxation from discontinued operations		-	-	-	-
Profit from assets held for sale		-	-	-	-
Profit after taxation for the financial period		6,271	2,756	18,848	14,170
Other comprehensive income		-	-	-	-
Total comprehensive income		6,271	2,756	18,848	14,170
Profit after taxation attributable to:					
Owners of the Company		4,164	3,572	14,481	14,014
Non-controlling interests		2,107	(816)	4,367	156
		6,271	2,756	18,848	14,170
Total comprehensive income attributable to:					
Owners of the Company		4,164	3,572	14,481	14,014
Non-controlling interests		2,107	(816)	4,367	156
		6,271	2,756	18,848	14,170
Basic earnings per share attributable to Owners of the Company (sen) :	B9	0.46	0.40	1.62	1.56

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 30 September 2021 and the accompanying explanatory notes attached to the interim financial statements.

SUNSURIA BERHAD

(Registration No.: 196801000641 (8235 - K))

INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2022
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As At 30/06/2022 RM'000 (Unaudited)	As At 30/09/2021 RM'000 (Audited)
ASSETS		
Non-Current Assets		
Investment in associates	510	562
Other investment	159	159
Property, plant and equipment	25,128	26,843
Investment properties	228,335	215,395
Goodwill	14,737	14,737
Inventories - land held for property development	708,370	681,662
Deferred tax assets	18,854	15,959
Right-of-use assets	3,462	3,891
	<u>999,555</u>	<u>959,208</u>
Current Assets		
Inventories - completed units and others	86,025	139,396
Inventories - property development costs	295,059	308,750
Biological assets	14	14
Contract assets	164,393	189,414
Contract costs	33,759	22,222
Trade receivables	98,894	54,811
Other receivables, deposits and prepayments	36,280	30,315
Lease receivables	-	32
Amount owing by related parties	1,500	1,633
Amount owing by an associate	14,300	6,069
Current tax assets	14,220	13,729
Short-term investments	33,623	109,181
Fixed deposits with licensed banks	27,657	26,880
Cash and bank balances	258,116	122,715
	<u>1,063,840</u>	<u>1,025,161</u>
TOTAL ASSETS	<u>2,063,395</u>	<u>1,984,369</u>
EQUITY AND LIABILITIES		
Equity		
Ordinary share capital	640,288	640,288
Reserves	403,706	389,898
Equity attributable to owners of the Company	<u>1,043,994</u>	<u>1,030,186</u>
Non-controlling interests	20,860	15,820
TOTAL EQUITY	<u>1,064,854</u>	<u>1,046,006</u>

SUNSURIA BERHAD

(Registration No.: 196801000641 (8235 - K))

INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2022
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As At 30/06/2022 RM'000 (Unaudited)	As At 30/09/2021 RM'000 (Audited)
<u>EQUITY AND LIABILITIES (CONTINUED)</u>		
Non-Current Liabilities		
Deferred tax liabilities	93,980	96,667
Long-term borrowings	430,900	484,844
Lease liabilities	2,510	3,428
	<u>527,390</u>	<u>584,939</u>
Current Liabilities		
Trade payables	80,190	53,461
Other payables, deposits received and accruals	125,632	115,077
Contract liabilities	58,292	24,946
Amount owing to related parties	81,166	81,680
Amount owing to associate	101,896	30,920
Short-term borrowings	21,698	45,193
Lease liabilities	1,300	1,135
Current tax liabilities	977	1,012
	<u>471,151</u>	<u>353,424</u>
TOTAL LIABILITIES	998,541	938,363
TOTAL EQUITY AND LIABILITIES	<u>2,063,395</u>	<u>1,984,369</u>
Net assets per share attributable to Owners of the Company (RM)	<u>1.17</u>	<u>1.15</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 September 2021 and the accompanying explanatory notes attached to the interim financial statements.



SUNSURIA BERHAD

(Registration No.: 196801000641 (8235 - K))

INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2022
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	----- Non-distributable -----				Distributable			Total Equity RM'000
	Ordinary Share Capital	Warrant Reserve	Capital Reserve	Exchange Translation Reserve	Retained profits	Attributable to Owners of the Company	Non-controlling Interests	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Balance as at 1 October 2021	640,288	-	815	-	389,083	1,030,186	15,820	1,046,006
Profit after taxation/Total comprehensive income	-	-	-	-	14,481	14,481	4,367	18,848
Adjustment from changes in non-controlling interest	-	-	-	-	(673)	(673)	673	-
Balance as at 30 June 2022 (unaudited)	640,288	-	815	-	402,891	1,043,994	20,860	1,064,854

	----- Non-distributable -----				Distributable			Total Equity RM'000
	Ordinary Share Capital	Warrant Reserve	Capital Reserve	Exchange Translation Reserve	Retained profits	Attributable to Owners of the Company	Non-controlling Interests	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Balance as at 1 October 2020	640,288	-	815	-	387,563	1,028,666	7,335	1,036,001
Profit after taxation/Total comprehensive income	-	-	-	-	14,014	14,014	156	14,170
Issuance of shares by subsidiary to non-controlling	-	-	-	-	-	-	4	4
Acquisition of a subsidiary	-	-	-	-	-	-	10,277	10,277
Dividends paid to equity holders of the Company	-	-	-	-	(17,918)	(17,918)	-	(17,918)
Dividends paid by subsidiaries to non-controlling interests	-	-	-	-	-	-	(24)	(24)
Balance as at 30 June 2021 (unaudited)	640,288	-	815	-	383,659	1,024,762	17,748	1,042,510

The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 30 September 2021 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2022

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	9 months ended	
	30/06/2022 RM'000 (Unaudited)	30/06/2021 RM'000 (Unaudited)
Cash Flows From/(For) Operating Activities		
Profit before taxation	24,910	24,766
Adjustments for:		
Depreciation of:		
- property, plant and equipment	3,962	4,033
- investment properties	282	309
- right-of-use assets	1,100	836
Impairment loss on:		
- club membership	-	25
- property, plant and equipment	25	-
- right-of-use assets	39	-
Allowance for impairment losses on:		
- other receivables	60	-
Inventories write-down to net realisable value on completed units	176	-
(Gain)/Loss on disposal of:		
- property, plant and equipment	(105)	(20)
- assets classified as held for sale	-	(1,295)
- land	-	2,854
Gain on derecognition of lease liabilities	(500)	(53)
Gain on bargain purchase	-	(2,258)
Reversal of impairment on right-of-use assets	-	(1,191)
- land held for property development	-	(4,263)
Development cost written-offs	-	4,070
Waiver of debts	(80)	(5,028)
Finance costs	14,623	16,766
Investment income	(4,761)	(4,218)
Fair value loss on biological assets	-	74
Share of results in associates	52	(2)
Short-term lease expenses	970	-
Low value asset lease expenses	25	-
Operating profit before working capital changes	40,778	35,405
Changes in working capital:		
Decrease in inventories - completed units and others	56,797	4,655
Decrease in inventories - property development costs	16,008	13,478
(Increase)/Decrease in trade and other receivables	(50,076)	15,857
Increase/(Decrease) in trade and other payables	37,284	(95,866)
Decrease/(Increase) in contract assets	25,021	(36,313)
Increase in contract costs	(11,537)	(5,484)
Increase in contract liabilities	33,346	4,359
Increase in amount owing to related party	2,091	107
Decrease/(Increase) in amount owing by related party	133	(1,436)
(Increase)/Decrease in amount owing by associate	(8,231)	16,893
Increase in amount owing to associate	70,976	-
Cash from/(for) operations	212,590	(48,345)
Interest paid	(22,649)	(19,459)
Real property gains tax paid	-	(28)
Income tax refunded	53	2,776
Income tax paid	(12,036)	(19,852)
Short term lease paid	(970)	-
Low value asset lease paid	(25)	-
Net cash from/(for) operating activities	176,963	(84,908)

INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2022

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	9 months ended	
	30/06/2022 RM'000 (Unaudited)	30/06/2021 RM'000 (Unaudited)
Cash Flows From/(For) Investing Activities		
Acquisition of subsidiary, net of cash and cash equivalents acquired	-	1,609
Proceed from issuance of shares to non-controlling interest in subsidiary		4
Expenditure incurred on land held for property development	(26,708)	(9,387)
(Placement)/Withdrawal of deposits pledged with licensed banks	(778)	21,505
Investment income received	4,761	4,218
Acquisition of:		
- property, plant and equipment	(2,316)	(1,306)
- investment properties	(13,222)	(22,091)
Net sale proceeds from disposal of:		
- property, plant and equipment	149	82
- assets classified as held for sale	-	4,500
- land	-	30,143
Advance to associate	-	(34)
Net cash (for)/from investing activities	(38,114)	29,243
Cash Flows From/(For) Financing Activities		
Proceeds from issuance of ordinary shares to associate company	-	(30)
Drawdown of loan and borrowings	60,058	34,485
Repayment of loans and borrowings	(137,694)	(49,269)
Repayment of hire purchase obligations	(221)	(132)
Proceeds from issuance of Sukuk Wakalah	-	113,002
Payments for the principal portion of lease liabilities	(1,150)	(1,705)
Dividends paid to equity holders of the Company	-	(17,918)
Dividend paid to non-controlling interests	-	(24)
Net cash (for)/from financing activities	(79,007)	78,409
Net change in cash & cash equivalents	59,842	22,744
Cash & cash equivalents at the beginning of the financial period	232,138	235,423
Cash & cash equivalents at the end of the financial period	291,980	258,167

Cash and cash equivalents at the end of the financial year comprise the following:

	9 months ended	
	30/06/2022 RM'000 (Unaudited)	30/06/2021 RM'000 (Unaudited)
Short-term investment	33,623	115,803
Fixed deposits with licensed banks	27,657	26,651
Cash and bank balances	258,116	126,562
	319,396	269,016
Less: Deposit pledged to licensed banks	(27,416)	(10,849)
Total Cash and cash equivalents for the year	291,980	258,167

Notes :

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 30 September 2021 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2022
PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD
(“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 Main Market 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 30 September 2021 which were prepared under the Malaysian Financial Reporting Standards. 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 30 September 2021.

A2. Changes in Accounting Policies

The accounting policies and presentation adopted for this interim report are consistent with those adopted for the audited financials for the financial year ended 30 September 2021, except for the adoption of the following new MFRSs, Amendments to MFRSs and Issues Committee Interpretations (“IC Interpretations”) issued by Malaysia Accounting Standards Board (MASB) that are relevant to its operations and effective for annual financial periods beginning on or after 1 October 2021 as follows:

Amendments to MFRS 9, MFRS 139, Interest Rate Benchmark Reform - Phase 2
MFRS 7, MFRS 4 and MFRS 16
Amendments to MFRS 16 Covid-19 Related Rent Concessions beyond 30 June 2021

The adoption of these MFRSs, amendments to MFRSs and IC Interpretation did not result in significant changes to the accounting policies of the Group and has no significant effect on the financial performance or position of the Group.

Standards and Amendments and IC Interpretations in issue but not yet effective

At the date of authorisation for issue of these financial statements, the new MFRSs, Amendments to MFRSs and IC Interpretations which were in issue but not yet effective and not early adopted by the Group are as listed below:

MFRS 17/Amendments to MFRS 17	Insurance contracts ²
Amendments to MFRSs	Annual Improvements to MFRSs Standards 2018-2020 ¹
Amendments to MFRS 3	Reference to the Conceptual Framework ¹
Amendments to MFRS 4	Extension of the Temporary Exemption from Applying MFRS 9 ²
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to MFRS 101	Classification of Liabilities as Current or Non-Current ²
Amendments to MFRS 101	Disclosure on Accounting Policies ²
Amendments to MFRS 108	Definition of Accounting Estimates ²
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities from a Single Transactions ²
Amendments to MFRS 116	Property, Plant and Equipment - Proceeds before Intended Use ¹
Amendments to MFRS 137	Onerous Contracts - Cost of Fulfilling a Contract ¹

INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2022
PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD
(“MFRS”) 134

A2. Changes in Accounting Policies (continued)

- ¹ Effective for annual periods beginning on or after 1 January 2022, with earlier application permitted.
- ² Effective for annual periods beginning on or after 1 January 2023, with earlier application permitted.
- ³ Effective date deferred to a date to be determined and announced.

The abovementioned new MFRSs, Amendments to MFRSs and IC Interpretations will be adopted in the annual financial statements of the Group when they become effective and the Directors anticipate that the adoption of these new MFRSs, Amendments to MFRS and IC Interpretations will have no material impact on the financial statements of the Group in the period of initial application.

A3. Auditors' Report for the Financial Year Ended 30 September 2021

The auditors' report on the financial statements for the financial year ended 30 September 2021 was not subject to any qualification.

A4. Seasonality 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 that affected the assets, liabilities, equity, net income or cash flows of the Group for the current quarter 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 or repayment of debt and equity securities during the current quarter under review.

A8. Dividends Paid and Distributed

The Company did not pay any dividend for the quarter under review.

INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2022
PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD
(“MFRS”) 134

A9. Segmental Information

Segmental information of the Group’s business segments are based on the internal reporting structure presented by the management of the Company. The Group’s business segments include property development, construction, investment holding and others.

The information by geographical location is not presented as the Group operates principally within Malaysia.

Business Segment Analysis (RM'000)	Quarter ended 30 June 2022				Year-to-date ended 30 June 2022			
	Property Development	Construction	Investment Holding and Others	Total	Property Development	Construction	Investment Holding and Others	Total
Revenue								
External revenue	122,051	108	333	122,492	300,152	356	1,825	302,333
Inter-segment revenue	1,469	50,884	3,716	56,069	2,011	116,492	19,368	137,871
	123,520	50,992	4,049	178,561	302,163	116,848	21,193	440,204
Consolidation adjustments				(56,069)				(137,871)
Consolidated Revenue				122,492				302,333
Results from Operation	17,075	68	(5,734)	11,409	64,828	(268)	(19,631)	44,929
- Depreciation	(1,178)	(59)	(386)	(1,623)	(3,704)	(176)	(1,464)	(5,344)
- Finance Cost	(3,142)	(35)	(1,699)	(4,876)	(9,433)	(35)	(5,155)	(14,623)
	12,755	(26)	(7,819)	4,910	51,691	(479)	(26,250)	24,962
Share of results in associates				(52)				(52)
Consolidated Profit Before Taxation				4,858				24,910

INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2022
PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD
(“MFRS”) 134

A9. Segmental Information (continued)

Business Segment Analysis (RM'000)	Quarter ended 30 June 2021				Year-to-date ended 30 June 2021			
	Property Development	Construction	Investment Holding and Others	Total	Property Development	Construction	Investment Holding and Others	Total
Revenue								
External revenue	61,736	85	393	62,214	168,095	3,656	1,351	173,102
Inter-segment revenue	-	24,296	7,329	31,625	-	100,455	67,502	167,957
Consolidation adjustments	61,736	24,381	7,722	93,839	168,095	104,111	68,853	341,059
Consolidated Revenue				(31,625)				(167,957)
				62,214				173,102
Results from Operation	25,263	(7)	(7,834)	17,422	63,239	(72)	(16,459)	46,708
- Depreciation	(1,192)	(55)	(518)	(1,765)	(3,553)	(164)	(1,461)	(5,178)
- Finance Cost	(4,566)	-	(3,280)	(7,846)	(10,999)	-	(5,767)	(16,766)
Share of results in associates	19,505	(62)	(11,632)	7,811	48,687	(236)	(23,687)	24,764
Consolidated Profit Before Taxation				-				2
				7,811				24,766

A10. Material Events Subsequent to the End of the Financial Period

There was no material event subsequent to the end of the current quarter and up to the date of this report that has not been reflected in the interim financial statements.

INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2022

**PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD
("MFRS") 134**

A11. Changes in the Composition of the Group

- 1) On 6 April 2022, Crescent East Pty. Ltd. was incorporated in the Australia as a 100% owned subsidiary of Sunsuria Australia Pty. Ltd.. Sunsuria Australia Pty. Ltd. is a wholly-owned subsidiary of Sunsuria Symphony Sdn. Bhd., who in turn is a wholly owned subsidiary of Sunsuria Berhad.
- 2) On 25 April 2022, Sunsuria Guangxi Real Estate Development Co., Ltd. (“广西征阳置业开发有限公司”) was incorporated in Guang Xi, China as a 51% owned subsidiary of Sunsuria (HK) Limited. Sunsuria (HK) Limited is a wholly owned subsidiary of Sunsuria Arena, who in turn is a wholly owned subsidiary of Sunsuria Berhad.
- 3) On 17 May 2022, Tapah Land Development Sdn.Bhd. was incorporated in Malaysia as a 35% owned associate of Sunsuria Symphony Sdn. Bhd., which is a wholly owned subsidiary of Sunsuria Berhad. Subsequently on 1 July 2022, Tapah Land Development Sdn. Bhd. became a 65%-owned subsidiary of Sunsuria Everrich Sdn. Bhd., which is a 53%-owned subsidiary of Sunsuria Symphony Sdn. Bhd, which in turn is a wholly-owned subsidiary of Sunsuria Berhad.

Save as disclosed above, there were no other changes in the composition of the Group.

A12. Changes in Contingent Liabilities or Contingent Assets

There were no changes in contingent liabilities or contingent assets since the last audited financial position as at 30 September 2021.

INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2022

PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD

B1. Review of Performance

	3 months ended			9 months ended		
	30/6/2022 RM'000	30/6/2021 RM'000	Changes (%)	30/6/2022 RM'000	30/6/2021 RM'000	Changes (%)
Revenue	122,492	62,214	97%	302,333	173,102	75%
Gross profit	27,141	21,623	26%	82,358	60,396	36%
Profit before taxation	4,858	7,811	(38%)	24,910	24,766	1%
Profit after taxation	6,271	2,756	128%	18,848	14,170	33%
Profit attributable to owners of the Company	4,164	3,572	17%	14,481	14,014	3%

In third quarter (“Q3 FY2022”), Sunsuria’s revenue almost doubled year-on-year (“YoY”) to RM122.5 million as compared to RM62.2 million recorded in the corresponding quarter in the previous year (“Q3 FY2021”). Meanwhile, profit after tax (“PAT”) soared 127.5% YoY to RM6.3 million from RM2.8 million recorded earlier.

For the cumulative nine month (“9M FY2022”) period, Sunsuria’s revenue rose by 74.7% to RM302.3 million as compared to RM173.1 million registered in the corresponding period last year (“9M FY2021”). Concurrently, PAT increased by 33.0% to RM18.9 million as compared to RM14.2 million previously.

Nonetheless, the profit attributable to owners of the Company (“net profit”) in 9M FY2022 of RM14.5 million was similar to previous year’s corresponding period of RM14.0 million as the Bangsar Hill Park project is carried out by a 51% held subsidiary.

The improved financial performance was mainly contributed by Monet Garden at Sunsuria City township as well as from the Group’s on-going projects; Sunsuria Forum (Phase 2), an integrated residential and commercial development at Setia Alam; Tangerine Suites at Sunsuria City township, and Bangsar Hill Park (Block A, D and E).

In terms of 9M FY2022 revenue breakdown, projects from Sunsuria City township contributed 46.5%, Sunsuria Forum (Phase 2) at 37.2% and 15.6% coming from Bangsar Hill Park (Block A, D and E).

B2. Variation of Results against the Preceding Quarter

	Current Quarter 30/6/2022 RM'000	Immediate Preceding Quarter 31/3/2022 RM'000	Changes (%)
Revenue	122,492	74,109	65%
Gross profit	27,141	25,898	5%
Profit before taxation	4,858	7,448	(35%)
Profit after taxation	6,271	4,280	47%
Profit after taxation attributable to owners of the Company	4,164	2,719	53%

INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2022

PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD

B2. Variation of Results against the Preceding Quarter (continued)

On quarter to quarter comparison, the Group's current quarter revenue increased from RM74.11 million to RM122.49 million and gross profit increased from RM25.90 million to RM27.14 million, reported a revenue and PAT growth of 65% and 47% respectively.

The improved financial performance was mainly contributed by Monet Garden at Sunsuria City township as well as from the Group's on-going projects; Sunsuria Forum (Phase 2), an integrated residential and commercial development at Setia Alam; Tangerine Suites at Sunsuria City township, and Bangsar Hill Park (Block A, D and E).

B3. Prospects

On the back of normalizing economic activities and reopened international borders, this has spurred economic recovery and consumer confidence in the property development industry. As a result, Sunsuria has recorded a surge in sales momentum especially in the residential property sector. Capitalising on the pent-up demand, the Group has registered cumulative sales of RM676.8 million in 9M FY2022, which is a three-fold increase as compared to the cumulative sales of RM217.2 million recorded in 9M FY2021.

The Group's newly launched Bangsar Hill Park project and other on-going projects, Sunsuria Forum 2 at Setia Alam as well as Tangerine Suites at Sunsuria City township have also achieved positive market acceptance. As at 3Q FY2022, the Group's unbilled sales stood at RM889.3 million, which will support earnings visibility for the coming financial years.

Going forward, the Group remains resilient to navigate through the lingering effects of COVID-19 pandemic such as supply chain disruptions, upward inflationary pressure, and rising interest rates. To ensure Sunsuria's competitiveness, the Group is constantly scouting for new strategic land banks with good commercial value for future development. In 9M FY2022, the Group acquired two land banks in Ijok and Banting, Selangor totalling 183.8 acres for RM127.8 million. This brings the Group's total undeveloped landbank, all of which are located in Selangor, to 395 acres.

The Group is also sourcing for new business opportunities that will enhance the value of its property development projects. In July 2022, the Group established a collaboration with Concord College International Ltd and Concord College, UK to launch a new British International School in Sunsuria City township as a strategy to augment its township project development while yielding a stable revenue stream. The school will uphold and preserve the academic success of its sister school, Concord College, UK which is ranked as one of the top international schools in the UK. Meanwhile, Sunsuria has also embarked on maiden projects in the United Kingdom and Australia.

Leveraging on Sunsuria's unbilled sales with encouraging revenue visibility, prudent operations, and strategic business expansions, the Group continues to strive in maintaining a healthy financial performance under the current business landscape.

INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2022

PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD

B4. Variance from Profit Forecast and Profit Guarantee

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

B5. Income tax expense

The breakdown of the Malaysian income tax charge is as follows:

	Individual quarter		Year To Date	
	30/6/2022 RM'000	30/6/2021 RM'000	30/6/2022 RM'000	30/6/2021 RM'000
Current Taxation	1,370	5,020	11,457	13,193
Deferred Taxation	(2,783)	35	(5,395)	(2,597)
	<u>(1,413)</u>	<u>5,055</u>	<u>6,062</u>	<u>10,596</u>

The effective tax rate of the Group for current financial year were higher than the statutory tax rate of 24% mainly due to certain expenses that are not deductible for tax purposes.

B6. Corporate Proposals

There were no other corporate proposals announced by the Company that have not been completed as at 26 August 2022 (being the latest practicable date), which is not earlier than 7 days from the date of issuance of these Interim Financial Statements.

B7. Group Borrowings

	As at 30/6/2022 RM'000	As at 30/09/2021 RM'000
Secured short term borrowings	21,698	45,193
Secured long term borrowings	316,221	370,284
Unsecured Sukuk Wakalah	114,679	114,560
Total	<u>452,598</u>	<u>530,037</u>

The Group's borrowings as at 30 June 2022 were denominated in Ringgit Malaysia. There were no borrowings in foreign currency during the financial period under review.

B8. Material Litigation

There was no material litigation against the Group as at the reporting date.

INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2022

PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD

B9. Earnings per share (EPS)

The basic EPS has been calculated by dividing the Group's net profit attributable to the ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Individual quarter		Year to date	
	30/6/2022	30/6/2021	30/6/2022	30/6/2021
Net profit attributable to owners of the Company (RM'000)	4,164	3,572	14,481	14,014
Weighted average number of ordinary shares in issues ('000)	895,917	895,917	895,917	895,917
Basic EPS (sen)	0.46	0.40	1.62	1.56

The diluted earnings per share of the Group is equal to the basic earnings per share as the Group does not have any dilutive ordinary shares in issue.

B10. Notes to the Statement of Comprehensive Income

Description	Current quarter 30/6/2022 RM'000	Year-to-date 30/6/2022 RM'000
Profit for the period is arrived at after crediting/(charging) :		
- Interest income	2,924	4,761
- Interest expense	(4,876)	(14,623)
- Depreciation and amortisation	(1,623)	(5,344)
Impairment loss on:		
- property, plant and equipment	-	(25)
- right-of-use assets	-	(39)
Allowance for impairment loss on other receivables	-	(60)
Gain on disposal of property, plant and equipment	63	105
Gain on derecognition of lease liabilities	445	500
Inventories write-down to net realisable value on completed units	-	(176)
Waiver of debts	80	80

BY ORDER OF THE BOARD

Company Secretary
26 August 2022