



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

INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 2020

SUNSURIA BERHAD

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INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 2020

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

	Note	Individual Quarter		Year To Date	
		Current Year 30/09/2020 RM'000 (Unaudited)	Preceding Year 30/09/2019 RM'000 (Unaudited)	Current Year 30/09/2020 RM'000 (Unaudited)	Preceding Year 30/09/2019 RM'000 (Audited)
Revenue		61,302	104,807	197,083	534,257
Cost of sales		(34,841)	(58,658)	(115,436)	(273,951)
Gross profit		26,461	46,149	81,647	260,306
Other income		2,407	1,083	10,789	10,569
		28,868	47,232	92,436	270,875
Administrative and other expenses		(4,148)	(20,131)	(33,903)	(60,603)
Finance costs		(2,560)	(5,463)	(9,345)	(6,506)
Share of results in associates		(40)	589	(40)	(467)
Profit before taxation		22,120	22,227	49,148	203,299
Income tax expense	B5	(14,884)	(4,560)	(22,487)	(62,721)
Profit after taxation		7,236	17,667	26,661	140,578
Other comprehensive income		-	-	-	-
Total comprehensive income		7,236	17,667	26,661	140,578
Profit after taxation attributable to:					
Owners of the Company		9,206	19,724	30,167	135,465
Non-controlling interests		(1,970)	(2,057)	(3,506)	5,113
		7,236	17,667	26,661	140,578
Total comprehensive income attributable to:					
Owners of the Company		9,206	19,724	30,167	135,465
Non-controlling interests		(1,970)	(2,057)	(3,506)	5,113
		7,236	17,667	26,661	140,578
Earnings per share attributable to Owners of the Company:					
(a) Basic (sen)	B9 (a)	1.03	2.34	3.37	16.08
(b) Diluted (sen)	B9 (b)	1.03	2.34	3.37	16.08

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

INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 2020
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As At 30/09/2020 RM'000 (Unaudited)	As At 30/09/2019 RM'000 (Audited)
ASSETS		
Non-Current Assets		
Investment in associates	575	616
Other investment	184	184
Property, plant and equipment	30,558	33,796
Investment properties	180,945	140,280
Goodwill	11,453	11,453
Inventories - land held for property development	533,497	549,721
Deferred tax assets	9,286	10,349
Right-of-use assets	1,425	1,462
	<u>767,923</u>	<u>747,861</u>
Current Assets		
Inventories - completed units and others	63,842	61,721
Inventories - property development costs	255,002	259,191
Biological assets	111	73
Contract assets	116,975	228,035
Contract costs	9,572	4,642
Trade receivables	48,847	46,336
Other receivables, deposits and prepayments	27,236	23,905
Lease receivables	204	-
Amount owing by an associate	4,270	1,867
Amount owing by related parties	1,560	1,904
Current tax assets	14,501	9,751
Short-term investments	92,264	7,063
Fixed deposits with licensed banks	34,908	31,353
Cash and bank balances	140,606	87,093
	<u>809,898</u>	<u>762,934</u>
Asset classified as held for sale	3,013	407
	<u>812,911</u>	<u>763,341</u>
TOTAL ASSETS	<u><u>1,580,834</u></u>	<u><u>1,511,202</u></u>
EQUITY AND LIABILITIES		
Equity		
Ordinary share capital	640,288	640,288
Reserves	389,449	359,282
Equity attributable to owners of the Company	<u>1,029,737</u>	<u>999,570</u>
Non-controlling interests	7,335	16,304
TOTAL EQUITY	<u><u>1,037,072</u></u>	<u><u>1,015,874</u></u>

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INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 2020
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As At 30/09/2020 RM'000 (Unaudited)	As At 30/09/2019 RM'000 (Audited)
<u>EQUITY AND LIABILITIES (CONTINUED)</u>		
Non-Current Liabilities		
Deferred tax liabilities	94,773	91,967
Lease liabilities	2,531	1,502
Long-term borrowings	226,644	171,359
	<u>323,948</u>	<u>264,828</u>
Current Liabilities		
Trade payables	66,729	78,456
Other payables, deposits received and accruals	104,860	112,983
Contract liabilities	13,960	15,048
Amount owing to related parties	-	1,249
Amount owing to associate	-	1,706
Dividend payable	-	22
Short-term borrowings	24,700	12,039
Lease liabilities	2,265	1,840
Current tax liabilities	7,300	7,157
	<u>219,814</u>	<u>230,500</u>
TOTAL LIABILITIES	543,762	495,328
TOTAL EQUITY AND LIABILITIES	<u>1,580,834</u>	<u>1,511,202</u>
Net assets per share attributable to Owners of the Company (RM)	<u>1.15</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 FOURTH QUARTER ENDED 30 SEPTEMBER 2020
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Non-distributable →				← Distributable →		Attributable to Owners of the Company	Non-controlling Interests	Total Equity
	Ordinary Share Capital	Share Premium	Warrant Reserve	Capital Reserve	Capital Redemption Reserve	Retained profits			
	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	-	-	-	-	-	30,167	30,167	(3,506)	26,661
Redemption of non-convertible non-cumulative preference shares	-	-	-	-	-	-	-	(2,499)	(2,499)
Dividends paid by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	(2,964)	(2,964)
Arising from expiry of warrants	-	-	(48,299)	-	-	48,299	-	-	-
Balance as at 30 September 2020 (unaudited)	640,288	-	-	815	-	388,634	1,029,737	7,335	1,037,072

	← Non-distributable →				← Distributable →		Attributable to Owners of the Company	Non-controlling Interests	Total Equity
	Ordinary Share Capital	Share Premium	Warrant Reserve	Capital Reserve	Capital Redemption Reserve	Retained profits			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000			
Balance as at 1 October 2018 (restated)	399,421	175,838	48,299	815	168	178,691	803,232	54,711	857,943
Profit after taxation/Total comprehensive income	-	-	-	-	-	135,465	135,465	5,113	140,578
Issuance of shares :									
- by subsidiary to non-controlling interest	-	-	-	-	-	-	-	4	4
- new shares	42,629	-	-	-	-	-	42,629	-	42,629
- private placement	22,400	-	-	-	-	-	22,400	-	22,400
Dividends paid by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	(47,680)	(47,680)
Adjustment from changes in non-controlling interest	-	-	-	-	-	(4,156)	(4,156)	4,156	-
Transfer pursuant to Section 618(3) of CA 2016 *	175,838	(175,838)	-	-	(168)	168	-	-	-
Balance as at 30 September 2019 (audited)	640,288	-	48,299	815	-	310,168	999,570	16,304	1,015,874

* 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 FOURTH QUARTER ENDED 30 SEPTEMBER 2020

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	12 months ended	
	30/09/2020 RM'000 (Unaudited)	30/09/2019 RM'000 (Audited)
Cash Flows From Operating Activities		
Profit before taxation	49,148	203,299
Adjustments for:		
Reversal of accretion of trade payables	84	-
Depreciation of:		
- property, plant and equipment	5,649	4,781
- investment properties	478	499
- right-of-use assets	953	973
Impairment loss on:		
- property, plant and equipment	1,751	-
- investment properties	602	-
- land held for property development	1,238	1,395
- right-of-use assets	1,874	-
- trade receivables	-	8
- other receivables	-	91
- inventories	404	-
Reversal of impairment loss on trade receivables	(694)	-
(Gain)/Loss on disposal of:		
- investment properties	(1,893)	(5,438)
- right of use	(97)	-
Property, plant and equipment written off	2	-
Interest expense	9,345	6,506
Interest income	(6,625)	(4,146)
Fair value changes on biological assets	(38)	(47)
Share of results in associates	40	467
Operating profit before working capital changes	62,221	208,388
Changes in working capital:		
(Increase)/Decrease in inventories - completed units and others	(2,525)	5,689
Decrease in inventories - property development costs	4,188	66,675
Increase in biological assets	-	(6)
(Increase)/decrease in trade and other receivables	(5,149)	10,058
(Decrease)/increase in trade and other payables	(19,930)	17,182
Decrease/(increase) in contract assets	110,855	(97,878)
(Increase)/decrease in contract costs	(4,928)	7,693
Increase/(Decrease) in contract liabilities	250	(131,124)
Increase in amount owing by related parties	(178)	(779)
Increase in amount owing by associate	(3,789)	-
Decrease in amount owing to related parties	(2,491)	(269)
Increase in amount owing to associates	-	1,706
Cash from operations	138,524	87,335
Interest paid	(14,169)	(13,670)
Real property gains tax paid	(316)	(243)
Income tax refund	2,489	1,206
Income tax paid	(25,397)	(47,512)
Net cash from operating activities	101,131	27,116

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INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 2020

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	12 months ended	
	30/09/2020 RM'000 (Unaudited)	30/09/2019 RM'000 (Audited)
Cash Flows For Investing Activities		
Expenditure incurred on land held for property development	(4,335)	(4,348)
Increase in fixed deposits pledged to licensed banks	(1,100)	(577)
Interest income received	6,625	4,146
Purchase of:		
- property, plant and equipment	(4,253)	(7,415)
- investment properties	(20,524)	(9,292)
Proceeds from disposal of:		
- investment properties	2,300	6,500
Advance to associate	(320)	-
Repayment from associates	-	45
Net cash for investing activities	<u>(21,607)</u>	<u>(10,941)</u>
Cash Flows From/(For) Financing Activities		
Proceeds from issuance of:		
- ordinary shares	-	65,029
- ordinary shares to non-controlling interest in subsidiaries	-	4
Drawdown of term loan	157,777	30,332
Repayment of term loans	(89,637)	(86,584)
Repayment of hire purchase obligations	(193)	(324)
Advances from related parties	1,764	-
Payments for the principal portion of lease liabilities	(2,578)	(2,239)
Redemption of non-convertible non-cumulative preference shares	(2,499)	-
Dividend paid to non-controlling interests	(2,987)	(47,680)
Net cash from/(for) financing activities	<u>61,647</u>	<u>(41,462)</u>
Net change in cash & cash equivalents	141,171	(25,287)
Cash & cash equivalents at the beginning of the financial period	103,133	128,420
Cash & cash equivalents at the end of the financial period	<u>244,304</u>	<u>103,133</u>

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

	12 months ended	
	30/09/2020 RM'000 (Unaudited)	30/09/2019 RM'000 (Audited)
Short-term investment	92,264	7,063
Fixed deposits with licensed banks	34,908	31,353
Cash and bank balances	140,606	87,093
	<u>267,778</u>	<u>125,509</u>
Less: Deposit pledged to licensed banks	(23,474)	(22,376)
Total Cash and cash equivalents for the year	<u>244,304</u>	<u>103,133</u>

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 FOURTH QUARTER ENDED 30 SEPTEMBER 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
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 ¹
MFRS 16	Covid-19 - Related Rent Concessions ²
MFRS 17	Insurance contracts ⁵
Amendments to MFRS 3	Definition of a Business ¹
Amendments to MFRS 3	Reference to the Conceptual Framework ⁴
Amendments to MFRS 4	Extension of the Temporary Exemption from Applying MFRS 9 ⁵
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4, and MFRS 16	Interest Rate Benchmark Reform - Phase 2 ³
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁶
Amendments to MFRS 101	Classification of Liabilities as Current or Non-Current ⁵
Amendments to MFRS 101 and MFRS 108	Definition of Material ¹

INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 2020

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

A2. Changes in Accounting Policies (continued)

Amendments to MFRS 9, MFRS 139, and MFRS 7	Interest Rate Benchmark Reform ¹
Amendments to MFRS 116	Property, Plant and Equipment - Proceeds before Intended Use ⁴
Amendments to MFRS 137	Onerous Contracts - Cost of Fulfilling a Contract ⁴
Annual Improvements to MFRS 2018 - 2020 Cycle ⁴	

- ¹ Effective for annual periods beginning on or after 1 January 2020, with earlier application permitted.
- ² Effective for annual periods beginning on or after 1 June 2020, with earlier application permitted.
- ³ Effective for annual periods beginning on or after 1 January 2021, with earlier application permitted.
- ⁴ Effective for annual periods beginning on or after 1 January 2022, with earlier application permitted.
- ⁵ Effective for annual periods beginning on or after 1 January 2023, with earlier application permitted.
- ⁶ 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 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 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.

A8. Dividends Paid

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

INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 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 30 September 2020				Year-to-date ended 30 September 2020			
	Property Development	Construction	Investment Holding and Others	Total	Property Development	Construction	Investment Holding and Others	Total
Revenue								
External revenue	60,466	110	726	61,302	194,532	214	2,337	197,083
Inter-segment revenue	(1,844)	28,467	4,409	31,032	-	101,673	24,109	125,782
	58,622	28,577	5,135	92,334	194,532	101,887	26,446	322,865
Consolidation adjustments				(31,032)				(125,782)
Consolidated Revenue				61,302				197,083
Results from Operation	37,646	(647)	(10,661)	26,338	90,854	(955)	(24,287)	65,612
- Depreciation	(1,022)	(51)	(544)	(1,617)	(4,228)	(200)	(2,650)	(7,078)
- Finance Cost	(2,501)	-	(60)	(2,561)	(8,798)	-	(548)	(9,346)
	34,123	(698)	(11,265)	22,160	77,828	(1,155)	(27,485)	49,188
Share of results in associates				(40)				(40)
Consolidated Profit Before Taxation				22,120				49,148

INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 2020

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

A9. Segmental Information (continued)

Business Segment Analysis (RM'000)	Quarter ended 30 September 2019				Year-to-date ended 30 September 2019			
	Property Development	Construction	Investment Holding and Others	Total	Property Development	Construction	Investment Holding and Others	Total
Revenue								
External revenue	103,961	(133)	979	104,807	532,439	245	1,573	534,257
Inter-segment revenue	-	43,945	9,371	53,316	-	179,149	127,196	306,345
	103,961	43,812	10,350	158,123	532,439	179,394	128,769	840,602
Consolidation adjustments				(53,316)				(306,345)
Consolidated Revenue				104,807				534,257
Results from Operation	18,268	(445)	10,917	28,740	222,921	(423)	(5,973)	216,525
- Depreciation	(721)	(48)	(870)	(1,639)	(4,020)	(181)	(2,052)	(6,253)
- Finance Cost	(5,382)	-	(81)	(5,463)	(6,203)	(83)	(220)	(6,506)
	12,165	(493)	9,966	21,638	212,698	(687)	(8,245)	203,766
Share of results in associates				589				(467)
Consolidated Profit Before Taxation				22,227				203,299

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 FOURTH QUARTER ENDED 30 SEPTEMBER 2020

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

A11. Changes in the Composition of the Group

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

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 FOURTH QUARTER ENDED 30 SEPTEMBER 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			12 months ended		
	30/09/2020 RM'000	30/09/2019 RM'000	Changes (RM'000 / %)	30/09/2020 RM'000	30/09/2019 RM'000	Changes (RM'000 / %)
Revenue	61,302	104,807	(43,505) / (42%)	197,083	534,257	(337,174) / (63%)
Cost of sales	(34,841)	(58,658)	23,817 / 41%	(115,436)	(273,951)	158,515 / 58%
Gross profit	26,461	46,149	(19,688) / (43%)	81,647	260,306	(178,659) / (69%)
Profit before taxation	22,120	22,227	(107) / (0.5%)	49,148	203,299	(154,151) / (76%)
Profit after taxation	7,236	17,667	(10,431) / (59%)	26,661	140,578	(113,917) / (81%)
Profit attributable to owners of the Company	9,206	19,724	(10,518) / (53%)	30,167	135,465	(105,298) / (78%)

The Group's revenue and profit before taxation for the current reporting quarter are RM61.3m and RM22.1m respectively as compared to the revenue of RM104.8m and profit before taxation of RM22.2m respectively in the previous year's corresponding quarter. In the previous year's corresponding quarter, there was higher work completion upon the issuance of Certificate of Completion and Compliance for The Olive and Monet Lily at Sunsuria City, contributing 56% of the previous year's corresponding quarter's revenue. The Group's current on-going projects are Monet Springtime, Monet Garden, Giverny Walk and Tangerine Suites at Sunsuria City and the Forum 2 mixed development at Setia Alam. The Monet Springtime which comprises 308 units of double storey terrace houses contributed 64% of the current quarter's revenue.

Year on year, the Group ended the year with revenue and profit before taxation of RM197.1m and RM49.1m respectively, recording a decrease of 63% and 76% respectively as compared to the preceding year's revenue and profit before taxation of RM534.3m and RM203.3m respectively. The huge reduction were mainly due to the current year's results being adversely affected by the lockdowns and various levels of movement control measures to curb the spread of the COVID-19 pandemic and the one-off revenue and gross profit contribution of RM149.4m and RM95.47m respectively from the Jasper Square commercial development completion in the previous financial year.

B2. Variation of Results against the Preceding Quarter

	Current Quarter 30/09/2020 RM'000	Immediate Preceding Quarter 30/06/2020 RM'000	Changes (RM'000 / %)
Revenue	61,302	20,203	41,099 / 203%
Cost of sales	(34,841)	(9,205)	(25,636) / (279%)
Gross profit	26,461	10,998	15,463 / 141%
Profit before taxation	22,120	4,523	17,597 / 389%
Profit after taxation	7,236	3,287	3,949 / 120%
Profit after taxation attributable to owners of the company	9,206	2,810	6,396 / 228%

INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 SEPTEMBER 2020

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

B2. Variation of Results against the Preceding Quarter (continued)

Quarter to quarter, the Group's current quarter revenue has improved by 203% to RM61.3m as compared to RM20.2m in the preceding quarter as sales picked up in the current quarter. Profit before taxation also increased by 389% to RM22.1m compared to RM4.5m in the preceding quarter. The increase in profit before taxation was attributed mainly to the 163% increase in percentage of work done for the current reporting quarter and also through various cost cutting measures on non-critical expense items.

B3. Prospects

While the Group will continue to exercise prudence in spending and in growing its land bank and future GDV under the new normal, the Group also see opportunities arising amid the COVID-19 pandemic. With emerging good news on the efficacy of vaccines, the Board is looking forward to welcoming a brighter and more exciting FY2021.

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	
	30/09/2020 RM'000	30/09/2019 RM'000	30/09/2020 RM'000	30/09/2019 RM'000
Real Property Gains Tax	132	47	316	243
Current Taxation	7,689	11,886	18,301	39,816
Deferred Taxation	7,063	(7,373)	3,870	22,662
	<u>14,884</u>	<u>4,560</u>	<u>22,487</u>	<u>62,721</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 additional tax liabilities from previous years' assessment and also due to certain expenses not being deductible for tax purposes.

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B6. Corporate Proposals

There were no other corporate proposals announced by the Company that have not been completed as at 24 November 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 Announcement	Proposals	Status
02.10.2020	<p>(1) A conditional shares subscription and shareholders' agreement with Sunsuria KL Sdn Bhd ("Sunsuria KL"), Suez Capital Sdn Bhd ("Suez Capital"), Dasar Temasek Sdn Bhd ("Dasar Temasek") and Bangsar Hill Park Development Sdn Bhd ("BHP Development") for the following:</p> <p>(a) proposed subscription by the Company of 4,488,520 new ordinary shares in BHP Development ("BHP Development Shares"), representing 51.0% of the enlarged issued share capital of BHP Development, for a total subscription consideration of RM8,438,417.60 at the issue price of RM1.88 per BHP Development Share to be satisfied in cash ("Proposed Subscription of BHP Development");</p> <p>(b) regulate the relationship between the Company, Sunsuria KL, Suez Capital and Dasar Temasek as shareholders of BHP Development upon the completion of the Proposed Subscription of BHP Development; and</p> <p>(c) provision of financial assistance by the Company to BHP Development after the completion of the Proposed Subscription of BHP Development of up to RM276.1 million, of which an amount of up to RM102.1 million in cash will be used for the working capital requirement of BHP Development which is in proportion to the Company's 51.0% shareholding in BHP Development and an amount of up to RM174.0 million in the form of corporate guarantee for 51.0% of the financing facilities obtained by BHP Development; and</p> <p>(2) a conditional shares sale and purchase agreement with Johari bin Said and Aizul Akma binti Awang for the proposed acquisition by the Company of 100,000 existing ordinary shares in Bumilex Construction Sdn Bhd ("Bumilex"), representing 100% of the issued share capital of Bumilex, for a total purchase consideration of RM2.00 to be satisfied in cash ("Proposed Acquisition of Bumilex").</p>	Pending submission of Circular to Bursa Securities

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B6. Corporate Proposals (continued)

Date of Announcement	Proposals	Status
02.10.2020	<p>In conjunction with the Proposed Acquisition of Bumilex, Bumilex had, on the same date, entered into a conditional shareholders' agreement with Montflex Sdn Bhd ("Montflex"), a 51.0%-owned subsidiary of Bumilex, and Excel Logic Sdn Bhd ("Excel Logic"), being the shareholder of the remaining 49.0% equity interest in Montflex, to regulate the relationship between Bumilex and Excel Logic as the shareholders of Montflex upon the completion of the Proposed Acquisition of Bumilex.</p> <p>Subsequent to the completion of the Proposed Acquisition of Bumilex, the Company will be obligated to provide (either directly or through Bumilex) financial assistance to Montflex of up to RM33.3 million, of which an amount of up to RM20.6 million in cash will be used for the working capital requirement of Montflex which is in proportion to Bumilex's 51.0% shareholding in Montflex and an amount of up to RM12.7 million in the form of corporate guarantee for 51.0% of the financing facilities obtained by Montflex.</p>	
07.10.2020	Proposed establishment of a Rated Islamic Medium Terms Notes ("Sukuk Wakalah") Programme of up to RM500.0 million in nominal value under the Shariah Principle Of Wakalah Bi Al-Istithmar.	
15.10.2020	The Company has announced that the Private Placement Of Up To 102,227,576 New Ordinary Shares In Sunsuria, Representing Up To Ten Percent (10%) Of The Issued Shares Of Sunsuria ("Private Placement") has lapsed on 15 October 2020.	

B7. Group Borrowings

	As at 30/09/2020	As at 30/09/2019
	RM'000	RM'000
Secured short term borrowings	24,700	12,039
Secured long term borrowings	226,644	171,359
Total	<u>251,344</u>	<u>183,398</u>

The Group's borrowings as at 30 September 2020 were denominated in Ringgit Malaysia. There were no borrowings in foreign currency during the financial period under review.

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B8. Material Litigation

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

B9. Earnings per share (EPS)

(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	
	30/09/2020	30/09/2019	30/09/2020	30/09/2019
Net profit attributable to ordinary equity holders of the Company (RM'000)	9,206	19,724	30,167	135,465
Weighted average number of ordinary shares in issues ('000)	895,917	842,317	895,917	842,317
Basic EPS (sen)	1.03	2.34	3.37	16.08

(b) Diluted earnings per ordinary share

No diluted EPS was computed for the current reporting quarter and year-to-date as the warrants have expired on 22 July 2020 without new warrants being exercised prior to the expiry of the warrants.

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B10. Notes to the Statement of Comprehensive Income

Description	Current quarter 30/09/2020 RM'000	Year-to-date 30/09/2020 RM'000
Profit for the period is arrived at after crediting/(charging) :		
- Interest income	1,679	6,625
- Gain on disposal of properties	-	1,893
- Interest expense	(2,560)	(9,345)
- Depreciation and amortisation	(1,619)	(7,080)
- Impairment loss on:		
- property, plant and equipment	(1,751)	(1,751)
- investment properties	(602)	(602)
- land held for property development	(1,238)	(1,238)
- right-of-use assets	(1,874)	(1,874)
- inventories	-	(404)

BY ORDER OF THE BOARD

Company Secretary
30 November 2020