



**SUNSURIA BERHAD**  
Registration No.: 196801000641 (8235 - K)

**INTERIM FINANCIAL STATEMENTS**  
**FOR THE THIRD QUARTER ENDED 30 JUNE 2021**

**SUNSURIA BERHAD**

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

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2021**

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

	Note	Individual Quarter		Year To Date	
		Current Year 30/06/2021 RM'000 (Unaudited)	Preceding Year 30/06/2020 RM'000 (Unaudited)	Current Year 30/06/2021 RM'000 (Unaudited)	Preceding Year 30/06/2020 RM'000 (Unaudited)
Revenue		62,214	20,203	173,102	135,781
Cost of sales		(40,591)	(9,205)	(112,706)	(80,595)
Gross profit		21,623	10,998	60,396	55,186
Other income		12,880	2,259	21,190	8,382
		34,503	13,257	81,586	63,568
Administrative and other expenses		(18,846)	(5,147)	(40,056)	(29,755)
Finance costs		(7,846)	(3,587)	(16,766)	(6,785)
Share of results in associates		-	-	2	-
Profit before taxation		7,811	4,523	24,766	27,028
Income tax expense	B5	(5,055)	(1,236)	(10,596)	(7,603)
Profit after taxation		2,756	3,287	14,170	19,425
Other comprehensive income		-	-	-	-
Total comprehensive income		2,756	3,287	14,170	19,425
<b>Profit after taxation attributable to:</b>					
Owners of the Company		3,572	2,810	14,014	20,961
Non-controlling interests		(816)	477	156	(1,536)
		2,756	3,287	14,170	19,425
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		3,572	2,810	14,014	20,961
Non-controlling interests		(816)	477	156	(1,536)
		2,756	3,287	14,170	19,425
Basic earnings per share attributable to Owners of the Company (sen) :	B9	0.40	0.31	1.56	2.34

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 2020 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 2021**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	As At 30/06/2021 RM'000 (Unaudited)	As At 30/09/2020 RM'000 (Audited)
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Investment in associates	608	576
Other investment	159	184
Property, plant and equipment	28,395	30,558
Investment properties	211,434	181,507
Goodwill	11,453	11,453
Inventories - land held for property development	755,560	533,497
Deferred tax assets	17,266	9,286
Right-of-use assets	4,489	1,425
	<b>1,029,364</b>	<b>768,486</b>
<b>Current Assets</b>		
Inventories - completed units and others	59,187	63,842
Inventories - property development costs	309,155	241,939
Biological assets	37	111
Contract assets	153,453	116,975
Contract costs	36,628	16,540
Trade receivables	41,302	48,781
Other receivables, deposits and prepayments	22,117	25,962
Lease receivables	39	204
Amount owing by related parties	3,199	1,763
Amount owing by an associate	13,347	4,270
Current tax assets	12,014	14,501
Short-term investments	115,803	92,264
Fixed deposits with licensed banks	26,651	34,908
Cash and bank balances	126,562	140,606
	<b>919,494</b>	<b>802,666</b>
Asset classified as held for sale	-	3,013
	<b>919,494</b>	<b>805,679</b>
<b>TOTAL ASSETS</b>	<b>1,948,858</b>	<b>1,574,165</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Ordinary share capital	640,288	640,288
Reserves	384,474	388,378
Equity attributable to owners of the Company	<b>1,024,762</b>	<b>1,028,666</b>
Non-controlling interests	17,748	7,335
<b>TOTAL EQUITY</b>	<b>1,042,510</b>	<b>1,036,001</b>

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

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2021**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>As At 30/06/2021 RM'000 (Unaudited)</b>	<b>As At 30/09/2020 RM'000 (Audited)</b>
<b><u>EQUITY AND LIABILITIES (CONTINUED)</u></b>		
<b>Non-Current Liabilities</b>		
Deferred tax liabilities	100,554	94,773
Long-term borrowings	365,797	227,207
Sukuk Wakalah	113,002	-
Lease liabilities	3,872	2,558
	<u>583,225</u>	<u>324,538</u>
<b>Current Liabilities</b>		
Trade payables	33,356	52,070
Other payables, deposits received and accruals	187,973	111,831
Contract liabilities	22,449	13,960
Amount owing to related parties	107	-
Amount owing to associate	28,095	2,158
Short-term borrowings	48,317	24,069
Lease liabilities	1,920	2,238
Current tax liabilities	906	7,300
	<u>323,123</u>	<u>213,626</u>
<b>TOTAL LIABILITIES</b>	<b>906,348</b>	<b>538,164</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>1,948,858</u></b>	<b><u>1,574,165</u></b>
<b>Net assets per share attributable to Owners of the Company (RM)</b>	<b><u>1.14</u></b>	<b><u>1.15</u></b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 September 2020 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 2021**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	← Non-distributable →			Distributable			Total Equity RM'000
	Ordinary Share Capital	Warrant Reserve	Capital Reserve	Retained profits	Attributable to Owners of the Company	Non-controlling Interests	
	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 interests	-	-	-	-	-	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)
<b>Balance as at 30 June 2021 (unaudited)</b>	<b>640,288</b>	<b>-</b>	<b>815</b>	<b>383,659</b>	<b>1,024,762</b>	<b>17,748</b>	<b>1,042,510</b>

	← Non-distributable →			Distributable			Total Equity RM'000
	Ordinary Share Capital	Warrant Reserve	Capital Reserve	Retained profits	Attributable to Owners of the Company	Non-controlling Interests	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Balance as at 1 October 2019	640,288	48,299	815	310,168	999,570	16,304	1,015,874
Profit after taxation/Total comprehensive income	-	-	-	20,961	20,961	(1,536)	19,425
Redemption of non-convertible non-cumulative preference shares by subsidiary to non-controlling interest	-	-	-	-	-	(2,499)	(2,499)
Dividends paid by subsidiaries to non-controlling interests	-	-	-	-	-	(2,964)	(2,964)
<b>Balance as at 30 June 2020 (unaudited)</b>	<b>640,288</b>	<b>48,299</b>	<b>815</b>	<b>331,129</b>	<b>1,020,531</b>	<b>9,305</b>	<b>1,029,836</b>

The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 30 September 2020 and the accompanying explanatory notes attached to the interim financial statements.

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2021**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	9 months ended	
	30/06/2021 RM'000 (Unaudited)	30/06/2020 RM'000 (Unaudited)
<b>Cash Flows (For)/From Operating Activities</b>		
Profit before taxation	24,766	27,028
Adjustments for:		
Accretion of interest on:		
- trade payables	-	84
Depreciation of:		
- property, plant and equipment	4,033	4,288
- investment properties	309	358
- right-of-use assets	836	815
Impairment loss on:		
- club membership	25	-
(Gain)/Loss on disposal of:		
- property, plant and equipment	(20)	-
- investment properties	-	(1,893)
- assets classified as held for sale	(1,295)	-
- right-of-use assets	(53)	-
- land	2,854	-
Reversal of impairment on right-of-use assets	(1,191)	-
Reversal of inventories write down to net realisable value :		
- land held for property development	(4,263)	-
Development cost written-offs	4,070	-
Property, plant and equipment written-offs	-	2
Gain on bargain purchase	(2,258)	-
Waiver of debts	(5,028)	-
Interest expense	16,766	6,785
Interest income	(4,218)	(4,946)
Fair value changes on biological assets	74	6
Share of results in associates	(2)	-
Operating profit before working capital changes	<b>35,405</b>	<b>32,527</b>
Changes in working capital:		
Decrease/(Increase) in inventories - completed units and others	4,655	(2,632)
Decrease in inventories - property development costs	13,478	6,445
Decrease/(Increase) in trade and other receivables	15,857	(22,197)
Decrease in trade and other payables	(95,866)	(28,831)
(Increase)/Decrease in contract assets	(36,313)	153,501
Increase in contract costs	(5,484)	(3,360)
Increase/(Decrease) in contract liabilities	4,359	(248)
Increase in amount owing to related party	107	-
Increase in amount owing by related party	(1,436)	(1,098)
Decrease in amount owing by associate	16,893	-
Cash (for)/from operations	<b>(48,345)</b>	<b>134,107</b>
Interest paid	(19,459)	(10,483)
Real property gains tax paid	(28)	(184)
Income tax refund	2,776	139
Income tax paid	(19,852)	(19,537)
Net cash (for)/from operating activities	<b>(84,908)</b>	<b>104,042</b>

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**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2021**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	9 months ended	
	30/06/2021 RM'000 (Unaudited)	30/06/2020 RM'000 (Unaudited)
<b>Cash Flows From/(For) Investing Activities</b>		
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	(9,387)	(2,874)
Decrease/(Increase) in fixed deposits pledged to licensed banks	21,505	(723)
Interest income received	4,218	4,946
Purchase of:		
- property, plant and equipment	(1,306)	(4,228)
- investment properties	(22,091)	(12,208)
Proceeds from disposal of:		
- property, plant and equipment	82	-
- investment properties	-	2,300
- assets classified as held for sale	4,500	-
- land	30,143	-
Advance to associate	(34)	(1,973)
Net cash from/(for) investing activities	<b>29,243</b>	<b>(14,760)</b>
<b>Cash Flows From Financing Activities</b>		
Proceeds from issuance of:		
- ordinary shares to associate company	(30)	-
Drawdown of term loan	34,485	139,637
Repayment of term loans	(49,269)	(67,683)
Repayment of hire purchase obligations	(132)	(150)
Proceeds from issuance of Sukuk Wakalah	113,002	-
Repayment to related parties	-	(2,153)
Payments for the principal portion of lease liabilities	(1,705)	(1,639)
Redemption of non-convertible non-cumulative preference shares	-	(2,499)
Dividends paid to equity holders of the Company	(17,918)	-
Dividend paid to non-controlling interests	(24)	(2,987)
Net cash from financing activities	<b>78,409</b>	<b>62,526</b>
<b>Net change in cash &amp; cash equivalents</b>	<b>22,744</b>	<b>151,808</b>
<b>Cash &amp; cash equivalents at the beginning of the financial period</b>	<b>235,423</b>	<b>103,133</b>
<b>Cash &amp; cash equivalents at the end of the financial period</b>	<b>258,167</b>	<b>254,941</b>

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

	9 months ended	
	30/06/2021 RM'000 (Unaudited)	30/06/2020 RM'000 (Unaudited)
Short-term investment	115,803	81,481
Fixed deposits with licensed banks	26,651	39,068
Cash and bank balances	126,562	157,492
	<b>269,016</b>	<b>278,041</b>
Less: Deposit pledged to licensed banks	(10,849)	(23,100)
Total Cash and cash equivalents for the year	<b>258,167</b>	<b>254,941</b>

**Notes :**

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 30 September 2020 and the accompanying explanatory notes attached to the interim financial statements.

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2021**

**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 2020 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 2020.

**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 2020, except for the adoption of the following 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 2019 as follows:

Amendments to MFRS 9	Prepayment Features with Negative Compensation
Amendments to MFRS 119	Plan Amendment, Curtailment or Settlement
Amendments to MFRS 128	Long-term Interests in Associates and Joint-Ventures
IC Interpretation 23	Uncertainty over Income Tax Treatments
Annual Improvements to MFRSs 2015 - 2017 Cycle	

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:

MFRSs	Amendments to References to the Conceptual Framework in MFRS Standards <sup>1</sup>
MFRS 17/Amendments to MFRS17	Insurance contracts <sup>4</sup>
Amendments to MFRS 3	Definition of a Business <sup>1</sup>
Amendments to MFRS 3	Reference to the Conceptual Framework <sup>3</sup>
Amendments to MFRS 4	Extension of the Temporary Exemption from Applying MFRS 9 <sup>4</sup>
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>5</sup>
Amendments to MFRS 9, MFRS 139 and MFRS 7	Interest Rate Benchmark Reform <sup>1</sup>



**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2021**

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

**A2. Changes in Accounting Policies (continued)**

Amendments to MFRS 101	Classification of Liabilities as Current or Non-Current <sup>4</sup>
Amendments to MFRS 101 and MFRS 108	Definition of Material <sup>1</sup>
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16	Interest Rate Benchmark Reform - Phase 2 <sup>2</sup>
Amendments to MFRS 116	Property, Plant and Equipment - Proceeds before Intended Use <sup>3</sup>
Amendments to MFRS 137	Onerous Contracts - Cost of Fulfilling a Contract <sup>3</sup>
Annual Improvements to MFRS 2018 - 2020 Cycle <sup>3</sup>	

- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2020, with earlier application permitted.
- <sup>2</sup> Effective for annual periods beginning on or after 1 January 2021, with earlier application permitted.
- <sup>3</sup> Effective for annual periods beginning on or after 1 January 2022, with earlier application permitted.
- <sup>4</sup> Effective for annual periods beginning on or after 1 January 2023, with earlier application permitted.
- <sup>5</sup> 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 2020**

The auditors' report on the financial statements for the financial year ended 30 September 2020 was not subject to any qualification.

**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 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.

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2021**

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

**A8. Dividends Paid and Distributed**

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

**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 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	<b>62,214</b>	168,095	3,656	1,351	<b>173,102</b>
Inter-segment revenue	-	24,296	7,329	<b>31,625</b>	-	100,455	67,502	<b>167,957</b>
	61,736	24,381	7,722	<b>93,839</b>	168,095	104,111	68,853	<b>341,059</b>
Consolidation adjustments				<b>(31,625)</b>				<b>(167,957)</b>
<b>Consolidated Revenue</b>				<b>62,214</b>				<b>173,102</b>
Results from Operation	25,263	(7)	(7,834)	<b>17,422</b>	63,239	(72)	(16,445)	<b>46,722</b>
- Depreciation	(1,192)	(55)	(518)	<b>(1,765)</b>	(3,553)	(164)	(1,475)	<b>(5,192)</b>
- Finance Cost	(4,566)	-	(3,280)	<b>(7,846)</b>	(10,999)	-	(5,767)	<b>(16,766)</b>
	19,505	(62)	(11,632)	<b>7,811</b>	48,687	(236)	(23,687)	<b>24,764</b>
Share of results in associates				-				<b>2</b>
<b>Consolidated Profit Before Taxation</b>				<b>7,811</b>				<b>24,766</b>

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2021**

**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 2020				Year-to-date ended 30 June 2020			
	Property Development	Construction	Investment Holding and Others	Total	Property Development	Construction	Investment Holding and Others	Total
Revenue								
External revenue	19,817	48	338	<b>20,203</b>	134,066	104	1,611	<b>135,781</b>
Inter-segment revenue	(31)	14,269	3,834	<b>18,072</b>	1,844	73,206	19,700	<b>94,750</b>
	19,786	14,317	4,172	<b>38,275</b>	135,910	73,310	21,311	<b>230,531</b>
Consolidation adjustments				<b>(18,072)</b>				<b>(94,750)</b>
<b>Consolidated Revenue</b>				<b>20,203</b>				<b>135,781</b>
Results from Operation	11,126	(11)	(1,253)	<b>9,862</b>	53,208	(308)	(13,626)	<b>39,274</b>
- Depreciation	(1,009)	(50)	(693)	<b>(1,752)</b>	(3,206)	(149)	(2,106)	<b>(5,461)</b>
- Finance Cost	(3,254)	-	(333)	<b>(3,587)</b>	(6,297)	-	(488)	<b>(6,785)</b>
	6,863	(61)	(2,279)	<b>4,523</b>	43,705	(457)	(16,220)	<b>27,028</b>
Share of results in associates				-				-
<b>Consolidated Profit Before Taxation</b>				<b>4,523</b>				<b>27,028</b>

**A10. Material Events Subsequent to the End of the 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.



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**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2021**

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

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

- 1) On 25 May 2021, Sunsuria Everrich Sdn Bhd ("SESB") became the wholly-owned sub-subsiary of the Company upon completion of the acquisition of 100,000 ordinary shares of SESB from Welcome Global Co., Ltd.
- 2) On 2 August 2021, the Company's subsidiary, Sunsuria Symphony Sdn Bhd has acquired all the issued shares (100 ordinary shares) of Sunsuria Australia Pty Ltd., making it a wholly-owned sub-subsiary of the Company.
- 3) On 12 August 2021, Consolidated Factoring (M) Sdn Bhd became the wholly-owned sub-subsiary of the Company.
- 4) On 13 August 2021, the joint venture entity, namely Sunsuria IAT (M) Sdn Bhd was incorporated. The Company holds 51% shareholding while IAT Automobile Technology Co Ltd holds the remaining 49% shareholding, in Sunsuria IAT (M) Sdn Bhd.

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 2020.

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2021**

**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		
	30/06/2021 RM'000	30/06/2020 RM'000	Changes (RM'000 / %)	30/06/2021 RM'000	30/06/2020 RM'000	Changes (RM'000 / %)
Revenue	<b>62,214</b>	20,203	42,011 / 208%	<b>173,102</b>	135,781	37,321 / 27%
Cost of sales	<b>(40,591)</b>	(9,205)	31,386 / 341%	<b>(112,706)</b>	(80,595)	32,111 / 40%
Gross profit	<b>21,623</b>	10,998	10,625 / 97%	<b>60,396</b>	55,186	5,210 / 9%
Profit before taxation	<b>7,811</b>	4,523	3,288 / 73%	<b>24,766</b>	27,028	(2,262) / (8%)
Profit after taxation	<b>2,756</b>	3,287	(531) / (16%)	<b>14,170</b>	19,425	(5,255) / (27%)
Profit attributable to owners of the Company	<b>3,572</b>	2,810	762 / 27%	<b>14,014</b>	20,961	(6,947) / (33%)

The Group's revenue and profit before taxation for the current year's third reporting quarter are RM62.21million and RM7.81million respectively as compared to the revenue of RM20.20million and profit before taxation of RM4.52million in the previous year's corresponding quarter. The current quarter's revenue is derived from the following project developments: Monet Springtime, Monet Garden Townhouses and Villa, Giverny Walk dual frontage shop offices and Tangerine Suites at Sunsuria City, Forum 2 at Setia Alam and Block D Verdura Bangsar Hillpark @ Lorong Maarof, Bangsar. The contribution from Block D Verdura Bangsar Hill Park since the completion of the acquisition of 51% interests on 8 February 2021, is marginal as the project is at the preliminary stage of development.

The Group reported an increase in revenue in the current reporting year to date as compared to the previous year's corresponding financial period, due to the lingering impact of the various phases of the Movement Control Orders that had affected the previous year's financial results beginning 18 March 2020. Profit before taxation decreased in the current year to date compared to the previous financial year, and this was due to operating expenses from the Bangsar Hill Park project; however, the Bangsar Hill Park project's contribution to revenue is marginal as work progress is at its initial stage.

**B2. Variation of Results against the Preceding Quarter**

	Current Quarter 30/06/2021 RM'000	Immediate Preceding Quarter 31/03/2021 RM'000	Changes (RM'000 / %)
Revenue	<b>62,214</b>	62,951	(737) / (1%)
Cost of sales	<b>(40,591)</b>	(40,840)	(249) / (1%)
Gross profit	<b>21,623</b>	22,111	(488) / (2%)
Profit before taxation	<b>7,811</b>	8,530	(719) / (8%)
Profit after taxation	<b>2,756</b>	4,921	(2,165) / (44%)
Profit after taxation attributable to owners of the Company	<b>3,572</b>	5,118	(1,546) / (30%)

Quarter to quarter, the Group's current quarter revenue decreased marginally from RM62.95million to RM62.21million, which approximates the drop in gross margin. Profit before taxation decreased marginally due to the impact caused by the loss on disposal of vacant freehold agricultural lands of RM2.85million during the current quarter. However, the net amount of loss on disposal has been partially set off against the debt waiver of RM1.70million received by the Group.

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2021**

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

**B3. Prospects**

The pandemic has fundamentally changed the way the business operates in an unprecedented environment. Against such a backdrop, the Group will continue to be cautious in spending and continue to review its business strategies while improving its business processes to increase efficiency.

**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	
	30/06/2021 RM'000	30/06/2020 RM'000	30/06/2021 RM'000	30/06/2020 RM'000
Current Taxation	5,020	4,131	13,193	10,796
Deferred Taxation	35	(2,895)	(2,597)	(3,193)
	<u>5,055</u>	<u>1,236</u>	<u>10,596</u>	<u>7,603</u>

The effective tax rate of the Group for the current quarter and 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 19 August 2021 (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 30/06/2021 RM'000	As at 30/09/2020 RM'000
Secured short term borrowings	48,317	24,069
Secured long term borrowings	365,797	227,207
Unsecured Sukuk Wakalah	113,002	-
Total	<u>527,116</u>	<u>251,276</u>

The Group's borrowings as at 30 June 2021 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 2021**

**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	
	30/06/2021	30/06/2020	30/06/2021	30/06/2020
Net profit attributable to owners of the Company (RM'000)	<b>3,572</b>	2,810	<b>14,014</b>	20,961
Weighted average number of ordinary shares in issues ('000)	<b>895,917</b>	895,917	<b>895,917</b>	895,917
Basic EPS (sen)	<b>0.40</b>	0.31	<b>1.56</b>	2.34

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 30/06/2021 RM'000	Year-to-date 30/06/2021 RM'000
Profit for the period is arrived at after crediting/(charging) :		
- Interest income	2,716	4,218
- Gain on disposal of:		
- property, plant and equipment	-	20
- right-of-use assets	17	53
- assets classified as held for sale	-	1,295
- Reversal of impairment on right-of-use assets	-	1,191
- Reversal of inventories write down to net realisable value :		
- land held for property development	4,263	4,263
- Gain on bargain purchase	-	2,258
- Waiver of debts	5,028	5,028
- Interest expense	(7,846)	(16,766)
- Depreciation and amortisation	(1,768)	(5,178)
- Impairment loss on club membership	-	(25)
- Loss on disposal of land	(2,854)	(2,854)
- Development cost written-offs	(4,070)	(4,070)

BY ORDER OF THE BOARD

Company Secretary  
25 August 2021