

**SUNSURIA BERHAD (“Sunsuria” or the “Company”)**

**DISPOSAL OF PROPERTIES BY SUNSURIA GENLIN DEVELOPMENT SDN. BHD., A SUBSIDIARY OF SUNSURIA TO KERJAYA PROPERTY SDN. BHD., A SUBSIDIARY OF KERJAYA PROSPEK PROPERTY BERHAD**

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**1. INTRODUCTION**

The Board of Directors wishes to announce that Sunsuria Genlin Development Sdn. Bhd. (“Sunsuria Genlin”), a 70%-owned subsidiary of Sunsuria, has on 25 January 2021 entered into a Sale and Purchase Agreement (“SPA”) with Kerjaya Property Sdn. Bhd. (“Kerjaya”), a wholly-owned subsidiary of Kerjaya Prospek Property Berhad to dispose the following vacant freehold agricultural lands:

- (i) Geran Mukim 2273, Lot No. 30259, Mukim Setapak, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur, measuring approximately 5,951 square metres (64,056.03 square feet) for a consideration of RM19,729,257.24 (the “Property No. 1”); and
- (ii) Geran Mukim 2545, Lot No. 201562, Mukim Setapak, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur, measuring approximately 3,141 square meters (33,809.44 square feet) for a consideration of RM10,413,307.52 (the “Property No. 2”);

collectively known as Properties, (herein after referred as “Disposal of Properties”).

**2. DETAILS OF THE DISPOSAL OF PROPERTIES**

**2.1. Information of Sunsuria Genlin**

Sunsuria Genlin is a company incorporated in Malaysia bearing its registered address and office address at Suite 8, Main Tower, Sunsuria Avenue Persiaran Mahogani, Kota Damansara, PJU 5, 47810 Petaling Jaya, Selangor. Its principal activity is property investment.

The Directors of Sunsuria Genlin are Lee Swee Kheng, Ter Leong Ping, Wong Chiew Meng and Chua Ah Bah @ Chua Siew Seng.

The shareholders of Sunsuria Genlin are Sunsuria (70%) and Genlin Development Sdn. Bhd. (30%).

**2.2. Information of Kerjaya**

Kerjaya is a company incorporated in Malaysia bearing its registered address at No. 23, Ground Floor, Jalan Campbell, 70000 Seremban, Negeri Sembilan and business address at of No. 1, Jalan Wangsa Permai, Bangunan One Wangsa, 2<sup>nd</sup> Floor, Taman Wangsa Permai, 52200 Kuala Lumpur. Its principal activity is project management consultants and property development.

The Directors of Kerjaya are Tee Eng Seng, Datuk Tee Eng Ho and Datin Toh Siew Chuon.

Kerjaya is a wholly-owned subsidiary of Kerjaya Prospek Property Berhad.

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**2.3. Details of the Properties**

No.	Registered Proprietor	Lot No.	Geran Mukim	Mukim/ Daerah/ Negeri	Approximate Area (square metre)	Consideration (RM)
1.	Sunsuria Genlin	30259	2273	Setapak/ Kuala Lumpur/ Wilayah Persekutuan Kuala Lumpur	5,951	19,729,257.24
2.	Sunsuria Genlin	201562	2545	Setapak/ Kuala Lumpur/ Wilayah Persekutuan Kuala Lumpur	3,141	10,413,307.52

**2.4. Salient terms of the SPA**

The salient terms of the SPA include, amongst others, the following:

- The consideration will be paid by the Kerjaya in the following manner and priority:
  - the deposit of RM3,014,256.47 (the "Deposit") shall be paid by the Kerjaya to Sunsuria Genlin upon execution of the SPA, being deposit and towards part payment of the Consideration.
  - the balance of the consideration of RM27,128,308.29 (the "Balance Consideration") shall be paid by Kerjaya to Sunsuria Genlin's solicitors on or before 3 months from the date of the SPA ("the Completion Period").
- In the event that the Kerjaya fails to pay the Balance Consideration on or before expiry of the Completion Period, Sunsuria Genlin shall grant to Kerjaya an automatic extension of time of 2 months from the date after the expiry of the Completion Period (the "Extended Completion Period") to settle the Balance Consideration subject to Kerjaya paying to Sunsuria Genlin interest at the Prescribed Rate of 6% per annum (the "Prescribed Rate") on the Balance Consideration or such part thereof as remained unpaid calculated on a daily basis commencing from the first day of the Extended Completion Period until the date of full settlement of the Balance Consideration to Sunsuria Genlin's solicitors (the "Late Payment Interest").
- Vacant possession of the Properties shall be delivered to Kerjaya by Sunsuria Genlin within 5 working days from the Completion Date as defined in the SPA (the "Vacant Possession Date"), failing which Sunsuria Genlin shall pay to Kerjaya the liquidated damages calculated at the Prescribed Rate on a daily basis on the consideration from the day following the expiry of the said 5 working days period to the date of actual delivery of vacant possession of the Properties provided that this shall be without prejudice to Kerjaya's rights to apply for specific performance according to default by Sunsuria Genlin.
- In the event the SPA is terminated in accordance with the terms contained in the SPA, in exchange for the payment and/or refund by Sunsuria Genlin to Kerjaya of all the monies in accordance with the terms and conditions of the SPA (if any), Kerjaya shall:

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- i) return all Sunsuria Genlin's Documents prescribed in the SPA and the Transfer to Sunsuria Genlin or Sunsuria Genlin's Solicitors free from caveats and encumbrances and with Sunsuria Genlin's interest intact, if the same have been delivered to Kerjaya or Kerjaya's Solicitors or the Kerjaya's Financier or Kerjaya's Financier's Solicitors (provided that in the event that the Transfer has as at that date been stamped for ad valorem stamp duty in the full amount, Kerjaya or Kerjaya's Solicitors shall be entitled to forward the duly stamped Transfer to the Collector of Stamp Duty for cancellation and to secure the refund of the ad valorem stamp duty so paid by Kerjaya and shall thereafter immediately forward the Transfer to Sunsuria Genlin or Sunsuria Genlin's Solicitors for cancellation);
  - ii) if vacant possession of the Properties has been delivered to the Kerjaya, to forthwith redeliver vacant possession of the Properties to Sunsuria Genlin in its original state and condition when it was first delivered (fair wear and tear excepted); and
  - iii) withdraw or cause to be withdrawn at the Kerjaya's own cost and expense, the caveats lodged and all other encumbrances created by Kerjaya or Kerjaya's Financier or their respective solicitors against the Properties forthwith.
- (e) Upon fulfilment of item (d), the SPA shall be deemed null and void and of no further effect and neither party hereto shall have any claim against the other and Sunsuria Genlin shall be entitled at Sunsuria Genlin's absolute discretion to deal with or dispose of the Properties at the sole and absolute discretion of Sunsuria Genlin.

### **2.5. Basis and justification on arriving at the Consideration**

The consideration for the Properties was arrived at on a 'willing buyer-willing seller' basis and on 'as-is-where-is' basis after taking into consideration the following:

- (a) the net book value ("NBV") of the Properties as at 30 September 2020 was RM28,460,000.00.
- (b) the indicative market valuation of the Properties as appraised on 30 September 2020 ("market valuation") for purpose of accounting was RM29,000,000.00. In arriving at the opinion that the consideration is fair and reasonable, the Board has taken into consideration the difference between the consideration and market valuation which was carried out for a different purpose.

### **2.6. Liabilities to be assumed by Kerjaya**

There are no liabilities, including contingent liabilities and guarantees, to be assumed by Kerjaya pursuant to the Disposal of Properties.

## **3. RATIONALE FOR THE DISPOSAL OF PROPERTIES**

The Disposal of Properties will enable Sunsuria Group to unlock capital resources from being tied up as long-term assets and realise the value of the Properties at a fair market value whilst enhancing Sunsuria Group's liquidity and strengthening its financial position.

## **4. RISK FACTORS**

Except for the general risks such as non-completion of the SPA, the Board is not aware of any anticipated risk arising from the Disposal of Properties.

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**5. EFFECTS OF THE DISPOSAL OF PROPERTIES**

The Disposal of Properties will not have any effect on the share capital and substantial shareholders' shareholding of the Company.

The Disposal of Properties is not expected to have any material effect on the earnings, earnings per share, net assets and gearing of Sunsuria for the financial year ending 30 September 2021.

**6. APPROVALS REQUIRED**

The Disposal of Properties is not subject to the approval of the shareholders of the Company or any relevant authorities.

**7. HIGHEST PERCENTAGE RATIO**

The highest percentage ratio applicable to the Disposal of Properties pursuant to Paragraph 10.02(g) of the Listing Requirements is 3.02%, based on the latest consolidated audited financial statements of the Sunsuria for the financial year ended 30 September 2019.

**8. DIRECTORS AND/OR MAJOR SHAREHOLDERS' INTEREST AND/OR PERSONS CONNECTED WITH THEM**

None of the Directors and/or major shareholders of Sunsuria and/or persons connected to them have any interest, direct or indirect, in relation to the Disposal of Properties.

**9. DIRECTORS' STATEMENT**

The Board after taking into consideration all aspects of the Disposal of Properties including but not limited to the rationale, financial effects, the valuation of the Properties, is of the opinion that the Disposal of Properties is in the best interest of the Company.

**10. ESTIMATED TIMEFRAME FOR COMPLETION**

Barring any unforeseen circumstances, the Disposal of Properties is expected to be completed in the second quarter of calendar year 2021.

**11. DOCUMENTS AVAILABLE FOR INSPECTION**

The SPA dated 25 January 2021 is made available for inspection at the Registered Office of Sunsuria at Suite 8, Main Tower, Sunsuria Avenue Persiaran Mahogani, Kota Damansara, PJU 5, 47810 Petaling Jaya, Selangor. during normal business hours from Mondays to Fridays (except public holidays) for a period of 3 month from the date of this announcement.

This announcement is dated 25 January 2021.