



SUNSURIA BERHAD (formerly known as Malaysia Aica Berhad)
(Company No.: 8235-K)

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2014

PART A – EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD (“FRS”) 134

A1. Basis of Preparation

The unaudited interim financial report has been prepared in accordance with the reporting requirements as set out in the Financial Reporting Standards (“FRS”) 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 31 March 2014. 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 March 2014.

A2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 March 2014, except for the adoption of the following new Financial Reporting Standards (FRSs), Amendments to FRSs and Interpretations:

Effective for financial periods beginning on or after 1 January 2014:

IC Interpretation 21 Levies

Amendments to FRS 10, FRS 12 and FRS 127 (2011) Investment Entities

Amendments to FRS 132 Offsetting Financial Assets and Financial Liabilities

Amendments to FRS 136 Recoverable Amount Disclosures for Non-Financial Assets

Amendments to FRS 139 Novation of Derivatives and Continuation of Hedge Accounting

Management foresees that the initial application of the above FRSs will not have any significant impacts on the financial statements.

Malaysian Financial Reporting Standards (MFRS Framework)

MASB has issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (“MFRSs”), that are to be applied by all entities other than private entities; with the exception of entities that are within the scope of MFRS 141 (Agriculture) and IC Interpretation 15 (Agreements for Construction of Real Estate), including its parent, significant investor and venturer (herein called “transitioning entities”).

As announced by MASB on 2 September 2014, the transitioning entities are allowed to defer the adoption of MFRSs to annual periods beginning on or after 1 January 2017.

Accordingly, as a transitioning entity as defined above, the Group has chosen to defer the adoption of MFRSs and will only prepare its first set of MFRS financial statements for the financial year ending 31 March 2018. The Group is currently assessing the possible financial impact that may arise from the adoption of MFRSs and the process is still ongoing.

A3. Auditors' Report for the Financial Year Ended 31 March 2014

The auditors' report on the financial statements for the financial year ended 31 March 2014 was not subject to any qualification.

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A4. Seasonality or Cyclicity Factors

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

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

There were no unusual items which affect the assets, liabilities, equity, net income or cash flows of the Group for the current quarter 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 was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current quarter under review.

A8. Dividends Paid

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

A9. Segmental Information

Segmental information is presented in respect of the Group's business segments which are based on the internal reporting structure presented to the management of the Company. The Group's business segments include property development, manufacturing and investment holding.

The information by geographical location is not presented as the Group's activities are carried out pre-dominantly in Malaysia.

Business Segment Analysis (RM'000)	Quarter ended 31 December 2014				Year to date ended 31 December 2014			
	Property Development	Manufacturing	Investment Holdings and Others	Total	Property Development	Manufacturing	Investment Holdings and Others	Total
a) Revenue	15,272	4,183	3,702	23,157	37,888	12,457	5,686	56,031
b) Results from Operation	3,883	230	(1,940)	2,173	8,977	719	(3,910)	5,786
c) Profits Before Tax	3,849	226	(2,126)	1,949	8,935	707	(4,330)	5,312

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Business Segment Analysis (RM'000)	Quarter ended 31 December 2013				Year to date ended 31 December 2013			
	Property Development	Manufacturing	Investment Holdings and Others (*)	Total	Property Development	Manufacturing	Investment Holdings and Others (*)	Total
a) Revenue	-	4,215	809	5,024	-	12,837	2,228	15,065
b) Results from Operation	-	376	314	690	-	761	1,175	1,936
c) Profits Before Tax	-	371	236	607	-	746	942	1,688

(*) This is inclusive of leasing segment which ceased operation in the quarter ended 31 March 2014.

A10. Valuation on Property, Plant and Equipment

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

A11. Material Events Subsequent to the End of the Period

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

A12. Changes in the Composition of the Group

There was no changes in composition of the Group during the current quarter under review.

A13. Changes in Contingent Liabilities or Contingent Assets

There was no changes in contingent liabilities or contingent assets since the last annual audited position as at 31 March 2014.

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2014

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

Quarterly Results

For the current quarter under review, the Group achieved a revenue and profit before tax ('PBT') of RM23.16million and RM1.95million respectively, as compared to RM5.02million and RM607k recorded in the previous corresponding quarter. The increase was mainly contributed by the property development segment i.e. Trivo, a commercial shop offices project and Suria Residence, a serviced apartments project.

The segmental performances for the current quarter ended 31 December 2014 are as follows:

(a) Property Development Segment

This segment has recorded a revenue and PBT of RM15.27million and RM3.85million, respectively, for the current quarter ended 31 December 2014. The profits contribution is from Trivo, a commercial shop offices project and Suria Residence a serviced apartments project, both located in Suria Jelutong.

(b) Manufacturing Segment

For the current quarter under review, this segment recorded a revenue and PBT of RM4.18million and RM226k as compared to RM4.21million and RM371k respectively in the previous corresponding quarter. The performance for the manufacturing segment remains stable.

Year-to-date Results

For the period ending 31 December 2014, the Group recorded revenue of RM56.03million, which was 272% higher in comparison to the corresponding period of the previous year. The Group's PBT has substantially increased by 215% to RM5.31million against the corresponding period of the previous year. The better performance for the current period is mainly due to the contribution from the property development segment.

B2. Variation of Result against Preceding Quarter

The Group registered higher revenue and PBT of RM23.16million and RM1.95million respectively in the current quarter as compared to RM14.52million and RM1.15million, respectively in the preceding quarter. This is mainly due to higher recognition of revenue in both Trivo and Suria Residence projects in the current quarter.

B3. Prospects

The property development business remains as the key growth driver of the Group and is expected to contribute higher revenue and profit for the Group's current financial year performance, thus outperforming the financial performance of previous year.

B4. Variance from Profit Forecast and Profit Guarantee

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

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B5. Taxation

The breakdown of Malaysian income tax charge is as follows:

	Individual quarter		Year to date	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
	RM'000	RM'000	RM'000	RM'000
Provision based on current year's profit	774	107	2,332	440

The effective tax rate of the Group for the current quarter ended 31 December 2014 was higher than the applicable statutory tax rate mainly due to loss making in certain companies and some tax non-deductible expenses.

B6. Realised/Unrealised Retained Profits/Losses

	Current quarter 31/12/2014 RM'000	Immediate preceding quarter 31/12/2013 RM'000
Total retained profits of the Group:		
- Realised	(34,265)	(39,479)
- Unrealised	96	102
	(34,169)	(39,377)
Total share of retained earnings from associate		
- Unrealised	(285)	(472)
Consolidation Adjustment	32,394	32,331
Total retained profits c/f	(2,060)	(7,518)



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B7. Corporate Proposals

The following corporate proposals announced by the Company have not been completed as at 09 February 2015, (being the latest practicable date) which is not earlier than 7 days from the date of issuance of these Interim Financial Statements:

- (i) Proposed renounceable rights issue of up to 475,084,416 new ordinary shares of RM0.50 each in Sunsuria (“Sunsuria Shares”) (“Rights Share”) on the basis of three (3) Rights Shares for every one (1) existing Sunsuria Share held on an entitlement date to be determined and announced later (“Entitlement Date”), together with up to 158,361,472 free detachable Warrants (“Warrants”) on the basis of one (1) free Warrant for every three (3) Rights Shares subscribed (“Proposed Rights Issue With Warrants”);
- (ii) Proposed private placement of up to 63,344,588 Sunsuria Shares (“Placement Shares”) representing approximately 10% of the enlarged issued and paid up share capital of Sunsuria after the Proposed Rights Issue With Warrants at an issue price to be determined later (“Proposed Private Placement”); and
- (iii) Proposed increase in authorised share capital of Sunsuria from RM100,000,000 comprising 200,000,000 Sunsuria Shares to RM750,000,000 comprising 1,500,000,000 Sunsuria Shares (“Proposed Increase In Authorised Share Capital”), and in consequence thereof, the Company’s Memorandum of Association be amended accordingly (“Proposed Amendments”).

The Proposed Rights Issue with Warrants, Proposed Private Placement, Proposed Increase in Authorised Share Capital and Proposed Amendments are collectively referred to as the “Proposals”. The Proposals are not conditional or inter-conditional upon any other corporate exercises being or proposed to be undertaken by the Company.

The Company has obtained its shareholders’ approval for the implementation of the Proposals on 12 May 2014 and on 2 October 2014, the Company has obtained Bursa Malaysia Securities Berhad’s approval for an extension of time of six (6) months until 10 April 2015 to complete the Proposals.

The Proposals is expected to be completed by 2015.

B8. Group Borrowings

	As at 31/12/2014	As at 31/12/2013
	RM’000	RM’000
Secured short term borrowings	92	-
Secured long term borrowings	371	-
Total	<u>463</u>	<u>-</u>

There are no borrowings in foreign currency during the financial year under review.



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B9. Notes to the Statement of Comprehensive Income

Description	Individual quarter 31/12/2014 RM'000	Year to date 31/12/2014 RM'000
Profit for the period is arrived at after crediting/(charging) :		
- Interest income	268	416
- Other income including investment income	80	293
- Interest expense	(6)	(10)
- Depreciation and amortization	(218)	(464)

B10. Material Litigation

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

B11. Dividend Proposed

There was no dividend proposed for the quarter under review.



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B12. Earnings per Share ("EPS")

(a) Basic 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	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Net profit attributable to ordinary equity holders of the Company (RM'000)	1,173	500	2,977	1,248
Weighted average number of ordinary shares in issues ('000)	158,360	130,360	158,360	130,360
Basic EPS (sen)	<u>0.74</u>	<u>0.38</u>	<u>1.88</u>	<u>0.96</u>

(b) Diluted EPS

The computation for diluted earnings per share is not applicable as the Company does not have any new issuance and /or convertible securities outstanding.

BY ORDER OF THE BOARD
Secretary
Kuala Lumpur
16 February 2015