

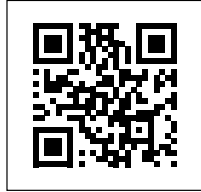


# COVER RATIONALE

At Sunsuria Berhad, we place monumental emphasis on sustainability and growth.

We believe in focusing on the future by acting now. We are concerted in our efforts to establish performance based procedures along with good governance to exceed customers' satisfaction. Through dedicated and talented personnel, Sunsurians are well equipped to devise new ideas and possibilities.

All things are possible and there will always be ways to find a better tomorrow with Sunsuria.



## FEEDBACK

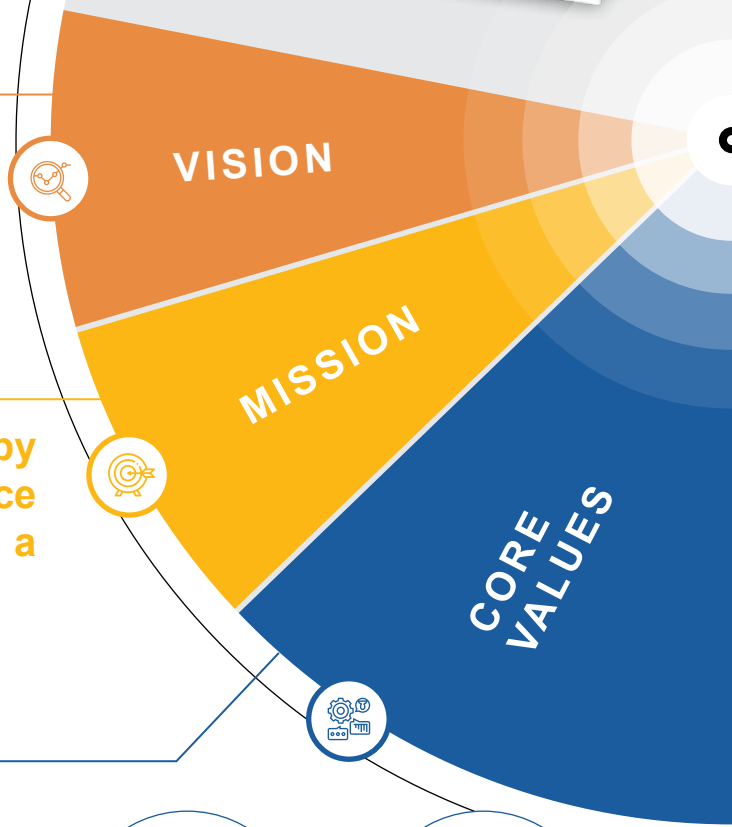
Please scan this QR code with your smartphone to access our website <https://www.sunsuria.com/>



**To be a progressive corporation which we can take pride in. One that is valued and respected by all our stakeholders.**



**To engage and delight our customers by delivering a distinctly Sunsuria experience of service excellence and warmth, through a culture of integrity, quality and reliability.**



**01**  
**INTEGRITY**

**02**  
**RELIABILITY**

**03**  
**RESPECTFUL**

**04**  
**COMMITTED**

**05**  
**PROGRESSIVE**

**03**  
We respect and value the communities in which we operate and strive to enrich it. We take pride in working as a team and believe in earning respect through our actions.

**04**  
We are committed to achieving excellence in all that we do and delivering the best experience for our customers.

**05**  
We constantly embrace change to remain relevant in the marketplace. As trendsetters in the industry, we strive for continuous improvement and innovation.



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This icon tells you where you can find more information inside this report.



This icon tells you where you can find more information online at <https://www.sunsuria.com/>



This icon tells you about COVID-19 related information during this year pandemic.

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# CORPORATE PROFILE

Sunsuria  
Berhad

Annual  
Report 2021



**ASEAN Property  
Developer  
Awards Malaysia  
2020/2021 for Best  
Sustainable Township  
Development  
(Sunsuria City)**

The roots of Sunsuria Group dates back to 1989, when its founder and owner, Tan Sri Datuk Ter Leong Yap, started to develop various residential, commercial and industrial property projects within Klang Valley. Today, Sunsuria has grown into a multi-faceted and well-established public listed property developer, that also diversified into construction, landscape and nursery, food and beverages, digital development, education, integrated healthcare, retails and other complementary businesses and joint ventures.





Sunsuria has embarked on a 525-acre flagship development located at Salak Tinggi, Putrajaya South with the name of “Sunsuria City”. The development is designed with the guiding principles of Smart, Livable and Sustainable. It is a freehold integrated township that will become the new international landmark with Xiamen University Malaysia, the first overseas university campus from China.

Sunsuria has been growing from strength to strength, embracing new challenges as we expand our expertise. Being a community-focused, growth and value-oriented developer, Sunsuria places reliability at the core of its operations and will continue to ensure better value creation for its stakeholders, focusing especially on our customers.

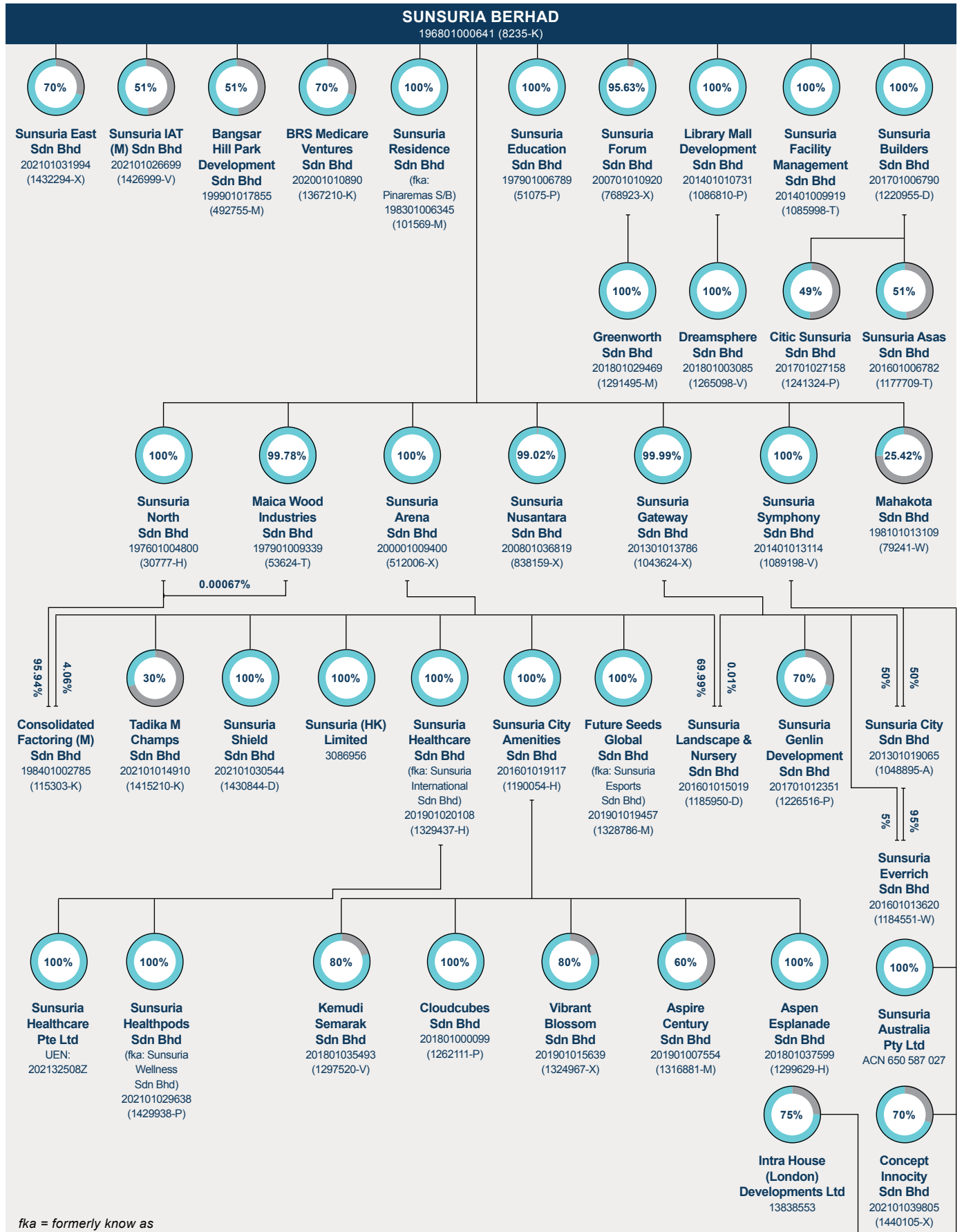
Over the years, Sunsuria has gained recognition as one of the leading property developers in Malaysia, winning notable accolades such as ASEAN Property Developer Awards Malaysia 2020/2021 for Best

Sustainable Township Development (Sunsuria City), being listed as one of the 15 Malaysian companies in the Forbes Asia’s Best Under A Billion (USD) 2020, CIDB QLASSIC 2020 High Achievement, High rise Residential Development (The Olive @ Sunsuria City), Focus Malaysia’s Best Under Billion Awards 2019’s Best Revenue Growth, Best Profit Growth, and the awards’ Overall Winner for 2019, The Cornerstone Award on Best Landed Development for Monet Residences by Starproperty.my Awards 2019, Property Insights Prestigious Developers Awards (PIPDA) 2018 for Best Office Development, Best Small Homes Development for Bell Suites by Starproperty.my Awards 2018, CHT Pursuit of Excellence Developer Property Award 2018, Highest Returns to Shareholders Over Three Years (Property) at The Edge Billion Ringgit Club Corporate Awards 2017, The Edge Top 30 Property Developers Award 2016-2017, Best Township Development by iProperty.com Malaysia People’s Choice Awards 2016 and Best Sustainable Township Development 2016 by Property Insights.

# CORPORATE STRUCTURE

Sunsuria Berhad

Annual Report 2021



## BOARD OF DIRECTORS

**Tan Sri Datuk  
Ter Leong Yap**  
Executive Chairman

**Tan Pei Geok**  
Senior Independent  
Non-Executive Director

**Dato' Quek Ngee Meng**  
Independent  
Non-Executive Director

**Datin Loa Bee Ha**  
Independent  
Non-Executive Director

### AUDIT COMMITTEE

**Tan Pei Geok** (Chairman)  
**Datin Loa Bee Ha**  
**Dato' Quek Ngee Meng**

### NOMINATION AND REMUNERATION COMMITTEE

**Tan Pei Geok** (Chairman)  
**Datin Loa Bee Ha**  
**Dato' Quek Ngee Meng**

### RISK MANAGEMENT COMMITTEE

**Dato' Quek Ngee Meng** (Chairman)  
**Tan Pei Geok**  
**Tan Sri Datuk Ter Leong Yap**

### EMPLOYEE SHARE OPTION SCHEME COMMITTEE

**Datin Loa Bee Ha** (Chairman)  
**Tan Sri Datuk Ter Leong Yap**  
**Dato' Quek Ngee Meng**

### COMPANY SECRETARY

**Leong Kok Chi** (MIA 11054)  
SSM Practising Cert. No.: 202108000377

### AUDITORS

**Messrs Deloitte PLT** (LLP0010145-LCA)  
Chartered Accountants (AF0080)  
Level 16, Menara LGB  
1 Jalan Wan Kadir  
Taman Tun Dr Ismail  
60000 Kuala Lumpur

### STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad  
Stock Name: SUNSURIA  
Stock Code: 3743  
Sector: Properties

### REGISTERED OFFICE AND HEAD OFFICE

Suite 8, Main Tower, Sunsuria Avenue  
Persiaran Mahogani, Kota Damansara PJU 5  
47810 Petaling Jaya, Selangor, Malaysia  
Tel : +(603) 6145 7777  
Fax : +(603) 6145 7778  
Website : [www.sunsuria.com](http://www.sunsuria.com)

### PRINCIPAL BANKERS

AmBank (M) Berhad  
CIMB Bank Berhad  
Malayan Banking Berhad  
Public Bank Berhad  
RHB Bank Berhad  
United Overseas Bank (Malaysia) Berhad

### SHARE REGISTRAR

**Tricor Investor & Issuing House Services Sdn Bhd**

#### Office:

Unit 32-01, Level 32, Tower A  
Vertical Business Suite  
Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
Tel : +(603) 2783 9299  
Fax : +(603) 2783 9222  
Email : [is.enquiry@my.tricorglobal.com](mailto:is.enquiry@my.tricorglobal.com)

#### Customer Service Centre:

Unit G-3, Ground Floor, Vertical Podium  
Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur



# EXECUTIVE CHAIRMAN'S STATEMENT

Sunsuria Berhad

Annual Report 2021



Refer more information of Executive Chairman on page 20.

Tan Sri Datuk Ter Leong Yap | Executive Chairman



Dear Valued Shareholders,

On behalf of the Board of Directors of Sunsuria Berhad (“the Company”), I am pleased to present the Company’s Annual Report and Financial Statements for the Financial Year ended 30 September 2021 (“FY2021”).



STEERING IN UNCHARTED TERRITORY



## THE YEAR UNDER REVIEW

The year 2021 has been a tumultuous one due to the COVID-19 pandemic. In spite of this, Sunsuria Berhad and its subsidiaries (“the Group”) achieved year-to-date Revenue and Net Profit of RM268.7 million and RM21.4 million, respectively.

Despite the Malaysian economy having contracted by 4.5% in Q3 of 2021, the movement into Phase 2 of the National Recovery Plan (“NRP”) has brought about an increase in business activity. The property market, a leading indicator of economic activity, accordingly demonstrated encouraging signs of recovery. The National Property Information Centre reported that both the volume and value of transactions rose encouragingly year-on-year in the first half of 2021, reversing their contractions in the previous corresponding period.

Against so much uncertainty, we are proud of our Sunsurians, who have adapted to the fluid circumstances as Malaysia transitioned between the various MCO stages throughout 2021.

Despite business and operating landscapes changing rapidly, Sunsuria has continued to uphold our unwavering commitment towards our stakeholders and ensure that levels of service excellence remain high. This resolute dedication is a testament to the four pillars of the Company that consistently guide everything we do:

## Great Sunsurians

We are firm believers in the adage **“People are an organisation’s greatest asset.”** Even before the pandemic, we have instituted measures to uphold our employees’ safety and welfare at the workplace.

In the year under review, the Company utilised Microsoft Teams and Zoom for internal meetings to maintain active communication whilst adhering to physical distancing requirements. In addition, all site workers and employees had to be fully vaccinated before returning to site or office. This was facilitated by the Company’s partnership with the Sunsuria Healthcare team and KL Gateway Mall to secure vaccination appointments for its staff and other stakeholders. Sunsuria also covered employees’ direct vaccination costs and granted medical leave to those who experienced side effects from the vaccination.

To support regular COVID-19 testing, Sunsuria worked closely with Sunsuria Healthcare team to offer mandatory biweekly rapid antigen testing to all employees. We also provided self-test kits to all staff to fulfil our weekly self-test mandate. Work-from-home arrangements, mask-wearing and physical distancing further reduced risks. In addition, the Sunsuria Sports and Recreational Club has also continued to check on our employees’ well-being through regular virtual events, such as health talks and workout sessions.

Our experience of this unprecedented pandemic has also propelled us towards a two-year digital plan to transition key parts of our business operations to online platforms. Under this initiative, the Group will invest in multiple software programmes to enable our workforce to remain productive whilst complying with health and safety SOPs.

The pandemic has also not diminished our drive to stay ahead of the competition through continuous improvement and lifelong learning. In the past year, Sunsurians participated in close to 1,450 hours of online training, classes and webinars to sharpen their job-specific skills and gain new knowledge in areas such as compliance/governance and health.

## Commitment in Performance

Sunsurians take pride in understanding the changing needs of our customers and responding to those needs by delivering products and services with a culture of integrity, quality and reliability.

The Group’s drive to digitalise our business operations was key to our sustained innovation and efficient operations during the year. We implemented business intelligence analytics for our Sales, Customer Experience and Project teams to facilitate timely and effective decisions.

In terms of customer engagement, we actively liaised with customers prior to Vacant Possession and encouraged them to download our “Moments” app in order to access timely and accurate information on the handover process. The Group also initiated the digitisation of various assessment and feedback processes to maintain customer satisfaction.

To further optimise our resources and improve our profitability, the Company undertook cost-rationalisation efforts in non-critical areas.

## Sustainability

Sustainability is not a mere buzzword at Sunsuria. Inherent in all our product and service offerings is our desire to contribute to the Sustainable Development Goals that are most relevant to our business: Good Health and Wellbeing; Quality Education, Decent Work and Economic Growth; Sustainable Cities and Communities; and Peace, Justice and Strong Institutions.

Aside from a comprehensive Sustainability Policy, the Group also uses a set of Key Performance Indicators to actively monitor our sustainability performance at any given time. This real-time tracking enables us to make timely and efficient adjustments to our business operations in order to remain a responsible and sustainable organisation.



## Making the World A Better Place

At Sunsuria, we believe that the communities where we operate are crucial to our business. We take great pride in defining, developing and delivering value propositions that maximise benefits to society whilst minimising negative environmental and societal impacts. We have specialised teams that look into improving the welfare of the surrounding communities.

In the past year, the Group supported the community's welfare through various channels. For example, the Group provided educational sponsorships to institutions like the Chong Ming Badminton Academy and the Yao Lan Shou Song Composing Unit of the University of Malaya's Chinese Language Society.

In relation to the fight against COVID-19, the Group has actively sponsored vaccination programmes and donated medical equipment, including contributing an oxygen machine. Our employees also worked under the Group's flagship community volunteering programme, the Sunsuria Community Food Drive, to serve daily meals, provide food to orphanages and old folks' homes, and distribute dry food care packages to marginalised communities.

### Financial Performance

For FY2021, the Group's revenue totalled RM268.7 million, higher than the RM197.1 million recorded in the financial year ended 30 September 2020 ("FY2020"). However, net profit attributable to owners of the Company fell to RM21.4 million from the RM29.1 million registered in FY2020 as operating expenses from the Bangsar Hill Park project exceeded the project's contribution to revenue due to the work progress being in preliminary stages.

The Group's strong consumer focus and effective cost management strengthened our market positioning and resilience against disruptions to our operations. In previous years, the Group registered a healthy profit stream due to the completion of commercial and residential developments, including Bell Avenue, Bell Suites Retail and SOHO units, Jasper Square, The Olive and Monet Lily in Sunsuria City, Suria Residence in Bukit Jelutong, and the Forum 1 in Setia Alam. In FY2021, revenue was contributed by Tangerine Suites, Monet Garden, Monet Springtime, Giverny Walk, Sunsuria Forum Residential Suites, Corporate Office and SOHO Suites, and Bangsar Hill Park projects. Both Giverny Walk and Monet Garden were completed in September 2021.



Please refer to the ensuing Management Discussion and Analysis section of this Annual Report for a more detailed review of our financial and operational performance.



## STRATEGIC CORPORATE INITIATIVES

The Group embarked on several corporate initiatives during the year as part of our strategic intent to solidify our position as market leaders.

On 7 October 2020, the Group announced its plans to issue up to RM500 million worth of a Rated Islamic Medium Term Notes Programme ("Sukuk Wakalah") with a tenure of up to 30 years. The proceeds will be used to finance capital expenditure, working capital requirements and investments, as well as general corporate purposes. It will also refinance the Group's existing borrowings and cover future financing needs. The Sukuk Wakalah Programme was rated A+<sub>IS</sub> with a stable outlook by Malaysian Rating Corporation Berhad. On 2 December 2020, the Company issued RM115 million in nominal value of the Sukuk Wakalah.

On 8 February 2021, the Company completed the acquisition of a 51% interest in Bangsar Hill Park Development Sdn Bhd, whose project has a gross development value ("GDV") of RM3.0 billion.

On 17 March 2021, the Group announced its collaboration with Maybank Islamic's HouzKEY to offer a simple and affordable home ownership financial solution under the "Yours to Own" campaign. The campaign offers three unique value propositions, i.e. 100% financing without downpayment, zero payment during construction, and low monthly payments. Eligible homeowners can also enjoy the benefits of the Home Ownership Campaign 2020-2021, including stamp duty exemptions, Memorandum of Transfer waivers and a 10% discount on property purchases.

## ENHANCING SHAREHOLDERS' VALUE

Our commitment to quality and sustainable development continues to be recognised by global and domestic institutions of repute. At the ASEAN Property Developer Awards Malaysia 2020/2021, the Sunsuria City project was awarded "Best Sustainable Township Development" in recognition of its innovative smart and sustainable-living concept that encourages walking, cycling and public transport. Sunsuria also ranks amongst the top 30 most prominent and influential property developers in the prestigious The Edge Property Excellence Awards 2021.

## UPHOLDING STRICT CORPORATE GOVERNANCE

As a socially responsible corporate citizen, we take pride in adopting the highest standards of corporate governance. We have instituted a robust risk management framework and internal control measures to boost investor confidence, enhance our organisation's profile, and ensure our sustainable growth and creation of shareholder value for the long term.

## GOING FORWARD: NAVIGATING THE NEW NORMAL

While 2021 was certainly a difficult year for many of us, we would do well to look back and be thankful for the blessings in disguise that came our way. The digitalisation of our business operations, which we had begun even before the pandemic, bolstered us through the various iterations of the MCO and NRP. Our high level of preparedness and adaptability allowed us to conduct our business as smoothly and efficiently as possible. On a deeper level, this accomplishment is an assurance for Sunsurians that with foresight, the right mindset and a can-do attitude, we can take on challenges that may at first seem insurmountable.

We anticipate a gradual recovery in domestic economic growth in FY2022 as economic activities pick up with further movement restriction relaxations, sustained policy support and growing export demand. We are cautiously optimistic that the government's fiscal stimulus measures will set Malaysia's construction and property sectors on a firmer footing in the year to come.

## A NOTE OF APPRECIATION

On behalf of the Board of the Company, I wish to thank our shareholders for their unwavering confidence in Sunsuria. I also extend my gratitude to all Sunsurians who have stood loyally with the Company as we faced off the challenges brought about by this pandemic. I look forward to your continued commitment as we establish the foundations for further growth together.

I also thank our valued customers, bankers, government departments and agencies, vendors, suppliers, partners, and other stakeholders for your support of our organisation's work. As we embark upon the next chapter of this journey, I am encouraged that the culmination of all our efforts and your support will ensure the continuing success of the Company in all its aspirations and goals.

**Tan Sri Datuk Ter Leong Yap**  
Executive Chairman

# MANAGEMENT DISCUSSION AND ANALYSIS

## Dear Valued Shareholders,

The COVID-19 pandemic persisted to wreak significant economic damage across the world in 2021. Movement restrictions, which were implemented to curtail the virus spread, were gradually relaxed once the infectivity rates dipped. However, the resultant freer movement caused a resurgence in infection numbers, leading to a re-tightening of the restrictions. This oscillation between curtailed and freer movement caused widespread disruptions to businesses and the overall trajectory of the global economic recovery.



Nevertheless, the acceleration of the National COVID-19 Immunisation Programme, as well as other initiatives such as the Pakej Pelindungan Rakyat dan Pemulihan Ekonomi (“PEMULIH”) and the National Recovery Plan (“NRP”), has improved consumer and business confidence despite the uncertainty.

In spite of this challenging situation, Sunsuria Berhad and its subsidiaries (“the Group”) have achieved a healthy financial performance because of our resolute and steadfast commitment to engage actively with our stakeholders and deliver service excellence at all times. In the year under review, the Group focused on taking care of the welfare of our employees, expanding the digitalisation of our business operations, and enhancing the sustainability of our operations for steady long-term growth.

### STRENGTHENING OUR VALUE PROPOSITION

Diversification remains a key strategic goal of the Group. We believe that by strengthening the value proposition of our core property development business through partnerships with complementary businesses, we can earn a distinctive competitive edge.

In the preceding financial year, the Group established the foundations of its healthcare venture with Boren Healthcare, a Malaysian group of healthcare providers specialising in luxury medical care. This venture opens the door for corporate synergy as the customers of our property development business who may be interested in quality and convenient healthcare in specialisations such as aesthetics and dentistry can now be targeted as the clientele of this new segment.

To finance capital expenditure, working capital requirements and investments, as well as general corporate purposes, the Group announced in October 2020 its plans to issue up to RM500 million worth of a Rated Islamic Medium Term Notes Programme (“Sukuk Wakalah”). The Sukuk Wakalah, with a tenure of up to 30 years, will also refinance the Group’s existing borrowings and supplement future financing needs. The Sukuk Wakalah carries a rating of A+<sub>IS</sub> with a stable outlook from Malaysian Rating Corporation Berhad. The Group issued RM115 million in nominal value of the Sukuk Wakalah on 2 December 2020.

To facilitate its penetration into the high-end Bangsar housing market, Sunsuria Berhad acquired a 51% stake in Bangsar Hill Park Development Sdn Bhd on 8 February 2021 for RM8.4 million, enabling the Group to undertake the residential development for the Bangsar Hill Park project at Lorong Maarof, Bangsar in Kuala Lumpur. The project, with an estimated gross development value (“GDV”) of RM3.0 billion, will feature an urban resort living concept and will comprise eight residential blocks constructed across approximately four hectares of land.

To support the government’s drive to promote home ownership through affordable homes and financing plans, the Group, in partnership with Maybank Islamic’s HouzKEY, launched “Yours to Own” on 17 March 2021. This campaign highlights three unique value propositions: 100% financing without any downpayment, zero payment required during the construction period, and low monthly payments at the most competitive financing rates available. Monthly payments start from RM680, and homeowners are required to service their loans only upon the completion of their homes and after the vacant possession stage.

Under this collaboration with HouzKEY, eligible homeowners can also enjoy the benefits of the Home Ownership Campaign 2020-2021, such as stamp duty exemptions, Memorandum of Transfer waivers and a 10% discount on property purchases. Homebuyers and investors can choose amongst Sunsuria’s freehold products, including Monet Garden, Tangerine Suites and Sunsuria Forum’s Residential Suites.

## IMPROVING THE LIVES OF THE COMMUNITY



We believe that the Group's financial performance is inextricably tied to the welfare of the communities where we operate. As such, we see it as our duty to actively engage with them and improve their quality of life. This is also in line with the United Nations' Sustainable Development Goal No. 11, which is to build sustainable cities and communities.

## CAPACITY BUILDING

The strategic objectives set by the Group each year can only be achieved when the employees are highly engaged and motivated to excel. To this end, the Group has invested substantial resources in the welfare and professional development of our employees.

In 2021, Sunsurians communicated via regular virtual meetings on Microsoft Teams and Zoom. Employees with supervisory roles were tasked with regular checking on their subordinates' mental and physical health to ensure that every Sunsurian still feels connected to the organisation in spite of their remote working conditions.

Employees' professional development was not hindered by the remote setup. Sunsurians were actively encouraged to participate in online training, classes and webinars to sharpen their job-specific skills and gain updated knowledge in compliance/governance and health.

The Group also cared for employees' physical health even as they worked from home through fun virtual events organised by the Sunsuria Sports and Recreational Club.



Against the backdrop of a challenging economy, the Group undertook various initiatives to support the community's welfare in FY2021. With combating COVID-19 being a foremost concern, the Group was actively involved in rendering support to Malaysia's COVID-19 vaccination programme whilst donating an oxygen machine and other medical facilities for COVID-19 treatment. In addition, through the Sunsuria Community Food Drive, our flagship community volunteering programme, employees joined hands to serve daily meals through our Sunsuria Forum Restu Resipi eatery, provide food to orphanages and old folks' homes, and distribute dry food care packages to the underprivileged in the Klang Valley. Sponsorships were also given to support the educational work of various institutions, including the Chong Ming Badminton Academy and the Yao Lan Shou Song Composing Unit of the University of Malaya's Chinese Language Society.





## SUSTAINABILITY JOURNEY

The Group's strong emphasis on being a sustainable organisation is the philosophy that underpins the way we define, develop and deliver our value propositions. We remain sure and steadfast in our commitment towards economic efficiency, environmental performance and social responsibility.

The Group introduced in 2019 a comprehensive Sustainability Policy, which has served as the fundamental guide for the planning and implementation of our sustainability initiatives. In addition, the Group utilises a set of Key Performance Indicators ("KPIs") to actively monitor our sustainability performance at any given time.



With climate change becoming increasingly pertinent to businesses and policymakers, the Group has included Goal 13: Climate Action as one of our corporate obligations in 2021.

We successfully achieved our sustainability targets in four out of five KPIs, i.e. energy efficiency, customer satisfaction, occupational health and safety, and supply chain management.

Property developers can make significant contributions to environmental sustainability by incorporating green features to reduce the negative environmental impacts of their development projects.

Sunsuria's developments include an abundance of such environmentally friendly features. For example, Sunsuria City, the Group's principal township, is lined with bicycle paths and secured, well-lit pedestrian walkways, thereby providing residents with safe and eco-friendly ways of getting around the township. Sunsuria City's water retention ponds were also upgraded to serve as key components of the flood management arsenal whilst still functioning as recreational facilities. In addition, a connectivity link was established between the Salak Tinggi Express Rail Link Station and Xiamen University Malaysia to promote the use of public transport.



## DIGITAL DRIVE

**Digitalisation is advantageous as it improves the efficiency, resiliency, competitive advantage and productivity of businesses.**

Sunsuria's digitalisation drive, which began even before the pandemic hit, enabled us to maintain sustained innovation and operational efficiency in spite of the movement restrictions implemented throughout the year. Physical distancing requirements were followed by allowing employees to work from home. Social media became the primary tool of engagement with potential customers. Sales and Purchase Agreements with customers were signed via online meeting platforms. As a result, the Group was able to sell an encouraging number of homes virtually.

In the year under review, the Group implemented business intelligence analytics for our Sales, Customer Experience and Project teams to facilitate timely and effective decisions. This is especially critical as customers expect faster response times with the digitalisation of transactions that have hitherto been conducted in person.

The Group's F&B businesses continued taking orders online and used the services of specialist delivery platforms.



## OUR FINANCIAL PERFORMANCE

In FY2021, the Group achieved a total revenue of **RM268.7 million**, which exceeded the RM197.1 million recorded in the financial year ended 30 September 2020 (“FY2020”).

However, the registered net profit of RM21.4 million was lower than that of FY2020’s RM29.1 million, mainly due to the operating expenses of the Bangsar Hill Park project exceeding the project’s contribution to revenue as work was still preliminary.

The Group’s fourth quarter (“Q4”) revenue for FY2021 was higher on a quarter-on-quarter in 1 line basis. The revenue was derived from the completion of Sunsuria’s Monet Garden Townhouses and Villa Project and the Giverny Walk project, as well as contributions from the Group’s ongoing property developments – Monet Springtime, Tangerine Suites at Sunsuria City, Sunsuria Forum (Phase 2) @ 7<sup>th</sup> Avenue at Setia Alam and Block D Verdura at Bangsar Hill Park at Lorong Maarof in Bangsar. The consistent revenue contributions from our Tangerine Suites and Sunsuria Forum (Phase 2) developments demonstrate the effectiveness of the “Yours to Own” campaign.

The Group’s FY2021 revenue can mainly be attributed to the property development business (98.1%), followed by the construction and F&B businesses.

Monet Springtime contributed RM63.3 million to the Group’s revenue, whereas Tangerine Suites and Monet Garden contributed RM49.1 million and RM43.0 million, respectively. The Forum 2 integrated development of SOHO, Serviced Apartments and Serviced Suites were also major revenue contributors, generating a total of RM47.0 million, whilst Bangsar Hill Park contributed RM7.2 million.



**HEALTHY BALANCE SHEET**

The Group's commendable performance amidst another challenging pandemic year enabled us to maintain a solid balance sheet.

The Group's total assets in FY2021 rose to RM2.0 billion from RM1.6 billion in FY2020. Shareholders' funds remained healthy at over RM1.0 billion. The Group's net gearing stood at close to 0.3 times in FY2021 with cash and bank balances of RM258.8 million.

Moving forward, the Group will continue to exercise prudence in our business dealings, improve our financial and operational efficiency and reduce costs where applicable.

**KEY DEVELOPMENT PROJECTS**

The Group's ongoing projects include Monet Springtime and Tangerine Suites at Sunsuria City, Bangsar Hill Park, and Sunsuria Forum Residential Suites, Corporate Office and SOHO Suites. Both Giverny Walk and Monet Garden were completed in September 2021.

At the ASEAN Property Developer Awards Malaysia 2020/2021 in March 2021, Sunsuria City was named the "Best Sustainable Township Development" in recognition of its innovative smart and sustainable-living concept that promotes green modes of transport. The Group was also ranked amongst the top 30 most prominent and influential property developers in the prestigious The Edge Property Excellence Awards 2021.





## COMPLETED PROJECTS

01

Featuring 478 SOHO suites and 5 retail units, Bell Suites SOHO & Retail was launched in March 2017 with a combined GDV of RM194.3 million. Winner of the Best Small Homes Development at Starproperty.my Awards 2018, the mixed development issued vacant possession in February 2020.

02

Launched in February 2016 with a GDV of RM158.5 million, Jasper Square is the first commercial development of Sunsuria City. Spanning over 8.5 acres, Jasper Square comprises 86 shop offices surrounded by lush foliage. Located adjacent to Xiamen University Malaysia Campus in Sunsuria City and close to the township's main entrance, Jasper Square offers unparalleled convenience and connectivity. Jasper Square issued vacant possession in January 2019.

03

The first landed residential development in Sunsuria City, Monet Lily was launched in October 2017 with a GDV of RM154.8 million. Boasting of French contemporary design, Monet Lily features 211 double-storey terrace homes. Vacant possession for Monet Lily was delivered to purchasers in October 2019.

04

With a GDV of RM285.0 million, The Olive comprises 663 freehold condominium units with full amenities. The first high-rise residential development of Sunsuria City, The Olive issued vacant possession in November 2019.

05

Launched in January 2019 with a GDV of RM60.2 million, Giverny Walk consists of 33 dual-frontage shoplots. The closest commercial centre to Monet Residences (Monet Lily, Monet Springtime and Monet Garden), Giverny Walk offers lakefront views and maximum visibility to the businesses there and will enjoy regular patronage from residents. Giverny Walk was completed in September 2021, contributing RM14.3 million to the Group's revenue in FY2021.

06

With a GDV of RM196.5 million, Monet Garden was launched with 132 townhouses in November 2017, followed by 114 three-storey terrace homes in August 2018. Monet Garden was completed in September 2021.

## ONGOING PROJECTS

07

Monet Springtime offers 308 units of two-storey terrace homes. Launched in FY2018 with a GDV of RM224.9 million, Monet Springtime's work completion was 96.8% in FY2021 and is set to be completed in FY2022.

08

Promising affordable living for first-time home buyers, Tangerine Suites is a Peranakan themed high-rise residential development that offers 778 units of multi-facility serviced apartments. Launched in May 2019 with a GDV of RM210.6 million, Tangerine Suites' work completion was 59.8% in FY2021 and is expected to be completed in FY2022.

09

The Forum @ 7<sup>th</sup> Avenue in Setia Alam is the Group's first integrated mixed development project consisting of retail outlets, offices, residential suites, corporate offices and SOHO suites. Phase 1, which features 264 shop offices and retail lots, was launched in March 2015 and completed in June 2018.

Forum 2 refers to the second phase of the development. It offers a holistic lifestyle with business and leisure offerings. Forum 2 comprises the SOHO Tower, Serviced Apartments Tower, Office Tower, and a two-floor retail mall. The Serviced Apartments Tower, launched in November 2019, was 47.2% sold in FY2021. The Corporate Office Tower, which was 45.5% sold in FY2021, is expected to be completed by 2023.

10

The Bangsar Hill Park project at Lorong Maarof, Bangsar in Kuala Lumpur has an estimated GDV of RM3.0 billion. Eight residential blocks will be developed across nearly four hectares with an urban resort living concept. Blocks B, C, D and E will have condominium units with an average built-up area of 1,187 square feet, whereas Blocks F and G will have double-volume condominium units averaging 1,201 square feet in size. Blocks A and H are designated as residential apartments under Dewan Bandaraya Kuala Lumpur and Rumah Mampu Milik Wilayah Persekutuan. Bangsar Hill Park's work completion was 2.8% in FY2021 and is set to be completed in FY2028.

## BUSINESS RISKS

In the year under review, our Risk Management Committee regularly assessed our business and operating environments and deliberated their findings at committee meetings held throughout the year.

The Committee concluded that the pandemic-driven economic slowdown and the credit risk emanating from the limited funding for the end-financing of projects were two risks that needed close monitoring in FY2021 and that we will continue to monitor these risks and have measures in place to manage them adequately.



## THE WAY FORWARD

For the full year of 2021, Bank Negara Malaysia expects Malaysia's economy to expand by 3.0% to 4.0%, as a result of strengthening export demand, the resumption of economic activities due to the progressive relaxation of movement restrictions, as well as sustained policy support. The Group continues to be cautiously optimistic of our near-term prospects, premised on the various fiscal stimulus packages introduced by the government to pave the recovery of the construction and property sectors into 2022.



For 2022, the central bank foresees further improvement in Malaysia's growth trajectory on account of the abovementioned factors. The Group looks forward to this positive outlook being realised through the continued progress and efficacy of vaccinations, sustained compliance with SOPs, and the government's ability to effectively contain outbreaks from any new COVID-19 variants of concern.

The Group's financial strength has hitherto enabled us to effectively weather the ravages of the pandemic. We will continue to exercise prudence in our expenditure and land bank expansion to capitalise on future growth opportunities under the new normal. The Group is also laying the groundwork for the further digitalisation of our business through various means, including automation, smart building management and Internet of Things, in order to better cater to the changing needs of our prospective and existing stakeholders.

# GROUP FINANCIAL HIGHLIGHTS

YEAR	2017 (Restated)	2018 (Restated)	2019	2020	2021
Revenue (RM'000)	133,930	712,264	534,257	197,083	<b>268,678</b>
Profit after taxation attributable to owners of the Company (RM'000)	(5,851)	155,237	135,465	29,096	<b>21,379</b>
Total Borrowings (RM'000)	181,348	239,974	183,398	251,276	<b>530,037</b>
Equity attributable to owners of the Company (RM'000)	646,166	803,202	999,570	1,028,666	<b>1,030,186</b>
Gearing Ratio (times)	0.28	0.30	0.18	0.24	<b>0.51</b>
Basic Earning Per Share (sen)*	(0.73)	19.43	16.08	3.25	<b>2.39</b>
Net Asset Per Share (RM)**	0.81	1.01	1.12	1.15	<b>1.15</b>
No. of shares ("000")	798,834	798,834	895,917	895,917	<b>895,917</b>
Weighted average number of ordinary shares	764,736	798,834	842,317	895,917	<b>895,917</b>

\* Based on weighted average number of shares issued during the period/year.

\*\* Based on number of shares issued as at end of financial year.

## Segmental : Revenue

YEAR	2017 (Restated)	2018 (Restated)	2019	2020	2021
Property Development	133,288	711,347	532,439	193,798	<b>263,465</b>
Constructions	-	285	245	949	<b>2,886</b>
Investment holdings and Others	642	632	1,573	2,336	<b>2,327</b>
	<b>133,930</b>	<b>712,264</b>	<b>534,257</b>	<b>197,083</b>	<b>268,678</b>



# BOARD OF DIRECTORS



**TAN SRI DATUK TER LEONG YAP**  
Executive Chairman

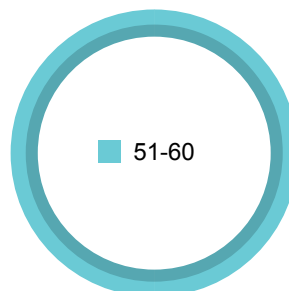
**TAN PEI GEOK**  
Senior Independent Non-Executive Director

**Board Skill Matrix**

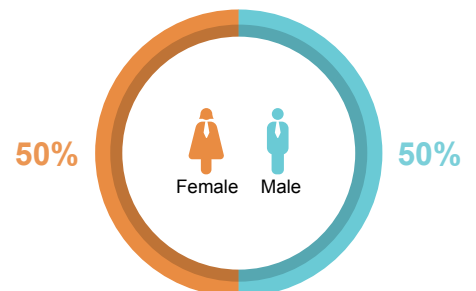


100%

**Age**



**Gender**



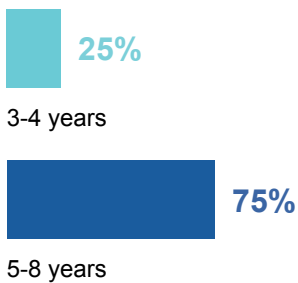


**DATO' QUEK NGENG MENG**  
Independent Non-Executive Director



**DATIN LOA BEE HA**  
Independent Non-Executive Director

**Tenure**



**Note**

None of the Independent Non-Executive Directors hold office for more than nine (9) years under the reporting period. The Board is well aware that the tenure of an independent director should not exceed a cumulative term of nine (9) years as recommended by the MCCG. Upon completion of the nine (9) years, an independent director may continue to serve on the board subject to the director's re-designation as a non-independent director. The Board may provide justifications and seek shareholders' approval in the event there is intention to extend the tenure of the Independent Directors to a maximum period of twelve (12) years (including the initial nine (9) years served).

# DIRECTORS' PROFILE

Sunsuria Berhad

Annual Report 2021

## TAN SRI DATUK TER LEONG YAP | Executive Chairman

**Nationality**  
Malaysian

**Age**  
58

**Gender**  
Male

**Date of Appointment**  
22 January 2014

**Length of Service (as at 21 January 2022)**  
8 years

**Date of Last Re-election**  
17 March 2021

### Board Committees

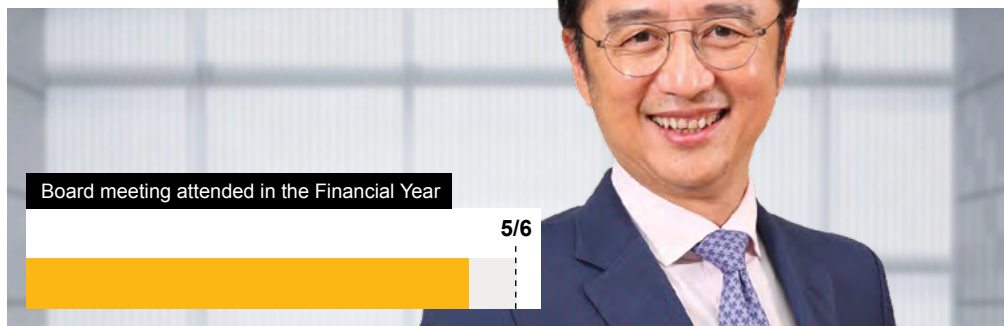
- Member of Risk Management Committee
- Member of Employees' Share Option Scheme Committee

### Academic/Professional Qualifications:

- Bachelor's Degree in Mechanical Engineering (Honours), University Malaya in 1989

### Present Directorship(s)

Listed entity: Nil  
Other public company: Nil



### Experience:

Tan Sri Datuk Ter Leong Yap is the founder of Sunsuria Group. Tan Sri Datuk Ter's foray into the industry began with heavy machineries and material handling equipment back in 1989.

Armed with a wealth of experience and determination, Tan Sri Ter has carefully nurtured Sunsuria into an award-winning public-listed company with businesses in property development, integrated healthcare, digital development, education, construction, landscaping and nursery, food and beverages, retail, trading, and other complementary businesses.

Tan Sri Ter is extremely active in the business community as well as a firm believer and supporter of National Unity. In 2016, Tan Sri Ter was named the National Unity Ambassador by the Department of National Unity and Integration (JPNIN).

For his achievements in the business world, Tan Sri Ter won The Edge Malaysia Outstanding Property Entrepreneurs Award in 2017, the Sin Chew Business Excellent Award – Business Excellent Person of the Year in 2014, as well as the Outstanding Malaysian Hokkien Award by the Federation of Hokkien Associations of Malaysia twice in 2008 and 2017 respectively.

In 2021, Tan Sri Ter was appointed by the Yang di-Pertuan Agong, King of Malaysia, as a member of the Independent Special Committee on Malaysia Emergency 2021. In addition, Tan Sri Ter is also the member of numerous government councils: -

- member of The Shared Prosperity Action Council (MKTB) 2021 (appointed by the Prime Minister of Malaysia)
- member of the Trade and Industry Advisory Council (TIAC) since 2019
- member of the Consultative Council on Safety and Public Order, Ministry of Home Affairs (MAKKKA) since 2020

### Positions and Affiliations:

- Life Honorary President of The Associated Chinese Chambers of Commerce and Industry of Malaysia (ACCCIM)
- Life Honorary President of the Chinese Chamber of Commerce and Industry of Kuala Lumpur & Selangor (KLSCCCI)
- President of the National Chamber of Commerce and Industry of Malaysia (NCCIM) (2016-2021)
- President of The Associated Chinese Chamber of Commerce and Industry of Malaysia (ACCCIM) (2015-2021)

- President of the Chinese Chamber of Commerce and Industry of Kuala Lumpur & Selangor (KLSCCCI) (2012-2021)
- Executive Member for China Overseas Friendship Association (COFA) (2019-Present)
- Advisory Committee of the 10<sup>th</sup> Council of the All China Federation of Returned Overseas Chinese (AFROC) (2018-Present)
- Founder Member and Vice Chairman of the China-ASEAN Entrepreneurs Association (2018-Present)
- Executive Vice Chairman of China Federation of Oversea Chinese Entrepreneurs (May 2021-Present)
- Vice Chairman of Sichuan Provincial People's Government and Sichuan Overseas Exchanges Association, China (2015-Present)
- Adviser of the 6<sup>th</sup> Council of the Yunnan Overseas Exchanges Association, China (2017-Present)
- Vice Chairman of the 6<sup>th</sup> Council of the Fujian Overseas Exchanges Association, China (2018-Present)
- Oversea Adviser to the Foreign Enterprises Investment Association, Guangdong Province, China (2016-Present)
- Adviser of the 5<sup>th</sup> Council of the Chengdu Overseas Exchanges Association, China (2019-Present)
- Honorary Adviser of Belt and Road Summit, Hong Kong Trade Development Council (2019-Present)
- Adviser of Chinese Chamber of Commerce of Victoria, Australia (CCCV) (2019-Present)
- Honorary President of Jilin Province Overseas Friendship Association (2019-Present)
- Executive Vice Chairman of the Guangdong-Hong Kong-Macao Greater Bay Area Entrepreneurs Union (2017-Present)
- Honorary President of the Associated Chinese Chambers of Commerce and Industry of Coastal Selangor (2019-2022)
- Life Honorary President of Klang Chinese Chamber of Commerce and Industry (KCCCI)
- President of Klang Chinese Chamber of Commerce and Industry (KCCCI) (2002-2009)
- Honorary President of Kuala Lumpur Eng Choon Hoey Kuan (2021-2024)
- Member of World Chinese Entrepreneurs Convention (WCEC) Advisory Committee (2015-2021)
- Advisor of the Malaysia Retail Chain Association (MRCA) (2018-Present)
- Director of Bank of China (M) Bhd (2010 – 2017)
- Director of Xiamen University Malaysia (2012-Present)
- Vice-Chairman of Hin Hua High School
- Vice-Chairman of Pin Hwa High School
- Director of Kuen Cheng High School

### Awards and Recognitions:

- Panglima Setia Mahkota (PSM) which carries the title "Tan Sri"
- Panglima Jasa Negara (PJN) which carries the title "Datuk"
- Ahli Mangku Negara (AMN)

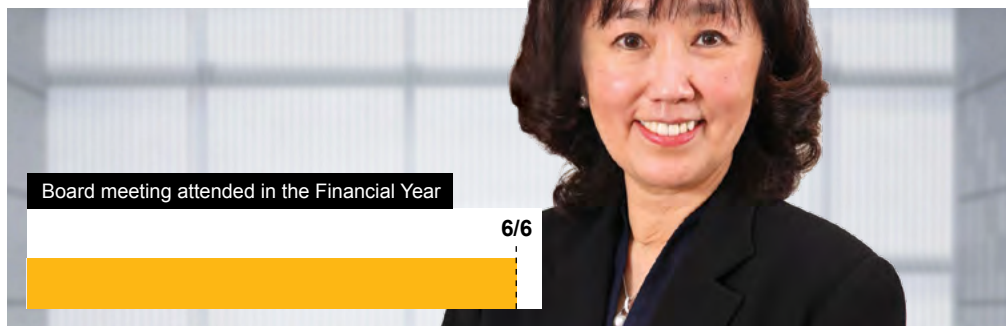


**TAN PEI GEOK** | Senior Independent Non-Executive Director**Nationality**  
Malaysian**Age**  
60**Gender**  
Female**Date of Appointment**  
1 October 2015**Length of Service  
(as at 21 January 2022)**  
6 years 4 months**Date of Last Re-election**  
8 March 2018**Board Committees**

- Chairman of Audit Committee
- Chairman of Nomination and Remuneration Committee
- Member of Risk Management Committee

**Academic/Professional Qualifications:**

- Bachelor's Degree in Economics, Monash University in 1983
- Member of the Certified Practising Accountants (CPA Australia)
- Member of the Malaysian Institute of Accountants (MIA).

**Present Directorship(s)**Listed entity: Nil  
Other public company: Nil**Experience:**

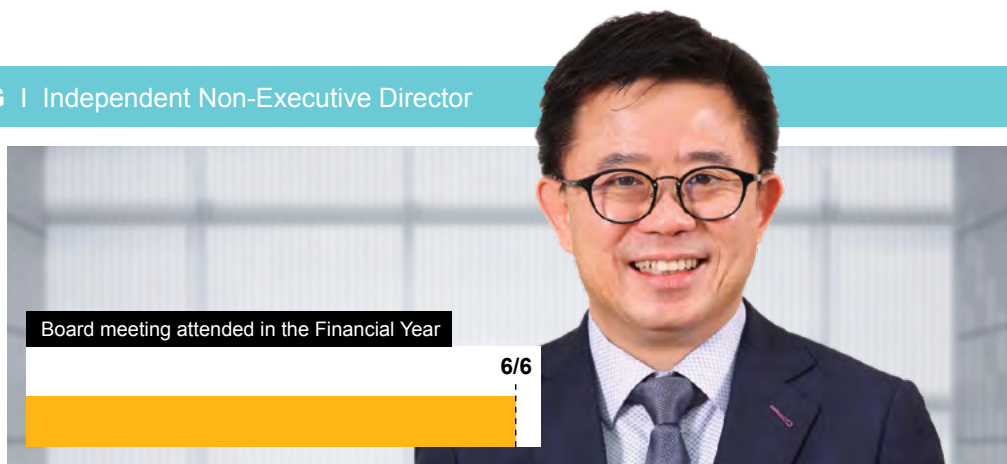
Ms. Tan began her career as an audit assistant with Binder Hamlyn before joining Public Bank Berhad, where she served for over 20 years in various credit-related departments. She was the Deputy Director of Corporate Banking in Public Bank Berhad before she left to join Health Scan Malaysia Sdn. Bhd., a leading medical and diagnostic centre, as its Chief Executive Officer in 2004. Her position has since been re-designated as the Director of HealthScan & Diagnostic Services when the operations of the said company were injected into Cardiac Vascular Sentral (Kuala Lumpur) Sdn. Bhd., an integrated cardiac vascular hospital in 2016.

**DATO' QUEK NGEE MENG** | Independent Non-Executive Director**Nationality**  
Malaysian**Age**  
53**Gender**  
Male**Date of Appointment**  
24 November 2017**Length of Service  
(as at 21 January 2022)**  
4 years 2 months**Date of Last Re-election**  
12 June 2020**Board Committees**

- Member of Audit Committee
- Member of Nomination and Remuneration Committee
- Chairman of Risk Management Committee
- Member of Employees' Share Option Scheme Committee

**Academic/Professional Qualifications:**

- Bachelor's Degrees in Economics and Law, University of Adelaide, Australia in 1990 and 1992 respectively
- Master Degree of Laws, National University of Singapore in 1997

**Present Directorship(s)**Listed entity: Nil  
Other public company: Nil**Experience:**

After commencing private practice with a legal firm in Johor Bahru for 2 years, Dato' Quek served as in-house legal counsel of the SMI Group, a company dealing with plywood with its operational headquarters in Singapore from 1997 to 2000. He then set up his own practice in 2000 as Halim Hong & Quek.

Having been in practice for more than 20 years, Dato' Quek has extensive legal experience in various areas notably cross border investment, real estate, corporate and commercial. He is regularly sought by multi-national companies, major developer and financial institutions for advice and representation.

He is sought by major corporations for strategic advice on investment plans including cross-border transactions as well as review of commercial contracts and agreements. Business councils regularly seek him for advice and representation. His vast experience in strategic advice has earned him a spot in these organisations where he formerly served as the director of Malaysia-China Business Council and as the Chairman of Silk Road Business Council Malaysia Committee. Dato' Quek was also the co-chairman of Malaysia-China Commercial Law Cooperation Committee.

Dato' Quek is active in advocating social causes, in particular against Batang Kali massacre where he was appointed as the coordinator of the Action Committee Condemning the Batang Kali Massacre in December 1948 to seek justice against the killings perpetrated by the British armies.

In the legal fraternity, Dato' Quek is an arbitrator of the Asian International Arbitration Centre (AIAC) and serves as a panel member of the Disciplinary Committee of the Advocate & Solicitor's Disciplinary Board. He frequently speaks at international and local conferences on law-related subjects including the Belt & Road issues. He is empanelled as an arbitrator of China International Economic and Trade Arbitration Commission (CIETAC), Shanghai International Arbitration Centre (SHIAC), and appointed as director and Vice Chairman of Asian Institute for Alternative Dispute Resolution (AIADR).

**Other Information**

- Tan Sri Datuk Ter Leong Yap is a major shareholder of the Company.
- Except as disclosed above, none of the other Directors has any family relationship with any Directors and/or major shareholders of the Company.

**Conflict of Interest**

None of the other Directors has any conflict of interest with the Company except as disclosed in this Annual Report.

## DATIN LOA BEE HA | Independent Non-Executive Director

**Nationality**  
Malaysian

**Age**  
58

**Gender**  
Female

**Date of Appointment**  
21 August 2014

**Length of Service  
(as at 21 January 2022)**  
7 years 5 months

**Date of Last Re-election**  
29 March 2019

**Board Committees**

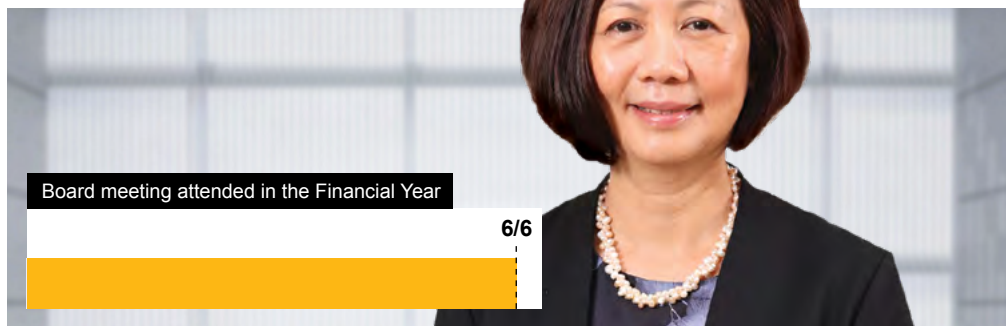
- Member of Audit Committee
- Member of Nomination and Remuneration Committee
- Chairman of Employees' Share Option Scheme Committee

**Academic/Professional Qualifications:**

- Bachelor's Degree in Accounting (Honours), University of Malaya - 1989
- Member of the Malaysian Institute of Accountants (MIA)
- Member of the Malaysian Institute of Certified Public Accountants (MICPA)

**Present Directorship(s)**

Listed entity: Nil  
Other public company: Nil



**Experience:**

Datin Loa began her career with PriceWaterhouse in 1989 and later joined Team Accountants Sdn. Bhd., an investment holding company in 1994 as the Finance Manager for 12 years.

She was previously on the Board of Director of Taylor's College Sdn. Bhd., Garden International School Sdn. Bhd. and Taylor's International School (KL) Sdn. Bhd.

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**Conviction for Offences**

None of the Directors have been convicted of any offences within the past 5 years other than traffic offences.

None of the Directors have any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.



# SENIOR MANAGEMENT



01

**TAN SRI DATUK TER  
LEONG YAP**  
Executive Chairman



02

**DATUK SIMON KWAN  
HOONG WAI**  
Chief Operating Officer



03

**LEONG KOK CHI**  
Chief Financial Officer



04

**DATO' TAN TIAN MENG**  
Director/Chief Executive Officer,  
Citic Sunsuria Sdn Bhd



05

**CHUAH CHEW HAI**  
Director/Chief Executive Officer,  
Sunsuria Asas Sdn Bhd



06

**WONG CHIEW MENG**  
Chief Project Officer

# SENIOR MANAGEMENT'S PROFILE



**TAN SRI DATUK TER LEONG YAP**  
Executive Chairman



**DATUK SIMON KWAN HOONG WAI**  
Chief Operating Officer

Executive Chairman Tan Sri Datuk Ter Leong Yap's Profile is available on page 20.

Datuk Simon Kwan Hoong Wai, male, age 49, a Malaysian. He is the Chief Operating Officer & Head of Property Division of Sunsuria Berhad. Holding a Masters in Business Administration (MBA) from the University of Southern Queensland, Australia, Datuk Simon Kwan began his career as Technical and Sales Executive in the engineering sector. He soon made strides into property development since 1993 and fast tracked his exposure into international trade market.

He has over 28 years of working experiences spanning across the fields of Sales, Project Marketing, Corporate Branding, Office Management, Customer Experience and Leasing. Currently, Datuk Simon Kwan oversees the overall operational functions of the company, leads product innovation and development, involves in planning and conceptualization of new projects, oversees other business divisions of Sunsuria Group mainly the retail division, food & beverage division and the integrated healthcare division. Recently, he was given the role to lead young innovative minds by accelerating digitalization across the organisation from the front-office to the back-office operational approach that not only technological savvy future but one that is safe for employers and employees.

**Positions and Affiliations**

2000 – Present	Member of Malaysia Iron and Steel Industry Federation (MISF)
2003 – 2008	Member of Asia Iron and Steel Industry Federation (AISIF)
2005 – Present	Member of Kuala Lumpur/ Selangor Associated Chinese Chamber of Commerce (KLSCCCI)
2008 – Present	Member of Federation of Malaysia Manufacturer (FMM)
2008 – Present	Member of Malaysia Master Builders (MMB)
2010 – Present	Member of Federation Internationaledes Administrateurs de Bien-ConselisImmobiliers (FIABCI Msia)
2020 – Present	National Committee Member of FIABCI Malaysia
2021 – Present	Council Member of KLSCCCI



**LEONG KOK CHI**  
Chief Financial Officer

Leong Kok Chi, male, age 54, a Malaysian. He is the Chief Financial Officer of the Company.

Mr Leong has more than 30 years of work experience in the corporate finance and advisory, debt capital market, accounting and finance, and financial consultancy and services. He was actively involved in listing and fund-raising exercises, corporate restructuring and exercises including acquisition, joint venture and divestment of investments, and project financing. Mr Leong began his career with a public accounting firm before assuming various senior positions in finance and internal audit departments of several public companies listed on the Bursa Malaysia Securities Berhad.

He is a member of the Malaysian Institute of Accountants (MIA) and Malaysian Institute of Certified Public Accountants (MICPA).



**DATO' TAN TIAN MENG**  
Director/Chief Executive Officer,  
Citic Sunsuria Sdn Bhd

Dato' Tan Tian Meng, male, age 58, a Malaysian. He is a Director and Chief Executive Officer of Citic Sunsuria Sdn Bhd, a joint-venture company between Sunsuria Builders Sdn Bhd, a wholly-owned subsidiary of the Company, and Citic International Investment Ltd. He graduated with a Bachelor of Civil Engineering (Honours) degree from the University of Malaya in 1988.

Since his graduation, he has had 33 years' experience and professional practice careers in industries related to construction and property development.

#### Other Information

- Datuk Simon Kwan Hoong Wai is the brother-in-law of Tan Sri Datuk Ter Leong Yap, a Director and major shareholder of the Company.
- Dato' Tan Tian Meng is the spouse of Datin Loa Bee Ha, an Independent Non-Executive Director of the Company
- Except as disclosed, none of the Senior Management Team members have any family relationship with any Directors or major shareholders of the Company.





**CHUAH CHEW HAI**  
Director/Chief Executive Officer,  
Sunsuria Asas Sdn Bhd

Chuah Chew Hai, male, age 58, a Malaysian. He is a Director and Chief Executive Officer of Sunsuria Asas Sdn Bhd, an indirect 51%-owned subsidiary of the Company.

Mr Chuah has more than 30 years of experience in the construction and property development industry and he has founded Metrio group of companies in October 2002, which are principally involved in property development.

His extensive experience and knowledge in construction and development industry has driven Metrio group of companies to become a leading property development in the northern region of Peninsular Malaysia.



**WONG CHIEW MENG**  
Chief Project Officer

Wong Chiew Meng, male, age 45 years old, a Malaysian. He is Chief Project Officer of the Company.

Mr Wong has more than 20 years of working experience in property development and has held various senior positions in a few property developments companies. He joined Sunsuria Group in 2017 as Senior Director Project and was promoted to Chief Project Officer in December 2020.

Mr Wong acts as the Heads of Sunsuria Group Project Department, Sunsuria Group Quality Management System Committee and Sunsuria Group Emergency Respond Team. He is responsible for the planning and operation, property and facility management, supply chain, as well as project quality management of all development projects of Sunsuria Group. In addition, he is also in charge of Bangsar Hill Park project from planning, sales & marketing, and implementation of the project.

He graduated with a Bachelor of Civil Engineering from University of Malaya and Master of Business Administration from University of East London (United Kingdom).

#### **Conflict of Interest**

None of the Senior Management Team members have any conflict of interest with the Company except as disclosed in this Annual Report.

#### **Conviction for Offences**

None of the Senior Management Team members have been convicted any offences within the past 5 years other than traffic offences. None of the Senior Management Team members have any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

# ACCOLADES

Sunsuria Berhad

Annual Report 2021



01-06



14-18

1. **ASEAN PROPERTY DEVELOPER AWARDS MALAYSIA 2020/2021**
  - Best Sustainable Township Development – Sunsuria City
2. **FORBES ASIA – BEST UNDER A BILLION AWARDS 2020**
  - Top 200 Performing Publicly Listed in Asia Pacific – Sunsuria Berhad
3. **STARPROPERTY AWARDS 2020**
  - The Proximity Award on Best Integrated Development – Sunsuria Forum
4. **CONSTRUCTION QUALITY EXCELLENCE AWARDS 2020**
  - High QCLASSIC Achievement for High Rise Residential Development – The Olive, Sunsuria City
5. **MALAYSIA LANDSCAPE ARCHITECTURE AWARDS (MLAA) 2019**
  - Honour Award for Landscape Design (Professional Category) – Suria Residence
6. **STARPROPERTY.MY AWARDS 2019**
  - The Cornerstone Award (Excellence) on Best Landed Development – Monet Residences, Sunsuria City
7. **FOCUS MALAYSIA'S BEST UNDER BILLION AWARDS 2019**
  - Best Under Billion Awards 2019 Overall Winner – Sunsuria Berhad
8. **FOCUS MALAYSIA'S BEST UNDER BILLION AWARDS 2019**
  - Best Revenue Growth (Category: RM500mil-RM950mil) – Sunsuria Berhad
9. **FOCUS MALAYSIA'S BEST UNDER BILLION AWARDS 2019**
  - Best Profit Growth (Category: RM500mil-RM950mil) – Sunsuria Berhad
10. **STARPROPERTY.MY AWARDS 2018**
  - The Small is Big Award (Honours) on Best Small Home Development – Bell Suites, Sunsuria City
11. **DEVELOPER PROPERTY AWARD 2018**
  - CHT Pursuit of Excellence – Sunsuria Berhad
12. **PROPERTY INSIGHT – PRESTIGIOUS DEVELOPER AWARDS 2018**
  - Best Office Development – Sunsuria Berhad



07-13



19-23

13. **CERTIFICATE FROM SIRIM QAS INTERNATIONAL, STANDARDS MALAYSIA & UKAS ON ISO 9001:2015**
  - Development of Properties and Provision of Project Management Services – Sunsuria Berhad
14. **CERTIFICATE FROM SIRIM INDUSTRI 2018**
  - Participation in Quality Management System Certification Scheme 2018 – Sunsuria Berhad
15. **CERTIFICATE FROM THE INTERNATIONAL CERTIFICATION NETWORK (IQNET) ON ISO 9001:2015**
  - Development of Properties and Provision of Project Management Services – Sunsuria Berhad
16. **STARPROPERTY.MY AWARDS 2017**
  - The Neighbourhood Award (Honours) on Best Boutique Township (below 500 acres) – Sunsuria City
17. **THE EDGE BILLION RINGGIT CLUB 2017**
  - Property - Below RM3B Market Capitalisation – Highest Returns to Shareholders Over Three Years (Gold) – Sunsuria Berhad
18. **PROPERTY INSIGHT – PRESTIGIOUS DEVELOPER AWARDS 2016**
  - Top 10 Developers – Sunsuria Berhad
19. **PROPERTY INSIGHT – PRESTIGIOUS DEVELOPER AWARDS 2016**
  - Best Sustainable Township Development – Sunsuria City
20. **NOBLE EXCELLENCE AWARDS 2016**
  - Catalytic Developer Award – Sunsuria Berhad
21. **ASIA PACIFIC PROPERTY AWARDS ARCHITECTURE 2015-2016**
  - Highly Commended Office Architecture Malaysia – Suria Residence
22. **ASIA PACIFIC PROPERTY AWARDS ARCHITECTURE 2015-2016**
  - Highly Commended Office Architecture Malaysia – Seventh Avenue I
23. **FOCUS MALAYSIA BEST UNDER BILLION AWARDS 2015**
  - Best Enterprise Value Growth (Runner-up) – Sunsuria Berhad





新闻 财经 地产 科技 汽车 生活 健康 教育 文化 体育 更多

财经新闻

征阳发展35亿隆市房产

2020年10月03日

(吉隆坡2日讯) 征阳集团 (SUNSURIA, 3743, 主板产业股) 将于吉隆坡市区, 发展两项总值超过35亿令吉的房屋项目。

其中包括发展总值逾30亿令吉, 位于孟沙的高楼住宅项目Bangsar Hill Park; 以及发展总值逾5亿2480万令吉, 位于东姑阿都拉曼巷的高楼综合商业项目Nadi@TAR。

征阳集团是通过和Bangsar Hill Park Development私人有限公司 (简称BHP Development), 以及Suez Capital私人有限公司、Dasar Temasek私人有限公司及Sunsuria KL私人有限公司, 签署有条件股权认购协议, 以844万令吉购得BHP Development的51%股权, 并发展Bangsar Hill Park。

Bangsar Hill Park占地9.82英亩, 共有8座高楼住宅。

当地的工地清拆工作, 已在上个月展开, 整个发展项目预计在2028年竣工。

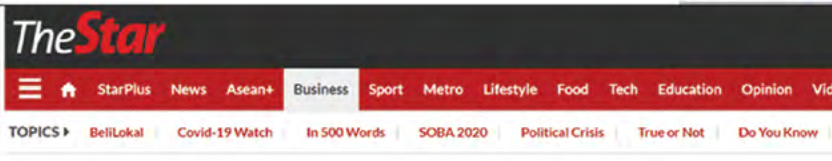
同时, 征阳集团也与Montflex私人有限公司签署有条件股权认购协议, 以2令吉购得Bumilex建筑私人有限公司51%的股权, 并发展占地1.16英亩的Nadi@TAR。

工程预计于2021年下半年展开, 并于2025年竣工。

BHP Development与Montflex, 皆是与征阳集团有利益相关的公司。



There is a silver lining to every situation... Building dreams and fulfilling needs... The development also offers... to complete the 82nd year... to be completed in 2025...



MARC assigns A plus rating to Sunsuria's RM500m Sukuk

CORPORATE NEWS
Wednesday, 07 Oct 2020
4:10 PM MYT



The rating agency said Sunsuria's profitability is mainly derived from its Sunsuria City development, which was launched in 2015 and still has an estimated gross development value (GDV) of about RM6.3bil. It is earmarked to be completed by end-2032.

征阳Victoria教育联营学前教育



(吉隆坡11日讯) 征阳 (SUNSURIA) 与维多利亚教育集团 (Victoria Education Group) 联营学前教育项目, 以进军学前教育领域。征阳集团表示, 在双方的联合努力下, 将成立一家联营公司, 以设立和经营地嘉楼嘉楼酒店 (MinsChamoi) 的幼儿教育。



Sunsuria said the acquisitions are expected to contribute positively to the earnings of the company over the long term through income contribution from the development projects.

SUNSURIA IN THE NEWS





# Bringing urban resort living to Bukit Bangsar

Bukit Bangsar Hill Park is part of a RM3.01bil redevelopment project in Bukit Bangsar undertaken by Bangsar Hill Development Sdn Bhd. Sunsuria Bhd executive chairman Tan Sri Ter Leong Yap tells **Chai Yee Hoong** about the joint development with his brother, Suez Capital Bhd MD Datuk Ter Leong Yap, and their vision for it. See Page 4.



## Sunsuria to derive synergies from auto and education joint ventures

Liew Jia Teng / The Edge Malaysia  
July 20, 2021 16:00 pm +08



This article first appeared in The Edge Malaysia Weekly, on July 12, 2021 - July 18, 2021.



Home - Asean Property Developer Awards - Best Sustainable Township Development - Sunsuria City | APDA2020/2021

Asean Property Developer Awards

## Best Sustainable Township Development - Sunsuria City | APDA2020/2021

By Des Prix Infinitus Media March 12, 2021

Like 27



Sunsuria City's Aerial View (Image via Sunsuria)



A township designed with its community in mind, **Sunsuria City** is meticulously planned to ensure a balanced lifestyle with no compromises on perfection. Be it components of education, residential, commercial, or even recreational parks, everything you would need is seamlessly integrated into this smart city.



# SUSTAINABILITY STATEMENT



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# SUSTAINABILITY STATEMENT



Dear Stakeholders,

It is with great pleasure that we present Sunsuria Berhad's (hereby known as "Sunsuria" or "the Group") fourth annual sustainability statement which serves to tell the story of how the Group has contributed towards managing our environmental, social and governance ("ESG") values in the reporting period.



Against the backdrop of an economic crisis due to the COVID-19 pandemic, the Group showed good performance by focusing on business continuity and robust business strategies. The current landscape has also made us more dedicated to achieve our corporate ethos and expand the Sunsuria brand in a sustainable manner. Sunsuria City being recognised as the Best Sustainable Township by the ASEAN Property Developer Awards Malaysia 2020/2021 has galvanised the Group's commitment towards innovative and meaningful development for our stakeholders.

Good corporate governance practices are critical for any successful business. To ensure a strong foundation for ethics and integrity, a risk assessment was conducted to identify potential risk for corruption within operations. Our expectations of employees' business conduct are also made clear through our corporate policies and mandatory sessions on corporate liabilities.

Our commitment to the United Nations Sustainable Development Goals has increased with the adoption of Goal 13 Climate Action as part of the Group's sustainability approach. This reporting period also marks the beginning of the Group's greenhouse gas ("GHG") emissions tracking based on our fuel and electricity consumption. These efforts are aligned to the global initiative for net zero emissions to limit global temperature increase to 1.5°C as per the Paris Agreement.

As a forward-looking property developer, we understand the importance of improving our sustainability performance, not only within our organisation but also across our supply chain. Our Procurement Policy and Procedures have been updated to account for the integrity of all business partners who have an active contract with Sunsuria.

In FY2021, we achieved a milestone by endorsing a 2-year digital plan aimed at transitioning key parts of our business operations to an online platform. Implemented under the oversight of a special committee, the plan sees the Group investing in multiple software programmes that would allow our employees to maintain work productivity while adhering to safe social distancing measures brought on by the pandemic.

We sponsored various events to actively engage with residents in our townships. To alleviate the social and economic hardships facing underprivileged groups within the community, we organised a Community Food Drive. We believe such initiatives will bolster community relations and build trust among our stakeholders.

**ABOUT THE STATEMENT****Report Scope and Period**

This statement includes Sunsuria's four business divisions, including Property Development, Construction, Food & Beverage, and Landscape & Nursery division and the corporate headquarters in Kota Damansara, Selangor. The sustainability statement is published annually. The reporting period for this statement is from 1<sup>st</sup> October 2020 to 30<sup>th</sup> September 2021 ("FY2021").

Business Division	Division	Project/ Restaurant Name	Stage of Completion/ Date of Commencement
<b>Property Development</b>	Sunsuria City Sdn. Bhd.	Bell Avenue Jasper Square Bell Suite Retail Bell Suite Soho The Olive Monet Lilly Celebration Centre (Sales Gallery) Monet Garden Giverny Walk	Completed
		Monet Springtime Tangerine Suite	96.8% 59.8%
	Sunsuria Residence Sdn. Bhd.	Suria Residence	Completed
	Sunsuria Forum Sdn. Bhd.	The Forum 1	Completed
		Forum 2, Office Tower	8.5%
		Forum 2, Soho Forum 2, Soho (Affordable) Forum 2, Service Apartment	24.2% 24.9% 21.40%
Bangsar Hill Park Development Sdn Bhd	Bangsar Hill Park	2.8%	
<b>Construction</b>	Sunsuria Asas Sdn. Bhd.	-	-
<b>Food &amp; Beverage</b>	Sunsuria City Amenities Sdn. Bhd.	Artelier Café	April 2019
		Ming Yang Forum Artisan Bell Artisan Restu Resipe	September 2019 April 2021 December 2020 April 2021
<b>Landscape &amp; Nursery</b>	Sunsuria Landscape & Nursery Sdn. Bhd.	-	-

**Reporting Framework**

This statement has been prepared in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, with reference to the Bursa Malaysia Reporting Guide (2<sup>nd</sup> Edition). The statement framework adheres to the reporting standards of the Global Reporting Initiative ("GRI").

**Feedback**

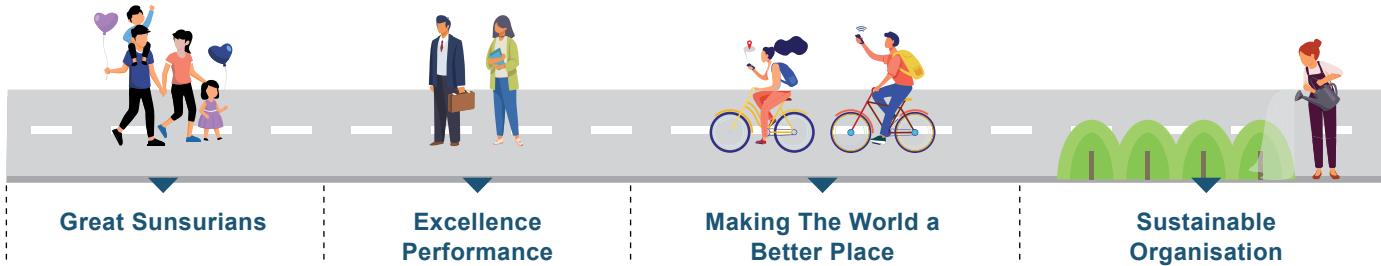
This statement is available on Sunsuria's corporate website [www.sunsuria.com](http://www.sunsuria.com).

We value our stakeholders' feedback to continuously improve our statement and sustainability practices. To raise concerns or provide feedback about the report, you may contact:

**Leong Kok Chi**  
Chief Financial Officer  
cosec@sunsuria.com  
+603-6145 7777

**OUR SUSTAINABILITY APPROACH**

Our approach to sustainability is based on the Group’s corporate ethos G.E.M.S. (Great Sunsurians, Excellence Performance, Making the World a Better Place, Sustainable Organisation), where all four components come together to drive Sunsuria’s business growth in a sustainable manner.



**Group Sustainability Policy**

Our Sustainability Policy provides guiding principles on Sunsuria’s business conduct to ensure all stakeholders support the Group’s commitment to sustainability. The Sustainability Policy has been approved by the Board of Directors, with periodic reviews conducted to ensure it remains relevant.





- 01** Continuously engaging with relevant stakeholders to address and manage their concerns and expectations of the Group
- 02** Complying with applicable laws and regulations
- 03** Delivering sustainable economic growth and returns to our investors and enrich the domestic economy
- 04** Achieving high standards of service
- 05** Minimising environmental impact on areas within and adjacent to our development areas
- 06** Undertaking green initiatives including those involving the environment, greenhouse gas emission and energy management, where possible
- 07** Providing a safe and healthy workplace for all our employees, including those directly employed by the Group as well as those who work in our premises on development and construction sites
- 08** Developing the knowledge, skills and abilities of our employees to increase awareness and understanding of local industry
- 09** Ensuring fair treatment to all employees regardless of gender, age, ethnicity and religion
- 10** Contributing to local communities and assisting them in improving and enhancing their socio-economic status



**Commitment to Sustainable Development Goals (“SDGs”)**

We remain committed to the Sustainable Development Agenda 2030 established by the United Nations (“UN”) since the start of our sustainability reporting journey. For this reporting period, we have included Goal 13 Climate Action as part of our corporate obligation as the issue of climate change has become more prevalent among businesses and policymakers. The Group’s efforts that are in line with the SDGs are illustrated below.



- **Good Health and Well-Being**
  - Updated COVID-19 procedures to ensure workers health when returning to project site.
  - Employee engagement activity to promote healthy lifestyle with working from home.

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- **Quality Education**
  - RM50,000 in total investment for employee development programme.
  - Construction Trade Training to elevate trade skill of workers.

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- **Decent Work and Economic Growth**
  - 100% procurement spending on local suppliers.
  - Implementation of a 2-year digital transformation plan.

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- **Sustainable Cities and Communities**
  - Expanded green building initiatives throughout Sunsuria City township.
  - Consideration for public transportation and disabled person access.

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- **Climate Action**
  - Installation of solar panels on Celebration Centre Sales Gallery for renewable electricity generation.
  - Tracking of Scope 1 and Scope 2 operational GHG emissions.

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- **Peace, Justice and Strong Institutions**
  - Corporate risk assessment for corruption conducted.
  - Updated Procurement Policy and Procedure.

**Key Performance Indicators (“KPIs”)**

We have continued to monitor and report on our performance annually since the previous reporting period. In the year under review, we are proud to report that the Group has successfully achieved four of its five ESG targets, with key areas requiring further improvements.

 <p><b>Energy Efficiency</b> To record lower energy intensity at corporate headquarter than FY2019 baseline – <b>113.98 kWh/m<sup>2</sup></b></p>	 <p><b>Customer Satisfaction</b> To achieve a customer satisfaction score of <b>75%</b> for all stages in our development projects</p>	 <p><b>Occupational Health and Safety</b> <b>Zero Lost Time Injury Frequency Rate (“LTIFR”)</b> as per industry benchmark</p>	 <p><b>Supply Chain Management</b> To have at least <b>80%</b> of procurement budget spent on local suppliers</p>	 <p><b>Product and Service Quality</b> To obtain at least <b>80%</b> in QCLASSIC scoring for all completed projects</p>
<p>Achieved <b>58.0 kWh/m<sup>2</sup></b> in Group electricity intensity</p>	<p>Pre-Sales Survey: <b>82.4%</b> Post-Sales Survey: <b>87.33%</b> Post Project Handover: <b>77.46%</b></p>	<p>Achieved <b>zero LTIFR</b> in <b>1.43 million</b> hours worked</p>	<p>Achieved <b>100%</b> procurement budget on local suppliers</p>	<p>Giverny Walk: <b>71%</b> Monet Garden: <b>70%</b> Monet Springtime: <b>80%</b></p>
<p><b>FY2021 Performance</b></p>				

**Awards and Recognition**

As an established player in the property development industry, we strive to continuously improve our business practices and sustainability commitment. In FY2021, our efforts in meeting these commitments are recognised by the ASEAN Property Developer Awards Malaysia 2020/2021 (“APDA”), where our key township ‘Sunsuria City’ was awarded the Best Sustainable Township Development. All entries are evaluated by a panel of expert judges and are scored based on selected criteria such as project concept, design & aesthetics and integration of corporate social responsibility, amongst others.

Sunsuria Berhad is also recognised as an industry leader in The Edge Malaysia Top Property Developer Awards 2021, positioned 14<sup>th</sup> overall in the nation-wide ranking list. The Award evaluates on both qualitative (expertise, innovation, quality etc.) and quantitative (profitability, turnover, shareholder funds etc.) attributes to provide a comprehensive overview of a company’s annual performance. We hope to continue providing innovative and sustainable development for our stakeholders in the coming years.

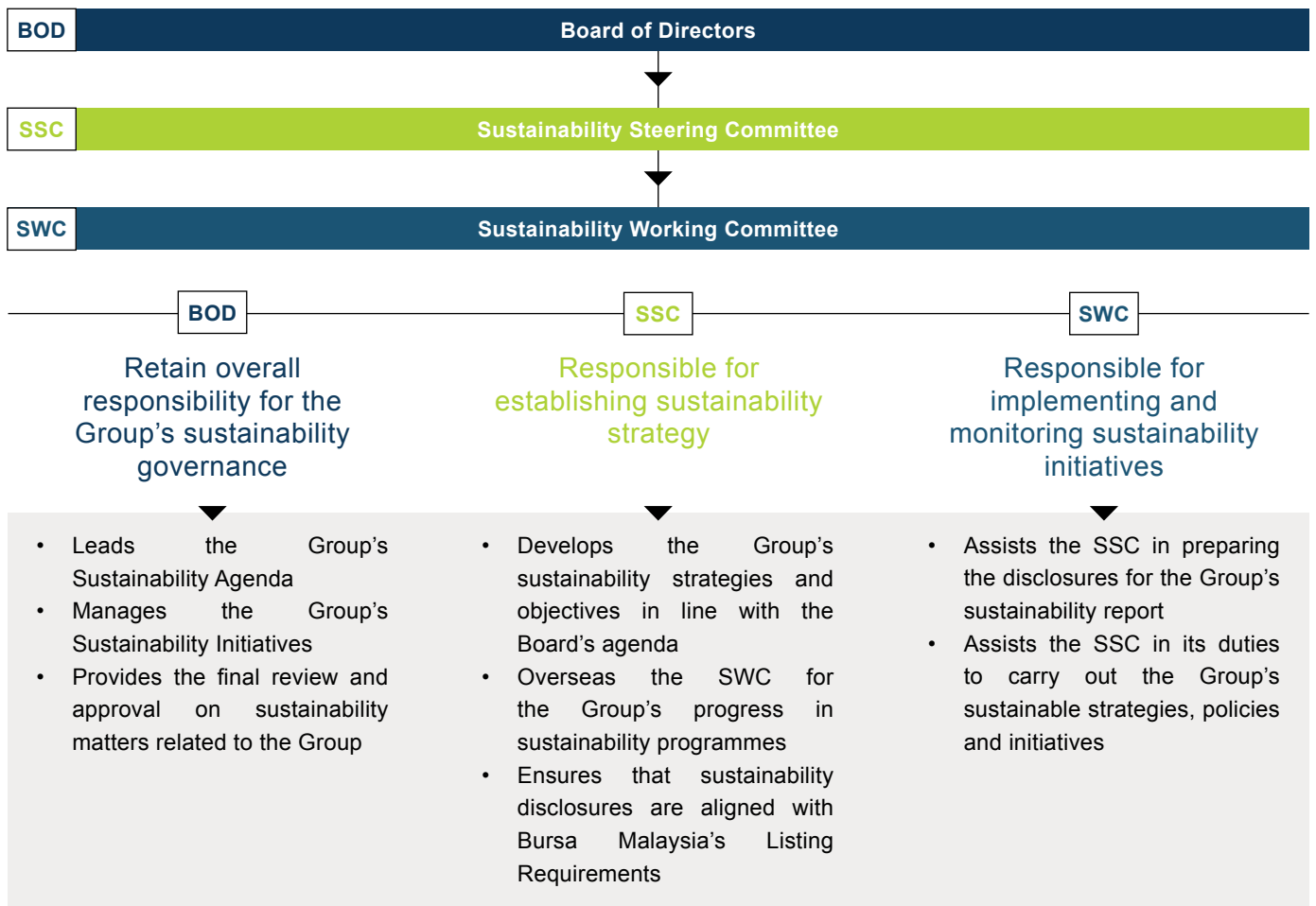


## SUSTAINABILITY GOVERNANCE STRUCTURE

Sustainability integration at the highest level have enabled Sunsuria to remain steadfast in its ESG commitments. Since 2018, our corporate leadership has been critical in delivering the Group's sustainability purpose and performance that add long-term value to Sunsuria.

We have established a dedicated Sustainability Steering Committee ("SSC") to guide Sunsuria in its sustainability strategy. The SSC is led by the Group's Executive Chairman and reports directly to the Board of Directors ("BOD") on Sunsuria's sustainability performance. The SSC is assisted by the Sustainability Working Committee ("SWC") that comprises key department representatives and is in charge of implementing initiatives at the operational level.

Both SSC and SWC convene annually to discuss the progress made in achieving the sustainability goals and KPIs, as well as propose new initiatives to assist in the Group's sustainability integration. The roles and responsibility of all committees are clearly defined in our Terms of Reference to avoid confusion and promote accountability.





## STAKEHOLDER ENGAGEMENT

Using a stakeholder-centric approach to integrate sustainability across our value chain, Sunsuria prioritises meeting stakeholder concerns and expectations arising from our business operations. Our stakeholders include those that have significant influence over our business, and those that our business has a significant impact on.

Stakeholder	Focus Areas	Sunsuria's Response
<b>Customers</b>		
We value our customers as well as strive to deliver quality product and services.	<ul style="list-style-type: none"> <li>• Efficient complaint resolution</li> <li>• Customer-company relations</li> <li>• Safety and security</li> <li>• Personal Data Protection Act ("PDPA") compliance</li> </ul>	<ol style="list-style-type: none"> <li>1. Sunsuria conducts sessions with the customers on their feedback/response whenever it is required.</li> <li>2. Customers are required to fill up a Customer Satisfaction Survey form upon signing the sales and purchase agreement ("SPA").</li> <li>3. We hold community and networking events annually.</li> <li>4. Online enquiries on Sunsuria's corporate website/ Facebook are directed to our Sales staff to reply within 24 hours.</li> <li>5. Customers are required to sign a PDPA consent form upon signing the SPA.</li> </ol>
<b>Employees</b>		
Our employees are the greatest contributor to our success and their well-being enables Sunsuria to cultivate a motivated workforce.	<ul style="list-style-type: none"> <li>• Performance Management</li> <li>• Learning and development</li> <li>• Ethics and integrity</li> <li>• Transparency and communication</li> <li>• Safety and hygienic working conditions</li> </ul>	<ol style="list-style-type: none"> <li>1. Performance Management involves goal setting, cascading and aligning these goals throughout the organisation to drive overall business performance.</li> <li>2. Training and team building programmes are conducted to build staff competencies, capabilities and relationships.</li> <li>3. Employee Engagement Survey is conducted to build a highly engaged workforce, and improve employee satisfaction and motivation.</li> <li>4. The Sunsuria Live Portal was launched to promote effective communication across the organisation.</li> <li>5. Onboarding programme is designed for new employees to assimilate into Sunsuria's culture and business, and support growth of trust and business alignment.</li> <li>6. Town Hall Meetings are conducted to make important announcements to all employees.</li> <li>7. Leverage health and wellness programmes to improve mind, heart and soul of employees.</li> </ol>
<b>Regulatory Bodies</b>		
We partner with regulators to uphold industry standards for building quality, corporate governance as well as health and safety standards.	<ul style="list-style-type: none"> <li>• Regulatory compliance</li> <li>• Labour practices</li> <li>• Environmental management and compliance</li> <li>• Occupational health and safety</li> </ul>	<ol style="list-style-type: none"> <li>1. Local authority conducts regular inspection to ensure Sunsuria complies with local regulatory requirements.</li> <li>2. Regular disclosure through Annual Reports and communication with regulators.</li> <li>3. Support of Home Ownership Campaign.</li> </ol>

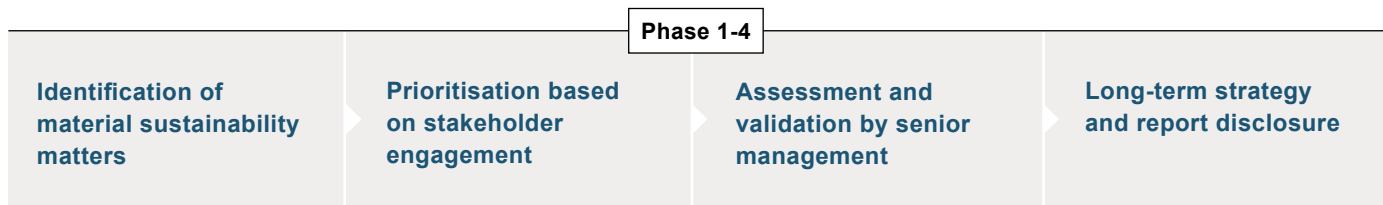
Stakeholder	Focus Areas	Sunsuria's Response
<b>Shareholders &amp; Investors</b>		
Building investors and shareholder trust is important to attract new investors and maintain current ones.	<ul style="list-style-type: none"> <li>Financial performance</li> <li>Business strategy</li> <li>Sustainable and stable income distribution</li> <li>Degree of control and influence</li> </ul>	<ol style="list-style-type: none"> <li>We issue media releases in addition to Bursa Announcements to keep all stakeholders abreast of our financial performance and corporate development.</li> <li>We issue notification cards to shareholders of the company informing them of the availability of the Annual Report instead of distributing printed copies.</li> <li>All media releases and Bursa Announcements are uploaded on to the Company's website.</li> </ol>
<b>Fund Providers</b>		
We work closely with fund providers to sustain capital flow in the long run.	<ul style="list-style-type: none"> <li>Company performance and cash flow</li> <li>Project launches</li> <li>Project Sales</li> </ul>	<ol style="list-style-type: none"> <li>Release of quarterly results and annual report to disclose the financial status of the Group.</li> <li>Periodic dialogue and discussions with fund providers to discuss the status of projects when necessary.</li> </ol>
<b>Service Providers</b>		
We collaborate with supply chain partners to ensure their operations are in line with our standards and expectations.	<ul style="list-style-type: none"> <li>Transparent procurement practices</li> <li>Payment schedules</li> <li>Pricing of services</li> <li>Sustainable building methods</li> <li>Health, Safety and Environment ("HSE") compliance</li> <li>Project completion and timely delivery</li> <li>Product quality</li> <li>Agents' performance and compliance management</li> <li>Non-disclosure agreement</li> <li>Service quality management</li> </ul>	<ol style="list-style-type: none"> <li>Regular sessions between senior management and service providers to identify areas of concern for improvements.</li> <li>Tenders are conducted in compliance with Limits of Authority ("LoA") and Standard Operating Procedures and Policies ("SOPP") requirements.</li> <li>Independent monitoring and verification of product quality and site safety by QESH team.</li> <li>All completed projects are QCLASSIC certified by CIDB.</li> <li>All service providers and suppliers for Sunsuria are required to declare and comply with Anti-Bribery and Corruption ("ABAC") Policies via the Declaration Form.</li> <li>Internal and external audits are conducted annually as per ISO 9001:2015 standards for Quality Management System ("QMS").</li> <li>All contracts above RM200,000 requires Tender &amp; Procurement Committee ("TPC") approval.</li> <li>The company also practises transaction clearance by legal, finance, and company secretary.</li> </ol>
<b>Local Communities</b>		
We endeavour to create sustainable living spaces that promote tenant wellbeing and community development.	<ul style="list-style-type: none"> <li>Impact of business operations</li> <li>Transparency and accountability</li> <li>Environmental impact</li> <li>Placemaking activities</li> </ul>	<ol style="list-style-type: none"> <li>Communities residing around Sunsuria township benefit from our facilities.</li> <li>Quarterly financial results and annual financial reports are publicly available on Bursa Malaysia and the corporate website.</li> <li>All data regarding sustainability are compiled annually in a sustainability statement within the annual report.</li> <li>Community surveys are held to identify customer preference for future development.</li> <li>Periodic community engagement activities and CSR initiatives (in compliance with COVID-19 SOPs).</li> </ol>
<b>Media</b>		
Engaging mainstream media helps raise awareness on our green agenda and sustainability drive.	<ul style="list-style-type: none"> <li>Financial performance</li> <li>New product launch</li> <li>Major event</li> <li>Crisis management</li> </ul>	<ol style="list-style-type: none"> <li>We released our quarterly results to the media upon announcement to Bursa Malaysia.</li> <li>The EdgeProp has conducted exclusive media interviews with Sunsuria on 26 April 2021.</li> </ol>

**MATERIALITY ASSESSMENT PROCESS**

**Identification of Material Matters**

To address the changes in stakeholder expectations and manage emerging challenges, we have conducted a materiality assessment to re-evaluate the prioritisation of our material sustainability matters that were identified in FY2019.

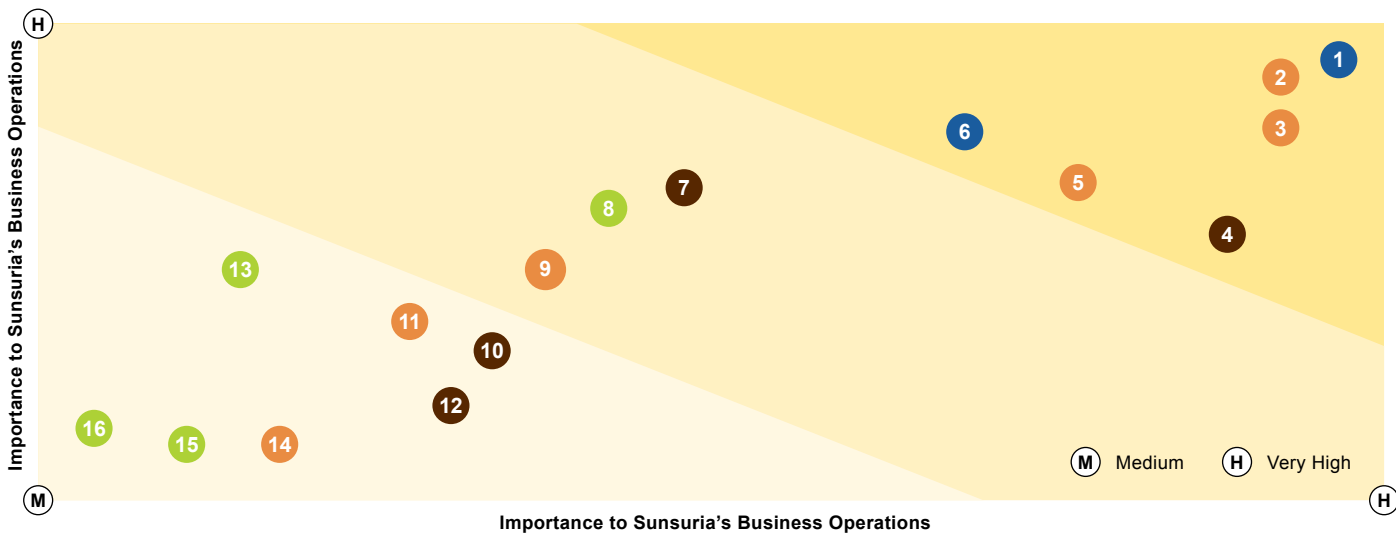
To review the Group’s sustainability strategy, we engaged an external consultant to review our material sustainability matters for FY2021. Online surveys were also distributed to key stakeholder groups (both internal and external) to gain insights on how our prioritisation has changed throughout the reporting period. The material matters and matrix were validated by Sunsuria’s senior management.



For this reporting period, ‘Environmental Regulatory Compliance’ and ‘Food Safety’ were removed as part of our efforts to consolidate our current list of material matters. ‘Energy Efficiency’ has been renamed ‘Climate Change and Energy Efficiency’ to capture the inclusion of GHG emission disclosures.

**Materiality Matrix**

The matrix reflects no significant changes in the ranking of top six material sustainability matters from the previous assessment. Good corporate governance and delivery of quality products and services remains a top priority for the Group. Due to the impact of the pandemic on people’s wellbeing and the economy, ‘Occupational Health & Safety’ and ‘Financial Performance’ continue to rank very high in the materiality assessment. The ranking of ‘Climate Change and Energy Efficiency’ saw significant increase in importance, underscoring the efforts Sunsuria has initiated to address the matter.



Economic	Environmental	Social	Governance
4. Financial Performance	8. Climate Change & Energy Efficiency	2. Customer Satisfaction	1. Governance & Ethics
7. Market Presence	13. Green Building initiatives	3. Product & Service Quality	6. Risk Management
10. Business Digitisation	15. Effluent & Waste Management	5. Occupational Health & Safety	
12. Supply Chain Management	16. Water Conservation	9. Capacity Building	
		11. Diversity & inclusiveness	
		14. Community Engagement	



Mapping our Material Matters



Sunsuria Material Matters	Boundary and Impact	GRI Standard Disclosure
<b>Governance &amp; Ethics</b>	Shareholders & Investors Fund Providers Service Providers	<ul style="list-style-type: none"> <li>Anti-Corruption</li> </ul>
<b>Risk Management</b>	Shareholders & Investors Fund Providers Service Providers Regulatory Bodies	<ul style="list-style-type: none"> <li>Environmental Compliance</li> <li>Socioeconomic Compliance</li> </ul>
<b>Supply Chain Management</b>	Service Providers	<ul style="list-style-type: none"> <li>Procurement Practices</li> </ul>
<b>Financial Performance</b>	Shareholders & Investors Customers Media	<ul style="list-style-type: none"> <li>Economic Performance</li> </ul>
<b>Market Presence</b>	Customers Shareholders & Investors Employees Media	<ul style="list-style-type: none"> <li>Market Presence</li> </ul>
<b>Business Digitisation</b>	Customers Employees	-
<b>Diversity &amp; Inclusiveness</b>	Employees	<ul style="list-style-type: none"> <li>Employment</li> <li>Diversity and Equal Opportunity</li> </ul>
<b>Climate Change &amp; Energy Efficiency</b>	Customers Regulatory Bodies	<ul style="list-style-type: none"> <li>Energy</li> <li>Emissions</li> </ul>
<b>Green Building Initiatives</b>	Customers Service Providers Regulatory Bodies	-
<b>Effluent &amp; Waste Management</b>	Regulatory Bodies	<ul style="list-style-type: none"> <li>Water and Effluent</li> <li>Waste</li> </ul>
<b>Water Conservation</b>	Customers	<ul style="list-style-type: none"> <li>Water and Effluent</li> </ul>
<b>Customer Satisfaction</b>	Customers Service Providers	-
<b>Product &amp; Service Quality</b>	Customers Service Providers	<ul style="list-style-type: none"> <li>Customer Health and Safety</li> </ul>
<b>Occupational Health &amp; Safety</b>	Employees	<ul style="list-style-type: none"> <li>Occupational Health and Safety</li> </ul>
<b>Capacity Building</b>	Employees	<ul style="list-style-type: none"> <li>Training and Education</li> </ul>
<b>Community Engagement</b>	Local Communities	<ul style="list-style-type: none"> <li>Local Communities</li> </ul>

# ROBUST GOVERNANCE FRAMEWORK



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## SUSTAINABILITY STARTS FROM THE TOP

Sunsuria has been in property development for over three decades. We are currently involved in over 24 projects, ranging from homes and shopping malls to retail offices. By prioritising ethical business practices, our top management seeks to set an example within the property development industry.

## GOVERNANCE

**The Board and Senior Management are committed to robust ethical practices, which are crucial for the long-term success and prosperity of the Group. Our corporate policies have built a strong foundation for corporate governance, earning the trust of our shareholders to create sustainable value.**

### Governance & Ethics

To demonstrate our commitment towards excellence in corporate governance, the Group has maintained ethical policies that provide guiding principles on employee conduct when acting on behalf of Sunsuria. Our policies have been reviewed and approved by the Board of Directors and/or relevant Senior Management. To enhance corporate transparency, the corporate policies are publicly available on the Group's corporate website and the staff intranet. Any updates or amendments to the policies will be communicated to our employees via the Group's live portal platforms.

Our employees and stakeholders can seek additional advice or raise concerns about potential misconduct through the dedicated whistleblowing channel. Areas of concern include violation of business ethics, serious breach of Sunsuria policies, conflict of interest, corruption or fraud. The avenues for whistleblowing are published through the Whistleblowing Policy and is under the purview of the Audit Committee. Procedures have been established to ensure a fair and unbiased investigation, with protection of whistle-blowers from reprisal as well as keeping their identities confidential unless required by law. As of FY2021,

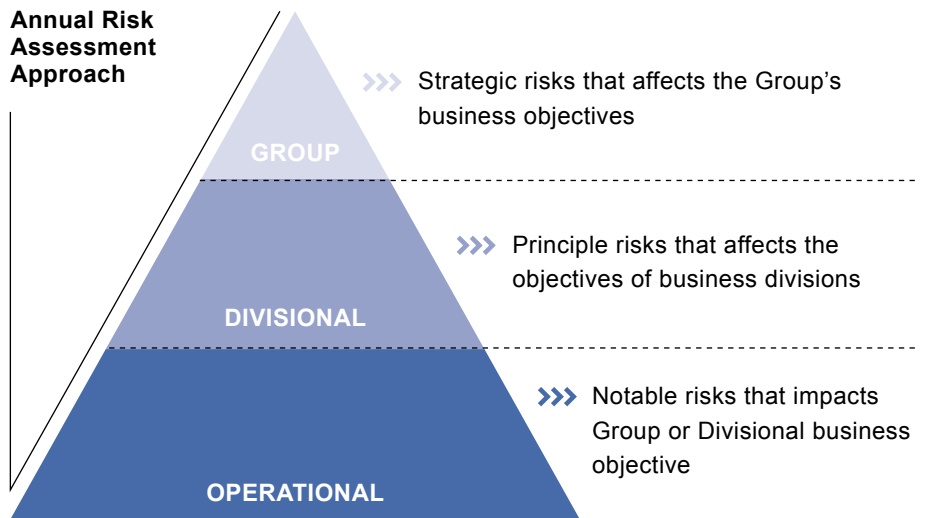
there were 14 incidents of malpractice reported across Sunsuria's business operation. Each incident has been investigated, with appropriate actions taken to resolve the issue.

All new hires are required to attend an onboarding session to learn about the Group's corporate policies and complete a declaration form to acknowledge that they are aware of and will comply to Sunsuria's corporate policies. To increase awareness about potential workplace corruption, all eligible employees were mandated to attend a session on Corporate Liabilities under Section 17A of the MACC Act. We also engaged with external consultants to conduct a corruption risk assessment in FY2021. A total of 10 corruption risks were identified by management all of which were rated as low after taking into consideration current internal controls and mitigation measures.

### Risk Management

For the year under review, we adopted a three-tier Risk Assessment ("RA") Framework that is aligned with ISO 31000:2009 Risk Management Principles and Guidelines to identify and allocate resources to deal with potential risks, depending on its significance.

#### Annual Risk Assessment Approach





The Board maintains oversight of the RA Framework through the Risk Management Committee (“RMC”), who reviews the framework periodically to make updates or amendments.

Continual risk assessment is critical for us to stay competitive in the market as well as mitigate any sudden shock to our value chain. We conducted a Group-level and Divisional-level risk assessment in FY2021, with the following risks identified:



Further information on corresponding mitigation measures will be disclosed under the Statement on Risk Management & Internal Control.

The Legal Department recorded zero non-compliance incidents relating to environmental or social regulations across all business divisions. We adhere to regulations that safeguard the integrity of the environment and support the rights of our employees. The Malaysian Labour Laws are aligned with the International Labour Organisation (“ILO”) framework and prohibits any child or forced labour practices within our operations.

#### Environment Regulations

- Environmental Quality Act 1974
- Industrial Effluent Regulation 2009
- Sewage Regulations 2009
- Clean Air Regulations 2014
- Scheduled Waste Regulations 2005
- Environmental Impact Assessment Order (Prescribed Activities) 2015

#### Social Regulations

- Employment Act 1955
- Minimum Wage Act
- Children and Young Persons Act
- Occupational Safety and Health Act
- Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990
- Minimum Retirement Age Act

# SUSTAINABLE VALUE CREATION



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## BUILDING BUSINESS OPPORTUNITIES

Sunsuria is committed to conducting business beyond ensuring profitability. We support the local economy by providing opportunities to the local population and elevating their living standards.

## ECONOMIC

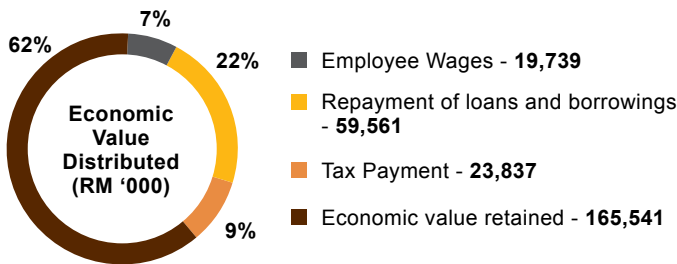
As the country recovers from the impact of COVID-19, Sunsuria strives to maintain its competitiveness by adopting new strategies and procedures. The Group also aims to stimulate the national economy by engaging with domestic suppliers and supporting the local community.

### Financial Performance



To adapt to the challenges posed by COVID-19, the Executive Committee has regular meetings and strategic brainstorming sessions to discuss critical matters such as overall Group strategy and potential new ventures.

In FY2021, Sunsuria Group successfully generated RM268.7 million in revenue, with the economic value generated as follows:



Further details on our financial performance can be found on page 98 of this annual report.



### Market Presence

As an established local company with diverse revenue stream, establishing a strong market presence is crucial for to differentiate Sunsuria from our competitors as a sustainable company. 100% of our Senior Management is Malaysian, enabling Sunsuria to support the local economy and provide job opportunities to local talent. By employing local staff, their community ties offer the Group a wealth of cultural knowledge and help boost brand reputation.

### Business Digitisation



As COVID-19 continues to accelerate digitisation, our Executive Committee has endorsed a 2-year digital transformation plan aimed at automating key business operations. Time-specific action plans were implemented to measure the progression of projects. A special committee comprising key users has also been established, with bi-weekly meetings to discuss the monitoring efforts and address any issues identified.

In addition to those disclosed in the previous reporting period, the following initiatives were implemented as part of the digital transformation plan, amounting to approximately RM122,000 in investments:

- Electronic quality assessment system (e-RFWI, e-PDI and e-Defect) to evaluate the quality of projects digitally
- Online and Offline Payment & Ordering services provision for Food and Beverage division
- Online Payment services provision ready for Sunsuria Community App (“Moments App”) to allow online payment for maintenance fee by House Owners
- Business Intelligence Analytics Implemented for Sales, Customer Experience and Project Teams to enable quick and right decisions are made.
- Implemented new version of Mobile Customer Relations Management (“Nexplatform”) for Salesperson

Our digitisation efforts have an added benefit of reducing the amount of paper used in our office printers. A majority of our daily office tasks such as issuing memos and recording minutes of meetings are now conducted electronically through company devices. In FY2021, our total printer usage fell by 28% from 614,056 pages to 441,131 pages, most notably in grayscale printing for hard copy documentation.

### Supply Chain Management

We hold our supply chain partners to the same standards as ourselves. Our Procurement Policy and Procedure have been updated this reporting period, where all supplier and vendor information must be registered in a comprehensive list of active suppliers. Suppliers are required to provide information on whether or not they have an Anti-Bribery and Corruption Policy, relevant declaration form and business credentials. The list will be reviewed and updated periodically, with those blacklisted marked and suspended in the system.

Only contractors and suppliers who pass our pre-qualification assessment will be awarded the contracts, with periodic assessment conducted to ensure they maintain their performance. Our assessment criteria are designed to better understand supplier performance including their current financial status, ISO certification as well as company credentials. We keep a record of all suppliers that meet our expectations for future engagement. 100% of supplier contracts were awarded to local businesses in this reporting period.



# ENVIRONMENTAL STEWARDSHIP



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## LARGE DEVELOPMENT WITH SMALL FOOTPRINT

Sunsuria endeavours to continuously reduce its environmental footprint without compromising on product quality and customer expectations.

## ENVIRONMENTAL

Sunsuria's commitment to sustainable development has seen the Group striving to minimise its environmental impacts by improving efficiency and reducing unwanted by-products within business operations.

### Climate Change & Energy Efficiency

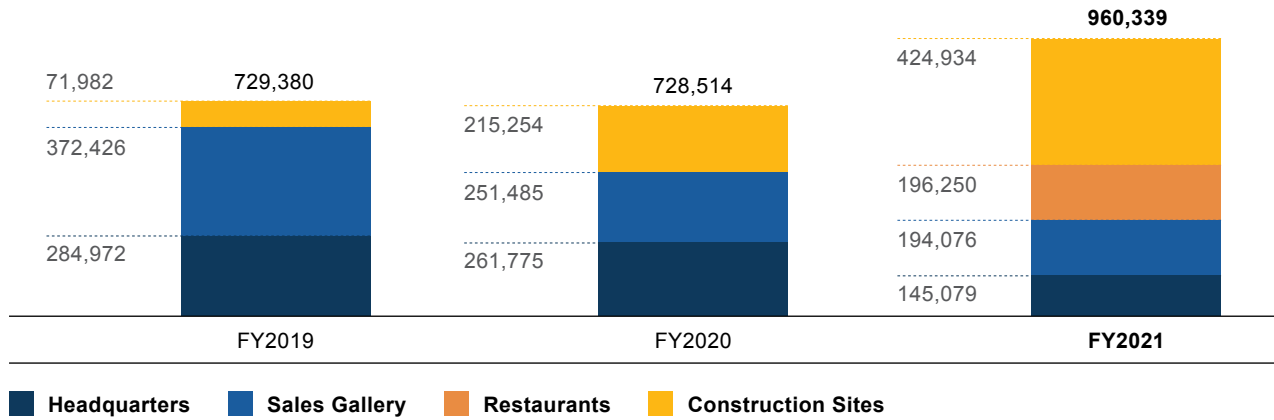
We have focused our efforts in combating climate change by improving the efficiency of Sunsuria operations and by sourcing renewable energy. The Group has maintained the corporate policy of promoting electricity saving practices at the office workplace where all electrical appliances are to be switched off when not in use. Our renewable energy initiative includes installing solar panels on the rooftop of the Celebration Centre at Sunsuria City.

We have expanded our data collection to include divisions with high energy consumption within Sunsuria, which will help identify and rectify any abnormality in terms of energy consumption. In FY2021, the scope of electricity consumption encompassed all business divisions, except for Landscape & Nursery division. The Group's total electricity consumption exhibited a 31.8% increase, in particular due to the inclusion of Tangerine Suite being a high rise project as well as increase in site activities at Forum 2.

Facilities	FY2019	FY2020	FY2021
Headquarters	284,972	261,775	145,079
Sales Gallery:			
• Celebration Centre	372,426	216,897	140,561
• Sunsuria Forum	-	34,588	28,409
• Sunsuria Berhad	-	-	25,106
Construction Sites:			
• Monet Springtime	71,982	138,223	13,894
• Monet Garden	(Breakdown	-	2,280
• Sunsuria PPU	by sites not	-	1,980
• Tangerine Suite	recorded)	-	152,010
• Giverny Walk		11,842	3,986
• Forum 2		27,280	250,784
• Bell Suites		37,909	-
Restaurants:			
• Artelier Café	-	-	13,644
• Ming Yang	-	-	65,641
• Forum Artisan	-	-	21,104
• Bell Artisan	-	-	78,544
• Restu Resipe	-	-	17,317
<b>Total (kWh)</b>	<b>729,380</b>	<b>728,514</b>	<b>960,339</b>

## ENVIRONMENTAL

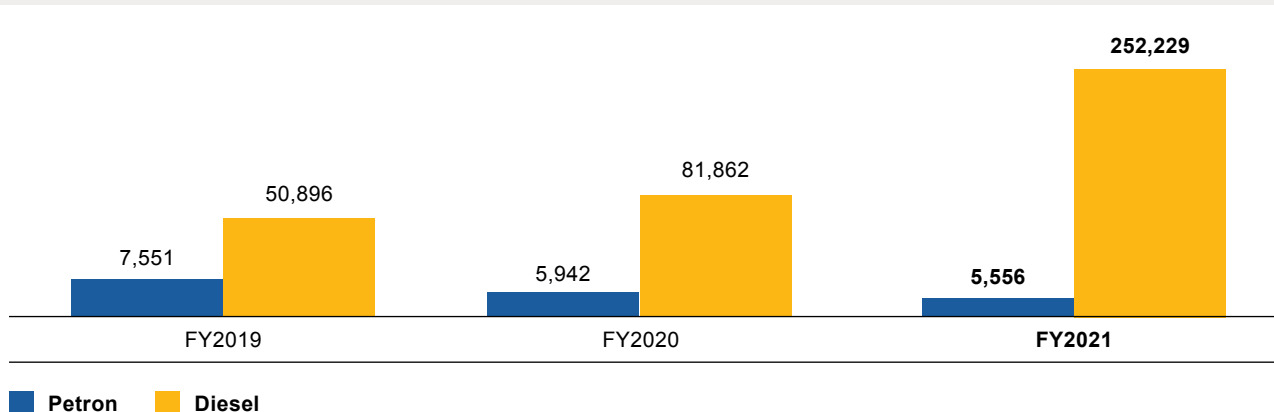
## Electricity Consumption (kWh)

Electricity Intensity (kWh/m<sup>2</sup>)

Aggregate data from all business divisions except Landscape & Nursery.  
Electricity intensity is obtained by dividing total energy consumption against total floor space of facilities.

The fuel consumption from the construction and landscape & nursery division were also recorded to evaluate the Group's overall energy consumption. Diesel is used to power generators at the construction site, while both petrol and diesel are used for transportation. In FY2021, the total petrol consumption experienced a minor reduction, while diesel saw a significant increase due to the increase in construction activities.

## Total Fuel Consumption (litre)



Aggregate data from Construction and Landscape & Nursery division

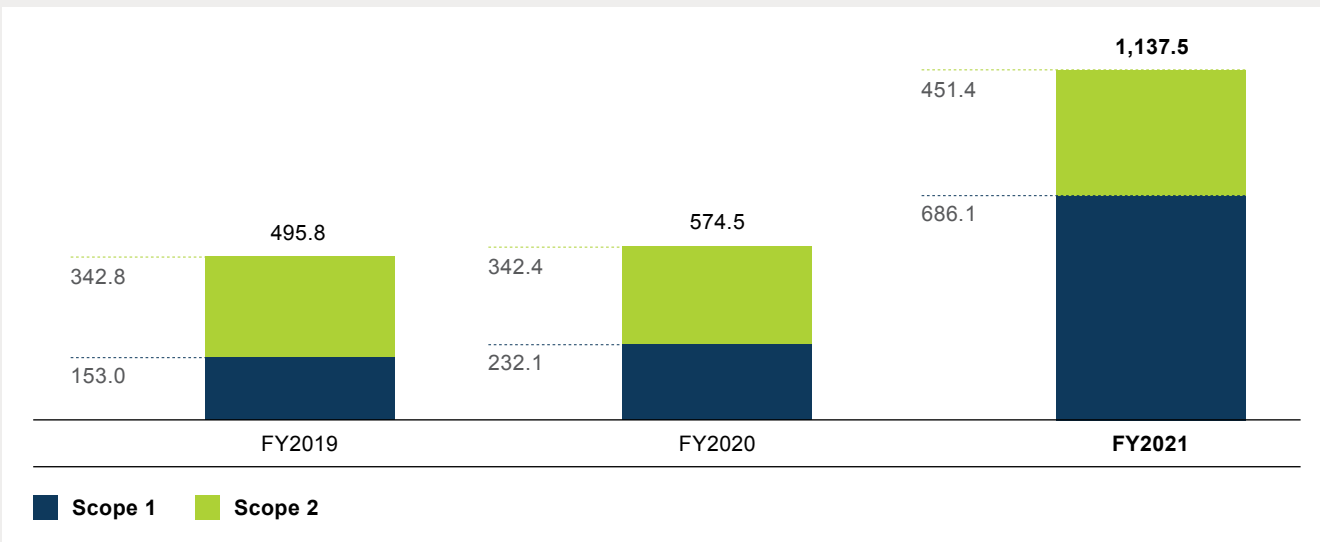


Recognising the impact of climate change on property development, we will continue to explore new opportunities to implement climate change mitigation measures. We expanded the solar panel initiative at the Celebration Centre Sales Gallery as it is the Group’s key climate initiative. Our renewable electricity generation increased by 46% in FY2021, from 123,476kWh to 180,486kWh.



Due to COVID-19, we have implemented work-from-home arrangements for our employees to minimise risk of workplace infection. This has led to significant reduction in the electricity consumption and overall carbon footprint of our corporate offices. Despite our best efforts, the Group’s total Greenhouse Gas (“GHG”) emissions (Scope 1-Direct and Scope 2-Electricity Indirect) saw a major rise in FY2021 due to the increase in electricity and diesel consumption from our construction sites.

**Total GHG Emissions (ton CO2e)**

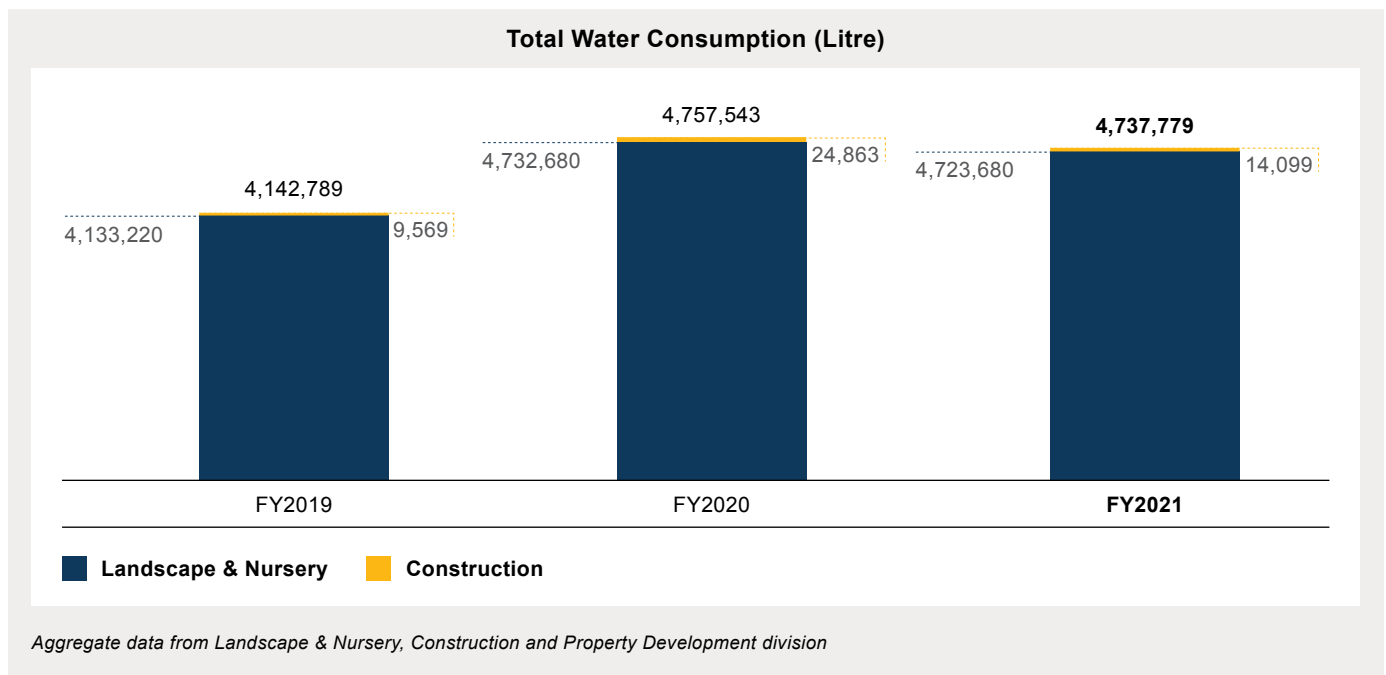


Aggregate data from all business divisions  
 Electricity emissions factor was obtained from UNFCCC Harmonized grid emissions factor 2019  
 Diesel and fuel emissions factor was obtained from MYCARBON GHG Reporting Guidelines 2014

## ENVIRONMENTAL

### Water Conservation

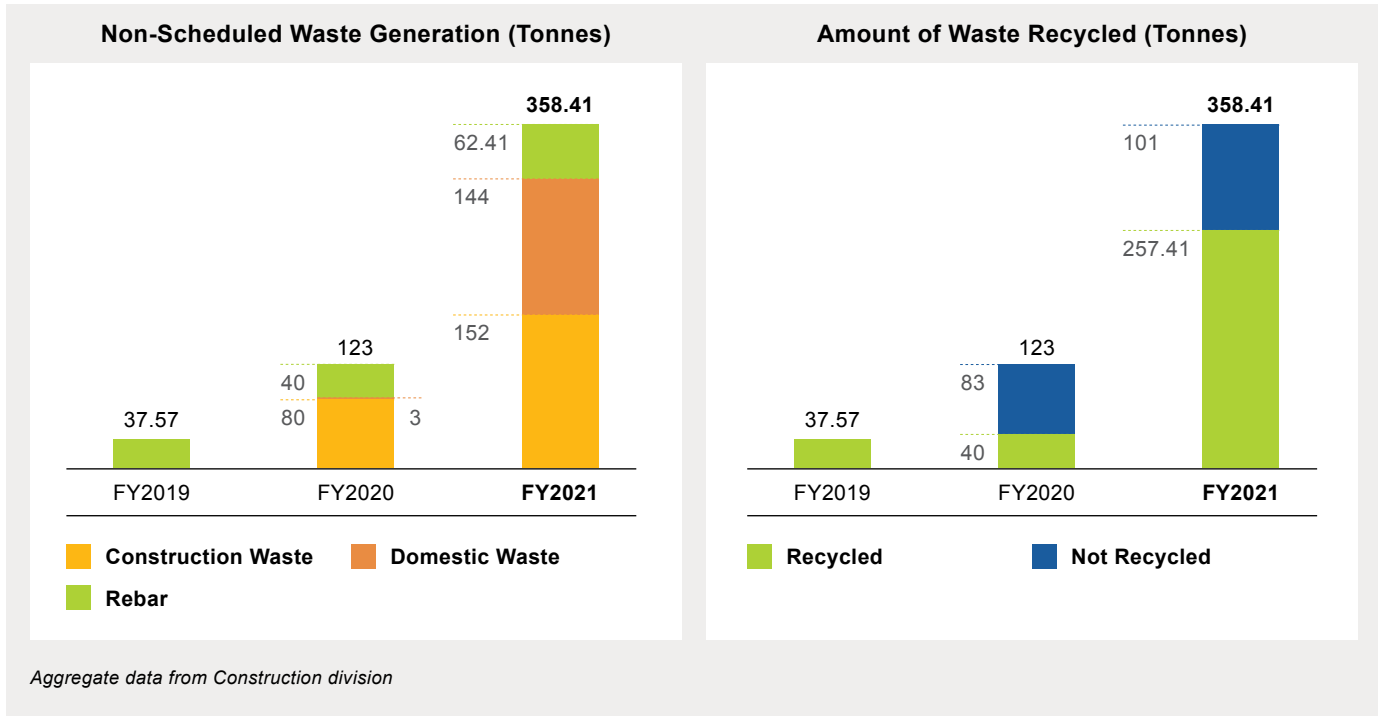
Water scarcity is not an issue for Sunsuria as Malaysia is blessed with heavy perennial rainfall. Nevertheless, we are careful not to consume water wastefully to reduce our natural resource use. Across the Group, water saving measures such as auto sensors in washrooms have been installed. As our landscape & nursery division consumes the most amount of water within Sunsuria, measures are in place to utilise water from alternative sources and reduce dependency on piped water for landscaping. Landscape activities in Giverny Park use water from the nearby lakes. Rainwater is also stored for landscape watering around Sunsuria City. We recorded no significant difference in total water consumption in FY2021 compared to FY2020.



### Effluent & Waste Management

Proper waste management is paramount for Sunsuria as we strive for minimal environmental impacts arising from our operations. We are constantly looking for options to recycle construction waste and divert it from the landfill. Scrap metal bars and concrete waste are recycled to make precast slabs for future construction use, which in turn reduces the total amount of waste generated.

The Quality, Environment, Safety & Health (“QESH”) Department maintains a template to record the amount of waste generated from our construction sites. Each respective contractor provides waste data on a monthly basis, which is reviewed and verified by QESH personnel. The waste generated is then either sent for recycling or sent to authorised third-party collector for proper disposal.



The recorded amount of waste generated saw a significant increase, especially in domestic waste between FY2020 and FY2021. This is due to an increase in construction operations on sites as well as improved sustainability disclosure for our waste data.

We have maintained our effluent monitoring in all active construction sites to ensure the water discharged does not have any adverse impact on the environment. In addition to Monet Springtime and Monet Garden, the efforts were expanded to Tangerine Suites where a total of 16 Total Suspended Solids test were conducted in FY2021. All results indicate that we have not exceeded the prescribed limits mandated by environmental regulations. No incidents of non-compliance related to waste or effluent were recorded by the Group in FY2021.

**Green Building Initiatives**

We believe that property developers can make the greatest impact by implementing green features that facilitate the sustainable development agenda. Throughout Sunsuria’s principal township ‘Sunsuria City’, there are numerous bicycle paths and pedestrian walkways for the residents. The pathways incorporate landscape features to minimise vehicular use within the township. The walkways are installed with sufficient lighting and closed-circuit television (“CCTV”) to provide safety assurance for the residents.

We also established a connectivity link between Salak Tinggi Express Rail Link (“ERL”) Station and Xiamen University Malaysia to promote the use of public transport. Sunsuria City’s detention ponds have been upgraded and integrated with Giverny Park to act as both a flood management tool and a recreational facility.

The Group’s green building initiatives expands beyond the township and into our design philosophy. The initiatives are wide-ranging and encompasses:

- Electricity Use**  
We plan for North-South building orientation whenever possible to provide the optimal thermal and visual comfort, which limits the use of air conditioning and lighting.
- Accessibility for the Disabled**  
Gentle slopes and designated special parking bays provide convenient access for the disabled. Accessible toilets have also been installed in public spaces for people with physical disabilities.
- Water Use**  
Rainwater harvesting tanks with gravity feed system are installed for high-rise developments for landscaping purposes. This eliminates the need for water pump and saves on electricity and pipe water use.



# ELEVATING STANDARDS OF SERVICES



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## KEEPING OUR CUSTOMERS SATISFIED

Serving the needs of our customer is our highest priority and maintaining the highest level of professional service is a must for business divisions within the Group.

**SOCIAL**

We are a progressive and forward-looking organisation, and we recognise the importance of employee well-being, customer satisfaction and supporting the local community. Our sincere efforts to meet the needs and expectations of stakeholders helps to develop a positive work culture and maintain our social license to operate within the community.

**Customer Satisfaction**

Customer satisfaction remains a high priority as the Group strives to meet customer needs and demands. Throughout a project development, we engage our customers to collect valuable feedback and help guide our decision-making process.

In FY2021, we engaged our customers prior to Vacant Possession (“VP”) as a proactive measure to stay connected with the new homeowners and provide information on the handover process. Owners are encouraged to download the ‘Moments App’ to ensure a seamless transition process. Due to the restrictions imposed by COVID-19 standard operating procedures, the restaurants under the Food & Beverage

division did not allow dine-in customers. Hence, we were unable to obtain reliable customer feedback for this reporting period.

The property development division garners customer feedback using a well-structured mechanism across three stages: Pre-Sales Survey, Post-Sales Survey and Post Project Handover. We did not initiate any project handovers in FY2021, which resulted in a lack of post-sales survey data. Hence, the results presented are assessed in consideration of pre-sales surveys (Monet Springtime, Monet Garden, Tangerine Suite, Giverny Walk, Forum Soho and Bell Suite) and post project handover (Bell Suite). Despite the slight dip in overall performance, we managed to achieve the Group’s KPI of at least 75% in customer satisfaction score for all stages of project development.



## SOCIAL

### Product & Service Quality

We place great emphasis on the quality of our product and service to meet customer expectations. In FY2021, our initiatives for quality assurance were focused on two key areas: continuous improvement of worker and contractor skills through training as well as simplification of quality assessment and decision-making process through digitisation.

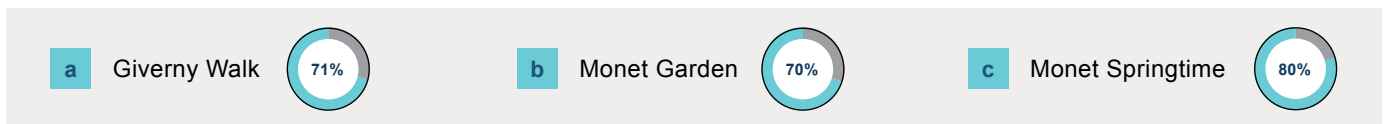
With guidance from the Quality, Environment, Safety and Health (“QESH”) team, contractors are briefed on the expected quality and safety standards prior to commencement

of construction through a Contractor QESH Briefing (“CQB”). The Group also conducts Construction Trade Training (“CTT”) for workers to instil specific work trade skills such as concreting or brick works. To verify the workmanship skills of our sub-contractors, Mock-Up Trade Inspections are organised where mock-up samples of projects are scrutinised prior to any major construction activity.

With improvements in technological hardware and software, we have initiated the digitisation of numerous assessments and feedback processes to improve effectiveness. Such improvements include:



The Group maintains adherence to the Quality Assessment System in Construction (“QLASSIC”) standards for the delivery of quality products to customers. We held internal pre-QLASSIC assessments to monitor project readiness prior to the actual assessment by Construction Industry Development Board (“CIDB”). The pre-assessment enables our main contractor to initiate prompt actions for rectification. A QLASSIC awareness course was made mandatory for all contractors and relevant Sunsuria staff to improve their knowledge and competency on QLASSIC standards. In FY2021, three of our projects underwent QLASSIC assessment with the following scoring:



The Group has equally scrutinised the quality of our food and beverage division using internal procedures. We ensure all meals delivered to customers are fresh especially our ingredients. We also have a very systematic approach towards identification, evaluation and control of food safety, with a basic food handling course provided by the Human Resource Department that is Hazard Analysis Critical Control Point (“HACCP”) certified. The Group recorded zero incidents of non-compliance relating to food safety for this reporting period.

### Occupational Health & Safety (“OHS”)

Construction work can be hazardous and it is paramount that we incorporate a health and safety culture among our workers. Our construction subsidiary Sunsuria Asas is ISO 45001 certified to provide assurance for all OHS practices on our construction sites. The Group’s OHS Policy outlines our commitment to identify workplace hazards and prevent serious injuries through continuous improvements. The policy is reviewed annually and is communicated to workers through safety induction and meetings.

We maintain an effective OHS management system to investigate and document any risk or incident with the potential to cause significant or fatal injuries. A Hazard Identification, Risk Assessment and Risk Control (“HIRARC”) is conducted for all relevant work activities, with recommended action plans tailored to project requirements.



Our policy and management system are guided by the Occupational, Health, Safety and Environment (“OHSE”) Committee, where workers and employee representatives can raise concerns with management through monthly meetings. The Group also requires all construction workers to take regular health and safety (“H&S”) training. Weekly toolbox meetings and biweekly safety meetings are held to brief workers about H&S issues as well as propose mitigation measures for the issue. These training programmes include fire drills, safety harness, scaffolding and electrical wire hazards.

Our focus on workplace safety has enabled Sunsuria to maintain zero incidents of lost-time injury in 1.43 million hours worked in this reporting period, resulting in zero lost time injury frequency rate (“LTIFR”).



### COVID-19 Initiatives

COVID-19 remains a critical issue for our business as the country implemented ‘living with COVID’ measures. To ensure a safe return to workplace transition, updated COVID-19 SOPs and tests have been provided for all site workers with fortnightly review to ensure compliance and negative test results. In case a worker tests positive for COVID-19, there is a dedicated quarantine room for emergency use while awaiting further action to prevent the spread of the virus. We also require all site workers and employees to be fully vaccinated before they return to the site or office premises. Flexible working arrangements for office employees with only essential personnel required to return to office premise. Even then, management has limited the number of working hours at the office to half-day, with the remainder carried out by working-from-home.

We remain vigilant in ensuring that COVID-19 testing remains a top priority despite it being business-as-usual. Rapid self-test kits have been provided to all staff and weekly testing made mandatory, with the results recorded and updated. These tests are a part of the risk-reduction measures, along with vaccination, mask wearing and physical distancing, championed by Sunsuria to protect its employees.

The company went a step further in providing the staff with antibody tests so as to determine levels of Covid-antibodies in the blood. Although antibody tests are not recommended for the diagnosis of current infections or actual immunity, these tests contribute towards gauging overall population-level protection against the virus.

### Sharing Resources and Information to Educate the Workforce

Sunsuria holds the firm belief that it is vital for anyone seeking vaccination or any other health intervention, to be exposed to as much knowledge as possible. Our direct channel of communication with the staff, allows us to cut through the noise and provide proven facts and information, while reducing the spread of misinformation.



Sunsuria's Sports & Recreational Club (SRC) has collaborated with our healthcare unit - BRS Medicare Venture Sdn Bhd to organise an interactive COVID-19-related informative webinar, with the aim of bringing in medical experts to educate our employees on the safety, efficacy and potential side effects of available vaccines, whilst providing a platform for open dialogue and acknowledging employee concerns.

## SOCIAL

### *Impact on The Broader Community*

Employers arguably have an extra responsibility to act as role models and to lead by example when it comes to supporting vaccination within our networks, communities, and industries. As a network catalyst, Sunsuria is making vaccination as convenient as possible to aid COVID-19-vaccine adoption, by simplifying the process itself and increasing the proximity of vaccination sites. As the eligibility criteria expands, Sunsuria has partnered with the Associated Chinese Chambers of Commerce and Industry of Malaysia (ACCCIM) and KL Gateway Mall to help organise and secure vaccination appointments for 1,770 stakeholders, including internal staff, family members, contractors, sub-contractors, customers and even foreign workers. This initiative has been effective in helping to accelerate the vaccine rollout and to broaden COVID-19 workforce-protection.

Apart from that, Sunsuria has chosen to cover its employees' direct vaccination costs and has been proactive in creating structural support by granting a one-day medical leave for those afflicted with vaccination side effects.



### **Go The Extra Mile - COVID-19 Control & Prevention Measures**

Since the start of the COVID-19 outbreak, Sunsuria has put in place various precautionary measures to safeguard the health and well-being of our employees against the COVID-19 virus; for example, immunity-strengthening health supplements such as Vitamin C, D and Zinc effervescent tablets have been distributed to our employees.



Sunsuria has also worked closely with Sunsuria Healthcare team to offer mandatory biweekly COVID-19 RTK Antigen testing to all employees, with accurate results made available within the same day of testing. Those who tested negative were then cleared to work, while infected employees were required to perform the PCR swab test and be isolated for further treatment (as advised by medical practitioners). This process allowed for swift measures to curb the spread of the virus.

To further reduce the exposure of the workforce to the COVID-19 virus while ensuring minimal disruption to business activities, Sunsuria has also gone the extra mile in providing COVID-19 self-test kits to staff and making weekly self-testing compulsory among all employees before entering the premises.

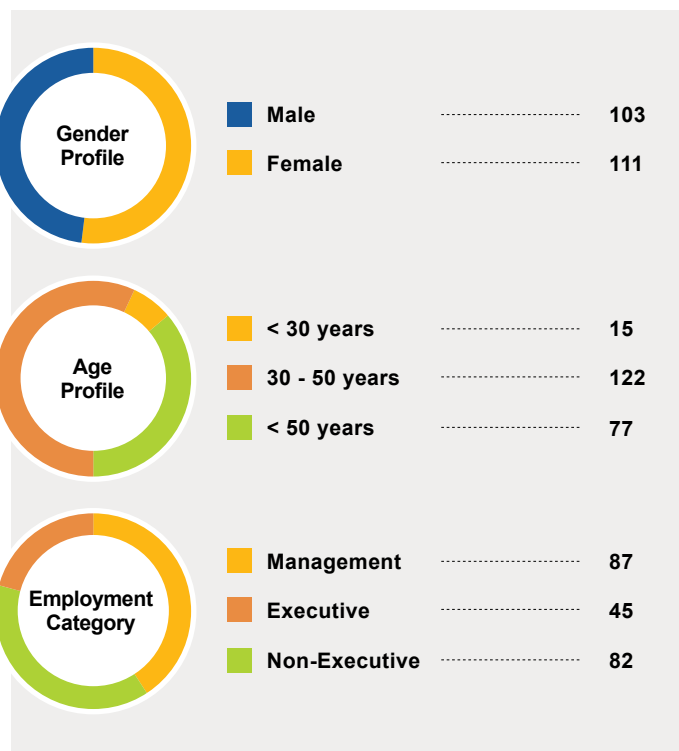


Furthermore, as a property developer, Sunsuria has been committed to ensuring that all its premises and sales galleries are operated with full compliance to social distancing requirements. The workplace is disinfected and sanitised weekly, and hand sanitisers are available at every entrance along with temperature scanners.

### Diversity & Inclusiveness

Promoting diversity and inclusiveness among our employees is in line with the Group's ethos 'Great Sunsurians'. This is exemplified in our hiring and promotion process, where candidates are selected based solely on their job performance and competency level. We strive to empower all employees within Sunsuria regardless of their age, gender, race or religion.

### Workforce Breakdown



We continue to foster good teamwork and relations among employees through engagement activities organised by the Human Resource Department. As was done in FY2020, all activities during FY2021 were conducted online and were aimed at helping employees lead a healthy lifestyle while working from home. Key activities include:

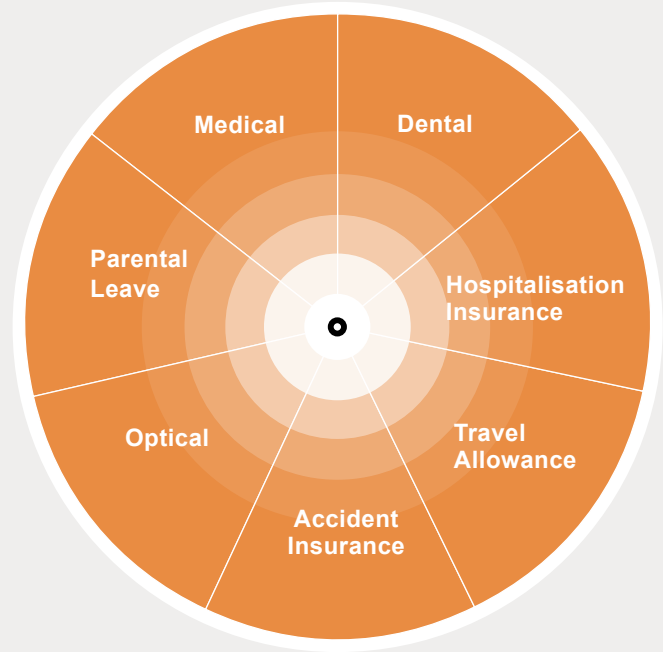
- 'Is Breakfast Really Important?' by dietitian & fitness coach
- HIT IT UP online exercise by HIT fitness coach
- How to keep your eye safe
- How to Eat Less for More Sharing
- Healthy life with yoga session
- COVID-19 Vaccination Talk



## SOCIAL



We ensure our employees are compensated fairly and we adhere to the Minimum Wage Act. In addition to fair remuneration, all full-time employees receive competitive work benefits such as:



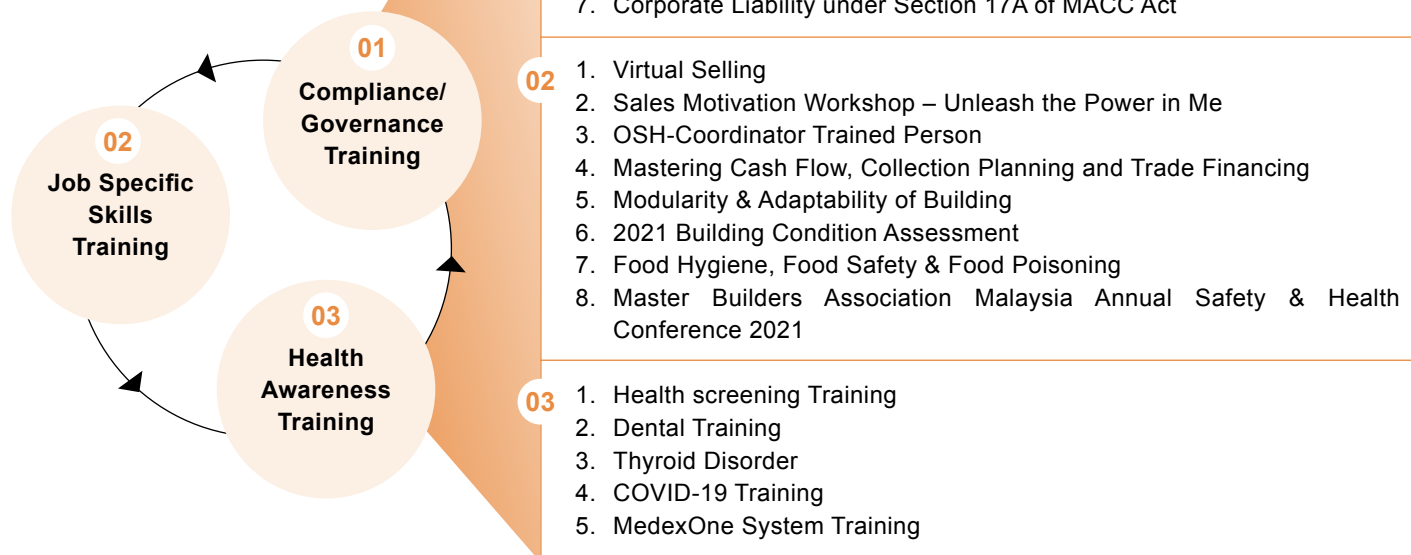
### Capacity Building

A skilled workforce allows Sunsuria to build a strong foundation for boosting employee productivity and improving company culture. The Group maintains a continuous development programme to identify and enhance the skills and knowledge of our employees. We strongly encourage our employees to take the initiative and seek out training programmes that the Human Resource Department could organise for the team. The Group have also provided annual performance appraisals for all eligible employees in FY2021.

The Group invested approximately RM50,000 on various external training programmes to provide a total of 1,448 training hours for all employees. This amounts to an average of 6.77 training hours per employee in FY2021, with the breakdown by gender and employment category provided below.

	FY2020	FY2021
Total training hours	1,610.5	<b>1,448</b>
Average hours per employee	11.18	<b>6.77</b>
<b>By Gender</b>		
Female	12.39	<b>9.28</b>
Male	9.4	<b>4.43</b>
<b>By Employment Category</b>		
Management	13.14	<b>9.56</b>
Executive	11.27	<b>7.30</b>
Non-Executive	4.48	<b>0.39</b>

Despite the lifting of COVID-19 restrictions, we encourage having meetings online and working-from-home during FY2021 to protect the health of our employees. The focus of training offered by the Group were as follows:



## Community Engagement

Active community engagement is important for the development and sustainability of our townships. Our community initiatives are aligned with Sunsuria's corporate ethos of 'Making the World a Better Place'. In FY2021, we invested approximately RM34,600 on wide ranging issues such as health and lifestyle topics. These Corporate Social Responsibility ("CSR") activities are part of Sunsuria's business strategy to meet the stakeholder needs in all aspects.

Date	Event	Description
December 2020	<b>Mr Snowman Travel Adventure Art &amp; Craft Competition</b> - Collaboration event with My Art Studio	<ul style="list-style-type: none"> <li>• Community arts &amp; craft competition, with up to RM300 of prize pool for the winners.</li> <li>• A total of 130 sets of artworks were submitted and 15 winners were selected.</li> </ul> <p><i>Our Contribution: RM 4,643</i></p>
December 2020	<b>How to Treat &amp; Prevent gastroesophageal reflux disease ("GERD")</b> - Collaboration event with BRS Medical	<ul style="list-style-type: none"> <li>• Health awareness event on Facebook ("FB") Live to share tips on the prevention and treatment of GERD</li> <li>• Total participants: 1,200</li> </ul> <p><i>Our Contribution: RM 300</i></p>
December 2020	<b>Dental and General Healthcare</b> - Collaboration event with BRS Medical	<ul style="list-style-type: none"> <li>• Health awareness event on FB Live to share tips on dental hygiene and general healthcare</li> <li>• Total participants: 1,500</li> </ul> <p><i>Our Contribution: RM 300</i></p>

## SOCIAL

Date	Event	Description
December 2020	<b>Teknik Suai &amp; Padan Pakaian Mengikut Personaliti</b> - Lifestyle engagement event featured by The Joyahs	<ul style="list-style-type: none"> <li>Sharing of fashion tips to mix and match one's outfit according to each individual's unique personality</li> <li>Total participants: 2,800</li> </ul> <p><i>Our Contribution: RM 300</i></p>
December 2020	<b>Christmas Weekend Market</b> - Festive celebration event by the Pertubuhan Wanita Setia Alam	<ul style="list-style-type: none"> <li>Traditional market in association with the celebration of Christmas</li> </ul> <p><i>Our Contribution: Venue Sponsor (Sunsuria Forum)</i></p>
January 2021	<b>Jom Buat Breakfast pantas dan ringkas</b> - Lifestyle engagement event featured by The Joyahs	<ul style="list-style-type: none"> <li>Sharing useful and healthy tips about breakfast preparation on FB Live</li> <li>Total participants: 1,300</li> </ul> <p><i>Our Contribution: RM 300</i></p>
February 2021	<b>Floral Decoration &amp; Dried Flowers Making with Luseary Flower</b> - Community event with Sunsuria Forum Tenant	<ul style="list-style-type: none"> <li>Education event on Do-It-Yourself ("DIY") flower arrangement during Chinese New Year ("CNY") Period.</li> <li>Total participants: 2,700</li> </ul> <p><i>Our Contribution: RM 300</i></p>
February 2021	<b>Har-Har-Siew Cooking Demo</b> - CNY Special online cooking demonstration event	<ul style="list-style-type: none"> <li>Sharing of cooking tips on seafood glass noodle via FB Live</li> <li>Total participants: 4,400</li> </ul> <p><i>Our Contribution: RM 2,300</i></p>
March 2021	<b>World Kidney Day FB Live</b> - Collaboration event with BRS Medical, in conjunction with World Kidney Day	<ul style="list-style-type: none"> <li>Sharing of health tips on proper kidney care via FB Live</li> <li>Total participants: 3,300</li> </ul> <p><i>Our Contribution: RM 300</i></p>
March 2021	<b>Mudahnya buat sendiri hand sanitiser</b> - Lifestyle engagement event featured by The Joyahs	<ul style="list-style-type: none"> <li>Educational video on FB Live about preparation of homemade hand sanitisers</li> <li>Total participants: 1,700</li> </ul> <p><i>Our Contribution: RM 300</i></p>
June 2021	<b>Yoga FB Live</b> - Lifestyle engagement in conjunction with World Yoga Day	<ul style="list-style-type: none"> <li>Online yoga session with certified instructors</li> <li>Total participants: 3,200</li> </ul> <p><i>Our Contribution: RM 320</i></p>
July 2021	<b>Maintaining Mental Health</b> - Collaboration event with Your Soul Mechanics	<ul style="list-style-type: none"> <li>Sharing health tips on how to cope with or overcome mental stress during Movement Control Order period</li> <li>Total participants: 2,100</li> </ul> <p><i>Our Contribution: RM 800</i></p>
July 2021 – September 2021	<b>Sunsuria Community Food Drive</b> - FY2021 Flagship community volunteering event	<ul style="list-style-type: none"> <li>Employees volunteered to assist the underprivileged group by providing daily meals through Sunsuria Forum Restu Resipi</li> <li>Providing meals to orphanages and old folk's home</li> <li>Dry food care package distributed in Port Klang and Subang Valley</li> </ul> <p><i>Our Contribution: RM 24,500</i></p>



Our donation drive is primarily focused on sponsorship for educational purposes as well as financial assistance to combat COVID-19. The list of donations made by Sunsuria are as follow:

	Type of Donation	Amount (RM)
<b>Educational</b>	Education sponsorship	19,455.30
	100 books of yearly culture 2021 to schools	5,000.00
	Chong Ming Badminton Academy to nurture young players	10,000.00
	Yao Lan Shou Song Composing Unit, Chinese Language Society, University of Malaya	8,000.00
<b>Medical</b>	Sponsorship to COVID-19 vaccination program	35,388.60
	Donation of oxygen machine	14,000.00
	Donation of medical equipment for treatment of COVID-19 patients	137,000.00
<b>Welfare</b>	Food drive donation	22,877.00
	<b>Total:</b>	<b>251,720.90</b>



### Conclusion

As we continue our journey to be a sustainable and progressive property developer, we remain committed to strengthen our initiatives and monitor our efforts to provide transparent disclosures on the Group's impact on society and environment. We have made great strides in embedding the culture of sustainability in everything we do and strive to continue creating long-term value for all our stakeholders.

## GRI CONTENT INDEX

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<b>GRI 102: General Disclosure 2016</b>	102-1	Name of the organisation	Sustainability Statement	33
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	102-3	Location of headquarters		
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	102-12	External initiatives	Awards and Recognition	37
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<b>GRI 103: Management Approach 2016</b>	103-2	The management approach and its components	Throughout the Statement	
<b>GRI 201: Economic Performance 2016</b>	201-1	Direct economic value generated and distributed	Financial Performance	47
<b>GRI 202: Market Presence 2016</b>	202-2	Proportion of senior management hired from the local community	Market Presence	47
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GRI Standard	GRI Indicator	Disclosure	Reference	Page Number
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	205-2	Communication and training about anti-corruption policies and procedures		
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<b>GRI 302: Energy 2016</b>	302-1	Energy consumption within the organisation	Climate Change & Energy Efficiency	49
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<b>GRI 303: Water and Effluents 2016</b>	303-5	Water Consumption	Water Conservation	52
<b>GRI 305: Emissions 2016</b>	305-1	Direct (Scope 1) GHG emissions	Climate Change & Energy Efficiency	51
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<b>GRI 306: Waste 2020</b>	306-3	Waste generated	Effluent & Waste Management	53
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<b>GRI 307: Environmental Compliance 2016</b>	307-1	Non-compliance with environmental laws and regulations	Risk Management	45
<b>GRI 401: Employment 2016</b>	401-2	Benefits provided to full-time employee that are not provided to temporary or part-time employees	Diversity & Inclusiveness	60
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1	Occupational Health and safety management system	Occupational Health & Safety	56
	403-2	Hazard Identification, risk assessment and incident investigation		
	403-4	Worker participation, consultation and communication on occupational health and safety		
	403-5	Worker training on occupational health and safety		
	403-6	Promotion of worker health		
	403-9	Work-related injuries		
<b>GRI 404: Training and Education 2016</b>	404-1	Average hours of training per year per employee	Capacity Building	60
	404-2	Programs for upgrading employee skills and transition assistance programs		
	404-3	Percentage of employees receiving regular performance career development reviews		
<b>GRI 405: Diversity and Equal Opportunities 2016</b>	405-1	Diversity of governance bodies and employees	Diversity & Inclusiveness	59
<b>GRI 413: Local Communities 2016</b>	413-1	Operations with local community engagement, impact assessments and development programs	Community Engagement	61
<b>GRI 416: Customer Health and Safety 2016</b>	416-1	Assessment of health and safety impacts of product and service categories	Product & Service Quality	56
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		
<b>GRI 419: Socioeconomic Compliance 2016</b>	419	Non-compliance with laws and regulations in the social and economic area	Risk Management	45



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

Sunsuria  
BerhadAnnual  
Report 2021

The Board of Directors of Sunsuria Berhad (“Sunsuria” or “Company”) recognises the importance of maintaining good corporate governance practices within Sunsuria and its subsidiary companies (“Sunsuria Group” or the “Group”) as it is the Board’s fundamental responsibility to protect and enhance long-term shareholder value and the financial performance of Sunsuria Group, whilst taking into account the interest of all stakeholders.

## Board of Directors

**Tan Sri Datuk Ter Leong Yap**  
Executive Chairman

The Executive Chairman, Tan Sri Datuk Ter Leong Yap is primarily responsible for the leadership and management of the Board, ensuring the Board and Board Committees carry out their responsibilities in the best interest of the Company. Presently, Tan Sri Ter also helms the role of Chief Executive Officer, responsible for providing the vision and strategic direction of the Group and to formulate appropriate corporate strategies and develop the business.

Tan Sri Ter oversees and evaluates the conduct and performance of the Group and undertakes to ensure efficient functioning of the Board and that procedural rules are being followed and quality information to facilitate decision-making is being delivered to Board members on a timely basis. The Chairman is also tasked to lead the Board in establishing and monitoring good corporate governance practices in the Company.

Details of attendance of Directors’ at the meetings held during the financial year are as follows:

Name	Board	Board Committee				AGM	EGM
		AC	RMC	NRC	ESOS		
<b>Executive Director</b>							
1. Tan Sri Datuk Ter Leong Yap <sup>&amp;</sup>	5/6	5/6 <sup>#</sup>	3/3	-	0/0 <sup>^</sup>	1/1	1/1
<b>Non-Executive Director</b>							
1. Ms Tan Pei Geok <sup>*</sup>	6/6	6/6	3/3	3/3	-	1/1	1/1
2. Dato’ Quek Ngee Meng <sup>+</sup>	6/6	6/6	3/3	3/3	0/0 <sup>^</sup>	1/1	1/1
3. Datin Loa Bee Ha <sup>&gt;</sup>	6/6	6/6	3/3 <sup>#</sup>	3/3	0/0 <sup>^</sup>	1/1	1/1

### Notes:

- AC : Audit Committee
- RMC : Risk Management Committee
- NRC : Nomination and Remuneration Committee
- ESOS : Employee Share Option Scheme Committee
- AGM : Annual General Meeting
- & : Executive Chairman of the Board
- \* : Chairman of AC and NRC
- + : Chairman of RMC
- > : Chairman of ESOS
- ^ : The Committee was formed on 28 August 2019 and no meeting was held since then
- # : Attended as invitee

The Board is guided by the principles and recommendations of the Malaysian Code on Corporate Governance (“MCCG”) in implementing its governance system and ensuring compliance with the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”).

This statement is complemented with a Corporate Governance Report (“CG Report”) based on a prescribed format pursuant to paragraph 15.25 of the Listing Requirements of Bursa Securities. The CG Report is available on the Company’s website [www.sunsuria.com](http://www.sunsuria.com) as well as via announcement on the website of Bursa Securities.

Oversees the Group's financial reporting process and practices, reviews the Group's business processes and system of internal controls, monitors compliance with established policies and procedures and assesses the suitability, objectivity and the independence of both external auditors and Internal Audit function.

Oversees the risk management framework of the Group. The Committee supports the Board in fulfilling its responsibility in identifying significant risks and ensuring the implementation of appropriate systems to manage the overall risk exposure of the Group. In the current economic environment, effective oversight of strategy and risk is particularly important to promote the long-term success of the Group.

Assists the Board in fulfilling its responsibilities with regard to the appropriate size and balance of the Board, the required mix of skills, experience, knowledge and diversity of the Directors.

Assists the Board in determining the policy and structure for the remuneration of Directors and Senior Management of Sunsuria Group.

Primarily assists in administering the ESOS Scheme established by the Company.

**DATUK SIMON KWAN HOONG WAI**  
Chief Operating Officer

**LEONG KOK CHI**  
Chief Financial Officer

**WONG CHIEW MENG**  
Chief Project Officer

Tan Sri Ter is assisted by the Chief Operating Officer, Chief Financial Officer and Chief Project Officer for implementing the policies and decisions of the Board and overseeing the day-to-day operations of the Group. The management's performance under the leadership of the Executive Chairman is monitored by the Board through quarterly status report which is tabled to the Board and includes a comprehensive summary of the Group's operating drivers and financial performance during each reporting period.

## LEADERSHIP AND EFFECTIVENESS

### Roles and Responsibilities

The Board is committed to ensuring that the Company's purpose, values and high standards are set from the level of chairman and all Non-Executive Directors, with the support of the executive management team, embedded throughout the Group. The Board is responsible for the effective leadership and long-term success of the Group. The Board Charter duly adopted by the Board clearly outlines the roles and responsibilities of the Board and those which it delegates to the various Board Committees. The Board Charter is available at the Company's website at [www.sunsuria.com](http://www.sunsuria.com).

The Board leads the Group and plays a strategic role for the oversight and overall management of the Company. The Board's key responsibilities include reviewing and approving strategic and annual business plan and budget, overseeing the conduct of the Company's business, investment proposals, compliance and accountability systems, core values and corporate governance practices of the Group to ensure that the Group operates with integrity and in compliance with the rules and regulations.

In spite of the compact Board size, the Board is satisfied that there are sufficient experienced and independent-minded Directors on the Board to provide check and balance. Given that there

are three experienced Independent Directors representing more than 50% of the Board, the Board collectively would be able to function independently of management. This allows for effective oversight of the management as well as to support objective and independent deliberation, review and decision making.

For the financial year ended 30 September 2021, the Board met six (6) times to discuss the issues on the Group's financial performance, significant investments, corporate development, strategy and business plan and other matters reserved for the decision by the Board. Presentations in relation to specific businesses areas are also made by key executives. This allows the Board to develop a good understanding of the progress of the Group's business as well as the issues and challenges facing the Group, and also promotes active engagement between the Board and the key executives of the Company.

Directors' commitment, resources and time allocated to the Company are evident from the attendance records, where the Directors attended all Board Meetings held during the financial year ended 30 September 2021 which is well above the threshold of Paragraph 15.05 of the Listing Requirements which requires none of the Directors to be absent for more than 50% of the total Board Meetings held during the financial year.

## LEADERSHIP AND EFFECTIVENESS

All Directors are provided with an agenda for each Board and Board Committee meeting prior to each meeting so that the Directors are accorded sufficient time to appraise the proposals or information. The Directors are provided with the Board papers which contain, among others, the Group's financial performance, management reports and proposals and various Board Committees' Reports respectively prior to the Board meeting. The Board papers are issued in advance to facilitate informed decision making.

All proceedings of the Board meetings were minuted. The minutes of Board meetings are circulated to all Directors for their perusal and comments. The Directors may request for further clarification or raise comments on the minutes prior to the minutes being confirmed as a correct record of the proceedings of the Board at the subsequent meeting. The signed minutes of each Board and Board Committee Meeting are properly kept by the Company Secretary and the Company Secretary is entrusted to organise and attend all Board Meetings to ensure proper records of the proceedings.

### BOARD FOCUS AREAS

Reviewing and approving the Company's annual business plan, policies and budget

Ensures a sound risk management framework including the risk of corporate liability

Together with Senior Management, promoted good corporate governance culture within the Group, whilst reinforcing ethical, prudent and professional behaviour

Ensures the adequacy and integrity of the Company's internal control system

Ensures effective communication with stakeholders

Ensures the integrity of the Company's financial and non-financial reporting

Overseeing the conduct of the Company's businesses, investment proposals, compliance and accountability systems, core values and corporate governance practices of the Group to ensure that the Group operates with integrity and in compliance with the rules and regulations

### Board Committees

In order to ensure effective discharge of its functions and responsibilities, the Board has delegated certain responsibilities of the Board to Board Committees and the Executive Chairman to assist it in carrying out its responsibilities and functions. These Committees operate within their own defined terms of reference approved by the Board, and report to the Board on matters considered and their recommendations thereon. The ultimate responsibility for the final decision on all matters however, lies with the Board. The minutes of the respective Board Committee meetings were tabled at the quarterly Board meetings so as to keep the Board abreast of the decision and deliberation made by the respective Board Committees.

### Company Secretary

The Board is supported by suitably qualified and competent Company Secretary who is member of the relevant professional bodies. The appointment of Company Secretary is based on the capability and proficiency determined by the Board. All members of the Board, whether as a whole or in their individual capacity, have access to the advice and services of the Company Secretary on all matters relating to the Group to assist them in the furtherance of their duties.

The Company Secretary also assists the Board in organising and facilitating the induction programme or on-boarding session for newly appointed Directors and making arrangements for their professional development and training. The Company Secretary keeps abreast of the evolving regulatory changes and developments in corporate governance through continuous training as he/she play an important role in advising the Board on updates relating to new statutory and relevant regulatory requirements.

### Access to Information

All Directors have unrestricted direct access to the advice and services of the management representatives for obtaining the relevant information to facilitate the discharge of their duties. As and when required, Directors are also able to seek advice from independent professional advisers whenever necessary at the Company's expense, to enable the Board and committee members to discharge their duties with adequate knowledge on the matters being deliberated.



**COMMITMENT TO INTEGRITY****Code of Conduct and Ethics**

In an effort to promote and maintain high ethical standards at all times, the Board has adopted a Directors' Code of Conduct and Ethics which covers, amongst others, the areas of transparency, integrity, accountability, conflicts of interest, anti-corruption/ bribery, confidentiality, insider trading, anti-money laundering, proper use of the Company's assets, and compliance with laws, rules and regulations. The adoption of the Code aims to promote corporate culture which engenders ethical conduct that permeates throughout the Group.

Employees of the Group are guided by the Company's Code of Conduct and Ethics which comprehensively listed in the Company's Employee Handbook and provides the ethical framework to guide actions and behaviours of all Directors and its employees while at work. The Employee Handbook is accessible through the corporate intranet.



The Directors' Code of Conduct and Ethics is published in the Company's website at [www.sunsuria.com](http://www.sunsuria.com).

**Whistleblowing Policy and Procedure**

The Company has established its Whistleblowing Policy, with the objective of providing a mechanism for all level of employees and stakeholders of the Group to report concerns about any suspected wrongdoing, inappropriate behaviour or misconduct relating to fraud, corrupt practices and/or abuse for management action. Investigation on the whistleblowing cases are conducted by Whistleblowing Committee and the outcome of the investigation is reported to the Audit Committee.



Details of the Whistle Blowing Policy and Procedures are set out in the CG Report, which is available at the Company's website at [www.sunsuria.com](http://www.sunsuria.com).

**Anti-Bribery and Corruption Policy and Procedures**

In compliance with the Corporate Liability Provision Section 17A of the Malaysian Anti-Corruption Commission Act 2009 enforced on 1 June 2020, and guided by the principles of the Ministerial Guidelines and Paragraph 15.29 of the Listing Requirements of Bursa Securities in relation to anti-bribery, the Board has adopted its Anti-Bribery and Corruption Policy and Procedures ("ABAC") in order to achieve and maintain the highest standard of integrity and work ethics in the conduct of its business and operations. The ABAC provides guidance to all employees and associates of Sunsuria Group relating to specific acts of bribery and corruption and also related matters such as proper reporting and accounting. During FY2021, a corruption risk assessment was carried out and the outcome of the exercise was low risk.



The Anti-Bribery and Corruption Policy and Procedures is published in the Company's website at [www.sunsuria.com](http://www.sunsuria.com).

**NOMINATION AND REMUNERATION COMMITTEE**

The primary functions of the NRC are as follows:

- |  |  |   |  |   |
|--|--|---|--|---|
| <b>a</b>   | <b>b</b>   | <b>c</b>                                | <b>d</b>   | <b>e</b>  |
| To oversee the selection and assessment of Directors and to ensure that Board's composition meets the needs of Sunsuria Berhad | To propose new nominees to the Board of Directors of Sunsuria and any Committee of the Board | To assess Directors on an ongoing basis | To recommend to the Board the remuneration of the Executive Directors in all its forms, drawing from outside advice as necessary | To assist the Board in determining the policy and structure for the remuneration of Directors and Senior Management of Sunsuria Group |

**Committee Focus Area**

- |  |   |   |  |   |   |  |
|--|---|---|--|---|---|--|
| The effectiveness of the size, mix and composition of the Board and Board Committees | The contribution of individual Director in relation to the effective decision-making of the Board | The independence of Independent Directors | The re-nomination of the Directors who is due for retirement at the Company's Annual General Meeting ("AGM") | The salary increment, performance bonus, KPIs for Executive Directors | The Directors' fees for Non-Executive Directors payable from 17 March 2021 to the next AGM in March 2022, on a monthly basis, subject to the shareholders' approval | Assessed and evaluated the training needs of the Directors |
|--|---|---|--|---|---|--|

## LEADERSHIP AND EFFECTIVENESS

**Fair Remuneration**

The Board through the NRC has established a Directors and Senior Management Remuneration Policy to assist the Group in attracting, retaining and motivating its Directors and Senior Management in order to run the Group successfully.

The remuneration of Executive Chairman and Senior Management are structured to link rewards to the Group and individual performance, and achievement of annual key performance indicators ("KPI") as well as the prevailing market practice and economic condition. As for Non-Executive Directors, the level of remuneration reflects mainly on their experience,

qualification and competence of the Non-Executive Directors concerned.

The Non-Executive Directors are remunerated with Directors' fees which are subject to shareholders' approval at the AGM annually in accordance with Clause 121 of the Company's Constitution. In recommending the proposed Directors' fees, the Remuneration Committee takes into consideration the qualification, level of responsibilities undertaken, and extent of contributions required from a Director in light of the Group's complexity, as well as the prevailing market practice and the economic condition.

In the forthcoming AGM, the Company would be seeking the shareholders'

approval for the Directors' fees payable to Non-Executive Directors for the period from the 53<sup>rd</sup> AGM until the next AGM in year 2023. The proposed fees remain unchanged and would continue to be paid on a monthly basis instead of in arrears. The Board opined that it is just and equitable for the Non-Executive Directors to be paid on such basis upon them discharging their responsibilities and rendering their services to the Company.

The Non-Executive Directors who are shareholders of the Company will abstain from voting the resolution concerning the Proposed Directors' Fees payment during the 53<sup>rd</sup> AGM.

The details of the Remuneration received from the Company during the FY2021 are as follows and none of the remuneration was paid by the subsidiaries of Sunsuria:

Directors	Company					Total
	Fees	Salary	Other Emoluments	Benefits-in-kind	Bonus	
<b>Executive Directors</b>						
Tan Sri Datuk Ter Leong Yap	-	2,400,000.00	309,083.40	29,918.23	-	2,739,001.63
<b>Non-Executive Directors</b>						
Tan Pei Geok	72,000	-	-	-	-	72,000
Dato' Quek Ngee Meng	60,000	-	-	-	-	60,000
Datin Loa Bee Ha	60,000	-	-	-	-	60,000
<b>Total</b>	<b>192,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>192,000</b>

**Board Evaluation**

The Board, through the NRC, conducts an annual review on the structure and composition, competency and time commitment of the Board, Board's role in addressing the governance of sustainability in the Company as well as the independence of the Independent Directors. The Board also undertakes an annual assessment of the Board effectiveness, the Board Committees and individual Directors by way of self and peer assessment. Based on the results of the assessment made, the overall results were generally positive. Board is satisfied with the overall performance of individual Director, effectiveness of the Board and

Board committees and independency of the Independent Directors.

The Board agreed that whilst its composition is represented with an appropriate mix of skills, expertise and experience, the Board will continue to review the Board size taking into consideration the complexity of the Group.

**Independence**

The Board through the NRC undertakes the independent assessment of all its Independent Directors of the Company which was carried out as part of the board assessment annually. The NRC and the Board reviewed the independence assessment results and are satisfied that

all the Independent Directors fulfilled the criteria of "Independence" as prescribed under the Listing Requirements. The Board is satisfied that none of the Independent Directors had any relationship that could materially interfere with, or be perceived to materially interfere with their unfettered and independent judgement and ability to act in the best interests of the Company.

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities. All Directors have given their full commitment by attending the Board's and Board Committees' meetings held during the financial year.

**ONGOING PROFESSIONAL TRAINING**

The Board recognises that Directors' training is an ongoing process to ensure that Directors keep themselves abreast of the latest developments in areas related to their duties and to themselves with the necessary skills and knowledge to meet the challenges faced by the Board. The Board has delegated the role of reviewing the training and development needs of the Directors to the NRC.

All Directors are provided with ongoing professional development and training opportunities to enable them to develop and maintain their skills and knowledge. Directors are also encouraged to personally undertake appropriate training and refresher courses as appropriate to maintain the skills required to discharge their obligations to the Group.

Name of Director	Seminars/Forum/Conference/Training	Date
Tan Sri Datuk Ter Leong Yap	• Chengdu Overseas Chinese Association Conference 2020, organised by Chengdu Overseas Chinese Association	03.11.2020
	• ACCCIM Webinar on National Budget 2021, organised by ACCCIM	06.11.2020
	• "Korea World Chinese Entrepreneurs Business Week 2020", organised by Gyeongsangnam-do, Changwon City, Korea Chinese Chamber of Commerce and Industry (KCCCI); Korea Busan-Ulsan-Gyeongnam Chinese Chamber Of Commerce & Industry (KBCCCI)	12.11.2020
	• 27 <sup>th</sup> APEC Economic Leaders' Meeting, organised by Malaysia	20.11.2020
	• Belt and Road Global Forum Annual Roundtable, organised by The Hong Kong Trade Development Council (HKTDC)	01.12.2020
	• ACCCIM's Webinar on "How will RCEP Increase the Business Opportunities for Malaysia and for you?", organised by ACCCIM	26.03.2021
	• ACCCIM's Webinar on "How the RCEP will deepen and promote Malaysia-China's economic and trade relations?", organised by ACCCIM	22.05.2021
	• 2021 CGCC World Chinese Entrepreneurs Summit: Connecting Greater Bay Area: Serving Belt & Road, organised by CGCC	17.06.2021
	• Digital City Development in the Post COVID Era Webinar, organised by ACCCIM & ANBOUND	23.06.2021
	• The ACCCIM Young Entrepreneurs Conference 2021, organised by ACCCIM	03.07.2021
• Webinar on Corporate Liability	30.07.2021	
Ms Tan Pei Geok	• Fraud Risk Management Workshop	16.11.2020
	• MIA Webinar Series: Avoiding Transfer Pricing Mistakes	15.03.2021
	• Webinar on "The Updated Malaysian Code on Corporate Governance April 2021 – Implications to Listed Corporations, Directors and Management", organised by MICG	30.06.2021
	• Webinar on Corporate Liability	30.07.2021
	• Live Webinar on Applying MFRS 15 for Construction Contracts and Property Development Activities	13.08.2021



## LEADERSHIP AND EFFECTIVENESS

Name of Director	Seminars/Forum/Conference/Training	Date
Dato' Quek Ngee Meng	• Webinar on "Corporate Securities & Investment – Corporate Compliance Challenges in the Midst of the Pandemic", organised by LAWASIA	08.10.2020
	• Webinar on "Rethinking Alternative Dispute Resolution in the midst of COVID-19" (Dato' Quek moderated the webinar), organised by AIADR	05.11.2020
	• Budget 2021 Forum: "What's in it for you, business owners and SMEs?", organised by McMillan Woods	25.11.2020
	• Webinar on "Digital Identity: Building Financial Services for Asia's Digital Generation", organised by Fintech News Singapore	04.12.2020
	• Webinar on "Coping with COVID-19 – Temporary Measures for Reducing The Impact of COVID-19 Act 2020" (Dato' Quek is one of the panelist), organised by REHDA	18.12.2020
	• Webinar on The Return on Experience (ROX): Reinventing the Customer Journey, organised by PWC Malaysia	04.02.2021
	• L2 i-CON 1st Anniversary Conference 2021 (Dato' Quek is one of the guest speakers), organised by L2 i-CON	30.03.2021
	• Webinar on "Legal and Regulatory Requirements in the Operations and Carrying Business of A Quarry and industrialised Building System", organised by HHQ (Lew Choon Meng & Ong Yee Chee from Julius Leonie Chai)	20.04.2021
	• Webinar on "Recent Cases in Civil Fraud Litigation: Hong Kong, Malaysia and Singapore", organised by Malaysian Bar	10.06.2021
	• Webinar on "Benefits of Entering Into A Contract and How Contracts Protect You" (Dato' Quek is one of the speakers), organised by Subplace x HHQ	21.07.2021
	• Webinar on "RCEP: Trade Tool for Business Recovery in East Asia", organised by East Asia Council Business Council	04.08.2021
	• Webinar on "CPTPP – Your COVID-19 Business Recovery Tool to Boost Trade", organised by FMM	12.08.2021
	Datin Loa Bee Ha	• Fraud Risk Management Workshop organised by PWC
• Webinar on "How Digitalisation and Data Analytics can help you do wonders in your business", organised by MICPA		25.05.2021
• Webinar on "The Updated Malaysian Code on Corporate Governance April 2021 – Implications to Listed Corporations, Directors and Management", organised by MICG		30.06.2021
• Webinar on Corporate Liability		30.07.2021

**Re-election of Directors**

The NRC is responsible for recommending to the Board, Directors who are retiring and are standing for re-election at the AGM pursuant to and in accordance with the Constitution of Sunsuria.

In accordance with Clause 114 of the Company's Constitution, one-third of the Directors for the time being or, if their number is not a multiple of three (3), the number nearest to one-third shall retire from office and be eligible for re-election at each AGM. All Directors are subjected to retirement by rotation at least once every three (3) years.

The NRC is also responsible for recommending to the Board those Directors who are eligible to stand for re-election/re-appointment.

Based on the office period of the Directors since their last election and upon recommendation of the NRC, the Board is proposing the re-election of Ms Tan Pei Geok and Datin Loa Bee Ha, who are due for retirement by rotation pursuant to Clause 114 of the Company's Constitution, being eligible have offered themselves for re-election.

To assist the shareholders in their decision, sufficient information such as personal profile of the Directors standing for re-election are disclosed in the Profile of Directors of this Annual Report. The details of their interest in the securities of the Company are set out in the Analysis of Shareholdings of this Annual Report.

## EFFECTIVE AUDIT & RISK MANAGEMENT

### Audit Committee

The AC comprises three (3) members, all of whom are Independent Non-Executive Directors. The members of the AC are Ms Tan Pei Geok as Chairman, Dato' Quek Ngee Meng and Datin Loa Bee Ha. The Chairman of the AC is not the Chairman of the Board. This meets the requirements of paragraph 15.09(1) (a) and (b) of the Listing Requirements and Practice 8.1 of the MCGG.

Collectively, the members of the AC have a wide range of relevant skills, knowledge and experience in discharging their duties. Additionally, the AC Chairman, Ms Tan Pei Geok and the member of the AC, Datin Loa Bee Ha have vast experience and skills in accounting and finance as well as other fields of expertise, and are highly-qualified to review the accuracy of the Group's financial reporting prior to recommending the same to the Board for approvals. Both Ms Tan and Datin Loa are the members of the Malaysian Institute of Accountants.

The composition, authority as well as the duties and responsibilities of the AC are set out under its Terms of Reference approved by the Board.

The performance of the AC for FY2021 was evaluated and based on the results of the evaluation, the Board is generally satisfied that the AC collectively and its members individually, have been able to discharge their functions, duties and responsibilities in accordance with the TOR of the AC.

A full AC report enumerating summary of activities of the AC during the financial year is set out in the AC Report.

### Relationship with External Auditors

The AC has in place policies and procedures to review and assess the appointment or re-appointment of the external auditors in respect of their suitability, objectivity and independence. The AC in this regard assesses and reviews annually among others, the adequacy of their experience and resources, their audit engagements and the experience of the engagement partners and staff in accordance with the requirements of the Group.

The AC also meets with the external auditors without the presence of the management to enable the AC to discuss matters privately with them. During the financial period under review, the AC met the external auditors twice without the presence of the management.

Aside from the provision of statutory services, the external auditors also provide non-audit services to the Group. The proposed fees for the non-audit services are reviewed by the AC and approved by the Board. In its review, the AC ensures that the independence and objectivity of the external auditors are not compromised. In addition, the AC must be satisfied that there is no element of conflict of interest and the fees chargeable are within the allowable threshold set.

The AC was satisfied with the quality of audit, performance, competency and sufficient resources provided by the external auditors during the financial period under review. The AC was also satisfied that the provision of the non-audit services by the external auditors to the Group did not impair their objectivity and independence as external auditors of Sunsuria.

Having considered the outcome of the annual assessment of the external auditors, the Board approved the recommendation for the shareholders' approval to be sought at the forthcoming AGM on their re-appointment as external auditors of the Group.

### Internal Audit Function

The Group has outsourced its Internal Audit function to external consultants, which reports directly to the AC. The Internal Auditors are able to undertake independent and systematic reviews of the systems of internal controls and procedures of operating units within the Group so as to provide reasonable assurance that such systems continue to operate satisfactorily, effectively and in compliance to the Group's established policies and procedures.

### Risk Management and Internal Control Framework

The Board is fully aware of its overall responsibility of continuously maintaining a sound system of internal control which covers not only financial controls but also operational and compliance controls as well as risk management, and the need to review its effectiveness regularly in order to safeguard shareholders' investment and the Company's assets.

To assist the Board in maintaining a sound system of internal control, the Group has engaged internal audit and risk management consultants, who report regularly to the RMC and the AC, which in turn report to the Board regarding the adequacy and integrity of the system of internal control. The implementation and maintenance of the risk management process to help the Board in identifying, evaluating and managing the risk is carried out by the RMC.



*The Statement on Risk Management & Internal Control which provides an overview of the Group's state of internal control is set out in pages 79 and 84 of this Annual Report.*

## INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIPS WITH STAKEHOLDERS

### Communication with Stakeholders

The Board acknowledges the importance of being accountable to the shareholders and the investors via a direct and effective line of communication. As such, the Group always ensures the timely release of quarterly financial results, audited financial statements, corporate developments and announcements of the Group via the BURSA LINK, the Company's annual reports and other circulars to shareholders and where appropriate, ad hoc press statements which serve as the principal channel in keeping the shareholders and the investing public informed of the Group's major developments and overviews of financial performance and progress throughout the year.

The communication channels used in the Company's engagement with stakeholders includes:

<b>a</b>	<b>b</b>	<b>c</b>	<b>d</b>
Various disclosures and announcements to Bursa Securities including quarterly financial results	Press releases and announcements to Bursa Securities and to the media	The Company's Annual Report	Dialogues and presentations at general meetings to provide the overview and clear rationale with regards to the proposals tabled for approval

The Board has formalised a Corporate Disclosure Policy to ensure that communications to the public regarding the Group are timely, factual, accurate and complete. The said Policy outlines the central principles and practices in communicating with the investors, shareholders, medias and regulators.

### Conduct of general meetings

The Company's general meetings serve as principal forums for shareholders to engage directly with the Directors and Senior Management. It also provides the opportunity for shareholders to raise questions pertaining to issues related to the Annual Report, Audited Financial Statements, corporate developments, resolutions being proposed and the business of the Group. Shareholders are encouraged to attend AGM and to participate in the question-and-answer session on the resolutions being proposed or on the Group's operations in general. Shareholders who are unable to attend the meetings are allowed to appoint proxies to attend and vote on their behalf in accordance with the Company's Constitution.

In 2021, the Company served notice of its Fifty-Second (52<sup>nd</sup>) AGM held on 17 March 2021, at least 28 days before the meeting, well in advance of the 21-days requirement under the Companies Act 2016 and the Listing Requirements. The additional time given to the shareholders provides them with sufficient time to scrutinise the Annual Report 2020 and to make necessary arrangements to attend the meeting. The Company also distributed together with the Notice of AGM, information on administrative details such as details of the meeting, shareholders' entitlement to attend the meeting, their right to appoint proxy and information as to who may act as a proxy, etc.

The 52<sup>nd</sup> AGM held on 17 March 2021 was conducted fully virtual through live streaming and online remote voting via Remote Participation and Voting facilities. In view of the COVID-19 pandemic which has yet to be eradicated for the Company to convene a face-to-face meeting, the forthcoming Fifty-Third (53<sup>rd</sup>) AGM of the Company will continue to be conducted virtually i.e. through live streaming and using Remote Participation and Voting Facilities to give shareholders and/or proxies an opportunity to participate in the AGM effectively.

All Board members had ensured their attendance at the 52<sup>nd</sup> AGM and the chairman of the respective Board Committees with Management attended to questions raised during the AGM. The External Auditors also attended the 52<sup>nd</sup> AGM and had provided information to the management particularly relating to the financial statements.

Pursuant to Paragraph 8.29A(1) of the Listing Requirements, the Company is required to ensure that all resolutions set out in the notice of general meetings are voted by poll.

At the 52<sup>nd</sup> AGM of the Company held on 17 March 2021, all resolutions were decided by way of poll and the votes received in respect of each resolution were announced to Bursa Securities on the same date as the meeting was held. The poll voting was conducted via electronic means and the results of the voting were instantly displayed on the screen. The Company has appointed an independent external scrutineer to validate all the votes at the said general meeting.

### KEY FOCUS AREAS AND FUTURE PRIORITIES

The Board is satisfied that the Group has maintained high standards of corporate governance and strived to achieve the highest level of integrity and ethical standard, in all its business dealings.

Moving forward, the Board will continue to operationalise and improve the Company's corporate governance practices and instil a risk and governance awareness culture and mindset throughout the organisation in the best interest of all stakeholders.

This Statement is made in accordance with the resolution of the Board of Directors dated 29 November 2021.



# AUDIT COMMITTEE REPORT

The Board of Directors of Sunsuria Berhad (“Sunsuria”) is pleased to present the Audit Committee Report for financial year ended 30 September 2021 (“FY2021”).

## COMPOSITION AND ATTENDANCE

The composition of the Audit Committee (“AC”) of Sunsuria is presented in the table below.

During the FY2021, the AC held six (6) meetings. The details of attendance of the AC members are set out below:

Members	Membership/Designation	Meeting Attendance
Ms Tan Pei Geok	Chairman/Senior Independent Non-Executive Director	6/6
Datin Loa Bee Ha	Member/Independent Non-Executive Director	6/6
Dato’ Quek Ngee Meng	Member/Independent Non-Executive Director	6/6

The composition of the AC is in line with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad which prescribes that the AC must consist of at least three members with the Chairman and a majority of the members being Independent Non-Executive Directors.

As a whole, the AC comprises qualified individuals having required skills and expertise to discharge the AC’s functions and duties. The AC’s literacy and understanding of financial reporting standards and information have contributed to meaningful discussions in overseeing the integrity of the financial reporting processes and financial statements. The AC Chairman is a member of the Certified Practising Accountants (CPA, Australia) and the Malaysian Institute of Accountants (“MIA”). Accordingly, the Company complies with paragraph 15.09(1)(c)(i) of the Listing Requirements.

The AC meetings were conducted in accordance with the requisite quorum as stipulated in the Terms of Reference (“TOR”) of the AC, which requires at least two (2) members, with the majority of members present must be Independent Non-Executive Directors. The authorised officers and representative of the external auditors may attend meetings at the invitation of the AC. Other Board members and the representatives of the external auditors shall also have the right of attendance upon the invitation of the AC, as and when necessary, to brief the AC on specific issues.

For FY2021, the Executive Chairman and Chief Financial Officer attended the AC meetings by invitation.

The External Auditors were invited to brief the AC on audit related matters during the financial year and provided a high-level review of the financial position of the Group. Time was also allocated for the External Auditors to have private discussions with the AC in the absence of the management. During FY2021, the AC had met the External Auditors twice and the meetings were held without the presence of management.

During FY2021, the Internal Auditors attended four (4) out of six (6) AC meetings held to table the respective internal audit reports and presented their recommendations to the actions and steps taken by management in response to any audit findings for AC’s deliberation and approval.

Annually, the term of office and performance of the AC and each of its members are being assessed by the Nomination and Remuneration Committee. During FY2021, the Board is satisfied that the AC has discharged its function, duties and responsibilities in accordance with TOR of the AC, supporting the Board in ensuring the Group upholds appropriate Corporate Governance standards, practices and guidance.

The Company Secretary act as the Secretary of the AC. The AC members are provided with the agenda and relevant committee papers before each meeting. Minutes of the AC meetings will be distributed to the Board for notation and the Chairman of the AC shall report key issues discussed in the AC meetings to the Board.

**TERMS OF REFERENCE**

The TOR of the AC was reviewed and updated on 29 November 2021 upon taking into consideration the applicable practices and guidance of the Malaysian Code on Corporate Governance (“MCCG”). The TOR of the AC is made available on the Company’s corporate website at [www.sunsuria.com](http://www.sunsuria.com).

**SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR 2021****1. Overseeing Financial Reporting**

- (a) Reviewed the following unaudited quarterly reports and the consolidated results and its related press statement, amongst others, any change in accounting policies, significant matters highlighted, the going concern assumption, and compliance with accounting standards and regulatory requirements prior to their recommendation to the Board of Directors for approval:
  - (i) Quarterly financial results for the fourth quarter of the financial year ended 30 September 2020 (“FY2020”) at the AC meeting held on 30 November 2020; and
  - (ii) First, second and third quarters of the quarterly results for FY2021 at the AC meetings held on 26 February 2021, 28 May 2021 and 25 August 2021, respectively.
- (b) Reviewed the consolidated audited financial statements of the Company and the Group for FY2020 at the AC meeting held on 22 January 2021 and ensuring that the statements comply with the Malaysian Financial Reporting Standards (“MFRSs”), for recommendation to the Board for approval.
- (c) Received and considered regular updates from management on the status and implications for the Group on financial reporting developments, including updates on discussions by the Malaysian Accounting Standards Board on the development of the MFRSs. There were new or amended MFRSs adopted by the Group in FY2021, details of which are disclosed in the audited financial statements.
- (d) Assessed reasonableness and appropriateness of the judgements or estimations made by management in preparing the financial statements. Meeting on audit status, as well as findings on areas of significant external auditors’ attention were held during FY2021.

For FY2021, Messrs Deloitte PLT (“Deloitte”) identified one (1) Key Audit Matter (“KAM”) of the Group, which is revenue and cost of sales recognition

for property development activities, which is key significance in Deloitte’s audit of the financial statements of the Group due to its magnitude relative to the Group’s revenue and cost of sales as well as significant judgements by management were involved in developing and monitoring the total budgeted property development costs, for which inherent uncertainties may arise.

- (e) Reviewed the going concern basis for preparing the Group’s consolidated financial statements, including the assumptions underlying the going concern statement and the period of assessment.
 

The principal risks and uncertainties, the existing financial position, the Group’s financial resources, and the expectations for future performance and capital expenditure were made known to the AC for its review.
- (f) Reviewed the significant risks and areas of audit focus highlighted by the auditors which was encountered by them during their engagement to prepare the financial statements, as well as the significant judgements made by management.
- (g) Reviewed assessment on the impact of COVID-19 on the Group’s and the Company’s financial statements, including management’s strategies and measures in managing the impact on COVID-19, monthly cash flow forecast for at least one year subsequent to FY2021.
- (h) Reviewed the adequacy of the processes and controls in place for effective and efficient financial reporting and disclosures under the MFRSs and the Listing Requirements.

**2. External Audit**

- (a) Reviewed with the External Auditors, Deloitte, the Audit Review Memorandum on the audit of the financial statements for FY2020 setting out their comments and conclusions on the significant auditing and accounting issues highlighted.
- (b) Reviewed with the External Auditors, the audit report, issues, reservations and management responses arising from their audit, as well as the audit and non-audit fees.

- (c) Reviewed with the External Auditors, the audit plan for FY2021 outlining, amongst others, their scope of work, areas of audit emphasis, and development in laws and regulations affecting financial reporting and the responsibilities of directors and managements, and auditors.
- (d) Had discussions with Deloitte during the financial year, without the presence of management, to apprise on matters in regard to the audit and financial statements.
- (e) Reviewed the provision of non-audit services rendered by the external auditors to the Group, in circumstances where the auditors were best qualified and suitable to provide the required services given their comprehensive knowledge of the Group's business operations, systems and processes. In considering the nature and scope of the non-audit services, the AC was satisfied that the services were not likely to impair the external auditors' independence and objectivity.
- (f) Reviewed, assessed and monitored the performance, suitability and independence of the external auditors. The external auditors had provided an annual confirmation of their independence in accordance with the terms of all professional and regulatory requirements.

As part of the assessment, the AC had considered:

- Quality of planning, delivery and execution of the audit quality and knowledge of the audit team.
- Effectiveness of communications between management and the audit team.
- Robustness of the audit, including the audit team's ability to challenge management as well as demonstrate professional scepticism and independence.
- Performance evaluation and review by management.

Following the outcome of the assessment and having satisfied with the external auditors' performance, suitability and independence, the AC at its meeting held on 29 November 2021 recommended to the Board for approval of the re-appointment of Deloitte as auditors of the Company. A resolution for their re-appointment will be tabled for shareholders' approval at the forthcoming annual general meeting; and

- (g) Reviewed and revised the External Auditors' Policy, on the approved mandate for non-audit services provided by the External Auditors, up to a total fee of not exceeding 50% of the total amount of audit fee paid to the External Auditors.

### 3. Internal Audit

- (a) Reviewed and adopted the risk-based internal audit plan for FY2021 to ensure sufficient scope and coverage of activities of the Company and Group.
- (b) Reviewed the internal audit reports and follow-up audit reports, including the audit findings and recommendations, management's responses and/or actions taken thereto, and ensured that material findings were satisfactorily addressed by the management.
- (c) Reviewed the audit recommendations and management's responses to these recommendations and actions taken to improve the system of internal control and risk management. Enquiries were made to both Internal Audit function and management over details of issues raised, root causes and the proposed corrective actions.
- (d) Monitored and deliberated the implementation of audit recommendations arising from internal audit activities as well as the follow-up audits conducted by the Internal Audit function to ensure that all key risks and audit issues raised have been addressed. The AC also considered the timeliness of completion of the proposed actions and whether such actions effectively resolved the issues raised.
- (e) Reviewed the status of audit assignments reported by the Internal Audit function to ensure that work progress is in line with the approved Annual Audit Plan.
- (f) Reviewed the whistle-blowing reports received via the whistle blowing channels managed by Human Resources Department. All reports received through the whistle-blowing channels were tabled to the AC on a half yearly basis with pertinent reports highlighted for deliberation.
- (g) Reviewed the Statement on Risk Management and Internal Control to ensure that it is consistent with the understanding on the state of internal control and risk management system and activities of the Group and recommended the same to the Board for inclusion in the Annual Report.



- (h) Reviewed, assessed and monitored the performance and suitability of the Internal Audit function. An annual performance assessment was carried out by AC, as part of the Internal Audit function's assessment. The AC had considered:

- Quality of planning, delivery and execution of the internal audit quality and knowledge of the internal audit team.
- Effectiveness of communications between the management and the internal audit team.
- Feedback from the management.

Following the outcome of the assessment and having satisfied with the Internal Audit function's performance and suitability, the AC at its meeting held on 29 November 2021 renewed the engagement of the outsourced Internal Audit function.

#### 4. Related Party Transactions

- (a) Review significant related party transactions entered into/to be entered into by the Company and the Group to ensure that the transactions were in the best interest of Sunsuria Group; were fair, reasonable and on normal commercial terms; and not detrimental to the interest of the minority shareholders of Sunsuria Berhad.
- (b) Reviewed on a quarterly basis, the Recurrent Related Party Transactions ("RRPT") entered into by the Company and/or its subsidiaries with related parties to ensure that the Group's internal policies and procedures governing RRPT are adhered to, the terms of the shareholders' mandate are not contravened, and disclosure requirements of the Listing Requirements are observed.
- (c) Reviewed the Circular to Shareholders in relation to the renewal of shareholders' mandate for RRPT and new shareholder mandate for additional RRPT, prior to its recommendation to the Board of Directors for approval.

#### INTERNAL AUDIT FUNCTION

The Internal Audit function served to assist the AC in evaluating the adequacy and effectiveness of the governance, risk management and internal control systems of the Group and provide recommendations for improving such systems.

The Group has outsourced its Internal Audit function to a professional services firm that reports directly to the AC. The Internal Audit function have undertaken independent and systematic reviews on the systems of internal control and risk management of key operating units within the Group so as to provide reasonable assurance that such systems continue to operate satisfactorily, effectively and in compliance with the Group's established policies and procedures.

During the financial year under review, the outsourced Internal Audit function have undertaken the following:

- (a) Developed the annual internal audit plan and proposed such plan for the AC's approval.
- (b) Presented significant audit findings and areas for improvements identified during the internal audit visits.
- (c) Solicit management's responses in addressing the audit findings and conducted follow-up audit reviews to assess if appropriate actions have been taken to address issues highlighted.
- (d) Undertaken review on recurrent related party transactions to assess adherence to established policies and procedures and compliance with the Listing Requirements.
- (e) Conducted discussions with management to identify significant concerns and risk areas for inclusion in the internal audit coverage.
- (f) Reviewed the adequacy and effectiveness of the system of internal control in managing risks in various operating companies, including regulatory & compliance risk, competition risk, feasibility risk and operational risk.
- (g) Considered the concerns of the AC and management when undertaking the respective audit work.

Total cost incurred on the outsourced Internal Audit function of the Group in respect of the FY2021 was at RM83,964 (2020: RM82,233).

# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

The Board of Sunsuria Berhad is committed to continuously improve the Group's risk management and internal control system and is pleased to present the following Statement on Risk Management & Internal Control for the financial year ended 30 September 2021. This statement is made in accordance with Paragraph 15.26 (b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and guided by the Statement on Risk Management and Internal Control - Guidelines for Directors of Listed Issuers. This Statement outlines the nature and scope of risk management and internal control of the Group and covers all of the Group's operations except for associate companies.

## 01 THE BOARD'S RESPONSIBILITY

The Board of Directors (the "Board") recognises the importance of sound internal controls and risk management practices towards good corporate governance. The Board acknowledges its overall responsibility for establishing a sound risk management framework and internal control system to safeguard shareholders' investment and the Group's assets.

The Board continually reviews the adequacy and integrity of the Group's

risk management and internal control system, which have been embedded in all key aspects of the Group's activities, to ensure alignment with the Group's business objectives. The Board is equally aware that the risk management framework and internal control system are designed to manage the Group's risks within acceptable risk appetite, rather than to eliminate the risk of failure to achieve the goals and business objectives of the Group. In this regard, the risk management framework

and internal control system can only provide reasonable assurance, and not absolute assurance, against material misstatement of financial information and records or against financial losses.

The Board appointed a Risk Management Committee ("RMC") to oversee the risk management processes within the Company and the Group and established a sound risk management framework, policies and internal risk control system.

## 02 RISK MANAGEMENT COMMITTEE

The RMC was established to uphold the risk oversight responsibilities within the Group. The RMC is chaired by an Independent Non-Executive Director, who is neither the Chairman of the Board nor Chairman of the Audit Committee.

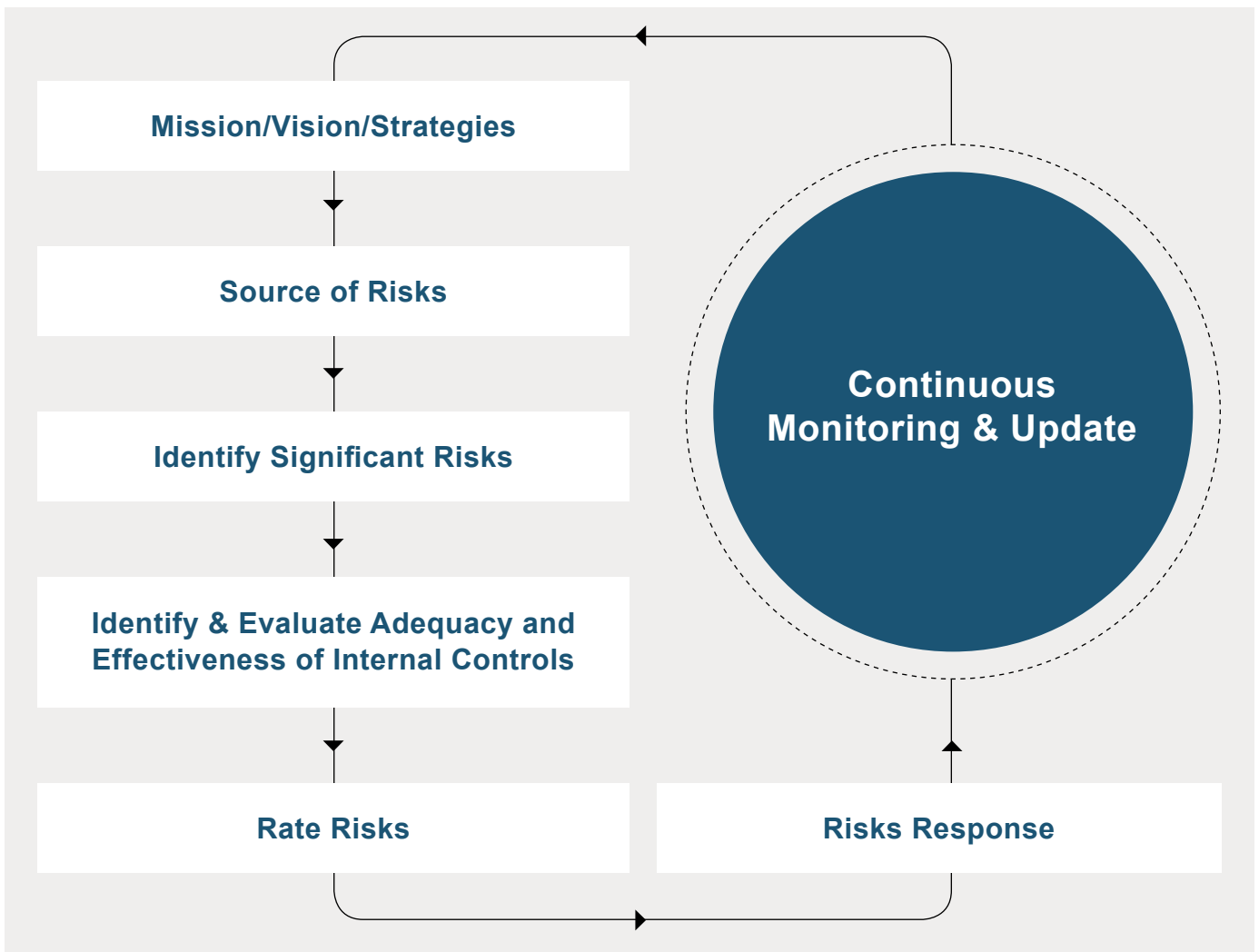
Roles and responsibilities of the RMC include the following:

- a. Develop and recommend the Group's risk framework and policies that are aligned with its strategic business objectives;
- b. Communicate the Board's risk policies, objectives, responsibilities, and reporting lines to all employees across the Group;
- c. Identify and communicate to the Board on significant risks that are critical and high risks, both present and potential that the Group may face, their impact and consequences and the management action plans to manage and mitigate these risks;
- d. Perform risk oversight and review risk profiles of the Company and the Group as well as regularly review and update the business units' risk management processes;
- e. Provide guidance to the business units on the Group's and business units' risk appetite and capacity, and other criteria which, when exceeded, trigger an obligation to report upwards to the Board;
- f. To keep under review the effectiveness of the Group's internal control and risk management systems and review the statements to be included in the Annual Report concerning such internal controls and risk management; and
- g. All other risk management matters delegated by the Board.

**03 RISK MANAGEMENT FRAMEWORK**

The Group has adopted a Risk Management Framework (“Framework”) that outlines policies and on-going processes for identifying, evaluating, managing, monitoring and communicating the risks faced by the Group throughout the period under review. It places importance of balancing between risk and reward in making strategic business decisions, managing both existing and potential risks with the objective of protecting key stakeholders’ interest, and ensuring compliance with statutory and legal requirements. The Framework sets the risk context and categories such as industry/market, financial, operations, compliance and people in relation to the Group’s business activities.

The risk assessment methodology adopted by the Group, which is guided by the globally accepted standard for risk management i.e. International Risk Management Standard ISO 31000:2018 is outlined as follows:-



**Risk identification and evaluation process**

Risks associated with the Group’s business goals are identified through a series of interviews with key personnel and management of the Group, which are then incorporated into a Significant Risk Profile that includes details on the nature of the risk as well as the severity and probability of its occurrence.

The risk identification process includes consideration for both internal and external environmental factors. External environmental factors include political, economic, social, technological, legal and environment changes. Internal factors include changes in key personnel, venturing into new businesses or joint ventures, introduction and implementation of new or revision of existing policies and procedures.

The risks identified are evaluated by examining the impact on the Group if a risk were to occur, as well as the likelihood

of its occurrence. The likelihood is rated on a scale of 1 to 5, with 1 indicating that the event is very unlikely to happen and 5 indicating that there is a very high likelihood of the event happening. The impact is also assessed on the scale of 1 to 5, with 1 being insignificant impact and 5 being very significant. The rating takes into consideration the effectiveness of existing controls put in place to manage risks. After the risk assessment has been carried out, the Group will continue to closely monitor the significant risks identified and are rated as critical or high.



Amid the backdrops of the COVID-19 pandemic, the three (3) key risk areas identified in the financial year ended 30 September 2021 in accordance to their potential impact to the Group are:

- **Regulatory and compliance risk**

The Group's operations are subject to guidelines, laws and regulations of local authorities, government bodies and ministries, securities commission and listing requirements.

The changes in laws and regulations may directly and indirectly affect the Group. The Group in keeping abreast with the latest rulings, regulations and guidelines changes need to assess the impact of such changes on the operations of the Group to ensure its continued compliance.

- **Operational risk**

The Group's operations are exposed to sales, project management and construction related risks.

The Group recognised the importance of delivering quality products and services. The Group adhered to stringent standard operating policies and procedures, and carefully select and assess every contractor, supplier, consultant, service provider and vendor that the Group engages. In addition to the above, the Group also emphasises on the importance of safety and well-being of its stakeholders.

- **Competition risk**

The Group's revenue and profitability are exposed to the risk of uncertainty arising from slowdown of global and local economic conditions, and the challenging property market sector affected by the prolonged COVID-19 pandemic.

Recognising this, the Group embraces changes and strives for continuous innovation to suit markets demand. Besides delivering quality products timely, the Group also embarks on initiatives to create vibrancy and footfalls to its development projects to enhance value to its customers and to ensure customers' satisfaction.

The Group had also launched Easy Home Ownership Campaigns and collaborated with Maybank Islamic's Houzkey to offer home ownership program that provide a more affordable home ownership financing solution to home buyers.

Risk information and treatment plans are captured and updated into a risk register which is maintained by the Business Unit Risk Committee Officer. The information is consolidated to provide an overview of significant risks faced by the Group and the associated risk mitigation plans, which are tracked and reviewed.



**03 RISK MANAGEMENT FRAMEWORK (CONT'D)**

**Risk adoption and monitoring process**

All risks identified and assessed are documented in the Group risk assessment report and divisional & operational risk assessment report, whereby risks classified as significant and prioritised in terms of likelihood of the risk occurring and its impact should the risk occur. These reports have been tabled to the RMC on 26 February 2021 and 28 May 2021, respectively. Risk assessment of the Group has been structured on a two-level assessment approach to give the appropriate focus at Group level and divisional & operational level.

Through these mechanisms, risks identified can be managed and monitored on a continual basis, so that the impact of such risks crystalising

may be mitigated to avoid any loss or negative impact on the Group or divisions or business units. However, certain significant risks which are rated critical or high could be due to the business environment it operates in and such risks may not be managed and eliminated by the Group. The Group had formulated risk responses to address threats arising from significant risks to minimise the likelihood of such risks occurring or reducing the impact of such risks. On top of that, the Group also recognises opportunities that may come from certain significant risks and take appropriate actions to capitalise on such opportunities arising from such events.

The Internal Audit function, on a regular basis, facilitated the identification and assessment of significant risks

and the controls put into effect by the management to mitigate the identified significant risks. Together with the management, the Internal Audit function shall ascertain if controls are sufficient and effective in mitigating the identified risks.

After due analysis and discussions with the management, the Internal Audit function may facilitate the revision in risk ratings where applicable, after taking into account the adequacy and effectiveness of internal controls. Through these mechanisms, the Audit Committee receive assurance that the significant risks of the Group are regularly reviewed and appropriately managed to an acceptable level.

**04 INTERNAL CONTROLS**

Key elements of the Group’s internal control environment for the financial year ended 30 September 2021 are as follows:

Area	Control Elements
People Management	<p><b>Human Resource Management</b></p> <ul style="list-style-type: none"> <li>• Employee Handbook</li> <li>• Formal performance appraisal result in performance linked recognition and rewards</li> <li>• Employee engagement survey</li> </ul> <p><b>Integrity Management</b></p> <ul style="list-style-type: none"> <li>• The Group’s anti-corruption Framework has been duly approved by the Board on 29 April 2020 for adoption across the Group. Under the framework, an anti-bribery and corruption working group had been formed to oversee matters on anti-bribery and corruption. The five (5) key guiding principles of the framework are top level commitment, risk assessment, undertake control measures, systematic review, monitoring and enforcement and lastly, training and communication.</li> <li>• An Anti-Bribery and Corruption Policy and Procedures (“ABAC”) that is adopted by the Company has been duly approved by the Board. The ABAC adopted are in line with the Malaysian Anti-Corruption Commission Act 2009. The Group has adopted a zero-tolerance policy against all forms of bribery and corruption.</li> <li>• Policy on “no gift and entertainment” has also been adopted whereby, subject only to certain narrow exceptions, Sunsuria employees, directors or agents (executive and non-executive) and family members are prohibited from, directly or indirectly involved in receiving or providing gifts &amp; entertainment.</li> <li>• Whistleblowing policy has been established to provide an avenue for employees, associates of the Group and third parties to disclose any concerns about misconduct, wrongdoings, corruption and/or instances of fraud, illegal act, and/or abuse in accordance with the procedures as provided under this policy and to provide protection for its employees, associates or third parties who report such allegations.</li> </ul>

## 04 INTERNAL CONTROLS (CONT'D)

Area	Control Elements
<b>Process Management</b>	<p><b>Quality Management System</b></p> <ul style="list-style-type: none"> <li>Clearly defined internal standard operating procedures and policies are easily accessible by all employees via the Company's intranet.</li> </ul> <p><b>Financial Management</b></p> <ul style="list-style-type: none"> <li>Annual budgets prepared are subject to the management's review before being escalated to the Board for approval.</li> <li>Limits of Authority ("LoA") has been established for the Group and its subsidiaries to govern the day-to-day operations. The relevance of the LoA is reviewed periodically and as and when necessary.</li> </ul> <p>The most recent revision to the LoA was carried out in April 2021.</p> <p><b>Business/Project Management</b></p> <ul style="list-style-type: none"> <li>Weekly operational and sales meetings are held to review and update on performances of every business division.</li> </ul> <p><b>Environment, Safety and Health Management</b></p> <ul style="list-style-type: none"> <li>An Occupational Health, Safety and Environment Committee is formed at every project and construction site.</li> </ul>
<b>Technology Management</b>	<p><b>Information Security</b></p> <ul style="list-style-type: none"> <li>Data security and data protection is very important to ensure access to applications and data is secured from cyber security threats. The Group has data backup plans and recovery procedures in place.</li> </ul>
<b>Crisis Management</b>	<ul style="list-style-type: none"> <li>Crisis management team headed by the Group's Senior Management was formed to address any critical issues and operational matters effectively and efficiently and on a timely manner.</li> <li>The Emergency Response Team was formed in response to the COVID-19 pandemic to provide clear guidelines and SOPPs to realign business operations with the new normal ways of operations, whilst ensuring safety, productivity and compliances are maintained.</li> </ul>

Other key elements of the Group's system of internal control include:-

- An appropriate organisation structure for planning, executing, controlling and monitoring business operations with clear lines of reporting and responsibility, and defined delegations of authority.
- Uniform and consistent protocols and controls within the Group, whereby key processes in the Group's management and operations have been formalised and documented in the form of Standard Operating Policies and Procedures ("SOPP"). These SOPPs are subject to review and improvements, particularly through periodic reviews.
- Annual budgets for business units and the Group established for implementation requires the Board's approval. Variances arising between actual performances against budget are monitored and reported regularly. Such results are consolidated and presented to the Board on a regular basis.
- Clear authorisation levels for all aspects of the business are formalised via the Group's LoA.
- Occupational safety and health ("OSH") guidelines, which include the formation of a safety committee to monitor and enhance OSH procedures and to address OSH issues that may arise from time to time.
- Periodic review of Related Party Transactions by the Audit Committee and the Board to ensure continuous compliance with the Main Market Listing Requirements.

**04 INTERNAL CONTROLS (CONT'D)****Independent Assurance Mechanism**

Regular assessments on the adequacy and integrity of the internal control system are carried out through internal audits. The Group's Internal Audit function has been outsourced to an independent professional services firm since 24 July 2015 to assist the Board and the Audit Committee in undertaking independent assessment on the adequacy, efficiency and effectiveness of the Group's internal control system.

During the financial year ended 30 September 2021, internal audit reviews were carried out in accordance with a risk-based internal audit plan that is approved by the Audit Committee. The internal audit methodology applied is risk based and in accordance with the International Professional Practices Framework as promulgated by the Institute of Internal Auditors.

Results of the internal audit reviews including recommendations for improvements as well as corrective measures implemented or planned were presented to the Audit Committee for their deliberation on a quarterly basis. Based on the internal audit reviews conducted during the year, none of the weaknesses noted have resulted in any material losses, contingencies or uncertainties that would require a separate disclosure in this annual report.

**05 MATERIAL ASSOCIATES**

The disclosures in this statement do not include the risk management and internal control practices of the Company's material associates. The Company's interests in these entities are safeguarded through the appointment of members of the Group's Senior Management team to the Board of Directors and, in certain cases, the management Committees of these entities.

**06 ASSURANCE FROM MANAGEMENT**

In accordance with the Statement on Risk Management & Internal Control: Guidelines for Directors of Listed issuers, the Board has received assurances from the Executive Chairman and the Chief Financial Officer, that, to the best of their knowledge, the system of internal control and risk management of the Group are operating effectively and adequately in all material respects, based on the risk management and internal control frameworks adopted by the Group.

**07 REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS**

Pursuant to Paragraph 15.23 of the Listing Requirements, the External Auditors have reviewed this Statement on Risk Management & Internal Control for inclusion in the 2021 Annual Report. Their review was performed in accordance with Audit and Assurance Practice Guide 3: Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants. Based on their review, nothing has come to their attention that causes them to believe that this statement is not prepared, in all material respects, in accordance with the disclosures required to be set out by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out, nor is factually inaccurate.

**08 CONCLUSION**

The Board is of the view that the system of internal control and risk management is in place for the year under review and, up to the date of approval of this statement for inclusion in the annual report, is sound and sufficient to safeguard the Group's assets, as well as the shareholders' investments, the interests of customers, regulators, employees and other stakeholders. There were no material control failures or adverse compliance events that have directly resulted in any material loss to the Group.

This Statement was approved by the Board on 21 January 2022.

# ADDITIONAL COMPLIANCE INFORMATION

## Directors' Responsibility Statement

The Directors are required by the Companies Act 2016 ("Act") to cause management to prepare the financial statements for each financial year in accordance with Malaysian Financial Reporting Standards ("MFRSS"), International Financial Reporting Standards ("IFRS") and the requirements of the Act to give a true and fair view of the financial position of the Group and the Company at the end of the financial year and of the financial performance and cash flows of the Group and the Company for the financial year. Where there are new accounting standards or policies that become effective during the year, the impact of these new requirements would be stated in the notes to the financial statements, accordingly.

In the preparation of the financial statements, the Directors ensure that management have:

- applied appropriate and consistent accounting policies;
- made judgements and estimates that are reasonable and prudent;
- ensured that all applicable accounting standards have been followed; and
- prepared financial statements on a 'going concern' basis as the Directors have a reasonable expectation, having made enquiries, that the Group and the Company have adequate resources to continue operations for the foreseeable future.

The Directors have responsibility to ensure that the Company keeps accounting records, which disclose with reasonable accuracy the financial position of the Company and the Group, which enable them to ensure that the financial statements comply with the provisions of the Act. The Directors have overall responsibility for taking such steps as are reasonably available to them to safeguard the assets of the Group to prevent and detect fraud and other irregularities.

## Material Contract Involving Directors' and Major Shareholders' Interest

There were no material contracts entered into by the Company and its subsidiaries involving Directors and Major Shareholders' Interest which were still subsisting as at the end

of the financial year under review or which were entered into since the end of previous financial period except as disclosed in the financial statements.

During the financial year under review, the Company has provided shareholders' advance and corporate guarantee amounting to RM81.1 million and RM173.4 million respectively in favour of Bangsar Hill Park Development Sdn. Bhd. ("BHPD"), a 51%-owned subsidiary of the Company ("Provision of Financial Assistance"). The Provision of Financial Assistance to BHPD is for the purpose of working capital and made with reference to the Circular to Shareholders dated 21 January 2021 and Note 27 of the financial statements.

## Utilisation of Proceeds

There were no proceeds raised from any corporate proposals during the financial year under review.

## Employees' Share Option Scheme ("ESOS")

At the Extraordinary General Meeting held on 29 March 2019, the shareholders had approved the establishment of ESOS of up to 10% of the total number of issued shares of the Company (excluding Treasury Shares, if any) for eligible Directors and employees of the Company and its subsidiaries (excluding dormant subsidiaries). The ESOS has a duration of five (5) years from its effective date i.e. 4 September 2019.

During the financial year, the Company has not granted ESOS options to the eligible persons under the scheme.

## Recurrent Related Party Transactions

At the last Annual General Meeting held on 17 March 2021, the Company had obtained a general mandate from its Shareholders for the Group to enter into recurrent related party transactions of a revenue or trading nature ("RRPT mandate").

The aggregate value of the recurrent related party transactions of a revenue nature incurred by the Group pursuant to the RRPT mandate for the financial year ended 30 September 2021 did not exceed the threshold prescribed under Paragraph 10.09(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

## Audit Fees and Non-Audit Fees

During the financial year, the amount of audit-related and non-audit fees paid and payable to the External Auditors and/or its affiliates by the Company and the Group respectively for the financial year ended 30 September 2021 are as set out below:-

	Group		Company	
	2021 (RM'000)	2020 (RM'000)	2021 (RM'000)	2020 (RM'000)
Statutory audit fees	491	356	96	72
Total (a)	491	356	96	72
Non-audit fees:-				
- Other Services	49	137	19	110
Total (b)	49	137	19	110
% of non-audit fees (b/a)	10.0%	38.5%	19.8%	152.8%



# FINANCIAL STATEMENTS

Sunsuria Berhad

Annual Report 2021



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# DIRECTORS' REPORT

The directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 September 2021.

## PRINCIPAL ACTIVITIES

The Company is principally engaged in the businesses of investment holding and the provision of management services. The details of the subsidiaries are disclosed in Note 12 and Note 54 to the financial statements.

## RESULTS

	The Group RM'000	The Company RM'000
Profit after taxation	23,015	33,446
Attributable to:		
Owners of the Company	21,379	33,446
Non-controlling interests	1,636	-
	23,015	33,446

In the opinion of the directors, the results of operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature, other than the significant event during the year as disclosed in Note 53 to the financial statements.

## DIVIDENDS

The amount of dividend paid by the Company since the end of previous financial year were as follows:

	The Group and The Company RM'000
In respect of the financial year ended 30 September 2021:	
Single tier interim dividend of RM0.02 per share on 895,917,302 ordinary shares declared on 26 February 2021 and paid on 31 March 2021	17,918

The directors do not recommend any final dividend in respect of the current financial year.

## RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

**ISSUES OF SHARES AND DEBENTURES**

During the financial year:

- (a) there were no changes in the issued and paid-up share capital of the Company; and
- (b) there were no issues of debentures by the Company.

**TREASURY SHARES**

The shareholders of the Company had on 17 March 2021 approved the Company to purchase up to 10% of its prevailing issued and paid-up share capital. At the end of the reporting period, no shares was repurchased and held as treasury shares in accordance with Section 127 of the Companies Act 2016.

**OPTIONS GRANTED OVER UNISSUED SHARES**

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

**EMPLOYEES' SHARE OPTION SCHEME ("ESOS")**

On 29 March 2019, the shareholders of the Company approved the establishment of ESOS of up to ten percent (10%) of the total number of issued and paid-up ordinary shares of the Company (excluding Treasury Shares, if any) for eligible directors and employees of the Company and its subsidiaries (excluding subsidiaries which are dormant).

The ESOS is administered by the Employees' Share Option Scheme Committee ("ESOS Committee") in accordance with the ESOS By-Laws. The ESOS was established on 4 September 2019 for a period of five (5) years and may be extended or renewed (as the case may be) for another five (5) years in accordance to the ESOS By-Laws.

During the financial year, the Company has not granted ESOS options to the eligible persons under the ESOS.

The salient features of the ESOS are disclosed in Note 46 to the financial statements.

**OTHER STATUTORY INFORMATION**

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps:

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and have satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
- (b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances:

- (a) which would render the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- (c) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (d) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

At the date of this report, there does not exist:

- (a) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; and
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

No contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the financial year, which in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations when they fall due.

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of operations of the Group and of the Company in the financial year in which this report is made.



**DIRECTORS**

The directors of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

Tan Sri Datuk Ter Leong Yap  
Tan Pei Geok  
Datin Loa Bee Ha  
Dato' Quek Ngee Meng

The names of directors of subsidiaries, are set out in the respective subsidiaries' statutory accounts and the said information is deemed incorporated herein by such reference and made a part hereof.

**DIRECTORS' INTERESTS**

According to the register of directors' shareholdings kept by the Company under Section 59 of the Companies Act 2016, the interests of directors holding office at the end of the financial year in shares and warrants of the Company during the financial year are as follows:

	Number of Ordinary Shares			At 30.09.2021
	At 1.10.2020	Bought	Sold	
<i>Direct Interests</i>				
Tan Sri Datuk Ter Leong Yap	168,839,872	-	-	<b>168,839,872</b>
Tan Pei Geok	1,830,000	-	-	<b>1,830,000</b>
Dato' Quek Ngee Meng	50,000	193,300	-	<b>243,300</b>
<i>Indirect Interests</i>				
Tan Sri Datuk Ter Leong Yap <sup>#</sup>	368,666,208	-	-	<b>368,666,208</b>
Datin Loa Bee Ha <sup>^</sup>	14,828,800	-	-	<b>14,828,800</b>

## Notes:

# - Deemed interested by virtue of his substantial shareholdings in Ter Equity Sdn. Bhd., Ter Capital Sdn. Bhd. and THK Capital Sdn. Bhd..

^ - Deemed interested by virtue of the shareholdings held by her spouse, Dato' Tan Tian Meng pursuant to Section 59(11)(c) of the Companies Act 2016.

By virtue of his shareholdings in the Company, Tan Sri Datuk Ter Leong Yap is deemed to have interests in shares in its related corporations during the financial year to the extent of the Company's interests, in accordance with Section 8 of the Companies Act 2016.

Saved as disclosed, the other directors holding office at the end of the financial year had no interest in shares and options over unissued shares of the Company or its related corporations during the financial year.

**DIRECTORS' BENEFITS**

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of remuneration received or due and receivable by directors shown in the financial statements or the fixed salary of a full-time employee of the Company or related corporations) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 47 to the financial statements.

Neither during nor at the end of the financial year was the Group or the Company a party to any arrangements whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

**DIRECTORS' REMUNERATION**

The details of the directors' remuneration paid or payable to the directors of the Group and of the Company during the financial year are disclosed in Note 45 to the financial statements.

**INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS**

During the financial year, the total amount of indemnity coverage and insurance premium paid for the directors and certain officers of the Company were RM10,000,000 and RM19,090 respectively. No indemnity was given to or insurance effected for auditors of the Company.

**SIGNIFICANT EVENT DURING THE YEAR**

The details of significant event during the year are disclosed in Note 53 to the financial statements.

**SUBSEQUENT EVENT**

Significant non-adjusting event subsequent to the end of the financial year are disclosed in Note 55 to the financial statements.

**AUDITORS' REMUNERATION**

The auditors' remuneration are disclosed in Note 9 to the financial statements.

**AUDITORS**

The auditors, Deloitte PLT, have indicated their willingness to continue in office.

Signed on behalf of the Board, as approved by the Board in accordance with a resolution of the Directors,

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**TAN SRI DATUK TER LEONG YAP**

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**TAN PEI GEOK**

Petaling Jaya, Selangor Darul Ehsan  
21 January 2022

# STATEMENT BY DIRECTORS

The directors of **SUNSURIA BERHAD**, state that, in their opinion, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 September 2021 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors,

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**TAN SRI DATUK TER LEONG YAP**

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**TAN PEI GEOK**

Petaling Jaya, Selangor Darul Ehsan  
21 January 2022

## DECLARATION BY THE OFFICER PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF THE COMPANY

I, **LEONG KOK CHI**, the officer primarily responsible for the financial management of **SUNSURIA BERHAD**, do solemnly and sincerely declare that the accompanying financial statements are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

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**LEONG KOK CHI**  
**MIA No. 11054**

Subscribed and solemnly declared by the abovenamed **LEONG KOK CHI** at Petaling Jaya in the state of Selangor Darul Ehsan this 21<sup>st</sup> day of January, 2022.

Before me,

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**COMMISSIONER FOR OATHS**



# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUNSURIA BERHAD

(INCORPORATED IN MALAYSIA)

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of **SUNSURIA BERHAD**, which comprise the statements of financial position of the Group and of the Company as at 30 September 2021, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 98 to 211.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 September 2021, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

### Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the *International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the key audit matter to be communicated in our report.

Revenue and Cost of Sales Recognition for Property Development Activities	
Key Audit Matter	How our audit addressed the Key Audit Matter
<p>During the financial year ended 30 September 2021, property development revenue amounted to RM263 million, representing 98% of the Group's total revenue while its related cost of sales amounted to RM180 million, representing 98% of the Group's total cost of sales.</p> <p>The Group recognises property development revenue and cost of sales using input method. The stage of completion is determined by the proportion of property development costs incurred for work performed to date over the estimated total property development costs.</p>	<p>Our key procedures include, amongst others:</p> <ol style="list-style-type: none"> <li>Obtained an understanding of the process and relevant controls put in place by the Group in respect of:               <ol style="list-style-type: none"> <li>revenue recognition for property development activities and performed procedures to evaluate the design and implementation and operating effectiveness of such controls; and</li> <li>budgeting of development and computation of percentage of completion.</li> </ol> </li> </ol>

<b>Revenue and Cost of Sales Recognition for Property Development Activities</b>	
<b>Key Audit Matter</b>	<b>How our audit addressed the Key Audit Matter</b>
<p>Accounting for property development activities is inherently complex, whereby significant judgements and estimates are involved in the following areas:</p> <ul style="list-style-type: none"> <li>determination of stage of completion; and</li> <li>estimated total property development costs and costs to be incurred to complete a project.</li> </ul> <p>We determined this to be a key audit matter given its magnitude relative to the Group's revenue and cost of sales as well as the complexity and judgmental nature of these activities.</p> <p>Refer to Note 4.1 (b) (iv) (Critical Accounting Judgements and Key Sources of Estimation Uncertainty - Revenue and Cost of Sales Recognition for Property Development Activities), Note 4.26 (b) (Significant Accounting Policies - Revenue and Other Income), Note 5 (Revenue), Note 6 (Cost of Sales) and Note 18 (Inventories) to the financial statements.</p>	<ol style="list-style-type: none"> <li>Evaluated the terms and conditions of major sales transactions to ensure that revenue recognised at a point in time or overtime in line with the Group policy and the requirements of MFRS 15 Revenue from Contracts with Customers with a five-step approach.</li> <li>Assessed the reasonableness of management-prepared budgets for property development projects against letters of award issued to contractors, challenged management assumptions used in the preparation of the respective budgets and performed retrospective review to establish the reliability of management-prepared budgets.</li> <li>Performed sampling test on actual development costs incurred to the relevant supporting documents such as contractor's progress claims, surveyor certificates and architect certificates.</li> <li>Performed site visits for individually significant on-going projects to arrive at an overall assessment as to whether information provided by management is reasonable.</li> <li>Interviewed management's project team on the achievability of the budgeted costs to the completion of individually significant projects.</li> <li>Obtained an understanding on the causes of the delays and corroborated key judgement applied by management in regards to the projects whereby actual progress is behind planned progress, as to whether provision for liquidated ascertained damages ("LAD") is required.</li> <li>Assessed the stage of completion of individually significant on-going development projects to the expected handover date to determine the adequacy of LAD as LAD is considered as variable consideration which will affect the transaction price of the projects.</li> <li>Assessed Sale &amp; Purchase agreements ("SPA") entered into between the purchasers and the Group and test checked for subsequent cancellation of SPA.</li> <li>Obtained and assessed confirmation of material amounts payable to contractors and consultants as well as reviewing details of progress claims for construction costs incurred and payables reconciliation, if any.</li> <li>Performed search for unrecorded liabilities and cut off tests for cost incurred. Evaluated accruals made in respect of work performed by contractors and consultants of which invoice/progress claim has yet to be received. This include review of basis of estimation of the amount accrued and subsequent invoices and progress claims received after year-end to ensure that costs have been properly taken up as of year end.</li> </ol>

We have determined that there are no key audit matters in the audit of the separate financial statements of the Company to communicate in our auditors' report.

### **Information Other than the Financial Statements and Auditors' Report Thereon**

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company do not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of the Directors for the Financial Statements**

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As a part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matter**

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the contents of this report.

**DELOITTE PLT (LLP0010145-LCA)**  
**Chartered Accountants (AF 0080)**

**TAN YU MIN**  
**Partner - 03503/07/2022 J**  
**Chartered Accountant**

21 January 2022



# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2021

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	Note	The Group		The Company	
		2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Revenue	5	268,678	197,083	57,051	24,285
Cost of sales	6	(183,215)	(115,436)	-	-
Gross profit		85,463	81,647	57,051	24,285
Investment income	7	5,128	6,553	5,270	4,040
Other income		19,164	4,236	8,888	39
Administrative and other expenses		(54,391)	(34,974)	(29,788)	(38,232)
Finance costs	8	(17,319)	(9,345)	(5,680)	(429)
Share of results in associates, net of tax	13	(42)	(40)	-	-
Profit/(loss) before taxation	9	38,003	48,077	35,741	(10,297)
Income tax expense	10	(14,988)	(22,487)	(2,295)	(421)
Profit/(loss) after taxation, representing total comprehensive income/(loss) for the financial year		23,015	25,590	33,446	(10,718)
Profit/(loss) after taxation attributable to:					
Owners of the Company		21,379	29,096	33,446	(10,718)
Non-controlling interests		1,636	(3,506)	-	-
		23,015	25,590	33,446	(10,718)
Earnings per share (sen)	11				
- Basic		2.39	3.25	-	-
- Diluted		N/A	N/A	-	-

The accompanying Notes form an integral part of the Financial Statements.

# STATEMENTS OF FINANCIAL POSITION

AT 30 SEPTEMBER 2021

	Note	The Group		The Company	
		2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
Investment in subsidiaries	12	-	-	237,819	229,726
Investment in associates	13	562	576	594	594
Other investment	14	159	184	159	159
Property, plant and equipment	15	26,843	30,558	14,287	14,837
Investment properties	16	215,395	181,507	380	3,144
Goodwill	17	14,737	11,453	-	-
Inventories - land held for property development	18	681,662	533,497	-	-
Deferred tax assets	19	15,959	9,286	-	-
Right-of-use assets	20	3,891	1,425	202	79
Amount owing by subsidiaries	27	-	-	30,704	44,153
		<b>959,208</b>	<b>768,486</b>	<b>284,145</b>	<b>292,692</b>
<b>CURRENT ASSETS</b>					
Inventories - completed units and others	18	139,396	63,842	-	-
Inventories - property development costs	18	308,750	241,939	-	-
Biological assets	21	14	111	-	-
Contract assets	22	189,414	116,975	-	-
Contract costs	23	22,222	16,540	-	-
Trade receivables	24	54,811	48,781	-	-
Other receivables, deposits and prepayments	25	30,315	25,962	3,626	590
Lease receivables	26	32	204	-	-
Amount owing by subsidiaries	27	-	-	473,646	351,632
Amount owing by related parties	28	1,633	1,763	-	178
Amount owing by associate	29	6,069	4,270	-	-
Current tax assets		13,729	14,501	1,134	1,207
Short-term investment	30	109,181	92,264	106,540	71,828
Fixed deposits with licensed banks	31	26,880	34,908	23,541	29,307
Cash and bank balances	32	122,715	140,606	10,528	21,221
		<b>1,025,161</b>	<b>802,666</b>	<b>619,015</b>	<b>475,963</b>
Assets classified as held for sale	33	-	3,013	-	3,013
		<b>1,025,161</b>	<b>805,679</b>	<b>619,015</b>	<b>478,976</b>
<b>TOTAL ASSETS</b>		<b>1,984,369</b>	<b>1,574,165</b>	<b>903,160</b>	<b>771,668</b>

The accompanying Notes form an integral part of the Financial Statements.

STATEMENTS OF FINANCIAL POSITION  
AT 30 SEPTEMBER 2021

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	Note	The Group		The Company	
		2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
Ordinary share capital	34	640,288	640,288	640,288	640,288
Reserves	35	389,898	388,378	130,045	114,517
Equity attributable to owners of the Company		1,030,186	1,028,666	770,333	754,805
Non-controlling interests	12	15,820	7,335	-	-
<b>TOTAL EQUITY</b>		<b>1,046,006</b>	<b>1,036,001</b>	<b>770,333</b>	<b>754,805</b>
<b>NON-CURRENT LIABILITIES</b>					
Deferred tax liabilities	19	96,667	94,773	322	-
Long-term borrowings	36	484,844	227,207	122,121	7,920
Lease liabilities	40	3,428	2,558	136	40
		584,939	324,538	122,579	7,960
<b>CURRENT LIABILITIES</b>					
Trade payables	41	53,461	52,070	-	-
Other payables, deposits received and accruals	42	115,077	111,831	3,987	2,677
Contract liabilities	22	24,946	13,960	-	-
Amount owing to subsidiaries	27	-	-	6,010	6,007
Amount owing to related parties	28	81,680	-	-	-
Amount owing to associate	29	30,920	2,158	-	-
Short-term borrowings	43	45,193	24,069	185	177
Lease liabilities	40	1,135	2,238	66	42
Tax payable		1,012	7,300	-	-
		353,424	213,626	10,248	8,903
<b>TOTAL LIABILITIES</b>		<b>938,363</b>	<b>538,164</b>	<b>132,827</b>	<b>16,863</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,984,369</b>	<b>1,574,165</b>	<b>903,160</b>	<b>771,668</b>

The accompanying Notes form an integral part of the Financial Statements.

# STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2021

The Group	Note	Non-distributable				Distributable			Total Equity RM'000
		Ordinary Share Capital RM'000	Warrant Reserve RM'000	Capital Reserve RM'000	Retained Earnings RM'000	Attributable to Owners of the Company RM'000	Non- Controlling Interests RM'000		
<b>As at 1 October 2019</b>		640,288	48,299	815	310,168	999,570	16,304	1,015,874	
Total comprehensive income for the financial year		-	-	-	29,096	29,096	(3,506)	25,590	
Dividend paid by subsidiaries to non-controlling interest		-	-	-	-	-	(2,964)	(2,964)	
Redemption of non-convertible non-cumulative preference shares by subsidiary to non-controlling interest		-	-	-	-	-	(2,499)	(2,499)	
Arising from expiry of warrants	35.1	-	(48,299)	-	48,299	-	-	-	
<b>As at 30 September 2020/1 October 2020</b>		640,288	-	815	387,563	1,028,666	7,335	1,036,001	
Total comprehensive income for the financial year		-	-	-	21,379	21,379	1,636	23,015	
Issuance of shares by subsidiary to non-controlling interest		-	-	-	-	-	4	4	
Acquisition of a subsidiary	12 (a)	-	-	-	-	-	4,952	4,952	
Dividend paid to equity holders of the Company	50	-	-	-	(17,918)	(17,918)	-	(17,918)	
Dividend paid by subsidiaries to non-controlling interest		-	-	-	-	-	(48)	(48)	
Adjustment from changes in non-controlling interest		-	-	-	(1,941)	(1,941)	1,941	-	
<b>As at 30 September 2021</b>		<b>640,288</b>	<b>-</b>	<b>815</b>	<b>389,083</b>	<b>1,030,186</b>	<b>15,820</b>	<b>1,046,006</b>	

The accompanying Notes form an integral part of the Financial Statements.



STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2021

	Note	Non-distributable			Distributable		Total Equity RM'000
		Share Capital RM'000	Warrant Reserve RM'000	Capital Reserve RM'000	Retained Earnings RM'000		
<b>The Company</b>							
<b>As at 1 October 2019</b>		640,288	48,299	1,800	75,136	765,523	
Total comprehensive income for the financial year		-	-	-	(10,718)	(10,718)	
Arising from expiry of warrants	35.1	-	(48,299)	-	48,299	-	
<b>As at 30 September 2020/1 October 2020</b>		640,288	-	1,800	112,717	754,805	
Total comprehensive income for the financial year		-	-	-	33,446	33,446	
Dividend paid to equity holders of the Company	50	-	-	-	(17,918)	(17,918)	
<b>As at 30 September 2021</b>		<b>640,288</b>	<b>-</b>	<b>1,800</b>	<b>128,245</b>	<b>770,333</b>	

The accompanying Notes form an integral part of the Financial Statements.

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2021

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	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
<b>CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES</b>				
Profit/(Loss) before taxation	<b>38,003</b>	48,077	<b>35,741</b>	(10,297)
Adjustments for:				
Depreciation of:				
- property, plant and equipment	<b>5,406</b>	5,649	<b>1,010</b>	998
- investment properties	<b>473</b>	478	<b>42</b>	138
- right-of-use assets	<b>1,275</b>	953	<b>70</b>	67
Dividend income	-	-	<b>(30,484)</b>	(3,060)
Fair value loss/(gain) on:				
- other investment	<b>25</b>	-	-	-
- biological assets	<b>97</b>	(38)	-	-
Impairment loss on:				
- investment in subsidiaries	-	-	<b>345</b>	2,955
- investment in associates	<b>2</b>	-	-	-
- property, plant and equipment	<b>577</b>	1,751	-	-
- investment properties	<b>373</b>	602	<b>100</b>	408
- right-of-use assets	<b>259</b>	1,874	-	-
Allowance for impairment losses on:				
- trade receivables	-	1	-	-
- other receivables	-	1,071	-	1,071
- amount owing by subsidiaries	-	-	<b>3,552</b>	8,107
Finance costs	<b>17,319</b>	9,345	<b>5,680</b>	429
Investment income	<b>(5,128)</b>	(6,553)	<b>(5,270)</b>	(4,040)
Inventories write down to net realisable value:				
- land held for property development	<b>4,563</b>	1,238	-	-
- completed units	<b>476</b>	404	-	-
Gain on disposal of:				
- property, plant and equipment	<b>(116)</b>	-	<b>(18)</b>	-
- investment properties	<b>(6,797)</b>	-	<b>(6,797)</b>	-
- assets classified as held for sale	<b>(900)</b>	(1,893)	<b>(900)</b>	-
Gain on recognition of lease receivables	<b>(107)</b>	(97)	-	-
Gain on derecognition of lease liabilities	<b>(1,256)</b>	-	-	-
Property, plant and equipment written-offs/ adjustments	<b>4</b>	476	<b>4</b>	316
Reversal of written down to net realisable value of land held for property development	<b>(559)</b>	-	-	-

The accompanying Notes form an integral part of the Financial Statements.

STATEMENTS OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2021

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	Note	The Group		The Company	
		2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Reversal of allowance for impairment losses on:					
- trade receivables		-	(694)	-	-
- amount owing by subsidiaries		-	-	(567)	-
Waiver of debts		(5,028)	-	-	-
Share of results in associates		42	40	-	-
Short-term lease expenses		1,206	1,086	1,197	1,086
Low value asset lease expenses		4	7	2	4
Operating profit/(loss) before working capital changes		50,213	63,777	3,707	(1,818)
Changes in working capital:					
Increase in inventories - completed units and others		(76,030)	(2,525)	-	-
Decrease in inventories - land held for property development		29,293	-	-	-
Decrease in inventories - property development costs		96,648	13,524	-	-
(Increase)/Decrease in contract assets		(72,160)	110,856	-	-
Increase in contract cost		(4,933)	(11,898)	-	-
Decrease/(Increase) in trade and other receivables		1,940	(4,880)	(3,036)	800
(Increase)/Decrease in amount owing by subsidiaries		-	-	(17,374)	84,461
Decrease/(Increase) in amount owing by related parties		130	141	178	(178)
Increase in amount owing by associate		(1,799)	(2,083)	-	-
Increase/(Decrease) in trade and other payables		3,410	(27,538)	1,310	(3,454)
(Decrease)/Increase in contract liabilities		(1,953)	250	-	-
Decrease in amount owing to related parties		(72,347)	(1,249)	-	-
Increase in amount owing to associate		28,762	452	-	-
<b>CASH (FOR)/FROM OPERATIONS</b>		<b>(18,826)</b>	<b>138,827</b>	<b>(15,215)</b>	<b>79,811</b>
Income tax paid		(23,837)	(25,397)	(1,203)	(1,312)
Income tax refunded		2,775	2,488	-	41
Finance costs paid		(27,698)	(14,223)	(5,838)	(483)
Real property gains tax paid		(697)	(316)	(697)	(132)
Short term lease paid	(i)	(1,206)	(1,086)	(1,197)	(1,086)
Low value asset lease paid	(i)	(4)	(7)	(2)	(4)
<b>NET CASH (FOR)/FROM OPERATING ACTIVITIES</b>		<b>(69,493)</b>	<b>100,286</b>	<b>(24,152)</b>	<b>76,835</b>

The accompanying Notes form an integral part of the Financial Statements.

	Note	The Group		The Company	
		2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
<b>CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES</b>					
Net cash inflow from acquisition of a subsidiary	12(a)	1,610	-	-	-
Advances to subsidiaries		-	-	(94,164)	(12,742)
Advances to associate		-	(320)	-	-
Dividend received		-	-	30,475	5,560
Expenditure incurred on land held for property development		(11,397)	(4,335)	-	-
Withdrawal/(placement) of deposits pledged with licensed banks		5,717	(9,979)	5,766	(9,903)
Investment income received		5,128	6,553	5,270	4,040
Investment in subsidiaries		-	-	(8,438)	(1)
Investment in associates		(30)	-	-	-
Acquisition of:					
- property, plant and equipment	(ii)	(1,436)	(2,293)	(222)	(10,351)
- investment properties		(28,657)	(19,738)	-	(925)
Net sale proceeds from disposal of:					
- property, plant and equipment		158	-	60	-
- investment properties		9,419	-	9,419	-
- assets classified as held for sale		3,913	2,300	3,913	-
<b>NET CASH FOR INVESTING ACTIVITIES</b>		<b>(15,575)</b>	<b>(27,812)</b>	<b>(47,921)</b>	<b>(24,322)</b>

The accompanying Notes form an integral part of the Financial Statements.



STATEMENTS OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2021

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	Note	The Group		The Company	
		2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
<b>CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES</b>					
Advances from subsidiaries		-	-	-	2,070
Dividends to non-controlling interest		(48)	(2,986)	-	-
Dividend paid		(17,918)	-	(17,918)	-
Drawdown of loans and borrowings		48,121	157,708	-	37,718
Payments for the principal portion of lease liabilities		(2,826)	(2,577)	(73)	(67)
Transaction costs related to loans and borrowings		(780)	-	(740)	-
Proceeds from issuance of ordinary shares to non-controlling interest in subsidiary		4	-	-	-
Redemption of non-convertible non-cumulative preference shares by subsidiary to non-controlling interest		-	(2,499)	-	-
Repayment of hire purchase obligations		(209)	(193)	(177)	(193)
Proceeds from issuance of Sukuk Wakalah		115,000	-	115,000	-
Repayment of loans and borrowings		(59,561)	(89,637)	-	(30,000)
<b>NET CASH FROM FINANCING ACTIVITIES</b>		<b>81,783</b>	<b>59,816</b>	<b>96,092</b>	<b>9,528</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(3,285)</b>	<b>132,290</b>	<b>24,019</b>	<b>62,041</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>		<b>235,423</b>	<b>103,133</b>	<b>93,049</b>	<b>31,008</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	44	<b>232,138</b>	<b>235,423</b>	<b>117,068</b>	<b>93,049</b>

The accompanying Notes form an integral part of the Financial Statements.

Notes:

(i) Cash outflows for leases as a lessee

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
<u>Included in net cash (for)/from operating activities</u>				
Short-term leases paid (Note 20)	1,206	1,086	1,197	1,086
Low value assets leases paid (Note 20)	4	7	2	4
Finance costs paid in relation to lease liabilities (Note 8)	262	253	7	6
	<b>1,472</b>	1,346	<b>1,206</b>	1,096
<u>Included in net cash from/(for) financing activities</u>				
Payment for the principal portion of lease liabilities	2,248	2,577	73	67
	<b>3,720</b>	3,923	<b>1,279</b>	1,163

(ii) During the current financial year, the Group and the Company acquired property, plant and equipment through cash payments:

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Total additions of property, plant and equipment (Note 15)	1,720	2,347	506	10,405
Less: interest capitalised (Note 8)	(284)	(54)	(284)	(54)
Total costs of property, plant and equipment acquired via cash payments	<b>1,436</b>	2,293	<b>222</b>	10,351

The accompanying Notes form an integral part of the Financial Statements.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

## 1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office and principal place of business are located at Suite 8, Main Tower, Sunsuria Avenue, Persiaran Mahogani, Kota Damansara PJU 5, 47810 Petaling Jaya, Selangor Darul Ehsan.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 21 January 2022.

## 2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the businesses of investment holding and the provision of management services. The details of the subsidiaries are disclosed in Note 12 and Note 54.

## 3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Group and of the Company are prepared under the historical cost convention, unless otherwise indicated in other section under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act 2016 in Malaysia.

The financial statements are presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand (RM'000) except as otherwise indicated.

### 3.1 Adoption of Amendments to MFRS

In the current financial year, the Group and the Company have adopted all the Amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are relevant to their operations and effective for annual periods beginning on or after 1 October 2020 as follows:

MFRSs	Amendments to References to the Conceptual Framework in MFRS Standards
Amendments to MFRS 3	Definition of a Business
Amendments to MFRS 9, MFRS 139 and MFRS 7	Interest Rate Benchmark Reform
Amendments to MFRS 101 and MFRS 108	Definition of Material

The adoption of these Amendments to MFRSs have not affected the amounts reported on the financial statements of the Group and of the Company.

### 3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONTINUED)

#### 3.2 New Standards and Amendments to MFRS in issue but not yet effective

At the date of authorisation for issue of these financial statements, the new MFRSs and amendments to MFRSs which were in issue but not yet effective and not early adopted by the Group and the Company are as listed below:

MFRS 17/Amendments to MFRS 17	Insurance contracts <sup>3</sup>
Amendments to MFRSs	Annual Improvements to MFRSs Standards 2018-2020 <sup>2</sup>
Amendments to MFRS 3	Reference to the Conceptual Framework <sup>2</sup>
Amendments to MFRS 4	Extension of the Temporary Exemption from Applying MFRS 9 <sup>3</sup>
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16	Interest Rate Benchmark Reform - Phase 2 <sup>1</sup>
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>4</sup>
Amendments to MFRS 101	Classification of Liabilities as Current or Non-Current <sup>3</sup>
Amendments to MFRS 101	Disclosure on Accounting Policies <sup>3</sup>
Amendments to MFRS 108	Definition of Accounting Estimates <sup>3</sup>
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities from a Single Transactions <sup>3</sup>
Amendments to MFRS 116	Property, Plant and Equipment - Proceeds before Intended Use <sup>2</sup>
Amendments to MFRS 137	Onerous Contracts - Cost of Fulfilling a Contract <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2021, with earlier application permitted.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2022, with earlier application permitted.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2023, with earlier application permitted.

<sup>4</sup> Effective date deferred to a date to be determined and announced

The abovementioned new MFRSs and amendments to MFRSs will be adopted in the annual financial statements of the Group and of the Company when they become effective and the Directors anticipate that the adoption of these new MFRSs and amendments to MFRSs will have no material impact on the financial statements of the Group and of the Company in the period of initial application.

#### 3.3 New accounting pronouncement that has yet to be effective but has been early adopted

##### Amendments to MFRS 16 *COVID-19-Related Rent Concessions Beyond 30 June 2021*

In the prior year, the Group and the Company early adopted COVID-19-Related Rent Concessions (Amendments to MFRS 16) that provided practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to MFRS 16. This practical expedient was available to rent concessions for which any reduction in lease payments affected payments originally due on or before 30 June 2021.

In April 2021, Malaysian Accounting Standards Board issued COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendment to MFRS 16) that extends the practical expedient to apply to reduction in lease payments originally due on or before 30 June 2022.

During the current financial year, the Group and the Company have elected to early adopt amendments to MFRS 16 COVID-19-Related Rent Concessions Beyond 30 June 2021 which will take effect on or after annual periods beginning on or after 1 April 2021.

The amendments provide lessee option elect not to assess whether a COVID-19-Related Rent Concessions is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-Related Rent Concessions the same way it would account for the change applying MFRS 16 if the change were not a lease modification.



### 3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONTINUED)

#### 3.3 New accounting pronouncement that has yet to be effective but has been early adopted (continued)

The practical expedient would apply only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

- (a) The change in lease payments results in a revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- (b) Any reduction in lease payments affects only payments originally due on or before 30 June 2022 (a rent concession would meet this condition if it results in reduced lease payments on or before 30 June 2022 and increased lease payments that extend beyond 30 June 2022); and
- (c) There is no substantive change to other terms and conditions of the lease.

The amount recognised in profit or loss to reflect changes in lease payments that arise from rent concessions to which the Group has applied the practical expedient are amounted to RM15,000 (2020: RM142,000).

### 4. SIGNIFICANT ACCOUNTING POLICIES

#### 4.1 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Estimates and judgements are continually evaluated by the directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### (a) Critical Judgement Made in Applying Accounting Policies

The directors are of the opinion that there are no instances of application of judgement which are expected to have a significant effect on the amounts recognised in the financial statements.

##### (b) Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources associated with estimation uncertainty at the reporting date that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

##### (i) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the year in which such determination is made.

##### (ii) Deferred Tax Assets

Deferred tax assets are recognised for all deductible temporary differences, unutilised tax losses and unabsorbed capital allowances to the extent that it is probable that future taxable profits would be available against which the deductible temporary differences, unutilised tax losses and unabsorbed capital allowances could be utilised.

Management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the assessment of the probability of the future taxable profits. The carrying amount of deferred tax assets as at the reporting date is disclosed in Note 19.

#### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### 4.1 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

###### (b) Key Sources of Estimation Uncertainty (continued)

###### (iii) Impairment of Goodwill

The assessment of whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which the goodwill is allocated. Estimating a value in use amount requires management to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill as at the reporting date is disclosed in Note 17.

###### (iv) Revenue and Cost of Sales Recognition for Property Development Activities

Revenue is recognised as and when the control of the asset is transferred to customers and it is probable that the Group and the Company will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. Depending on the terms of the contract and the applicable laws governing the contract, control of the asset may transfer over time or at a point in time.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation based on the physical proportion of contract work-to-date certified by professional consultants. Significant judgement is required in determining the progress towards complete satisfaction of that performance obligation based on the certified work-to-date corroborated by the level of completion of the development based on actual costs incurred to date over the estimated total property development costs. The total estimated costs are based on approved budgets, which require assessments and judgements to be made on changes in, for example, work scope, changes in costs and costs to completion. In making these judgements, management relies on past experience and the work of specialists.

###### (v) Net Realisable Value of Inventories

Inventories are stated at the lower of cost and net realisable value. The Group determines net realisable value based on historical trends and management estimates of future selling pricing. Possible changes in these estimates could result in revisions to the valuation of inventories.

###### (vi) Impairment of Non-Financial Assets

The Group and the Company review the carrying amount of its non-financial assets to determine whether there is an indication that those assets have suffered an impairment loss.

When there is an indication that the carrying amount of an asset may be impaired, the asset's recoverable amount, being the higher of its fair value less costs to sell and its value-in-use ("VIU"), will be assessed. The assessment of the recoverable amounts involves a number of methodologies.

In determining the VIU of an asset, being the future economic benefits to be expected from its continued use and ultimate disposal, the Group and the Company make estimates and assumptions that require significant judgements. While the Group and the Company believe these estimates and assumptions of VIU could be reasonable and appropriate, changes on these estimates and assumptions of VIU could impact the Group's and the Company's financial position and results.

In determining the fair value less costs to sell, it has been done by references to the latest valuation carried out by independent firm of professional valuers.

The impairment loss on investment in subsidiaries, property, plant and equipment, investment properties and right-of-use assets are disclosed in Notes 12, 15, 16 and 20 respectively.

#### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### 4.2 BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 30 September each year. Control is achieved when the Company:

- Has the power over the investee
- Is exposed, or has rights, to variable returns from its involvement with the investee
- Has the ability to use its power to affect its returns

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders
- Potential voting rights held by the Company, other vote holders or other parties
- Rights arising from other contractual arrangements
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

#### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### 4.2 BASIS OF CONSOLIDATION (CONTINUED)

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable MFRS Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under MFRS 9 when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

##### 4.3 GOODWILL

Goodwill is measured at cost less accumulated impairment losses, if any. The carrying value of goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount may be impaired. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. The carrying amount of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Under the acquisition method, any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interests recognised and the fair value of the Group's previously held interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities at the date of acquisition is recorded as goodwill.

Where the latter amount exceeds the former, after reassessment, the excess represents a bargain purchase gain and is recognised as a gain in profit or loss.

##### 4.4 FUNCTIONAL AND FOREIGN CURRENCIES

###### (a) Functional and Presentation Currency

The individual financial statements of each entity in the Group and the Company are presented in the currency of the primary economic environment in which the entity operates, which is the functional currency.

The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Group and the Company's functional and presentation currency and has been rounded to the nearest thousand, unless otherwise stated.

###### (b) Foreign Currency Transactions and Balances

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using the exchange rates at the transaction dates. Monetary assets and liabilities at the end of the reporting period are translated at the exchange rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are recognised in profit or loss.



**4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****4.5 FINANCIAL INSTRUMENTS**

Financial instruments are contracts that give rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

A financial asset is any asset that is cash, a contractual right to receive cash or another financial asset from another enterprise, a contractual right to exchange financial instruments with another enterprise under conditions that are potentially favourable, or an equity instrument of another enterprise.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another enterprise, or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable.

**(a) Recognition and Initial Measurement**

Financial assets and financial liabilities are recognised when the Group and the Company become a party to the contractual provisions of the instruments.

At initial recognition, the Group and the Company measure a financial asset (unless it is a trade receivable without significant financing component) or a financial liability at its fair value plus or minus, in the case of a financial instrument not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to the acquisition or issuance. Transaction costs of financial assets at FVTPL are recognised immediately in profit or loss.

Trade receivables without a significant financing component are initially measured at transaction price in accordance with MFRS 15.

Regular way of purchase or sale of a financial asset is recognised on the trade date, the date on which the Group and the Company commit to purchase or sell an asset.

**(b) Classification and Subsequent Measurement****Financial Assets**

The Group and the Company classify its financial assets in the following measurement categories:

- (i) those to be measured at fair value (either through other comprehensive income ("FVTOCI") or FVTPL); and
- (ii) those to be measured at amortised cost.

The classification depends on the Group's and the Company's business model for managing the financial assets and their contractual cash flows characteristics.

For assets measured at fair value, gain and losses will be recorded in either profit or loss or other comprehensive income ("OCI").

#### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### 4.5 FINANCIAL INSTRUMENTS (CONTINUED)

###### (b) Classification and Subsequent Measurement (continued)

###### Financial Assets (continued)

The Group and the Company reclassify debt instruments when and only when its business model for managing those assets changes.

###### (i) Financial assets at amortised cost

Financial assets that are held for collection of contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding are classified as financial assets at amortised cost. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method, less accumulated impairment.

Interest income from these financial assets is calculated using the effective interest rate method and is recognised in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. For credit-impaired financial assets, the effective interest rate shall be applied to the amortised cost of the financial asset in subsequent reporting periods.

###### (ii) Financial assets at fair value through other comprehensive income (“FVTOCI”)

This category comprises investment in equity instruments which are not held for trading, and the Group and the Company irrevocably elect to present subsequent changes in fair value of the investments in OCI. The election is made on an investment by-investment basis. On derecognition, gains and losses accumulated in OCI are not reclassified to profit or loss.

Dividend income from these investments is recognised in profit or loss when the right to receive payment of the dividend is established.

The Group and the Company subsequently measured these investments in equity instruments at fair value.

###### (iii) Financial assets at fair value through profit or loss (“FVTPL”)

Financial assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. Fair value changes are recognised in profit or loss in the period in which it arises.

###### Financial Liabilities

Financial liabilities of the Group and the Company are classified as ‘financial liabilities measured at amortised cost’.

The Group’s and the Company’s financial liabilities measured at amortised cost, are initially measured at fair value, net of transaction costs and subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

**4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****4.5 FINANCIAL INSTRUMENTS (CONTINUED)****(c) Impairment of Financial Assets and Contract Assets**

An impairment loss is recognised in profit or loss based on expected credit losses (“ECL”) at the end of each reporting period. ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group and the Company in accordance with the contract and the cash flows that the Group and the Company expect to receive). ECLs are discounted at the effective interest rate of the financial asset.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. 12-month ECL represents the portion of lifetime ECL that is expected to result from defaults event on a financial instrument that are possible within 12 months after the end of reporting period.

Reversal of impairment loss to profit or loss, if any, is restricted to not exceeding what the amortised cost would have been had the impairment not been recognised previously.

The Group and the Company apply the simplified approach to measure the impairment of trade receivables, contract assets and lease receivables at lifetime ECL. The ECL are estimated based on the Group’s and the Company’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the end of the reporting period, including time value of money where appropriate.

To measure the ECL, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables. The Group and the Company have therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

For other financial assets such as other receivables and amount owing from related companies, the Group and the Company recognise lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group and the Company measure the impairment losses for that financial instrument at an amount equal to 12-month ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group and the Company consider reasonable and supportable information that is relevant and available without due cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group’s and the Company’s historical experience and informed credit assessment and includes forward-looking information.

At the end of each reporting period, the Group and the Company assess whether the financial assets carried at amortised cost are credit-impaired. A financial asset is “credit-impaired” when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred, such as debtor who have defaulted on payment, or are in significant financial difficulties, or it is becoming probable that the borrower will enter bankruptcy.

These assets are written off when there is no reasonable expectation of recovery, with case-by-case assessment performed based on indicators such as insolvency or demise. Subsequent recoveries of amounts previously written off are recognised in profit or loss as bad debts recovered.

Deposits and bank balances of the Group and of the Company are placed with reputable financial institution with high credit ratings and no history of default. Hence, the Group and the Company do not expect any losses from default or non-performance by the counterparties.

#### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### 4.5 FINANCIAL INSTRUMENTS (CONTINUED)

###### (d) Derecognition

###### (i) Derecognition of financial assets

Financial assets are derecognised when the contractual rights to receive cash flows from the financial assets have expired or have been transferred and the Group and the Company have transferred substantially all the risks and rewards of ownership.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the consideration received and receivable is recognised in profit or loss, except for the derecognition of an investment in equity instruments measured at FVTOCI, the cumulative gain or loss is transferred within equity, not recognised in profit or loss.

###### (ii) Derecognition of financial liabilities

The Group and the Company derecognise financial liabilities when, and only when, the Group's and the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability recognised and the consideration paid or payable is recognised in profit or loss.

###### (e) Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specific debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, there are measure at higher of:

- the amount of the loss allowance determined in accordance with MFRS 9; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance to the principles of MFRS 15 *Revenue from Contracts with Customers*.

###### (f) Equity Instruments

Equity instruments classified as equity are measured at cost and are not remeasured subsequently.

###### (i) Ordinary Shares

Ordinary shares are classified as equity and recorded at the proceeds received, net of directly attributable transaction costs.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

###### (ii) Treasury Shares

When the Company's own shares recognised as equity are bought back, the amount of the consideration paid, including all costs directly attributable, are recognised as a deduction from equity. Own shares purchased that are not subsequently cancelled are classified as treasury shares and are presented as a deduction from total equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of treasury shares.

Where treasury shares are reissued by resale, the difference between the sales consideration received and the carrying amount of the treasury shares is recognised in equity.

Where treasury shares are cancelled, their costs are transferred to retained earnings.



**4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****4.6 WARRANTS**

Amount allocated in relation to the issuance of warrants are credited to the warrant reserve which is non-distributable. The warrant reserve is transferred to the share capital upon exercise of the warrants and the warrant reserve in relation to the unexercised at the expiry of the warrants period will be transferred to retained earnings.

**4.7 INVESTMENT IN SUBSIDIARIES**

Investment in subsidiaries are stated at cost in the statement of financial position of the Company, and are reviewed for impairment at the end of the reporting period if events or changes in circumstances indicate that the carrying values may not be recoverable. The cost of the investments includes transaction costs.

On the disposal of the investment in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

**4.8 INVESTMENT IN ASSOCIATES**

An associate is an entity in which the Group and the Company have a long-term interest and where it exercises significant influence over the financial and operating policies.

Investment in associates are stated at cost in the statement of financial position of the Company, and are reviewed for impairment at the end of the reporting period if events or changes in circumstances indicate that the carrying values may not be recoverable. The cost of the investment includes transaction costs.

The investment in an associate is accounted for in the consolidated financial statements using the equity method based on the financial statements of the associate made up to 30 September 2021. The Group's share of the post-acquisition profits and other comprehensive income of the associate is included in the consolidated statements of profit or loss and other comprehensive income, after adjustment if any, to align the accounting policies with those of the Group, from the date that significant influence commences up to the effective date on which significant influence ceases or when the investment is classified as held for sale. The Group's interest in the associate is carried in the consolidated statements of financial position at cost plus the Group's share of the post-acquisition retained earnings and reserves.

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest is reduced to zero, and the recognition of further losses is discontinued.

Unrealised gains on transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate. Unrealised losses are eliminated unless cost cannot be recovered.

When the Group ceases to have significant influence over an associate and the retained interest in the former associate is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as the initial carrying amount of the financial asset in accordance with MFRS 9. Furthermore, the Group also reclassifies its share of the gain or loss previously recognised in other comprehensive income of that associate into profit or loss when the equity method is discontinued.

**4.9 PROPERTY, PLANT AND EQUIPMENT**

All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that are directly attributable to the acquisition of the asset and other costs directly attributable to bringing the asset to working condition for its intended use.

Subsequent to initial recognition, all property, plant and equipment, other than freehold land and capital work in progress are stated at cost less accumulated depreciation and any impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

#### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### 4.9 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Freehold land and capital work in progress are not depreciated. Depreciation on other property, plant and equipment is charged to profit or loss on a straight-line method to write off the depreciable amount of the assets over their estimated useful lives. Depreciation of an asset does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. The principal annual rates used for this purpose are as follows:

Buildings	10%
Plant and machinery	20%
Furniture, fittings and equipment	10% - 20%
Motor vehicles	20%
Renovation	20%
Sculpture	20%
Signboard	20%
Virtual show unit	20%

The depreciation method, useful lives and residual values are reviewed, and adjusted if appropriate, at the end of each reporting period to ensure that the amounts, method and periods of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of the property, plant and equipment. Any changes are accounted for as a change in estimate.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from derecognition of the asset, being the difference between the net disposal proceeds and the carrying amount, is recognised in profit or loss.

##### 4.10 INVESTMENT PROPERTIES

Investment properties are properties which are owned or held under a leasehold interest to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses, if any.

Depreciation is charged to profit or loss on a straight-line method over the estimated useful lives of the investment properties. Leasehold land is depreciated on a straight-line basis over the lease terms of 55 to 90 years. Buildings and carpark are depreciated on a straight-line over their estimated useful lives of 50 years.

Freehold land and investment properties under construction are not depreciated.

Investment properties are derecognised when they have either been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal.

On the derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

Transfers are made to or from investment property only when there is a change in use. All transfers do not change the carrying amount of the property reclassified.

#### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### 4.11 BIOLOGICAL ASSETS

Biological assets comprise of grasses, shrubs and trees. This represents grasses, shrubs and trees development expenditure consisting of cost incurred on preparation, planting and upkeep of grasses, shrubs and trees to maturity which are initially recognised at cost.

The Group measures biological assets at fair value less costs to sell from initial recognition up to the point of harvest, other than when fair value cannot be measured reliably on initial recognition. Gains and losses arising on the initial recognition of biological assets at fair value less costs to sell and changes in fair value less costs to sell are charge to profit or loss in the period in which they arise.

Replanting expenditure is charged to profit or loss in the financial year in which the expenditure is incurred.

##### 4.12 INVENTORIES

###### (a) Land Held for Property Development

Land held for property development consists of land on which no significant development has been undertaken or where development activities are not expected to be completed within the normal operating cycle, and costs attributable to the development activities which are held for future development. Such land is classified as non-current asset and is stated at lower of cost and net realisable value.

Costs associated with the acquisition of land include the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies. Pre-acquisition costs are charged to profit or loss as incurred unless such costs are directly identifiable to the consequent property development activity.

###### (b) Property Development Costs

Property development costs are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less cost to completion and selling expense. The property development cost is subsequently recognised as an expense in profit or loss when the control of the inventory is transferred to the customer.

Property development cost of unsold unit is transferred to completed development unit once the development is completed.

###### (c) Completed development units and vacant land for sale

Completed property units and vacant land for sale are valued at the lower of cost (determined on the specific identification basis) and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less cost to completion and selling expense.

###### (d) Construction materials

The cost of construction materials represents cost of purchase plus incidental costs.

##### 4.13 CONTRACT ASSETS AND CONTRACT LIABILITIES

Contract asset is the right to consideration for goods or services transferred to the customers. The Group's contract asset is the excess of cumulative revenue earned over the billings to-date.

Where there is objective evidence of impairment, the amount of impairment losses is determined by comparing the contract asset's carrying amount and the present value of estimated future cash flows to be generated by the contract asset.

#### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### 4.13 CONTRACT ASSETS AND CONTRACT LIABILITIES (CONTINUED)

Contract asset is reclassified to trade receivables at the point at which invoices have been billed to customers.

Contract liability is the obligation to transfer goods or services to customers for which the Group has received the consideration or has billed the customers. The Group's contract liability is the excess of the billings to-date over the cumulative revenue earned. Contract liabilities are recognised as revenue when the Group performs its obligation under the contracts.

##### 4.14 CONTRACT COSTS

The Group recognises the incremental costs of obtaining a contract with a customer, which are expected to be recovered, as an asset. The incremental costs of obtaining a contract are costs incur to obtain a contract with a customer that it would not have incurred if the contract had not been obtained.

These contract costs are initially measured at cost and amortised on a systematic basis that is consistent with the pattern of revenue recognition to which the asset relates. An impairment loss is recognised in profit and loss when the carrying amount of the contract cost asset exceeds the expected revenue less expected costs that will be incurred.

##### 4.15 NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of the carrying amount and fair value less costs to sell.

##### 4.16 IMPAIRMENT OF NON-FINANCIAL ASSETS

The carrying values of assets, other than those to which MFRS 136 - *Impairment of Assets* does not apply, are reviewed at the end of each reporting period for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. When the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount and an impairment loss shall be recognised. The recoverable amount of the assets is the higher of the assets' fair value less costs to sell and their value in use, which is measured by reference to discounted future cash flow using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where it is not possible to estimate the recoverable amount of an individual asset, the Group determines the recoverable amount of the cash-generating unit to which the asset belongs.

An impairment loss is recognised in profit or loss immediately unless the asset is carried at its revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of a previously recognised revaluation surplus for the same asset. Any impairment loss recognised in respect of a cash-generating unit is allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit and then to reduce the carrying amounts of the other assets in the cash-generating unit on a pro rata basis.

In respect of assets other than goodwill, and when there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately, unless the asset is carried at its revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.



**4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****4.17 LEASE**

The Group and the Company recognise a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those of property, plant and equipment as follows:

Buildings	10 years, or over the lease term, if shorter
Equipment	5 to 40 years, or over the lease term, if shorter

In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurement of the lease liability.

The lease liability is initially measured at the present value of future lease payments at the commencement date, discounted using the Group's and the Company's incremental borrowing rates. Lease payments included in the measurement of the lease liability include fixed payments, any variable lease payments, amount expected to be payable under a residual value guarantee, and exercise price under an extension option that the Group and the Company are reasonably certain to exercise.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in rate, or if the Group or the Company change its assessment of whether it will exercise an extension or termination option.

Lease payments associated with short-term leases and leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low value assets are those assets valued at less than RM2,000 each when purchased new.

**(a) The Group and the Company as lessee**

The Group and the Company assess whether a contract is or contains a lease, at inception of the contract. The Group and the Company recognise a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group and the Company recognise the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group and the Company use its incremental borrowing rate.

The incremental borrowing rate is determined by referring to rate of interest that the lessee would have to pay to borrow over a similar term and with a similar security the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

#### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### 4.17 LEASE (CONTINUED)

(a) The Group and the Company as lessee (continued)

Lease payments included in the measurement of the lease liability comprise:

- (i) fixed lease payments (including in-substance fixed payments), less any lease incentives receivables;
- (ii) variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- (iii) the amount expected to be payable by the lessee under residual value guarantees;
- (iv) the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- (v) payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statements of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group and the Company remeasure the lease liability (and make a corresponding adjustment to the related right-of-use asset) whenever:

- (i) the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- (ii) the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- (iii) a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group and the Company incur an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under MFRS 137. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group and the Company expect to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

**4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****4.17 LEASE (CONTINUED)****(a) The Group and the Company as lessee (continued)**

The right-of-use assets are presented as a separate line in the statements of financial position.

The Group and the Company apply MFRS 136 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Impairment of non-financial assets excluding goodwill' policy.

**(b) The Group and the Company as lessor**

The Group and the Company enter into lease agreements as a lessor with respect to some of its investment properties.

Leases for which the Group and the Company are lessors are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group and the Company are intermediate lessors, they account for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's and the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's and the Company's net investment outstanding in respect of the leases.

When a contract includes lease and non-lease components, the Group and the Company apply MFRS 15 to allocate the consideration under the contract to each component.

**4.18 INCOME TAXES****(a) Current Tax**

Current tax assets and liabilities are expected amount of income tax recoverable or payable to the taxation authorities.

Current taxes are measured using tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period and are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss (either in other comprehensive income or directly in equity).

#### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### 4.18 INCOME TAXES (CONTINUED)

###### (b) Deferred Tax

Deferred tax are recognised using the liability method for all temporary differences other than those that arise from goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences, unutilised tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unutilised tax losses and unused tax credits can be utilised. The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefits will be realised.

Current and deferred tax items are recognised in correlation to the underlying transactions either in profit or loss, other comprehensive income or directly in equity. Deferred tax arising from a business combination is adjusted against goodwill or negative goodwill.

Current tax assets and liabilities or deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxable entity (or on different tax entities but they intend to settle current tax assets and liabilities on a net basis) and the same taxation authority.

##### 4.19 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts.

##### 4.20 CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements, unless the probability of outflow of economic benefits is remote. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.



#### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### 4.21 FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For financial reporting purposes, the fair value measurements are analysed into level 1 to level 3 as follows:

- Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: Inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Inputs are unobservable inputs for the asset or liability.

The transfer of fair value between levels is determined as of the date of the event or change in circumstances that caused the transfer.

##### 4.22 EMPLOYEE BENEFITS

###### (a) Short-term Benefits

Wages, salaries, paid annual leave and bonuses are measured on an undiscounted basis and are recognised in profit or loss and included in the construction costs, where appropriate, in the period in which the associated services are rendered by employees of the Group.

###### (b) Defined Contribution Plans

The Group's contributions to defined contribution plans are recognised in profit or loss and included in the construction costs, where appropriate, in the period to which they relate. Once the contributions have been paid, the Group has no further liability in respect of the defined contribution plans.

##### 4.23 OPERATING SEGMENTS

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

##### 4.24 BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of those assets, until such time as the assets are ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss as expenses in the period in which they incurred.

Investment income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

#### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### 4.25 EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share is calculated by dividing the consolidated profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the reporting period, adjusted for own shares held.

Diluted earnings per ordinary share is determined by adjusting the consolidated profit or loss attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares, which comprise warrants.

##### 4.26 REVENUE AND OTHER INCOME

Revenue is recognised when or as a performance obligation in the contract with customer is satisfied, i.e. when the “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation is a promise to transfer a distinct goods or service (or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer) to the customer that is explicitly stated in the contract and implied in the Group’s customary business practices.

Revenue is measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to the customers, excluding amounts collected on behalf of third parties such as taxes. If the amount of consideration varies due to discounts, rebates, refunds, credits, incentives, penalties or other similar items, the Group estimates the amount of consideration to which it will be entitled based on the expected value or the most likely outcome. If the contract with customer contains more than one performance obligation, the amount of consideration is allocated to each performance obligation based on the relative stand-alone selling prices of the goods or services promised in the contract.

The revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The control of the promised goods or services may be transferred over time or at a point in time. The control over the goods or services is transferred over time and revenue is recognised over time if:

- the customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs; or
- the Group’s performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Group’s performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

Revenue for performance obligation that is not satisfied over time is recognised at the point in time at which the customer obtains control of the promised goods or services.

Revenue is measured at the fair value of the consideration received or receivable, net of returns, applicable taxes, cash and trade discounts.

**4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****4.26 REVENUE AND OTHER INCOME (CONTINUED)****(a) Other Goods and Services**

Revenue from other goods and services representing multiple promises included in the contracts with purchasers on sale of properties, which is therefore accounted as separate performance obligations. Transaction price is being allocated to each performance obligation based on the stand-alone selling prices. When these are not directly observable, they are estimated based on expected cost plus margin.

Revenue for rendering of services is recognised on a straight line basis over the tenure of the service period of which the customer consumes the benefit.

Revenue for sale of goods is recognised at a point in time when the goods are delivered or control transferred to the customer.

**(b) Property Development**

Contracts with buyers may include multiple promises to buyers and therefore accounted for as separate performance obligations. In this case, the transaction price will be allocated to each performance obligation based on the standalone selling prices. When these are not directly observable, they are estimated based on expected cost plus margin.

The revenue from property development is measured at the fixed transaction price agreed under the sale and purchase agreement.

Revenue from property development is recognised as and when the control of the asset is transferred to the buyer and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the buyer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may be transferred over time or at a point of time.

The Group recognises revenue from property development over time if it creates an asset with no alternative use to the Group, and the Group has an enforceable right to payment for performance completed to date. Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation.

The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation (e.g. by reference to the property development costs incurred to date as a percentage of the estimated total costs of development of the project). The input method depicts the Group's progress of performance in the assets created which has no alternative use to the Group. Otherwise, revenue is recognised at a point in time when the buyer obtains control of the asset.

Revenue from sales of vacant land and completed development units is recognised upon delivery of vacant land and completed development units where the control of the vacant land and completed development units has been transferred to the buyer and it is probable the Group will collect the consideration to which it will be entitled to exchange for the asset sold.

**(c) Construction Contracts**

Construction contracts with customers may include multiple promises to customers and therefore accounted for as separate performance obligations. In this case, the transaction price will be allocated to each performance obligation based on the standalone selling prices. When these are not directly observable, they are estimated based on expected cost plus margin.

The revenue from construction contracts is measured at the fixed transaction price agreed net of expected liquidated ascertained damages payment, based on the expected value method. Apart from that, it also take consideration of variations in the contract work and claims that can be measured reliably. A variation or claim is only included in contract revenue when it is probable that the customer will approve the variation or negotiations have been reached an advanced stage that it is probable that the customer will accept the claim. Variation claim gives rise to a variable consideration which are estimated at either the expected value or most likely amount and included in revenue to the extent that it is highly probable that the revenue will not be reversed.

#### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### 4.26 REVENUE AND OTHER INCOME (CONTINUED)

###### (c) Construction Contracts (continued)

Revenue from construction contracts is recognised as and when the control of the asset is transferred to the customer and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. Control of the asset is transferred over time as the Group's performance create or enhance an asset that the customer controls as the asset is created or enhanced. Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. The Group recognises revenue over time using the input method, which is based on the level the proportion that the construction costs incurred to date bear to the estimated total costs for the construction contract. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. They are presented as recoverables, prepayments or other assets, depending on their nature.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable. Irrespective of whether the outcome of a construction contract can be estimated reliably when it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

The aggregate of the costs incurred and the attributable profit/loss recognised on each contract is compared against the progress billings up to the end of the financial year. Where costs incurred and recognised profit (less recognised losses) exceed progress billings, the balance is shown as contract assets. Conversely, where progress billings exceed costs incurred and attributable profit, the balance is shown as contract liabilities.

###### (d) Interest Income

Interest income is recognised on an accrual basis using the effective interest method.

###### (e) Dividend Income

Dividend income from investment is recognised when the right to receive dividend payment is established.

###### (f) Maintenance Income

Maintenance income is recognised over time when the service is rendered in accordance to contract term.

###### (g) Rental Income

Rental income is recognised on a straight-line basis over the lease term.

###### (h) Food and Beverage Income

Revenue from food and beverage is recognised at a point in time when the related services has been rendered to customers.

###### (i) Healthcare Income

Healthcare income is recognised at a point in time when the related services has been rendered to customers.

##### 4.27 PROVISIONS

Provisions are recognised when the Group and the Company has a present obligation (legal or constructive) as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the provision is the present value of the estimated expenditure required to settle the obligation. The unwinding of the discount is recognised as interest expense in profit or loss.



**4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****4.28 BUSINESS COMBINATIONS**

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Company, liabilities incurred by the Company to the former owners of the acquiree and the interest issued by the Company in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with MFRS 112 and MFRS 119 respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Company entered into to replace share-based payment arrangements of the acquiree are measured in accordance with MFRS 2 at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with MFRS 5 are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

When the consideration transferred by the Company in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

When a business combination is achieved in stages, the Company's previously held interests (including joint operations) in the acquired entity are remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

## 5. REVENUE

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Revenue from contract with customers:				
Property development	223,874	192,121	-	-
Sale of completed properties	9,448	1,677	-	-
Land held for property development	30,143	-	-	-
Construction	2,886	949	-	-
Management fee	244	417	26,077	20,593
Healthcare	852	-	-	-
Food & beverage	648	997	-	-
Others	-	92	-	-
	<b>268,095</b>	196,253	<b>26,077</b>	20,593
Revenue from other sources:				
Dividend income	-	-	30,484	3,060
Rental income	583	830	490	632
	<b>583</b>	830	<b>30,974</b>	3,692
	<b>268,678</b>	197,083	<b>57,051</b>	24,285
Timing of revenue recognition for revenue from contract with customers:				
- At a point in time	41,213	26,785	-	-
- Over time	226,882	169,468	26,077	20,593
	<b>268,095</b>	196,253	<b>26,077</b>	20,593

## 6. COST OF SALES

	The Group	
	2021 RM'000	2020 RM'000
Land held for property development (Note 18(a))	29,293	-
Property development costs (Note 18(b))	136,089	107,088
Reversal of cost due to termination of revenue contract (Note 18(c))	(235)	(1,243)
Cost of completed properties sold (Note 18(c))	5,348	2,839
Cost to obtain contracts (Note 23)	9,292	5,251
Construction costs	2,748	1,152
Other direct costs	680	349
	<b>183,215</b>	115,436

**7. INVESTMENT INCOME**

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Interest income from:				
Deposits with licensed financial institutions	4,394	3,872	3,503	2,948
Fair value gain on short term investment	-	337	-	266
Housing development accounts	506	1,487	-	-
Overdue balances of house purchasers	-	332	-	-
Amount owing by subsidiaries	-	-	1,767	826
Amount owing by associate	53	36	-	-
Reversal of accretion of interest on trade payable	-	(84)	-	-
Finance lease receivables (Note 26)	13	13	-	-
Stakeholder sum	162	560	-	-
	<b>5,128</b>	<b>6,553</b>	<b>5,270</b>	<b>4,040</b>

**8. FINANCE COSTS**

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Interest expenses on:				
Bank guarantee	212	17	-	-
Commitment fee	141	154	139	151
Revolving credit	-	249	-	249
Hire purchase	18	23	13	23
Term loans	14,333	11,058	284	54
Sukuk Wakalah	5,395	-	5,395	-
Amount owing to related parties	2,520	402	-	-
Unwinding of discount on provisions	31	-	-	-
Lease liabilities (Note 20)	262	253	7	6
Finance charges on deferred payment arrangement with contractor (Note 47(b))	2,357	2,067	-	-
Amortisation of transaction costs	1,460	-	126	-
	<b>26,729</b>	<b>14,223</b>	<b>5,964</b>	<b>483</b>
Less: Finance charges capitalised in:				
Property, plant and equipment (Note 15(c))	(284)	(54)	(284)	(54)
Investment properties (Note 16(b))	(1,340)	(1,136)	-	-
Inventories - land held for property development (Note 18(a))	(6,267)	(3,688)	-	-
Inventories - property development costs (Note 18(b))	(1,519)	-	-	-
	<b>(9,410)</b>	<b>(4,878)</b>	<b>(284)</b>	<b>(54)</b>
	<b>17,319</b>	<b>9,345</b>	<b>5,680</b>	<b>429</b>

## 9. PROFIT/(LOSS) BEFORE TAXATION

Profit/(Loss) before taxation is arrived at after charging/(crediting):

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Auditors' remuneration:				
- auditors of the Company:				
- audit fee	491	356	96	72
- non-audit fee	49	137	19	110
Depreciation of:				
- property, plant and equipment (Note 15)	5,406	5,649	1,010	998
- investment properties (Note 16)	473	478	42	138
- right-of-use assets (Note 20)	1,275	953	70	67
Directors' remuneration (Note 45(a))	5,241	3,858	4,413	3,858
Impairment loss on:				
- investment in subsidiaries (Note 12)	-	-	345	2,955
- investment in associates (Note 13)	2	-	-	-
- property, plant and equipment (Note 15)	577	1,751	-	-
- investment properties (Note 16)	373	602	100	408
- right-of-use assets (Note 20)	259	1,874	-	-
Allowance for impairment losses on:				
- trade receivables (Note 24)	-	1	-	-
- other receivables (Note 25)	-	1,071	-	1,071
- amount owing by subsidiaries (Note 27)	-	-	3,552	8,107
Inventories write down to net realisable value:				
- land held for property development (Note 18(a))	4,563	1,238	-	-
- completed units (Note 18(c))	476	404	-	-
Property, plant and equipment written-offs/ adjustments (Note 15)	4	476	4	316
Waiver of debts (Note 42)	(5,028)	-	-	-

**9. PROFIT/(LOSS) BEFORE TAXATION (CONTINUED)**

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Fair value loss/(gain) on:				
- other investment	25	-	-	-
- biological assets (Note 21)	97	(38)	-	-
- short-term investment	1,593	-	1,433	-
Gain on disposal of:				
- property, plant and equipment	(116)	-	(18)	-
- investment properties	(6,797)	-	(6,797)	-
- assets classified as held for sale	(900)	(1,893)	(900)	-
Gain on recognition of lease receivables	(107)	(97)	-	-
Gain on derecognition of lease liabilities	(1,256)	-	-	-
Staff costs (including other key management personnel as disclosed in Note 45(b)):				
- salaries, overtime, bonus, allowances and other benefits	17,984	14,304	13,658	12,938
- defined contribution plan	1,755	1,624	1,555	1,466
Recovery of bad debts written off	(10)	-	-	-
Reversal of allowance for impairment losses on:				
- trade receivables (Note 24)	-	(694)	-	-
- amount owing by subsidiaries (Note 27)	-	-	(567)	-
Reversal of written down to net realisable value of land held for property development (Note 18(a))	(559)	-	-	-



## 10. INCOME TAX EXPENSE

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Current tax:				
- for the financial year	(15,056)	(13,797)	(1,276)	-
- underprovision in the previous financial year	(492)	(4,505)	-	(289)
	(15,548)	(18,302)	(1,276)	(289)
Deferred tax (Note 19):				
- relating to originating and recognition of temporary differences	2,480	(128)	(322)	-
- underprovision in the previous financial year	(1,223)	(3,741)	-	-
	1,257	(3,869)	(322)	-
Real property gains tax	(697)	(316)	(697)	(132)
Total income tax expense	(14,988)	(22,487)	(2,295)	(421)

A reconciliation of income tax expense applicable to the profit/(loss) before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company is as follows:

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Profit/(Loss) before tax	38,003	48,077	35,741	(10,297)
Tax at the statutory tax rate of 24% (2020: 24%)	(9,121)	(11,538)	(8,578)	2,471
Tax effects of:				
Non-taxable income	3,918	3,022	9,716	1,158
Non-deductible expenses	(6,513)	(5,295)	(3,294)	(4,323)
Share of results in associates	(10)	(10)	-	-
Deferred tax assets not recognised during the financial year	(1,452)	(929)	-	-
Utilisation of deferred tax assets previously not recognised	602	825	558	694
Real property gains tax	(697)	(316)	(697)	(132)
Underprovision in the previous financial year				
- current tax	(492)	(4,505)	-	(289)
- deferred tax	(1,223)	(3,741)	-	-
Income tax expense for the financial year	(14,988)	(22,487)	(2,295)	(421)

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2020: 24%) of the estimated assessable profit for the financial year.

**11. EARNINGS PER SHARE**

## (a) Basic earnings per share

	<b>The Group</b>	
	<b>2021</b>	<b>2020</b>
Profit after taxation attributable to owners of the Company (RM'000)	<b>21,379</b>	29,096
Weighted average number of ordinary shares in issue at 30 September ('000)	<b>895,917</b>	895,917
Basic earnings per share (Sen)	<b>2.39</b>	3.25

## (b) Diluted earnings per share

No diluted earnings per share have been presented as there were no diluted potential ordinary shares outstanding as at 30 September 2021 and 30 September 2020.

**12. INVESTMENT IN SUBSIDIARIES**

	<b>The Company</b>	
	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>
Unquoted ordinary shares, at cost:		
At 1 October 2020/2019	<b>97,892</b>	97,891
Addition during the financial year	<b>8,438</b>	1
At 30 September	<b>106,330</b>	97,892
Accumulated impairment losses:		
At 1 October 2020/2019	<b>(22,541)</b>	(19,586)
Charge for the year (Note 9)#	<b>(345)</b>	(2,955)
At 30 September	<b>(22,886)</b>	(22,541)
	<b>83,444</b>	75,351
Unquoted preference shares, at cost:		
At 1 October 2020/2019/At 30 September	<b>154,375</b>	154,375
<b>Total</b>	<b>237,819</b>	229,726

## Note:

# At the reporting date, the Company conducted an impairment review of its investment in certain subsidiary companies principally based on the directors' estimation of fair value less costs to sell of these subsidiary companies by reference to valuation carried out by an independent firm of professional valuers. The review gave rise to the recognition of impairment losses of investment in subsidiary companies of RM345,000 (2020: RM2,955,000) (categorised as level 3 in the fair value hierarchy) which was recognised in profit or loss and other comprehensive income. The impairment losses arose mainly due to the inactivity of these subsidiary companies or following a decline in the value of their properties and recoverable amounts.

These investment in subsidiaries mainly belonged to the Group's "Property Development" and "Investment Holding and Others" reportable segments.

## 12. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows:

Name of Subsidiaries	Proportion of ownership interest and voting power		Principal Activities	Principal Place of Business
	2021 %	2020 %		
Maica Wood Industries Sdn. Bhd. ("MWISB")	99.78	99.78	Investment holding.	Malaysia
Sunsuria North Sdn. Bhd. ("SNSB")	100	100	Investment holding and property investment.	Malaysia
Sunsuria Residence Sdn. Bhd.	100	100	Property development.	Malaysia
Sunsuria Arena Sdn. Bhd. ("Arena")	100	100	Investment holding.	Malaysia
Sunsuria Symphony Sdn. Bhd. ("SSSB")	100	100	Investment holding.	Malaysia
Sunsuria Facility Management Sdn. Bhd.	100	100	Service management and investment holding.	Malaysia
Sunsuria Nusantara Sdn. Bhd. ("SNTSB")	99.02	99.02	Property development.	Malaysia
Sunsuria Gateway Sdn. Bhd. ("SGSB")	99.99	99.99	Investment holding.	Malaysia
Sunsuria Forum Sdn. Bhd. ("SFSB")	95.63	95.63	Property development.	Malaysia
Sunsuria Builders Sdn. Bhd. ("SBSB")	100	100	Investment holding.	Malaysia
Sunsuria Education Sdn. Bhd. ("SEDSB")	100	100	Education.	Malaysia
Library Mall Development Sdn. Bhd. ("LMDSB")	100	100	Investment holding.	Malaysia
BRS Medicare Ventures Sdn. Bhd. ("BMVSB") [(l)(i)]	70	70	Integrated healthcare centre.	Malaysia
Bangsar Hill Park Development Sdn.Bhd. ("BHPDSB") (a)	51	-	Property development.	Malaysia
Sunsuria IAT (M) Sdn. Bhd. ("SIATSB) (b)	51	-	Automobile related business.	Malaysia
<b>Subsidiary of SSSB</b>				
Sunsuria City Sdn. Bhd. ("SCSB")	99.99	99.99	Property development.	Malaysia
Sunsuria Australia Pty Ltd ("SAPL") (c)	100	-	Investment holding.	Australia

**12. INVESTMENT IN SUBSIDIARIES (CONTINUED)**

Name of Subsidiaries	Proportion of ownership interest and voting power		Principal Activities	Principal Place of Business
	2021 %	2020 %		
<b>Subsidiary of SGSB</b>				
Sunsuria Genlin Development Sdn. Bhd. ("SGDSB")	<b>69.99</b>	69.99	Property development.	Malaysia
<b>Subsidiary of SNSB</b>				
Consolidated Factoring (M) Sdn. Bhd. ("CFSB") (d)	<b>100</b>	95.94	Dormant.	Malaysia
<b>Subsidiary of SCSB</b>				
Sunsuria Everrich Sdn. Bhd. ("SESB") (k)	<b>99.99</b>	59.98	Investment holding and property development.	Malaysia
<b>Subsidiaries of Arena</b>				
Sunsuria Landscape & Nursery Sdn. Bhd.	<b>69.99</b>	69.99	Landscape and nursery.	Malaysia
Sunsuria City Amenities Sdn. Bhd. ("SCASB") [(l)(ii)]	<b>100</b>	100	Proprietors of restaurants, food and beverage businesses.	Malaysia
Future Seeds Global Sdn. Bhd. (formerly known as Sunsuria Esports Sdn. Bhd.) ("FSGSB") (j)	<b>100</b>	80	Trading.	Malaysia
Sunsuria Healthcare Sdn. Bhd. (formerly known as Sunsuria International Sdn. Bhd. or Rentas Majestik Sdn. Bhd.) ("SHSB")	<b>100</b>	100	Trading of pharmaceutical and medical goods.	Malaysia
Sunsuria (HK) Limited ("SHKL") (e)	<b>100</b>	-	Investment holding.	Hong Kong
<b>Subsidiary of LMDSB</b>				
Dreamsphere Sdn. Bhd. ("DSB")	<b>100</b>	100	Investment holding.	Malaysia
<b>Subsidiary of SFSB</b>				
Greenworth Sdn. Bhd. ("GSB")	<b>95.63</b>	95.63	Parking and services.	Malaysia
<b>Subsidiary of SBSB</b>				
Sunsuria Asas Sdn. Bhd. ("SASB")	<b>51</b>	51	Construction.	Malaysia

12. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Name of Subsidiaries	Proportion of ownership interest and voting power		Principal Activities	Principal Place of Business
	2021 %	2020 %		
<b>Subsidiary of SHSB</b>				
Sunsuria Healthpods Sdn. Bhd. (formerly known as Sunsuria Wellness Sdn. Bhd.) (“SHPSB”) (f)	100	-	Trading of healthcare related products.	Malaysia
Sunsuria Healthcare Pte Ltd (“SHPL”) (g)	100	-	Trading of pharmaceutical and medical goods.	Singapore
Sunsuria Shield Sdn. Bhd. (“SSDSB”) (h)	100	-	Trading of healthcare related products.	Malaysia
<b>Subsidiaries of SCASB</b>				
Cloudcubes Sdn. Bhd. (“CSB”)	80	80	Food and beverage.	Malaysia
Aspen Esplanade Sdn. Bhd. (“AESB”)	100	100	IT service provider.	Malaysia
Kemudi Semarak Sdn. Bhd. (“KSSB”)	100	100	Food and beverage.	Malaysia
Aspire Century Sdn. Bhd. (“ACSB”) (i)	60	100	Food and beverage.	Malaysia
Vibrant Blossom Sdn. Bhd. (“VBSB”)	80	80	Food and beverage.	Malaysia



**12. INVESTMENT IN SUBSIDIARIES (CONTINUED)****(a) Acquisition of a subsidiary - BHPDSB**

On 2 October 2020, the Company had entered into a conditional shares subscription and shareholders' agreement to subscribe 4,488,520 new ordinary shares in BHPDSB, representing 51% interest of the enlarged issued share capital of BHPDSB, at an issue price of RM1.88 per share for subscription consideration of RM8,438,418 which was satisfied in cash. The acquisition was completed on 8 February 2021 ("date of acquisition"). In consequence thereof, BHPDSB is now a 51%-owned direct subsidiary of the Company.

BHPDSB is principally involved in property development activities with its main development is currently in Bangsar, Kuala Lumpur. The proposed acquisition will provide the Group with opportunity to participate in development projects in Bangsar, Kuala Lumpur which are expected to facilitate the continuing growth of the Group's core business in property development by enhancing the gross development value for the Group's property development projects.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	<b>At Date of Acquisition</b>	
	<b>Carrying amount RM'000</b>	<b>Fair value recognised RM'000</b>
<b>Assets</b>		
Plant and equipment	442	442
Right-of-use assets	3,773	3,773
Investment properties	6,728	7,000
Inventories - land held for property development	158,127	163,755
Deferred tax assets	6,279	3,522
Inventory - property development costs	156,907	162,494
Contract costs	749	749
Trade receivables	9,158	9,158
Other receivables, deposits and prepayments	3,165	3,165
Current tax assets	2	2
Cash & cash equivalents	10,048	10,048
	<b>355,378</b>	<b>364,108</b>
<b>Liabilities</b>		
Loans and borrowings	177,190	177,190
Lease liabilities	3,673	3,673
Trade payables	2,274	2,274
Other payables, deposits received and accruals	3,950	3,950
Amount due to corporate shareholders	153,703	153,703
Amount due to related parties	324	324
Contract liabilities	12,888	12,888
	<b>354,002</b>	<b>354,002</b>

## 12. INVESTMENT IN SUBSIDIARIES (CONTINUED)

### (a) Acquisition of a subsidiary - BHPDSB (continued)

	<b>At Date of Acquisition</b>
	<b>RM'000</b>
Total identifiable assets acquired and liabilities assumed	10,106
Less: Non-controlling interest, based on their proportionate interest in recognised amounts of assets and liabilities of the acquiree	(4,952)
Add: Goodwill on acquisition (Note 17)	3,284
Total purchase consideration	8,438
Less: cash and cash equivalent balances acquired	(10,048)
Net cash inflow arising on acquisition	(1,610)

None of the goodwill is expected to be deductible for income tax purposes.

The goodwill is attributable mainly to the skills and technical talent of BHPDSB's workforce and the synergies expected to be achieved from integrating the Company into the Group's existing property development and construction businesses.

Acquisition related costs has been charged out as administrative and other expenses amounted to RM772,000 (2020: RM970,000).

From the date of acquisition, the subsidiary's contributed revenue and loss after tax amounted to RM7,169,000 and RM4,373,000 respectively.

If the acquisition of the subsidiary had been completed on the first day of the financial year, it would have contributed revenue and loss after tax amounted to RM7,465,000 and RM5,248,000 respectively.

- (b) On 13 August 2021, the Company had subscribed for 51 ordinary shares of RM1.00 each of which the consideration of RM51 has been settled by cash, representing 51% interest in SIATSB. In consequence thereof, SIATSB is now a 51%-owned direct subsidiary of the Company. The subscription has no material effect to the financial statements.
- (c) On 28 May 2021, SSSB, a wholly-owned subsidiary of the Company, had subscribed for 100 ordinary shares of RM1.00 each of which the consideration of RM100 has been settled by cash, representing 100% interest in SAPL. In consequence thereof, SAPL is now a wholly-owned indirect subsidiary of the Company. The subscription has no material effect to the financial statements.
- (d) On 12 August 2021, SNSB, a wholly-owned subsidiary of the Company, had acquired the 97,000 ordinary shares from SMBC Finance Service Co. Ltd. at RM1 each of which the consideration of RM97,000 has been settled by cash. In consequence thereof, CFSB is now a wholly-owned indirect subsidiary of the Company. The acquisition has no material effect to the financial statements.

**12. INVESTMENT IN SUBSIDIARIES (CONTINUED)**

- (e) On 20 September 2021, Arena, a wholly-owned subsidiary of the Company, had incorporated a wholly-owned subsidiary, SHKL with 1 ordinary share which representing 100% of total paid up capital for a total cash consideration of RM0.54. In consequence thereof, SHKL is now a wholly-owned indirect subsidiary of the Company.
- (f) On 13 September 2021, SHSB, a wholly-owned subsidiary of the Company, had incorporated a wholly-owned subsidiary, SHPSB with 1 ordinary share which representing 100% of total paid up capital for a total cash consideration of RM1. In consequence thereof, SHPSB is now a wholly-owned indirect subsidiary of the Company.
- (g) On 17 September 2021, SHSB, a wholly-owned subsidiary of the Company, had incorporated a wholly-owned subsidiary, SHPL with 1 ordinary share which representing 100% of total paid up capital for a total cash consideration of RM3. In consequence thereof, SHPL is now a wholly-owned indirect subsidiary of the Company.
- (h) On 21 September 2021, SHSB, a wholly-owned subsidiary of the Company, had incorporated a wholly-owned subsidiary, SSDSB with 1 ordinary share which representing 100% of total paid up capital for a total cash consideration of RM1. In consequence thereof, SSDSB is now a wholly-owned indirect subsidiary of the Company.
- (i) On 8 March 2021, ACSB, a wholly-owned indirect subsidiary of the Company, allotted 9,999 shares of which SCASB has subscribed 5,999 ordinary shares whereas Serimas Bakti Sdn. Bhd. subscribed 2,500 ordinary shares and Lim Guat Lie subscribed for 1,500 ordinary shares. In consequence thereof, ACSB is now a 60%-owned indirect subsidiary of the Company. The allotment has no material effect to the financial statements.
- (j) On 31 December 2020, Arena, a wholly-owned subsidiary of the Company, had acquired the 200 ordinary share from ONE UC Sdn. Bhd. at RM1 of which the consideration of RM1 has been settled by cash. In consequence thereof, FSGSB is now a wholly-owned indirect subsidiary of the Company. The acquisition has no material effect to the financial statements.
- (k) On 3 May 2021, SCSB, an indirect subsidiary of the Company, had acquired an additional 40% interest in SESB for RM1 in cash. In consequence thereof, SESB is now a 99.99%-owned indirect subsidiary of the Company. The carrying amount of SESB's net liabilities in the Group's financial statements on the date of acquisition was RM4,986,000. The Group recognised a decrease in non-controlling interests of RM1,994,000.

The following summarises the effect of changes in the equity interest in SESB that is attributable to owners of the Company:

	<b>The Group</b>
	<b>2021</b>
	<b>RM'000</b>
Equity interest at 1 October 2020	<b>(342)</b>
Effect of increase in Company's ownership interest	<b>(1,994)</b>
Share of comprehensive loss	<b>(2,657)</b>
Equity interest at 30 September 2021	<b>(4,993)</b>

## 12. INVESTMENT IN SUBSIDIARIES (CONTINUED)

- (l) In the previous financial year, the Company:
- (i) On 6 May 2020, the Company had incorporated a new subsidiary, BMVSB, comprises of one (1) ordinary share of RM1.00. Further to the signing of a Shares Subscription and Shareholders' Agreement between the Company, Dr Tan Bo Ren and BMVSB on 17 June 2020, the Company had further subscribed additional 699 of new ordinary shares at the issue share price of RM1.00 each with a purchase consideration settle through cash amounted to RM699. In consequence thereof, BMVSB become a 70%-owned direct subsidiary of the Company after the new shares issuance to the Company and Dr Tan Bo Ren. The subscription has no material effect to the financial statements.
- (ii) Arena, a wholly-owned subsidiary of the Company, had on 21 February 2020, acquired 10% interest in SCASB from Deluxe Indulgence Sdn. Bhd., comprising of 1,000 ordinary shares of RM1.00 each and on 29 June 2020 acquired 5% interest in SCASB from an individual shareholder, comprising of 500 ordinary share of RM1.00 each. The total purchase consideration of RM1,500 was settled by way of cash. In consequence thereof, SCASB become a wholly-owned indirect subsidiary of the Company. The acquisition has no material effect to the financial statements.
- (m) The material non-controlling interests ("NCI") at the end of the reporting period comprise the following:

	Proportion of ownership interest and voting power held by non-controlling interests		The Group	
	2021	2020	2021	2020
	%	%	RM'000	RM'000
SFSB	4.37	4.37	726	(970)
SESB	0.01	40.02	-	(228)
SASB	49	49	12,969	10,888
SGDSB	30.01	30.01	18	(1,665)
BHPDSB	49	-	2,663	-
Other subsidiaries with immaterial NCI			(556)	(690)
			15,820	7,335

**12. INVESTMENT IN SUBSIDIARIES (CONTINUED)**

- (n) The summarised financial information (before intra-group elimination) for the subsidiaries that have non-controlling interests that are material to the Group are as follows:

<b>2021</b>	<b>SFSB RM'000</b>	<b>SGDSB RM'000</b>	<b>SASB RM'000</b>	<b>BHPDSB RM'000</b>
<u>At 30 September</u>				
Non-current assets	100,711	-	8,164	180,469
Current assets	233,314	78	57,468	186,773
Non-current liabilities	(30,170)	-	(7,240)	(177,624)
Current liabilities	(281,991)	(17)	(31,924)	(192,614)
Net assets/(liabilities)	21,864	61	26,468	(2,996)
<u>Financial Year Ended 30 September</u>				
Revenue	44,951	30,143	118,112	7,169
(Loss)/Profit after taxation for the financial year	(5,846)	5,611	4,249	(4,373)
Total comprehensive (loss)/income	(5,846)	5,611	4,249	(4,373)
Total comprehensive (loss)/income attributable to non-controlling interests	(249)	1,684	2,082	(2,288)
Net cash flows from/(for) operating activities	10,866	28,701	(2,838)	(23,252)
Net cash flows (for)/from investing activities	(23,770)	(239)	56	8,278
Net cash flows (for)/from financing activities	(1,773)	(28,600)	2,816	17,029
<b>2020</b>	<b>SFSB RM'000</b>	<b>SGDSB RM'000</b>	<b>SES RM'000</b>	<b>SASB RM'000</b>
<u>At 30 September</u>				
Non-current assets	76,296	28,460	-	7,515
Current assets	208,289	217	9,285	50,176
Non-current liabilities	(53,368)	-	-	(62)
Current liabilities	(202,520)	(34,227)	(9,855)	(35,410)
Net assets/(liabilities)	28,697	(5,550)	(570)	22,219
<u>Financial Year Ended 30 September</u>				
Revenue	16,339	-	-	97,429
(Loss)/Profit after taxation for the financial year	(10,286)	(2,216)	(10,066)	7,643
Total comprehensive (loss)/income	(10,286)	(2,216)	(10,066)	7,643
Total comprehensive (loss)/income attributable to non-controlling interests	(450)	(665)	(4,026)	3,745
Net cash flows from/(for) operating activities	9,465	(16)	(3,773)	4,972
Net cash flows (for)/from investing activities	(17,648)	(349)	43	(6,463)
Net cash flows from/(for) financing activities	21,771	-	4,049	(11,566)



### 13. INVESTMENT IN ASSOCIATES

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Unquoted shares in Malaysia, at cost:				
At 1 October 2020/2019	1,162	1,162	672	672
Addition	30	-	-	-
At 30 September	1,192	1,162	672	672
Share of post-acquisition (losses)/profits:				
At 1 October 2020/2019	(10)	30	-	-
For the financial year	(42)	(40)	-	-
At 30 September	(52)	(10)	-	-
Accumulated impairment losses:				
At 1 October 2020/2019	(576)	(576)	(78)	(78)
Charge for the year (Note 9)	(2)	-	-	-
At 30 September	(578)	(576)	(78)	(78)
	562	576	594	594

The details of the associates are as follows:

Name of Associates	Effective Equity Interest		Principal Activities	Principal Place of Business
	2021 %	2020 %		
Citic Sunsuria Sdn. Bhd. ("Citic") (a)**	49	49	Construction.	Malaysia
Mahakota Sdn. Bhd. ("Mahakota") (b)**	25.42	25.42	Woodworks manufacturer and dealer in timber and wood.	Malaysia
Tadika M Champs Sdn. Bhd. ("M Champs") (c)**	30	-	Education.	Malaysia

All of the above associates are accounted for using the equity method in these consolidated financial statements as set out in the Group's accounting policies in Note 4.8.

Notes:

- (a) The financial year end date of Citic is 31 December. This was the reporting date established when that entity was incorporated.
- (b) The financial year end date of Mahakota is 31 May. This was the reporting date established when that entity was incorporated.
- (c) The financial year end date of M Champs is 31 December. This was the reporting date established when that entity was incorporated. On 20 April 2021, Arena, a wholly-owned subsidiary of the Company, had entered into a Shareholder Agreement with Victoria Education Sdn Bhd for the incorporation of M Champs. Arena had subscribed for 30,000 ordinary shares of RM1 each of which the consideration of RM30,000 has been settled by cash, representing 30% interest in M Champs. In consequence thereof, M Champs is now a 30% owned indirect associate of the Company.
- ^ For the purpose of applying equity method of accounting, the unaudited financial statements of the respective entities with different year end (31 December/31 May) have been used and appropriate adjustments have been made to account for significant transaction from year end to 30 September 2021.
- \* The Group recognised its share of results in the associates based on the unaudited financial statements of the associate as the share of results is not material to the Group. The financial statements of the above associates are audited by auditors other than the auditors of the Company.

**13. INVESTMENT IN ASSOCIATES (CONTINUED)**

The summarised financial information below represents amounts in associates' financial statements prepared in accordance with MFRSs:

<b>2021</b>	<b>Citic RM'000</b>	<b>Mahakota RM'000</b>	<b>M Champs RM'000</b>
<u>At 30 September</u>			
Non-current assets	29	3,703	94
Current assets	43,585	5,883	-
Non-current liabilities	(23,746)	-	-
Current liabilities	(23,685)	(5,209)	-
Net (liabilities)/assets	(3,817)	4,377	94

<b>2020</b>	<b>Citic RM'000</b>	<b>Mahakota RM'000</b>
<u>At 30 September</u>		
Non-current assets		118
Current assets		8,560
Current liabilities		(13,921)
Net (liabilities)/assets		(5,243)

<b>2021</b>	<b>Citic RM'000</b>	<b>Mahakota RM'000</b>	<b>M Champs RM'000</b>
<u>Financial Year Ended 30 September</u>			
Revenue	51,348	68	-
Profit/(loss) after taxation for the financial year	1,426	(158)	(6)
Total comprehensive profit/(loss)	1,426	(158)	(6)
Total comprehensive loss attributable to owners of associates	#	(40)	(2)

<b>2020</b>	<b>Citic RM'000</b>	<b>Mahakota RM'000</b>
<u>Financial Year Ended 30 September</u>		
Revenue		19,822
Loss after taxation for the financial year		(1,423)
Total comprehensive loss		(1,423)
Total comprehensive loss attributable to owners of associates		#

# Share of losses of the associate has been recognised to the extent of the Group's investment.

### 13. INVESTMENT IN ASSOCIATES (CONTINUED)

Reconciliation of unrecognised share of losses of Citic as follows:

	2021 RM'000	2020 RM'000
At 1 October 2020/2019	1,673	975
(Reversal)/Addition	(698)	698
At 30 September	975	1,673

Reconciliation of the above summarised financial information to the carrying amount of the interest in associates recognised in the consolidated financial statements:

2021	Citic RM'000	Mahakota RM'000	M Champs RM'000	Total RM'000
Net (liabilities)/assets of associates	(3,817)	4,377	94	654
% of effective equity interest	49.00%	25.41%	30.00%	-
Group share of net (liabilities)/assets	(1,871)	1,112	28	(731)
Impairment losses	-	(576)	(2)	(578)
Gain on derecognition as a former subsidiary	896	-	-	896
Accumulated share of losses not recognised	975	-	-	975
Carrying amount of the Group's interest in the associates	-	536	26	562

2020	Citic RM'000	Mahakota RM'000	Total RM'000
Net (liabilities)/assets of associates		(5,243)	4,535
% of effective equity interest		49.00%	25.41%
Group share of net (liabilities)/assets		(2,569)	1,152
Impairment losses		-	(576)
Gain on derecognition as a former subsidiary		896	-
Accumulated share of losses not recognised		1,673	-
Carrying amount of the Group's interest in the associates		-	576

### 14. OTHER INVESTMENT

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Investment in golf club memberships	159	184	159	159

Investment in transferable golf club memberships are classified as financial assets at fair value through profit or loss. Details of the fair value information are disclosed in Note 52.4.

**15. PROPERTY, PLANT AND EQUIPMENT**

<b>The Group</b>	<b>At 1.10.2020 RM'000</b>	<b>Additions RM'000</b>	<b>Disposal/ Written-offs/ Adjustments RM'000</b>	<b>Acquisition of a subsidiary (Note 12(a)) RM'000</b>	<b>Transfer to investment properties (Note 16) RM'000</b>	<b>Transfer from property development costs (Note 18(b)) RM'000</b>	<b>At 30.9.2021 RM'000</b>
<b>2021</b>							
At cost:							
Freehold land	1,331	-	-	-	-	-	1,331
Buildings	21,642	-	172	-	-	-	21,814
Plant and machinery	298	24	-	-	-	-	322
Furniture, fittings and equipment	13,485	912	-	150	-	-	14,547
Motor vehicles	3,121	-	(210)	269	-	-	3,180
Renovation	4,501	484	(4)	-	-	-	4,981
Signboard	2,281	16	-	23	-	-	2,320
Sculpture	65	-	-	-	-	-	65
Virtual show unit	172	-	-	-	-	-	172
Capital work in progress	2,464	284	-	-	-	195	2,943
	<b>49,360</b>	<b>1,720</b>	<b>(42)</b>	<b>442</b>	<b>-</b>	<b>195</b>	<b>51,675</b>

15. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The Group	At 1.10.2019 RM'000	Additions RM'000	Disposal/ Written-offs/ Adjustments RM'000	Acquisition of a subsidiary (Note 12(a)) RM'000	Transfer to investment properties (Note 16) RM'000	Transfer from property development costs (Note 18(b)) RM'000	At 30.9.2020 RM'000
<b>2020</b>							
At cost:							
Freehold land	1,331	-	-	-	-	-	1,331
Buildings	21,890	-	(158)	-	(90)	-	21,642
Plant and machinery	254	44	-	-	-	-	298
Furniture, fittings and equipment	12,373	1,434	(322)	-	-	-	13,485
Motor vehicles	3,111	10	-	-	-	-	3,121
Renovation	3,807	694	-	-	-	-	4,501
Signboard	2,264	17	-	-	-	-	2,281
Sculpture	-	65	-	-	-	-	65
Virtual show unit	172	-	-	-	-	-	172
Capital work in progress	-	83	-	-	-	2,381	2,464
	45,202	2,347	(480)	-	(90)	2,381	49,360



**15. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

The Group	At	Charge for	Disposal/	Acquisition	Transfer	Transfer	At
	1.10.2020	the year	Written-offs/	of a	to	from	30.9.2021
	RM'000	(Note 9)	Adjustments	subsidiary	investment	property	RM'000
		RM'000	RM'000	(Note 12(a))	properties	development	RM'000
				RM'000	(Note 16)	costs	RM'000
					RM'000	(Note 18(b))	RM'000
<b>2021</b>							
Accumulated depreciation:							
Freehold land	-	-	-	-	-	-	-
Buildings	(6,031)	(2,011)	(172)	-	-	-	(8,214)
Plant and machinery	(116)	(62)	-	-	-	-	(178)
Furniture, fittings and equipment	(6,417)	(1,786)	-	-	-	-	(8,203)
Motor vehicles	(2,085)	(505)	168	-	-	-	(2,422)
Renovation	(1,130)	(542)	-	-	-	-	(1,672)
Signboard	(1,159)	(453)	-	-	-	-	(1,612)
Sculpture	(13)	(13)	-	-	-	-	(26)
Virtual show unit	(100)	(34)	-	-	-	-	(134)
	(17,051)	(5,406)	(4)	-	-	-	(22,461)

15. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The Group	At 1.10.2019 RM'000	Charge for the year (Note 9) RM'000	Disposal/ Written-offs/ Adjustments RM'000	Acquisition of a subsidiary (Note 12(a)) RM'000	Transfer to investment properties (Note 16) RM'000	Transfer from property development costs (Note 18(b)) RM'000	At 30.9.2020 RM'000
<b>2020</b>							
Accumulated depreciation:							
Freehold land	-	-	-	-	-	-	-
Buildings	(4,014)	(2,017)	-	-	-	-	(6,031)
Plant and machinery	(63)	(53)	-	-	-	-	(116)
Furniture, fittings and equipment	(4,582)	(1,839)	4	-	-	-	(6,417)
Motor vehicles	(1,589)	(496)	-	-	-	-	(2,085)
Renovation	(390)	(740)	-	-	-	-	(1,130)
Signboard	(702)	(457)	-	-	-	-	(1,159)
Sculpture	-	(13)	-	-	-	-	(13)
Virtual show unit	(66)	(34)	-	-	-	-	(100)
	(11,406)	(5,649)	4	-	-	-	(17,051)

**15. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

<b>The Group</b>	<b>At 1.10.2020/ 2019 RM'000</b>	<b>Charge for the year (Note 9) RM'000</b>	<b>Disposal/ Written-offs/ Adjustments RM'000</b>	<b>Acquisition of a subsidiary (Note 12(a)) RM'000</b>	<b>Transfer from investment properties (Note 16) RM'000</b>	<b>Transfer from property development costs (Note 18(b)) RM'000</b>	<b>At 30.9.2021/ 2020 RM'000</b>
<b>2021</b>							
Accumulated impairment losses							
Buildings	-	-	-	-	(43)	-	(43)
Furniture, fittings and equipment	(633)	(333)	-	-	-	-	(966)
Renovation	(1,093)	(232)	-	-	-	-	(1,325)
Signboard	(25)	(12)	-	-	-	-	(37)
	<b>(1,751)</b>	<b>(577)</b>	<b>-</b>	<b>-</b>	<b>(43)</b>	<b>-</b>	<b>(2,371)</b>
<b>2020</b>							
Accumulated impairment losses							
Furniture, fittings and equipment	-	(633)	-	-	-	-	(633)
Renovation	-	(1,093)	-	-	-	-	(1,093)
Signboard	-	(25)	-	-	-	-	(25)
	<b>-</b>	<b>(1,751)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,751)</b>

15. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The Group	2021 RM'000	2020 RM'000
Net carrying amount:		
Freehold land	1,331	1,331
Buildings	13,557	15,611
Plant & machinery	144	182
Furniture, fittings and equipment	5,378	6,435
Motor vehicles	758	1,036
Renovation	1,984	2,278
Signboard	671	1,097
Sculpture	39	52
Virtual show unit	38	72
Capital work in progress	2,943	2,464
	<b>26,843</b>	<b>30,558</b>

The Company	At 1.10.2020 RM'000	Additions RM'000	Disposal/ Written-offs/ Adjustments RM'000	At 30.9.2021 RM'000
<b>2021</b>				
At cost:				
Furniture, fittings and equipment	5,605	216	-	5,821
Motor vehicles	2,579	-	(210)	2,369
Renovation	1,581	6	(4)	1,583
Capital work in progress	10,175	284	-	10,459
	<b>19,940</b>	<b>506</b>	<b>(214)</b>	<b>20,232</b>

The Company	At 1.10.2019 RM'000	Additions RM'000	Disposal/ Written-offs/ Adjustments RM'000	At 30.9.2020 RM'000
<b>2020</b>				
At cost:				
Furniture, fittings and equipment	5,719	202	(316)	5,605
Motor vehicles	2,579	-	-	2,579
Renovation	1,553	28	-	1,581
Capital work in progress	-	10,175	-	10,175
	<b>9,851</b>	<b>10,405</b>	<b>(316)</b>	<b>19,940</b>

**15. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

<b>The Company</b>	<b>At 1.10.2020 RM'000</b>	<b>Charge for the year (Note 9) RM'000</b>	<b>Disposal/ Written-offs/ Adjustments RM'000</b>	<b>At 30.9.2021 RM'000</b>
<b>2021</b>				
Accumulated depreciation:				
Furniture, fittings and equipment	(2,820)	(519)	-	(3,339)
Motor vehicles	(1,780)	(334)	168	(1,946)
Renovation	(503)	(157)	-	(660)
	<b>(5,103)</b>	<b>(1,010)</b>	<b>168</b>	<b>(5,945)</b>

<b>The Company</b>	<b>At 1.10.2019 RM'000</b>	<b>Charge for the year (Note 9) RM'000</b>	<b>Disposal/ Written-offs/ Adjustments RM'000</b>	<b>At 30.9.2020 RM'000</b>
<b>2020</b>				
Accumulated depreciation:				
Furniture, fittings and equipment	(2,369)	(451)	-	(2,820)
Motor vehicles	(1,392)	(388)	-	(1,780)
Renovation	(344)	(159)	-	(503)
	<b>(4,105)</b>	<b>(998)</b>	<b>-</b>	<b>(5,103)</b>

<b>The Company</b>	<b>2021 RM'000</b>	<b>2020 RM'000</b>
Net carrying amount:		
Furniture, fittings and equipment	2,482	2,785
Motor vehicles	423	799
Renovation	923	1,078
Capital work in progress	10,459	10,175
	<b>14,287</b>	<b>14,837</b>



## 15. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

- (a) Included in the property, plant and equipment of the Group and of the Company at the end of the reporting period were motor vehicles with a total carrying amount of RM357,000 (2020: RM392,000) and RM202,000 (2020: RM392,000) respectively, which were acquired under hire purchase terms. The assets under hire purchase have been pledged as security for the related hire purchase borrowings of the Group and of the Company as disclosed in Note 37.
- (b) Included in property, plant and equipment were freehold land and capital work in progress of the Group and of the Company with carrying amount of RM4,245,000 (2020: RM3,766,000) and RM10,459,000 (2020: RM10,175,000) respectively which have been pledged to licensed banks as security for banking facilities as disclosed in Note 38.
- (c) Included in the property, plant and equipment of the Group and of the Company were interest expenses capitalised during the financial year amounted to RM284,000 (2020: RM54,000).
- (d) In prior year, the Group has made an impairment assessment in relation to the property, plant and equipment under food and beverages and e-sports hub businesses due to poor performance resulted from movement control order imposed by Malaysian Government to curb the spreading of COVID-19 since last financial year. During the year, the performance of food and beverages remains poor due to the further extension of movement control order.

These assets are used in the Group's "Investment Holding and Others" reportable segment. The assessment led to the recognition of an impairment loss of RM577,000 (2020: RM1,751,000), which has been recognised in "Administrative and Other Expenses" line item of the statements of profit or loss and other comprehensive income.

The recoverable amounts determined based on their value in use is amounted to RMNil (2020: RMNil), lower than their carrying amount at year end of RM577,000 (2020: RM1,751,000). The discount rate used in measuring value in use was 11% (2020: 11%) per annum.

## 16. INVESTMENT PROPERTIES

The Group	Freehold	Long-term	Buildings	Freehold	Carpark	Total
	land	leasehold		properties		
	RM'000	land	RM'000	RM'000	RM'000	RM'000
At cost:						
At 1 October 2020	91,299	875	3,113	93,696	23,756	212,739
Additions during the financial year	-	-	-	29,997	-	29,997
Acquisition of a subsidiary (Note 12(a))	7,000	-	-	-	-	7,000
Disposal during the financial year	-	(875)	(2,350)	-	-	(3,225)
Adjustment	(219)	-	172	219	-	172
Transfer from property development costs (Note 18(b))	-	-	-	316	-	316
At 30 September 2021	<b>98,080</b>	-	<b>935</b>	<b>124,228</b>	<b>23,756</b>	<b>246,999</b>

**16. INVESTMENT PROPERTIES (CONTINUED)**

<b>The Group</b>	<b>Freehold land RM'000</b>	<b>Long-term leasehold land RM'000</b>	<b>Buildings RM'000</b>	<b>Freehold properties RM'000</b>	<b>Carpark RM'000</b>	<b>Total RM'000</b>
At cost:						
At 1 October 2019	68,290	2,775	3,498	72,400	23,756	170,719
Additions during the financial year	-	-	925	19,949	-	20,874
Transfer from property, plant and equipment (Note 15)	-	-	90	-	-	90
Adjustment on land costs (Note 18(a)) <sup>#</sup>	23,009	-	-	-	-	23,009
Transfer from property development costs (Note 18(b))	-	-	-	1,347	-	1,347
Transfer to assets classified as held for sale (Note 33)	-	(1,900)	(1,400)	-	-	(3,300)
<b>At 30 September 2020</b>	<b>91,299</b>	<b>875</b>	<b>3,113</b>	<b>93,696</b>	<b>23,756</b>	<b>212,739</b>

<sup>#</sup> Arose from the adjustments in land area due to the change in the business plan.

<b>The Group</b>	<b>Freehold land RM'000</b>	<b>Long-term leasehold land RM'000</b>	<b>Buildings RM'000</b>	<b>Freehold properties RM'000</b>	<b>Carpark RM'000</b>	<b>Total RM'000</b>
Accumulated depreciation:						
At 1 October 2019	-	478	75	150	228	931
Depreciation during the financial year (Note 9)	-	44	94	112	228	478
Transfer to assets classified as held for sale (Note 33)	-	(158)	(129)	-	-	(287)
<b>At 30 September 2020/1 October 2020</b>	<b>-</b>	<b>364</b>	<b>40</b>	<b>262</b>	<b>456</b>	<b>1,122</b>
Depreciation during the financial year (Note 9)	-	4	70	174	225	473
Disposal during the financial year	-	(368)	(235)	-	-	(603)
Adjustment	-	-	172	-	-	172
<b>At 30 September 2021</b>	<b>-</b>	<b>-</b>	<b>47</b>	<b>436</b>	<b>681</b>	<b>1,164</b>

16. INVESTMENT PROPERTIES (CONTINUED)

The Group	Freehold land RM'000	Long-term leasehold land RM'000	Buildings RM'000	Freehold properties RM'000	Carpark RM'000	Total RM'000
Accumulated impairment losses:						
At 1 October 2019	-	-	-	17,152	12,356	29,508
Charge for the year* (Note 9)	-	-	450	-	152	602
At 30 September 2020/1 October 2020	-	-	450	17,152	12,508	30,110
Charge for the year* (Note 9)	272	-	101	-	-	373
Transfer to property, plant and equipment (Note 15)	-	-	(43)	-	-	(43)
At 30 September 2021	<b>272</b>	-	<b>508</b>	<b>17,152</b>	<b>12,508</b>	<b>30,440</b>
Net carrying amount:						
2020	91,299	511	2,623	76,282	10,792	181,507
2021	<b>97,808</b>	-	<b>380</b>	<b>106,640</b>	<b>10,567</b>	<b>215,395</b>

A total impairment loss of RM373,000 (2020: RM602,000) representing the write-down of the Group's investment properties to their recoverable amounts, was recognised in "Administrative and Other Expenses" line item of the statements of profit or loss and other comprehensive income. The total recoverable amounts determined based on their fair value less costs to sell approach is amounted to RM7,107,000 (2020: RM12,056,000) lower than their net carrying amount of RM7,480,000 (2020: RM12,658,000).

These investment properties mainly belonged to the Group's "Property Development" and "Investment Holding and Others" reportable segments.

**16. INVESTMENT PROPERTIES (CONTINUED)**

<b>The Company</b>	<b>Long-term leasehold land RM'000</b>	<b>Buildings RM'000</b>	<b>Total RM'000</b>
At cost:			
At 1 October 2019	2,773	3,750	6,523
Additions during the financial year	-	925	925
Transfer to assets classified as held for sale (Note 33)	(1,900)	(1,400)	(3,300)
At 30 September 2020/1 October 2020	873	3,275	4,148
Disposal during the financial year	(873)	(2,350)	(3,223)
At 30 September 2021	-	<b>925</b>	<b>925</b>
Accumulated depreciation:			
At 1 October 2019	476	269	745
Depreciation during the financial year (Note 9)	44	94	138
Transfer to assets classified as held for sale (Note 33)	(158)	(129)	(287)
At 30 September 2020/1 October 2020	362	234	596
Depreciation during the financial year (Note 9)	4	38	42
Disposal during the financial year	(366)	(235)	(601)
At 30 September 2021	-	<b>37</b>	<b>37</b>
Accumulated impairment losses:			
At 1 October 2019	-	-	-
Charge for the year* (Note 9)	-	408	408
At 30 September 2020/1 October 2020	-	408	408
Charge for the year* (Note 9)	-	100	100
At 30 September 2021	-	<b>508</b>	<b>508</b>
Net carrying amount:			
2020	511	2,633	3,144
2021	-	<b>380</b>	<b>380</b>

\* A total impairment loss of RM100,000 (2020: RM408,000) representing the write-down of the Company's investment properties to their recoverable amounts, was recognised in "Administrative and Other Expenses" line item of the statements of profit or loss and other comprehensive income. The recoverable amounts determined based on their fair value less costs to sell approach is amounted to RM380,000 (2020: RM500,000), lower than their net carrying amount of RM480,000 (2020: RM908,000).

## 16. INVESTMENT PROPERTIES (CONTINUED)

- (a) The carrying amount of certain investment properties have been pledged to licensed banks as security for banking facilities granted to the Group as disclosed in Note 38. Details are as follows:

	<b>The Group</b>	
	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>
Freehold land	<b>97,808</b>	91,080
Freehold properties	<b>99,239</b>	68,926
	<b>197,047</b>	160,006

- (b) Included in investment properties of the Group is interest expenses capitalised during the financial year amounted to RM1,340,000 (2020: RM1,136,000).
- (c) Rental income generated from the rental of investment properties of the Group and of the Company during the financial year amounted to RM909,000 (2020: RM875,000) and RM414,000 (2020: RM491,000) respectively.
- (d) Direct operating expenses from investment properties which generated rental income to the Group and the Company during the financial year amounted to RM913,000 (2020: RM1,013,000) and RM230,000 (2020: RM230,000) respectively.
- (e) The fair value of investment properties are analysed as follows:

<b>The Group</b>	<b>2021</b>	<b>2020</b>
	<b>Level 3</b>	<b>Level 3</b>
	<b>RM'000</b>	<b>RM'000</b>
Freehold land	<b>117,591</b>	110,591
Long-term leasehold land	-	4,100
Buildings	<b>380</b>	3,010
Freehold properties (exclude under construction**)	<b>13,500</b>	13,500
Carpark	<b>11,000</b>	11,000
<b>The Company</b>		
Long-term leasehold land	-	4,100
Buildings	<b>380</b>	3,010

\*\* Fair value of the freehold properties under construction with carrying amount of RM99,239,000 (2020: RM68,926,000) are unable to be determined reliably as there are uncertainties in estimating their fair value at this juncture.



**16. INVESTMENT PROPERTIES (CONTINUED)**

The fair values of the investment properties are classified as a Level 3 in respect of fair value hierarchy.

There were no transfers between Levels 1, 2 and 3 in previous year.

The following table shows the significant unobservable input used in the valuation model:

Valuation Technique	Significant Unobservable inputs	Relationship of Unobservable Inputs and Fair Value
<b>2021</b>		
Comparison Method	Adjustment factors to prices of comparable properties	The higher the sale price of comparable land and buildings, the higher the fair value.
Investment Method	Estimated rental rate per square foot per month	The higher the estimated rental rate per square foot per month, the higher the fair value.
	Estimated outgoings per square foot per month	The lower the estimated outgoings per square foot per month, the higher the fair value.
	Void Rate	The lower the void rate, the higher the fair value.
	Term Yield Rate	The higher the term yield rate, the higher the fair value.
	Capitalisation/Discount rate	The lower the capitalisation/discount rate, the higher the fair value.
<b>2020</b>		
Comparison Method	Adjustment factors to prices of comparable properties	The higher the sale price of comparable land and buildings, the higher the fair value.
Investment Method	Estimated rental rate per square foot per month	The higher the estimated rental rate per square foot per month, the higher the fair value.
	Estimated outgoings per square foot per month	The lower the estimated outgoings per square foot per month, the higher the fair value.
	Void Rate	The lower the void rate, the higher the fair value.
	Term Yield Rate	The higher the term yield rate, the higher the fair value.
	Capitalisation/Discount rate	The lower the capitalisation/discount rate, the higher the fair value.

## 17. GOODWILL

	The Group	
	2021 RM'000	2020 RM'000
At cost:		
At 30 September	18,230	18,230
Acquisition of a subsidiary (Note 12(a))	3,284	-
Carrying amount	21,514	18,230
Accumulated impairment losses:		
At 30 September	(6,777)	(6,777)
Net carrying amount	14,737	11,453

(a) The net carrying amounts of goodwill allocated to each cash-generating unit (“CGU”) are as follows:

	The Group	
	2021 RM'000	2020 RM'000
Property development - SFBSB	11,453	11,453
Property development - BHPDSB	3,284	-
	14,737	11,453

(b) The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired. The recoverable amounts of SFBSB and BHPDSB as CGU were determined based on value in use calculation which uses cash flow projections based on financial budgets approved by the directors covering a five-year period and eight-year period respectively taking consideration of the project completion period. The key assumptions used by management in setting the financial budgets were as follows:

	Average Gross Margin		Growth Rate		Discount Rate	
	2021	2020	2021	2020	2021	2020
	%	%	%	%	%	%
SFBSB	25	25	Refer (ii)		13.10	17.43
BHPDSB	48	-	Refer (ii)		16.98	-

(i) Budgeted gross margin : The basis used to determine the value assigned to the budgeted gross margins is the average gross margin achievable.

(ii) Growth rate : SFBSB  
Based on the expected projection of sales generated from Forum I and II projects.

BHPDSB  
Based on the expected projection of sales generated from Bangsar Hill Park project.

(iii) Discount rate (pre-tax) : The discount rate used is computed based on the unlevered weighted average cost of capital of the respective CGU.

The values assigned to the key assumptions represent management’s assessment of future trends in the cash-generating units and are based on both external sources and internal historical data.

## 17. GOODWILL (CONTINUED)

### (c) Sensitivity analysis

#### SFSB and BHPDSB

The directors believe that there is no reasonable possible change in the above key assumptions applied that is likely to materially cause the respective cash-generating unit's carrying amounts to be exceeded its recoverable amounts.

## 18. INVENTORIES

	Note	The Group	
		2021 RM'000	2020 RM'000
<u>Non-current</u>			
Land held for property development	(a)	681,662	533,497
<u>Current</u>			
Property development costs	(b)	308,750	241,939
Others:			
Completed units	(c)	137,080	62,430
Raw materials		2,036	1,412
Medical supplies		280	-
		139,396	63,842
		448,146	305,781
		1,129,808	839,278

Included in inventories are completed units with a carrying amount of RM7,758,000 (2020: RM7,758,000) pledged to licensed banks for banking facilities granted to the Group as disclosed in Note 38.

## 18. INVENTORIES (CONTINUED)

### (a) Land held for property development

	The Group	
	2021 RM'000	2020 RM'000
At 1 October 2020/2019	533,497	549,721
Additions during the financial year	17,664	8,023
Disposal during the financial year (Note 6)	(29,293)	-
Write-down to net realisable value (Note 9)	(4,563)	(1,238)
Reversal of write-down to net realisable value (Note 9)	559	-
Acquisition of a subsidiary (Note 12(a))	163,755	-
Adjustments on land cost (Note 16)#	-	(23,009)
Transfer from property development costs (Note 18(b))	43	-
At 30 September	<b>681,662</b>	533,497
Represented by:		
Freehold land, at cost	451,029	482,298
Leasehold land, at cost	126,491	-
Property development costs, at cost	89,412	34,668
Property development costs, at net realisable value	14,730	16,531
	<b>681,662</b>	533,497

Note:

# Arose from the adjustments on land area due to the change in the business plan.

- (i) Included in land held for property development of the Group is interest expenses capitalised during the financial year amounted to RM6,267,000 (2020: RM3,688,000).
- (ii) The land held for property development of the Group with total carrying amount RM665,319,000 (2020: RM488,861,000) have been pledged to a licensed banks as security for banking facilities granted to the Group as disclosed in Note 38.

**18. INVENTORIES (CONTINUED)****(b) Property development costs**

	<b>The Group</b>	
	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>
At 1 October 2020/2019		
- land	<b>119,856</b>	123,576
- development costs	<b>231,480</b>	231,088
	<b>351,336</b>	354,664
Cost incurred during the financial year:		
- land	<b>5</b>	-
- development costs	<b>121,194</b>	98,698
	<b>121,199</b>	98,698
Acquisition of a subsidiary (Note 12(a))		
- land	<b>125,574</b>	-
- development costs	<b>37,904</b>	-
	<b>163,478</b>	-
Land costs transfer to land held for property development (Note 18 (a))	<b>(43)</b>	-
Reversal of completed projects:		
- land	<b>(20,535)</b>	(3,720)
- development costs	<b>(125,042)</b>	(98,306)
	<b>(145,577)</b>	(102,026)
At 30 September		
- land	<b>224,857</b>	119,856
- development costs	<b>265,536</b>	231,480
	<b>490,393</b>	351,336



## 18. INVENTORIES (CONTINUED)

### (b) Property development costs (continued)

	The Group	
	2021 RM'000	2020 RM'000
Costs recognised in profit or loss:		
Cumulative costs recognised at 1 October 2020/2019	(109,397)	(95,473)
Acquisition of a subsidiary (Note 12(a))	(984)	-
Reversal of completed properties	145,577	102,026
Cost recognised during the financial year (Note 6)	(136,089)	(107,088)
Transfer to property, plant and equipment (Note 15)	(195)	(2,381)
Transfer to investment properties (Note 16)	(316)	(1,347)
Transfer to inventories (Note 18 (c))	(80,239)	(5,134)
Cumulative costs recognised at 30 September	(181,643)	(109,397)
Property development costs at 30 September	308,750	241,939

- (i) The land under development of the Group with a carrying amount of RM308,343,000 (2020: RM130,397,000) has been pledged to licensed banks for banking facilities granted to the Group as disclosed in Note 38.
- (ii) Included in property development costs of the Group is interest expenses capitalised during the financial year amounted to RM1,519,000 (2020: RMNil).

### (c) Completed Development Units

	The Group	
	2021 RM'000	2020 RM'000
At 1 October 2020/2019	62,430	59,296
Reversal of cost due to termination of revenue contract (Note 6)	235	1,243
Cost of completed properties sold (Note 6)	(5,348)	(2,839)
Written down to net realisable value (Note 9)	(476)	(404)
Transfer from property development costs (Note 18 (b))	80,239	5,134
At 30 September	137,080	62,430

**19. DEFERRED TAX ASSETS/(LIABILITIES)**

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Deferred tax assets	15,959	9,286	-	-
Deferred tax liabilities	(96,667)	(94,773)	(322)	-
	<b>(80,708)</b>	<b>(85,487)</b>	<b>(322)</b>	<b>-</b>

The components of deferred tax assets and deferred tax liabilities prior to offsetting are as follows:

	The Group			
	At 1.10.2020 RM'000	Recognised in Profit or Loss (Note 10) RM'000	Acquisition of a Subsidiary (Note 12(a)) RM'000	At 30.9.2021 RM'000
<i>Deferred Tax Assets</i>				
Temporary differences arising from:				
Provision for costs	5,633	171	-	5,804
Property development costs	9,236	3,471	-	12,707
Lease liabilities	559	(486)	898	971
Others	96	95	6	197
Unabsorbed capital allowance	80	106	48	234
Unabsorbed tax losses	4,695	(1,774)	6,190	9,111
	20,299	1,583	7,142	29,024
<i>Deferred Tax Liabilities</i>				
Temporary differences arising from:				
Property development costs	(105,333)	(314)	(2,757)	(108,404)
Accelerated of capital allowance over depreciation of property, plant and equipment	(84)	(314)	-	(398)
Right-of-use assets	(222)	155	(863)	(930)
Others	(147)	147	-	-
	(105,786)	(326)	(3,620)	(109,732)
	(85,487)	1,257	3,522	(80,708)

19. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

	<b>The Group</b>		
	<b>At 1.10.2019 RM'000</b>	<b>Recognised in Profit or Loss (Note 10) RM'000</b>	<b>At 30.9.2020 RM'000</b>
<i>Deferred Tax Assets</i>			
Temporary differences arising from:			
Provision for costs	7,325	(1,692)	5,633
Property development costs	10,299	(1,063)	9,236
Lease liabilities	-	559	559
Others	12	84	96
Unabsorbed capital allowance	31	49	80
Unabsorbed tax losses	2,100	2,595	4,695
	19,767	532	20,299
<i>Deferred Tax Liabilities</i>			
Temporary differences arising from:			
Property development costs	(101,268)	(4,065)	(105,333)
Accelerated of capital allowance over depreciation of property, plant and equipment	-	(84)	(84)
Right-of-use assets	-	(222)	(222)
Others	(117)	(30)	(147)
	(101,385)	(4,401)	(105,786)
	(81,618)	(3,869)	(85,487)
<b>The Company</b>			
	<b>At 1.10.2020 RM'000</b>	<b>Recognised in Profit or Loss (Note 10) RM'000</b>	<b>At 30.9.2021 RM'000</b>
<i>Deferred Tax Assets</i>			
Temporary differences arising from:			
Lease liabilities	-	48	48
<i>Deferred Tax Liabilities</i>			
Temporary differences arising from:			
Accelerated of capital allowance over depreciation of property, plant and equipment	-	(322)	(322)
Right-of-use assets	-	(48)	(48)
	-	(370)	(370)
	-	(322)	(322)

The deferred tax assets have been recognised on the basis of the Group's and of the Company's previous history of recording profits and to the extent that is probable that future taxable profits will be available against which temporary differences can be utilised.

**19. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)**

No deferred tax assets are recognised in the statements of financial position on the following items:

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Temporary differences arising from (before offsetting):				
- impairment loss on trade receivables	28	28	-	-
- provision for costs	380	374	-	-
- accelerated capital allowance over depreciation	-	(1,014)	-	(1,014)
- right-of-use assets	(329)	-	-	-
- lease liabilities	797	2,088	-	3
Unabsorbed capital allowances	7,483	7,393	-	263
Unutilised tax losses	40,302	36,249	-	3,071
Unutilised reinvestment allowance	3,260	3,260	-	-
	<b>51,921</b>	<b>48,378</b>	<b>-</b>	<b>2,323</b>

The comparative figures of the Group and of the Company have been revised to reflect the previous year's final tax submission.

No deferred tax assets are recognised in respect of the above items as they are not probable that taxable profits of the Group and of the Company will be available against which the deductible temporary differences can be utilised.

The Malaysia Finance Act 2018 gazetted on 27 December 2018 has imposed a time limitation to restrict the carry forward of the unutilised tax losses. The unutilised tax losses could be carried forward for a maximum of seven consecutive years of assessment and the unused reinvestment allowance could be carried forward for a maximum of seven consecutive years of assessment after the expiry of the qualifying periods. Any accumulated tax losses and reinvestment allowance brought forward from year of assessment 2018 can be carried forward for another seven consecutive years of assessment and any balance of the unutilised tax losses and unused tax allowance thereafter shall be disregarded.

The Malaysia Finance Bill 2021 gazetted on 31 December 2021 stated that the time frame to carry forward unutilised tax losses for year of assessment 2019 and subsequent years of assessment be extended from seven to ten consecutive years of assessment. Unutilised tax losses accumulated up to year of assessment 2018 can now be carried forward for ten consecutive years of assessment until year of assessment 2028.

**19. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)**

Expiry date of the unutilised tax losses and unutilised reinvestment allowance are summarised as follows:

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Deferred tax assets recognised on unutilised tax losses:				
Expire in year of assessment 2025	-	3,152	-	-
Expire in year of assessment 2026	-	8,850	-	-
Expire in year of assessment 2027	-	18,453	-	-
Expire in year of assessment 2028	1,742	-	-	-
Expire in year of assessment 2029	7,114	-	-	-
Expire in year of assessment 2030	19,739	-	-	-
Expire in year of assessment 2031	9,368	-	-	-
	<b>37,963</b>	30,455	-	-
No deferred tax assets recognised on unutilised tax losses:				
Expire in year of assessment 2025	-	26,751	-	1,673
Expire in year of assessment 2026	-	1,943	-	-
Expire in year of assessment 2027	-	7,555	-	1,398
Expire in year of assessment 2028	25,076	-	-	-
Expire in year of assessment 2029	1,902	-	-	-
Expire in year of assessment 2030	6,144	-	-	-
Expire in year of assessment 2031	7,180	-	-	-
	<b>40,302</b>	36,249	-	3,071
No deferred tax assets recognised on unused reinvestment allowance:				
Expire in year of assessment 2025	3,260	3,260	-	-



**20. RIGHT-OF-USE ASSETS**

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
<b>Net carrying amount</b>				
At 1 October 2020/2019				
Equipment	71	69	54	69
Buildings	1,354	1,393	25	74
	1,425	1,462	79	143
Additions				
Equipment	193	46	193	2
Buildings	49	2,970	-	1
	242	3,016	193	3
Disposal				
Buildings	(15)	(226)	-	-
Depreciation charges (Note 9)				
Equipment	(49)	(29)	(45)	(17)
Land	(175)	-	-	-
Buildings	(1,051)	(924)	(25)	(50)
	(1,275)	(953)	(70)	(67)
Impairment loss (Note 9)				
Equipment	-	(15)	-	-
Buildings	(259)	(1,859)	-	-
	(259)	(1,874)	-	-
Acquisition of a subsidiary (Note 12(a))				
Land	963	-	-	-
Buildings	2,810	-	-	-
	3,773	-	-	-
<b>Net carrying amount</b>				
At 30 September				
Equipment	215	71	202	54
Land	788	-	-	-
Buildings	2,888	1,354	-	25
	3,891	1,425	202	79

## 20. RIGHT-OF-USE ASSETS (CONTINUED)

The Group has made an impairment assessment in relation to the right-of-use assets under food and beverages and e-sports hub businesses due to poor performance resulted from movement control order imposed by Malaysian Government to curb the spreading of COVID-19 since last financial year. During the year, the performance of food and beverages remains poor due to further extension of movement control order.

These assets are used in the Group's "Investment Holding and Others" reportable segment. The assessment led to the recognition of an impairment loss of RM259,000 (2020: RM1,874,000), which has been recognised in "Administrative and Other Expenses" line item of the statements of profit or loss and other comprehensive income.

The recoverable amounts determined based on their value in use is amounted to RMNil (2020: RMNil), lower than its carrying amounts of RM259,000 (2020: RM1,874,000). The discount rate used in measuring value in use was 11% (2020: 11%) per annum.

The following table shows the breakdown of the lease expense between amounts charged/(credited) to operating profit and amounts charged to finance costs:

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Depreciation of right-of-use assets	1,275	953	70	67
Short-term lease expense	1,206	1,086	1,197	1,086
Low-value assets lease expense	4	7	2	4
Gain on recognition of lease receivables	(107)	(97)	-	-
Charge to operating profit	2,378	1,949	1,269	1,157
Interest expenses related to lease liabilities (Note 8)	262	253	7	6
Charge to profit before taxation	2,640	2,202	1,276	1,163

## 21. BIOLOGICAL ASSETS

	The Group			
	Grass RM'000	Shrub RM'000	Tree RM'000	Total RM'000
At 1 October 2019	55	18	-	73
Fair value (loss)/gain (Note 9)	(4)	12	30	38
At 30 September 2019/1 October 2020	51	30	30	111
Fair value loss (Note 9)	(51)	(26)	(20)	(97)
At 30 September 2021	-	4	10	14

The biological assets of the Group comprise grass, shrub and tree prior to maturity. The fair value measurement of the biological assets is determined by using the present value of net cash flows expected to be generated from the sale of grass, shrub and tree, less harvesting, transport and other costs to sell and is categorised within Level 3 of the fair value hierarchy. There were no transfer between three levels of the fair value hierarchy during the financial year.

## 22. CONTRACT ASSETS/(LIABILITIES)

The Group issues progress billing to purchaser when the billing milestones are attained. The Group recognises revenue when performance obligation is satisfied. There is not considered to be a significant financing component in construction contracts with customers as the period between the recognition of revenue under the cost-to-cost method and the milestone payment is always less than one year. The Group's contract assets and contract liabilities relating to the sales of properties as of each reporting period can be summarised as follows:

	The Group	
	2021 RM'000	2020 RM'000
Contract assets	189,414	116,975
Contract liabilities	(24,946)	(13,960)
	164,468	103,015

	The Group	
	2021 RM'000	2020 RM'000
At 1 October 2020/2019	103,015	212,987
Acquisition of a subsidiary (Note 12(a))	(12,888)	-
Revenue recognised during the year	236,043	194,533
Progress billings during the year	(166,597)	(306,453)
Consideration payable to customers	4,895	1,948
At 30 September	164,468	103,015

The transaction price allocated to the performance obligations that are unsatisfied (or partially satisfied) as at 30 September 2021 is RM562,188,000 (2020: RM401,533,000) where the Group expects to recognise it as revenue over the next 4 (2020: 2) years.

There is no allowance for impairment losses recognised on contract assets in the reporting period.

## 23. CONTRACT COSTS

	<b>The Group</b>	
	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>
Costs to obtain contracts	22,222	16,540

Costs to obtain contracts relate to incremental sales person and agent commission for obtaining property sales contracts which are expected to be recovered. These costs are subsequently expensed off as cost of sales by reference to the performance completed to date, consistent with the revenue recognition pattern.

During the financial year, the total costs to obtain contracts recognised by the Group as cost of sales in profit or loss amounted to RM9,292,000 (2020: RM5,251,000).

The Group applied the practical expedient in para 94 of MFRS 15 and recognised the incremental costs of obtaining contracts as an expense when incurred, if the amortisation period of the assets is one year or less.

There was no impairment loss in relation to the costs capitalised.

## 24. TRADE RECEIVABLES

	<b>The Group</b>	
	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>
Retention sum held by contract customer	365	77
Stakeholders' sum	17,073	23,866
Trade receivables	37,402	24,867
Allowance for impairment losses	(29)	(29)
	<b>37,373</b>	24,838
	<b>54,811</b>	48,781

(a) Stakeholders' sum represents retention sum held by solicitors upon handing over of vacant possession to individual purchasers of development properties. These amounts will be paid in the range from 12 months to 24 months after the delivery of vacant possession together with interest earned.

(b) The Group's normal trade credit terms for current trade receivables range from 14 to 30 (2020: 14 to 30) days. Other credit terms are assessed and approved on a case-by-case basis.

(c) Trade receivables that are past due but not impaired are mainly related to the progress billings to be settled by the purchasers or the purchasers' end financiers. However, these debts are expected to be realised in full without material losses in the ordinary course of business as majority of the customers are with financing facilities obtained from reputable end financiers and the legal title to the properties sold remains with the Group until the purchase consideration is fully settled/paid.

(d) The Group has no significant concentration of credit risk that may arise from exposures to a single debtor or groups of debtors.

## 24. TRADE RECEIVABLES (CONTINUED)

- (e) The Group recognises allowance for impairment losses based on expected credit losses (“ECL”) model using the simplified approach, which measures the impairment losses at an amount equal to lifetime ECL.
- (f) The retention sum held by contract customer is unsecured, interest free and is expected to be received upon expiry of the defect liability period, in the financial years ending 30 September 2022 (2020 : 30 September 2021 to 2022).

Movement in the allowance for impairment losses:

	The Group	
	2021 RM'000	2020 RM'000
Allowance for impairment losses:		
At 1 October 2020/2019	(29)	(722)
Charge for the year (Note 9)	-	(1)
Reversal (Note 9)	-	694
At 30 September	(29)	(29)

The aging analysis of trade receivables past due but not impaired is as follows:

	The Group	
	2021 RM'000	2020 RM'000
Not past due	7,166	6,519
Past due:		
- less than 30 days <sup>^</sup>	5,233	5,411
- 31 to 60 days	6,109	2,833
- 61 to 150 days	7,794	2,694
- more than 151 days	11,071	7,381
Total	37,373	24,838

Note:

<sup>^</sup> Represents debts fall within the month of September.



## 25. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Other receivables:				
Non-interest bearing	3,908	2,820	1,207	1,128
Allowance for impairment losses	(1,390)	(1,390)	(1,071)	(1,071)
	2,518	1,430	136	57
Other assets	8,026	5,372	-	-
Goods and services tax recoverable	278	482	-	-
Advances to payables	2,648	6,866	-	-
Deposits	9,683	11,305	1,578	438
Prepayments	5,171	507	66	95
Deferred expenses <sup>^</sup>	1,991	-	1,846	-
	30,315	25,962	3,626	590

<sup>^</sup> Deferred expenses of the Group and of the Company are transaction costs that are directly attributable to the acquisition or issuance of financial liabilities prior to its issuance. These transaction costs are minus from the fair value of the financial liabilities at initial measurement. At subsequent measurement, the transaction costs are amortised and charged out to profit or loss as finance costs.

Movement in the allowance for impairment losses:

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Allowance for impairment losses:				
At 1 October 2020/2019	(1,390)	(319)	(1,071)	-
Charge for the year (Note 9)	-	(1,071)	-	(1,071)
At 30 September	(1,390)	(1,390)	(1,071)	(1,071)

Other assets of the Group are the costs for consideration payable to customers to be accounted for as a reduction of revenue, when the Group recognises revenue for the transfer of the related goods or services to the customers.

**26. LEASE RECEIVABLES**

	<b>The Group</b>	
	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>
As at 1 October 2020/2019	<b>204</b>	-
New leases entered into during the financial year	<b>231</b>	313
Lease payments received during the financial year	<b>(416)</b>	(122)
Finance income (Note 7)	<b>13</b>	13
<b>At 30 September</b>	<b>32</b>	204
Current	<b>32</b>	207
Total undiscounted lease payments receivable	<b>32</b>	207
Less: Unearned finance income	-	(3)
<b>Net investment in the lease</b>	<b>32</b>	204
Finance income on net investment in finance lease	<b>(13)</b>	(13)

The Group entered into sublease arrangements as an intermediate lessor to re-lease its right-of-use assets to its related companies.

The re-leased right-of-use assets are completed properties leased by the Group under sales and leaseback arrangement. The completed properties were initially sold to the lessor and leased back by the Group as part of the guarantee rental rebate package offered to the purchasers. The average term of finance leases entered into is 2 years. Generally, these lease contracts do not include extension or early termination options.

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in Ringgit Malaysia. Residual value risk on completed properties under lease is not significant, because of the existence of a secondary market with respect to the properties.

The Group's finance lease arrangements do not include variable payments.

The directors of the Company estimate the loss allowance on finance lease receivables at the end of the reporting period at an amount equal to lifetime ECL. None of the finance lease receivables at the end of the reporting period is past due, and taking into account the future prospects of the industries in which the lessees operate, the directors of the Company consider that no finance lease receivables is impaired.

27. AMOUNT OWING BY/(TO) SUBSIDIARIES

	The Company					
	2021			2020		
	Interest Bearing	Non-Interest Bearing	Total	Interest Bearing	Non-Interest Bearing	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Amount owing by:						
Non current:						
- Trade balances	-	-	-	-	-	-
- Non-trade balances						
Principal	-	34,274	34,274	-	47,120	47,120
Impairment	-	(3,570)	(3,570)	-	(2,967)	(2,967)
	-	30,704	30,704	-	44,153	44,153
	-	30,704	30,704	-	44,153	44,153
Current:						
- Trade balances	-	41,818	41,818	-	19,359	19,359
- Non-trade balances						
Principal	81,090	366,834	447,924	18,967	327,551	346,518
Interest	1,375	-	1,375	2,587	-	2,587
Impairment	-	(17,471)	(17,471)	-	(16,832)	(16,832)
	82,465	349,363	431,828	21,554	310,719	332,273
	82,465	391,181	473,646	21,554	330,078	351,632
At 30 September	82,465	421,885	504,350	21,554	374,231	395,785
Amount owing to:						
Current						
- Trade balances	-	-	-	-	(33)	(33)
- Non-trade balances	-	(6,010)	(6,010)	-	(5,974)	(5,974)
At 30 September	-	(6,010)	(6,010)	-	(6,007)	(6,007)

**27. AMOUNT OWING BY/(TO) SUBSIDIARIES (CONTINUED)**

Movement in the allowance for impairment losses:

	<b>The Company</b>	
	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>
Allowance for impairment losses:		
At 1 October 2020/2019	<b>19,799</b>	11,692
Charge for the year (Note 9)	<b>3,552</b>	8,107
Reversal (Note 9)	<b>(567)</b>	-
Write-off	<b>(1,743)</b>	-
At 30 September	<b>21,041</b>	19,799

- (a) The trade and non-trade balances are unsecured, interest-free and repayable on demand, except certain non-trade balances are interest bearing. The amounts owing are to be settled in cash.
- (b) The non-trade interest bearing amounts at the end of the reporting period bore the following interest rates:

	<b>2021</b>	<b>2020</b>
	<b>%</b>	<b>%</b>
Interest rate per annum	3.42 to 3.53	3.64 to 4.76

**28. AMOUNT OWING BY/(TO) RELATED PARTIES**

	<b>The Group</b>		<b>The Company</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Amount owing by:				
- Trade balances	<b>1,633</b>	1,761	-	176
- Non-trade balances	<b>-</b>	2	-	2
	<b>1,633</b>	1,763	-	178
Amount owing to:				
- Non-trade balances	<b>(81,680)</b>	-	-	-

- (a) The amount owing by related parties are unsecured, interest-free and repayable on demand. The amounts owing are to be settled in cash.
- (b) Related parties refer to companies substantially owned by a director or a close family member of a director of the Company.
- (c) The amount owing to related parties represent unsecured advances which are repayable on demand bears interest at 3.44% (2020: Nil) per annum. The amounts owing are to be settled in cash.

## 29. AMOUNT OWING BY/(TO) ASSOCIATE

	The Group					
	2021			2020		
	Interest Bearing RM'000	Non-Interest Bearing RM'000	Total RM'000	Interest Bearing RM'000	Non-Interest Bearing RM'000	Total RM'000
Amount owing by:						
- Trade balances	-	6,069	6,069	-	4,270	4,270
Amount owing to:						
- Trade balances						
Principal	(23,964)	-	(23,964)	-	-	-
Retention sum	-	(6,956)	(6,956)	-	(2,158)	(2,158)
	(23,964)	(6,956)	(30,920)	-	(2,158)	(2,158)
	(23,964)	(887)	(24,851)	-	2,112	2,112

- (a) The amount owing by associate are unsecured, interest-free and repayable on demand. The amounts owing are to be settled in cash.
- (b) The retention sum are unsecured, interest-free and are expected to be paid upon expiring of the defect liability period which will be ended in financial year 2025 (2020: 2025).
- (c) The amount owing to associate are unsecured, interest-bearing and repayable on demand. The amounts owing are to be settled in cash.

The balance for amount owing to associate bore the following interest rates:

	2021 %	2020 %
Interest rate per annum	3.21	4.30

## 30. SHORT-TERM INVESTMENT

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Financial assets at fair value through profit or loss:				
- Money market fund	109,181	92,264	106,540	71,828

Investment in money market fund represents investment in highly liquid money market instruments, which are readily convertible to known amount of cash and are subject to an insignificant risk of changes in value.



**31. FIXED DEPOSITS WITH LICENSED BANKS**

- (a) The fixed deposits with licensed banks of the Group and of the Company at the end of the reporting period bore effective interest rates ranging from 1.50% to 1.70% (2020: 1.70% to 3.35%) per annum and 1.50% to 1.70% (2020: 1.85% to 3.35%) per annum respectively. The fixed deposits have maturity periods ranging from 1 day to 12 months (2020: 1 day to 12 months) and 1 to 12 months (2020: 1 to 12 months) for the Group and for the Company respectively.
- (b) The amount of fixed deposits pledged with licensed banks as security for banking facilities granted to the Group as disclosed in Note 38 is as follows:

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Fixed deposits pledged for:				
- revolving credit	10,904	19,572	10,904	19,572
- bank guarantee	11,718	9,735	11,718	9,735
- term loan	3,097	3,048	-	-
- Sukuk Wakalah	919	-	919	-
	<b>26,638</b>	<b>32,355</b>	<b>23,541</b>	<b>29,307</b>

**32. CASH AND BANK BALANCES**

Included in the cash and bank balances of the Group is an amount of RM93,438,000 (2020: RM71,468,000) held pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966. The amount is held at call with banks and is available only to the subsidiaries involved in the property development activities.

**33. ASSETS CLASSIFIED AS HELD FOR SALE**

	The Group and The Company	
	2021 RM'000	2020 RM'000
Leasehold land (Note 16)	-	1,742
Building (Note 16)	-	1,271
	-	3,013

On 30 June 2020, the Company entered into a Sale and Purchase Agreement ("SPA") with a third party for the disposal of leasehold land and building ("Property") for a total disposal consideration RM4,500,000. Completion period is upon full payment of the balance purchase price, late payment interest, if any and apportionment of the outgoings. As at 30 September 2020, the Property is classified as assets held for sale in the statements of financial position of the Group and of the Company. The disposal was completed on 4 January 2021 when the disposal consideration was fully received.

### 34. ORDINARY SHARE CAPITAL

	The Group and The Company			
	2021	2020	2021	2020
	Number of Shares '000		RM'000	RM'000
Ordinary Shares:				
At 1 October/30 September	895,917	895,917	640,288	640,288

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company, and are entitled to one vote per share at meetings of the Company.

### 35. RESERVES

	Note	The Group		The Company	
		2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Warrant reserve	35.1	-	-	-	-
Capital reserve	35.2	815	815	1,800	1,800
Retained earnings		389,083	387,563	128,245	112,717
		389,898	388,378	130,045	114,517

#### 35.1 WARRANT RESERVE

	The Group and The Company	
	2021 RM'000	2020 RM'000
At 1 October 2020/2019	-	48,299
Transfer to retained earnings	-	(48,299)
At 30 September	-	-

- (a) The warrant reserve arose from the allocation of the proceeds received from the renounceable rights issue of 475,084,416 new ordinary shares of RM0.50 each together with 158,361,472 free detachable warrants issued on 23 July 2015.

The reserve is determined by reference to the fair value of the warrants of RM0.305 each amounted to RM48,300,249 immediately upon the listing and quotation of the rights issue on the Main Market of Bursa Malaysia Securities Berhad on 27 July 2015.

- (b) The warrant reserve relates to the portion of proceeds from the rights shares issue ascribed to the attached warrants. As and when the warrants are exercised, the related balance in the warrant reserve will be transferred to the share capital account. Each warrant carries the right to subscribe for 1 new ordinary share in the capital of the Company at an exercise price of RM1.50.

### 35. RESERVES (CONTINUED)

#### 35.1 WARRANT RESERVE (CONTINUED)

- (c) The warrants are constituted by the Deed Poll dated 11 June 2015. The salient features of the warrants are as follows:
- (i) Each warrant entitled the registered holder to subscribe for 1 new ordinary share of the Company at any time during the 5 years period commencing on and including 23 July 2015 to 22 July 2020 (“Exercise Period”) at RM1.50 per new ordinary share of the Company;
  - (ii) Any warrants not exercised during Exercise Period will thereafter lapse and cease to be valid; and
  - (iii) The new ordinary shares allotted and issued pursuant to the exercise of the warrants shall rank pari passu in all aspects with the existing ordinary shares of the Company, and shall be entitled to any dividends, rights, allotments and/or other distributions after the issue and allotment thereof.

The warrants have expired on 22 July 2020 and had then been delisted on 23 July 2020. At the expiry of the warrants, the balance in the warrant reserve has been transferred to retained earnings.

#### 35.2 CAPITAL RESERVE

Capital reserves arose from the profit on disposal of investment in a subsidiary.

### 36. LONG-TERM BORROWINGS

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Hire purchase payables (Note 37)	104	202	17	202
Term loans (Note 38)	370,180	227,005	7,544	7,718
Sukuk Wakalah (Note 39)	114,560	-	114,560	-
	<b>484,844</b>	<b>227,207</b>	<b>122,121</b>	<b>7,920</b>

### 37. HIRE PURCHASE PAYABLES

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Minimum hire purchase payments:				
- not later than 1 year	253	191	191	191
- later than 1 year and not later than 5 years	106	207	17	207
	359	398	208	398
Less: Future finance charges	(11)	(19)	(6)	(19)
Present value of hire purchase payables	348	379	202	379
Analysed by:				
Current liabilities (Note 43)	244	177	185	177
Non-current liabilities (Note 36)	104	202	17	202
	348	379	202	379

- (a) The hire purchase payables of the Group and of the Company are secured by the Group's and the Company's motor vehicles under hire purchase borrowing as disclosed in Note 15.
- (b) The hire purchase payables of the Group and of the Company bore effective interest rates ranging from 4.15% to 4.52% (2020: 4.15% to 4.52%) per annum at the end of reporting period. The interest rates are fixed at the inception of the hire purchase agreement.

### 38. TERM LOANS

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Current liabilities (Note 43)	44,949	23,892	-	-
Non-current liabilities (Note 36)	370,180	227,005	7,544	7,718
	415,129	250,897	7,544	7,718

**38. TERM LOANS (CONTINUED)**

(a) As at reporting date, the Group and the Company have the following credit facilities from licensed banks:

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Floating rate term loans				
I	155,889	171,136	-	-
II	7,660	6,055	-	-
III	51,033	65,988	-	-
IV	7,544	7,718	7,544	7,718
V	7,240	-	-	-
VI	185,763	-	-	-
	<b>415,129</b>	250,897	<b>7,544</b>	7,718

The interest rate profile of the term loans is summarised below:

	The Group		The Company	
	2021 %	2020 %	2021 %	2020 %
Floating rate term loans				
I	4.13	4.16	-	-
II	3.71	3.80	-	-
III	3.82	4.15 - 4.21	-	-
IV	3.69	3.72	3.69	3.72
V	3.89	-	-	-
VI	3.86	-	-	-

(b) Term Loan I

(i) Term loan I including the following:

Term Loan 1

The Term Loan is repayable over 10 years by 47 monthly principal repayments of RM4,017,000 each with 1 final month principal repayment of RM4,001,000 commencing on the 73<sup>rd</sup> month from the date of the first drawdown, or by application of redemption sum pursuant to the redemption units to be developed on the Property.



### 38. TERM LOANS (CONTINUED)

(b) Term Loan I (continued)

(i) Term loan I including the following (continued):

Term Loan 2

The Term Loan is repayable over 10 years by 71 monthly principal repayments of RM970,000 each with 1 final month principal repayment of RM1,130,000 commencing on the 49<sup>th</sup> month from the date of reinstatement, or by application of redemption sum pursuant to the redemption units to be developed on the Property.

Bridging Loan 2

The Bridging Loan 2 is repayable over 8 years by 47 monthly principal repayments of RM583,333 each with 1 final month principal repayment of RM583,349 commencing on the 49<sup>th</sup> month from the date of the first drawdown, or by application of redemption sum pursuant to the redemption units to be developed on the Property.

The bridging loan has been fully repaid in the previous financial year.

(ii) Term loan I is secured by:

- a facility agreement;
- a legal charge over 10 parcels of freehold land held under title GRN 337202, 337203, 337204, 332588, 335776, 335777, 335778, 335779, 333879 and 333882 situated in Mukim Dengkil, District of Sepang, State of Selangor ("Property A") as disclosed in Notes 15, 16 and 18 respectively;
- a general debenture creating a fixed and floating charge over the subsidiary's undertaking, assets, rights and properties, both present and future whatsoever and wheresoever situated (including but not limited to the Property and all development projects to be undertaken by the subsidiary on the Property A);
- placement of fixed deposits for the funds in the Debt Service Reserve Account ("DSRA") as disclosed in Note 31, which the DSRA shall cover minimum 3 months' interest payment; and
- a corporate guarantee of the Company.

(c) Term Loan II

(i) Term loan II including the following:

Term Loan 1, Term Loan 2 and Bridging Loan

The Term Loan is repayable over 3 years by 35 monthly principal repayments of RM1,300,000 each with 1 final month principal repayment of RM500,000 commencing at the end of 13th month from the date of the first drawdown, or from redemption rate of 25% of the selling price of each unit sold under the Project.

**38. TERM LOANS (CONTINUED)**(c) Term Loan II (continued)

(ii) Term loan II is secured by:

- a facility agreement;
- a legal charge over 1 parcel of freehold development land held under title GRN 333880, situated in Mukim Dengkil, District of Sepang, State of Selangor ("Project Land") as disclosed in Note 18;
- a debenture for RM46,000,000 by way of fixed and floating charge over all the present and future assets of the subsidiary in relation to the Project;
- assignment of surplus proceeds of the Project captured in Housing Development Account;
- assignment of all performance bonds/guarantees/warranties (if any) given by contractors/suppliers to the subsidiary in relation to the Project;
- assignment of all applicable insurance policies in respect of the Project (if any), where the Bank is to be endorsed as loss payee; and
- a corporate guarantee of the Company.

(d) Term Loan III

(i) Term loan III including the following:

Term Loan 1

The Term Loan 1 is repayable with an amount of RM35,000,000 prior to the presentation of discharge of charge over the parcel of land where Forum 1 project is located or within 15 months commencing from the date of first drawdown. The amount has been fully repaid during the financial year ended 30 September 2019.

The remaining amount of RM40,000,000 is either repayable over 29 monthly principal repayments of RM1,300,000 each with 1 final month principal repayment of RM2,300,000 commencing on the 19<sup>th</sup> month from the date of first drawdown and/or by redemption of each unit sold under Forum 2 Project of each unit. The amount has been fully repaid during the financial year.

Term Loan 2

The Term Loan 2 is repayable by redemption of units sold under Forum 2 project or 29 monthly repayment of RM2,300,000 each and a final repayment of RM3,300,000 commencing on the 25<sup>th</sup> month from the date of its first drawdown, whichever is earlier.

### 38. TERM LOANS (CONTINUED)

(d) Term Loan III (continued)

(ii) Term loan III is secured by:

- a facility agreement;
- a legal charge over freehold land partly located at Lot No. 86616 GRN 334463, Mukim Bukit Raja, District of Petaling, Negeri Selangor (“Project Land”) as disclosed in Notes 16 and 18 respectively;
- a corporate guarantee of the Company;
- a general debenture creating a fixed and floating charge over the subsidiary’s undertaking, assets, rights and properties, both present and future whatsoever and wheresoever situated (including but not limited to the Property and all development projects to be undertaken by the subsidiary on the Project Land);
- assignment and legal charge over the Designated Accounts;
- assignment of rights and benefits arising from the construction contracts and contractor’s performance bond in favour of Borrower in respect of the Project; and
- assignment of the Borrower’s interest, rights, titles and benefits from all insurance policies taken in respect of the Forum 2 Project whereby the Lender is to be endorsed as the loss payee.

(e) Term Loan IV

(i) The term loan IV including the following:

Term Loan 1

The Term Loan is repayable over 12 years by 144 monthly principal repayments of RM75,200 each commencing on the full release of Term Loan 1, or by Availability Period, whichever is earlier.

Term Loan 2

The Term Loan is repayable over 12 years by 144 monthly principal repayments of RM75,200 each commencing on the full release of Term Loan 2, or by Availability Period, whichever is earlier.

Term Loan 3

The Term Loan is repayable over 12 years by 144 monthly principal repayments of RM102,100 each commencing on the full release of Term Loan 3, or by Availability Period, whichever is earlier.

**38. TERM LOANS (CONTINUED)**(e) Term Loan IV (continued)

(ii) Term loan IV is secured by:

- a facility agreement;
- first party first legal charge over Lot No. CO-37-01, CO-38-01 and CO-39-01, Block CO located at Jalan Setia Dagang AL U13/AL Setia Alam Seksyen U13, 40170 Shah Alam, Selangor to be erected on part of land held under Master Title Geran 334463, Lot 86616, Mukim Bukit Raja, Daerah Petaling, Negeri Selangor upon issuance of strata title;
- deed of Assignment (Interim security); and
- Power of Attorney (Interim security).

(f) Revolving Credit and Bank Guarantee

The facilities are secured by:

- a facility agreement;
- third party first legal charge over 4 parcels of freehold development land, completed units of the Group, held under title PT 36975, 36976, 36977 and 36983 located within Bukit Raja, District of Petaling, Selangor as disclosed in Note 18;
- redemption sum pledged as fixed deposit as disclosed in Note 31.

The revolving credit has been fully repaid in the previous financial year.

(g) Term Loan V(i) The Term Loan V is repayable by 131 equal monthly principal installments of RM149,000 each and 1 final installment of RM76,000, the first instalment to commence on the 1<sup>st</sup> day of the 37<sup>th</sup> month following the date of first drawdown and to be concurrent with the interest payment

(ii) Term loan V is secured by:

- a facility agreement;
- Overdraft ("OD") by way of Memorandum of Deposit (MOD) in the following manner;
  - a) pledge of fixed deposit via 2.5% retention over each contract (Limit RM2mil),
  - b) other pledge that may be required;
- OD/Invoice Financing, by way of 1<sup>st</sup> party deed of Assignment with the contract values of no less than RM473,363,532, subsequent assignments over other contracts (if any), proceeds shall be credited into designated escrow account in favour of the Bank (via assignment over designated escrow account and all monies standing in it);
- Bank Guarantee by way of an MOD through 30% fixed deposit and other pledge of fixed deposit may be required to be deposited from time to time; and
- Corporate guarantee of the Company.

### 38. TERM LOANS (CONTINUED)

(h) Term Loan VI

- (i) The Term Loan VI includes Term Loan 1, Term Loan 2, Term Loan 3, Term Loan 4, Term Loan 5, Term Loan 6 and Term Loan 7 which shall be repaid through redemption of individual units or reduction schedule, whichever is earlier.
- (ii) Term loan VI is secured by:
- All monies charge over 4 parcels of land held under title GRN 31910, PT 50001, 50002 and 50003, situated in Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan as disclosed in Notes 16 and 18 respectively;
  - All monies charge over cash deposit;
  - Debenture with fixed and floating charge over all present and future assets;
  - Specific debenture; and
  - Proportionate guarantee by the former director of the borrower and the Company.

### 39. SUKUK WAKALAH

	<b>The Group and The Company</b>	
	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>
Non-current liabilities (Note 36)*	<b>114,560</b>	-

\* Net of transaction costs of RM440,000.

On 7 October 2020, the Company has proposed the establishment of a Rated Islamic Medium Terms Notes (“Sukuk Wakalah”) Programme of up to RM500 million in nominal value under the Shariah Principle of Wakalah Bi Al-Istithmar. The Sukuk Wakalah allows for the issuance of Sukuk Wakalah from time to time, provided that the aggregate outstanding nominal value of Sukuk Wakalah shall not exceed RM500 million at any point in time.

The tenure of the Sukuk Wakalah Programme shall be up to thirty (30) years from the date of first issuance of the Sukuk Wakalah. At the end of the reporting period, the Sukuk Wakalah Programme has been assigned a rating of A+<sub>IS</sub> with a stable outlook by Malaysian Rating Corporation Berhad.

### 39. SUKUK WAKALAH (CONTINUED)

Pursuant to the Sukuk Wakalah Programme, the Company had issued the following:

Tranche	Series	Date of Issuance	RM'000	Yield-to-maturity (per annum)	Tenure (year)
1	1	2 December 2020	75,000	5.60%	3
1	2	2 December 2020	40,000	5.80%	5
			115,000		

The proceeds from the issuance of the Sukuk Wakalah shall be utilised by the Company for the following Shariah-compliant purposes:

- finance the capital expenditure, working capital requirements and/or investments as well as for general corporate purposes of the Group which shall be Shariah-compliant;
- refinance the existing financing/borrowings and future financing of the Group; and
- pay all fees and expenses in connection with the Sukuk Wakalah Programme.

### 40. LEASE LIABILITIES

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Non-current	3,428	2,558	136	40
Current	1,135	2,238	66	42
	4,563	4,796	202	82
Maturity analysis:				
- not later than 1 year	1,322	2,437	74	45
- later than 1 year and not later than 5 years	3,665	2,719	141	43
- later than 5 years	-	77	-	-
Less: unexpired finance charges	(424)	(437)	(13)	(6)
	4,563	4,796	202	82

The incremental borrowing rates applied to the lease liabilities are:

	The Group		The Company	
	2021 %	2020 %	2021 %	2020 %
Interest rate per annum	3.69 to 5.67	3.47 to 5.67	3.69 to 5.67	5.67



#### 41. TRADE PAYABLES

	The Group	
	2021 RM'000	2020 RM'000
Trade payables	9,006	10,331
Retention sum payables	11,241	9,812
Accrued costs	33,214	31,927
	<b>53,461</b>	52,070

- (a) The normal trade credit terms granted to the Group range from 30 to 75 days (2020: 30 to 75 days).
- (b) The retention sum payables are unsecured, interest-free and are expected to be paid upon expiry of the defect liability period, ranging from the financial years ending 30 September 2022 to 2026 (2020: 2021 to 2025).

#### 42. OTHER PAYABLES, DEPOSITS RECEIVED AND ACCRUALS

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Other payables*	2,874	17,735	170	104
Deposits received	2,430	9,495	46	556
Accruals	67,931	53,412	3,771	2,017
Advances received	41,842	31,189	-	-
	<b>115,077</b>	111,831	<b>3,987</b>	2,677

\* During the year, the Group recognised waiver of debts amounted to RM5,028,000 from other payables upon termination of projects. Resultantly, the development costs of the land held for property development has been written down by RM3,233,000.

#### 43. SHORT-TERM BORROWINGS

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Hire purchase payables (Note 37)	244	177	185	177
Term loans (Note 38)	44,949	23,892	-	-
	<b>45,193</b>	24,069	<b>185</b>	177

#### 44. CASH AND CASH EQUIVALENTS

For the purpose of the statements of cash flows, cash and cash equivalents comprise the following:

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Short-term investment	109,181	92,264	106,540	71,828
Fixed deposits with licensed banks	26,880	34,908	23,541	29,307
Cash and bank balances	122,715	140,606	10,528	21,221
	258,776	267,778	140,609	122,356
Less: Fixed deposits pledged to licensed banks (Note 31)	(26,638)	(32,355)	(23,541)	(29,307)
	232,138	235,423	117,068	93,049

#### 45. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company include executive directors and non-executive directors of the Company and certain members of senior management of the Group and of the Company.

The key management personnel compensation during the financial year are as follows:

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
<b>(a) Directors</b>				
<u>Directors of the Company</u>				
Short-term employee benefits:				
- fees	192	192	192	192
- salaries, bonuses and other benefits	2,422	2,052	2,422	2,052
Defined contribution benefits	290	245	290	245
	2,904	2,489	2,904	2,489
<u>Directors of the Subsidiaries</u>				
Short-term employee benefits:				
- fees	369	191	246	191
- salaries, bonuses and other benefits	1,775	1,070	1,130	1,070
Defined contribution benefits	193	108	133	108
	2,337	1,369	1,509	1,369
Total directors' remuneration (Note 9)	5,241	3,858	4,413	3,858
Estimated monetary value of benefits-in-kind:				
- directors of the Company	30	49	30	49
- directors of the subsidiaries	21	22	-	22
	51	71	30	71

45. KEY MANAGEMENT PERSONNEL COMPENSATION (CONTINUED)

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
<b>(b) Other Key Management Personnel</b>				
Short-term employee benefits	1,808	1,087	1,808	1,087
Defined contribution benefits	213	131	213	131
Total compensation for other key management personnel	2,021	1,218	2,021	1,218
Estimated monetary value of benefits-in-kind	36	33	36	33

46. EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

The ESOS of the Company is governed by the by-laws approved by the shareholders at the Extraordinary General Meeting held on 29 March 2019 and is administered by the ESOS Committee in accordance with the ESOS By-Laws. The ESOS was established on 4 September 2019 for a period of five (5) years and may be extended or renewed (as the case may be) for another five (5) years in accordance to the ESOS By-Laws.

The maximum number of the Company's shares under the ESOS should not exceed in aggregate 10% of the issued and paid-up ordinary share capital (excluding treasury shares) of the Company at any point of time during the duration of the scheme period. Other principal features of the ESOS are as follows:

(a) Eligibility to participate in the ESOS

In respect of the directors and employee of the Company, the employee must fulfill the following criteria:

- (i) is at least eighteen (18) years of age and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
- (ii) a director has been appointed as a director of the Company or any company in the Group for a minimum period of one (1) year;
- (iii) a permanent employee who has been confirmed and served for at least continuous period of one (1) year or a contract employee who has served for at least a period of one (1) year on a cumulative basis under the current and/or previous contract; and
- (iv) has fulfilled any other criteria and/or falls within such category as may be determined by the ESOS Committee from time to time.

(b) Option Price

Subject to any adjustments in accordance with the By-Laws and pursuant to the Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("MMLR"), the Option Price shall be determined by the Board upon recommendation of the ESOS Committee which will be based on the 5-day Weighted Average Price ("WAP") of the Company's shares, as quoted on Bursa Securities, immediately preceding the date of offer, with a discount of not more than 10%, or such other percentage of discount as may be permitted by Bursa Securities and/or any other relevant authorities from time to time during the duration of the ESOS.

**46. EMPLOYEES' SHARE OPTION SCHEME ("ESOS") (CONTINUED)**

## (c) Termination of the ESOS

Subject to compliance with the Main Market Listing Requirements of Bursa Securities and any other relevant authorities, the ESOS may be terminated by the Company at any time before its expiry without obtaining the approvals from the grantees or its shareholders provided that the Company makes an announcement immediately to Bursa Securities.

During the financial year, the Company has not granted ESOS options to the eligible persons under the ESOS.

**47. RELATED PARTY DISCLOSURES**

## (a) Identities of Related Parties

Parties are considered to be related to the Group if the Group or the Company have the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control.

In addition to the information detailed elsewhere in the financial statements, the Group and the Company have related party relationships with its directors, key management personnel and entities within the same group of companies.

## (b) Significant Related Party Transactions and Balances

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with the related parties which are determined on a basis as negotiated between the said companies during the financial year:

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
<b>Subsidiaries</b>				
Advances from	-	-	-	2,070
Advances to	-	-	94,164	13,424
Collection received on behalf of	-	-	466	1,281
Dividend received/receivable	-	-	30,484	3,060
Interest received/receivable	-	-	1,766	826
Management fee received/receivable	-	-	26,077	20,593
Payment on behalf of	-	-	17,060	20,187
Landscape work charged	-	-	-	76
Rental charged	-	-	31	-
Acquisition of property, plant and equipment	-	-	-	29,581

47. RELATED PARTY DISCLOSURES (CONTINUED)

(b) Significant Related Party Transactions and Balances (continued)

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
<b>Associate</b>				
Rental of premises	131	137	131	137
Construction service rendered by	43,014	17,893	-	-
Retention sum payable to	4,779	2,177	-	-
Back charged of clerk of work to	112	29	-	-
Finance charges on deferred payment arrangement with contractor	2,357	2,067	-	-
Construction revenue received/receivable	54,185	19,171	-	-
Management fee	1	1	-	-
Investment income	-	36	-	-
Payment on behalf by	116	192	-	-
Payment on behalf of	5	435	-	-
<b>Companies substantially owned by certain directors and/or their close family members</b>				
Carpark rental paid/payable	102	156	102	156
Management fee received/receivable	-	352	-	352
Payment on behalf of	12	1	12	1
Rental of premises paid/payable	1,161	1,077	1,161	1,077
Rental of motor vehicles paid/payable	5	9	5	9
Sales of properties	4,080	3,838	-	-
Finance costs paid/payable	2,520	402	-	-

The significant outstanding balances of the related parties together with their terms and conditions are disclosed in the respective notes to the financial statements.

**48. OPERATING SEGMENTS**

Operating segments are prepared in a manner consistent with the internal reporting provided to the Executive Chairman as its chief operating decision maker in order to allocate resources to segments and to assess their performance on quarterly basis. For management purposes, the Group is organised into business units based on their products and services provided.

The Group is organised into three main business segments as follows:

- Property development
    - undertakes the development of commercial and residential properties.
  - Construction
    - undertakes the construction activities.
  - Investment holding and others
    - investment activities, healthcare, provision of management services and others.
- (a) The Executive Chairman assesses the performance of the reportable segments based on their profit before interest expenses and taxation. The accounting policies of the reportable segments are the same as the Group's accounting policies.
- (b) Each reportable segment assets is measured based on all assets (including goodwill) of the segment other than investment in associates and tax-related assets.
- (c) Each reportable segment liabilities is measured based on all liabilities of the segment other than tax-related liabilities.
- (d) Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the reportable segments are presented under unallocated items. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters) and head office expenses.



48. OPERATING SEGMENTS (CONTINUED)

2021	Property development RM'000	Construction RM'000	Investment holding and others RM'000	Total RM'000
<b>Revenue</b>				
External revenue	263,465	2,886	2,327	268,678
Inter-segment revenue	3,358	121,010	81,151	205,519
	266,823	123,896	83,478	474,197
Consolidation adjustments				(205,519)
Consolidated revenue				268,678
<b>Results</b>				
Segment profit/(loss)	74,234	(1,475)	(17,395)	55,364
Finance costs				(17,319)
Share of results in associates				(42)
Consolidated profit before taxation				38,003
Segment profit/(loss) includes the following:				
Investment income	1,424	188	3,516	5,128
Finance costs	(11,574)	-	(5,745)	(17,319)
Recovery of bad debts written off	-	-	10	10
Waiver of debts	5,028	-	-	5,028
Gain on disposal of:				
- assets classified as held for sale	-	-	900	900
- property, plant and equipment	-	-	116	116
- investment properties	-	-	6,797	6,797
Gain on recognition of lease receivables	-	-	107	107
Gain on derecognition of lease liabilities	-	-	(1,256)	(1,256)
Reversal of written down to net realisable value land held for property development	559	-	-	559
Depreciation of:				
- property, plant and equipment	(3,667)	(221)	(1,518)	(5,406)
- investment properties	(174)	-	(299)	(473)
- right-of-use assets	(1,083)	-	(192)	(1,275)

**48. OPERATING SEGMENTS (CONTINUED)**

<b>2021</b>	<b>Property development RM'000</b>	<b>Construction RM'000</b>	<b>Investment holding and others RM'000</b>	<b>Total RM'000</b>
Segment profit/(loss) includes the following:				
Impairment loss on:				
- investment in associates	-	-	(2)	(2)
- property, plant and equipment	-	-	(577)	(577)
- investment properties	-	-	(373)	(373)
- right-of-use assets	-	-	(259)	(259)
Inventories write-down to net realisable value:				
- land held for property development	(4,563)	-	-	(4,563)
- completed units	(476)	-	-	(476)
Property, plant and equipment written-offs/ adjustments	-	-	(4)	(4)
Fair value loss on:				
- other investment	-	-	(25)	(25)
- biological assets	-	(97)	-	(97)
- short-term investment	(160)	-	(1,433)	(1,593)
<b>Assets</b>				
Segment assets	1,744,110	9,699	200,310	1,954,119
Unallocated assets:				
- investment in associates				562
- deferred tax assets				15,959
- current tax assets				13,729
<b>Consolidated total assets</b>				<b>1,984,369</b>
Additions to non-current assets other than financial instruments and deferred tax assets are:				
- property, plant and equipment (Note 15)	168	69	1,483	1,720
- investment properties (Note 16)	29,749	248	-	29,997
<b>Liabilities</b>				
Segment liabilities	673,363	39,650	127,671	840,684
Unallocated liabilities:				
- deferred tax liabilities				96,667
- tax payable				1,012
<b>Consolidated total liabilities</b>				<b>938,363</b>

48. OPERATING SEGMENTS (CONTINUED)

2020	Property development RM'000	Construction RM'000	Investment holding and others RM'000	Total RM'000
<b>Revenue</b>				
External revenue	193,798	949	2,336	197,083
Inter-segment revenue	3,357	101,673	24,109	129,139
	197,155	102,622	26,445	326,222
Consolidation adjustments				(129,139)
Consolidated revenue				197,083
<b>Results</b>				
Segment profit/(loss)	86,844	(1,374)	(28,008)	57,462
Finance costs				(9,345)
Share of results in associates				(40)
Consolidated profit before taxation				48,077
Segment profit/(loss) includes the following:				
Investment income	3,145	232	3,176	6,553
Finance costs	(8,797)	-	(548)	(9,345)
Gain on disposal of assets classified as held for sale	-	-	1,893	1,893
Gain on recognition of lease receivables	97	-	-	97
Fair value gain on biological assets	-	38	-	38
Depreciation of:				
- property, plant and equipment	(3,631)	(201)	(1,817)	(5,649)
- investment properties	(112)	-	(366)	(478)
- right-of-use assets	(485)	-	(468)	(953)
Impairment loss on:				
- property, plant and equipment	-	-	(1,751)	(1,751)
- investment properties	-	-	(602)	(602)
- right-of-use assets	-	-	(1,874)	(1,874)
Inventories write-down to net realisable value				
- land held for property development	(1,238)	-	-	(1,238)
- completed units	(404)	-	-	(404)

**48. OPERATING SEGMENTS (CONTINUED)**

<b>2020</b>	<b>Property development RM'000</b>	<b>Construction RM'000</b>	<b>Investment holding and others RM'000</b>	<b>Total RM'000</b>
Segment profit/(loss) includes the following:				
Property, plant and equipment written-offs/ adjustments	(160)	-	(316)	(476)
Fair value gain on biological assets	-	38	-	38
Reversal of allowance for impairment losses/ (allowance for impairment losses on):				
- trade receivables	694	-	(1)	693
- other receivables	-	-	(1,071)	(1,071)
<b>Assets</b>				
Segment assets	1,385,860	6,805	157,137	1,549,802
Unallocated assets:				
- investment in associates				576
- deferred tax assets				9,286
- current tax assets				14,501
<b>Consolidated total assets</b>				<b>1,574,165</b>
Additions to non-current assets other than financial instruments and deferred tax assets are:				
- property, plant and equipment (Note 15)	864	175	1,308	2,347
- investment properties (Note 16)	19,949	-	925	20,874
<b>Liabilities</b>				
Segment liabilities	376,519	31,452	28,120	436,091
Unallocated liabilities:				
- deferred tax liabilities				94,773
- tax payable				7,300
<b>Consolidated total liabilities</b>				<b>538,164</b>

#### 48. OPERATING SEGMENTS (CONTINUED)

##### Geographical Segments

Information about geographical location of segment assets has not been reported separately as the Group operates principally within Malaysia. Segment revenue based on geographical location of customers is analysed as follows:

	The Group	
	2021 RM'000	2020 RM'000
Malaysia	268,678	197,083

##### Major Customers

There is no single customer that contributed 10% or more to the Group's revenue.

#### 49. CAPITAL COMMITMENT

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
<b>Contracted but not provided for</b>				
Construction of investment properties	79,943	110,548	-	-
Construction of property, plant and equipment	11,405	11,217	11,405	11,217
	<b>91,348</b>	121,765	11,405	11,217

#### 50. DIVIDENDS

	The Group and The Company RM'000
In respect of the financial year ended 30 September 2021:	
Single tier interim dividend of RM0.02 per share on 895,917,302 ordinary shares declared on 26 February 2021 and paid on 31 March 2021	17,918

The directors do not recommend any final dividend in respect of the current financial year.

**51. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES**

The table below details changes in the Group's and the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's and the Company's statements of cash flows as cash flows from/(for) financing activities.

<b>The Group</b>	<b>Hire purchase payables (Note 37) RM'000</b>	<b>Loans and borrowings (Note 38) RM'000</b>	<b>Sukuk Wakalah (Note 39) RM'000</b>	<b>Lease liabilities (Note 40) RM'000</b>
At 1 October 2019	572	182,826	-	3,342
Proceeds	-	157,708	-	-
Repayment	(193)	(89,637)	-	(2,577)
Non-cash transactions	-	-	-	4,031
At 30 September 2020/1 October 2020	379	250,897	-	4,796
Proceeds	-	48,121	115,000	-
Repayment	(209)	(59,561)	-	(2,826)
Transaction costs paid	-	(228)	(552)	-
Non-cash transactions	-	(1,112)	112	(1,080)
Acquisition of a subsidiary	178	177,012	-	3,673
At 30 September 2021	<b>348</b>	<b>415,129</b>	<b>114,560</b>	<b>4,563</b>

<b>The Company</b>	<b>Amount owing to subsidiaries (Note 27) RM'000</b>	<b>Hire purchase payables (Note 37) RM'000</b>	<b>Loans and borrowings (Note 38) RM'000</b>	<b>Sukuk Wakalah (Note 39) RM'000</b>	<b>Lease liabilities (Note 40) RM'000</b>
At 1 October 2019	4,041	572	-	-	146
Proceeds	2,070	-	37,718	-	-
Repayment	-	(193)	(30,000)	-	(67)
Non-cash transactions	(104)	-	-	-	3
At 30 September 2020/1 October 2020	6,007	379	7,718	-	82
Proceeds	3	-	-	115,000	-
Repayment	-	(177)	-	-	(73)
Transaction costs paid	-	-	(188)	(552)	-
Non-cash transactions	-	-	14	112	193
At 30 September 2021	<b>6,010</b>	<b>202</b>	<b>7,544</b>	<b>114,560</b>	<b>202</b>



## 52. FINANCIAL INSTRUMENTS

The Group's and the Company's activities are exposed to interest rate risk, credit risk and liquidity risk. The Group's and the Company's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's and the Company's financial performance.

### 52.1 FINANCIAL RISK MANAGEMENT POLICIES

The Group's and the Company's policies in respect of the major areas of treasury activity are as follows:

#### (a) Market Risk

##### Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's and the Company's fixed interest bearing assets are primarily fixed deposits with licensed banks as disclosed in Note 31. The Group and the Company consider the risk of significant changes to interest rates on those deposits to be unlikely.

The Group's and the Company's exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

The Group's and the Company's exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Notes 37, 38 and 39.

##### Interest Rate Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates at the end of the reporting period, with all other variables held constant.

The sensitivity analyses below have been determined based on the exposure to interest rates for financial instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents managements' assessment of the reasonably possible change in interest rates.

	<b>The Group</b>	
	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Effects on profit after taxation</b>		
Increase of 100 basis points	<b>(3,155)</b>	(1,907)
Decrease of 100 basis points	<b>3,155</b>	1,907
<b>Effects on total equity</b>		
Increase of 100 basis points	<b>(3,155)</b>	(1,907)
Decrease of 100 basis points	<b>3,155</b>	1,907

**52. FINANCIAL INSTRUMENTS (CONTINUED)****52.1 FINANCIAL RISK MANAGEMENT POLICIES (CONTINUED)****(a) Market Risk (continued)**

## Interest Rate Risk Sensitivity Analysis (continued)

	<b>The Company</b>	
	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Effects on profit/(loss) after taxation</b>		
Increase of 100 basis points	<b>(57)</b>	59
Decrease of 100 basis points	<b>57</b>	(59)
<b>Effects on total equity</b>		
Increase of 100 basis points	<b>(57)</b>	(59)
Decrease of 100 basis points	<b>57</b>	59

**(b) Credit Risk**

The Group's and the Company's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including short-term investment and cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

In determining whether credit risk on a financial asset has increased significantly since initial recognition, the Group and the Company use aging analysis to monitor the credit quality of a financial asset. The Group and the Company assess whether the credit risk on a financial asset has increased significantly on an individual or collective basis.

For individual basis evaluation, any receivables having significant balances past due more than 90 days, which are deemed to have higher credit risk, are monitored individually and determined to be impaired at the end of the reporting period relate to debtors that are in significant financial difficulties and have defaulted on payments. For collective basis evaluation, financial assets are grouped on the basis of similar risk characteristics.

The Group and the Company measure the loss allowance for receivables at an amount equal to lifetime expected credit loss ("ECL"). The expected credit losses on receivables are estimated by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current financial reporting.

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors the results of the subsidiaries and repayments made by the subsidiaries on ongoing basis.

## 52. FINANCIAL INSTRUMENTS (CONTINUED)

### 52.1 FINANCIAL RISK MANAGEMENT POLICIES (CONTINUED)

#### (b) Credit Risk (continued)

##### (i) Credit Risk Concentration Profile

The Group are not exposed to any significant concentration of credit risk in the form of receivables due from a single debtor or from group of debtors.

##### (ii) Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

The Company is exposed to credit risk in relation to unsecured financial guarantees given to banks in respect of loans granted to certain subsidiaries. The Company monitors the results of the subsidiaries and their repayment on an on-going basis. The maximum exposure to credit risks amounts to RM439,503,000 (2020: RM250,897,000) representing the maximum amount the Company could pay if the guarantee is called on as disclosed in Note 52.1(c). As at the reporting date, there was no loss allowance for impairment as determined by the Company for the financial guarantee.

The financial guarantees have not been recognised since the fair value on initial recognition was not material due to directors regard the value of the credit enhancement to be minimal and the likelihood of default to be low.

#### (c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group practises prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

**52. FINANCIAL INSTRUMENTS (CONTINUED)****52.1 FINANCIAL RISK MANAGEMENT POLICIES (CONTINUED)****(c) Liquidity Risk (continued)***Maturity Analysis*

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):

<b>The Group</b>	<b>Weighted Average Effective Interest Rate %</b>	<b>Carrying Amount RM'000</b>	<b>Contractual Undiscounted Cash Flows RM'000</b>	<b>Within 1 Year RM'000</b>	<b>1 - 5 Years RM'000</b>	<b>Over 5 Years RM'000</b>
<b>2021</b>						
Trade payables	-	53,461	53,461	53,461	-	-
Other payables, deposits received and accruals	-	115,077	115,077	115,077	-	-
Amount owing to related parties	-	81,680	81,680	81,680	-	-
Amount owing to associate	-	30,920	30,920	30,920	-	-
Hire purchase payables	4.15 to 4.52	348	359	253	106	-
Term loans	3.69 to 4.13	415,129	446,506	52,205	338,627	55,674
Sukuk Wakalah	5.60 to 5.80	114,560	135,944	6,520	129,424	-
Lease liabilities	3.69 to 5.67	4,563	4,987	1,322	3,665	-
		<b>815,738</b>	<b>868,934</b>	<b>341,438</b>	<b>471,822</b>	<b>55,674</b>
<b>2020</b>						
Trade payables	-	52,070	52,070	52,070	-	-
Other payables, deposits received and accruals	-	111,831	111,831	111,831	-	-
Amount owing to associate	-	2,158	2,158	2,158	-	-
Hire purchase payables	4.15 to 4.52	379	398	191	207	-
Term loans	3.72 to 4.21	250,897	293,734	33,872	178,665	81,197
Lease liabilities	3.47 to 5.67	4,796	5,233	2,437	2,719	77
		<b>422,131</b>	<b>465,424</b>	<b>202,559</b>	<b>181,591</b>	<b>81,274</b>

52. FINANCIAL INSTRUMENTS (CONTINUED)

52.1 FINANCIAL RISK MANAGEMENT POLICIES (CONTINUED)

(c) Liquidity Risk (continued)

The Company	Weighted Average Effective Interest Rate %	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within 1 Year RM'000	1 - 5 Years RM'000	Over 5 Years RM'000
<b>2021</b>						
Other payables, deposits received and accruals	-	3,987	3,987	3,987	-	-
Amount owing to subsidiaries	-	6,010	6,010	6,010	-	-
Hire purchase payables	4.15 to 4.52	202	208	191	17	-
Term loans	3.69	7,544	8,640	285	8,355	-
Sukuk Wakalah	5.60 to 5.80	114,560	135,944	6,520	129,424	-
Lease liabilities	3.69 to 5.67	202	215	74	141	-
Financial guarantee contracts	-	-	439,503	439,503	-	-
		<b>132,505</b>	<b>594,507</b>	<b>456,570</b>	<b>137,937</b>	<b>-</b>
<b>2020</b>						
Other payables, deposits received and accruals	-	2,677	2,677	2,677	-	-
Amount owing to subsidiaries	-	6,007	6,007	6,007	-	-
Hire purchase payables	4.15 to 4.52	379	398	191	207	-
Term loans	3.72	7,718	8,924	284	7,086	1,554
Lease liabilities	5.67	82	88	45	43	-
Financial guarantee contracts	-	-	250,897	250,897	-	-
		<b>16,863</b>	<b>268,991</b>	<b>260,101</b>	<b>7,336</b>	<b>1,554</b>

## 52. FINANCIAL INSTRUMENTS (CONTINUED)

### 52.2 CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support its businesses and maximise shareholders value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group manages its capital based on debt-to-equity ratio that complies with debt covenants and regulatory, if any. The debt-to-equity ratio is calculated as net debt divided by total equity. Capital includes equity attributable to the owners of the parent and non-controlling interest. The debt-to-equity ratio of the Group at the end of the reporting period was as follows:

	The Group	
	2021 RM'000	2020 RM'000
Hire purchase payables	348	379
Term loans	415,129	250,897
Sukuk Wakalah	114,560	-
	<b>530,037</b>	251,276
Less: Short-term investment	(109,181)	(92,264)
Less: Fixed deposits with licensed banks	(26,880)	(34,908)
Less: Cash and bank balances	(122,715)	(140,606)
Net debt/(asset)	<b>271,261</b>	(16,502)
Total equity	<b>1,046,006</b>	1,036,001
Debt-to-equity ratio/Net gearing ratio	<b>0.26</b>	N/A

There was no change in the Group's approach to capital management during the financial year.

The Group and the Company are also required to comply with certain loan covenants, failing which, the banks may call an event of default. The Group has complied with these requirements.



52. FINANCIAL INSTRUMENTS (CONTINUED)

52.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
<b>Financial Assets</b>				
<u>Fair Value Through Profit or Loss</u>				
Other investment	159	184	159	159
Short-term investment	109,181	92,264	106,540	71,828
<u>Amortised Costs</u>				
Trade receivables	54,811	48,781	-	-
Other receivables and deposits	12,201	12,735	1,714	495
Amount owing by subsidiaries	-	-	504,350	395,785
Amount owing by related parties	1,633	1,763	-	178
Amount owing by associate	6,069	4,270	-	-
Fixed deposits with licensed banks	26,880	34,908	23,541	29,307
Cash and bank balances	122,715	140,606	10,528	21,221
<b>Financial Liabilities</b>				
<u>Amortised Costs</u>				
Trade payables	53,461	52,070	-	-
Other payables, deposits received and accruals	115,077	111,831	3,987	2,677
Amount owing to subsidiaries	-	-	6,010	6,007
Amount owing to related parties	81,680	-	-	-
Amount owing to associate	30,920	2,158	-	-
Hire purchase payables	348	379	202	379
Term loans	415,129	250,897	7,544	7,718
Sukuk Wakalah	114,560	-	114,560	-

**52. FINANCIAL INSTRUMENTS (CONTINUED)****52.4 FAIR VALUE INFORMATION**

The fair values of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The fair values of the Group's term loans that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rates on or near the reporting date.

The fair values of hire purchase payables and Sukuk Wakalah that carry fixed interest rates are determined by discounting the relevant future contractual cash flows using current market interest rates for similar instruments at the end of the reporting period.

The financial guarantees have not been recognised in the financial statements since the fair value on initial recognition was not material as the financial guarantees provided by the Company did not contribute towards credit enhancement of the subsidiaries' borrowings in view of the securities pledged by the subsidiaries.

The following table sets out the fair value profile of financial instruments that are carried at fair value at the end of the reporting period:

	The Group		The Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
<b>Level 1</b>				
<b>Financial asset at FVTPL:</b>				
Short-term investment <sup>#</sup>	109,181	92,264	106,540	71,828
<b>Level 3</b>				
<b>Financial asset at FVTPL:</b>				
Other investment <sup>^</sup>	159	184	159	159

<sup>#</sup> The fair value of short-term investment is determined at their quoted closing prices at the end of the reporting period.

<sup>^</sup> The fair values of unquoted investment in transferable golf club memberships are determined by reference to recent market transactions and replacement cost of identical assets.

During the reporting year ended 30 September 2021, there were no transfers between the hierarchy fair value measurement.

**53. SIGNIFICANT EVENT DURING THE YEAR**

Following from the development of the COVID-19 outbreak which was declared by the World Health Organisation as a global pandemic in March 2020, the Malaysian Government imposed various levels of Movement Control Order ("MCO") as precautionary measures to curb the spread of COVID-19 outbreak in Malaysia. During the current financial year, Malaysian Government again imposed MCO with effect from 1 June 2021 followed by a four-phase National Recovery Plan with specific threshold indicators to decide the classification of different states into different phases. National Recovery Plan is still ongoing with all the states are in Phase 3 and Phase 4.

The unprecedented COVID-19 measures undertaken by the authorities resulted in stringent travel restrictions, nationwide lockdown, and drastic reduction in business activities which has brought significant economic uncertainties in Malaysia and within the industry and markets that the Group and the Company operate in. The Group have temporary shut down its premises from 1 June 2021 till 16 July 2021. The progress of the on-going projects were halted from 1 June 2021 till 12 August 2021 and thus resulting in delay. Apart from that, the performance of food and beverages remain poor due to the further extension of MCO.

### 53. SIGNIFICANT EVENT DURING THE YEAR (CONTINUED)

At the reporting date, the Group is financially strong with a net current asset and positive shareholders' fund amounted to RM671,737,000 and RM1,030,186,000 respectively. Besides that, the Group's holding cash and cash equivalents of RM232,138,000 as at 30 September 2021, and has no issue in its ability to continue as going concern in the foreseeable future.

The Group performed an assessment on the overall impact of the situation on the Group's operations and financial implications, including the recoverability of the carrying amount of assets and subsequent measurement of assets and liabilities, and concluded that there is no material adverse effect on the financial statements for the financial year ended 30 September 2021, other than impairment loss on property, plant and equipment and right-of-use assets as disclosed in Note 15 and Note 20 respectively.

As the situation is still evolving and the uncertainty of the outcome of the current events, the Group will continuously monitor the impact of COVID-19 on its operations and its financial performance. The Group will also be taking appropriate and timely measures in minimising the impact of the pandemic on the Group's operations and financial performance.

### 54. CHANGES TO THE SUBSIDIARIES SUBSEQUENT TO THE FINANCIAL YEAR

- (a) On 1 October 2021, the Company had incorporated a new subsidiary, Sunsuria East Sdn. Bhd. comprises 10 ordinary shares at an issue price of RM1 each. The Company had subscribed for 7 ordinary shares at the issue share price of RM1 each with a purchase consideration settled through cash amounted to RM7. In consequence thereof, Sunsuria East Sdn. Bhd. becomes a 70%-owned direct subsidiary of the Company. Sunsuria East Sdn. Bhd. is principally engaged in property development activities and remains dormant since its incorporation.
- (b) On 13 October 2021, Sunsuria City Amenities Sdn. Bhd. ("SCASB"), a wholly-owned indirect subsidiary of the Company, had disposed 20% ordinary shares of Kemudi Semarak Sdn. Bhd. ("KSSB") to Tan Hong Thai at RM2,000 of which the consideration of RM2,000 has been received by cash. In consequence thereof, KSSB becomes a 80%-owned indirect subsidiary of the Company.
- (c) On 13 October 2021, SCASB, a wholly-owned indirect subsidiary of the Company, had acquired 20% ordinary shares of Cloudcubes Sdn. Bhd. ("CSB") from Tan Hong Thai at RM2,000 of which the consideration of RM2,000 has been paid by cash. In consequence thereof, CSB becomes a wholly-owned indirect subsidiary of the Company.
- (d) On 25 November 2021, Sunsuria Symphony Sdn. Bhd., a wholly-owned subsidiary of the Company had incorporated a new subsidiary, Concept Innocity Sdn. Bhd. ("CISB") comprises 10 ordinary shares at an issue price of RM1 each. The Company had subscribed for 7 ordinary shares at the issue share price of RM1 each with a purchase consideration settled through cash amounted to RM7. In consequence thereof, CISB becomes a 70%-owned indirect subsidiary of the Company. CISB is principally engaged in property development activities and remains dormant since its incorporation.
- (e) On 7 December 2021, Sunsuria Arena Sdn. Bhd., a wholly-owned subsidiary of the Company had acquired 100% ordinary shares of Sunsuria Shield Sdn. Bhd. from Sunsuria Healthcare Sdn. Bhd. at RM1 of which the consideration of RM1 has been paid by cash.
- (f) On 10 January 2022, Sunsuria Symphony Sdn Bhd ("SSSB"), a wholly-owned subsidiary of the Company, had incorporated a new subsidiary in the United Kingdom, Intra House (London) Developments Ltd ("IHLD") comprises of 100 ordinary shares at an issue price of GBP 1 each. SSSB had subscribed for 75 ordinary shares at the issue share price of GBP 1 each with a purchase consideration settled through cash amounted to GBP 75. In consequence thereof, IHLD becomes a 75%-owned indirect subsidiary of the Company. IHLD is principally engaged in property development activities and remains dormant since its incorporation.

### 55. SUBSEQUENT EVENT

On 3 January 2022, CISB, a newly incorporated subsidiary of the Group had entered into two (2) sale and purchase agreements with Enertree Corporation Sdn. Bhd. for the proposed acquisition of two parcels of lands located in Mukim Bandar, Daerah Kuala Langat, Negeri Selangor for a total consideration of RM53,595,000. CISB had since paid 10% deposit of the total purchase consideration.

# LIST OF GROUP PROPERTIES

AS AT 30 SEPTEMBER 2021

Sunsuria  
Berhad

Annual  
Report 2021

Ref	Date of Acquisition	Property Address/ Location	Description	Existing Use	Tenure/ Approximate Age of Building	Land Area (sq meters)	Total RM'000
1	2.10.2019	Unit 31-1, Sunsuria Avenue, Persiaran Mahogani, Kota Damansara	Commercial Lot	Office	Leasehold land with lease period expiring 21.2.2107/ 11 years	37	240
2	2.10.2019	Unit 31-2, Sunsuria Avenue, Persiaran Mahogani, Kota Damansara	Commercial Lot	Office	Leasehold land with lease period expiring 21.2.2107/ 11 years	37	140
3	07.08.2015	No. 11-G, Garden Wing, Sunsuria Avenue, Persiaran Mahogani, Kota Damansara	Commercial Lot	Office	Leasehold with lease period expiring 21.02.2107/ 11 years	74	746
4	07.08.2015	No. 3-6, Sunsuria Avenue, Persiaran Mahogani, Kota Damansara	Commercial Lot	Office	Leasehold with lease period expiring 21.02.2107/ 11 years	108	671
5	11.06.2015	GRN 337202, Lot 124035, GRN 337203, Lot 124036, GRN 337204, Lot 124037 Mukim Dengkil, Daerah Sepang, Selangor	Land for investment properties, land & commercial building and land held for property development	Investment properties under construction, shop, development land and sales gallery/office	Freehold/ 4 years	413,024	317,119
6	11.06.2015	GRN 332588, Lot 115624 Mukim Dengkil, Daerah Sepang, Selangor	Land held for property development	Development land	Freehold	194,533	133,939
7	11.06.2015	GRN 335776, Lot 121629, GRN 335777, Lot 121630, GRN 335779, Lot 121638 Mukim Dengkil, Daerah Sepang, Selangor	Land held for property development	Development land	Freehold	71,354	70,667

Ref	Date of Acquisition	Property Address/ Location	Description	Existing Use	Tenure/ Approximate Age of Building	Land Area (sq meters)	Total RM'000
8	11.06.2015	GRN 333879, Lot 115616 Mukim Dengkil, Daerah Sepang, Selangor	Land held for property development	Development land	Freehold	137,027	57,947
9	11.06.2015	GRN 335296, Lot 119114, HSD 44451, PT59441 Mukim Dengkil, Daerah Sepang, Selangor	Land held for property development	Development land	Freehold	12,909	16,343
10	09.05.2016	GRN 333882, Lot 115623 Mukim Dengkil, Daerah Sepang, Selangor	Land held for property development	Development land	Freehold	34,236	30,112
11	25.03.2016	GRN 334463 Lot 86616, Jalan Setia Dagang AL U13/AL, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor	Land for investment properties	Investment properties under construction	Freehold	7,184	91,447
12	25.06.2018	GRN 334463 Lot 86616, Jalan Setia Dagang AL U13/AL, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor	Land and building for investment properties	Supermarket/ kiosk	Freehold	1,199	7,401
13	27.09.2018	GRN 334463 Lot 86616, Jalan Setia Dagang AL U13/AL, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor	Land and building for investment properties	Car park space	Freehold	9,909	10,567
14	30.05.2019	Lot 223, Section 96, Town of Kuala Lumpur	Land for investment properties	Bungalow lot (land)	Freehold	562.533	6,728
15	26/08/2015	Lot No PT 50001, PT 50002 and PT 50003, Section 96 (formerly under Lot 365, Section 96), Town of Kuala Lumpur	Land held for property development	Development land	Leasehold with lease period expiring 13.10.2119	38,993	167,879

# ANALYSIS OF SHAREHOLDINGS

AS AT 31 DECEMBER 2021

Sunsuria Berhad

Annual Report 2021

## SHARE CAPITAL

Issued Share Capital : 895,917,302 ordinary shares  
 Voting Rights : One vote for each ordinary share held

## DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 99	225	6.76	7,871	0.00
100 - 1,000	437	13.12	285,095	0.03
1,001 - 10,000	1,708	51.29	7,393,198	0.83
10,001 - 100,000	764	22.94	25,094,108	2.80
100,001 - 44,795,864*	192	5.77	302,357,250	33.75
44,795,865 and Above**	4	0.12	560,779,780	62.59
<b>TOTAL:</b>	<b>3,330</b>	<b>100</b>	<b>895,917,302</b>	<b>100</b>

Remark: \* Less than 5% of issued shares  
 \*\* 5% and above of issued shares

## THIRTY (30) LARGEST SHAREHOLDERS

Name of Shareholders	No. of Shares Held	%
1. CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR TER EQUITY SDN BHD (PB)	182,557,376	20.38
2. CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR TER CAPITAL SDN BHD (PB)	167,000,532	18.64
3. CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR TER LEONG YAP (PB)	165,921,872	18.52
4. RUBY TECHNIQUE SDN BHD	45,300,000	5.06
5. HLB NOMINEES (TEMPATAN) SDN BHD PLEGDED SECURITIES ACCOUNT FOR TAN KIM HEUNG	27,000,000	3.01
6. CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB BANK FOR TAN WEI HOONG (PB)	22,000,000	2.46
7. LAI MING CHUN @ LAI POH LIN	20,000,000	2.23
8. TER CAPITAL SDN. BHD.	16,308,300	1.82
9. CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB BANK FOR TAN WEI WEN (PB)	15,000,000	1.67
10. CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB BANK FOR TAN TIAN MENG (PB)	14,828,800	1.66
11. BINTANG SARI SDN BHD	10,000,000	1.12
12. CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB BANK FOR TAN KIM HEUNG (PB)	10,000,000	1.12
13. LIM KUANG SIA	9,657,600	1.08



Name of Shareholders	No. of Shares Held	%
14. ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KOH KIN LIP	9,210,000	1.03
15. CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR LAI MING CHUN @ LAI POH LIN (PB)	8,008,000	0.89
16. TAN WEI WEN	8,000,000	0.89
17. WONG YUEN TECK	7,600,000	0.85
18. LEE TOON HIAN	7,255,800	0.80
19. CGS-CIMB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KOH KIN LIP	7,070,000	0.79
20. AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHENG HENG JEM	7,000,000	0.78
21. TAN WEI HOONG	6,000,000	0.67
22. CHONG CHIN HUANG	4,430,000	0.49
23. CIMSEC NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR CIMB COMMERCE TRUSTEE BERHAD FOR PEARSON TRUST (PB)	4,233,200	0.47
24. ATTRACTIVE FEATURES SDN BHD	4,000,000	0.45
25. LION-PARKSON FOUNDATION	3,200,000	0.36
26. TER LEONG YAP	2,918,000	0.33
27. THK CAPITAL SDN BHD	2,800,000	0.31
28. PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SIM LEONG THUN	2,553,200	0.28
29. YVONNE LOO SZEE SHYUEN	2,511,070	0.28
30. GAN BOON KHIM	2,505,700	0.28
<b>TOTAL</b>	<b>794,869,450</b>	<b>88.72</b>

**SUBSTANTIAL SHAREHOLDERS  
(AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS)**

Name of Shareholders	Direct	No. of Shares Held			
		%	Indirect	%	
1. Ter Equity Sdn Bhd	182,557,376	20.38	-	-	
2. Tan Sri Datuk Ter Leong Yap	168,839,872	18.85	368,666,208 <sup>(1)</sup>	41.15	
3. Ter Capital Sdn Bhd	183,308,832	20.46	-	-	
4. Ruby Technique Sdn Bhd	45,300,000	5.06	-	-	
5. CBG Holdings Sdn Bhd	-	-	45,300,000 <sup>(2)</sup>	5.06	
6. Farsathy Holdings Sdn Bhd	-	-	45,300,000 <sup>(2)</sup>	5.06	
7. Chia Seong Pow	1,200,000	0.13	45,300,000 <sup>(3)</sup>	5.06	
8. Chia Song Kun	-	-	49,300,000 <sup>(4)</sup>	5.50	
9. Chia Seong Fatt	-	-	46,050,000 <sup>(5)</sup>	5.14	

## Notes:

- <sup>(1)</sup> Deemed interested by virtue of his interest in Ter Equity Sdn Bhd, Ter Capital Sdn Bhd and THK Capital Sdn Bhd pursuant to Section 8 of the Companies Act 2016.
- <sup>(2)</sup> Deemed interested by virtue of its shareholdings in Ruby Technique Sdn Bhd pursuant to Section 8 of the Companies Act 2016.
- <sup>(3)</sup> Deemed interested by virtue of his shareholdings in Farsathy Holdings Sdn Bhd pursuant to Section 8 of the Companies Act 2016.
- <sup>(4)</sup> Deemed interested by virtue of his shareholdings in CBG Holdings Sdn Bhd and Attractive Features Sdn Bhd, being a related company of Ruby Technique Sdn Bhd, pursuant to Section 8 of the Companies Act 2016.
- <sup>(5)</sup> Deemed interested by virtue of his shareholdings in Farsathy Holdings Sdn Bhd pursuant to Section 8 of the Companies Act 2016 and his spouse's direct interest in the Company.

**DIRECTOR'S INTEREST IN SHARES (AS PER THE DIRECTORS' SHAREHOLDINGS)**

Name of Shareholders	Direct	No. of Shares Held			
		%	Indirect	%	
1. Tan Sri Datuk Ter Leong Yap	168,839,872	18.85	368,666,208*	41.15	
2. Datin Loa Bee Ha	-	-	14,828,800 <sup>^</sup>	1.66	
3. Tan Pei Geok	1,830,000	0.20	-	-	
4. Dato' Quek Ngee Meng	243,300	0.03	-	-	

\* Deemed interested by virtue of his interest in Ter Equity Sdn Bhd, Ter Capital Sdn Bhd and THK Capital Sdn Bhd pursuant to Section 8 of the Companies Act 2016.

<sup>^</sup> Deemed interested by virtue of the shareholdings held by her spouse, Dato' Tan Tian Meng pursuant to Section 59(11)(C) of the Companies Act 2016.

# NOTICE OF 53<sup>RD</sup> ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Fifty-Third Annual General Meeting (“53<sup>rd</sup> AGM”) of Sunsuria Berhad (“Sunsuria” or “the Company”) will be conducted in a fully virtually manner for the purpose of considering and if thought fit, passing with or without modifications the resolutions setting out in this notice.

Day and Date : Wednesday, 16 March 2022  
Time : 10.00 a.m.  
Broadcast Venue : Tricor Business Centre, Gemilang Room  
Unit 29-01, Level 29, Tower A  
Vertical Business Suite, Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur, Malaysia  
Meeting Platform : TIIH Online website at <https://tiih.online>

## AGENDA

### AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 September 2021 together with the Reports of the Directors and Auditors thereon. *(Please refer to explanatory note 1)*
2. To approve the payment of Directors’ fees of RM192,000 for the period from 16 March 2022 to the next Annual General Meeting (“AGM”) of the Company to be held in 2023. *Resolution 1*
3. To re-elect the following Directors who retire by rotation pursuant to Clause 114 of the Company’s Constitution, and who being eligible, have offered themselves for re-election:
  - (a) Tan Pei Geok *Resolution 2*
  - (b) Datin Loa Bee Ha *Resolution 3*
4. To re-appoint Messrs Deloitte PLT as Auditors of the Company to hold office until the conclusion of the next AGM and to authorise the Directors to fix their remuneration. *Resolution 4*

### AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions:

#### Ordinary Resolutions

5. **AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** *Resolution 5*

“THAT subject always to the Companies Act 2016, the provisions of the Constitution of the Company and the approvals from the relevant authorities, where such approval is necessary, the Directors be and are hereby empowered pursuant to Sections 75 and 76 of the Companies Act 2016 (the “Act”), to allot and issue shares in the Company from time to time to such persons and upon such terms and conditions for such purposes as the Directors may in their absolute discretion, deem fit including in pursuance of offers, agreements or options to be made or granted by Directors while this approval is in force and that the Directors be and are hereby further authorised to make or grant offers, agreements or options in respect of shares in the Company including those which would or might require shares in the Company to be issued after the expiration of the approval hereof, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten percent (10%) of the total issued share capital of the Company for the time being, AND THAT the Directors be and are hereby also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad AND FURTHER THAT such authority shall continue to be in force until the conclusion of the next AGM of the Company.

**6. TO APPROVE THE PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE AND PROPOSED NEW SHAREHOLDERS' MANDATE FOR NEW RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

"THAT subject to the Companies Act 2016 (the "Act") and Bursa Malaysia Securities Berhad Main Market Listing Requirements, other applicable laws, guidelines, rules and regulations, and the approval of the relevant government and/or regulatory authorities (where applicable), approval be and is hereby given to the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with related parties ("Recurrent Related Party Transactions") as set out in Section 2.3.3 and 2.3.4 of Part A of the Circular to Shareholders dated 28 January 2022 ("the Circular"), subject further to the following:

- (i) the Recurrent Related Party Transactions are entered into in the ordinary course of business which are necessary for the day-to-day operations and are on terms which are no more favourable to the related parties than those generally available to the public, and the Recurrent Related Party Transactions are undertaken on arm's length basis and on normal commercial terms which are not to the detriment of the non-interested shareholders of the Company;
- (ii) the shareholders' mandate is subject to annual renewal and this shareholders' mandate shall commence immediately upon passing of this ordinary resolution and continue to be in full force until:
  - (a) the conclusion of the next AGM of the Company following the AGM at which this shareholders' mandate is approved, at which time it will lapse, unless by a resolution passed at the next AGM, such authority is renewed; or
  - (b) the expiration of the period within which the next AGM after the date is required to be held pursuant to Sections 340(1) and (2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
  - (c) this shareholders' mandate is revoked or varied by a resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier;

AND THAT the Directors of the Company and/or any one of them be and are/is hereby authorised to complete and do all such acts, deeds and things as they consider necessary or expedient in the best interest of the Company, including executing all such documents as may be required or necessary and with full powers to assent to any modifications, variations and/or amendments as the Directors of the Company in their discretion deem fit and expedient to give effect to the Recurrent Related Party Transactions contemplated and/or authorised by this Ordinary Resolution."

**7. PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR AUTHORITY TO THE COMPANY TO PURCHASE ITS OWN SHARES OF UP TO TEN PER CENT (10%) OF THE TOTAL ISSUED SHARES ("PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY")**

"THAT subject to the Companies Act 2016 (the "Act"), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Exchange") and the requirements of any other relevant authority, the approval be and is hereby given to the Company to purchase such number of ordinary shares in the Company ("Sunsuria Shares") as may be determined by the Directors of the Company from time to time through the Exchange and to take all such steps as are necessary (including the opening and maintaining of a central depositories account under the Securities Industry (Central Depositories) Act, 1991) and to enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time and to do all such acts and things as the Directors may deem fit, necessary and expedient in the interest of the Company, subject further to the following:

- (i) the maximum number of ordinary shares purchased which may be purchased and held by the Company shall be equivalent to ten per cent (10%) of the total issued shares of the Company;
- (ii) the maximum funds allocated by the Company for the purpose of purchasing its shares shall not exceed the total retained earnings of the Company; and
- (iii) the authority shall commence immediately upon passing of this ordinary resolution and will continue to be in force until:
  - (a) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time the authority will lapse, unless by ordinary resolution passed at that meeting of members, the authority is renewed, either unconditionally or subject to conditions; or
  - (b) the expiration of the period within which the next AGM after that date it is required by law to be held; or
  - (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever is the earlier;

AND THAT upon completion of the purchase(s) of the Sunsuria Shares or any part thereof by the Company, authority be and is hereby given to the Directors of the Company in their absolute discretion to deal with any Sunsuria Shares so purchased in the following manner:

- (i) cancel all or part of the Sunsuria Shares so purchased; or
- (ii) retain all or part of the Sunsuria Shares as treasury shares (of which may be dealt with in accordance with Section 127(7) of the Act); or
- (iii) retain part thereof as treasury shares and subsequently cancelling the balance;

and in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of the Exchange and any other relevant authority for the time being in force."

**8. To consider any other business of which due notice shall have been given in accordance with the Companies Act 2016.**

**BY ORDER OF THE BOARD**

**LEONG KOK CHI** (MIA 11054)  
(SSM PC No. 202108000377)  
Secretary

Petaling Jaya  
28 January 2022

**NOTES:**

1. The 53<sup>rd</sup> AGM will be conducted fully virtual manner through live streaming from the broadcast venue and online remote voting via Remote Participation and Voting (“RPV”) facilities provided by Tricor Investor & Issuing House Services Sdn. Bhd. (“Tricor”) via its TIIH Online website at <https://tiih.online> (“TIIH online”). Please follow the procedures provided in the Administrative Notes for the 53<sup>rd</sup> AGM in order to register, participate and vote remotely via the RPV facilities.
2. The broadcast venue of the 53<sup>rd</sup> AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the Meeting to be present at the broadcast venue. No shareholders/proxy(ies) from the public should be present physically present at the broadcast venue.
3. A member of the Company entitled to participate and vote at the meeting is entitled to appoint not more than two (2) proxies to participate and vote in his stead. The members may submit questions to the Board of Directors through the TIIH Online platform prior to the 53<sup>rd</sup> AGM or use the TIIH Online to transmit questions to Board of Directors via RPV facilities during live streaming. A proxy may but need not be a member of the Company.
4. Since the 53<sup>rd</sup> AGM will be conducted virtually in its entirety, a Member entitled to participate and vote at the Meeting may appoint Chairman of the 53<sup>rd</sup> AGM as his/her proxy and indicate the voting instruction in the Form of Proxy.
5. Members whose names appear on the Record of Depositors as at 8 March 2022 (“General Meeting Record of Depositors”) shall be eligible to attend and vote remotely at the 53<sup>rd</sup> AGM via the RPV facilities or appoint proxy(ies) to attend and vote on his/her behalf.
6. Where a member of the Company is an authorised nominee as defined under The Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
7. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for the omnibus account, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. Where an exempt authorised nominee appoints two (2) or more proxies, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
8. Where a member or the authorised nominee appoints two (2) proxies, he shall specify the proportion of his shareholdings to be represented by each proxy in the instrument appointing the proxies, failing which the appointment shall be invalid.
9. The instrument appointing a proxy in the case of an individual, shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
10. The appointment of proxy may be made in a hardcopy form or by electronic means, not less than forty-eight (48) hours before the time for holding the 53<sup>rd</sup> AGM or at any adjournment thereof, as follows:
  - i) In Hardcopy Form  
In the case of an appointment made in hard copy form, the proxy form must be deposited with the Share Registrar of the Company, Tricor, at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
  - ii) By Electronic Form  
The proxy form can be electronically lodged with the Share Registrar of the Company, Tricor, via TIIH Online. Kindly refer to the Procedure for Electronic Submission of Proxy Form.



11. A member who has appointed a proxy to attend and vote remotely at the meeting via the RPV Facilities must request his/her proxy to register himself/herself for the RPV Facilities at Tricor's website at <https://tjih.online> not less than 48 hours before the time set for holding the meeting or any adjournment thereof. Please follow the procedures provided in the Administrative Notes.
12. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions at the 53<sup>rd</sup> AGM of the Company shall be put to vote by way of poll.

#### EXPLANATORY NOTES:

##### 1. Audited Financial Statements for the financial year ended 30 September 2021

The Audited Financial Statements are laid in accordance with Section 340(1)(a) of Companies Act ("the Act") for discussion only under Agenda 1 and do not require members' approval. Hence, this item is not put forward for voting.

##### 2. Resolution 1 – Payment of Directors' Fees

Pursuant to Clause 121 of the Company's Constitution, any fees payable to the directors of the Company shall be approved at a general meeting.

Based on the annual review of the Directors' remuneration conducted by the Nomination and Remuneration Committee ("NRC"), the Board had, at its meeting held on 29 November 2021, agreed that the proposed fees payable to the Non-Executive Directors ("NEDs") shall remain unchanged as follows:

	RM per year	
	Board	Audit Committee
Chairman	-	24,000
Member	48,000	12,000

Shareholders' approval is hereby sought under Resolution 1 on the payment of NEDs' fees for the period from 16 March 2022 until the next Annual General Meeting ("AGM") of the Company to be held in year 2023. If passed, it will give approval to the Company to continue paying the NEDs' fees on a monthly basis instead of in arrears after every AGM for their services to the Board and Board Committees.

Any NEDs who are shareholders of the Company will abstain from voting on Resolution 1 concerning the remuneration to the NEDs at the Fifty-Third Annual General Meeting ("53<sup>rd</sup> AGM").

The remuneration of each Director is set out in the Corporate Governance Overview Statement.

##### 3. Resolution 2 & 3 – Re-election of Director

Clause 114 of the Company's Constitution expressly stated that at every AGM, at least one-third (1/3) of the Directors for the time being shall retire from office and that all Directors shall retire from office at least once in every three (3) years. A retiring Director shall be eligible for re-election.

Tan Pei Geok and Datin Loa Bee Ha, being eligible, have offered themselves for re-election at the 53<sup>rd</sup> AGM pursuant to Clause 114 of the Constitution.

The NRC and Board had considered and were satisfied that the retiring Senior Independent Non-Executive Director and Independent Non-Executive Director, Tan Pei Geok and Datin Loa Bee Ha respectively, have maintained their independences in the financial period under review.

The Board recommends the re-election of Tan Pei Geok and Datin Loa Bee Ha at the 53<sup>rd</sup> AGM.

#### 4. Resolution 4 – Re-appointment of Auditors

The Audit Committee (“AC”) at its meeting held on 29 November 2021, had undertaken an annual assessment of the suitability and effectiveness of the external audit process, and the performance, suitability and independence of the external auditors, Messrs Deloitte PLT (“Deloitte”) as prescribed under the Paragraph 15.21 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The AC was satisfied with the suitability of Deloitte based on the quality of audit, performance, competency and sufficiency of resources the external audit team provided to the Company and its subsidiaries. The AC was also satisfied in its review that the provisions of non-audit services by Deloitte during the period under review did not impair Deloitte’s objectivity and independence.

The Board had, at its meeting held on 29 November 2021, approved the AC’s recommendation for the shareholders’ approval to be sought at the 53<sup>rd</sup> AGM on the re-appointment of Deloitte as external auditors of the Company to hold office until the conclusion of the next AGM. Deloitte has indicated their willingness to continue their services until the conclusion of the next AGM.

#### 5. Resolution 5 – Authority to Allot and Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016

The Ordinary Resolution proposed under Agenda 5 is a renewal of the general mandate (“General Mandate”) and empowering the Directors of the Company pursuant to Sections 75 and 76 of the Act to issue and allot new shares in the Company from time to time at such price provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the issued share capital of the Company for the time being. The General Mandate, unless earlier revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM of the Company.

As at the date of this Notice, no new shares were issued pursuant to the mandate granted to the Directors at 52<sup>nd</sup> AGM held on 17 March 2021 which will lapse at the conclusion of the 53<sup>rd</sup> AGM.

The General Mandate will provide flexibility and expediency to the Company for any possible fund-raising activities including but not limited to further placing of shares, to facilitate business expansion or strategic merger and acquisition opportunities involving equity deals or part equity or to fund future investment project(s) or for working capital requirements.

#### 6. Resolution 6 – Proposed Shareholders’ Mandate

The Ordinary Resolution proposed under Agenda 6, if passed, will provide the Company and/or its subsidiaries a mandate to enter into RRPT of a revenue or trading nature with the Related Parties in compliance with Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The mandate, unless revoked or varied by the Company at a meeting of members, will expire at the next AGM of the Company.

Please refer to the Circular to Shareholders dated 28 January 2022 for further information.

#### 7. Resolution 7 – Proposed Renewal of Share Buy-Back Authority

The Ordinary Resolution proposed under Agenda 7, if passed, will provide the mandate for the Company to purchase up to 10% of the total number of issued ordinary shares of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

### STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

1. There were no Directors standing for election (excluding Directors standing for a re-election) at the 53<sup>rd</sup> AGM.
2. Please refer to Explanatory Note 5 for information relating to general mandate for issue of securities.

**PERSONAL DATA PRIVACY**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting ("AGM") and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees and undertakes that the member shall indemnify the Company and/or to keep the Company fully indemnified and save the Company harmless against all and/or any actions, demands, claims, losses, costs, proceedings and damages (including all legal fees and costs) which the Company may suffer or incur in any manner howsoever arising from or as a result of the member's breach of the aforementioned warranty.

# ADMINISTRATIVE NOTES

FOR 53<sup>RD</sup> ANNUAL GENERAL MEETING

## Date and Time :

Wednesday, 16 March 2022 at 10.00 a.m.

## Broadcast Venue :

Tricor Business Centre, Gemilang Room  
Unit 29-01, Level 29, Tower A  
Vertical Business Suite, Avenue 3, Bangsar South,  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur, Malaysia

## MODE OF MEETING

In view of the pandemic and as part of the safety measure, the Fifty-Third Annual General Meeting (“53<sup>rd</sup> AGM”) of the Company will be conducted in fully virtual through live streaming from the broadcast venue.

The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the meeting. Shareholders/proxies will not be allowed to attend the 53<sup>rd</sup> AGM of the Company in person at the broadcast venue on the day of the 53<sup>rd</sup> AGM of the Company. However, Shareholders/proxies shall register their attendance to participate the 53<sup>rd</sup> AGM of the Company remotely by using the Remote Participation and Voting facilities (“RPV Facilities”) provided by our Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd (“TIIH”), via its website at <https://tiih.online> (“TIIH Online”).

## PROCEDURES FOR RPV FACILITIES

Shareholders, proxies or authorised representatives who wish to participate the 53<sup>rd</sup> AGM of the Company using the RPV Facilities are to follow the requirements and procedures summarised below:

Procedure	Action
<b>Before the Day of the 53<sup>rd</sup> AGM of the Company</b>	
(a) Register as a user with TIIH Online	<ul style="list-style-type: none"> <li>Using your computer, access the website at <a href="https://tiih.online">https://tiih.online</a>.</li> <li>Register as a user under the “e-Services” select “<b>Create Account by Individual Holder</b>”. Refer to the tutorial guide posted on the homepage for assistance.</li> <li>Registration as a user will be approved within one working day and you will be notified via email.</li> <li>If you are already a user with TIIH Online, you are not required to register again. You will receive an e-mail to notify you that the remote participation is available for registration at TIIH Online.</li> </ul>
(b) Submit your registration for RPV Facilities	<ul style="list-style-type: none"> <li>Registration is open from Friday, 28 January 2022 up to 10.00 a.m. on the day of the 53<sup>rd</sup> AGM of the Company. Shareholders, proxies, authorised representatives or attorney(s) are required to pre-register their attendance for the 53<sup>rd</sup> AGM of the Company to ascertain their eligibility to participate the AGM of the Company using the RPV Facilities.</li> <li>Login with your user ID and password and select the corporate event: “<b>(REGISTRATION) SUNSURIA BERHAD 53<sup>rd</sup> AGM</b>”.</li> <li>Read and agree to the “<b>Terms &amp; Conditions</b>” and confirm the “<b>Declaration</b>”.</li> <li>Select “<b>Register for Remote Participation and Voting</b>”.</li> <li>Review your registration and proceed to register.</li> <li>System will send an e-mail to notify that your registration for remote participation is received and will be verified.</li> <li>After verification of your registration against the Record of Depositors of the Company as at 8 March 2022, the system will send you an e-mail after 14 March 2022 to approve your registration for remote participation and the procedures to use the RPV Facilities are detailed therein. In the event your registration is not approved, you will also be notified via email.</li> </ul>

**Note:** Please ensure to allow sufficient time required for the approval as a new user of TIIH Online as well as the registration for RPV Facilities in order that you can login to TIIH Online and participate the 53<sup>rd</sup> AGM of the Company remotely.

## PROCEDURES FOR RPV FACILITIES (CONTINUED)

Procedure	Action
<b>On the day of the 53<sup>rd</sup> AGM of the Company</b>	
(c) Login to TIIH Online	<ul style="list-style-type: none"> <li>Login with your user ID and password for remote participation at the AGM of the Company at any time from 9.00 a.m. i.e. 1 hour before the commencement of the AGM of the Company on Wednesday, 16 March 2022 at 10.00 a.m.</li> </ul>
(d) Participate through live streaming	<ul style="list-style-type: none"> <li>Select the corporate event: “<b>(LIVE STREAM MEETING) SUNSURIA BERHAD 53<sup>RD</sup> AGM</b>” to engage in the proceedings of the AGM of the Company remotely.</li> <li>If you have any question for the Chairman/Board of Directors of the Company (“<b>Board</b>”), you may use the query box to transmit your question. The Chairman/Board will endeavor to respond to questions submitted by you during the 53<sup>rd</sup> AGM of the Company. If there is time constraint, the responses will be e-mailed to you at the earliest possible, after the meeting.</li> </ul>
(e) Online remote voting	<ul style="list-style-type: none"> <li>Voting session commences from Wednesday, 16 March 2022 at 10.00 a.m. until a time when the Chairman announces the end of the voting session of the AGM of the Company.</li> <li>Select the corporate event: “<b>(REMOTE VOTING) SUNSURIA BERHAD 53<sup>RD</sup> AGM</b>” or if you are on the live stream meeting page, you can select “<b>GO TO REMOTE VOTING PAGE</b>” button below the query box.</li> <li>Read and agree to the “<b>Terms &amp; Conditions</b>” and confirm the “<b>Declaration</b>”.</li> <li>Select the Central Depository System (“<b>CDS</b>”) account that represents your shareholdings.</li> <li>Indicate your votes for the resolutions that are tabled for voting.</li> <li>Confirm and submit your votes.</li> </ul>
(f) End of remote participation	<ul style="list-style-type: none"> <li>Upon the announcement by the Chairman on the closure of the 53<sup>rd</sup> AGM of the Company, the live streaming will end.</li> </ul>

### Notes to users of the RPV Facilities:

- Should your registration for RPV Facilities be approved, we will make available to you the rights to join the live streamed meeting and to vote remotely. Your login to TIIH Online on the day of the 53<sup>rd</sup> AGM of the Company will indicate your presence at the virtual meeting.
- The quality of your connection to the live broadcast is dependent on the bandwidth and stability of the internet at your location and the device you use.
- In the event you encounter any issue with logging-in, connection to the live streamed meeting or online voting on the day of the 53<sup>rd</sup> AGM of the Company, kindly call TIIH's helpline at 011-40805616/011-40803168/011-40803169/011-40803170 or e-mail to [tiih.online@my.tricorglobal.com](mailto:tiih.online@my.tricorglobal.com) for assistance.

## APPOINTMENT OF PROXY(IES) OR AUTHORISED REPRESENTATIVE(S)

Shareholders who appoint proxy(ies) or authorised representative(s) to participate, speak and vote at the 53<sup>rd</sup> AGM of the Company via RPV Facilities must ensure that the duly executed proxy forms are deposited in a hard copy form or by electronic means to TIIH no later than Monday, 14 March 2022 at 10.00 a.m.

The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner:

### (i) In Hardcopy Form

In the case of an appointment made in hard copy form, the proxy form must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not later than Monday, 14 March 2022 at 10.00 a.m. to participate at the 53<sup>rd</sup> AGM of the Company via RPV Facilities. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.

**APPOINTMENT OF PROXY(IES) OR AUTHORISED REPRESENTATIVE(S) (CONTINUED)**

## (i) In Hardcopy Form (Continued)

For a corporate member who has appointed an authorised representative, please deposit the ORIGINAL certificate of appointment with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not later than Monday, 14 March 2022 at 10.00 a.m. to participate at the 53<sup>rd</sup> AGM of the Company via RPV Facilities. The certificate of appointment should be executed in the following manner:

- (ii) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.
- (ii) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
  - (a) at least two (2) authorised officers, of whom one shall be a director; or
  - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

## (ii) By Electronic Form

All shareholders can have the option to submit Proxy Form electronically via Tricor's TIIH Online and the steps to submit are summarised below:-

Procedure	Action
<b>i. Steps for Individual Shareholders</b>	
(a) Register as a user with TIIH Online	<ul style="list-style-type: none"> <li>• Using your computer, please access the website at <a href="https://tiih.online">https://tiih.online</a>. Register as a user under the “e-Services”. Please refer to the tutorial guide posted on the homepage for assistance.</li> <li>• If you are already a user with TIIH Online, you are not required to register again.</li> </ul>
(b) Proceed with submission of proxy form	<ul style="list-style-type: none"> <li>• After the release of the notice of 53<sup>rd</sup> AGM of the Company, login with your user name (i.e. email) and password.</li> <li>• Select the corporate event: <b>SUNSURIA BERHAD 53<sup>RD</sup> AGM - “Submission of Proxy Form”</b>.</li> <li>• Read and agree to the “Terms &amp; Conditions” and confirm the “Declaration”.</li> <li>• Insert your CDS account number and indicate the number of shares for your proxy(s) to vote on your behalf.</li> <li>• Appoint your proxy(s) and insert the required details of your proxy(s) or appoint Chairman as your proxy.</li> <li>• Indicate your voting instructions – “FOR” or “AGAINST”, otherwise your proxy will decide your vote.</li> <li>• Review and confirm your proxy(s) appointment.</li> <li>• Print proxy form for your record.</li> </ul>
<b>ii. Steps for corporation or institutional shareholders</b>	
(a) Register as a user with TIIH Online	<ul style="list-style-type: none"> <li>• Access TIIH Online at <a href="https://tiih.online">https://tiih.online</a></li> <li>• Under e-Services, the authorised or nominated representative of the corporation or institutional shareholder selects “<b>Create Account by Representative of Corporate Holder</b>”.</li> <li>• Complete the registration form and upload the required documents.</li> <li>• Registration will be verified, and you will be notified by email within one (1) to two (2) working days.</li> <li>• Proceed to activate your account with the temporary password given in the email and re-set your own password.</li> </ul>

**Note:** The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact our Share Registrar if you need clarifications on the user registration.



## APPOINTMENT OF PROXY(IES) OR AUTHORISED REPRESENTATIVE(S) (CONTINUED)

(ii) By Electronic Form (Continued)

Procedure	Action
<b>ii. Steps for corporation or institutional shareholders</b>	
(b) Proceed with submission of proxy form	<ul style="list-style-type: none"> <li>• Login to Tricor's TIIH Online at <a href="https://tiih.online">https://tiih.online</a></li> <li>• Select the corporate exercise name: <b>"SUNSURIA BERHAD 53<sup>RD</sup> AGM - Submission of Proxy Form"</b></li> <li>• Read and agree to the Terms &amp; Conditions and confirm the Declaration.</li> <li>• Proceed to download the file format for <b>"Submission of Proxy Form"</b> in accordance with the Guidance Note set therein.</li> <li>• Prepare the file for the appointment of proxies by inserting the required data.</li> <li>• Proceed to upload the duly completed proxy appointment file.</li> <li>• Select <b>"Submit"</b> to complete your submission.</li> <li>• Print the confirmation report of your submission for your record.</li> </ul>

## POLL VOTING

The voting at the 53<sup>rd</sup> AGM of the Company will be conducted by poll in accordance with Paragraph 8.29A of Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed Tricor as poll administrator to conduct the poll by way of electronic voting (e-voting).

Shareholders or proxy(ies) or authorised representative(s) can proceed to vote on the resolutions at any time from 10.00 a.m. on Wednesday, 16 March 2022 but before the end of the voting session which will be announced by the Chairman. Kindly refer to item (e) of the above Procedures for RPV Facilities for guidance on how to vote remotely from TIIH Online.

Upon completion of the voting session for the 53<sup>rd</sup> AGM of the Company, the scrutineers will verify the poll results followed by the Chairman's declaration whether the resolutions are duly passed.

## PRE-MEETING SUBMISSION OF QUESTION TO THE BOARD

Shareholders may submit questions for the Board in advance of the 53<sup>rd</sup> AGM of the Company via TIIH Online by selecting **"e-Services"** to login, pose questions and submit electronically no later than Monday, 14 March 2022 at 10.00 a.m. The Board will endeavour to answer the questions received at the 53<sup>rd</sup> AGM of the Company.

## NO RECORDING OR PHOTOGRAPHY

Unauthorised recording and photography are strictly prohibited for the 53<sup>rd</sup> AGM of the Company.

## ENQUIRY

If you have any enquiries on the above, please contact the following persons during office hours on Mondays to Fridays from 9.00 a.m. to 5.30 p.m. (except on public holidays):

### Tricor Investor & Issuing House Services Sdn Bhd

General Line : 03-2783 9299  
 Fax Number : 03-2783 9222  
 Email : [is.enquiry@my.tricorglobal.com](mailto:is.enquiry@my.tricorglobal.com)  
 Contact Person : Ms. Lim Lay Kiow +603-2783 9232 /Email: [Lay.Kiow.Lim@my.tricorglobal.com](mailto:Lay.Kiow.Lim@my.tricorglobal.com)  
 Ms. Siti Zalina Osmin +603-2783 9247 /Email: [Siti.Zalina@my.tricorglobal.com](mailto:Siti.Zalina@my.tricorglobal.com)  
 Mr. Lim Jia Jin +603-2783 9246 /Email: [Jia.Jin.Lim@my.tricorglobal.com](mailto:Jia.Jin.Lim@my.tricorglobal.com)

## Personal Data Privacy

By registering for the remote participation and voting meeting and/or submitting the instrument appointing a proxy(ies) and/or representative(s), the member of the Company has consented to the use of such data for purposes of processing and administration by the Company (or its agents); and to comply with any laws, listing rules, regulations and/or guidelines. The member agrees that he/she will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty

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I/We, \_\_\_\_\_  
(Full name in block capitals)

NRIC No./Company No. \_\_\_\_\_ of \_\_\_\_\_  
(Address)

\_\_\_\_\_ being a Member of

**SUNSURIA BERHAD**, hereby appoint \_\_\_\_\_  
(Full name in block capitals)

(NRIC No.) \_\_\_\_\_ of \_\_\_\_\_  
(Address)

\_\_\_\_\_ and, \_\_\_\_\_  
(Full name in block capitals)

(NRIC No.) \_\_\_\_\_ of \_\_\_\_\_  
(Address)

\_\_\_\_\_ or failing him/her, the Chairman of the meeting as 'my/our proxy to vote for 'me/us on 'my/our behalf at the Fifty-Third Annual General Meeting of Sunsuria Berhad ("the Company") that will be conducted fully virtual through live streaming from the Broadcast Venue at Tricor Business Centre, Gemilang Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, on Wednesday, 16 March 2022, at 10.00 a.m. and, at any adjournment thereof.

(Please indicate with a "X" or "✓" in the boxes provided on how you wish your vote to be casted. If you do not do so, the proxy will vote or abstain from voting at his/her discretion)

	RESOLUTION	FOR	AGAINST
Ordinary Resolution 1	Approval of Directors' Fees of RM192,000 for the period from 16 March 2022 to the next Annual General Meeting of the Company to be held in 2023.		
Ordinary Resolution 2	Re-election of Tan Pei Geok as Director pursuant to Article 114 of the Company's Constitution.		
Ordinary Resolution 3	Re-election of Datin Loa Bee Ha as Director pursuant to Article 114 of the Company's Constitution.		
Ordinary Resolution 4	Re-Appointment of Messrs Deloitte PLT as Auditors		
Ordinary Resolution 5	Proposed Authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016.		
Ordinary Resolution 6	Proposed Shareholders' Mandates as specified in the Circular to Shareholders dated 28 January 2022.		
Ordinary Resolution 7	Proposed Renewal of Share Buy-Back Authority.		

\* Strike out whichever is not valid

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2022

The proportions of shareholdings to be represented by \*my/\*our proxies are as follows:-

No. of shares		
CDS Account No.:		
Telephone No.		
Proportion of holdings to be represented by each proxy	Proxy 1	Proxy 2
	%	%

Signature/Common Seal of Member \_\_\_\_\_

**NOTES:**

- The 53<sup>rd</sup> AGM will be conducted fully virtual manner through live streaming from the broadcast venue and online remote voting via Remote Participation and Voting ("RPV") facilities provided by Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") via its TIIH Online website at <https://tjih.online> ("TIIH online"). Please follow the procedures provided in the Administrative Notes for the 53<sup>rd</sup> AGM in order to register, participate and vote remotely via the RPV facilities.
- The broadcast venue of the 53<sup>rd</sup> AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the Meeting to be present at the broadcast venue. No shareholders/proxy(ies) from the public should be present physically present at the broadcast venue.
- A member of the Company entitled to participate and vote at the meeting is entitled to appoint not more than two (2) proxies to participate and vote in his stead. The members may submit questions to the Board of Directors through the TIIH Online platform prior to the 53<sup>rd</sup> AGM or use the TIIH Online to transmit questions to Board of Directors via RPV facilities during live streaming. A proxy may but need not be a member of the Company.
- Since the 53<sup>rd</sup> AGM will be conducted virtually in its entirety, a Member entitled to participate and vote at the Meeting may appoint Chairman of the 53<sup>rd</sup> AGM as his/her proxy and indicate the voting instruction in the Form of Proxy.
- Members whose names appear on the Record of Depositors as at 8 March 2022 ("General Meeting Record of Depositors") shall be eligible to attend and vote remotely at the 53<sup>rd</sup> AGM via the RPV facilities or appoint proxy(ies) to attend and vote on his/her behalf.
- Where a member of the Company is an authorised nominee as defined under The Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
- Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for the omnibus account, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. Where an exempt authorised nominee appoints two (2) or more proxies, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.

8. Where a member or the authorised nominee appoints two (2) proxies, he shall specify the proportion of his shareholdings to be represented by each proxy in the instrument appointing the proxies, failing which the appointment shall be invalid.
9. The instrument appointing a proxy in the case of an individual, shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
10. The appointment of proxy may be made in a hardcopy form or by electronic means, not less than forty-eight (48) hours before the time for holding the 53<sup>rd</sup> AGM or at any adjournment thereof, as follows:
  - i) In Hardcopy Form  
In the case of an appointment made in hard copy form, the proxy form must be deposited with the Share Registrar of the Company, Tricor, at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
  - ii) By Electronic Form  
The proxy form can be electronically lodged with the Share Registrar of the Company, Tricor, via TIIH Online. Kindly refer to the Procedure for Electronic Submission of Proxy Form.
11. A member who has appointed a proxy to attend and vote remotely at the meeting via the RPV Facilities must request his/her proxy to register himself/herself for the RPV Facilities at Tricor's website at <https://tiah.online> not less than 48 hours before the time set for holding the meeting or any adjournment thereof. Please follow the procedures provided in the Administrative Notes.
12. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions at the 53<sup>rd</sup> AGM of the Company shall be put to vote by way of poll.

**PERSONAL DATA PRIVACY**

*By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 28 January 2022.*

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STAMP

The Share Registrar  
**Tricor Investor & Issuing House Services Sdn Bhd**  
Unit 32-01, Level 32, Tower A  
Vertical Business Suite, Avenue 3, Bangsar South  
No. 8 Jalan Kerinchi  
59200 Kuala Lumpur  
Malaysia

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**SUNSURIA BERHAD**

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