



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

INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 DECEMBER 2019

SUNSURIA BERHAD

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

INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 DECEMBER 2019

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Individual Quarter		Year To Date	
		Current Year 31/12/2019 RM'000 (Unaudited)	Preceding Year 31/12/2018 RM'000 (Unaudited)	Current Year 31/12/2019 RM'000 (Unaudited)	Preceding Year 31/12/2018 RM'000 (Unaudited)
Revenue		47,498	82,947	47,498	82,947
Cost of sales		(28,494)	(46,500)	(28,494)	(46,500)
Gross profit		19,004	36,447	19,004	36,447
Other income		3,181	6,716	3,181	6,716
		22,185	43,163	22,185	43,163
Administrative and other expenses		(11,754)	(14,910)	(11,754)	(14,910)
Finance costs		(1,565)	(380)	(1,565)	(380)
Share of results of associates		-	(391)	-	(391)
Profit before taxation		8,866	27,482	8,866	27,482
Income tax expense	B5	(2,641)	(14,756)	(2,641)	(14,756)
Profit after taxation		6,225	12,726	6,225	12,726
Other comprehensive income		-	-	-	-
Total comprehensive income		6,225	12,726	6,225	12,726
Profit after taxation attributable to:					
Owners of the Company		9,135	10,673	9,135	10,673
Non-controlling interests		(2,910)	2,053	(2,910)	2,053
		6,225	12,726	6,225	12,726
Total comprehensive income attributable to:					
Owners of the Company		9,135	10,673	9,135	10,673
Non-controlling interests		(2,910)	2,053	(2,910)	2,053
		6,225	12,726	6,225	12,726
Earnings per share attributable to Owners of the Company:					
(a) Basic (sen)	B9 (a)	1.02	1.34	1.02	1.34
(b) Diluted (sen)	B9 (b)	1.02	1.34	1.02	1.34

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.

SUNSURIA BERHAD

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

INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 DECEMBER 2019

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As At 31/12/2019 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	34,152	33,796
Investment properties	146,575	140,280
Goodwill	11,453	11,453
Inventories - land held for property development	524,119	549,721
Deferred tax assets	17,479	10,349
Right-of-use assets	3,060	1,462
	737,638	747,861
Current Assets		
Inventories - completed units and others	59,522	61,721
Inventories - property development costs	297,119	259,191
Biological asset	72	73
Contract assets	96,620	228,035
Contract costs	5,170	4,642
Trade receivables	71,655	46,336
Other receivables, deposits and prepayments	27,677	23,905
Amount owing by an associate	2,269	1,867
Amount owing by related parties	202	1,904
Current tax assets	11,002	9,751
Short-term investments	12,209	7,063
Fixed deposits with licensed banks	34,439	31,353
Cash and bank balances	154,492	87,093
	772,448	762,934
Assets classified as held for sale	-	407
TOTAL ASSETS	1,510,086	1,511,202
EQUITY AND LIABILITIES		
Equity		
Ordinary share capital	640,288	640,288
Reserves	365,918	359,282
Equity attributable to owners of the Company	1,006,206	999,570
Non-controlling interests	10,454	16,304
TOTAL EQUITY	1,016,660	1,015,874

SUNSURIA BERHAD

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

INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 DECEMBER 2019

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As At 31/12/2019 RM'000	As At 30/09/2019 RM'000 (Restated)
<u>EQUITY AND LIABILITIES (CONT'D)</u>		
Non-Current Liabilities		
Deferred tax liabilities	96,993	91,967
Lease liabilities	2,789	1,502
Long-term borrowings	167,330	171,359
	<u>267,112</u>	<u>264,828</u>
Current Liabilities		
Trade payables	71,314	78,456
Other payables, deposits received and accruals	121,211	112,983
Contract liabilities	16,376	15,048
Amount owing to related parties	110	1,249
Amount owing to associate	1,700	1,706
Dividend payable	22	22
Short-term borrowings	11,095	12,039
Lease liabilities	1,814	1,840
Current tax liabilities	2,672	7,157
	<u>226,314</u>	<u>230,500</u>
TOTAL LIABILITIES	493,426	495,328
TOTAL EQUITY AND LIABILITIES	<u>1,510,086</u>	<u>1,511,202</u>
Net assets per share attributable to Owners of the Company (RM)	<u>1.12</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.



SUNSURIA BERHAD

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

INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 DECEMBER 2019
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	-	-	-	-	-	-	-	(2,940)	(2,940)
Profit after taxation/Total comprehensive income	-	-	-	-	-	9,135	9,135	(2,910)	6,225
Balance as at 31 December 2019 (unaudited)	640,288	-	48,299	815	-	316,804	1,006,206	10,454	1,016,660

	←—————> 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	-	-	-	-	-	(74,147)	(74,147)	3,882	(70,265)
Balance as at 1 October 2017 (restated)	399,421	175,838	48,299	815	168	173,712	798,253	58,751	857,004
Profit after taxation/Total comprehensive income	-	-	-	-	-	10,673	10,673	2,053	12,726
Balance as at 31 December 2018 (unaudited)	399,421	175,838	48,299	815	168	184,385	808,926	60,804	869,730

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.

	3 months ended	
	31/12/2019 RM'000 (Unaudited)	31/12/2018 RM'000 (Unaudited)
Cash Flows From/(For) Operating Activities		
Profit before taxation	8,866	27,482
Adjustments for:		
Accretion of interest on:		
- trade payables	-	75
Depreciation of:		
- property, plant and equipment	1,425	1,460
- investment properties	128	72
- right-of-use assets	296	-
Gain on disposal of investment property	(1,893)	(5,439)
Interest expense	1,559	380
Interest income	(1,022)	(1,038)
Fair value changes on biological assets	1	(20)
Share of results in associates	-	391
Operating profit before working capital changes	9,360	23,363
Changes in working capital:		
Decrease in inventories - completed units and others	2,199	1,816
Increase in inventories - property development costs	(9,864)	(3,204)
Increase in trade and other receivables	(37,267)	(40,858)
Increase in trade and other payables	1,197	12,305
Decrease in contract assets	131,415	-
Increase in contract cost	(528)	-
Increase in contract liabilities	9,502	-
Decrease in amount owing by related parties	1,702	-
Increase in amount owing to related parties	-	206
Cash from operations	107,716	(6,372)
Interest paid	(4,036)	(380)
Income tax paid	(10,480)	(7,967)
Net cash from/(for) operating activities	93,200	(14,719)
Cash Flows (For)/From Investing Activities		
Expenditure incurred on land held for property development	(1,920)	(7,295)
(Increase)/decrease in fixed deposits pledged to licensed banks	(30)	15,450
Interest income received	1,022	1,038
Purchase of:		
- property, plant and equipment	(1,845)	(3,075)
- investment properties	(4,424)	(2,476)
- biological asset	-	(6)
Proceeds from disposal of:		
- investment properties	2,300	6,500
Advance to associate	(402)	(510)
Net cash (for)/from investing activities	(5,299)	9,626

SUNSURIA BERHAD

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

INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 DECEMBER 2019
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	3 months ended	
	31/12/2019	31/12/2018
	RM'000	RM'000
	(Unaudited)	(Unaudited)
Cash Flows For Financing Activities		
Drawdown of term loan	6,000	-
Repayment of term loans	(10,917)	(12,203)
Repayment of hire purchase obligations	(55)	(84)
Repayment to related parties	(1,144)	(973)
Payments for the principal portion of lease liabilities	(746)	-
Redemption of non-convertible non-cumulative preference shares	(2,499)	-
Dividend paid to non-controlling interests	(2,940)	-
Net cash for financing activities	<u>(12,301)</u>	<u>(13,260)</u>
Net change in cash & cash equivalents	75,600	(18,353)
Cash & cash equivalents at the beginning of the financial period	103,133	106,196
Cash & cash equivalents at the end of the financial period	<u>178,733</u>	<u>87,843</u>

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

	3 months ended	
	31/12/2019	31/12/2018
	RM'000	RM'000
	(Unaudited)	(Unaudited)
Short-term investment	12,209	11,576
Fixed deposits with licensed banks	34,439	28,573
Cash and bank balances	154,492	76,267
	<u>201,140</u>	<u>116,416</u>
Less: Deposit pledged to licensed banks	(22,407)	(28,573)
Total Cash and cash equivalents for the year	<u>178,733</u>	<u>87,843</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 FIRST QUARTER ENDED 31 DECEMBER 2019

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 FIRST QUARTER ENDED 31 DECEMBER 2019

**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 FIRST QUARTER ENDED 31 DECEMBER 2019

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 and Year-to-date ended 31 December 2019				Quarter and Year-to-date ended 31 December 2018			
	Property Development	Construction	Investment Holding and Others	Total	Property Development	Construction	Investment Holding and Others	Total
Revenue								
External revenue	46,762	21	715	47,498	82,626	138	183	82,947
Inter-segment revenue	-	30,198	7,415	37,613	-	46,880	43,917	90,797
	46,762	30,219	8,130	85,111	82,626	47,018	44,100	173,744
Consolidation adjustments				(37,613)				(90,797)
Consolidated Revenue				47,498				82,947
Results from Operation	18,182	5,972	(11,874)	12,280	31,857	44	(2,116)	29,785
- Depreciation	(1,110)	(49)	(690)	(1,849)	(1,157)	(41)	(334)	(1,532)
- Finance Cost	(1,486)	-	(79)	(1,565)	(284)	(48)	(48)	(380)
	15,586	5,923	(12,643)	8,866	30,416	(45)	(2,498)	27,873
Share of results in an associates				-				(391)
Consolidated Profit Before Taxation				8,866				27,482



SUNSURIA BERHAD

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

INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 DECEMBER 2019

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

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.

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 FIRST QUARTER ENDED 31 DECEMBER 2019

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			3 months ended		
	31/12/2019 RM'000	31/12/2018 RM'000	Changes (RM'000 / %)	31/12/2019 RM'000	31/12/2018 RM'000	Changes (RM'000 / %)
Revenue	47,498	82,947	(35,449) / (43%)	47,498	82,947	(35,449) / (43%)
Cost of sales	(28,494)	(46,500)	18,006 / 39%	(28,494)	(46,500)	18,006 / 39%
Gross profit	19,004	36,447	(17,443) / (48%)	19,004	36,447	(17,443) / (48%)
Profit before taxation	8,866	27,482	(18,616) / (68%)	8,866	27,482	(18,616) / (68%)
Profit after taxation	6,225	12,726	(6,501) / (51%)	6,225	12,726	(6,501) / (51%)
Profit attributable to owners of the Company	9,135	10,673	(1,538) / (14%)	9,135	10,673	(1,538) / (14%)

Quarterly and Financial Year-to date Results

The Group reported a revenue and profit before taxation of RM47.50m and RM8.87m respectively as compared to the revenue of RM82.95m and profit before taxation of RM27.48m in the previous year's corresponding quarter. The Group's on-going projects are Bell Suites SOHO & Retails, Monet Springtime, Monet Garden, Giverny Walk and Tangerine Suites at Sunsuria City and Forum II SOHO, Offices and Serviced Apartments at Setia Alam. The projects that contributed substantially to the Group's revenue in the current reporting quarter are Bell Suites SOHO & Retails, Monet Springtime and Monet Garden.

The decrease in the Group's revenue by RM35.45m in the current reporting quarter as compared to the previous year's corresponding quarter was due to the completion of The Olive and Monet Lily projects in the last quarter of FY2019. In the previous year's corresponding reporting quarter, The Olive and Monet Lily contributed a total revenue of RM45.55m. Consequentially, the profit before taxation for the current reporting quarter also reduced to RM8.87m as compared to the previous year's corresponding quarter.

B2. Variation of Results against the Preceding Quarter

	Current Quarter 31/12/2019 RM'000	Immediate Preceding Quarter 30/09/2019 RM'000	Changes (RM'000 / %)
Revenue	47,498	104,807	(57,309) / (55%)
Cost of sales	(28,494)	(71,620)	43,126 / 60%
Gross profit	19,004	33,187	(14,183) / (43%)
Profit before taxation	8,866	22,227	(13,361) / (60%)
Profit after taxation	6,225	17,667	(11,442) / (65%)
Profit after taxation attributable to owners of the company	9,135	19,724	(10,589) / (54%)

The Group completed The Olive and Monet Lily projects in the preceding reporting quarter. During the preceding financial quarter, The Olive and Monet Lily contributed a total revenue of RM58.22m which explained the decrease of RM57.31m in revenue in the current reporting quarter. The decrease in revenue also resulted in the reduction of profit before taxation by RM13.36m in the current reporting quarter as compared to the preceding reporting quarter.

INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 DECEMBER 2019

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 recent outbreak of Covid-19 and the control measures to curb the spread of the outbreak have substantially reduced travelling and economic activities. It also further intensifies the already bearish outlook on the global and domestic economies caused by the prolonged US-China trade war. Both events have indirectly affected the sentiments and confidence of our domestic economy. Nevertheless, the Group will continue to focus on increasing property sales activities through innovative products and sales packages and exercising prudence before launching new projects and venturing into new business ventures.

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	
	31/12/2019 RM'000	31/12/2018 RM'000	31/12/2019 RM'000	31/12/2018 RM'000
Current Taxation	4,745	10,193	4,745	10,193
Deferred Taxation	(2,104)	4,563	(2,104)	4,563
	<u>2,641</u>	<u>14,756</u>	<u>2,641</u>	<u>14,756</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 19 February 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. Parties are working towards formalising a definitive agreement.

INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 DECEMBER 2019

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 31/12/2019	As at 30/09/2019
	RM'000	RM'000
Secured short term borrowings	11,095	12,039
Secured long term borrowings	167,330	171,359
Total	<u>178,425</u>	<u>183,398</u>

The Group's borrowings as at 31 December 2019 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	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Net profit attributable to ordinary equity holders of the Company (RM'000)	9,135	10,673	9,135	10,673
Weighted average number of ordinary shares in issues ('000)	895,917	798,834	895,917	798,834
Basic EPS (sen)	<u>1.02</u>	<u>1.34</u>	<u>1.02</u>	<u>1.34</u>

INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 DECEMBER 2019

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 and year to date 31/12/2019 RM'000
Profit for the period is arrived at after crediting/(charging) :	
- Interest income	1,022
- Gain on disposal of properties	1,893
- Interest expense	(1,559)
- Depreciation and amortisation	(1,849)

BY ORDER OF THE BOARD

Company Secretary
25 February 2020