

SUNWAY®

CONSTRUCTION

SUNWAY CONSTRUCTION GROUP BERHAD

INTERIM FINANCIAL REPORT

THIRD QUARTER ENDED 30TH SEPTEMBER 2021



SUNWAY CONSTRUCTION GROUP BERHAD

Company No. 201401032422 (1108506-W)
(Incorporated in Malaysia)

Level 8, Menara Sunway
Jalan Lagoon Timur
Bandar Sunway
47500 Selangor Darul Ehsan
Malaysia

Tel. No.: (603) 5639 9696
Fax. No.: (603) 5639 9601
Email: irsuncongroup@sunway.com.my
Website: www.sunwayconstruction.com.my



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UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	NOTE	<----- INDIVIDUAL QUARTER ----->				<----- CUMULATIVE QUARTER ----->			
		CURRENT PERIOD QUARTER	IMMEDIATE PRECEDING QUARTER	CHANGES	PRECEDING YEAR CORRESPONDING QUARTER	CHANGES	CURRENT PERIOD TO DATE	PRECEDING YEAR CORRESPONDING PERIOD	CHANGES
		30/9/2021	30/6/2021	%	30/9/2020	%	30/9/2021	30/9/2020	%
		RM'000	RM'000	%	RM'000	%	RM'000	RM'000	%
					Restated		Restated		
REVENUE		272,078	375,265	(27.5%)	419,409	(35.1%)	1,102,545	925,416	19.1%
OPERATING EXPENSES		(253,812)	(370,127)	31.4%	(393,292)	35.5%	(1,056,207)	(883,947)	(19.5%)
OTHER OPERATING INCOME		3,795	1,245	>100%	6,829	(44.4%)	8,209	10,232	(19.8%)
PROFIT FROM OPERATIONS		22,061	6,383	>100%	32,946	(33.0%)	54,547	51,701	5.5%
FINANCE INCOME & OTHER DISTRIBUTION INCOME		978	1,374	(28.8%)	2,080	(53.0%)	3,107	7,726	(59.8%)
FINANCE COSTS		(922)	(994)	7.2%	(1,574)	41.4%	(3,501)	(6,608)	47.0%
SHARE OF RESULTS FROM AN ASSOCIATE		2,362	2,752	(14.2%)	2,508	(5.8%)	7,090	7,044	0.7%
SHARE OF RESULTS OF JOINT VENTURE		-	-		(0)		-	64	
PROFIT BEFORE TAX	B6	24,479	9,515	>100%	35,960	(31.9%)	61,243	59,927	2.2%
INCOME TAX EXPENSE	B5	(4,960)	(3,588)	(38.2%)	(11,730)	57.7%	(15,483)	(16,258)	4.8%
PROFIT AFTER TAX		19,519	5,927	>100%	24,230	(19.4%)	45,760	43,669	4.8%
ATTRIBUTABLE TO:									
- OWNERS OF THE PARENT		19,296	8,324		24,043		47,861	42,586	
- NON-CONTROLLING INTERESTS		223	(2,397)		187		(2,101)	1,083	
		19,519	5,927		24,230		45,760	43,669	
EARNINGS PER SHARE									
(i) BASIC (sen)	B11	1.50	0.65		1.86		3.71	3.30	
(ii) DILUTED (sen)		1.50	0.65		1.86		3.71	3.30	

(The Unaudited Condensed Consolidated Income Statements should be read in conjunction with the Annual Statutory Financial Statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	<----- INDIVIDUAL QUARTER ----->			<-- CUMULATIVE QUARTER -->	
	CURRENT	IMMEDIATE	PRECEDING PERIOD	CURRENT	PRECEDING PERIOD
	PERIOD	PRECEDING	CORRESPONDING	PERIOD	CORRESPONDING
	QUARTER	QUARTER	QUARTER	TO DATE	PERIOD
	30/9/2021	30/6/2021	30/9/2020	30/9/2021	30/9/2020
	RM'000	RM'000	RM'000	RM'000	RM'000
			Restated		Restated
PROFIT FOR THE PERIOD	19,519	5,927	24,230	45,760	43,669
OTHER COMPREHENSIVE INCOME TO BE RECLASSIFIED TO PROFIT AND LOSS IN SUBSEQUENT YEAR					
FOREIGN CURRENCY TRANSLATION DIFFERENCES FOR FOREIGN OPERATION	232	(114)	(473)	1,230	790
RECLASSIFICATION OF FOREIGN CURRENCY TRANSLATION RESERVE TO PROFIT AND LOSS ON DEREGISTRATION OF FOREIGN BRANCHES AND SUBSIDIARIES	-	-	2,308	-	2,308
OTHER COMPREHENSIVE INCOME FOR THE PERIOD	<u>232</u>	<u>(114)</u>	<u>1,835</u>	<u>1,230</u>	<u>3,098</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>19,751</u>	<u>5,813</u>	<u>26,065</u>	<u>46,990</u>	<u>46,767</u>
ATTRIBUTABLE TO:					
- OWNERS OF THE PARENT	19,410	8,318	25,878	49,065	45,684
- NON-CONTROLLING INTERESTS	<u>341</u>	<u>(2,505)</u>	<u>187</u>	<u>(2,075)</u>	<u>1,083</u>
	<u>19,751</u>	<u>5,813</u>	<u>26,065</u>	<u>46,990</u>	<u>46,767</u>

(The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Statutory Financial Statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021

	NOTE	AS AT FINANCIAL PERIOD ENDED 30/9/2021 RM'000 (UNAUDITED)	AS AT FINANCIAL YEAR ENDED 31/12/2020 RM'000 (AUDITED)
ASSETS			
Non-current assets			
Property, plant, equipment, software and right of use assets		100,685	107,415
Investment in associate		384,277	444,137
Investment in joint ventures		45,152	44,805
Other investments		273	273
Long term receivable		54,830	-
Deferred tax assets		8,727	7,133
		<u>593,944</u>	<u>603,763</u>
Current assets			
Inventories		36,056	34,256
Receivables, deposits and prepayments	B9	790,658	1,048,253
Tax recoverable		22,680	19,720
Cash and bank balances		234,263	200,071
		<u>1,083,657</u>	<u>1,302,300</u>
TOTAL ASSETS		<u>1,677,601</u>	<u>1,906,063</u>
EQUITY AND LIABILITIES			
Current liabilities			
Payables, lease liabilities and other current liabilities		779,955	955,231
Borrowings	B7	84,046	233,712
Tax payable		10,907	4,110
Derivative liabilities	B8	1,057	941
		<u>875,965</u>	<u>1,193,994</u>
Non-current liabilities			
Borrowings	B7	145,023	67,203
Derivative liabilities	B8	-	730
Lease liabilities		7,468	5,526
		<u>152,491</u>	<u>73,459</u>
Total liabilities		<u>1,028,456</u>	<u>1,267,453</u>
Equity attributable to owners of the parent			
Share capital		258,580	258,580
Treasury shares		(6,990)	(6,990)
Merger reserve		(37,894)	(37,894)
Retained profits		406,065	409,779
Other reserves		14,626	13,421
		<u>634,387</u>	<u>636,896</u>
NON-CONTROLLING INTERESTS		<u>14,758</u>	<u>1,714</u>
Total equity		<u>649,145</u>	<u>638,610</u>
TOTAL EQUITY AND LIABILITIES		<u>1,677,601</u>	<u>1,906,063</u>
Net Assets Per Share Attributable To Owners Of The Parent (RM)		0.49	0.49

(The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Statutory Financial Statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	----- ATTRIBUTABLE TO OWNERS OF THE PARENT ----->										
	<----- NON-DISTRIBUTABLE ----->							DISTRIBUTABLE			
	SHARE CAPITAL	TREASURY SHARES	MERGER RESERVE	OTHER RESERVES TOTAL	CAPITAL CONTRIBUTION BY IMMEDIATE HOLDING COMPANY	OTHER CAPITAL RESERVE	FOREIGN EXCHANGE RESERVE	RETAINED PROFITS	TOTAL	NON- CONTROLLING INTERESTS	TOTAL EQUITY
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
PERIOD ENDED 30 SEPTEMBER 2021											
At 1 January 2021	258,580	(6,990)	(37,894)	13,421	641	600	12,180	409,779	636,896	1,714	638,610
Profit for the period	-	-	-	-	-	-	-	47,861	47,861	(2,101)	45,760
Other comprehensive income, net of tax	-	-	-	1,205	-	-	1,205	(0)	1,204	25	1,230
Total comprehensive income	-	-	-	1,205	-	-	1,205	47,861	49,065	(2,075)	46,990
Transactions with owners											
Acquisition equity interest from subsidiary	-	-	-	-	-	-	-	-	-	15,320	15,320
Dividends paid to non controlling interests	-	-	-	-	-	-	-	-	-	(201)	(201)
Dividends paid	-	-	-	-	-	-	-	(51,574)	(51,574)	-	(51,574)
At 30 September 2021	258,580	(6,990)	(37,894)	14,626	641	600	13,385	406,065	634,387	14,758	649,145
PERIOD ENDED 30 SEPTEMBER 2020											
At 1 January 2020 (Restated)	258,580	(6,990)	(37,894)	10,421	656	-	9,765	398,838	622,955	99,510	722,465
Profit for the period	-	-	-	-	-	-	-	42,586	42,586	1,083	43,669
Other comprehensive income, net of tax	-	-	-	3,098	(16)	-	3,114	-	3,098	-	3,098
Total comprehensive income	-	-	-	3,098	(16)	-	3,114	42,586	45,684	1,083	46,767
Transactions with owners											
Bonus issue by a subsidiary	-	-	-	600	-	600	-	(600)	-	-	-
Dividends paid	-	-	-	-	-	-	-	(61,245)	(61,245)	-	(61,245)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(1,050)	(1,050)
Effect of loss of control upon redemption of units in a structured entity	-	-	-	-	-	-	-	-	-	(97,697)	(97,697)
At 30 September 2020 (Restated)	258,580	(6,990)	(37,894)	14,119	640	600	12,879	379,579	607,394	1,846	609,240

(The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Statutory Financial Statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	FOR THE PERIOD ENDED 30/9/2021	FOR THE PERIOD ENDED 30/9/2020
	RM'000 (UNAUDITED)	RM'000 (RESTATED)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	61,243	59,927
Adjustments for:		
- non-cash items	17,428	25,069
- finance costs	3,501	6,608
- finance income and other distribution income	(3,107)	(7,726)
Operating cash flows before working capital changes	79,065	83,878
Changes in working capital	50,264	(14,728)
Cash flows generated from operations	129,329	69,150
Interest and other distribution income received	3,107	7,100
Interest paid	(3,078)	(6,163)
Tax refunded	1,081	-
Tax paid	(14,320)	(6,202)
Net cash generated from operating activities	116,119	63,885
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment & software	1,823	2,675
Proceeds from disposal of an associate	-	46,902
Acquisitions of property, plant and equipment and software	(2,267)	(2,538)
Additional shares acquired by non-controlling interest	15,320	-
Reduce/(addition) of interest in associates	66,951	(386,050)
Net cash outflow from loss of control of structured entity	-	(5,890)
Net cash flow from equity contribution of non-controlling interest	-	10,633
Advance to joint venture	(34,396)	-
(Placement)/Withdrawal of deposits pledged to other financial institutions	(161)	181,807
Net cash from/(used in) investing activities	47,270	(152,461)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net bank and other borrowings	(78,339)	(2,131)
Interest paid to related co and lease liabilities	(423)	(445)
Dividends paid to shareholders	(51,574)	(61,245)
Dividend paid to non-controlling interests of subsidiaries	(201)	(1,050)
Repayment to related companies	(0)	(95,833)
Net cash used in financing activities	(130,537)	(160,704)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	32,852	(249,280)
EFFECTS OF EXCHANGE RATE CHANGES	1,179	2,125
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	117,838	350,618
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	151,869	103,463
Cash and cash equivalents at end of financial year comprise the following :		
Deposits with licensed banks and other financial institutions	162,791	146,617
Cash and bank balances	71,472	39,026
Cash and bank balances and placement in funds	234,263	185,643
Less: Deposits with other financial institutions with maturity of over 3 months	(202)	(202)
Less: Placement of deposits pledged to other financial institutions	(82,192)	(81,978)
Cash and cash equivalents	151,869	103,463

(The Unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Statutory Financial Statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.)

NOTES TO FINANCIAL STATEMENTS

A1 Accounting Policies and Basis of Preparation

The Group has prepared its financial statements using the Malaysian Financial Reporting Standards ("MFRS") for the period ended 30 September 2021. The interim financial report is unaudited and is prepared in accordance with MFRS134 *Interim Financial Reporting* and paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2020.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2020 except for the adoption of the following new MFRSs and Amendments to MFRSs that are effective for the financial statements effective from 1 January 2021, as disclosed below:

Title	Effective Date
Amendments to MFRS 9 Financial Instruments, MFRS 139 Financial Instruments: Recognition and Measurement, MFRS 7 Financial Instruments: Disclosures, MFRS 4 Insurance Contracts and MFRS 16 Leases - <i>Interest Rate Benchmark Reform - Phase 2</i>	1 January 2021
Amendment to MFRS 16 <i>Covid-19 - Related Rent Concessions beyond 30 June 2021</i>	1 April 2021

A2 Report of the Auditors

The report of the auditors of preceding audited financial statements was not subjected to any qualification.

A3 Seasonal or Cyclical Factors

The results for the current quarter under review were not materially affected by seasonal or cyclical factors.

A4 Unusual Items

There were no material unusual items affecting the amounts reported for the period ended 30 September 2021 except for those disclosed in Note B6 and the effect as a result of EMCO that was enforced on entire Selangor and certain places in Kuala Lumpur from 3 July 2021 till 16 July 2021. As majority of our projects are in Selangor, our operations were halted. Although the EMCO was lifted on 17 July 2021, as per guidelines, only essential construction including those with CLQ and on-site accommodation were permitted to operate. On 16 August 2021, all constructions under NRP Phase 1 were allowed to operate at capacity based on percentage of vaccinated staff.

A5 Changes in Estimates

During previous period ended 30 June 2021, the Group conducted an operational efficiency review on its piling rigs. Most of the piling rigs, which management previously expected to remain in use for 7 years, is now expected to be able to remain in use for 10 years from the date of purchase after we compared with industry average. As a result, the expected useful lives of these assets increased and their estimated residual values decreased. The effect of these changes on depreciation expense, in current and future periods is as follows:

	As at 30 September 2021 RM'000	Financial year ending 2021 RM'000	Financial year ending 2022 RM'000	Later years RM'000
(Decrease)/Increase in depreciation expense	(3,313)	(4,418)	(2,823)	7,240

A6 Repurchases of Debt and Equity Securities

There were no repurchase activities during the current quarter. The Group's debt status is as disclosed in Note B7.

A7 Dividend paid / payable

	As at 30 September 2021 RM'000 (Unaudited)	As at 31 December 2020 RM'000 (Audited)
<u>Dividends recognised for the year (Net of tax)</u>		
2019 - 3.5 cents per share (Note 1)		45,128
2020 - 1.25 cents per share (Note 2)		16,117
2021 - 2.75 cents per share (Note 3)	35,457	
2021 - 1.25 cents per share (Note 4)	16,117	
<u>Dividends in respect of year ended (Net of tax)</u>		
1.25 cents per share -declared and paid (Note 2)		16,117
2.75 cents per share -declared and paid (Note 3)		35,457
1.25 cents per share -declared and paid (Note 4)	16,117	

Note 1: On 20 February 2020, the Board of Directors declared a second interim single-tier dividend of 3.5 cents per ordinary shares for the financial year ended 31 December 2019. The interim dividend of RM45,127,587 was paid on 8 April 2020.

Note 2: On 18 August 2020, the Board of Directors declared a first interim single-tier dividend of 1.25 cents per ordinary shares for the financial year ended 31 December 2020. The interim dividend of RM16,116,989 was paid on 24 September 2020.

Note 3: On 23 February 2021, the Board of Directors declared a second interim single-tier dividend of 2.75 cents per ordinary shares for the financial year ended 31 December 2020. The interim dividend of RM35,457,376 was paid on 7 April 2021.

Note 4: On 19 August 2021, the Board of Directors declared a first interim single-tier dividend of 1.25 cents per ordinary shares for the financial year ending 31 December 2021. The interim dividend of RM16,116,989 was paid on 29 September 2021.

Dividend under Note 1 and Note 2, have been accounted for in equity in the year ended December 2020. Dividend under Note 3 and Note 4 have been accounted for in equity in period ended 30 September 2021.

A8 Segmental Reporting

	<----- YTD SEPT'21 ----->			<----- YTD SEPT'20 ----->		
	(Unaudited)			(Restated)		
	Construction RM'000	Precast Concrete RM'000	Consolidated RM'000	Construction RM'000	Precast Concrete RM'000	Consolidated RM'000
<u>BY BUSINESS SEGMENTS</u>						
REVENUE AND EXPENSES						
Total revenue	1,276,945	141,809	1,418,754	1,145,255	103,831	1,249,086
Inter-segment revenue	(250,612)	(65,597)	(316,209)	(275,069)	(48,601)	(323,670)
External revenue	1,026,333	76,212	1,102,545	870,186	55,230	925,416
Results						
Operating segment results	52,734	1,813	54,547	52,352	(651)	51,701
Finance income & other distribution income	2,872	235	3,107	7,256	470	7,726
Finance costs	(2,635)	(866)	(3,501)	(5,235)	(1,373)	(6,608)
Share of profit from associate	7,090	-	7,090	7,044	-	7,044
Share of results of joint venture	-	-	-	64	-	64
Profit/(loss) before tax	60,061	1,182	61,243	61,481	(1,554)	59,927
Income tax expense	(15,289)	(194)	(15,483)	(15,701)	(557)	(16,258)
Profit/(loss) after tax	44,772	988	45,760	45,780	(2,111)	43,669
Non controlling interests	2,101	-	2,101	(1,083)	-	(1,083)
Attributable to owners of the parent	46,873	988	47,861	44,697	(2,111)	42,586
TOTAL ASSETS	1,382,102	264,092	1,646,194	1,445,416	258,937	1,704,353
Unallocated assets	-	-	31,407	-	-	24,511
	1,382,102	264,092	1,677,601	1,445,416	258,937	1,728,864
TOTAL LIABILITIES	836,557	180,992	1,017,549	926,447	180,844	1,107,291
Unallocated liabilities	-	-	10,907	-	-	12,332
	836,557	180,992	1,028,456	926,447	180,844	1,119,623

A8 Segmental Reporting (Contd.)

	<----- YTD SEPT'21 ----->				<----- YTD SEPT'20 ----->			
	(Unaudited)				(Restated)			
	Revenue	Profit / (loss) before tax	Profit / (loss) after tax	Attributable to owners of the parent	Revenue	Profit / (loss) before tax	Profit / (loss) after tax	Attributable to owners of the parent
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<u>GEOGRAPHICAL SEGMENTS</u>								
Malaysia	1,021,300	69,614	54,448	54,092	869,658	67,519	51,219	50,136
Singapore	76,212	(1,096)	(1,096)	(1,098)	55,230	(4,764)	(4,722)	(4,722)
India	5,033	(7,160)	(7,475)	(5,016)	-	(2,744)	(2,744)	(2,744)
United Arab Emirates	-	(80)	(80)	(80)	-	(67)	(67)	(67)
Trinidad & Tobago	-	-	-	-	-	-	-	-
Myanmar	-	(35)	(37)	(37)	528	(17)	(17)	(17)
	1,102,545	61,243	45,760	47,861	925,416	59,927	43,669	42,586

A8 Segmental Reporting (Contd.)

Segmental results by foreign currency for the financial period ended 30 September 2021 are as follows:

CONSTRUCTION SEGMENT:

	FOREIGN EXCHANGE RATE	FC'000				RM'000			
		Revenue	Profit / (loss) before tax	Profit / (loss) after tax	Attributable to owners of the parent	Revenue	Profit / (loss) before tax	Profit / (loss) after tax	Attributable to owners of the parent
Malaysia Ringgit (RM'000)		1,021,300	67,401	52,429	52,073	1,021,300	67,401	52,429	52,073
United Arab Emirates (AED'000)	1.1300	-	(71)	(71)	(71)	-	(80)	(80)	(80)
India Rupee (INR'000)	0.0564	89,279	(126,995)	(132,596)	(88,973)	5,033	(7,160)	(7,475)	(5,016)
Singapore Dollar (SGD'000)	3.0980	-	(21)	(21)	(22)	-	(65)	(65)	(67)
Trinidad & Tobago Dollar (TT\$'000)	0.6137	-	-	-	-	-	-	-	-
Myanmar (USD'000)	4.1468	-	(8)	(9)	(9)	-	(35)	(37)	(37)
						<u>1,026,333</u>	<u>60,061</u>	<u>44,772</u>	<u>46,873</u>

	FOREIGN EXCHANGE RATE	TOTAL ASSETS		TOTAL LIABILITIES	
		FC'000	RM'000	FC'000	RM'000
Malaysia Ringgit (RM'000)		1,327,041	1,327,041	807,319	807,319
United Arab Emirates (AED'000)	1.1439	8,981	10,273	9,828	11,242
India Rupee (INR'000)	0.0565	773,585	43,708	198,800	11,232
Singapore Dollar (SGD'000)	3.0856	333	1,022	15	47
Trinidad & Tobago Dollar (TT\$'000)	0.6215	40	25	-	-
Myanmar (USD'000)	4.1980	8	33	1,600	6,717
			<u>1,382,102</u>		<u>836,557</u>

PRECAST SEGMENT:

	FOREIGN EXCHANGE RATE	FC'000				RM'000			
		Revenue	Profit / (Loss) before tax	Profit / (Loss) after tax	Attributable to owners of the parent	Revenue	Profit before tax	Profit after tax	Attributable to owners of the parent
Malaysia Ringgit (RM'000)		-	2,213	2,019	2,019	-	2,213	2,019	2,019
Singapore Dollar (SGD'000)	3.0980	24,601	(333)	(333)	(333)	76,212	(1,031)	(1,031)	(1,031)
						<u>76,212</u>	<u>1,182</u>	<u>988</u>	<u>988</u>

	FOREIGN EXCHANGE RATE	TOTAL ASSETS		TOTAL LIABILITIES	
		FC'000	RM'000	FC'000	RM'000
Malaysia Ringgit (RM'000)		66,489	66,489	28,364	28,364
Singapore Dollar (SGD'000)	3.0856	64,040	197,603	49,465	152,628
			<u>264,092</u>		<u>180,992</u>

Income and expenses are translated at the average rate whereas the assets and liabilities are translated at the closing rate.

A8 Segmental Reporting (Contd.)

Segmental results by foreign currency for the financial period ended 30 September 2020 are as follows:

CONSTRUCTION SEGMENT:

	FOREIGN EXCHANGE RATE	<----- FC'000 ----->				<----- RM'000 ----->			
		(Restated)				(Restated)			
		Revenue	Profit / (loss) before tax	Profit / (loss) after tax	Attributable to owners of the parent	Revenue	Profit / (loss) before tax	Profit / (loss) after tax	Attributable to owners of the parent
Malaysia Ringgit (RM'000)		869,658	64,327	48,584	47,501	869,658	64,327	48,584	47,501
United Arab Emirates (AED'000)	1.1947	-	(56)	(56)	(56)	-	(67)	(67)	(67)
India Rupee (INR'000)	0.0572	-	(47,943)	(47,943)	(47,943)	-	(2,744)	(2,744)	(2,744)
Singapore Dollar (SGD'000)	3.0594	-	(6)	8	8	-	(18)	24	24
Trinidad & Tobago Dollar (TT\$'000)	0.6341	-	-	-	-	-	-	-	-
Myanmar (USD'000)	4.2466	124	(4)	(4)	(4)	528	(17)	(17)	(17)
						<u>870,186</u>	<u>61,481</u>	<u>45,780</u>	<u>44,697</u>

	FOREIGN EXCHANGE RATE	TOTAL ASSETS		TOTAL LIABILITIES	
		FC'000	RM'000	FC'000	RM'000
Malaysia Ringgit (RM'000)		1,426,927	1,426,927	908,163	908,163
United Arab Emirates (AED'000)	1.1330	14,592	16,533	13,222	14,981
India Rupee (INR'000)	0.0564	8,827	498	56,584	3,191
Singapore Dollar (SGD'000)	3.0441	396	1,202	21	65
Trinidad & Tobago Dollar (TT\$'000)	0.6156	40	24	-	-
Myanmar (USD'000)	4.1580	56	232	11	47
			<u>1,445,416</u>		<u>926,447</u>

PRECAST SEGMENT:

	FOREIGN EXCHANGE RATE	<----- FC'000 ----->				<----- RM'000 ----->			
		Revenue	Profit / (loss) before tax	Profit / (loss) after tax	Attributable to owners of the parent	Revenue	Profit / (loss) before tax	Profit / (loss) after tax	Attributable to owners of the parent
Malaysia Ringgit (RM'000)		-	3,192	2,635	2,635	-	3,192	2,635	2,635
Singapore Dollar (SGD'000)	3.0594	18,052	(1,551)	(1,551)	(1,551)	55,230	(4,746)	(4,746)	(4,746)
						<u>55,230</u>	<u>(1,554)</u>	<u>(2,111)</u>	<u>(2,111)</u>

	FOREIGN EXCHANGE RATE	TOTAL ASSETS		TOTAL LIABILITIES	
		FC'000	RM'000	FC'000	RM'000
Malaysia Ringgit (RM'000)		104,446	104,446	22,744	22,744
Singapore Dollar (SGD'000)	3.0441	50,751	154,491	51,937	158,100
			<u>258,937</u>		<u>180,844</u>

Income and expenses are translated at the average rate whereas the assets and liabilities are translated at the closing rate.

A9 Material events

There were no material events subsequent to the current period ended 30 September 2021.

A10 Contingent Liabilities and Assets

There were no change in contingent liabilities since the last financial statements for the financial year ended 31 December 2020 to 30 September 2021, except for the following:

	As at 30 September 2021 RM'000 (Unaudited)	As at 31 December 2020 RM'000 (Audited)
Guarantees given to third parties in respect of contracts and trade performance	433,920	442,473
Guarantees given to related companies in respect of contracts and trade performance	131,527	128,961
	<u>565,447</u>	<u>571,434</u>

The Group does not have any material contingent assets to be disclosed as at 30 September 2021.

A11 Commitments

(a) Capital commitment not provided for in the financial period ended 30 September 2021 and financial year ended 31 December 2020 are as follows:

	As at 30 September 2021 RM'000 (Unaudited)	As at 31 December 2020 RM'000 (Audited)
Approved and contracted for		
- Construction	34,617	59,000
- Precast	141,370	176,833
Approved but not contracted for	126	126
	<u>176,113</u>	<u>235,959</u>

Included in commitments are investment in joint venture for the proposed Singapore Integrated Construction Precast Hub building and plant and machinery in Singapore which will be expended from 2021 to 2022 and our equity portion for India projects.

A12 Significant Related Party Transactions

The Group had the following transactions with related parties during the financial period ended 30 September:

	Cumulative Year To Date 30 September 2021 RM'000 (Unaudited)	Cumulative Year To Date 30 September 2020 RM'000 (Restated)
Contract revenue from:		
Related companies	335,977	296,229
Related parties	93,338	75,459
Rental income of plant and machinery from:		
Related companies	43	38
Interest income from:		
Structured entities controlled by its intermediate holding company	7,090	7,044
Purchases of goods/services from:		
Related companies	(60,420)	(39,000)
Related parties	(1,208)	(3,282)
Rental of office space from:		
Related companies	(2,141)	(1,384)
Related party	(919)	(1,193)
Interest expense charge by:		
Related companies	0	(692)
Management fees charged by:		
Intermediate holding company	(12,332)	(6,959)
Service Level Agreement fees paid to:		
Related companies	(2,688)	(3,334)

B1 Review of Performance

For the quarter (YoY)

<u>Total Group</u>	<u>Q3 2021</u>	<u>Q3 2020</u> <u>(Restated)</u>	<u>Changes</u>
Revenue (RM'mil)	272.1	419.4	(35.1%)
PBT (RM'mil)	24.5	36.0	(31.9%)
PBT Margin (%)	9.0%	8.6%	

The Group recorded revenue of RM272.1 million and profit before tax of RM24.5 million for the current quarter ended 30 September 2021, compared to revenue of RM419.4 million and profit before tax of RM36.0 million in the corresponding quarter of the preceding financial year. The Group's revenue and profit before tax saw a decline due to both construction and precast segment.

<u>Construction Segment</u>	<u>Q3 2021</u>	<u>Q3 2020</u> <u>(Restated)</u>	<u>Changes</u>
Revenue (RM'mil)	255.8	403.4	(36.6%)
PBT (RM'mil)	26.9	34.8	(22.7%)
PBT Margin (%)	10.5%	8.6%	

Construction segment reported revenue of RM255.8 million and profit before tax of RM26.9 million compared to revenue of RM403.4 million and profit before tax of RM34.8 million in the corresponding quarter of the preceding financial year. Lower revenue recorded in the current quarter was due to Full MCO 3.0 which affected our productivity at site with relaxation only announced on 16 August 2021 allowing construction site to operate in capacity in tandem with level of vaccination. PBT Margin for current quarter is higher due to re-calibration of margin to reflect some upside as some projects are nearing completion and certainty of better margins are more visible.

<u>Precast Segment</u>	<u>Q3 2021</u>	<u>Q3 2020</u>	<u>Changes</u>
Revenue (RM'mil)	16.3	16.0	1.9%
(LBT)/PBT (RM'mil)	(2.4)	1.2	(>100%)
(LBT)/PBT Margin (%)	(14.7%)	7.5%	

Precast segment reported revenue of RM16.3 million with loss before tax of RM2.4 million compared to revenue of RM16.0 million and profit before tax of RM1.2 million in the corresponding quarter of the preceding financial year. Turnover for both quarters under comparison were almost the same with both quarters being impacted with Covid-19 lock down regime. Higher loss in current quarter was due to impact of higher steel bar prices which increased by more than 25% this year.

B1 Review of Performance (Contd.)**For the full period**

<u>Total Group</u>	<u>YTD Q3 2021</u>	<u>YTD Q3 2020</u> <u>(Restated)</u>	<u>Changes</u>
Revenue (RM'mil)	1,102.5	925.4	19.1%
PBT (RM'mil)	61.2	59.9	2.2%
PBT Margin (%)	5.6%	6.5%	

The Group recorded revenue of RM1,102.5 million and profit before tax of RM61.2 million for the nine months period ended 30 September 2021, compared to revenue of RM925.4 million and profit before tax of RM59.9 million in the corresponding quarter of the preceding financial period. Revenue saw an improvement in this nine months ended 30 September 2021 due to both segment and profit improved slightly due to precast segment.

<u>Construction Segment</u>	<u>YTD Q3 2021</u>	<u>YTD Q3 2020</u> <u>(Restated)</u>	<u>Changes</u>
Revenue (RM'mil)	1,026.3	870.2	17.9%
PBT (RM'mil)	60.0	61.5	(2.4%)
PBT Margin (%)	5.9%	7.1%	

Construction segment reported revenue of RM1,026.3 million and profit before tax of RM60.0 million compared to revenue of RM870.2 million and profit before tax of RM61.5 million in the corresponding quarter of the preceding financial period. Revenue recorded improved this current financial period as there were more relaxation given with MCO 3.0. Despite registering higher turnover, we recorded lower profitability due to extensive cost rationalisation in last corresponding period ended 30 September 2020.

<u>Precast Segment</u>	<u>YTD Q3 2021</u>	<u>YTD Q3 2020</u>	<u>Changes</u>
Revenue (RM'mil)	76.2	55.2	38.0%
PBT/(LBT) (RM'mil)	1.2	(1.6)	>100%
PBT/(LBT) Margin (%)	1.6%	-2.9%	

Precast segment reported revenue of RM76.2 million with profit before tax of RM1.2 million compared to revenue of RM55.2 million and loss before tax of RM1.6 million in the corresponding quarter of the preceding financial period. Revenue recorded for current nine months improved compared to previous corresponding nine months as the previous corresponding period was affected by both the MCO in Malaysia and Circuit Breaker in Singapore. Consequently the higher revenue in current period ended September 2021, resulted in better profit margins despite accounting for increased steel bar prices as we commenced new projects with better profit margins.

B2 Material Changes in the Quarterly Results (QoQ)

<u>Total Group</u>	<u>Q3 2021</u>	<u>Q2 2021</u>	<u>Changes</u>
Revenue (RM'mil)	272.1	375.3	(27.5%)
PBT (RM'mil)	24.5	9.5	>100%
PBT Margin (%)	9.0%	2.5%	

The Group recorded revenue of RM272.1 million and profit before tax of RM24.5 million for the current quarter ended 30 September 2021, compared to revenue of RM375.3 million and profit before tax of RM9.5 million in the immediate preceding quarter. Profitability improved despite lower turnover due to construction segment. Revenue decreased due to both construction and precast segment.

<u>Construction Segment</u>	<u>Q3 2021</u>	<u>Q2 2021</u>	<u>Changes</u>
Revenue (RM'mil)	255.8	349.2	(26.7%)
PBT (RM'mil)	26.9	9.5	>100%
PBT Margin (%)	10.5%	2.7%	

Construction segment reported revenue of RM255.8 million and profit before tax of RM26.9 million compared to revenue of RM349.2 million and profit before tax of RM9.5 million in the immediate preceding quarter. Lower turnover in current quarter was mainly contributed by Full MCO 3.0 whereby relaxation was only announced on 16 August to allow site to operate on capacity based on various level of vaccination rate. States like Penang and Johor saw slower vaccination rate and this affected the capacity we were allowed to operate. Profit margin for current quarter was much better despite lower revenue due to certainty of better margin as projects progressed closer to completion and the immediate preceding quarter had the effect of one off bank upfront charges in India amounting to approximately RM5.7 million from financial close for both of our India HAM projects.

<u>Precast Segment</u>	<u>Q3 2021</u>	<u>Q2 2021</u>	<u>Changes</u>
Revenue (RM'mil)	16.3	26.1	(37.5%)
(LBT) (RM'mil)	(2.4)	(0.0)	(>100%)
PBT Margin (%)	(14.7%)	(0.0%)	

Precast segment reported revenue of RM16.3 million with loss before tax of RM2.4 million compared to revenue of RM26.1 million with profit at breakeven position in the immediate preceding quarter. The current quarter turnover was lower compared to immediate preceding quarter as both our factories in Johor only commenced operation at full capacity in the last week of September 2021 due to slower vaccination rate in the said state. Culminating from slower re-start, the segment recorded a loss. Precast division also adjusted its margin downwards after reflecting the impact of higher steel bar prices this quarter.

B3 Prospects

SunCon's outstanding order book now stands at RM4.7 billion (June 2021 : RM4.8 billion) with RM796 million new order secured up to September 2021.

Malaysia started the MCO 3.0 from 6 May 2021 to 20 May 2021 in several states namely Selangor, Wilayah Persekutuan Kuala Lumpur and Johor as measures to curb the rise in infection of Covid-19. Subsequent to this, nationwide lockdown was imposed on 12 May 2021. During these periods, selected industries were permitted to operate with MITI's approval albeit at only 60% productivity. On 1 June 2021 to 28 June 2021, Malaysia entered a nationwide total lockdown where only essential industries were permitted to operate with MITI's stringent approval. Through initiatives by CIDB under Construction Industry Vaccination Program (CIVac), construction industry was able to achieve an encouraging vaccination rate and was allowed to resume operations starting from 16 August 2021 with operations capacity based on vaccination rate. SunCon progressively resumed our operations and we are now operating at 100% capacity.

The Malaysian economy shrank by 4.5% in the third quarter of 2021 (2Q 21: +16.1%), amid the strict Covid-19 containment measures in July under Phase 1 of the National Recovery Plan (NRP). The construction sector contracted by 20.6% (2Q 21: +40.3%) mainly due to subdued construction activities during the quarter due to various lockdowns. Bank Negara Malaysia (BNM) has revised Malaysia's full year GDP to 3% to 4% from previous forecast of 6% to 7.5%. However, the Central Bank expects growth to accelerate to 5.5% to 6.5% next year supported by the further resumption of economic activity amid a high vaccination rate, continued policy support and robust external demand. SunCon will continue to focus on our overseas venture, mainly in India. Apart from that, SunCon will also continue focus on in-house pipeline projects by its immediate holding company, Sunway Group as well as expanding the sustainable energy segment in Solar and District Cooling Systems.

Based on the Advanced Estimate released by Ministry of Trade and Industry Singapore (MTI), the economy grew by 0.8% quarter on quarter in third quarter of 2021, a reversal from the 1.4% contraction in previous quarter. The construction sector shrank by 0.4% quarter on quarter in third quarter of 2021 (2Q 21: -2.4%, FY20: -35.9%), largely due to low base effects given the slow resumption of construction activities after the Circuit Breaker period last year. On a separate note, The Monetary Authority of Singapore (MAS) has announced that the GDP is expected to expand by up to 7% this year despite the ongoing surge in infection. The Housing and Development Board (HDB) has launched 4,501 Build-To-Order (BTO) flats in 17th November following the August 2021 launch of 4,989 units, brings the total number of BTO flats offered this year to 17,109 units. HDB has launched more than the committed units in year 2021 of 17,000 and are looking forward to launch more in year 2022 (2020: 16,752 units, 2019: 15,491 units, 2018: 15,811 units). Singapore HDB flats comprised of more than 90% of our precast segment sales and our prospect is largely dependent on these launches. With the ICPH plant scheduled to be in operations by 2H 2022, SunCon foresees that our precast segment will contribute more to the group's financials in the near future.

Based on the above, barring any further unforeseen circumstances, the Group is optimistic in sustaining our performance for the financial year ending 2021 as our staff including our business partners vaccination rate are closed to 100%, with the exception of those with health conditions.

B4 Variance of Actual Profit from Profit Forecast

The Company did not issue any profit forecast or profit guarantee during the current period under review.

B5 Taxation

	Current Quarter Ended 30 September 2021 RM'000 (Unaudited)	Immediate Preceding Quarter Ended 30 June 2021 RM'000 (Unaudited)	Cumulative Year To Date 30 September 2021 RM'000 (Unaudited)
Current taxation	(6,684)	(3,699)	(16,726)
Under provision in prior year	28	(368)	(350)
Deferred taxation	1,696	479	1,593
	<u>(4,960)</u>	<u>(3,588)</u>	<u>(15,483)</u>
Effective tax rate	20.3%	37.7%	25.3%
Statutory tax rate :			
- Malaysia	24.0%	24.0%	24.0%
- Singapore	17.0%	17.0%	17.0%

The effective tax rate for the period ended September 2021 was higher than Malaysia's statutory tax rate of 24% as we were not able to offset the tax against our loss making entities.

B6 Profit before Taxation

The following amounts have been included in arriving at profit before taxation:

	Current Quarter Ended 30 September 2021 RM'000 (Unaudited)	Immediate Preceding Quarter Ended 30 June 2021 RM'000 (Unaudited)	Cumulative Year To Date 30 September 2021 RM'000 (Unaudited)
Interest income and other distributable income	978	1,374	3,107
Interest expense	(922)	(994)	(3,501)
Depreciation and amortisation	(6,881)	(5,792)	(20,794)
Allowance for impairment losses for:			
- Receivables	(4,885)	24	(5,249)
Write off (loss) :			
- Property, plant and equipment, and software	-	-	7
Net gain on disposal of:			
- Property, plant and equipment, and software	152	180	1,538
Accretion of financial assets and financial liabilities	(416)	251	(1,064)
Fair value (loss)/gain on derivative assets and liabilities	(8)	34	26
Foreign exchange (loss)/gain:			
- realised	(209)	2	(258)
- unrealised	-	(41)	(7)
	<u>-</u>	<u>(41)</u>	<u>(7)</u>

B7 Group Borrowings and Debt Securities

The borrowings breakdown of the Group are as follows:

	As at 30 September 2021 RM'000 (Unaudited)	As at 31 December 2020 RM'000 (Audited)
Current liabilities:		
Unsecured		
- Bills discounting (RM denominated)	49,046	107,344
- Revolving credit (RM denominated)	35,000	50,000
- Short term loan (SGD denominated)	-	76,368
	84,046	233,712
Non current liabilities		
Secured		
- Term loan (SGD denominated)	67,883	67,203
Unsecured		
- Term loan(SGD denominated)	77,140	-
- Revolving credit (RM denominated)	-	-
	145,023	67,203

The weighted average interest rates that were effective as at reporting date were as follows:

- Bills discounting (RM denominated)	2.19%	3.01%
- Revolving credit (RM denominated)	2.33%	2.72%
- Short term loan (SGD denominated)	-	0.92%
- Long term loan (SGD denominated)	0.77%	1.08%

B8 Derivative Financial Instruments

The Group's outstanding derivatives as at 30 September 2021 were as follows:

Type of Derivatives	Contract/ Notional Value RM'000	Fair Value RM'000	Gains/(Losses) RM'000
Interest rate swap contracts			
- 1 year to 2 years (SGD denominated)	61,016	(1,057)	-
Foreign currency forward contracts			
- Less than 1 year	-	(0)	26
Total derivatives		(1,057)	26

Interest rate swap contracts

The Group entered into interest rate swap contracts to manage its interest rate risk arising primarily from interest-bearing borrowings. Borrowings at floating rate expose the Group to the fluctuation of market interest rate and the hedging contract minimises its impact on the cash flow. The above interest rate hedging contracts are executed with credit-worthy financial institutions which are governed by appropriate policies and procedures.

The derivatives arising from the interest rate swap contracts are computed using the present value of the difference between the floating rates and fixed rates applied to the principal amounts over the duration of swap expiring subsequent to period end. Any changes in fair value of derivatives during the year are taken directly to the income statement.

B9 Receivables, deposits and prepayments

The ageing analysis of the Group's trade receivables and other receivables breakdown are as follows:

	As at 30 September 2021 RM'000 (Unaudited)	As at 31 December 2020 RM'000 (Audited)
Current	572,690	781,594
1 to 30 days past due	3,434	55,771
31 to 60 days past due	4,099	4,829
61 to 90 days past due	1,453	1,630
91 to 120 days past due	6,327	2,278
More than 121 days past due	66,184	51,244
	<u>81,497</u>	<u>115,752</u>
Total trade receivables	654,187	897,346
Less: Allowance for impairment	(36,253)	(30,949)
Other receivables	55,110	38,461
Amount due from intermediate holding company	360	361
Amount due from related companies	105,229	111,032
Amount due from an associate	9,393	9,130
Amount due from a joint venture	2,632	22,872
	<u>790,658</u>	<u>1,048,253</u>

The Group's credit term is generally for a year of 30 days to 90 days for both its related parties and external customers.

B10 Changes in Material Litigation

Except for the following claims, there was no pending material litigation.

- (a) On 4 September 2008, the solicitors of Sunway Construction Sdn Bhd ("SunCon") had been served with a Statement of Claim ("Statement of Claim") by Shristi Infrastructure Development Corporation Ltd ("Claimant").

Pursuant to an agreement signed between SunCon and the National Highway Authority of India for the rehabilitation and upgrading of NH-25 to a four-lane configuration in the state of Uttar Pradesh being a part of the East-West Corridor Project, SunCon had entered into a work order with the Claimant for the upgrading and rehabilitation of the stretch of NH-25 from 143.6 km to 170.0 km, of which the Claimant has provided two bank guarantees ("Bank Guarantees") to SunCon.

The Claimant has failed to carry out its obligations under the work order and SunCon has terminated the work order and cashed the Bank Guarantees. The Claimant had filed an application in the Supreme Court of India for the appointment of an arbitrator to arbitrate upon the disputes. The Supreme Court had appointed the late Mr H.L. Agarwal as the sole arbitrator.

The Statement of Claim was raised in respect of various claims and the total amount claimed is Rs.89,14,55,047.83 in addition to interest and cost.

In the counterclaim, SunCon is seeking for Rs.78,13,94,628.61 for inter alia, additional costs incurred by SunCon to complete the works, recovery of mobilisation advance and interest charges, loss of reputation and loss of profits.

On 11 January 2013, the arbitrator that presided over the case passed away and 75 hearings had been held.

SunCon was notified by its solicitors that an arbitration petition has been filed by Shristi on 7 January 2016 in the Supreme Court of India for the appointment of a new arbitrator. The Supreme Court of India by an order dated 5 January 2017 appointed Hon'ble Mr Justice Vikramajit Sen (a former Judge of the Supreme Court of India) as arbitrator. The first hearing before Mr Justice Vikramajit Sen was held on 24 February 2017 and cross examination has been completed on 7 October 2017.

The Arbitrator published his award on 9 April 2019 and awarded the Claimant Rs. 12,84,41,929.37.

SunCon has filed an appeal with the High Court of New Delhi in early July 2019 to set aside the arbitral award. Shristi has also filed an execution application against SunCon for enforcement of the arbitral award.

On 10 February 2020, the Honorable Court has directed SunCon to deposit, on a without prejudice basis, the decretal amount with interest with the Registrar General of the High Court of Delhi. SunCon has deposited Rs 13,56,77,784.64 on 26 February 2020 and the amount has been fully provided in the accounts on prudence grounds. Subject to compliance of the said direction, the Honorable Court has stayed the Arbitral Award dated 9 April 2019. Case is further adjourned to 17 February 2022.

The Claimant filed an application in the High Court of Delhi to permit the Claimant to withdraw the decretal amount deposited by SunCon on 4 March 2020 for release of Rs. 6,72,89,597 from the deposited Award Amount.

On 27 August 2020, the Court directed the release of Rs.6,71,95,972 on the basis of a corporate guarantee to the furnished by Srei Infrastructure Finance Ltd. The balance is to be released subject to furnishing of a bank guarantee. On 3 November 2020, the court place on record the corporate guarantee issued on 21 September 2020 and directed the registry to release the amount in terms of the Court order dated 27 August 2020. On 18 November 2020, Shristi withdrew their application for withdrawal without a bank guarantee and it has been dismissed accordingly.

B10 Changes in Material Litigation (Contd.)

(b) SunCon was awarded a contract for the execution of the rehabilitation and upgrading of km 406 to km 449.15 of highway NH-76 in the State of Rajasthan, India to four-lane configuration ("**NH-76 Highway Project**") by the National Highways Authority ("**NHA**") in 2005. SunCon commenced separate arbitration proceedings against NHA on various disputes arising from the NH-76 Highway Project (each, a "**Reference**"). The following sets out the nature of SunCon's claims and the current status of the proceedings:

(a) Reference 1 – In November 2009, SunCon claimed against NHA for the payment of the completed construction of fly ash for the highway embankment. The Arbitral Tribunal had, via an award dated 28 June 2011, awarded SunCon a sum of Rs.4,30,90,350.00. NHA appealed against the Arbitral Tribunal's decision to the High Court of Delhi. In 2012, the High Court ruled in favor of NHA and set aside SunCon's award.

SunCon appealed to the Supreme Court of India and was granted leave of appeal. Next date of hearing date has not been fixed due to the "COVID-19" pandemic. The solicitors acting for SunCon is of the view that SunCon has a good case on the merits and would depend on the perceptions of the Supreme Court.

(b) Reference 4 – In November 2012, SunCon claimed against NHA for the loss and expenses incurred during the extended project year which was due to NHA's delay. The Arbitral Tribunal had, via an award dated 29 April 2014, awarded SunCon a sum of Rs.31,03,47,836.00.

NHA appealed against the Arbitral Tribunal's award to the High Court. Next hearing is on 30 November 2021.

The solicitors acting for SunCon, after taking into consideration of the narrow scope of challenge to the arbitral awards as permissible under the Indian Arbitration and Conciliation Act 1996, is of the view that SunCon has a high chance of success.

On 3 June 2020, SunCon has issued a letter to NHA with the intention to explore the possibility of an amicable resolution of the disputes with NHA through the mechanism of Conciliation Committee of Independent Experts ("CCIE"). In a virtual meeting between NHA officials and SunCon officials with Justice LP. Vasishth (Retd.), Sh.A.K Uoadhyay, IAS (Retd) and Sh. V.V. Ranganathan on 29 June 2021 ("Committee"). In the Committee's opinion it is best that the Parties discuss the matter thoroughly to narrow down their differences. Next meeting to be held on hearing of the progress of discussion between the Parties.

B10 Changes in Material Litigation (Contd.)

- (c) PNSB Acmar Sdn Bhd ("Plaintiff") has on 14 November 2019 served a Writ of Summon and a Statement of Claim both dated 8 November 2019 on Prasarana Malaysia Berhad ("Prasarana") (1st Defendant) and Sunway Construction Sdn Bhd ("SunCon") (2nd Defendant).

The Plaintiff is claiming that all the construction works in relation to the project known as "Construction and Completion of Light Rail Transit Line 3 (LRT3) from Bandar Utama to Johan Setia" ("Project") and the structures such as the Project's poles, bars, and LRT stations had trespassed and/or encroached into the Plaintiff's own development project area and has resulted in losses and damages towards the Plaintiff.

Prasarana is the owner of the Project and SunCon is the awarded Works Package Contractor for the contract known as "Contract No. Prasarana/GSC/CTT/2.06080/2017: Construction and Completion of Guideway, Stations Iconic Bridge, Park and Rides, Ancillary Buildings and other Associated Works for Package GS07-08 for Light Rail Transit 3 (LRT3) from Bandar Utama to Johan Setia" in relation to the Project.

The Plaintiff is claiming, amongst other, for the following:-

- a) Special damages of RM711,367,434.46
- b) The costs between the solicitor and client amounts to RM400,000.00
- c) Interest rate of 5% per year from the date of trespass i.e. 30 April 2018 until the full settlement; and
- d) Court's declarations, injunctions, orders and other reliefs that the Honorable Court deems fit and proper.

On the case management on 5 March 2020, the Court had directed SunCon to file the application to strike out the case by 19 March 2020. On 30 October 2020, the striking out application by Prasarana and SunCon is dismissed and matter is to proceed for full trial. On 9 December 2020, the Plaintiff filed an application for discovery against the Defendants. Based on decision published on 11 May 2021, the court has dismissed Plaintiff's application for discovery against SunCon with cost of RM2,000.00 to be paid to SunCon. On 19 February 2021, SunCon filed applications to include MRCB George Kent Sdn Bhd ("MRCBGK") as co-defendant and third party to the suit.

On 21 July 2021, the Court has allowed SunCon's Application for Leave to issue Third Party Notice to MRCBGK. The Court has further directed for SunCon to file and serve its Statement of Claim on MRCBGK within 14 days. With regard to the Plaintiff's Application to amend the Statement of Claim to RM643,851,825.01, the Court has allowed the Plaintiff's Application with no order as to cost. The Court has dismissed SunCon's Application for Further and Better Particulars with cost of RM3,000.00 to be paid to the Plaintiff. On 28 July 2021, the Court has disallowed SunCon's application to include MRCBGK as co-defendant with cost of RM4,000.00. Next case management on 30 Nov 2021 and pre-trial case management on 4 January 2023. Hearing scheduled from 6 to 9 February 2023.

B11 Earnings per share

The calculation of the earnings per share for the Group is based on profit after taxation and non-controlling interests on the weighted average number of ordinary shares in issue during the year.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30 September 2021 RM'000	Preceding Period Quarter 30 September 2020 RM'000	Current Year To Date 30 September 2021 RM'000	Preceding Year To Date 30 September 2020 RM'000
<u>Basic earnings per share</u>				
Profit attributable to members of the Company	19,296	24,043	47,861	42,586
Weighted Average Number of Ordinary Shares ('000)	1,289,359	1,289,359	1,289,359	1,289,359
Earnings per share (Basic) (sen)	1.50	1.86	3.71	3.30

By Order of the Board

Tan Kim Aun

Chin Lee Chin

Secretaries

AS AT SEP-2021 (RM MIL)	COMPLETION	CONTRACT SUM	O/S ORDERBOOK	
BUILDING			559	12%
PUTRAJAYA PARCEL F	Maintenance	1,610	16	
TNB HQ CAMPUS (PH 2)	3Q 2022	781	373	
PETRONAS LEADERSHIP CENTRE (PLC)	4Q 2021	305	104	
IOI MALL (MEP)	4Q 2021	68	16	
OXLEY TOWER (MEP)	2Q 2022	68	51	
INFRASTRUCTURE/PILING			345	7%
LRT 3 : PACKAGE GS07-08	2Q 2022	1,295	295	
SENTUL WEST MRTUG ST. (MEP)	4Q 2021	57	16	
CHAN SOW LIN MRTUG ST. (MEP)	4Q 2021	54	16	
JALAN TAMBUN, IPOH	4Q 2022	14	14	
BANGSAR RISING - PILING	4Q 2021	5	5	
INDIA			818	18%
THORAPALLI - JITTANDAHALLI (TJ)	TBA	508	508	
MEENSURUTTI - CHIDAMBARAN (MC)	3Q 2023	315	310	
SUSTAINABLE ENERGY			16	0%
SOLAR - EXTERNAL	2021	27	15	
NEW ORDER 2021 - EXTERNAL	Various	2	1	
SINGAPORE			504	11%
PRECAST	Various	331	206	
NEW ORDER 2021 - EXTERNAL	Various	298	298	
INTERNAL - SUNWAY GROUP			2,427	52%
SMC 4 + VO	2Q 2022	612	387	
SUNWAY SERENE	3Q 2022	413	120	
SUNWAY BELFIELD	4Q 2024	403	374	
SUNWAY VELOCITY 2	2Q 2022	352	137	
SOUTH QUAY CP2 - SUPERSTRUCTURE	4Q 2023	265	265	
SUNWAY CARNIVAL MALL EXT.	2Q 2022	286	81	
SUNWAY VELOCITY 2B	4Q 2023	253	239	
SMC DAMANSARA	1Q 2023	240	238	
SMC SEBERANG JAYA	2Q 2022	180	90	
SMC SEBERANG JAYA - VO	2Q 2022	16	16	
SMC IPOH	1Q 2024	150	150	
SW INTERNATIONAL SCHOOL (SIS)	4Q 2022	121	92	
SIS - VO	4Q 2022	19	19	
SOUTH QUAY CP2 - PILING	4Q 2021	198	87	
SUNWAY VELOCITY 3C4	3Q 2022	100	46	
SUNWAY HOTEL RENOVATION	4Q 2021	81	36	
BIG BOX OFFICE	2Q 2022	51	47	
BUTTERWORTH-KULIM EXPRESSWAY	1Q 2022	4	4	
DRAINAGE WORKS	4Q 2022	1	1	
GRAND TOTAL @ SEPT 2021		9,482	4,669	
RED : SECURED IN 2021		796	788	