



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

INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 MARCH 2020

SUNSURIA BERHAD

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

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 MARCH 2020

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Individual Quarter		Year To Date	
		Current Year 31/03/2020 RM'000 (Unaudited)	Preceding Year 31/03/2019 RM'000 (Unaudited)	Current Year 31/03/2020 RM'000 (Unaudited)	Preceding Year 31/03/2019 RM'000 (Unaudited)
Revenue		68,080	249,014	115,578	331,961
Cost of sales		(42,896)	(99,462)	(71,390)	(145,962)
Gross profit		25,184	149,552	44,188	185,999
Other income		2,942	1,398	6,123	8,114
		28,126	150,950	50,311	194,113
Administrative and other expenses		(12,854)	(21,023)	(24,608)	(35,933)
Finance costs		(1,633)	(375)	(3,198)	(755)
Share of results in associates		-	(270)	-	(661)
Profit before taxation		13,639	129,282	22,505	156,764
Income tax expense	B5	(3,726)	(33,594)	(6,367)	(48,350)
Profit after taxation		9,913	95,688	16,138	108,414
Other comprehensive income		-	-	-	-
Total comprehensive income		9,913	95,688	16,138	108,414
Profit after taxation attributable to:					
Owners of the Company		9,016	91,576	18,151	102,249
Non-controlling interests		897	4,112	(2,013)	6,165
		9,913	95,688	16,138	108,414
Total comprehensive income attributable to:					
Owners of the Company		9,016	91,576	18,151	102,249
Non-controlling interests		897	4,112	(2,013)	6,165
		9,913	95,688	16,138	108,414
Earnings per share attributable to Owners of the Company:					
(a) Basic (sen)	B9 (a)	1.01	11.46	2.03	12.80
(b) Diluted (sen)	B9 (b)	1.01	11.46	2.03	12.80

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 September 2019 and the accompanying explanatory notes attached to the interim financial statements.

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INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 MARCH 2020

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As At 31/03/2020 RM'000 (Unaudited)	As At 30/09/2019 RM'000 (Audited)
ASSETS		
Non-Current Assets		
Investment in associates	616	616
Other investment	184	184
Property, plant and equipment	34,932	33,796
Investment properties	151,373	140,280
Goodwill	11,453	11,453
Inventories - land held for property development	554,053	549,721
Deferred tax assets	14,470	10,349
Right-of-use assets	3,249	1,462
	770,330	747,861
Current Assets		
Inventories - completed units and others	64,808	61,721
Inventories - property development costs	252,639	259,191
Biological asset	60	73
Contract assets	62,845	228,035
Contract costs	7,156	4,642
Trade receivables	106,037	46,336
Other receivables, deposits and prepayments	31,128	23,905
Amount owing by an associate	3,280	1,867
Amount owing by related parties	3,003	1,904
Current tax assets	15,964	9,751
Short-term investments	90,338	7,063
Fixed deposits with licensed banks	38,468	31,353
Cash and bank balances	162,560	87,093
	838,286	762,934
Assets classified as held for sale	-	407
	838,286	763,341
TOTAL ASSETS	1,608,616	1,511,202
EQUITY AND LIABILITIES		
Equity		
Ordinary share capital	640,288	640,288
Reserves	374,934	359,282
Equity attributable to owners of the Company	1,015,222	999,570
Non-controlling interests	11,327	16,304
TOTAL EQUITY	1,026,549	1,015,874

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INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 MARCH 2020

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As At 31/03/2020 RM'000	As At 30/09/2019 RM'000 (Restated)
<u>EQUITY AND LIABILITIES (CONTINUED)</u>		
Non-Current Liabilities		
Deferred tax liabilities	95,790	91,967
Lease liabilities	2,938	1,502
Long-term borrowings	237,993	171,359
	<u>336,721</u>	<u>264,828</u>
Current Liabilities		
Trade payables	75,532	78,456
Other payables, deposits received and accruals	109,347	112,983
Contract liabilities	7,837	15,048
Amount owing to related parties	841	1,249
Amount owing to associate	-	1,706
Dividend payable	22	22
Short-term borrowings	49,193	12,039
Lease liabilities	2,135	1,840
Current tax liabilities	439	7,157
	<u>245,346</u>	<u>230,500</u>
TOTAL LIABILITIES	582,067	495,328
TOTAL EQUITY AND LIABILITIES	<u>1,608,616</u>	<u>1,511,202</u>
Net assets per share attributable to Owners of the Company (RM)	<u>1.13</u>	<u>1.12</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 September 2019 and the accompanying explanatory notes attached to the interim financial statements.



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INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 MARCH 2020
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	←—————→ Non-distributable				←—————→ Distributable				
	Ordinary Share Capital	Share Premium	Warrant Reserve	Capital Reserve	Capital Redemption Reserve	Retained profits	Attributable to Owners of the Company	Non-controlling Interests	Total Equity
	RM'000	RM'000	RM'000	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
Redemption of non-convertible non-cumulative preference shares	-	-	-	-	-	(2,499)	(2,499)	-	(2,499)
Dividends paid by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	(2,964)	(2,964)
Profit after taxation/Total comprehensive income	-	-	-	-	-	18,151	18,151	(2,013)	16,138
Balance as at 31 March 2020 (unaudited)	640,288	-	48,299	815	-	325,820	1,015,222	11,327	1,026,549

	←—————→ Non-distributable				←—————→ Distributable				
	Ordinary Share Capital	Share Premium	Warrant Reserve	Capital Reserve	Capital Redemption Reserve	Retained profits	Attributable to Owners of the Company	Non-controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 October 2018	399,421	175,838	48,299	815	168	247,859	872,400	54,869	927,269
Effects of adoption of MFRS	-	-	-	-	-	(70,653)	(70,653)	(20)	(70,673)
Balance as at 1 October 2018 (restated)	399,421	175,838	48,299	815	168	177,206	801,747	54,849	856,596
Issuance of shares by subsidiary to non-controlling	-	-	-	-	-	-	-	2	2
Transfer pursuant to Section 618(3) of CA 2016 *	175,838	(175,838)	-	-	(168)	-	(168)	-	(168)
Profit after taxation/Total comprehensive income	-	-	-	-	-	102,249	102,249	6,165	108,414
Balance as at 31 March 2019 (unaudited)	575,259	-	48,299	815	-	279,455	903,828	61,016	964,844

* Pursuant to the Companies Act 2016 ("CA2016") which came into effect on 31 January 2017, the credit amounts in the share premium account and capital redemption reserve account has been transferred to the share capital account. The Group may exercise its right to use the credit amounts transferred from the share premium account and capital redemption reserve account within 24 months after the commencement of the CA2016. There is no impact on the numbers of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition.

The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 30 September 2019 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 MARCH 2020

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	6 months ended	
	31/03/2020 RM'000 (Unaudited)	31/03/2019 RM'000 (Unaudited)
Cash Flows From Operating Activities		
Profit before taxation	22,505	156,764
Adjustments for:		
Accretion of interest on:		
- trade payables	84	100
Depreciation of:		
- property, plant and equipment	2,850	2,759
- investment properties	239	253
- right-of-use assets	620	265
Gain on disposal of investment property	(1,893)	(5,439)
Interest expense	3,198	755
Interest income	(3,009)	(1,651)
Fair value changes on biological assets	14	-
Share of results in associates	-	661
Operating profit before working capital changes	<u>24,608</u>	<u>154,467</u>
Changes in working capital:		
(Increase)/decrease in inventories - completed units and others	(3,087)	3,006
Decrease in inventories - property development costs	6,501	50,778
(Increase)/decrease in trade and other receivables	(66,926)	1,266
Decrease in trade and other payables	(6,643)	(9,496)
Decrease/(increase) in contract assets	165,191	(51,435)
(Increase)/decrease in contract cost	(2,513)	6,659
Decrease in contract liabilities	(6,579)	(132,641)
Increase in amount owing by related parties	(1,099)	-
Increase in amount owing to related parties	-	901
Cash from operations	<u>109,453</u>	<u>23,505</u>
Interest paid	(6,593)	(6,792)
Real property gains tax paid	(69)	-
Income tax paid	(19,527)	(16,658)
Net cash from operating activities	<u>83,264</u>	<u>55</u>
Cash Flows For Investing Activities		
Expenditure incurred on land held for property development	(2,260)	(2,937)
Increase in fixed deposits pledged to licensed banks	(723)	(7,653)
Interest income received	3,009	1,651
Purchase of:		
- property, plant and equipment	(4,042)	(4,704)
- investment properties	(9,902)	(3,635)
- biological asset	-	(25)
Proceeds from disposal of:		
- investment properties	2,300	6,500
Advance to associate	(1,414)	(978)
Net cash for investing activities	<u>(13,032)</u>	<u>(11,781)</u>

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INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 MARCH 2020
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	6 months ended	
	31/03/2020	31/03/2019
	RM'000	RM'000
	(Unaudited)	(Unaudited)
Cash Flows From/(For) Financing Activities		
Proceeds from issuance of:		
- ordinary shares to non-controlling interest in subsidiaries	-	2
Acquisition of investment in subsidiary	(1)	-
Drawdown of term loan	135,474	24,677
Repayment of term loans	(31,583)	(31,045)
Repayment of hire purchase obligations	(103)	(170)
Repayment to related parties	(2,114)	(1,518)
Payments for the principal portion of lease liabilities	(1,309)	(968)
Redemption of non-convertible non-cumulative preference shares	(2,499)	-
Dividend paid to non-controlling interests	(2,964)	-
Net cash from/(for) financing activities	94,901	(9,022)
Net change in cash & cash equivalents	165,133	(20,748)
Cash & cash equivalents at the beginning of the financial period	103,133	106,196
Cash & cash equivalents at the end of the financial period	268,266	85,448

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

	6 months ended	
	31/03/2020	31/03/2019
	RM'000	RM'000
	(Unaudited)	(Unaudited)
Short-term investment	90,338	10,367
Fixed deposits with licensed banks	38,468	51,676
Cash and bank balances	162,560	75,081
	291,366	137,124
Less: Deposit pledged to licensed banks	(23,100)	(51,676)
Total Cash and cash equivalents for the year	268,266	85,448

Notes :

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 30 September 2019 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 MARCH 2020

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 2019 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 2019.

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 2019, 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 128	Long-term Interests in Associates and Joint-Ventures
Amendments to MFRS 119	Plan Amendment, Curtailment or Settlement
IC Interpretation 23	Uncertainty over Income Tax Treatments
Amendments to MFRSs contained in the document entitled 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:

Amendments to MFRS 3	Definition of a Business ¹
Amendments to MFRS 101 and MFRS 108	Definition of Material ¹
Amendments to MFRS 9, MFRS 139 and MFRS 107	Interest Rate Benchmark Reform ¹
MFRS 17	Insurance Contracts ²
MFRSs	Amendments to References to the Conceptual Framework in MFRS Standards ¹
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³

¹ Effective for annual periods beginning on or after 1 January 2020, with early application permitted.

² Effective for annual periods beginning on or after 1 January 2021, with early application permitted.

³ Effective date deferred to a date to be determined and announced, with earlier application permitted.

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 MARCH 2020

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

A2. Changes in Accounting Policies (continued)

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 2019

The auditors' report on the financial statements for the financial year ended 30 September 2019 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

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

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 MARCH 2020

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’s activities are carried out pre-dominantly in Malaysia.

Business Segment Analysis (RM'000)	Quarter ended 31 March 2020				Year-to-date ended 31 March 2020			
	Property Development	Construction	Investment Holding and Others	Total	Property Development	Construction	Investment Holding and Others	Total
Revenue								
External revenue	67,487	35	558	68,080	114,249	56	1,273	115,578
Inter-segment revenue	1,875	28,739	8,451	39,065	1,875	58,937	15,866	76,678
	69,362	28,774	9,009	107,145	116,124	58,993	17,139	192,256
Consolidation adjustments				(39,065)				(76,678)
Consolidated Revenue				68,080				115,578
Results from Operation	23,900	(6,269)	(499)	17,132	42,082	(297)	(12,373)	29,412
- Depreciation	(1,087)	(50)	(723)	(1,860)	(2,197)	(99)	(1,413)	(3,709)
- Finance Cost	(1,557)	-	(76)	(1,633)	(3,043)	-	(155)	(3,198)
	21,256	(6,319)	(1,298)	13,639	36,842	(396)	(13,941)	22,505
Share of results in an associates				-				-
Consolidated Profit Before Taxation				13,639				22,505

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 MARCH 2020

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

A9. Segmental Information (continued)

Business Segment Analysis (RM'000)	Quarter ended 31 March 2019				Year-to-date ended 31 March 2019			
	Property Development	Construction	Investment Holding and Others	Total	Property Development	Construction	Investment Holding and Others	Total
Revenue								
External revenue	248,770	13	231	249,014	331,396	151	414	331,961
Inter-segment revenue	-	42,366	6,045	48,411	-	89,246	49,962	139,208
Consolidation adjustments	248,770	42,379	6,276	297,425	331,396	89,397	50,376	471,169
Consolidated Revenue				(48,411)				(139,208)
				249,014				331,961
Results from Operation	140,018	(189)	(8,157)	131,672	171,875	(145)	(10,273)	161,457
- Depreciation	(1,243)	(45)	(457)	(1,745)	(2,400)	(86)	(791)	(3,277)
- Finance Cost	(294)	(35)	(46)	(375)	(578)	(83)	(94)	(755)
	138,481	(269)	(8,660)	129,552	168,897	(314)	(11,158)	157,425
Share of results in an associates				(270)				(661)
Consolidated Profit Before Taxation				129,282				156,764

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.

A11. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current quarter under review except for the incorporation of a new wholly-owned subsidiary, known as BRS Medicare Ventures Sdn Bhd (“BRS Medicare”) on 6 May 2020. The paid up share capital of BRS Medicare comprises of one (1) ordinary share of RM1.00.

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 2019.

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 MARCH 2020

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			6 months ended		
	31/03/2020 RM'000	31/03/2019 RM'000	Changes (RM'000 / %)	31/03/2020 RM'000	31/03/2019 RM'000	Changes (RM'000 / %)
Revenue	68,080	249,014	(180,934) / (73%)	115,578	331,961	(216,383) / (65%)
Cost of sales	(42,896)	(99,462)	56,566 / 57%	(71,390)	(145,962)	74,572 / 51%
Gross profit	25,184	149,552	(124,368) / (83%)	44,188	185,999	(141,811) / (76%)
Profit before taxation	13,639	129,282	(115,643) / (89%)	22,505	156,764	(134,259) / (86%)
Profit after taxation	9,913	95,688	(85,775) / (90%)	16,138	108,414	(92,276) / (85%)
Profit attributable to owners of the Company	9,016	91,576	(82,560) / (90%)	18,151	102,249	(84,098) / (82%)

In the current reporting quarter, the Group reported revenue and profit before taxation of RM68.08m and RM13.64m respectively as compared to the revenue of RM249.01m and profit before taxation of RM129.28m in the previous year's corresponding quarter.

The higher revenue and profit before taxation reported in the previous year's corresponding quarter was largely due to the revenue and profit before taxation contribution from the Jasper Square commercial development at Sunsuria City. In that reporting quarter, revenue and profit before taxation of RM149.36m and RM95.47m respectively from the Jasper Square which was previously recognised on a progressive basis, was restated to be recognised in the quarter when the project was completed due to the adoption of MFRS 15.

B2. Variation of Results against the Preceding Quarter

	Current Quarter 31/03/2020 RM'000	Immediate Preceding Quarter 31/12/2019 RM'000	Changes (RM'000 / %)
Revenue	68,080	47,498	20,582 / 43%
Cost of sales	(42,896)	(28,494)	(14,402) / (51%)
Gross profit	25,184	19,004	6,180 / 33%
Profit before taxation	13,639	8,866	4,773 / 54%
Profit after taxation	9,913	6,225	3,688 / 59%
Profit after taxation attributable to owners of the company	9,016	9,135	(119) / (1%)

In the current reporting quarter, the Group completed and handed over the vacant possession of the Bell Suites SOHO & Retails development at Sunsuria City. The Bell Suites SOHO & Retails contributed RM44.87m to the Group's revenue. Meanwhile, the Group's other on-going projects are the Monet Springtime, Monet Garden, Giverny Walk and Tangerine Suites at Sunsuria City and Forum II SOHO, Offices and Serviced Apartments at Setia Alam.

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 MARCH 2020

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 overall economic activity fell sharply following the outbreak of Covid-19 pandemic. The measures taken to contain the spread of the virus in the form of Movement Control Order (“MCO”) from 18 March 2020 had disrupted supplies chain and dampened demand and fuelled the fear of failed businesses and unemployment.

The pandemic’s impact on economic activities post an inherent risk to businesses including property development activities and sales. However, the Board is still hopeful for a recovery in economic activities supported by fiscal, monetary stimulus and other measures introduced by the Malaysian Government. Meanwhile, the Group continues to review and closely monitor the pandemic and economic situation while exercising prudence in spending, adopting and adapting to new way of operating its business activities.

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	
	31/03/2020 RM'000	31/03/2019 RM'000	31/03/2020 RM'000	31/03/2019 RM'000
Current Taxation	1,920	16,984	6,665	27,177
Deferred Taxation	1,806	16,610	(298)	21,173
	<u>3,726</u>	<u>33,594</u>	<u>6,367</u>	<u>48,350</u>

The effective tax rate of the Group is higher than the statutory tax rate 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 16 May 2020 (being the latest practicable date), which is not earlier than 7 days from the date of issuance of these Interim Financial Statements except for the followings:

Date of First Announcement	Subject Matter	Status
29.04.2019	Memorandum of Understanding (“MoU”) dated 27 April 2019 between Sunsuria Berhad and Sinotrans Limited to foster cooperation with each other on the basis of mutual rights and obligations regarding potential logistic related business in Malaysia.	<ul style="list-style-type: none"> Parties to the MoU had on 26 October 2019 mutually agreed to extend the Term of the MoU for six (6) months commencing 27 October 2019. The MoU lapsed upon its expiry on 26 April 2020.

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 MARCH 2020

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

B6. Corporate Proposals(continued)

Date of First Announcement	Subject Matter	Status
29.04.2019	Strategic Cooperation Agreement (“SCA”) dated 27 April 2019 between Sunsuria Berhad and IAT Automotive Technology Co., Ltd. to foster cooperation with each other on the basis of mutual rights and obligations regarding potential establishment of an ASEAN Automotive Design and Innovation Center, which focuses on expansion and operations in Malaysia and South East Asia.	<ul style="list-style-type: none"> Parties to the SCA had on 4 December 2019 mutually agreed to extend the Term of the SCA for six (6) months commencing 1 January 2020. Parties are working towards establishing an ASEAN Automotive Design and Innovative Center.

B7. Group Borrowings

	As at 31/03/2020	As at 30/09/2019
	RM'000	RM'000
Secured short term borrowings	49,193	12,039
Secured long term borrowings	237,993	171,359
Total	<u>287,186</u>	<u>183,398</u>

The Group's borrowings as at 31 March 2020 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.

B9. Earnings per share

(a) Basic earnings per ordinary share (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	
	31/03/2020	31/03/2019	31/03/2020	31/03/2019
Net profit attributable to ordinary equity holders of the Company (RM'000)	9,016	91,576	18,151	102,249
Weighted average number of ordinary shares in issues ('000)	895,917	798,834	895,917	798,834
Basic EPS (sen)	<u>1.01</u>	<u>11.46</u>	<u>2.03</u>	<u>12.80</u>

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 MARCH 2020

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 (continued)

(b) Diluted earnings per ordinary share

The potential conversion of warrants are anti-dilutive as their exercise prices are higher than the average market price of the Company's ordinary shares during the current and previous financial period. Accordingly, the exercise of warrants have been ignored in the calculation of dilutive earnings per share.

B10. Notes to the Statement of Comprehensive Income

Description	Current quarter 31/03/2020 RM'000	Year-to-date 31/03/2020 RM'000
Profit for the period is arrived at after crediting/(charging) :		
- Interest income	1,987	3,009
- Gain on disposal of properties	-	1,893
- Interest expense	(1,639)	(3,198)
- Depreciation and amortisation	(1,860)	(3,709)

BY ORDER OF THE BOARD

Company Secretary
22 May 2020