



**SUNSURIA BERHAD**  
Registration No.: 196801000641 (8235K)  
("Sunsuria" or the "Company")

**JOINT VENTURE BETWEEN SUNSURIA CITY SDN. BHD., ASPIRE CENTURY SDN. BHD., BOTH BEING WHOLLY-OWNED SUBSIDIARIES OF THE COMPANY WITH SERIMAS BAKTI SDN. BHD. AND MS LIM GUAT LEE**

**1. INTRODUCTION**

The Board of Directors of Sunsuria Berhad wishes to announce that Sunsuria City Amenities Sdn. Bhd. ("SCASB") and Aspire Century Sdn. Bhd. ("ACSB"), both being the wholly-owned subsidiaries of Sunsuria have on 23 February 2021 entered into a Shares Subscription and Shareholders' Agreement (the "Agreement") with Serimas Bakti Sdn. Bhd. ("SBSB") and Ms Lim Guat Lee for the purpose of carrying on food and beverages ("F&B") business (the "Joint Venture"). The Parties to the Agreement agreed that ACSB shall act as the special purpose vehicle for the Joint Venture.

Each of the Parties hereto shall individually be referred to as the "Party" and collectively as the "Parties".

**2. THE JOINT VENTURE**

**2.1 Information on SCASB, ACSB, SBSB and Ms Lim Guat Lee**

i) SCASB

SCASB is a wholly-owned subsidiary of Sunsuria and is a private company limited by shares established in Malaysia under the Companies Act 2016. As at the date of this announcement, the issued share capital of SCASB is RM10,000.00. The principal business activity of SCASB is proprietors of restaurants, operations and management of F&B businesses.

ii) ACSB

ACSB is a wholly-owned subsidiary of Sunsuria and is a private company limited by shares established in Malaysia under the Companies Act 2016. As at the date of this announcement, the issued share capital of ACSB is RM1.00. The principal business activity of ACSB is investment holding company.

iii) SBSB

SBSB is a private company limited by shares established in Malaysia under the Companies Act 2016. As at the date of this announcement, the issued share capital of SBSB is RM150,000.00. The principal business activity of SBSB is restaurant operator.

The Directors of SBSB are Khew Soon Nam, Kenman Salim Shaari, Lam Mun Chiew and Afiqah Syifa' Mohd Ibrahim.

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The Shareholders of SBSB are as follows:

Shareholders	Shareholdings	
	No. of Shares	Percentage
Lam Mun Chiew	1	negligible
Mohd Al Ghadaffi Abdul Latif	18,000	12%
Kenman Salim Shaari	12,000	8%
Lam Pooi Hin	112,499	74.99%
Afiqah Syifa' Mohd Ibrahim	7,500	5%
<b>Total</b>	<b>150,000</b>	<b>100</b>

iv) Ms Lim Guat Lee ("Ms Lim")

Ms Lim is a Malaysian having his residential address at 1, Lorong Samarinda 19E, Taman Mesra, 41000 Klang, Selangor Darul Ehsan.

## 2.2 Salient terms of the Agreement

### 2.2.1 General

- The purpose of the Joint Venture is to carry on business which shall include food and beverages activities and/or such other activities that are similar to, complementary to, or ancillary to, the foregoing, and such other businesses as may be agreed pursuant to the Agreement ("Business").
- Subject to the terms and conditions of the Agreement, the Parties agreed that ACSB shall offer to SCASB, SBSB and Ms Lim Guat Lee to subscribe for the following number of new ordinary shares ("Subscription Shares") at the issue price of RM1.00 per ordinary share in ACSB:
  - 5,999 ordinary shares to SCASB;
  - 2,500 ordinary shares to SBSB; and
  - 1,500 ordinary shares to Ms Lim Guat Lee;

("Agreed Proportion")

such that upon the completion of subscription of the Subscription Shares, the shareholding of ACSB shall be held by SCASB, SBSB and Ms Lim Guat Lee in the Agreed Proportion.

- Subject to completion of subscription of the Subscription Shares in ACSB, SCASB, SBSB and Ms Lim Guat Lee have agreed to regulate their relationship as shareholders in ACSB as set out in the Agreement and have agreed that their respective rights and obligations as shareholders shall be governed by the terms and conditions of the Agreement and the Constitution of ACSB.
- The Directors of ACSB shall comprise up to four (4) natural persons of whom three (3) shall be appointed by SCASB and one (1) shall be appointed by SBSB. The Chairman of the Board of Directors and the Managing Director shall be elected by SCASB.

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**2.2.2** Financial Requirement

- i) The Parties mutually agreed that ACSB shall use its best efforts to raise all the necessary funding required for the purpose of ACSB's operation and to achieve its business objectives as and when required.
- ii) The Parties agreed that the financial requirements of ACSB can be met in either of the following manner based on the recommendations to be approved by the Board of Directors of ACSB in accordance to the manner stated in the Agreement:
  - a. borrowings from third parties (including banks and financial institutions) secured by assets and properties of ACSB;
  - b. by way of shareholder's advance in the Agreed Proportions.; or
  - c. the issuance of preference shares by ACSB and subscribed by the Shareholders of ACSB in the Agreed Proportions.
- iii) The Shareholders of ACSB shall not be required to provide any form of financial assistance or security or credit support (including the furnishing of any guarantee) for ACSB unless otherwise mutually agreed upon.
- iv) If a guarantee is required to be given by the Shareholders of ACSB in relation to any financial assistance required, then the liability of the Shareholders of ACSB arising from any guarantee shall be several (and not joint) and in accordance with their respective equity shareholdings in ACSB.
- v) Unless the Shareholders of ACSB otherwise, mutually agree, the repayment by ACSB of any shareholders' advances to the Shareholders of ACSB pursuant to the terms herein shall be on the basis that each repayment shall be to all Shareholders of ACSB (but not some of them only) in proportion to their shareholders' advances outstanding as of the intended date of the repayment.

**2.2.3.** Termination

The Agreement shall continue in full force and effect until terminated in accordance with the following events:

- i) the Shareholders agree in writing to terminate the Agreement; or
- ii) all of the Shares become beneficially owned by any one Shareholder; or
- iii) ACSB goes into liquidation whether voluntary or compulsory (other than for the purpose of an amalgamation or reconstruction as approved by all the Shareholders ACSB).

**2.2.4.** Default

A Party (a "Defaulting Shareholder") shall be in default under the Agreement, if any of the following events (or in the case of (i), (ii) and (iii) their equivalent in any jurisdiction) shall have occurred:

- i) the Defaulting Shareholder presents a petition or has a petition presented by a creditor for its winding up or bankruptcy, as the case may be, that is not withdrawn within 2 months; or

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- ii) the Defaulting Shareholder convenes a meeting to pass a resolution for its voluntary winding up (otherwise than a bona fide solvent reconstruction or amalgamation in which all obligations under the Agreement are assumed by a successor corporation);
- iii) the Defaulting Shareholder calls a meeting of its creditors or has a receiver or administrator appointed over all or substantially all of its undertaking or assets and such receiver or administrator is not discharged within 2 months as of his appointment; or
- iv) the Defaulting Shareholder materially breaches its obligations under the Agreement and, if such breach is capable of remedy, fails to remedy the breach within 20 Business Days of being specifically required in writing to do so by a non-defaulting Shareholder.

### **2.3 Source of funding**

SCASB shall fully subscribe for such shares in the ACSB based on the Agreed Proportions in cash, through internally generated funds.

### **3. RATIONALE**

The Joint Venture is part of Sunsuria's pursuit to enhance the value and vibrancy of its development projects, enabling it to create synergy to boost foot traffic to Sunsuria's development projects by providing Halal F&B outlet which provides a variety of Malaysian food and beverages.

The first collaboration which will be at Sunsuria Forum is also a stepping stone for possible expansion by the Group to other parts of Malaysia.

### **4. RISK FACTORS**

Pursuant to the Joint Venture, Sunsuria's performance will be exposed to certain risks inherent to the F&B business which includes, amongst others, economic downturn domestically and regionally, occurrence of force majeure events including but not limited to decrees or restraints by governmental authorities, acts of God, strikes, war, riot, civil unrest and any other causes of such nature. Nevertheless, Sunsuria sought to mitigate these risks through, amongst others, by venturing onto the F&B business via a joint venture with partners who are experienced for its established operational and management track records to diligently monitoring the trends, issues, problems and industry practices that arises as well as careful planning and proactively and closely overseeing the business.

### **5. FINANCIAL EFFECTS OF THE PROPOSED JOINT VENTURE**

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

The Joint Venture 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.

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**6. APPROVALS REQUIRED**

The Joint Venture is not subject to the approval of the shareholders of Sunsuria or any relevant authorities.

**7. ESTIMATED TIME FRAME FOR COMPLETION**

Barring any unforeseen circumstances, the proposed joint venture is expected to be completed by second quarter of year 2021.

**8. HIGHEST PERCENTAGE RATIO**

The highest percentage ratio applicable to the Joint Venture pursuant to Paragraph 10.02(g) of the Listing Requirements is negligible.

**9. DIRECTORS' STATEMENT**

Having considered all aspects of the Joint Venture, the Board is of the opinion that the Joint Venture is in the best interest of the Company.

**10. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM**

None of the directors and/or major shareholders of Sunsuria and/or persons connected with them have any interests, direct or indirect, in the Joint Venture.

**11. DOCUMENTS FOR INSPECTION**

The Agreement is available for inspection at the registered office of Sunsuria at Suite 8, Main Tower, Sunsuria Avenue, Persiaran Mahogani, Kota Damansara PJU5, 47810 Petaling Jaya, Selangor Darul Ehsan from Mondays to Fridays (except public holidays) for a period of three (3) months from the date of this announcement.

This announcement is dated 23 February 2021.