



**SUNSURIA BERHAD**

Company No.: 8235-K

**INTERIM FINANCIAL STATEMENTS  
FOR THE THIRD QUARTER ENDED 30 JUNE 2019**

**SUNSURIA BERHAD**

(Company No.: 8235-K)

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2019**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Note	Individual Quarter		Year To Date	
		Current Year 30/06/2019 RM'000 (Unaudited)	Preceding Year 30/06/2018 RM'000 (Restated)	Current Year 30/06/2019 RM'000 (Unaudited)	Preceding Year 30/06/2018 RM'000 (Restated)
Revenue		97,489	321,632	429,450	438,690
Cost of sales		(56,369)	(150,065)	(202,331)	(217,382)
Gross profit		41,120	171,567	227,119	221,308
Other income		1,372	1,160	9,486	2,941
		42,492	172,727	236,605	224,249
Administrative and other expenses		(17,501)	(23,308)	(53,434)	(62,054)
Finance costs		(288)	(658)	(1,043)	(1,427)
Share of results of associates		(395)	-	(1,056)	-
Profit before taxation		24,308	148,761	181,072	160,768
Income tax expense	B5	(9,811)	(29,385)	(58,161)	(31,940)
Profit after taxation		14,497	119,376	122,911	128,828
Other comprehensive income		-	-	-	-
Total comprehensive income		14,497	119,376	122,911	128,828
<b>Profit after taxation attributable to:</b>					
Owners of the Company		13,492	67,140	115,741	70,583
Non-controlling interests		1,005	52,236	7,170	58,245
		14,497	119,376	122,911	128,828
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		13,492	67,140	115,741	70,583
Non-controlling interests		1,005	52,236	7,170	58,245
		14,497	119,376	122,911	128,828
Earnings per share attributable to Owners of the Company:					
(a) Basic (sen)	B9 (a)	1.52	8.40	13.01	8.84
(b) Diluted (sen)	B9 (b)	1.52	8.40	13.01	8.84

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 September 2018 and the accompanying explanatory notes attached to the interim financial statements.

**SUNSURIA BERHAD**

(Company No.: 8235-K)

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2019**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	As At 30/06/2019 RM'000 (Unaudited)	As At 30/09/2018 RM'000 (Restated)	As At 01/10/2017 RM'000 (Restated)
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Investment in associates	28	1,083	686
Other investment	184	184	184
Property, plant and equipment	29,782	29,578	23,414
Investment properties	158,074	153,098	122,810
Goodwill	11,453	11,453	12,381
Land held for property development	494,534	482,627	496,704
Deferred tax assets	11,617	31,806	56,285
Right-of-use assets	743	-	-
	<b>706,415</b>	<b>709,829</b>	<b>712,464</b>
<b>Current Assets</b>			
Inventories	58,574	62,242	-
Biological asset	86	20	-
Property development costs	309,535	369,209	501,475
Trade receivables	55,326	63,559	53,797
Other receivables, deposits and prepayments	243,319	159,334	92,595
Amount owing by an associate	2,660	1,912	-
Amount owing by related parties	769	1,125	3,074
Current tax assets	9,397	3,909	5,134
Short-term investment	17,111	2,960	31,977
Fixed deposits with licensed banks	34,639	44,023	46,740
Cash and bank balances	62,547	103,236	88,769
	<b>793,963</b>	<b>811,529</b>	<b>823,561</b>
<b>TOTAL ASSETS</b>	<b>1,500,378</b>	<b>1,521,358</b>	<b>1,536,025</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Ordinary share capital	636,088	399,421	399,421
Reserves	294,358	399,213	242,093
Equity attributable to owners of the Company	930,446	798,634	641,514
Non-controlling interests	65,189	58,015	1,159
<b>TOTAL EQUITY</b>	<b>995,635</b>	<b>856,649</b>	<b>642,673</b>

**SUNSURIA BERHAD**

(Company No.: 8235-K)

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2019**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>As At 30/06/2019 RM'000</b>	<b>As At 30/09/2018 RM'000 (Restated)</b>	<b>As At 01/10/2017 RM'000 (Restated)</b>
<b><u>EQUITY AND LIABILITIES (CONT'D)</u></b>			
<b>Non-Current Liabilities</b>			
Deferred tax liabilities	100,144	90,297	100,580
Lease liabilities	947	-	-
Long-term borrowings	185,980	234,650	166,722
	<u>287,071</u>	<u>324,947</u>	<u>267,302</u>
<b>Current Liabilities</b>			
Trade payables	73,923	82,455	54,967
Other payables, deposits received and accruals	128,076	242,638	477,311
Amount owing to related parties	578	1,518	77,588
Dividend payable	22	22	22
Short-term borrowings	5,503	5,324	14,626
Lease liabilities	1,804	-	-
Current tax liabilities	7,766	7,805	1,536
	<u>217,672</u>	<u>339,762</u>	<u>626,050</u>
<b>TOTAL LIABILITIES</b>	<b>504,743</b>	<b>664,709</b>	<b>893,352</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>1,500,378</u></b>	<b><u>1,521,358</u></b>	<b><u>1,536,025</u></b>
<b>Net assets per share attributable to Owners of the Company (RM)</b>	<b><u>1.05</u></b>	<b><u>1.00</u></b>	<b><u>0.80</u></b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 September 2018 and the accompanying explanatory notes attached to the interim financial statements.

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 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 2018	399,421	175,838	48,299	815	168	247,859	872,400	54,869	927,269
Effects of adoption of MFRS	-	-	-	-	-	(73,766)	(73,766)	3,146	(70,620)
<b>Balance as at 1 October 2018 (restated)</b>	<b>399,421</b>	<b>175,838</b>	<b>48,299</b>	<b>815</b>	<b>168</b>	<b>174,093</b>	<b>798,634</b>	<b>58,015</b>	<b>856,649</b>
Issuance of shares :									
- reinvestment shares	42,629	-	-	-	-	-	42,629	-	42,629
- private placement	18,200	-	-	-	-	-	18,200	-	18,200
- by subsidiary to non-controlling interest	-	-	-	-	-	-	-	4	4
Dividends paid by subsidiaries to non-controlling interests	-	-	-	-	-	(44,590)	(44,590)	-	(44,590)
Transfer pursuant to Section 618(3) of CA 2016 *	175,838	(175,838)	-	-	(168)	-	(168)	-	(168)
Profit after taxation/Total comprehensive income	-	-	-	-	-	115,741	115,741	7,170	122,911
<b>Balance as at 30 Jun 2019 (unaudited)</b>	<b>636,088</b>	<b>-</b>	<b>48,299</b>	<b>815</b>	<b>-</b>	<b>245,244</b>	<b>930,446</b>	<b>65,189</b>	<b>995,635</b>

  

	← 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 2017	399,421	175,838	48,299	815	168	144,463	769,004	27,072	796,076
Effects of adoption of MFRS	-	-	-	-	-	(127,490)	(127,490)	(25,913)	(153,403)
<b>Balance as at 1 October 2017 (restated)</b>	<b>399,421</b>	<b>175,838</b>	<b>48,299</b>	<b>815</b>	<b>168</b>	<b>16,973</b>	<b>641,514</b>	<b>1,159</b>	<b>642,673</b>
Issuance of shares by subsidiary to non-controlling interest	-	-	-	-	-	-	-	608	608
Profit after taxation/Total comprehensive income	-	-	-	-	-	70,583	70,583	58,245	128,828
<b>Balance as at 30 June 2018 (restated)</b>	<b>399,421</b>	<b>175,838</b>	<b>48,299</b>	<b>815</b>	<b>168</b>	<b>87,556</b>	<b>712,097</b>	<b>60,012</b>	<b>772,109</b>

\* 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. 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 2018 and the accompanying explanatory notes attached to the interim financial statements.

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2019**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	9 months ended	
	30/06/2019 RM'000 (Unaudited)	30/06/2018 RM'000 (Restated)
<b>Cash Flows (For)/From Operating Activities</b>		
Profit before taxation	181,072	160,768
Adjustments for:		
Accretion of interest on:		
- trade payables	(188)	-
- lease liabilities	134	-
Depreciation of:		
- property, plant and equipment	3,832	1,891
- investment properties	378	138
- right of use assets	404	-
Gain on disposal of investment property	(5,439)	-
Loss on disposal of property, plant and equipment	-	213
Interest expense	1,043	1,427
Interest income	(3,063)	(2,594)
Share of results in associates	1,056	-
Operating profit before working capital changes	179,229	161,843
Changes in working capital:		
Decrease/(Increase) in inventories	3,668	(49,921)
Increase in trade and other receivables	(75,753)	(57,552)
Decrease in trade and other payables	(123,074)	(69,794)
Decrease in property development costs	59,278	67,371
Increase in land held for development costs	(4,617)	(9,681)
Increase in amount owing to related parties	356	2,877
Increase in lease liabilities	2,617	3,708
Cash from operations	41,704	48,851
Interest paid	(10,119)	(8,386)
Real property gains tax paid	(195)	-
Income tax refund	675	243
Income tax paid	(34,132)	(38,404)
Net cash (for)/from operating activities	(2,067)	2,304
<b>Cash Flows From/(For) Investing Activities</b>		
Decrease in fixed deposits pledged to licensed banks	9,384	5,596
Interest income received	3,063	2,594
Purchase of:		
- property, plant and equipment	(4,037)	(6,542)
- investment properties	(4,232)	(1,928)
- biological asset	(66)	-
Right of use	(1,147)	(1,184)
Proceeds from disposal of:		
- investment properties	6,500	-
- property, plant and equipment	-	109
Advance to associate	(748)	-
Net cash from/(for) investing activities	8,717	(1,355)

**SUNSURIA BERHAD**

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**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2019**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	9 months ended	
	30/06/2019 RM'000 (Unaudited)	30/06/2018 RM'000 (Restated)
<b>Cash Flows For Financing Activities</b>		
Proceeds from issuance of:		
- ordinary shares	60,829	-
- ordinary shares to non-controlling interest in subsidiaries	4	608
Drawdown of term loan	27,324	53,334
Repayment of term loans	(75,559)	(64,404)
Proceeds from hire purchase	-	944
Repayment of hire purchase obligations	(256)	(220)
Advances from related parties	-	1
Repayment to related parties	(940)	(2,095)
Dividend paid to non-controlling interests	(44,590)	-
Net cash for financing activities	<u>(33,188)</u>	<u>(11,832)</u>
<b>Net change in cash &amp; cash equivalents</b>	<b>(26,538)</b>	<b>(10,883)</b>
<b>Cash &amp; cash equivalents at the beginning of the financial period</b>	<b>106,196</b>	<b>120,746</b>
<b>Cash &amp; cash equivalents at the end of the financial period</b>	<b><u>79,658</u></b>	<b><u>109,863</u></b>

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

	9 months ended	
	30/06/2019 RM'000 (Unaudited)	30/06/2018 RM'000 (Restated)
Short-term investment	17,111	159
Fixed deposits with licensed banks	34,639	41,144
Cash and bank balances	62,547	109,704
	<u>114,297</u>	<u>151,007</u>
Less: Deposit pledged to licensed banks	(34,639)	(41,144)
Total Cash and cash equivalents for the year	<b><u>79,658</u></b>	<b><u>109,863</u></b>

**Notes :**

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 30 September 2018 and the accompanying explanatory notes attached to the interim financial statements.

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 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 2018 which were prepared under the 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 2018.

**A2. Changes in Accounting Policies**

The Group is adopting the MFRS framework for the first time in the current financial year beginning 1 October 2018 and MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards has been applied. In presenting its first MFRS financial statements, the Group is required to restate the comparative financial statements to amounts reflecting the application of the MFRS framework as if these policies had always been in effect.

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 2018, except for the adoption of the following MFRSs, amendments to MFRSs and New and Revised Standards, Amendments and Issues Committee Interpretations (“IC Interpretations”) issued by MASB that are relevant to its operations and effective for annual financial periods beginning on or after 1 October 2018 as follows:

MFRS 9	Financial Instruments
MFRS 15	Revenue from Contracts with Customers (and the related clarifications)
MFRS 16	Leases
MFRS 141	Agriculture
Amendments to MFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to MFRS 4	Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to MFRS 140	Transfers of Investment Property
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration
IC Interpretation 23	Uncertainty over Income Tax Payments
Amendments to MFRSs	Annual Improvements to MFRSs 2014 - 2016 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 except as follows:



**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2019**

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

**A2. Changes in Accounting Policies (continued)**

MFRS 15 Revenue from Contracts with Customers

MFRS 15 replaces MFRS 118 Revenue, MFRS 111 Construction Contracts and related interpretations. With the adoption of MFRS 15, revenue is recognised by reference to each distinct performance obligation in the contracts with customers. Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good or service promised in the contract. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at point in time or over time. The Group recognises revenue from property development over time if it has an enforceable right to payment for performance completed to date. As a result of the adoption of the MFRS Framework, the following comparatives in the interim financial report have been restated.

The impact of the adoption of MFRS 15 on the Group’s financial statements are as follows:

**Effects on the Condensed Consolidated Statement of Comprehensive Income**

**Individual Quarter – 3 months ended 30 Jun 2018**

	As previously reported RM’000	Effects of transition to MFRS RM’000	Restated RM’000
Revenue	107,819	213,813	321,632
Cost of sales	(53,854)	(96,211)	(150,065)
Gross profit	53,965	117,602	171,567
Other income	1,160	-	1,160
	55,125	117,602	172,727
Administrative and other expenses	(14,357)	(8,951)	(23,308)
Finance costs	(658)	-	(658)
Profit before taxation	40,110	108,651	148,761
Income tax expenses	(7,053)	(22,332)	(29,385)
Profit after taxation	33,057	86,319	119,376
Profit after taxation attributable to:			
Owners of the Company	25,507	41,633	67,140
Non-controlling interests	7,550	44,686	52,236
	33,057	86,319	119,376

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**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2019**

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

**A2. Changes in Accounting Policies (continued)**

**Cummulative Quarter – 9 months ended 30 June 2018**

	As previously reported RM'000	Effects of transition to MFRS RM'000	Restated RM'000
Revenue	357,716	80,974	438,690
Cost of sales	(168,258)	(49,124)	(217,382)
Gross profit	189,458	31,850	221,308
Other income	2,941	-	2,941
	192,399	31,850	224,249
Administrative and other expenses	(64,274)	2,220	(62,054)
Finance costs	(1,427)	-	(1,427)
Profit before taxation	126,698	34,070	160,768
Income tax expenses	(27,110)	(4,830)	(31,940)
Profit after taxation	99,588	29,240	128,828
Profit after taxation attributable to:			
Owners of the Company	76,740	(6,157)	70,583
Non-controlling interests	22,848	35,397	58,245
	99,588	29,240	128,828

**Effects on the Condensed Consolidated Statement of Financial Position**

	Audited As at 30/9/2018 RM'000	Effects of transition to MFRS RM'000	Restated As at 30/9/2018 RM'000
<b>ASSETS</b>			
Deferred tax assets	8,370	23,436	31,806
Inventories	59,397	2,845	62,242
Biological asset	192	(172)	20
Property development costs	319,359	49,850	369,209
Trade receivables	63,556	3	63,559
Other receivables, deposits and prepayments	156,915	2,419	159,334
<b>EQUITY AND LIABILITIES</b>			
Reserves	472,979	(73,766)	399,213
Non-controlling interests	54,869	3,146	58,015
Deferred tax liabilities	89,107	1,190	90,297
Other payables, deposits received and accruals	94,827	147,811	242,638

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**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2019**

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

**A2. Changes in Accounting Policies (continued)**

	<b>Audited As at 01/10/2017 RM'000</b>	<b>Effects of transition to MFRS RM'000</b>	<b>Restated As at 01/10/2017 RM'000</b>
<b>ASSETS</b>			
Deferred tax assets	6,107	50,178	56,285
Property development costs	335,877	165,598	501,475
Other receivables, deposits and prepayments	74,079	18,516	92,595
<b>EQUITY AND LIABILITIES</b>			
Reserves	369,583	(127,490)	242,093
Non-controlling interests	27,072	(25,913)	1,159
Deferred tax liabilities	98,873	1,707	100,580
Other payables, deposits received and accruals	91,323	385,988	477,311

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2019**

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

**A3. Auditors' Report for the Financial Year Ended 30 September 2018**

The auditors' report on the financial statements for the financial year ended 30 September 2018 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 THIRD QUARTER ENDED 30 JUNE 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 ended 30 June 2019				Year-to-date ended 30 June 2019			
	Property Development	Construction	Investment Holding and Others	Total	Property Development	Construction	Investment Holding and Others	Total
Revenue								
External revenue	98,601	227	180	<b>99,008</b>	430,604	378	594	<b>431,576</b>
Inter-segment revenue	-	45,958	67,863	<b>113,821</b>	-	135,204	117,825	<b>253,029</b>
Consolidation adjustments	98,601	46,185	68,043	<b>212,829</b>	430,604	135,582	118,419	<b>684,605</b>
<b>Consolidated Revenue</b>				<b>(115,340)</b>				<b>(255,155)</b>
				<b>97,489</b>				<b>429,450</b>
Results from Operation	32,038	7,050	61,959	<b>101,047</b>	198,408	19,273	101,693	<b>319,374</b>
- Depreciation	(951)	(47)	(391)	<b>(1,389)</b>	(3,370)	(133)	(1,184)	<b>(4,687)</b>
- Finance Cost	(294)	(87)	(45)	<b>(426)</b>	(974)	(170)	(139)	<b>(1,283)</b>
	30,793	6,916	61,523	<b>99,232</b>	194,064	18,970	100,370	<b>313,404</b>
Share of results in an associates				<b>(395)</b>				<b>(1,056)</b>
Consolidation adjustments				<b>(74,529)</b>				<b>(131,276)</b>
<b>Consolidated Profit Before Taxation</b>				<b>24,308</b>				<b>181,072</b>

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2019**

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

**A9. Segmental Information (continued)**

Business Segment Analysis (RM'000)	Quarter ended 30 June 2018 (Restated)				Year-to-date ended 30 June 2018 (Restated)			
	Property Development	Construction	Investment Holding and Others	Total	Property Development	Construction	Investment Holding and Others	Total
Revenue								
External revenue	329,613	20	155	<b>329,788</b>	452,276	44	464	<b>452,784</b>
Inter-segment revenue	-	43,040	197	<b>43,237</b>	-	94,714	440	<b>95,154</b>
Consolidation adjustments	329,613	43,060	352	<b>373,025</b>	452,276	94,758	904	<b>547,938</b>
<b>Consolidated Revenue</b>				<b>(51,393)</b>				<b>(109,248)</b>
				<b>321,632</b>				<b>438,690</b>
Results from Operation	175,855	4,622	(3,345)	<b>177,132</b>	202,535	9,609	(12,159)	<b>199,985</b>
- Depreciation	(375)	(42)	(315)	<b>(732)</b>	(1,099)	(95)	(840)	<b>(2,034)</b>
- Finance Cost	(434)	(47)	(177)	<b>(658)</b>	(1,094)	(135)	(198)	<b>(1,427)</b>
	<b>175,046</b>	<b>4,533</b>	<b>(3,837)</b>	<b>175,742</b>	<b>200,342</b>	<b>9,379</b>	<b>(13,197)</b>	<b>196,524</b>
Share of results in an associates				-				-
Consolidation adjustments				<b>(26,981)</b>				<b>(35,756)</b>
<b>Consolidated Profit Before Taxation</b>				<b>148,761</b>				<b>160,768</b>

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 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 except for the following:

On 5 August 2019, the Company has resolved to fix the issue price for the 2nd tranche of the Private Placement at RM0.70 per Placement Share. The issue price of RM0.70 per Placement Share represents a discount of RM0.0184 or approximately 2.56% to the 5-day volume weighted average price of Sunsuria Shares for the last 5 market days from 26 July 2019 to 2 August 2019 of approximately RM0.7184 per Sunsuria Share. The issue price of RM0.70 per Placement Share represents a discount of RM0.03 or approximately 4.11% to the closing price of Sunsuria Shares on 2 August 2019 of approximately RM0.73 per Sunsuria Share.

On 15 August 2019, the 2nd tranche of the Private Placement comprising 6,000,000 Placement Shares were listed and quoted on the Main Market of Bursa Securities.

**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 incorporation of a new wholly-owned subsidiary, known as Sunsuria Esports Sdn Bhd ("Sunsuria Esports") on 30 May 2019. The paid up share capital of Sunsuria Esports comprises of one (1) ordinary share of RM1.00.

**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 2018.

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 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			9 months ended		
	30/06/2019 RM'000	30/06/2018 RM'000 (Restated)	Changes (RM'000 / %)	30/06/2019 RM'000	30/06/2018 RM'000 (Restated)	Changes (RM'000 / %)
Revenue	<b>97,489</b>	321,632	(224,143) / (70%)	<b>429,450</b>	438,690	(9,240) / (2%)
Cost of sales	<b>(56,369)</b>	(150,065)	93,696 / 62%	<b>(202,331)</b>	(217,382)	15,051 / 7%
Gross profit	<b>41,120</b>	171,567	(130,447) / (76%)	<b>227,119</b>	221,308	5,811 / 3%
Profit before taxation	<b>24,308</b>	148,761	(124,453) / (84%)	<b>181,072</b>	160,768	20,304 / 13%
Profit after taxation	<b>14,497</b>	119,376	(104,879) / (88%)	<b>122,911</b>	128,828	(5,917) / (5%)
Profit attributable to owners of the Company	<b>13,492</b>	67,140	(53,648) / (80%)	<b>115,741</b>	70,583	45,158 / 64%

The Group adopted the MFRS framework for the first time in the current financial year. The impact of the adoption of MFRS 15 on the Group's financial statements was shown in Note A2. In the current financial quarter, the Group reported a revenue and profit before taxation of RM97.49m and RM24.31m respectively as compared to the restated revenue of RM321.63m and restated profit before taxation of RM148.76m respectively in the previous year's corresponding quarter. Revenue contribution for the current quarter was mainly from the Group's residential development namely The Olive, Bell Suites SOHO, Monet Lily, Monet Springtime, Monet Garden and Forum 2 SOHO. Meanwhile, in the previous year's corresponding quarter, the Group's restated revenue and restated profit before taxation including the revenue and profit taxation of the Forum 1 commercial development project, which was recognised upon its completion in the previous year's corresponding quarter.

On year to date, the Group reported a revenue and profit before taxation of RM429.45m and RM181.07m respectively compared to RM438.69m and RM160.77m respectively in the corresponding previous year to date.

**B2. Variation of Results against the Preceding Quarter**

	Current Quarter 30/06/2019 RM'000	Immediate Preceding Quarter 31/03/2019 RM'000	Changes (RM'000 / %)
Revenue	<b>97,489</b>	249,014	(151,525) / (61%)
Cost of sales	<b>(56,369)</b>	(99,462)	43,093 / 43%
Gross profit	<b>41,120</b>	149,552	(108,432) / (73%)
Profit before taxation	<b>24,308</b>	129,282	(104,974) / (81%)
Profit after taxation	<b>14,497</b>	95,688	(81,191) / (85%)
Profit after taxation attributable to owners of the company	<b>13,492</b>	91,576	(78,084) / (85%)



**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2019**

**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)**

The Group recognised revenue and profit before taxation from its commercial development known as Jasper Square in the preceding quarter upon the completion and hand over of the project to its purchasers, in that financial quarter. This explained the higher revenue and profit before taxation of RM249.01m and RM129.28m respectively in the preceding reporting quarter as compared to the Group's revenue and profit before taxation of RM97.49m and RM24.31m respectively in the current reporting quarter.

**B3. Prospects**

The Malaysian economy is expected to grow by 4.3% to 4.8% based on the outlook and policy released by Bank Negara Malaysia recently. However, concerns over persisting uncertainties arising from the US-China trade war which impacts the global trade momentum also affects domestic economic sentiment. Demand for properties remains subdued as buyers are staying on the sideline. The tightening of credit and lending by financial institutions also contributes to the slower properties sales. Against this backdrop, the Group remains cautious on new property launches while continuing to work towards increasing property sales and exercising prudence on spending to maintain a sustainable performance.

**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	
	30/06/2019 RM'000	30/06/2018 RM'000 Restated	30/06/2019 RM'000	30/06/2018 RM'000 Restated
Current Taxation	948	8,150	28,126	34,659
Deferred Taxation	8,863	21,235	30,035	(2,719)
	<u>9,811</u>	<u>29,385</u>	<u>58,161</u>	<u>31,940</u>

The effective tax rate of the Group is higher than the statutory tax rate mainly due to certain expenses that are not tax deductible for tax purposes and deferred taxation under taken-up in the previous year.

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 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**

There were no other corporate proposals announced by the Company that have not been completed as at 21 August 2019 (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**

	<b>As at 30/06/2019</b>	As at 30/09/2018
	<b>RM'000</b>	RM'000
Secured short term borrowings	<b>5,503</b>	5,324
Secured long term borrowings	<b>185,980</b>	234,650
Total	<b><u>191,483</u></b>	<u>239,974</u>

The Group's borrowings as at 31 March 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.

	<b>Individual quarter</b>		<b>Year to date</b>	
	<b>30/06/2019</b>	30/06/2018	<b>30/06/2019</b>	30/06/2018
		(Restated)		(Restated)
Net profit attributable to ordinary equity holders of the Company (RM'000)	<b>13,492</b>	67,140	<b>115,741</b>	70,583
Weighted average number of ordinary shares in issues ('000)	<b>889,917</b>	798,834	<b>889,917</b>	798,834
Basic EPS (sen)	<b><u>1.52</u></b>	<u>8.40</u>	<b><u>13.01</u></b>	<u>8.84</u>

**(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.

**INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 JUNE 2019**

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

**B10. Notes to the Statement of Comprehensive Income**

<b>Description</b>	<b>Current Quarter 30/06/2019 RM'000</b>	<b>Year to date 30/06/2019 RM'000</b>
Profit for the period is arrived at after crediting/(charging) :		
- Interest income	1,412	3,063
- Gain on disposal of properties	-	5,439
- Accretion of interest on:		
- trade payables	88	188
- lease liabilities	-	(134)
- Interest expense	(288)	(1,043)
- Depreciation and amortisation	(1,337)	(4,614)

BY ORDER OF THE BOARD

Company Secretary  
28 August 2019