

SUNWAY[®]

CONSTRUCTION

SUNWAY CONSTRUCTION GROUP BERHAD

INTERIM FINANCIAL REPORT

FOURTH QUARTER ENDED 31st DECEMBER 2023



SUNWAY CONSTRUCTION GROUP BERHAD

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UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

	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 31/12/2023	QUARTER 31/12/2022	%	QUARTER 30/09/2023	%	31/12/2023	31/12/2022	%
		RM'000	RM'000	%	RM'000	%	RM'000	RM'000	%
REVENUE		871,495	503,429	73.1%	673,507	29.4%	2,671,225	2,155,231	23.9%
OPERATING EXPENSES		(807,098)	(449,547)	(79.5%)	(619,980)	(30.2%)	(2,473,666)	(1,979,840)	(24.9%)
OTHER OPERATING INCOME		40,728	11,074	>100%	3,381	>100%	54,021	22,995	>100%
NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS		(23,335)	(625)	(>100%)	(2,788)	(>100%)	(27,312)	(11,878)	(>100%)
PROFIT FROM OPERATIONS		81,790	64,331	27.1%	54,120	51.1%	224,268	186,508	20.2%
FINANCE INCOME & OTHER DISTRIBUTION INCOME		8,599	4,412	94.9%	7,022	22.5%	26,444	13,874	90.6%
FINANCE COSTS		(15,169)	(10,473)	(44.8%)	(13,031)	(16.4%)	(47,917)	(18,025)	(>100%)
SHARE OF RESULTS FROM AN ASSOCIATE		225	36	>100%	-		540	3,699	(85.4%)
SHARE OF RESULTS OF JOINT VENTURE		(14,689)	(1,999)	(>100%)	-	(>100%)	(14,689)	(1,999)	(>100%)
PROFIT BEFORE TAX	B6	60,756	56,307	7.9%	48,111	26.3%	188,646	184,057	2.5%
INCOME TAX EXPENSE	B5	(12,337)	(10,798)	(14.3%)	(12,595)	2.0%	(42,799)	(45,318)	5.6%
PROFIT AFTER TAX		48,419	45,509	6.4%	35,516	36.3%	145,847	138,739	5.1%
ATTRIBUTABLE TO:									
- OWNERS OF THE PARENT		49,265	45,646		35,013		145,109	135,181	
- NON-CONTROLLING INTERESTS		(846)	(137)		503		738	3,558	
		48,419	45,509		35,516		145,847	138,739	
EARNINGS PER SHARE									
(i) BASIC (sen)	B11	3.82	3.54		2.72		11.25	10.48	
(ii) DILUTED (sen)		3.82	3.54		2.72		11.25	10.48	

(The Unaudited Condensed Consolidated Income Statements should be read in conjunction with the Annual Statutory Financial Statements for the year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

	<----- INDIVIDUAL QUARTER ----->			<-- CUMULATIVE QUARTER -->	
	CURRENT PERIOD QUARTER 31/12/2023	PRECEDING YEAR CORRESPONDING QUARTER 31/12/2022	IMMEDIATE PRECEDING QUARTER 30/09/2023	CURRENT YEAR TO DATE 31/12/2023	PRECEDING YEAR TO DATE 31/12/2022
	RM'000	RM'000	RM'000	RM'000	RM'000
PROFIT FOR THE YEAR	48,419	45,509	35,516	145,847	138,739
OTHER COMPREHENSIVE INCOME TO BE RECLASSIFIED TO PROFIT AND LOSS IN SUBSEQUENT YEAR					
FOREIGN CURRENCY TRANSLATION	(9,067)	(965)	(1,724)	501	(4,055)
SHARE OF OTHER COMPREHENSIVE INCOME OF ASSOCIATES AND JOINT VENTURES	2,347	2,717	-	2,347	2,717
NET CHANGE IN FAIR VALUE OF CASH FLOW HEDGES	(937)	(7,616)	(500)	5,647	(7,616)
OTHER COMPREHENSIVE INCOME FOR THE YEAR	<u>(7,657)</u>	<u>(5,864)</u>	<u>(2,224)</u>	<u>8,495</u>	<u>(8,954)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>40,762</u>	<u>39,645</u>	<u>33,292</u>	<u>154,342</u>	<u>129,785</u>
ATTRIBUTABLE TO:					
- OWNERS OF THE PARENT	44,123	42,030	33,242	153,965	128,251
- NON-CONTROLLING INTERESTS	<u>(3,361)</u>	<u>(2,385)</u>	<u>50</u>	<u>377</u>	<u>1,534</u>
	<u>40,762</u>	<u>39,645</u>	<u>33,292</u>	<u>154,342</u>	<u>129,785</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 2022 and the accompanying explanatory notes attached to the interim financial statements.)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	NOTE	AS AT FINANCIAL YEAR ENDED 31/12/2023 RM'000 (UNAUDITED)	AS AT FINANCIAL YEAR ENDED 31/12/2022 RM'000 (AUDITED)
ASSETS			
Non-current assets			
Property, plant, equipment, software and right of use assets		98,557	107,617
Investment in joint ventures		253,148	223,131
Other investments		266	266
Long term receivables	B9	482,916	264,291
Deferred tax assets		8,725	3,381
		<u>843,612</u>	<u>598,686</u>
Current assets			
Inventories		46,426	53,422
Receivables, deposits and prepayments	B9	1,595,572	988,721
Tax recoverable		15,005	18,897
Cash and bank balances		470,394	491,628
Placement in funds		70,345	43,687
Other Investment		41,443	41,007
		<u>2,239,185</u>	<u>1,637,362</u>
TOTAL ASSETS		<u>3,082,797</u>	<u>2,236,048</u>
EQUITY AND LIABILITIES			
Current liabilities			
Payables, lease liabilities and other current liabilities		1,242,531	916,785
Borrowings	B7	438,235	172,179
Tax payable		19,053	6,749
Derivative liabilities	B8	1,969	7,616
		<u>1,701,788</u>	<u>1,103,329</u>
Non-current liabilities			
Borrowings	B7	487,724	308,541
Derivative liabilities	B8	235	-
Lease liabilities		1,004	3,384
Deferred tax liabilities		91	-
		<u>489,054</u>	<u>311,925</u>
Total liabilities		<u>2,190,842</u>	<u>1,415,254</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)
Cash flow hedge reserve		(1,969)	(7,616)
Retained profits		590,034	515,856
Other reserves		18,412	15,203
		<u>820,173</u>	<u>737,139</u>
NON-CONTROLLING INTERESTS		<u>71,782</u>	<u>83,655</u>
Total equity		<u>891,955</u>	<u>820,794</u>
TOTAL EQUITY AND LIABILITIES		<u>3,082,797</u>	<u>2,236,048</u>
Net Assets Per Share Attributable To Owners Of The Parent (RM)		0.64	0.57

(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 2022 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 2023

	←----- 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
YEAR ENDED 31 DECEMBER 2023												
At 1 January 2023	258,580	(6,990)	(37,894)	7,587	641	471	(7,616)	14,091	515,856	737,139	83,655	820,794
Profit for the year	-	-	-	-	-	-	-	-	145,109	145,109	738	145,847
Other comprehensive income, net of tax	-	-	-	8,856	-	-	5,647	3,209	-	8,856	(361)	8,495
Total comprehensive income	-	-	-	8,856	-	-	5,647	3,209	145,109	153,965	377	154,342
Transactions with owners												
Acquisition equity interest in subsidiaries by non-controlling interests	-	-	-	-	-	-	-	-	-	-	7,191	7,191
Effects of subscriptions and redemptions of units in a structured entity by unitholders	-	-	-	-	-	-	-	-	-	-	(18,724)	(18,724)
Disposal of subsidiary	-	-	-	-	-	-	-	-	(16)	(16)	(30)	(46)
Dividends paid to non controlling interests	-	-	-	-	-	-	-	-	-	-	(687)	(687)
Dividends paid	-	-	-	-	-	-	-	-	(70,915)	(70,915)	-	(70,915)
At 31 DECEMBER 2023	258,580	(6,990)	(37,894)	16,443	641	471	(1,969)	17,300	590,034	820,173	71,782	891,955
YEAR ENDED 31 DECEMBER 2022												
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
Transactions with owners												
Share capital reduction in a subsidiary	-	-	-	-	-	-	-	-	-	-	(280)	(280)
Acquisition equity interest in subsidiaries by non-controlling interests	-	-	-	-	-	-	-	-	-	-	20,050	20,050
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

(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 2022 and the accompanying explanatory notes attached to the interim financial statements.)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

	NOTE	FOR THE YEAR ENDED 31/12/2023	FOR THE YEAR ENDED 31/12/2022
		RM'000 (UNAUDITED)	RM'000 (AUDITED)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		188,646	184,057
Adjustments for:			
- non-cash items		55,142	33,482
- finance costs		47,917	18,025
- finance income and other distribution income		(26,444)	(13,874)
Operating cash flows before working capital changes		265,261	221,690
Changes in working capital		(498,032)	(382,188)
Cash flows used in operations		(232,771)	(160,498)
Interest and other distribution income received		26,444	13,874
Interest paid		(47,602)	(17,596)
Tax refunded		663	1,966
Tax paid		(32,524)	(52,770)
Net cash used in operating activities	B7	(285,790)	(215,024)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of property, plant and equipment and software		2,459	25,208
Acquisitions of property, plant and equipment and software		(17,731)	(27,114)
Additional shares acquired by non-controlling interest		7,191	20,050
Net redemptions of units in a structured entity by non-controlling interests		(18,724)	(204,421)
Net subscription of units in a structured entity by unitholders		540	765,146
Advance to joint venture		-	(20,426)
Acquisition of other investment		(27,094)	-
Addition of interests in a joint venture		(32,126)	(88,698)
Placement of deposits pledged to other financial institutions		(2,644)	(45,695)
Other investing activities		(17)	(280)
Net cash (used in)/generated from investing activities		(88,146)	423,770
CASH FLOWS FROM FINANCING ACTIVITIES			
Net bank and other borrowings		420,890	233,416
Interest paid to related co and lease liabilities		(315)	(429)
Dividends paid to shareholders		(70,915)	(90,255)
Dividends paid to non-controlling interests of subsidiaries		(687)	(42)
Net cash generated from financing activities		348,973	142,690
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(24,963)	351,436
EFFECTS OF EXCHANGE RATE CHANGES		1,085	(4,348)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR		407,686	60,598
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR		383,808	407,686
Cash and cash equivalents at end of financial period comprise the following :			
Deposits with licensed banks and other financial institutions		382,701	377,808
Cash and bank balances		87,693	113,820
Cash and bank balances and placement in funds		470,394	491,628
Less: Deposits with other financial institutions with maturity of over 3 months		(202)	(202)
Less: Placement of deposits pledged to other financial institutions		(86,384)	(83,740)
Cash and cash equivalents		383,808	407,686

(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 2022 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 2023. 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 2022. 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 2022.

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 2022 except for the adoption of the following new MFRSs and Amendments to MFRSs that are effective for the financial statements from 1 January 2023, as disclosed below:

Title	Effective Date
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendment to MFRS 17 <i>Insurance Contracts</i> (Initial Application of MFRS 17 and MFRS 9 - <i>Comparative Information</i>)	1 January 2023
Amendments to MFRS 101 <i>Disclosures of Accounting policies</i>	1 January 2023
Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 112 <i>International Tax Reform - Pillar Two Model Rules</i>	1 January 2023*

* An entity is not required to disclose the information required by paragraphs 88B-88D for any interim period ending on or before 31 December 2023.

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 2023 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 2023.

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 2023, except for the following:

(i) Kenanga MoneyExtra Fund ("KEM2")

On 7 June 2023, the Group has placed additional units in KEM2 amounting to RM17,500,000, resulting to an increase in proportion of ownership interest of the Group in the fund from 19.53% to 21.61%. Consequently, KEM2 became an associate of the Group.

On 5 July 2023, non-controlling interest placed additional units in KEM2 amounting to RM78,094,471, resulting to a decrease in proportion of ownership interest of the Group in the fund from 21.84% to 19.98%. Pursuant to that, the Group has classified the investment in KEM2 as other investment in statements of financial position as the Group has lost significant influence over KEM2. There is no gain no loss arising from the reclassification.

A8 Dividend paid / payable

	As at 31 December 2023 RM'000 (Unaudited)	As at 31 December 2022 RM'000 (Audited)
<u>Dividends recognised for the year (Net of tax)</u>		
2021 - 4.00 cents per share (Note 1)		51,574
2022 - 3.00 cents per share (Note 2)		38,681
2022 - 2.50 cents per share (Note 3)	32,234	
2023 - 3.00 cents per share (Note 4)	38,681	
<u>Dividends in respect of year ended (Net of tax)</u>		
3.00 cents per share - declared and paid (Note 2)		38,681
2.50 cents per share - declared and paid (Note 3)		32,234
3.00 cents per share - declared and paid (Note 4)	38,681	
3.00 cents per share - declared and payable (Note 5)	38,681	

Note 1: 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 2: 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 ended 31 December 2022. The interim dividend of RM38,680,773 was paid on 29 September 2022.

Note 3: 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 was paid on 6 April 2023.

Note 4: On 23 August 2023, the Board of Directors declared a first interim single-tier dividend of 3.00 cents per ordinary shares for the financial year ended 31 December 2023. The interim dividend of RM38,680,773 was paid on 27 September 2023.

Note 5: On 20 February 2024, the Board of Directors declared a second interim single-tier dividend of 3.00 cents per ordinary shares for the financial year ended 31 December 2023. The interim dividend of RM38,680,773 is payable on 9 April 2024.

Dividend under Note 1 and Note 2 have been accounted for in equity in the year ended 31 December 2022. Dividend under Note 3 and Note 4 have been accounted for in equity in the second and third quarter of 2023 respectively. Dividend under Note 5 will be accounted for in equity in the second quarter of 2024.

A9 Segmental Reporting

	<----- YTD DEC'23 ----->			<----- YTD DEC'22 ----->		
	(Unaudited)			(Audited)		
	Construction RM'000	Precast Concrete RM'000	Consolidated RM'000	Construction RM'000	Precast Concrete RM'000	Consolidated RM'000
BY BUSINESS SEGMENTS						
REVENUE AND EXPENSES						
Total revenue	3,008,016	490,971	3,498,987	2,680,317	330,901	3,011,218
Inter-segment revenue	(626,969)	(200,793)	(827,762)	(706,669)	(149,318)	(855,987)
External revenue	2,381,047	290,178	2,671,225	1,973,648	181,583	2,155,231
Results						
Operating segment results	179,212	45,056	224,268	168,615	17,893	186,508
Finance income & other distribution income	26,437	7	26,444	13,853	21	13,874
Finance costs	(36,277)	(11,640)	(47,917)	(13,343)	(4,682)	(18,025)
Share of profit from associate	540	-	540	3,699	-	3,699
Share of results of joint venture	-	(14,689)	(14,689)	517	(2,516)	(1,999)
Profit before tax	169,912	18,734	188,646	173,341	10,716	184,057
Income tax expense	(35,686)	(7,113)	(42,799)	(43,013)	(2,305)	(45,318)
Profit after tax	134,226	11,621	145,847	130,328	8,411	138,739
Non controlling interests	(738)	-	(738)	(3,558)	-	(3,558)
Attributable to owners of the parent	133,488	11,621	145,109	126,770	8,411	135,181
TOTAL ASSETS	2,536,737	522,330	3,059,067	1,733,983	479,787	2,213,770
Unallocated assets	-	-	23,730	-	-	22,278
	2,536,737	522,330	3,082,797	1,733,983	479,787	2,236,048
TOTAL LIABILITIES	1,834,163	337,535	2,171,698	1,099,915	308,590	1,408,505
Unallocated liabilities	-	-	19,144	-	-	6,749
	1,834,163	337,535	2,190,842	1,099,915	308,590	1,415,254

A9 Segmental Reporting (Contd.)

	<----- YTD DEC'23 ----->				<----- YTD DEC'22 ----->			
	(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
<u>GEOGRAPHICAL SEGMENTS</u>								
Malaysia	2,016,665	160,864	125,314	124,290	1,680,356	159,110	119,670	118,387
Singapore	290,178	(13,324)	(13,801)	(13,796)	181,583	(1,582)	(1,582)	(1,569)
India	364,382	41,111	34,339	34,620	293,292	26,588	20,710	18,422
United Arab Emirates	-	(3)	(3)	(3)	-	(39)	(39)	(39)
Myanmar	-	(2)	(2)	(2)	-	(20)	(20)	(20)
	2,671,225	188,646	145,847	145,109	2,155,231	184,057	138,739	135,181

A9 Segmental Reporting (Contd.)

Segmental results by foreign currency for the financial year ended 31 December 2023 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)		2,016,665	128,873	99,959	98,935	2,016,665	128,873	99,959	98,935
United Arab Emirates (AED'000)	1.2449	-	(2)	(2)	(2)	-	(3)	(3)	(3)
India Rupee (INR'000)	0.0553	6,590,178	743,528	621,057	626,140	364,382	41,111	34,339	34,620
Singapore Dollar (SGD'000)	3.4078	-	(20)	(20)	(18)	-	(67)	(67)	(62)
Myanmar (USD'000)	4.5675	-	(1)	(1)	(1)	-	(2)	(2)	(2)
						<u>2,381,047</u>	<u>169,912</u>	<u>134,226</u>	<u>133,488</u>

	FOREIGN EXCHANGE RATE	TOTAL ASSETS		TOTAL LIABILITIES	
		FC'000	RM'000	FC'000	RM'000
Malaysia Ringgit (RM'000)		1,944,917	1,944,917	1,416,035	1,416,035
United Arab Emirates (AED'000)	1.2517	96	120	5	6
India Rupee (INR'000)	0.0552	10,709,900	591,186	7,573,686	418,067
Singapore Dollar (SGD'000)	3.4854	143	487	16	55
Trinidad & Tobago Dollar (TT\$'000)	0.6807	40	27	-	-
Myanmar (USD'000)	4.5930	-	-	-	-
			<u>2,536,737</u>		<u>1,834,163</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)		-	31,991	25,355	25,355	-	31,991	25,355	25,355
Singapore Dollar (SGD'000)	3.4078	85,151	(3,890)	(4,030)	(4,030)	290,178	(13,257)	(13,734)	(13,734)
						<u>290,178</u>	<u>18,734</u>	<u>11,621</u>	<u>11,621</u>

	FOREIGN EXCHANGE RATE	TOTAL ASSETS		TOTAL LIABILITIES	
		FC'000	RM'000	FC'000	RM'000
Malaysia Ringgit (RM'000)		47,059	47,059	71,704	71,704
Singapore Dollar (SGD'000)	3.4854	136,361	475,271	76,270	265,831
			<u>522,330</u>		<u>337,535</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 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>1,733,983</u>	<u>1,099,915</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 / (loss) before tax	Profit / (loss) 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>479,787</u>	<u>308,590</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.

A10 Material events

There were no material events subsequent to the current year ended 31 December 2023.

A11 Contingent Liabilities and Assets

There were no changes in contingent liabilities since the last financial statements for the financial year ended 31 December 2022, except for the following:

	As at 31 December 2023 RM'000 (Unaudited)	As at 31 December 2022 RM'000 (Audited)
Guarantees given to third parties in respect of contracts and trade performance	476,615	405,608
Guarantees given to related companies in respect of contracts and trade performance	145,351	196,072
	<u>621,966</u>	<u>601,680</u>

The Group does not have any material contingent assets to be disclosed as at 31 December 2023.

A12 Commitments

(a) Capital commitment not provided for in the financial year ended 31 December 2023 and financial year ended 31 December 2022 are as follows:

	As at 31 December 2023 RM'000 (Unaudited)	As at 31 December 2022 RM'000 (Audited)
Approved and contracted for		
- Construction	476	-
- Precast	-	14,814
Approved but not contracted for	4	98
	<u>480</u>	<u>14,912</u>

A13 Significant Related Party Transactions

The Group had the following transactions with related parties during the financial year ended 31 December 2023:

	Cumulative Year To Date 31 December 2023 RM'000 (Unaudited)	Cumulative Year To Date 31 December 2022 RM'000 (Audited)
Contract revenue from:		
Related companies	628,647	490,945
Related parties	562,516	447,306
Rental income of plant and machinery from:		
Related companies	101	123
Related parties	8	17
Interest income from:		
Structured entities controlled by its intermediate holding company	8,811	10,989
Other income from:		
Related company	-	81
Related party	-	25
Purchases of goods/services from:		
Related companies	(113,479)	(84,864)
Related parties	(1,820)	(3,251)
Rental of office space from:		
Related companies	(3,590)	(2,981)
Related parties	(1,404)	(1,287)
Management fees charged by:		
Related company	(17,344)	(13,469)
Service Level Agreement fees paid to:		
Related companies	(3,642)	(3,431)

B1 Review of Performance

For the quarter (YoY)

<u>Total Group</u>	<u>Q4 2023</u>	<u>Q4 2022</u>	<u>Changes</u>
Revenue (RM'mil)	871.5	503.4	73.1%
PBT (RM'mil)	60.7	56.3	7.9%
PBT Margin (%)	7.0%	11.2%	

The Group recorded revenue of RM871.5 million and profit before tax of RM60.7 million for the current quarter ended 31 December 2023, compared to revenue of RM503.4 million and profit before tax of RM56.3 million in the corresponding quarter of the preceding financial year. The Group's revenue and profit before tax improved in all segments.

<u>Construction Segment</u>	<u>Q4 2023</u>	<u>Q4 2022</u>	<u>Changes</u>
Revenue (RM'mil)	785.8	443.9	77.0%
PBT (RM'mil)	53.0	51.1	3.7%
PBT Margin (%)	6.7%	11.5%	

Construction segment reported revenue of RM785.8 million and profit before tax of RM53.0 million compared to revenue of RM443.9 million and profit before tax of RM51.1 million in the corresponding quarter of the preceding financial year. The higher turnover recorded in the current quarter is attributed to accelerated progress in newer projects. However, the profit margin for the corresponding quarter of the preceding financial year was higher due to the finalization of accounts for a few projects and the reversal of a legal case provision.

<u>Precast Segment</u>	<u>Q4 2023</u>	<u>Q4 2022</u>	<u>Changes</u>
Revenue (RM'mil)	85.7	59.5	44.0%
PBT (RM'mil)	7.7	5.2	48.1%
PBT Margin (%)	9.0%	8.7%	

Precast segment reported revenue of RM85.7 million and profit before tax of RM7.7 million compared to revenue of RM59.5 million and profit before tax of RM5.2 million in the corresponding quarter of the preceding financial year. The increase in revenue during the current quarter was driven by contribution from new projects and increase in ICPH production, resulting in higher profit before tax.

B1 Review of Performance (Contd.)

For the full year

<u>Total Group</u>	<u>YTD Q4 2023</u>	<u>YTD Q4 2022</u>	<u>Changes</u>
Revenue (RM'mil)	2,671.2	2,155.2	23.9%
PBT (RM'mil)	188.6	184.1	2.5%
PBT Margin (%)	7.1%	8.5%	

The Group recorded revenue of RM2,671.2 million and profit before tax of RM188.6 million for the year ended 31 December 2023, compared to revenue of RM2,155.2 million and profit before tax of RM184.1 million in the preceding financial year. While the Group's revenue improved in both segments, there is a slight reduction in the Group's profit before tax margin due to reduction of margins in the construction segment.

<u>Construction Segment</u>	<u>YTD Q4 2023</u>	<u>YTD Q4 2022</u>	<u>Changes</u>
Revenue (RM'mil)	2,381.0	1,973.6	20.6%
PBT (RM'mil)	169.9	173.4	(2.0%)
PBT Margin (%)	7.1%	8.8%	

Construction segment reported revenue of RM2,381.0 million and profit before tax of RM169.9 million compared to revenue of RM1,973.6 million and profit before tax of RM173.4 million in the preceding financial year. The increased in turnover for the current financial year is attributed to the peak construction progress in India and higher contribution in sustainable energy projects. Profit margin in the preceding year was higher due to finalisation of accounts for completed projects.

<u>Precast Segment</u>	<u>YTD Q4 2023</u>	<u>YTD Q4 2022</u>	<u>Changes</u>
Revenue (RM'mil)	290.2	181.6	59.8%
PBT (RM'mil)	18.7	10.7	74.8%
PBT Margin (%)	6.5%	5.9%	

Precast segment reported revenue of RM290.2 million and profit before tax of RM18.7 million compared to revenue of RM181.6 million and profit before tax of RM10.7 million in the preceding financial year. The upsurge in turnover in current financial year was due to contribution from new projects and increase in ICPH production. As a result, the segment saw increased profitability in line with the higher turnover.

B2 Material Changes in the Quarterly Results (QoQ)

<u>Total Group</u>	<u>Q4 2023</u>	<u>Q3 2023</u>	<u>Changes</u>
Revenue (RM'mil)	871.5	673.5	29.4%
PBT (RM'mil)	60.7	48.1	26.3%
PBT Margin (%)	7.0%	7.1%	

The Group recorded a revenue of RM871.5 million with profit before tax of RM60.7 million for the current quarter ended 31 December 2023, compared to revenue of RM673.5 million with profit before tax of RM48.1 million in the immediate preceding quarter. Group's revenue and profit before tax improved in all segments.

<u>Construction Segment</u>	<u>Q4 2023</u>	<u>Q3 2023</u>	<u>Changes</u>
Revenue (RM'mil)	785.8	590.5	33.1%
PBT (RM'mil)	53.0	41.6	27.4%
PBT Margin (%)	6.7%	7.0%	

Construction segment reported revenue of RM785.8 million with profit before tax of RM53.0 million compared to revenue of RM590.5 million with profit before tax of RM41.6 million in the immediate preceding quarter. Higher turnover recorded in current quarter resulted from an enhanced contribution from sustainable energy projects and higher progress from newer projects. Profit margin for both quarters under comparison were broadly the same.

<u>Precast Segment</u>	<u>Q4 2023</u>	<u>Q3 2023</u>	<u>Changes</u>
Revenue (RM'mil)	85.7	83.0	3.3%
PBT (RM'mil)	7.7	6.5	18.5%
PBT Margin (%)	9.0%	7.8%	

Precast segment reported revenue of RM85.7 million with profit before tax of RM7.7 million compared to revenue of RM83.0 million with profit before tax of RM6.5 million in the immediate preceding quarter. The uptick in revenue for the current quarter is attributed to the higher contribution from new projects and increase in ICPH production. Profitability increased in line with the higher turnover and in addition, there is reversal of provision for completed projects.

B3 Prospects

SunCon's outstanding order book now stands at RM5.3 billion with RM2.505 billion in new orders secured up to December 2023. We have raised our target replenishment for 2024 to a range of RM2.5 billion to RM3.0 billion.

The Malaysian economy grew by 3.0% in the fourth quarter of 2023 (3Q 2023: 3.3%) primarily propelled by growth in domestic spending, ongoing enhancements in labour market conditions, increased tourism activity, heightened construction efforts, and the gradual realization of multi-year projects alongside capacity expansion initiatives by firms. However, the construction sector experienced a moderation of 3.6% in the fourth quarter of 2023 (compared to 7.2% in 3Q 2023), primarily due to the robust expansion in the civil engineering subsector being offset by sluggish non-residential activities. On the domestic front, SunCon remains actively involved in data center initiatives, having secured its second data center project in Johor and actively pursuing more opportunities in this sector. Additionally, SunCon is actively participating in various warehousing and semiconductor manufacturing tenders. In addition to this advanced technology facilities sector, the company views the Federal Budget 2024 with optimism. Despite the absence of substantial catalysts, such as new major infrastructure projects, the revival of five stations for the Light Rail Transit Line 3 (LRT3), Bayan Lepas LRT, MRT Line 3, and other infrastructure projects will serve as catalysts for the construction sector. However, the proposed diesel subsidy rationalization and changes in the sales and services tax, as outlined in Federal Budget 2024, may impact earnings and potentially lead to higher operational costs. On the international front, SunCon has substantially completed the physical works for the Meensurutti-Chidambaram Highway project and aims to receive the commercial operations issuance in quarter one 2024.

Based on the Ministry of Trade and Industry Singapore's advance estimates, Singapore's economy expanded by 1.7% quarter-on-quarter basis in the fourth quarter, extending the 1.3% expansion in the third quarter. For the whole of 2023, the economy grew by 1.2%, moderating from the 3.6% growth in 2022. The construction sector picked up to 4.3% in the fourth quarter on a quarter-on-quarter basis, from 0.8% in the third quarter. The Ministry of Trade and Industry Singapore forecast that Singapore's GDP will see an expansion of about 1% to 3% in 2024. The Housing and Development Board (HDB) remains on track to launch a total of 100,000 flats from 2021 to 2025. With the latest launch in December 2023, HDB has launched a total of 22,780 BTO flats in 2023. For year 2024, HDB targets to launch about 19,600 Build-To-Order (BTO) flats across three sales exercises in February, June and October. Given that over 90% of our precast segment sales are tied to Singapore HDB flats, our prospects are closely linked to these launches. Furthermore, our ICPH plant's productivity has been progressively improving to meet the increasing demand of precast components.

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 optimistic of registering positive growth for the financial year ending 2024 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 2023 RM'000 (Unaudited)	Immediate Preceding Quarter Ended 30 September 2023 RM'000 (Unaudited)	Cumulative Year To Date 31 December 2023 RM'000 (Unaudited)
Current taxation	(16,700)	(11,977)	(49,980)
Under provision in prior year	13	502	1,951
Deferred taxation	4,350	(1,120)	5,230
	(12,337)	(12,595)	(42,799)
Effective tax rate	20.3%	26.2%	22.7%
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 31 December 2023 is at 22.7%.

B6 Profit before Taxation

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

	Current Quarter Ended 31 December 2023 RM'000 (Unaudited)	Immediate Preceding Quarter Ended 30 September 2023 RM'000 (Unaudited)	Cumulative Year To Date 31 December 2023 RM'000 (Unaudited)
Interest income and other distributable income	8,599	7,022	26,444
Interest expense	(15,169)	(13,031)	(47,917)
Depreciation and amortisation	(5,217)	(5,209)	(21,011)
Allowance for impairment losses for:			
- Receivables	(23,335)	(2,788)	(27,312)
Write off gain/(loss) :			
- Property, plant and equipment, and software	-	1	1
Net gain on disposal of:			
- Property, plant and equipment, and software	(41)	379	1,943
Accretion of financial assets and financial liabilities	553	399	1,482
Fair value gain/(loss) on derivative assets and liabilities	(419)	(7)	(230)
Fair value gain on hire purchase receivables	-	-	720
Foreign exchange gain/(loss):			
- realised	(1,541)	(743)	(1,568)
- unrealised	(105)	(149)	(112)
	(12,337)	(12,595)	(42,799)

B7 Group Borrowings and Debt Securities

The borrowings breakdown of the Group are as follows:

	As at 31 December 2023 RM'000 (Unaudited)	As at 31 December 2022 RM'000 (Audited)
Current liabilities:		
Unsecured		
- Bills discounting (RM denominated)	199,234	74,549
- Bills discounting (SGD denominated)	1,743	3,278
- Revolving credit (RM denominated)	121,708	12,000
- Term loan (SGD denominated)	87,135	82,352
Secured		
- Short term loan (SGD denominated)	28,415	-
	<u>438,235</u>	<u>172,179</u>
Non current liabilities:		
Secured		
- Term loan (SGD denominated)	115,239	146,632
- Term loan (INR denominated)	372,485	161,909
	<u>487,724</u>	<u>308,541</u>

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

- Bills discounting (RM denominated)	3.50%	2.44%
- Bills discounting (SGD denominated)	5.31%	5.03%
- Revolving credit (RM denominated)	3.88%	2.67%
- Unsecured short term loan (SGD denominated)	5.06%	2.32%
- Secured short term loan (SGD denominated)	4.86%	-
- Secured long term loan (SGD denominated)	4.86%	2.93%
- Secured long term loan (INR denominated)	10.11%	8.74%

Net cash used in operating activities for the year ended 31 December 2023 stood at RM285.8m 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 2023 were as follows:

Type of Derivatives	Contract/ Notional Value RM'000	Fair Value RM'000	Gains/(Losses) RM'000
Interest rate swap contracts - 3 years (SGD denominated)	34,110	(235)	(230)
Foreign currency forward contracts - Less than 1 year	112,295	(1,969)	(738)
Total derivatives		(2,204)	(968)

Interest rate swap contracts

The Group entered into interest rate swap contracts to manage its exposure in interest rate risk arising from floating rate borrowings. Borrowings with floating interest rates expose the Group to fluctuation in market interest rate and the hedging contracts minimise the impact on the Group's cash flows. The interest rate swap contracts are executed with credit-worthy financial institutions which are governed by appropriate policies and procedures.

Interest rate swap contracts are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include swap models, using present value calculations. Any changes in fair value of derivatives during the year are taken directly to the income statement.

Foreign currency forward contracts

The Group enters into foreign currency forward contracts to manage some of the transaction exposure. These contracts are entered into for periods consistent with currency transaction exposure and fair value changes exposure. The Group also uses foreign currency forward contracts as cash flow hedges to hedge the exposure to foreign currency exchange risks arising from forecasted expenditure.

Forward currency contracts are valued using a valuation technique with market observable inputs. The derivatives arising from the forward currency contracts are stated at fair value using the prevailing market rate. The fair value changes are attributable to changes in foreign exchange spot and forward rate.

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 2023 RM'000 (Unaudited)	As at 31 December 2022 RM'000 (Audited)
Current	1,546,431	880,409
1 to 30 days past due	66,074	15,569
31 to 60 days past due	42,273	12,029
61 to 90 days past due	52,957	7,404
91 to 120 days past due	8,007	4,066
More than 121 days past due	94,905	81,770
	264,216	120,838
Total trade receivables	1,810,647	1,001,247
Less: Allowance for impairment	(86,382)	(59,230)
Other receivables	168,895	135,536
Amount due from intermediate holding company	33	33
Amount due from related companies	171,933	154,495
Amount due from a joint venture	13,362	20,931
	2,078,488	1,253,012

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 several times.

B10 Changes in Material Litigation (Contd.)

- (a) On 20 July 2023 Srei Infrastructure Finance Ltd filed an application for release of corporate guarantee and discharge itself from all obligations under the corporate guarantee. Application was heard on 31 July 2023 and is re-notified for arguments on 29 August 2023 and adjourned to 23 November 2023.

On 20 December 2023, SunCon filed a contempt application against the Claimant and Srei Infrastructure Finance Ltd ("Respondents"). The application was listed on 22 December 2023 and the Court has duly issued notice to the Respondents. On 23 January 2024, the Claimant sought an adjournment of two weeks to file their reply which was allowed. The matter is listed for 29 February 2024.

- (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. By order and judgement dated 23 May 2012, the Single Bench of the High Court dismissed the petition filed by NHA.

NHA filed an appeal challenging the judgement of the Single Bench. By order and judgement dated 22 November 2012, the Division Bench of the High Court ruled in favour of NHA and set the Tribunal's award.

SunCon appealed to the Supreme Court of India and was granted leave of appeal. Matter was briefly heard on 24 July 2023. By order and judgment dated 24 August 2023, the Supreme Court inter alia allowed SunCon's appeal, set aside the judgment of the Division Bench of the High Court and restore the Arbitral Award with a slight modification as regards as to future interest.

SunCon sought enforcement of Rs9,90,07,825.17 as of 15 December 2023 and interest. On 19 January 2024, Court ordered NHA to pay the amounts payable under the judgment of the Hon'ble Supreme Court dated 24 August 2023. The next date is 13 February 2024.

Subsequently, NHA filed a Review Petition which is pending before the Hon'ble Supreme Court. On 24 January 2024, NHA filed an application for permission to deposit the decree sum before the Hon'ble Registrar of the High Court of Delhi until the pendency of the review petition.

- (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. Matter was adjourned several times.

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 was scheduled for 21 February 2024.

On 19 January 2024, by way of application, NHA sought leave to withdraw its appeal stating that the parties had settled their disputes under the "Vivad Se Vishwas II" scheme. NHA has agreed to pay Rs.37,53,21,066 inclusive of taxes, to SunCon as full and final settlement of all the claims and disputes pertaining to the contract. The Court allowed NHA's application and stood disposed of as withdrawn. The date of 21 February 2024 was cancelled.

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 files a claim trespass and encroachment, negligence, private and public nuisance against the Defendants for the sum for RM711,367,434.46. The 2nd Defendant's filed its Defence on 02 January 2020 disputing the Plaintiff's claim.

The Plaintiff amend its Statement of Claim and reduced its claim to the sum of RM643,851,825.01 in the Amended Statement of Claim dated 21 July 2021.

On 27 July 2021, the Company issued a Third Party Notice dated 24 July 2021 to Setia Utama LRT 3 Sdn Bhd ("the Third Party") and claimed against the Third Party for indemnity and/or contribution for any sum that may be due from the Company to the Plaintiff. On 03 September 2021, the Third Party issued its Defence and Counterclaim.

Separately, on 01 April 2022, the matter was transferred to the Shah Alam High Court (Construction Division) and a new suit number of BA-22C-18-05/2022 was assigned to the matter.

The matter is currently fixed for case management on 20 March 2024. The trial dates have been scheduled from 12 August 2024 to 15 August 2024 and 26 August 2024 to 29 August 2024.

From the evidence available, upon a review of the pleadings and documents provided and a review of the law, SunCon's solicitor's considered opinion is that the Plaintiff's claim for the sum of RM643,851,825.01 is excessively inflated and speculative and further the Third Party is to indemnify SunCon in the event SunCon is found liable towards the Plaintiff.

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 2023 RM'000	Preceding Year Quarter 31 December 2022 RM'000	Current Year To Date 31 December 2023 RM'000	Preceding Year To Date 31 December 2022 RM'000
<u>Basic earnings per share</u>				
Profit attributable to members of the Company	49,265	45,646	145,109	135,181
Weighted Average Number of Ordinary Shares ('000)	1,289,359	1,289,359	1,289,359	1,289,359
Earnings per share (Basic) (sen)	3.82	3.54	11.25	10.48

By Order of the Board

Tan Kim Aun

Chang Mei Yee

Secretaries

AS AT DEC-23 (RM MIL)	COMPLETION	CONTRACT SUM	O/S ORDERBOOK	
BUILDING			2,043	38%
OXLEY TOWER (MEP)	4Q 2024	68	27	
OXLEY TOWER VO (MEP)	4Q 2024	9	9	
JHB1X0 - DATA CENTRE	3Q 2024	1,700	1,460	
K2 - DATA CENTRE	4Q 2024	190	160	
DAISO	2Q 2026	298	291	
K2 DC (CIMC)	4Q 2024	99	99	
INFRASTRUCTURE/PILING			532	10%
LRT 3 : PACKAGE GS07-08	2Q 2024	1,295	10	
RTS LINK PACKAGE 1B AND PACKAGE 5	2Q 2025	605	494	
LRT 3 : GS06	2Q 2024	191	28	
INDIA			289	5%
THORAPALLI - JITTANDAHALLI (TJ)	4Q 2024	508	237	
MEENSURUTTI - CHIDAMBARAN (MC)	1Q 2024	315	53	
SUSTAINABLE ENERGY			162	3%
SOLAR - EXTERNAL	Various	35	8	
SOLAR - INTERNAL	Various	12	4	
LSS4 GOPENG	1Q 2024	200	41	
LSS4 SHARP VENTURES	1Q 2024	185	39	
SOUTH QUAY SQUARE DCS	2Q 2025	35	17	
CGPP - GREEN	4Q 2025	46	46	
NEW ORDER 2023 - EXTERNAL	Various	45	7	
SINGAPORE			502	10%
PRECAST	Various	581	239	
NEW ORDER 2023 - EXTERNAL	Various	270	263	
INTERNAL - SUNWAY GROUP			1,797	34%
SMC 4 + VO	1Q 2024	612	42	
SUNWAY BELFIELD	4Q 2024	403	112	
SUNWAY VELOCITY 2	1Q 2024	352	12	
SOUTH QUAY SQUARE - SUPERSTRUCTURE	3Q 2024	756	265	
SOUTH QUAY SQUARE - SUPERSTRUCTURE (VO)	4Q 2025	607	607	
SW CARNIVAL MALL - REFURBISHMENT	2Q 2025	253	173	
SUNWAY VELOCITY 2B	1Q 2024	253	79	
SMC DAMANSARA	2Q 2024	240	85	
SMC IPOH + VO	2Q 2024	217	89	
SW INTERNATIONAL SCHOOL (SIS)	1Q 2024	140	6	
SUNWAY VELOCITY 3C4	1Q 2024	100	2	
BIG BOX OFFICE	COMPLETED	51	5	
SW FLORA	4Q 2025	278	232	
SMC FIT-OUT	3Q 2025	70	70	
SMCSJ FIT-OUT	2Q 2024	14	14	
GRAND TOTAL @ DEC 2023		11,030	5,325	
RED : SECURED IN 2023		2,505	2,233	