

# **SUNWAY®**

## **CONSTRUCTION**

**SUNWAY CONSTRUCTION GROUP BERHAD**

### **INTERIM FINANCIAL REPORT**

### **FOURTH QUARTER ENDED 31<sup>st</sup> DECEMBER 2022**



**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](mailto:irsuncongroup@sunway.com.my)  
Website: [www.sunwayconstruction.com.my](http://www.sunwayconstruction.com.my)



# CONTENT



Unaudited Condensed Consolidated Income Statements	.....	1
Unaudited Condensed Consolidated Statements of Comprehensive Income	.....	2
Unaudited Condensed Consolidated Statements of Financial Position	.....	3
Unaudited Condensed Consolidated Statements of Changes in Equity	.....	4
Unaudited Condensed Consolidated Statements of Cash Flows	.....	5
Notes to Financial Statements	.....	6 - 24
Appendix 1	.....	25

## UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

	NOTE	<----- INDIVIDUAL QUARTER ----->				<----- CUMULATIVE QUARTER ----->			
		CURRENT PERIOD	PRECEDING YEAR CORRESPONDING QUARTER	CHANGES	IMMEDIATE PRECEDING QUARTER	CHANGES	CURRENT YEAR TO DATE	PRECEDING YEAR TO DATE	CHANGES
		QUARTER 31/12/2022	QUARTER 31/12/2021	%	QUARTER 30/09/2022	%	31/12/2022	31/12/2021	%
		RM'000	RM'000	%	RM'000	%	RM'000	RM'000	%
REVENUE		503,429	626,610	(19.7%)	469,253	7.3%	2,155,231	1,729,155	24.6%
OPERATING EXPENSES		(449,547)	(544,955)	17.5%	(436,485)	(3.0%)	(1,979,840)	(1,595,426)	(24.1%)
OTHER OPERATING INCOME		11,074	13,419	(17.5%)	8,473	30.7%	22,995	21,142	8.8%
NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS		(625)	(10,206)	93.9%	(4,352)	85.6%	(11,878)	(15,456)	23.2%
PROFIT FROM OPERATIONS		64,331	84,868	(24.2%)	36,889	74.4%	186,508	139,415	33.8%
FINANCE INCOME & OTHER DISTRIBUTION INCOME		4,412	1,046	>100%	4,066	8.5%	13,874	4,153	>100%
FINANCE COSTS		(10,473)	(1,082)	(>100%)	(3,222)	(>100%)	(18,025)	(4,583)	(>100%)
SHARE OF RESULTS FROM AN ASSOCIATE		36	1,531	(>100%)	(129)	>100%	3,699	8,621	(57.1%)
SHARE OF RESULTS OF JOINT VENTURE		(1,999)	4,639		-		(1,999)	4,639	
PROFIT BEFORE TAX	B6	56,307	91,002	(38.1%)	37,604	49.7%	184,057	152,245	20.9%
INCOME TAX EXPENSE	B5	(10,798)	(26,012)	58.5%	(13,645)	20.9%	(45,318)	(41,495)	(9.2%)
PROFIT AFTER TAX		45,509	64,990	(30.0%)	23,959	89.9%	138,739	110,750	25.3%
ATTRIBUTABLE TO:									
- OWNERS OF THE PARENT		45,646	64,725		22,715		135,181	112,586	
- NON-CONTROLLING INTERESTS		(137)	265		1,244		3,558	(1,836)	
		45,509	64,990		23,959		138,739	110,750	
EARNINGS PER SHARE									
(i) BASIC ( sen )	B11	3.54	5.01		1.76		10.49	8.73	
(ii) DILUTED ( sen )		3.54	5.01		1.76		10.49	8.73	

( The Unaudited Condensed Consolidated Income Statements should be read in conjunction with the Annual Statutory Financial Statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements. )

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	<----- INDIVIDUAL QUARTER ----->			<-- CUMULATIVE QUARTER -->	
	CURRENT	PRECEDING YEAR	IMMEDIATE	CURRENT	PRECEDING
	PERIOD	CORRESPONDING	PRECEDING	YEAR	YEAR
	QUARTER	QUARTER	QUARTER	TO DATE	TO DATE
	31/12/2022	31/12/2021	30/09/2022	31/12/2022	31/12/2021
	RM'000	RM'000	RM'000	RM'000	RM'000
PROFIT FOR THE YEAR	45,509	64,990	23,959	138,739	110,750
<b>OTHER COMPREHENSIVE INCOME TO BE RECLASSIFIED TO PROFIT AND LOSS IN SUBSEQUENT YEAR</b>					
FOREIGN CURRENCY TRANSLATION	(979)	(549)	(523)	(4,069)	681
SHARE OF OTHER COMPREHENSIVE INCOME OF ASSOCIATES AND JOINT VENTURES	2,731	462	-	2,731	462
NET CHANGE IN FAIR VALUE OF CASH FLOW HEDGES	(7,616)	-	-	(7,616)	-
	<u>(5,864)</u>	<u>(87)</u>	<u>(523)</u>	<u>(8,954)</u>	<u>1,143</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR					
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>39,645</u>	<u>64,903</u>	<u>23,436</u>	<u>129,785</u>	<u>111,893</u>
ATTRIBUTABLE TO:					
- OWNERS OF THE PARENT	42,030	64,746	21,577	128,251	113,811
- NON-CONTROLLING INTERESTS	<u>(2,385)</u>	<u>157</u>	<u>1,859</u>	<u>1,534</u>	<u>(1,918)</u>
	<u>39,645</u>	<u>64,903</u>	<u>23,436</u>	<u>129,785</u>	<u>111,893</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 2021 and the accompanying explanatory notes attached to the interim financial statements. )					

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	NOTE	AS AT FINANCIAL YEAR ENDED 31/12/2022 RM'000 (UNAUDITED)	AS AT FINANCIAL YEAR ENDED 31/12/2021 RM'000 (AUDITED)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant, equipment, software and right of use assets		107,616	124,750
Investment in associate		-	596,917
Investment in joint ventures		223,131	126,601
Other investments		266	273
Long term receivables		264,292	-
Deferred tax assets		3,381	878
		<u>598,686</u>	<u>849,419</u>
<b>Current assets</b>			
Inventories		53,422	46,164
Receivables, deposits and prepayments	<b>B9</b>	988,721	850,077
Tax recoverable		18,897	19,710
Cash and bank balances		491,628	98,845
Placement in funds		43,687	-
Other Investment		41,007	-
		<u>1,637,362</u>	<u>1,014,796</u>
<b>TOTAL ASSETS</b>		<u>2,236,048</u>	<u>1,864,215</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Current liabilities</b>			
Payables, lease liabilities and other current liabilities		916,785	891,416
Borrowings	<b>B7</b>	172,179	92,524
Tax payable		6,749	7,285
Derivative liabilities	<b>B8</b>	7,616	786
		<u>1,103,329</u>	<u>992,011</u>
<b>Non-current liabilities</b>			
Borrowings	<b>B7</b>	308,541	145,390
Lease liabilities		3,384	7,157
Deferred tax liabilities		-	2,886
		<u>311,925</u>	<u>155,433</u>
<b>Total liabilities</b>		<u>1,415,254</u>	<u>1,147,444</u>
<b>Equity attributable to owners of the parent</b>			
Share capital		258,580	258,580
Treasury shares		(6,990)	(6,990)
Merger reserve		(37,894)	(37,894)
Cash flow hedge reserve		(7,616)	-
Retained profits		515,856	470,791
Other reserves		15,203	14,646
		<u>737,139</u>	<u>699,133</u>
<b>NON-CONTROLLING INTERESTS</b>		<u>83,655</u>	<u>17,638</u>
<b>Total equity</b>		<u>820,794</u>	<u>716,771</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>2,236,048</u>	<u>1,864,215</u>
<b>Net Assets Per Share Attributable To Owners Of The Parent (RM)</b>		<b>0.57</b>	<b>0.54</b>

( 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 2021 and the accompanying explanatory notes attached to the interim financial statements. )

THE FIGURES HAVE NOT BEEN AUDITED

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	-----> 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	CASH FLOW HEDGE 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	RM'000
<b>YEAR ENDED 31 DECEMBER 2022</b>												
At 1 January 2022	258,580	(6,990)	(37,894)	14,646	641	600	-	13,405	470,791	699,133	17,638	716,771
Profit for the year	-	-	-	-	-	-	-	-	135,181	135,181	3,558	138,739
Other comprehensive income, net of tax	-	-	-	(6,930)	-	-	(7,616)	686	(0)	(6,930)	(2,024)	(8,954)
Total comprehensive income	-	-	-	(6,930)	-	-	(7,616)	686	135,181	128,251	1,534	129,785
<b>Transactions with owners</b>												
Acquisition equity interest from subsidiary	-	-	-	-	-	-	-	-	-	-	19,770	19,770
Effects of subscriptions and redemptions of units in a structured entity by unitholders	-	-	-	-	-	-	-	-	-	-	44,769	44,769
Disposal of subsidiary	-	-	-	(129)	-	(129)	-	-	139	10	(14)	(4)
Dividends paid to non controlling interests	-	-	-	-	-	-	-	-	-	-	(42)	(42)
Dividends paid	-	-	-	-	-	-	-	-	(90,255)	(90,255)	-	(90,255)
At 31 December 2022	258,580	(6,990)	(37,894)	7,587	641	471	(7,616)	14,091	515,856	737,139	83,655	820,794
<b>YEAR ENDED 31 DECEMBER 2021</b>												
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 year	-	-	-	-	-	-	-	-	112,586	112,586	(1,836)	110,750
Other comprehensive income, net of tax	-	-	-	1,225	-	-	-	1,225	(0)	1,225	(82)	1,143
Total comprehensive income	-	-	-	1,225	-	-	-	1,225	112,586	113,811	(1,918)	111,893
<b>Transactions with owners</b>												
Acquisition equity interest from subsidiary	-	-	-	-	-	-	-	-	-	-	18,043	18,043
Dividends paid to non controlling interests	-	-	-	-	-	-	-	-	-	-	(201)	(201)
Dividends paid	-	-	-	-	-	-	-	-	(51,574)	(51,574)	-	(51,574)
At 31 December 2021	258,580	(6,990)	(37,894)	14,646	641	600	-	13,405	470,791	699,133	17,638	716,771

( 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 2021 and the accompanying explanatory notes attached to the interim financial statements. )

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

	NOTE	FOR THE YEAR ENDED 31/12/2022	FOR THE YEAR ENDED 31/12/2021
		RM'000 (UNAUDITED)	RM'000 (AUDITED)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		184,057	152,245
Adjustments for:			
- non-cash items		33,442	29,064
- finance costs		18,025	4,583
- finance income and other distribution income		(13,874)	(4,153)
Operating cash flows before working capital changes		221,650	181,738
Changes in working capital		(382,101)	83,265
Cash flows (used in)/ from operations		(160,451)	265,003
Interest and other distribution income received		13,874	4,153
Interest paid		(17,596)	(4,039)
Dividend received from a jointly controlled entity		-	211
Distribution of income from an associate		-	2,301
Tax refunded		1,966	1,080
Tax paid		(52,770)	(29,999)
Net cash (used in)/from operating activities	<b>B7</b>	(214,977)	238,710
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from disposal of property, plant and equipment and software		25,208	3,290
Acquisitions of property, plant and equipment and software		(27,114)	(34,819)
Additional shares acquired by non-controlling interest		19,770	18,043
Withdrawal/(Addition) of interest in associates		600,616	(147,550)
Net subscription of units in a structured entity by unitholders		44,769	-
Advance to joint venture		(20,426)	(56,961)
Acquisition of other investment		(84,694)	-
Addition of interests in a joint venture		(88,698)	-
Placement of deposits pledged to other financial institutions		(45,695)	43,986
Net cash generated from/(used in) investing activities		423,736	(174,011)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net bank and other borrowings		233,413	(70,059)
Interest paid to related co and lease liabilities		(429)	(544)
Dividends paid to shareholders		(90,255)	(51,574)
Dividends paid to non-controlling interests of subsidiaries		(42)	(201)
Net cash generated from/(used in) financing activities		142,687	(122,378)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		351,446	(57,679)
EFFECTS OF EXCHANGE RATE CHANGES		(4,358)	439
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR		60,598	117,838
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR		407,686	60,598
Cash and cash equivalents at end of financial year comprise the following :			
Deposits with licensed banks and other financial institutions		377,808	52,873
Cash and bank balances		113,820	45,972
Cash and bank balances and placement in funds		491,628	98,845
Less: Deposits with other financial institutions with maturity of over 3 months		(202)	(202)
Less: Placement of deposits pledged to other financial institutions		(83,740)	(38,045)
Cash and cash equivalents		407,686	60,598

( 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 2021 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 year ended 31 December 2022. 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 2021. 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 2021.

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 2021 except for the adoption of the following new MFRSs and Amendments to MFRSs that are effective for the financial statements from 1 January 2022, as disclosed below:

Title	Effective Date
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
Amendments to MFRS 3 <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to MFRS 116 <i>Property, Plant and Equipment - Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137 <i>Onerous Contracts - Cost of Fulfilling a Contract</i>	1 January 2022

### 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 year ended 31 December 2022 except for those disclosed in Note B6.

### A5 Changes in Estimates

There were no changes in estimates that have a material effect on the amounts reported for the current year ended 31 December 2022.

### 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 Changes in Composition of the Group

There were no material changes in the composition of the Group for the current year ended 31 December 2022, except for the following:

#### (i) Maybank Shariah Institutional Income Fund ("MSIIF")

On 13 April 2022, non-controlling interest redeemed units in MSIIF amounting to RM20,000,000, resulting to an increase in proportion of ownership interest of the Group in the fund from 49.32% to 51.35%. On 29 April 2022, MSIIF became an associate of the Group subsequent to the additional units placed in the fund by non-controlling interest amounting to RM112,618,629, resulting to a decrease in proportion of ownership interest of the Group to 45.93%.

On 13 May 2022, non-controlling interest redeemed units in MSIIF amounting to RM114,500,000, resulting to an increase in proportion of ownership interest of the Group in the fund from 47.64% to 57.05%. Consequently, MSIIF became a subsidiary of the Group. As of December 2022, the Group's proportion of ownership interest in the fund has increased to 83.06%.

The financial effects arising from the remeasurement of existing stakes in MSIIF in accordance with *MFRS 3 Business Combinations*, amounted to an increase in profit before tax of RM1.39 million. The consolidated net assets from MSIIF mainly comprises of short term deposits and corporate bonds, amounting to RM273.1 million.



## A7 Changes in Composition of the Group (con't)

### (ii) Kenanga MoneyExtra Fund ("KEM2")

On 22 April 2022, the Group has redeemed units amounting to RM24,300,000 from KEM2, resulting to a decrease in proportion of ownership interest in the fund from 21.05% to 17.25%. There is no gain no loss arising from the redemption. The Group has classified the investment in KEM2 under other investment in balance sheet. As of December 2022, the Group's proportion of ownership interest in the fund has reduced to 7.54%.

## A8 Dividend paid / payable

	As at 31 December 2022 RM'000 (Unaudited)	As at 31 December 2021 RM'000 (Audited)
<u>Dividends recognised for the year (Net of tax)</u>		
2020 - 2.75 cents per share (Note 1)		35,457
2021 - 1.25 cents per share (Note 2)		16,117
2021 - 4.00 cents per share (Note 3)	51,574	
2022 - 3.00 cents per share (Note 4)	38,681	
<u>Dividends in respect of year ended (Net of tax)</u>		
1.25 cents per share - declared and paid (Note 2)		16,117
4.00 cents per share - declared and paid (Note 3)		51,574
3.00 cents per share - declared and paid (Note 4)	38,681	
2.50 cents per share - declared and payable (Note 5)	32,234	

**Note 1:** 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 2:** 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 ended 31 December 2021. The interim dividend of RM16,116,989 was paid on 29 September 2021.

**Note 3:** On 23 February 2022, the Board of Directors declared a second interim single-tier dividend of 4.00 cents per ordinary shares for the financial year ended 31 December 2021. The interim dividend of RM51,574,364 was paid on 7 April 2022.

**Note 4:** On 23 August 2022, the Board of Directors declared a first interim single-tier dividend of 3.00 cents per ordinary shares for the financial year ending 31 December 2022. The interim dividend of RM38,680,773 was paid on 29 September 2022.

**Note 5:** On 21 February 2023, the Board of Directors declared a second interim single-tier dividend of 2.50 cents per ordinary shares for the financial year ended 31 December 2022. The interim dividend of RM32,233,978 is payable on 6 April 2023.

Dividend under Note 1 and Note 2 have been accounted for in equity in the year ended 31 December 2021. Dividend under Note 3 and Note 4 have been accounted for in equity in the second and third quarter of 2022 respectively.

**A9 Segmental Reporting**

	<----- YTD DEC'22 ----->			<----- YTD DEC'21 ----->		
	(Unaudited)			(Audited)		
	Construction RM'000	Precast Concrete RM'000	Consolidated RM'000	Construction RM'000	Precast Concrete RM'000	Consolidated RM'000
<b>BY BUSINESS SEGMENTS</b>						
<b>REVENUE AND EXPENSES</b>						
Total revenue	2,680,317	330,901	3,011,218	2,033,429	215,223	2,248,652
Inter-segment revenue	(706,669)	(149,318)	(855,987)	(427,181)	(92,316)	(519,497)
External revenue	1,973,648	181,583	2,155,231	1,606,248	122,907	1,729,155
Results						
Operating segment results	168,615	17,893	186,508	134,861	4,554	139,415
Finance income & other distribution income	13,853	21	13,874	3,910	243	4,153
Finance costs	(13,343)	(4,682)	(18,025)	(3,247)	(1,336)	(4,583)
Share of profit from associate	3,699	-	3,699	8,621	-	8,621
Share of results of joint venture	517	(2,516)	(1,999)	4,639	-	4,639
Profit before tax	173,341	10,716	184,057	148,784	3,461	152,245
Income tax expense	(43,013)	(2,305)	(45,318)	(41,058)	(437)	(41,495)
Profit after tax	130,328	8,411	138,739	107,726	3,024	110,750
Non controlling interests	(3,558)	-	(3,558)	1,836	-	1,836
Attributable to owners of the parent	126,770	8,411	135,181	109,562	3,024	112,586
<b>TOTAL ASSETS</b>	1,733,983	479,787	2,213,770	1,529,952	313,675	1,843,627
Unallocated assets	-	-	22,278	-	-	20,588
	1,733,983	479,787	2,236,048	1,529,952	313,675	1,864,215
<b>TOTAL LIABILITIES</b>	1,099,915	308,590	1,408,505	929,578	207,695	1,137,273
Unallocated liabilities	-	-	6,749	-	-	10,171
	1,099,915	308,590	1,415,254	929,578	207,695	1,147,444

A9 Segmental Reporting (Contd.)

	<----- YTD DEC'22 ----->				<----- YTD DEC'21 ----->			
	(Unaudited)				(Audited)			
	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
<b><u>GEOGRAPHICAL SEGMENTS</u></b>								
Malaysia	1,680,356	159,110	119,670	118,387	1,593,986	152,430	111,248	110,815
Singapore	181,583	(1,582)	(1,582)	(1,569)	122,907	(32)	(32)	(32)
India	293,292	26,588	20,710	18,422	12,262	(7,957)	(8,273)	(6,004)
United Arab Emirates	-	(39)	(39)	(39)	-	7,904	7,904	7,904
Myanmar	-	(20)	(20)	(20)	-	(100)	(97)	(97)
	2,155,231	184,057	138,739	135,181	1,729,155	152,245	110,750	112,586

**A9 Segmental Reporting (Contd.)**

Segmental results by foreign currency for the financial year ended 31 December 2022 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)		1,680,356	146,873	109,738	108,455	1,680,356	146,873	109,738	108,455
United Arab Emirates (AED'000)	1.2041	-	(32)	(32)	(32)	-	(39)	(39)	(39)
India Rupee (INR'000)	0.0559	5,242,822	475,281	370,200	329,302	293,292	26,588	20,710	18,422
Singapore Dollar (SGD'000)	3.2052	-	(19)	(19)	(15)	-	(61)	(61)	(48)
Myanmar (USD'000)	4.4186	-	(5)	(5)	(5)	-	(20)	(20)	(20)
						<u>1,973,648</u>	<u>173,341</u>	<u>130,328</u>	<u>126,770</u>

	FOREIGN EXCHANGE RATE	TOTAL ASSETS		TOTAL LIABILITIES	
		FC'000	RM'000	FC'000	RM'000
Malaysia Ringgit (RM'000)		1,369,236	1,369,236	862,790	862,790
United Arab Emirates (AED'000)	1.2054	96	116	5	5
India Rupee (INR'000)	0.0534	6,818,774	364,123	4,439,791	237,085
Singapore Dollar (SGD'000)	3.2941	149	478	11	35
Trinidad & Tobago Dollar (TT\$'000)	0.6555	40	26	-	-
Myanmar (USD'000)	4.4230	1	4	-	-
		<u>1,733,983</u>		<u>1,099,915</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)		-	12,237	9,932	9,932	-	12,237	9,932	9,932
Singapore Dollar (SGD'000)	3.2052	56,652	(475)	(475)	(475)	181,583	(1,521)	(1,521)	(1,521)
						<u>181,583</u>	<u>10,716</u>	<u>8,411</u>	<u>8,411</u>

	FOREIGN EXCHANGE RATE	TOTAL ASSETS		TOTAL LIABILITIES	
		FC'000	RM'000	FC'000	RM'000
Malaysia Ringgit (RM'000)		76,246	76,246	51,341	51,341
Singapore Dollar (SGD'000)	3.2941	122,504	403,541	78,094	257,249
			<u>479,787</u>		<u>308,590</u>

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

**A9 Segmental Reporting (Contd.)**

Segmental results by foreign currency for the financial year ended 31 December 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)		1,593,986	149,369	108,624	108,192	1,593,986	149,369	108,624	108,192
United Arab Emirates (AED'000)	1.1329	-	6,977	6,977	6,977	-	7,904	7,904	7,904
India Rupee (INR'000)	0.0563	217,988	(141,454)	(147,071)	(106,735)	12,262	(7,957)	(8,273)	(6,004)
Singapore Dollar (SGD'000)	3.0974	-	(140)	(140)	(140)	-	(432)	(432)	(433)
Myanmar (USD'000)	4.1576	-	(24)	(23)	(23)	-	(100)	(97)	(97)
						<u>1,606,248</u>	<u>148,784</u>	<u>107,726</u>	<u>109,562</u>

	FOREIGN EXCHANGE RATE	TOTAL ASSETS		TOTAL LIABILITIES	
		FC'000	RM'000	FC'000	RM'000
Malaysia Ringgit (RM'000)		1,478,048	1,478,048	918,716	918,716
United Arab Emirates (AED'000)	1.1387	174	198	55	63
India Rupee (INR'000)	0.0556	916,543	50,978	161,489	8,982
Singapore Dollar (SGD'000)	3.0934	219	678	20	62
Trinidad & Tobago Dollar (TT\$'000)	0.6193	40	25	-	-
Myanmar (USD'000)	4.1785	6	25	420	1,755
			<u>1,529,952</u>		<u>929,578</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)		-	3,060	2,623	2,623	-	3,060	2,623	2,623
Singapore Dollar (SGD'000)	3.0974	39,681	129	129	129	122,907	401	401	401
						<u>122,907</u>	<u>3,461</u>	<u>3,024</u>	<u>3,024</u>

	FOREIGN EXCHANGE RATE	TOTAL ASSETS		TOTAL LIABILITIES	
		FC'000	RM'000	FC'000	RM'000
Malaysia Ringgit (RM'000)		76,809	76,809	41,568	41,568
Singapore Dollar (SGD'000)	3.0934	76,572	236,866	53,704	166,127
			<u>313,675</u>		<u>207,695</u>

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

#### A10 Material events

There were no material events subsequent to the current year ended 31 December 2022.

#### A11 Contingent Liabilities and Assets

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

	As at 31 December 2022 RM'000 (Unaudited)	As at 31 December 2021 RM'000 (Audited)
Guarantees given to third parties in respect of contracts and trade performance	405,608	315,095
Guarantees given to related companies in respect of contracts and trade performance	196,072	131,527
	<u>601,680</u>	<u>446,622</u>

The Group does not have any material contingent assets to be disclosed as at 31 December 2022.

#### A12 Commitments

(a) Capital commitment not provided for in the financial year ended 31 December 2022 and financial year ended 31 December 2021 are as follows:

	As at 31 December 2022 RM'000 (Unaudited)	As at 31 December 2021 RM'000 (Audited)
Approved and contracted for		
- Construction	-	30,116
- Precast	14,814	108,222
Approved but not contracted for	98	100
	<u>14,912</u>	<u>138,438</u>

Included in commitments are balance of investment in joint venture for the building and plant and machinery for Integrated Construction Precast Hub in Singapore.

### A13 Significant Related Party Transactions

The Group had the following transactions with related parties during the financial year ended 31 December 2022:

	<b>Cumulative Year To Date 31 December 2022 RM'000 (Unaudited)</b>	<b>Cumulative Year To Date 31 December 2021 RM'000 (Audited)</b>
<b>Contract revenue from:</b>		
Related companies	491,206	438,186
Related parties	447,045	257,752
<b>Rental income of plant and machinery from:</b>		
Related companies	123	52
Related parties	16	-
<b>Interest income from:</b>		
Structured entities controlled by its intermediate holding company	10,988	9,844
<b>Other income from:</b>		
Related company	81	-
Related party	25	-
<b>Purchases of goods/services from:</b>		
Related companies	(84,909)	(77,150)
Related parties	(3,185)	(2,178)
<b>Rental of office space from:</b>		
Related companies	(3,600)	(2,798)
Related parties	(1,287)	(1,648)
<b>Management fees charged by:</b>		
Intermediate holding company	(13,469)	(16,382)
<b>Service Level Agreement fees paid to:</b>		
Related companies	(3,430)	(3,416)

## B1 Review of Performance

### For the quarter (YoY)

<u>Total Group</u>	<u>Q4 2022</u>	<u>Q4 2021</u>	<u>Changes</u>
Revenue (RM'mil)	503.4	626.6	(19.7%)
PBT (RM'mil)	56.3	91.0	(38.1%)
PBT Margin (%)	11.2%	14.5%	

The Group recorded revenue of RM503.4 million and profit before tax of RM56.3 million for the current quarter ended 31 December 2022, compared to revenue of RM626.6 million and profit before tax of RM91.0 million in the corresponding quarter of the preceding financial year. Group's revenue and profit before tax reduced due to construction segment.

<u>Construction Segment</u>	<u>Q4 2022</u>	<u>Q4 2021</u>	<u>Changes</u>
Revenue (RM'mil)	443.9	579.9	(23.5%)
PBT (RM'mil)	51.1	88.7	(42.4%)
PBT Margin (%)	11.5%	15.3%	

Construction segment reported revenue of RM443.9 million and profit before tax of RM51.1 million compared to revenue of RM579.9 million and profit before tax of RM88.7 million in the corresponding quarter of the preceding financial year. Higher revenue in corresponding quarter of the preceding financial year was due to normalisation of works to full capacity and few projects reached peak progress. PBT margin for corresponding quarter of the preceding financial year was higher due to finalisation of account and re-calibration of margin for projects nearing completion.

<u>Precast Segment</u>	<u>Q4 2022</u>	<u>Q4 2021</u>	<u>Changes</u>
Revenue (RM'mil)	59.5	46.7	27.4%
PBT (RM'mil)	5.2	2.3	>100%
PBT Margin (%)	8.7%	4.9%	

Precast segment reported revenue of RM59.5 million and profit before tax of RM5.2 million compared to revenue of RM46.7 million and profit before tax of RM2.3 million in the corresponding quarter of the preceding financial year. Turnover for current quarter was higher due to higher progress from new projects and stock turnover also improved as the construction progress in Singapore has started to recover after the ease of boarder restriction on the inflow of migrant workers. PBT margin for current quarter was higher due to reversal of provision for completed projects.



## B1 Review of Performance (Contd.)

### For the full year

<u>Total Group</u>	<u>YTD Q4 2022</u>	<u>YTD Q4 2021</u>	<u>Changes</u>
Revenue (RM'mil)	2,155.2	1,729.2	24.6%
PBT (RM'mil)	184.1	152.2	20.9%
PBT Margin (%)	8.5%	8.8%	

The Group recorded revenue of RM2,155.2 million and profit before tax of RM184.1 million for the year ended 31 December 2022, compared to revenue of RM1,729.2 million and profit before tax of RM152.2 million in the preceding financial year. All segments' revenue saw an improvement in this year ended 31 December 2022. Profit before tax increased in tandem with the increased revenue.

<u>Construction Segment</u>	<u>YTD Q4 2022</u>	<u>YTD Q4 2021</u>	<u>Changes</u>
Revenue (RM'mil)	1,973.6	1,606.3	22.9%
PBT (RM'mil)	173.4	148.8	16.6%
PBT Margin (%)	8.8%	9.3%	

Construction segment reported revenue of RM1,973.6 million and profit before tax of RM173.4 million compared to revenue of RM1,606.3 million and profit before tax of RM148.8 million in the preceding financial year. Revenue improved in this current financial year due to contribution from India division as well as resumption of economic activities in full as compared to preceding financial year where productivity was affected by various EMCO / MCO across various states. Profit before tax increased in tandem with the increased in revenue in this current year.

<u>Precast Segment</u>	<u>YTD Q4 2022</u>	<u>YTD Q4 2021</u>	<u>Changes</u>
Revenue (RM'mil)	181.6	122.9	47.7%
PBT (RM'mil)	10.7	3.4	>100%
PBT Margin (%)	5.9%	2.8%	

Precast segment reported revenue of RM181.6 million and profit before tax of RM10.7 million compared to revenue of RM122.9 million and profit before tax of RM3.4 million in the preceding financial year. Both revenue and profitability improved as the previous financial year was affected by both MCO in Malaysia as well as Circuit Breaker in Singapore. Further to that, there was also a brief period of total closure in both our precast plants in Johor during third quarter of the preceding financial year.

## B2 Material Changes in the Quarterly Results (QoQ)

<u>Total Group</u>	<u>Q4 2022</u>	<u>Q3 2022</u>	<u>Changes</u>
Revenue (RM'mil)	503.4	469.3	7.3%
PBT (RM'mil)	56.3	37.6	49.7%
PBT Margin (%)	11.2%	8.0%	

The Group recorded a revenue of RM503.4 million with profit before tax of RM56.3 million for the current quarter ended 31 December 2022, compared to revenue of RM469.3 million with profit before tax of RM37.6 million in the immediate preceding quarter. Group's revenue and profit before tax improved for all segments.

<u>Construction Segment</u>	<u>Q4 2022</u>	<u>Q3 2022</u>	<u>Changes</u>
Revenue (RM'mil)	443.9	419.0	6.0%
PBT (RM'mil)	51.1	35.0	46.0%
PBT Margin (%)	11.5%	8.4%	

Construction segment reported revenue of RM443.9 million with profit before tax of RM51.1 million compared to revenue of RM419.0 million with profit before tax of RM35.0 million in the immediate preceding quarter. Higher turnover and profit recorded in current quarter was contributed by higher revenue contribution from completing projects and higher progress from the newer projects. Profit before tax margin improved in the current quarter due to re-calibration of margin for projects nearing completion and reversal of provision for a withdrawn legal case.

<u>Precast Segment</u>	<u>Q4 2022</u>	<u>Q3 2022</u>	<u>Changes</u>
Revenue (RM'mil)	59.5	50.3	18.2%
PBT (RM'mil)	5.2	2.6	100.0%
PBT Margin (%)	8.7%	5.1%	

Precast segment reported revenue of RM59.5 million with profit before tax of RM5.2 million compared to revenue of RM50.3 million with profit before tax of RM2.6 million in the immediate preceding quarter. Revenue improved in the current quarter due to higher progress from the newer projects and profitability has also increased in tandem with the increased in revenue. Further to that, precast segment has reversal of provision for completed projects.

### **B3 Prospects**

SunCon's outstanding order book now stands at RM5.3 billion (Dec 2021 : RM4.8 billion) with RM2,584 million new order secured up to December 2022.

The Malaysian economy grew by 7.0% in the fourth quarter of 2022 (3Q 2022: 14.2%) as support from the stimulus measures and low base effect waned. The construction sector expanded by 10.1% in the fourth quarter of 2022 (3Q 2022: 15.3%), lifted by continued progress of large infrastructure, commercial and industrial projects. 2022 full year GDP growth by 8.7% higher than the earlier forecasted range of 6.5% and 7.0%. On the domestic front, tender evaluation for MRT Line 3 and Bayan Lepas LRT is currently in progress since the bid closed on 30 September 2022 and pre-qualification tender closed on 7 October 2022 respectively. On top of that, SunCon has participated the re-tender call for RTS package 1B and package 5 on 21 December 2022. In term of oversea venture, SunCon has entered into the interim EPC agreement for Song Hau 2 thermal power plant in Vietnam in December 2022. On foreign workers, 394 workers had physically arrived in Malaysia as of December 2022, and SunCon is in the midst of applying second batch of foreign workers, in which 300 out of 600 applied quota has been approved by Ministry of Human Resource in January 2023. As for the commodity prices, steel bar prices have also tapered down from June 2022 to approximately RM 2,600/MT in November 2022 from the high of approximately RM 3,500/MT in March 2022. However, in December 2022, steel bar prices have started to increase and closed at approximately RM2,900/MT in January 2023.

The Singapore economy expanded by 0.1% on a quarter on quarter basis in fourth quarter of 2022, extending the 0.8% expansion in the third quarter. For the whole of 2022, the economy grew by 3.6%, slower than the 8.9% growth in 2021. The construction sector grew by 1.4% quarter on quarter in fourth quarter of 2022, an improvement from the 2.1% growth in the third quarter. The Housing and Development Board (HDB) launched up to 23,184 flats for sale in 2022, together with the biggest launched in November 2022, exceeding the HDB plan to launch up to 23,000 new Build-to-Order (BTO) flats each year for 2022-2023. This marked a 36% increased from 2021's figure (2021 : 17,109 units, 2020: 16,752 units, 2019: 15,491 units, 2018: 15,811 units). Singapore HDB flats comprise more than 90% of our precast segment sales, hence our prospect is largely dependent on these launches. With the completion of testing and commissioning of automated plant and machineries in ICPH plant in December 2022, SunCon foresees that our precast segment will contribute more to the group's financials in the near future.

Based on the above and barring any further unforeseen circumstances including the possibility of any further adverse fluctuations in building materials prices, the Group is cautiously optimistic of registering positive growth for the financial year ending 2023 based on our existing order book.

### **B4 Variance of Actual Profit from Profit Forecast**

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

**B5 Taxation**

	Current Quarter Ended 31 December 2022 RM'000 (Unaudited)	Immediate Preceding Quarter Ended 30 September 2022 RM'000 (Unaudited)	Cumulative Year To Date 31 December 2022 RM'000 (Unaudited)
Current taxation	(11,143)	(9,043)	(41,810)
Under provision in prior year	(1,050)	(7,813)	(8,928)
Deferred taxation	1,395	3,211	5,420
	(10,798)	(13,645)	(45,318)
Effective tax rate	19.2%	36.3%	24.6%
Statutory tax rate :			
- Malaysia	24.0%	24.0%	24.0%
- Singapore	17.0%	17.0%	17.0%
- India	25.0%	25.0%	25.0%

The effective tax rate for the year ended December 2022 is at 24.6%.

**B6 Profit before Taxation**

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

	Current Quarter Ended 31 December 2022 RM'000 (Unaudited)	Immediate Preceding Quarter Ended 30 September 2022 RM'000 (Unaudited)	Cumulative Year To Date 31 December 2022 RM'000 (Unaudited)
Interest income and other distributable income	4,412	4,066	13,874
Interest expense	(10,472)	(3,222)	(18,025)
Depreciation and amortisation	(5,584)	(5,837)	(23,759)
(Allowance)/Reversal for impairment losses for:			
- Receivables	(627)	(4,352)	(11,878)
Write off gain/(loss) :			
- Property, plant and equipment, and software	39	8	50
Net gain on disposal of:			
- Property, plant and equipment, and software	169	129	732
Accretion of financial assets and financial liabilities	(472)	1,344	370
Fair value (loss)/gain on derivative assets and liabilities	(445)	(35)	(0)
Foreign exchange gain/(loss):			
- realised	1,117	800	2,115
- unrealised	(178)	127	10
	(178)	127	10

## B7 Group Borrowings and Debt Securities

The borrowings breakdown of the Group are as follows:

	As at 31 December 2022 RM'000 (Unaudited)	As at 31 December 2021 RM'000 (Audited)
Current liabilities:		
Unsecured		
- Bills discounting (RM denominated)	77,827	65,524
- Revolving credit (RM denominated)	12,000	27,000
- Term loan (SGD denominated)	82,352	-
	<u>172,179</u>	<u>92,524</u>
Non current liabilities:		
Secured		
- Term loan (SGD denominated)	146,632	68,055
- Term loan (INR denominated)	161,909	-
Unsecured		
- Term loan(SGD denominated)	-	77,335
	<u>308,541</u>	<u>145,390</u>

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

- Bills discounting (RM denominated)	2.44%	2.18%
- Revolving credit (RM denominated)	2.67%	2.33%
- Unsecured short term loan (SGD denominated)	2.32%	
- Secured long term loan (SGD denominated)	2.93%	0.95%
- Secured long term loan (INR denominated)	9.70%	-
- Unsecured long term loan (SGD denominated)	-	0.70%

Net cash used in operating activities for the year ended 31 December 2022 stood at RM215m mainly due to the 2 HAM (Hybrid Annuity Model) projects in India, whereby 60% of the receivable will only be paid after the project completion over 15 years on annuity basis.

## B8 Derivative Financial Instruments

The Group's outstanding derivatives as at 31 December 2022 were as follows:

Type of Derivatives	Contract/ Notional Value RM'000	Fair Value RM'000	Gains/(Losses) RM'000
<b>Interest rate swap contracts</b> - Less than 1 year (SGD denominated)	61,016	-	(0)
<b>Foreign currency forward contracts</b> - Less than 1 year	227,131	(7,616)	-
<b>Total derivatives</b>		(7,616)	(0)

### 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 periods 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 31 December 2022 RM'000 (Unaudited)	As at 31 December 2021 RM'000 (Audited)
Current	619,530	555,357
1 to 30 days past due	15,569	799
31 to 60 days past due	10,027	2,728
61 to 90 days past due	7,404	2,019
91 to 120 days past due	3,427	4,140
More than 121 days past due	79,495	81,736
	115,922	91,422
Total trade receivables	735,452	646,779
Less: Allowance for impairment	(57,723)	(46,172)
Other receivables	135,532	60,227
Amount due from intermediate holding company	17	16
Amount due from related companies	154,511	187,968
Amount due from a joint venture	20,932	1,259
	988,721	850,077

## 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.

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 be furnished by Srei Infrastructure Finance Ltd. The balance to be released upon Shristi provides 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.

Matter was adjourned a few times due to the Covid-19 pandemic and the next date of hearing is on 2 March 2023.

## 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"). After a series of discussion, no amicable settlement ensued between the parties. The next hearing is scheduled for 1 March 2023.



## 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 Setia Utama LRT3 Sdn Bhd ("SULRT3") (formerly known as "MRCB George Kent Sdn Bhd") 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 SULRT3. The Court has further directed for SunCon to file and serve its Statement of Claim on SULRT3 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 SULRT3 as co-defendant with cost of RM4,000.00.

On 18 April 2022, the Court has granted order in terms for the Plaintiff's Application to transfer the Proceedings to Construction Court with no order as to costs. Matter is currently fixed for case management on 21 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 31 December 2022 RM'000	Preceding Year Quarter 31 December 2021 RM'000	Current Year To Date 31 December 2022 RM'000	Preceding Year To Date 31 December 2021 RM'000
<b><u>Basic earnings per share</u></b>				
Profit attributable to members of the Company	45,646	64,725	135,181	112,586
Weighted Average Number of Ordinary Shares ('000)	1,289,359	1,289,359	1,289,359	1,289,359
Earnings per share (Basic) (sen)	3.54	5.01	10.49	8.73

**By Order of the Board**

**Tan Kim Aun**

**Chang Mei Yee**

**Secretaries**

AS AT DEC-22 (RM MIL)	COMPLETION	CONTRACT SUM	O/S ORDERBOOK	
<b>BUILDING</b>			<b>1,794</b>	<b>34%</b>
PUTRAJAYA PARCEL F	Maintenance	1,610	12	
TNB HQ CAMPUS (PH 2)	Completed	781	13	
PETRONAS LEADERSHIP CENTRE (PLC)	Completed	305	15	
IOI MALL (MEP)	Completed	68	5	
OXLEY TOWER (MEP)	4Q 2024	68	48	
<b>PNB118 PKG A&amp;B (MEP)</b>	<b>1Q 2023</b>	<b>8</b>	<b>3</b>	
<b>JHB1X0 - DATA CENTRE</b>	<b>3Q 2024</b>	<b>1,700</b>	<b>1,700</b>	
<b>INFRASTRUCTURE/PILING</b>			<b>267</b>	<b>5%</b>
LRT 3 : PACKAGE GS07-08	1Q 2023	1,295	53	
SENTUL WEST MRTUG ST. (MEP)	Completed	57	1	
CHAN SOW LIN MRTUG ST. (MEP)	Completed	54	3	
JALAN TAMBUN, IPOH	4Q 2022	14	6	
BANGSAR RISING - PILING	4Q 2022	5	1	
<b>TASCO</b>	<b>Completed</b>	<b>9</b>	<b>0</b>	<b>#</b>
<b>LRT 3 : GS06 (Piling)</b>	<b>Completed</b>	<b>1</b>	<b>-</b>	<b>#</b>
<b>RTS LINK PACKAGE P2A</b>	<b>2Q 2025</b>	<b>112</b>	<b>104</b>	
<b>KB - Kuala Krai BR1-BR7 (Piling)</b>	<b>Completed</b>	<b>2</b>	<b>-</b>	
<b>LRT 3 : GS06</b>	<b>3Q 2023</b>	<b>191</b>	<b>100</b>	
<b>INDIA</b>			<b>562</b>	<b>11%</b>
THORAPALLI - JITTANDAHALLI (TJ)	4Q 2023	508	393	
MEENSURUTTI - CHIDAMBARAN (MC)	3Q 2023	315	169	
<b>SUSTAINABLE ENERGY</b>			<b>437</b>	<b>8%</b>
ROOFTOP SOLAR - EXTERNAL	Various	29	9	
LSS4 GOPENG	4Q 2023	200	200	
LSS4 SHARP VENTURES	4Q 2023	185	185	
<b>NEW ORDER 2022 - EXTERNAL</b>	<b>Various</b>	<b>41</b>	<b>39</b>	
<b>NEW ORDER 2022 - INTERNAL</b>	<b>Various</b>	<b>7</b>	<b>5</b>	
<b>SINGAPORE</b>			<b>481</b>	<b>9%</b>
PRECAST	Various	504	313	
<b>NEW ORDER 2022 - EXTERNAL</b>	<b>Various</b>	<b>168</b>	<b>168</b>	
<b>INTERNAL - SUNWAY GROUP</b>			<b>1,764</b>	<b>33%</b>
SMC 4 + VO	3Q 2023	612	129	
SUNWAY SERENE	4Q 2022	413	3	
SUNWAY BELFIELD	4Q 2024	403	275	
SUNWAY VELOCITY 2	4Q 2022	352	17	
SOUTH QUAY SQUARE - SUPERSTRUCTURE	3Q 2024	557	515	
SUNWAY CARNIVAL MALL EXT.	1Q2023	286	8	
SUNWAY VELOCITY 2B	4Q 2023	253	168	
SMC DAMANSARA	3Q 2023	240	185	
SMC IPOH	1Q 2024	150	59	
SW INTERNATIONAL SCHOOL (SIS)	4Q 2022	140	27	
SUNWAY VELOCITY 3C4	2Q 2023	100	27	
BIG BOX OFFICE	4Q 2022	51	5	
<b>WELLNESS ROAD &amp; DRAIN</b>	<b>Completed</b>	<b>1</b>	<b>0</b>	
<b>SMC IPOH VO</b>	<b>1Q 2024</b>	<b>67</b>	<b>67</b>	
<b>SW FLORA</b>	<b>4Q 2025</b>	<b>278</b>	<b>278</b>	
<b>GRAND TOTAL @ DEC 2022</b>		<b>12,142</b>	<b>5,305</b>	
<b>RED : SECURED IN 2022</b>		<b>2584</b>	<b>2463</b>	

# Completion during the year