



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

INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 MARCH 2021

SUNSURIA BERHAD

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INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 MARCH 2021

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

	Note	Individual Quarter		Year To Date	
		Current Year 31/03/2021 RM'000 (Unaudited)	Preceding Year 31/03/2020 RM'000 (Unaudited)	Current Year 31/03/2021 RM'000 (Unaudited)	Preceding Year 31/03/2020 RM'000 (Unaudited)
Revenue		62,951	68,080	110,888	115,578
Cost of sales		(40,840)	(42,896)	(72,115)	(71,390)
Gross profit		22,111	25,184	38,773	44,188
Other income		4,804	2,942	8,310	6,123
		26,915	28,126	47,083	50,311
Administrative and other expenses		(12,783)	(12,854)	(21,210)	(24,608)
Finance costs		(5,604)	(1,633)	(8,920)	(3,198)
Share of results in associates		2	-	2	-
Profit before taxation		8,530	13,639	16,955	22,505
Income tax expense	B5	(3,609)	(3,726)	(5,541)	(6,367)
Profit after taxation		4,921	9,913	11,414	16,138
Other comprehensive income		-	-	-	-
Total comprehensive income		4,921	9,913	11,414	16,138
Profit after taxation attributable to:					
Owners of the Company		5,118	9,016	10,442	18,151
Non-controlling interests		(197)	897	972	(2,013)
		4,921	9,913	11,414	16,138
Total comprehensive income attributable to:					
Owners of the Company		5,118	9,016	10,442	18,151
Non-controlling interests		(197)	897	972	(2,013)
		4,921	9,913	11,414	16,138
Basic earnings per share attributable to Owners of the Company (sen) :	B9	0.57	1.01	1.17	2.03

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 SECOND QUARTER ENDED 31 MARCH 2021
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As At 31/03/2021 RM'000 (Unaudited)	As At 30/09/2020 RM'000 (Audited)
ASSETS		
Non-Current Assets		
Investment in associates	578	576
Other investment	159	184
Property, plant and equipment	29,349	30,558
Investment properties	205,337	181,507
Goodwill	11,453	11,453
Inventories - land held for property development	780,322	533,497
Deferred tax assets	16,523	9,286
Right-of-use assets	4,564	1,425
	1,048,285	768,486
Current Assets		
Inventories - completed units and others	59,558	63,842
Inventories - property development costs	323,919	241,939
Biological assets	78	111
Contract assets	119,956	116,975
Contract costs	31,306	16,540
Trade receivables	48,019	48,781
Other receivables, deposits and prepayments	27,747	25,962
Lease receivables	123	204
Amount owing by related parties	2,241	1,763
Amount owing by an associate	11,290	4,270
Current tax assets	12,008	14,501
Short-term investments	115,581	92,264
Fixed deposits with licensed banks	29,105	34,908
Cash and bank balances	197,316	140,606
	978,247	802,666
Asset classified as held for sale	-	3,013
	978,247	805,679
TOTAL ASSETS	2,026,532	1,574,165
EQUITY AND LIABILITIES		
Equity		
Ordinary share capital	640,288	640,288
Reserves	380,902	388,378
Equity attributable to owners of the Company	1,021,190	1,028,666
Non-controlling interests	18,564	7,335
TOTAL EQUITY	1,039,754	1,036,001

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INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 MARCH 2021
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As At 31/03/2021 RM'000 (Unaudited)	As At 30/09/2020 RM'000 (Audited)
<u>EQUITY AND LIABILITIES (CONTINUED)</u>		
Non-Current Liabilities		
Deferred tax liabilities	99,776	94,773
Long-term borrowings	203,735	227,207
Sukuk Wakalah	112,831	-
Lease liabilities	4,071	2,558
	<u>420,413</u>	<u>324,538</u>
Current Liabilities		
Trade payables	48,567	52,070
Other payables, deposits received and accruals	273,315	111,831
Contract liabilities	18,355	13,960
Amount owing to related parties	50	-
Amount owing to associate	9,318	2,158
Short-term borrowings	213,380	24,069
Lease liabilities	2,139	2,238
Current tax liabilities	1,241	7,300
	<u>566,365</u>	<u>213,626</u>
TOTAL LIABILITIES	986,778	538,164
TOTAL EQUITY AND LIABILITIES	<u>2,026,532</u>	<u>1,574,165</u>
Net assets per share attributable to Owners of the Company (RM)	<u>1.14</u>	<u>1.15</u>

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.

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

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 MARCH 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	-	-	-	10,442	10,442	972	11,414
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)
Balance as at 31 March 2021 (unaudited)	640,288	-	815	380,087	1,021,190	18,564	1,039,754

	← 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	-	-	-	18,151	18,151	(2,013)	16,138
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)
Balance as at 31 March 2020 (unaudited)	640,288	48,299	815	328,319	1,017,721	8,828	1,026,549

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 SECOND QUARTER ENDED 31 MARCH 2021

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	6 months ended	
	31/03/2021	31/03/2020
	RM'000	RM'000
	(Unaudited)	(Unaudited)
Cash Flows From Operating Activities		
Profit before taxation	16,955	22,505
Adjustments for:		
Accretion of interest on:		
- trade payables	-	84
Depreciation of:		
- property, plant and equipment	2,692	2,850
- investment properties	206	239
- right-of-use assets	512	620
Impairment loss on:		
- club membership	25	-
Gain on disposal of:		
- property, plant and equipment	(20)	-
- investment properties	-	(1,893)
- right-of-use assets	(1,205)	-
- assets classified as held for sale	(1,295)	-
Gain on bargain purchase	(2,258)	-
Interest expense	8,920	3,198
Interest income	(1,501)	(3,009)
Fair value changes on biological assets	33	14
Share of results in associates	(2)	-
Operating profit before working capital changes	23,062	24,608
Changes in working capital:		
Decrease/(Increase) in inventories - completed units and others	4,284	(3,087)
Decrease in inventories - property development costs	2,811	6,501
Decrease/(Increase) in trade and other receivables	3,509	(66,926)
Decrease in trade and other payables	(341)	(6,643)
(Increase)/Decrease in contract assets	(2,900)	165,191
Increase in contract costs	(162)	(2,513)
Increase/(Decrease) in contract liabilities	892	(6,579)
Increase in amount owing to related party	50	-
Increase in amount owing by related party	(478)	(1,099)
Decrease in amount owing by associate	173	-
Cash from operations	30,900	109,453
Interest paid	(10,733)	(6,593)
Real property gains tax paid	-	(69)
Income tax refund	2,774	-
Income tax paid	(14,516)	(19,527)
Net cash from operating activities	8,425	83,264
Cash Flows For Investing Activities		
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	(6,026)	(2,260)
Decrease/(Increase) in fixed deposits pledged to licensed banks	7,691	(723)
Interest income received	1,501	3,009
Purchase of:		
- property, plant and equipment	(929)	(4,042)
- investment properties	(16,178)	(9,902)
Proceeds from disposal of:		
- property, plant and equipment	82	-
- investment properties	-	2,300
- assets classified as held for sale	4,500	-
Advance to associate	(34)	(1,414)
Net cash for investing activities	(7,780)	(13,032)

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INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 MARCH 2021

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	6 months ended	
	31/03/2021 RM'000 (Unaudited)	31/03/2020 RM'000 (Unaudited)
Cash Flows From/(For) Financing Activities		
Drawdown of term loan	23,168	135,474
Repayment of term loans	(34,996)	(31,583)
Repayment of hire purchase obligations	(87)	(104)
Proceeds from issuance of Sukuk Wakalah	112,831	-
Repayment to related parties	-	(2,114)
Payments for the principal portion of lease liabilities	(1,705)	(1,309)
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)	(2,964)
Net cash from/(for) financing activities	81,269	94,901
Net change in cash & cash equivalents	81,914	165,133
Cash & cash equivalents at the beginning of the financial period	235,423	103,133
Cash & cash equivalents at the end of the financial period	317,337	268,266

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

	6 months ended	
	31/03/2021 RM'000 (Unaudited)	31/03/2020 RM'000 (Unaudited)
Short-term investment	115,581	90,338
Fixed deposits with licensed banks	29,105	38,468
Cash and bank balances	197,316	162,560
	342,002	291,366
Less: Deposit pledged to licensed banks	(24,665)	(23,100)
Total Cash and cash equivalents for the year	317,337	268,266

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 SECOND QUARTER ENDED 31 MARCH 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 ¹
MFRS 17/Amendments to MFRS17	Insurance contracts ⁴
Amendments to MFRS 3	Definition of a Business ¹
Amendments to MFRS 3	Reference to the Conceptual Framework ³
Amendments to MFRS 4	Extension of the Temporary Exemption from Applying MFRS 9 ⁴
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁵
Amendments to MFRS 9, MFRS 139 and MFRS 7	Interest Rate Benchmark Reform ¹

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 MARCH 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 ⁴
Amendments to MFRS 101 and MFRS 108	Definition of Material ¹
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16	Interest Rate Benchmark Reform - Phase 2 ²
Amendments to MFRS 116	Property, Plant and Equipment - Proceeds before Intended Use ³
Amendments to MFRS 137	Onerous Contracts - Cost of Fulfilling a Contract ³
Annual Improvements to MFRS 2018 - 2020 Cycle ³	

- 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 January 2021, with earlier application permitted.
- ³ Effective for annual periods beginning on or after 1 January 2022, with earlier application permitted.
- ⁴ Effective for annual periods beginning on or after 1 January 2023, with earlier application permitted.
- ⁵ 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 SECOND QUARTER ENDED 31 MARCH 2021

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

A8. Dividends Paid and Distributed

An interim dividend of RM0.02 per ordinary share for the financial year ending 30 September 2021 amounting to RM17,918,346 was paid on 31 March 2021.

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 31 March 2021				Year-to-date ended 31 March 2021			
	Property Development	Construction	Investment Holding and Others	Total	Property Development	Construction	Investment Holding and Others	Total
Revenue								
External revenue	58,704	3,813	434	62,951	106,359	3,571	958	110,888
Inter-segment revenue	-	42,718	8,047	50,765	-	76,159	60,173	136,332
	58,704	46,531	8,481	113,716	106,359	79,730	61,131	247,220
Consolidation adjustments				(50,765)				(136,332)
Consolidated Revenue				62,951				110,888
Results from Operation	21,738	41	(5,837)	15,942	37,976	(65)	(8,611)	29,300
- Depreciation	(1,284)	(55)	(471)	(1,810)	(2,361)	(109)	(957)	(3,427)
- Finance Cost	(3,773)	-	(1,831)	(5,604)	(6,433)	-	(2,487)	(8,920)
	16,681	(14)	(8,139)	8,528	29,182	(174)	(12,055)	16,953
Share of results in associates				2				2
Consolidated Profit Before Taxation				8,530				16,955

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 MARCH 2021

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 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
Consolidation adjustments	69,362	28,774	9,009	107,145	116,124	58,993	17,139	192,256
Consolidated Revenue				(39,065)				(76,678)
				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)
Share of results in associates	21,256	(6,319)	(1,298)	13,639	36,842	(396)	(13,941)	22,505
Consolidated Profit Before Taxation				-				-
				13,639				22,505

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, except for the following:

- i) On 20 April 2021, Sunsuria Genlin Development Sdn. Bhd., a 70%-owned subsidiary had completed the disposal of the vacant freehold agricultural lands to Kerjaya Prospect Sdn Bhd.
- ii) On 23 April 2021, the Company had announced the revocation of Sale and Purchase Agreement dated 27 November 2019 between Sunsuria City Sdn. Bhd. (SCSB) and Sunsuria Everrich Sdn. Bhd. (SESB). Upon the completion of the disposal of SESB shares held by Welcome Global, Welcome Global shall cease to be a party to the Shareholders Agreement and the shareholders' equity interest in SESB shall be adjusted accordingly.

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 MARCH 2021

**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 except for the following :

- i) On 8 February 2021, BHP Development Sdn Bhd is a 51% subsidiary of the Company.
- ii) On 23 February 2021, Aspire Century Sdn. Bhd., changed from wholly-owned subsidiary to 60% owned subsidiary due to a food and beverage collaboration.
- iii) On 11 March 2021, Sunsuria Arena Sdn. Bhd. ("SASB"), a wholly-owned subsidiary of the Company had entered into a Shareholders' Agreement with Victoria Education Sdn. Bhd. for the purpose of carrying on the establishment, operation and management of pre-schools using the Trade Mark of "MindChamps".

Under the Shareholders' Agreement, both companies will incorporate a joint-venture company – with 70% and 30% shareholding respectively – to establish and operate preschools under the award-winning MindChamps PreSchool Limited (MindChamps) brand name.

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 SECOND QUARTER ENDED 31 MARCH 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			6 months ended		
	31/03/2021 RM'000	31/03/2020 RM'000	Changes (RM'000 / %)	31/03/2021 RM'000	31/03/2020 RM'000	Changes (RM'000 / %)
Revenue	62,951	68,080	(5,129) / (8%)	110,888	115,578	(4,690) / (4%)
Cost of sales	(40,840)	(42,896)	2,056 / 5%	(72,115)	(71,390)	(725) / (1%)
Gross profit	22,111	25,184	(3,073) / (12%)	38,773	44,188	(5,415) / (12%)
Profit before taxation	8,530	13,639	(5,109) / (37%)	16,955	22,505	(5,550) / (25%)
Profit after taxation	4,921	9,913	(4,992) / (50%)	11,414	16,138	(4,724) / (29%)
Profit attributable to owners of the Company	5,118	9,016	(3,898) / (43%)	10,442	18,151	(7,709) / (42%)

The Group's revenue and profit before taxation for the current year's second reporting quarter are RM62.95million and RM8.53million respectively as compared to the revenue of RM68.08million and profit before taxation of RM13.64million in the previous year's corresponding quarter. The current quarter's revenue is from 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 at 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 preliminary stage of development.

The Group reported a decrease in revenue and profit before taxation in the current reporting quarter as compared to the previous year's corresponding quarter due to the lingering impact of the pandemic. With the acquisition of Bangsar Hill Park, total sales for the quarter has increased as compared to the previous year's corresponding quarter, but contribution from this project to revenue is marginal as work progress is at its initial stage.

B2. Variation of Results against the Preceding Quarter

	Current Quarter 31/03/2021 RM'000	Immediate Preceding Quarter 31/12/2020 RM'000	Changes (RM'000 / %)
Revenue	62,951	47,937	15,014 / 31%
Cost of sales	(40,840)	(31,275)	(9,565) / (31%)
Gross profit	22,111	16,662	5,449 / 33%
Profit before taxation	8,530	8,425	105 / 1%
Profit after taxation	4,921	6,493	(1,572) / (24%)
Profit after taxation attributable to owners of the Company	5,118	5,324	(206) / (4%)

Quarter to quarter, the Group's current quarter revenue increased by 31% to RM62.95million from RM47.94million in the preceding quarter. Accordingly, gross profit recorded an increase from RM16.66million to RM22.11million. However, profit before taxation only increased marginally as the current quarter included the results of Block D Verdura Bangsar Hill Park which is at preliminary stage of development.

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 MARCH 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 Group is hopeful that we can beat the pandemic in the long run. Nevertheless, 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	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
	RM'000	RM'000	RM'000	RM'000
Current Taxation	4,274	1,920	8,173	6,665
Deferred Taxation	(665)	1,806	(2,632)	(298)
	<u>3,609</u>	<u>3,726</u>	<u>5,541</u>	<u>6,367</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 22 May 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 31/03/2021	As at 30/09/2020
	RM'000	RM'000
Secured short term borrowings	213,380	24,069
Secured long term borrowings	203,735	227,207
Unsecured Sukuk Wakalah	112,831	-
Total	<u>529,946</u>	<u>251,276</u>

The Group's borrowings as at 31 March 2021 were denominated in Ringgit Malaysia. There were no borrowings in foreign currency during the financial period under review.

INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 31 MARCH 2021

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

B8. Material Litigation

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

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	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
Net profit attributable to owners of the Company (RM'000)	5,118	9,016	10,442	18,151
Weighted average number of ordinary shares in issues ('000)	895,917	895,917	895,917	895,917
Basic EPS (sen)	<u>0.57</u>	<u>1.01</u>	<u>1.17</u>	<u>2.03</u>

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 31/03/2021 RM'000	Year-to-date 31/03/2021 RM'000
Profit for the period is arrived at after crediting/(charging) :		
- Interest income from:		
- fair value gain/(loss) on short term investment	(1,539)	(1,599)
- other interest income	1,510	3,100
- Gain on disposal of:		
- property, plant and equipment	-	20
- right-of-use assets	14	1,205
- assets classified as held for sale	1,295	1,295
- Gain on bargain purchase	2,258	2,258
- Interest expense	(5,604)	(8,920)
- Depreciation and amortisation	(1,811)	(3,410)
- Impairment loss on club membership	-	(25)

BY ORDER OF THE BOARD

Company Secretary
28 May 2021