

SUNWAY[®]

CONSTRUCTION

SUNWAY CONSTRUCTION GROUP BERHAD

INTERIM FINANCIAL REPORT

FOURTH QUARTER ENDED 31ST DECEMBER 2021



SUNWAY CONSTRUCTION GROUP BERHAD

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UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

	NOTE	<----- INDIVIDUAL QUARTER ----->				<----- CUMULATIVE QUARTER ----->			
		CURRENT PERIOD QUARTER	IMMEDIATE PRECEDING QUARTER	CHANGES	PRECEDING YEAR CORRESPONDING QUARTER	CHANGES	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING YEAR	CHANGES
		31/12/2021	30/9/2021	%	31/12/2020	%	31/12/2021	31/12/2020	%
		RM'000	RM'000	%	RM'000	%	RM'000	RM'000	%
REVENUE		626,610	272,078	>100%	627,236	(0.1%)	1,729,155	1,552,652	11.4%
OPERATING EXPENSES		(556,025)	(253,812)	(>100%)	(600,661)	7.4%	(1,612,232)	(1,484,608)	(8.6%)
OTHER OPERATING INCOME		14,283	3,795	>100%	12,242	16.7%	22,492	22,474	0.1%
PROFIT FROM OPERATIONS		84,868	22,061	>100%	38,817	>100%	139,415	90,518	54.0%
FINANCE INCOME & OTHER DISTRIBUTION INCOME		1,046	978	6.9%	79	>100%	4,153	7,805	(46.8%)
FINANCE COSTS		(1,082)	(922)	(17.4%)	(335)	(>100%)	(4,583)	(6,943)	34.0%
SHARE OF RESULTS FROM AN ASSOCIATE		1,531	2,362	(35.2%)	2,970	(48.5%)	8,621	10,014	(13.9%)
SHARE OF RESULTS OF JOINT VENTURE		4,639	-		46		4,639	110	
PROFIT BEFORE TAX	B6	91,002	24,479	>100%	41,577	>100%	152,245	101,504	50.0%
INCOME TAX EXPENSE	B5	(26,012)	(4,960)	(>100%)	(11,519)	(>100%)	(41,495)	(27,777)	(49.4%)
PROFIT AFTER TAX		64,990	19,519	>100%	30,058	>100%	110,750	73,727	50.2%
ATTRIBUTABLE TO:									
- OWNERS OF THE PARENT		64,727	19,296		30,200		112,588	72,786	
- NON-CONTROLLING INTERESTS		263	223		(142)		(1,838)	941	
		64,990	19,519		30,058		110,750	73,727	
EARNINGS PER SHARE									
(i) BASIC (sen)	B11	5.01	1.50		2.34		8.73	5.64	
(ii) DILUTED (sen)		5.01	1.50		2.34		8.73	5.64	

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

	<----- INDIVIDUAL QUARTER ----->			<-- CUMULATIVE QUARTER -->	
	CURRENT	IMMEDIATE	PRECEDING PERIOD	CURRENT	PRECEDING PERIOD
	PERIOD	PRECEDING	CORRESPONDING	YEAR	CORRESPONDING
	QUARTER	QUARTER	QUARTER	TO DATE	YEAR
	31/12/2021	30/9/2021	31/12/2020	31/12/2021	31/12/2020
	RM'000	RM'000	RM'000	RM'000	RM'000
PROFIT FOR THE YEAR	64,990	19,519	30,058	110,750	73,727
OTHER COMPREHENSIVE INCOME TO BE RECLASSIFIED TO PROFIT AND LOSS IN SUBSEQUENT YEAR					
FOREIGN CURRENCY TRANSLATION	(549)	232	(1,664)	681	(874)
SHARE OF OTHER COMPREHENSIVE INCOME OF ASSOCIATES AND JOINT VENTURES	462	-	166	462	166
RECLASSIFICATION OF FOREIGN CURRENCY TRANSLATION RESERVE TO PROFIT AND LOSS ON DEREGISTRATION OF FOREIGN BRANCHES AND SUBSIDIARIES	-	-	800	-	3,108
	<u>(87)</u>	<u>232</u>	<u>(698)</u>	<u>1,143</u>	<u>2,400</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR					
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>64,903</u>	<u>19,751</u>	<u>29,360</u>	<u>111,893</u>	<u>76,127</u>
ATTRIBUTABLE TO:					
- OWNERS OF THE PARENT	64,748	19,410	29,502	113,813	75,186
- NON-CONTROLLING INTERESTS	<u>155</u>	<u>341</u>	<u>(142)</u>	<u>(1,920)</u>	<u>941</u>
	<u>64,903</u>	<u>19,751</u>	<u>29,360</u>	<u>111,893</u>	<u>76,127</u>

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	NOTE	AS AT FINANCIAL YEAR ENDED 31/12/2021 RM'000 (UNAUDITED)	AS AT FINANCIAL YEAR ENDED 31/12/2020 RM'000 (AUDITED)
ASSETS			
Non-current assets			
Property, plant, equipment, software and right of use assets		124,750	107,415
Investment in associate		596,917	444,137
Investment in joint ventures		126,601	44,805
Other investments		273	273
Deferred tax assets		878	7,133
		<u>849,419</u>	<u>603,763</u>
Current assets			
Inventories		46,164	34,256
Receivables, deposits and prepayments	B9	850,077	1,048,253
Tax recoverable		19,710	19,720
Cash and bank balances		98,845	200,071
		<u>1,014,796</u>	<u>1,302,300</u>
TOTAL ASSETS		<u>1,864,215</u>	<u>1,906,063</u>
EQUITY AND LIABILITIES			
Current liabilities			
Payables, lease liabilities and other current liabilities		891,416	955,231
Borrowings	B7	92,524	233,712
Tax payable		7,285	4,110
Derivative liabilities	B8	786	941
		<u>992,011</u>	<u>1,193,994</u>
Non-current liabilities			
Borrowings	B7	145,390	67,203
Derivative liabilities	B8	-	730
Lease liabilities		7,157	5,526
Deferred taxation liabilities		2,886	-
		<u>155,433</u>	<u>73,459</u>
Total liabilities		<u>1,147,444</u>	<u>1,267,453</u>
Equity attributable to owners of the parent			
Share capital		258,580	258,580
Treasury shares		(6,990)	(6,990)
Merger reserve		(37,894)	(37,894)
Retained profits		470,793	409,779
Other reserves		14,646	13,421
		<u>699,135</u>	<u>636,896</u>
NON-CONTROLLING INTERESTS		<u>17,636</u>	<u>1,714</u>
Total equity		<u>716,771</u>	<u>638,610</u>
TOTAL EQUITY AND LIABILITIES		<u>1,864,215</u>	<u>1,906,063</u>
Net Assets Per Share Attributable To Owners Of The Parent (RM)		0.54	0.49

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	-----> ATTRIBUTABLE TO OWNERS OF THE PARENT <----->										
	<-----> NON-DISTRIBUTABLE ----->							DISTRIBUTABLE			
	SHARE CAPITAL	TREASURY SHARES	MERGER RESERVE	OTHER RESERVES TOTAL	CAPITAL CONTRIBUTION BY IMMEDIATE HOLDING COMPANY	OTHER CAPITAL RESERVE	FOREIGN EXCHANGE RESERVE	RETAINED PROFITS	TOTAL	NON- CONTROLLING INTERESTS	TOTAL EQUITY
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
YEAR ENDED 31 DECEMBER 2021											
At 1 January 2021	258,580	(6,990)	(37,894)	13,421	641	600	12,180	409,779	636,896	1,714	638,610
Profit for the year	-	-	-	-	-	-	-	112,588	112,588	(1,838)	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	112,588	113,813	(1,920)	111,893
Transactions with owners											
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	470,793	699,135	17,636	716,771
YEAR ENDED 31 DECEMBER 2020											
At 1 January 2020	258,580	(6,990)	(37,894)	10,421	656	-	9,765	398,838	622,955	99,510	722,465
Profit for the year	-	-	-	-	-	-	-	72,786	72,786	941	73,727
Other comprehensive income, net of tax	-	-	-	2,400	(15)	-	2,415	-	2,400	-	2,400
Total comprehensive income	-	-	-	2,400	(15)	-	2,415	72,786	75,186	941	76,127
Transactions with owners											
Bonus issue by a subsidiary	-	-	-	600	-	600	-	(600)	-	-	-
Dividends paid	-	-	-	-	-	-	-	(61,245)	(61,245)	-	(61,245)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(1,050)	(1,050)
Acquisition of equity interest from subsidiary	-	-	-	-	-	-	-	-	-	9	9
Effect of subscriptions and redemption											
of units in a structured entity by unitholder	-	-	-	-	-	-	-	-	-	10,633	10,633
Effect of loss of control upon redemption											
of units in a structured entity	-	-	-	-	-	-	-	-	-	(108,329)	(108,329)
At 31 December 2020	258,580	(6,990)	(37,894)	13,421	641	600	12,180	409,779	636,896	1,714	638,610

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	FOR THE YEAR ENDED 31/12/2021	FOR THE YEAR ENDED 31/12/2020
	RM'000 (UNAUDITED)	RM'000 (Audited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	152,245	101,504
Adjustments for:		
- non-cash items	29,102	38,148
- finance costs	4,583	6,943
- finance income and other distribution income	(4,153)	(7,805)
Operating cash flows before working capital changes	181,777	138,790
Changes in working capital	83,051	(23,668)
Cash flows generated from operations	264,828	115,122
Interest and other distribution income received	4,153	7,179
Interest paid	(4,039)	(5,772)
Dividend received from a jointly controlled entity	-	110
Distribution of income from an associate	2,301	-
Tax refunded	1,080	1,116
Tax paid	(29,998)	(29,953)
Net cash generated from operating activities	238,325	87,802
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment & software	3,290	1,537
Proceeds from disposal of inventory stocks	-	1,200
Acquisitions of property, plant and equipment and software	(34,820)	(3,393)
Additional shares acquired by non-controlling interest	18,043	9
Addition of interest in associates	(147,549)	(358,648)
Net subscription of units in a structured entity by unitholders	-	10,633
Net cash outflow from loss of control of structured entity	-	(5,890)
Advance to joint venture	(56,308)	-
Addition of interests in a joint venture	-	(378)
Withdrawal of deposits pledged to other financial institutions	43,986	181,753
Net cash used in investing activities	(173,358)	(173,177)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net bank and other borrowings	(70,059)	(83,829)
Interest paid to related co and lease liabilities	(544)	(1,171)
Dividends paid to shareholders	(51,574)	(61,245)
Dividend paid to non-controlling interests of subsidiaries	(201)	(1,050)
Net cash used in financing activities	(122,378)	(147,295)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(57,411)	(232,670)
EFFECTS OF EXCHANGE RATE CHANGES	171	(110)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	117,838	350,618
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	60,598	117,838
Cash and cash equivalents at end of financial year comprise the following :		
Deposits with licensed banks and other financial institutions	52,873	132,379
Cash and bank balances	45,972	67,692
Cash and bank balances and placement in funds	98,845	200,071
Less: Deposits with other financial institutions with maturity of over 3 months	(202)	(202)
Less: Placement of deposits pledged to other financial institutions	(38,045)	(82,031)
Cash and cash equivalents	60,598	117,838

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

NOTES TO FINANCIAL STATEMENTS

A1 Accounting Policies and Basis of Preparation

The Group has prepared its financial statements using the Malaysian Financial Reporting Standards ("MFRS") for the year ended 31 December 2021. The interim financial report is unaudited and is prepared in accordance with MFRS134 *Interim Financial Reporting* and paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements.

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

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

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

A2 Report of the Auditors

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

A3 Seasonal or Cyclical Factors

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

A4 Unusual Items

There were no material unusual items affecting the amounts reported for the year ended 31 December 2021 except for those disclosed in Note B6.

A5 Changes in Estimates

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

	Financial year ended 2021 RM'000	Financial year ending 2022 RM'000	Later years RM'000
(Decrease)/Increase in depreciation expense	(4,418)	(2,823)	7,240

A6 Repurchases of Debt and Equity Securities

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

A7 Dividend paid / payable

	As at 31 December 2021 RM'000 (Unaudited)	As at 31 December 2020 RM'000 (Audited)
<u>Dividends recognised for the year (Net of tax)</u>		
2019 - 3.50 cents per share (Note 1)		45,128
2020 - 1.25 cents per share (Note 2)		16,117
2021 - 2.75 cents per share (Note 3)	35,457	
2021 - 1.25 cents per share (Note 4)	16,117	
<u>Dividends in respect of year ended (Net of tax)</u>		
1.25 cents per share -declared and paid (Note 2)		16,117
2.75 cents per share -declared and paid (Note 3)		35,457
1.25 cents per share -declared and paid (Note 4)	16,117	
4.00 cents per share - declared and payable (Note 5)	51,574	

Note 1: On 20 February 2020, the Board of Directors declared a second interim single-tier dividend of 3.50 cents per ordinary shares for the financial year ended 31 December 2019. The interim dividend of RM45,127,587 was paid on 8 April 2020.

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

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

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

Note 5: 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 is payable on 7 April 2022.

Dividend under Note 1 and Note 2, have been accounted for in equity in the year ended 31 December 2020. Dividend under Note 3 and Note 4 have been accounted for in equity in year ended 31 December 2021.

A8 Segmental Reporting

	<----- YTD DEC'21 ----->			<----- YTD DEC'20 ----->		
	(Unaudited)			(Audited)		
	Construction RM'000	Precast Concrete RM'000	Consolidated RM'000	Construction RM'000	Precast Concrete RM'000	Consolidated RM'000
<u>BY BUSINESS SEGMENTS</u>						
REVENUE AND EXPENSES						
Total revenue	2,033,429	215,223	2,248,652	1,877,939	179,500	2,057,439
Inter-segment revenue	(427,181)	(92,316)	(519,497)	(422,713)	(82,074)	(504,787)
External revenue	1,606,248	122,907	1,729,155	1,455,226	97,426	1,552,652
Results						
Operating segment results	134,909	4,506	139,415	87,174	3,344	90,518
Finance income & other distribution income	3,910	243	4,153	7,151	654	7,805
Finance costs	(3,294)	(1,289)	(4,583)	(5,674)	(1,269)	(6,943)
Share of profit from associate	8,621	-	8,621	10,014	-	10,014
Share of results of joint venture	4,639	-	4,639	110	-	110
Profit before tax	148,785	3,460	152,245	98,775	2,729	101,504
Income tax expense	(41,058)	(437)	(41,495)	(26,874)	(903)	(27,777)
Profit after tax	107,727	3,023	110,750	71,901	1,826	73,727
Non controlling interests	1,838	-	1,838	(941)	-	(941)
Attributable to owners of the parent	109,565	3,023	112,588	70,960	1,826	72,786
TOTAL ASSETS	1,530,107	313,520	1,843,627	1,623,716	255,494	1,879,210
Unallocated assets	-	-	20,588	-	-	26,853
	1,530,107	313,520	1,864,215	1,623,716	255,494	1,906,063
TOTAL LIABILITIES	929,651	207,622	1,137,273	1,100,514	162,829	1,263,343
Unallocated liabilities	-	-	10,171	-	-	4,110
	929,651	207,622	1,147,444	1,100,514	162,829	1,267,453

A8 Segmental Reporting (Contd.)

	<----- YTD DEC'21 ----->				<----- YTD DEC'20 ----->			
	(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	1,593,986	152,387	111,205	110,774	1,412,611	97,640	70,324	69,370
Singapore	122,907	(32)	(32)	(32)	97,426	(3,672)	(3,630)	(3,623)
India	12,262	(7,985)	(8,301)	(6,032)	42,092	2,492	2,013	2,019
United Arab Emirates	-	7,975	7,975	7,975	-	5,074	5,074	5,074
Myanmar	-	(100)	(97)	(97)	523	(30)	(54)	(54)
	1,729,155	152,245	110,750	112,588	1,552,652	101,504	73,727	72,786

A8 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	149,327	108,582	108,152	1,593,986	149,327	108,582	108,152
United Arab Emirates (AED'000)	1.1329	-	7,039	7,039	7,039	-	7,975	7,975	7,975
India Rupee (INR'000)	0.0563	217,988	(141,960)	(147,566)	(107,235)	12,262	(7,985)	(8,301)	(6,032)
Singapore Dollar (SGD'000)	3.0974	-	(140)	(140)	(140)	-	(432)	(432)	(433)
Trinidad & Tobago Dollar (TT\$'000)	0.6156	-	-	-	-	-	-	-	-
Myanmar (USD'000)	4.1576	-	(24)	(23)	(23)	-	(100)	(97)	(97)
						<u>1,606,248</u>	<u>148,785</u>	<u>107,727</u>	<u>109,565</u>

	FOREIGN EXCHANGE RATE	TOTAL ASSETS		TOTAL LIABILITIES	
		FC'000	RM'000	FC'000	RM'000
Malaysia Ringgit (RM'000)		1,478,203	1,478,203	918,789	918,789
United Arab Emirates (AED'000)	1.1387	174	198	55	63
India Rupee (INR'000)	0.0556	907,084	50,978	159,823	8,982
Singapore Dollar (SGD'000)	3.0934	221	678	20	62
Trinidad & Tobago Dollar (TT\$'000)	0.6193	40	25	-	-
Myanmar (USD'000)	4.1785	6	25	420	1,755
			<u>1,530,107</u>		<u>929,651</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)		-	3,059	2,622	2,622	-	3,059	2,622	2,622
Singapore Dollar (SGD'000)	3.0974	39,681	129	129	129	122,907	401	401	401
						<u>122,907</u>	<u>3,460</u>	<u>3,023</u>	<u>3,023</u>

	FOREIGN EXCHANGE RATE	TOTAL ASSETS		TOTAL LIABILITIES	
		FC'000	RM'000	FC'000	RM'000
Malaysia Ringgit (RM'000)		76,654	76,654	41,495	41,495
Singapore Dollar (SGD'000)	3.0934	76,572	236,866	53,704	166,127
			<u>313,520</u>		<u>207,622</u>

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

A8 Segmental Reporting (Contd.)

Segmental results by foreign currency for the financial year ended 31 December 2020 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)		1,412,611	91,260	64,847	63,893	1,412,611	91,260	64,847	63,893
United Arab Emirates (AED'000)	1.1756	-	4,316	4,316	4,316	-	5,074	5,074	5,074
India Rupee (INR'000)	0.0568	741,161	43,886	35,452	35,452	42,092	2,492	2,013	2,019
Singapore Dollar (SGD'000)	3.0580	-	(7)	7	9	-	(21)	21	28
Trinidad & Tobago Dollar (TT\$'000)	0.6274	-	-	-	-	-	-	-	-
Myanmar (USD'000)	4.2076	124	(7)	(13)	(13)	523	(30)	(54)	(54)
						<u>1,455,226</u>	<u>98,775</u>	<u>71,901</u>	<u>70,960</u>

	FOREIGN EXCHANGE RATE	TOTAL ASSETS		TOTAL LIABILITIES	
		FC'000	RM'000	FC'000	RM'000
Malaysia Ringgit (RM'000)		1,610,348	1,610,348	1,088,082	1,088,082
United Arab Emirates (AED'000)	1.1098	8,412	9,336	9,171	10,178
India Rupee (INR'000)	0.0551	48,533	2,674	39,970	2,202
Singapore Dollar (SGD'000)	3.0547	391	1,190	15	47
Trinidad & Tobago Dollar (TT\$'000)	0.6023	40	24	-	-
Myanmar (USD'000)	4.0310	36	144	1	5
			<u>1,623,716</u>		<u>1,100,514</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)		-	6,380	5,477	5,477	-	6,380	5,477	5,477
Singapore Dollar (SGD'000)	3.0580	31,860	(1,194)	(1,194)	(1,194)	97,426	(3,651)	(3,651)	(3,651)
						<u>97,426</u>	<u>2,729</u>	<u>1,826</u>	<u>1,826</u>

	FOREIGN EXCHANGE RATE	TOTAL ASSETS		TOTAL LIABILITIES	
		FC'000	RM'000	FC'000	RM'000
Malaysia Ringgit (RM'000)		93,171	93,171	11,454	11,454
Singapore Dollar (SGD'000)	3.0547	53,139	162,323	49,555	151,375
			<u>255,494</u>		<u>162,829</u>

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

A9 Material events

There were no material events subsequent to the current year ended 31 December 2021.

A10 Contingent Liabilities and Assets

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

	As at 31 December 2021 RM'000 (Unaudited)	As at 31 December 2020 RM'000 (Audited)
Guarantees given to third parties in respect of contracts and trade performance	315,095	442,473
Guarantees given to related companies in respect of contracts and trade performance	131,527	128,961
	<u>446,622</u>	<u>571,434</u>

The Group does not have any material contingent assets to be disclosed as at 31 December 2021.

A11 Commitments

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

	As at 31 December 2021 RM'000 (Unaudited)	As at 31 December 2020 RM'000 (Audited)
Approved and contracted for		
- Construction	30,116	59,000
- Precast	108,222	176,833
Approved but not contracted for	100	126
	<u>138,438</u>	<u>235,959</u>

Included in commitments are investment in joint venture for the proposed Singapore Integrated Construction Precast Hub building and plant and machinery in Singapore which will be expended in 1st half of financial ending 2022 and our equity portion for India projects.

A12 Significant Related Party Transactions

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

	Cumulative Year To Date 31 December 2021 RM'000 (Unaudited)	Cumulative Year To Date 31 December 2020 RM'000 (Audited)
Contract revenue from:		
Related companies	438,186	383,974
Related parties	257,754	245,062
Rental income of plant and machinery from:		
Related companies	52	57
Interest income from:		
Structured entities controlled by its intermediate holding company	9,844	11,418
Purchases of goods/services from:		
Related companies	(77,485)	(56,731)
Related parties	(2,163)	(3,101)
Rental of office space from:		
Related companies	(2,782)	(1,000)
Related party	(1,648)	(1,449)
Interest expense charge by:		
Related companies	0	(686)
Management fees charged by:		
Intermediate holding company	(16,382)	(9,305)
Service Level Agreement fees paid to:		
Related companies	(3,051)	(3,324)

B1 Review of Performance

For the quarter (YoY)

<u>Total Group</u>	<u>Q4 2021</u>	<u>Q4 2020</u>	<u>Changes</u>
Revenue (RM'mil)	626.6	627.2	(0.1%)
PBT (RM'mil)	91.0	41.6	>100%
PBT Margin (%)	14.5%	6.6%	

The Group recorded revenue of RM626.6 million and profit before tax of RM91.0 million for the current quarter ended 31 December 2021, compared to revenue of RM627.2 million and profit before tax of RM41.6 million in the corresponding quarter of the preceding financial year. The Group's revenue did not have a material change but registered better profitability due to construction segment.

<u>Construction Segment</u>	<u>Q4 2021</u>	<u>Q4 2020</u>	<u>Changes</u>
Revenue (RM'mil)	579.9	585.0	(0.9%)
PBT (RM'mil)	88.7	37.3	>100%
PBT Margin (%)	15.3%	6.4%	

Construction segment reported revenue of RM579.9 million and profit before tax of RM88.7 million compared to revenue of RM585.0 million and profit before tax of RM37.3 million in the corresponding quarter of the preceding financial year. Corresponding quarter of the preceding financial year recorded only slightly higher turnover from the settlement of one of our India projects amounting to RM42 million. PBT margin for current quarter is much higher due to re-calibration of margin to reflect some upside as some projects are nearing completion and certainty of better margins are more visible.

<u>Precast Segment</u>	<u>Q4 2021</u>	<u>Q4 2020</u>	<u>Changes</u>
Revenue (RM'mil)	46.7	42.2	10.7%
PBT (RM'mil)	2.3	4.3	(46.5%)
PBT Margin (%)	4.9%	10.2%	

Precast segment reported revenue of RM46.7 million with profit before tax of RM2.3 million compared to revenue of RM42.2 million and profit before tax of RM4.3 million in the corresponding quarter of the preceding financial year. Turnover for current quarter is higher as a result of higher outstanding order book. Lower profit in current quarter is due to impact of higher steel bar prices.

B1 Review of Performance (Contd.)

For the full period

<u>Total Group</u>	<u>YTD Q4 2021</u>	<u>YTD Q4 2020</u>	<u>Changes</u>
Revenue (RM'mil)	1,729.2	1,552.6	11.4%
PBT (RM'mil)	152.2	101.5	50.0%
PBT Margin (%)	8.8%	6.5%	

The Group recorded revenue of RM1,729.2 million and profit before tax of RM152.2 million for the year ended 31 December 2021, compared to revenue of RM1,552.6 million and profit before tax of RM101.5 million in the corresponding preceding financial year. Revenue saw an improvement this year ended 2021 due to both segments and profit improved due to construction segment.

<u>Construction Segment</u>	<u>YTD Q4 2021</u>	<u>YTD Q4 2020</u>	<u>Changes</u>
Revenue (RM'mil)	1,606.3	1,455.2	10.4%
PBT (RM'mil)	148.8	98.8	50.6%
PBT Margin (%)	9.3%	6.8%	

Construction segment reported revenue of RM1,606.3 million and profit before tax of RM148.8 million compared to revenue of RM1,455.2 million and profit before tax of RM98.8 million in the corresponding preceding financial year. Revenue improved in this current financial year as the impact of Covid-19 was less severe than last year due to vaccination drive which allowed faster resumption of economic activities. Profitability also increased due to some finalisation of account.

<u>Precast Segment</u>	<u>YTD Q4 2021</u>	<u>YTD Q4 2020</u>	<u>Changes</u>
Revenue (RM'mil)	122.9	97.4	26.2%
PBT (RM'mil)	3.4	2.7	25.9%
PBT Margin (%)	2.8%	2.8%	

Precast segment reported revenue of RM122.9 million with profit before tax of RM3.4 million compared to revenue of RM97.4 million and profit before tax of RM2.7 million in the corresponding preceding financial year. Revenue recorded for year improved compared to previous year as the previous corresponding year was affected more severely by both the MCO in Malaysia and Circuit Breaker in Singapore. Profitability was maintained for the 2 financial year ended as both years were affected by both MCO and steel bar prices.

B2 Material Changes in the Quarterly Results (QoQ)

<u>Total Group</u>	<u>Q4 2021</u>	<u>Q3 2021</u>	<u>Changes</u>
Revenue (RM'mil)	626.6	272.1	>100%
PBT (RM'mil)	91.0	24.5	>100%
PBT Margin (%)	14.5%	9.0%	

The Group recorded revenue of RM626.6 million and profit before tax of RM91.0 million for the current quarter ended 31 December 2021, compared to revenue of RM272.1 million and profit before tax of RM24.5 million in the immediate preceding quarter. Both revenue and profitability improved from all segments.

<u>Construction Segment</u>	<u>Q4 2021</u>	<u>Q3 2021</u>	<u>Changes</u>
Revenue (RM'mil)	579.9	255.8	>100%
PBT (RM'mil)	88.7	26.9	>100%
PBT Margin (%)	15.3%	10.5%	

Construction segment reported revenue of RM579.9 million and profit before tax of RM88.7 million compared to revenue of RM255.8 million and profit before tax of RM26.9 million in the immediate preceding quarter. Higher turnover in current quarter mainly contributed by full resumption of activities after MCO 3.0 which affected the immediate preceding quarter. Profit margin for current quarter is much better due to certainty of better margin as projects progressed closer to completion.

<u>Precast Segment</u>	<u>Q4 2021</u>	<u>Q3 2021</u>	<u>Changes</u>
Revenue (RM'mil)	46.7	16.3	>100%
PBT/(LBT) (RM'mil)	2.3	(2.4)	>100%
PBT/(LBT) Margin (%)	4.9%	(14.7%)	

Precast segment reported revenue of RM46.7 million with profit before tax of RM2.3 million compared to revenue of RM16.3 million with loss position in the immediate preceding quarter. The current quarter turnover is higher compared to immediate preceding quarter as both our factories in Johor regained full resumption of activities following MCO 3.0 restriction in the immediate preceding quarter. Precast division improved after a one off adjustment of steel bar impact in the immediate preceding quarter.

B3 Prospects

SunCon's outstanding order book now stands at RM4.8 billion (Sept 2021 : RM4.7 billion) with RM1.5 billion new order secured up to December 2021. In the 4th quarter of 2021, we secured 2 awards of 50MW LSS4 EPC contract. This is our maiden large scale solar projects since our entry to the solar space 2 years back. In addition, we have commenced work on our Thorapalli Jittandali HAM (Hybrid Annuity Model) India project after receiving appointed date on 7 December 2021. With this, both of our India HAM projects secured in May 2020 have commenced work in India.

The Malaysian economy registered a positive growth of 3.6% in the fourth quarter of 2021 (3Q 2021: -4.5%), as economic activities resumed with the easing of containment measures. Construction sector improved with a smaller contraction of 12.2% (3Q21: -20.6%), supported by higher construction activity, especially in the non-residential and special trade subsectors, following the reopening of the economy. With the turnaround in growth in the fourth quarter, the economy grew by 3.1% for 2021 as a whole, and the unemployment rate declined to 4.3%(3Q 2021: 4.7%). Bank Negara Malaysia (BNM) reiterated that the Malaysian economy will expand between 5.5% and 6.5% for financial year ending 2022, underpinned by continued expansion in global demand and higher private-sector expenditure. SunCon will continue to focus on our overseas venture, mainly in India and also the bigger ASEAN region. On the domestic front, we are actively pursuing opportunities in the private and public sectors, including any Private Funding Initiatives (PFI), as well as pipeline projects from its immediate holding company, Sunway Berhad, and in the sustainable energy segment.

Based on Ministry of Trade and Industry Singapore (MTI), the economy grew by 2.3% quarter on quarter in fourth quarter of 2021, accelerating from the 1.5% expansion recorded in the previous quarter. The construction sector shrank by 2.1% quarter on quarter in fourth quarter of 2021 as construction activities continued to be weighed down by labour shortages due to border restriction. Overall, GDP rose 7.6% in 2021, rebounding sharply from the 4.1% contraction clocked in 2020. The Housing and Development Board (HDB) plans to launch up to 23,000 new Build-to-Order (BTO) flats each year for 2022-2023 as it ramps up supply to meet strong housing demand from Singaporeans. The planned launches of up to 23,000 new flats a year in 2022 and 2023 mark a 35 per cent increase from 2021's figure. These new launches will be located across mature and non-mature towns, HDB said in a press release on 16 December 2021 (2021 : 17,109; 2020: 16,752 units, 2019: 15,491 units, 2018: 15,811 units). Singapore HDB flats comprised of more than 90% of our precast segment sales and our prospect is largely dependent on these launches. With the ICPH plant scheduled to be in operations by 2H 2022, SunCon foresees that our precast segment will contribute more to the group's financials in the near future.

Based on the above, barring any further unforeseen circumstances including the possibility of another wave of Covid-19 restrictions and any further adverse fluctuation in building materials prices, the Group is cautiously optimistic in registering good growth for the financial year ending 2022 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 2021 RM'000 (Unaudited)	Immediate Preceding Quarter Ended 30 September 2021 RM'000 (Unaudited)	Cumulative Year To Date 31 December 2021 RM'000 (Unaudited)
Current taxation	(13,432)	(6,684)	(30,158)
Under provision in prior year	(1,845)	28	(2,195)
Deferred taxation	(10,735)	1,696	(9,142)
	<u>(26,012)</u>	<u>(4,960)</u>	<u>(41,495)</u>
Effective tax rate	28.6%	20.3%	27.3%
Statutory tax rate :			
- Malaysia	24.0%	24.0%	24.0%
- Singapore	17.0%	17.0%	17.0%

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

B6 Profit before Taxation

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

	Current Quarter Ended 31 December 2021 RM'000 (Unaudited)	Immediate Preceding Quarter Ended 30 September 2021 RM'000 (Unaudited)	Cumulative Year To Date 31 December 2021 RM'000 (Unaudited)
Interest income and other distributable income	1,046	978	4,153
Interest expense	(1,082)	(922)	(4,583)
Depreciation and amortisation	(6,621)	(6,881)	(27,415)
Allowance for impairment losses for:			
- Receivables	(10,375)	(4,885)	(15,624)
Write off (loss) :			
- Property, plant and equipment, and software	71	14	78
Legal case provision	(17,332)	-	(17,332)
Net gain on disposal of:			
- Property, plant and equipment, and software	864	152	2,402
Accretion of financial assets and financial liabilities	(457)	(416)	(1,521)
Fair value gain/(loss) on derivative assets and liabilities	67	(8)	93
Foreign exchange gain/(loss):			
- realised	111	(209)	(147)
- unrealised	1	-	(6)
	<u>1</u>	<u>-</u>	<u>(6)</u>

B7 Group Borrowings and Debt Securities

The borrowings breakdown of the Group are as follows:

	As at 31 December 2021 RM'000 (Unaudited)	As at 31 December 2020 RM'000 (Audited)
Current liabilities:		
Unsecured		
- Bills discounting (RM denominated)	65,524	107,344
- Revolving credit (RM denominated)	27,000	50,000
- Short term loan (SGD denominated)	-	76,368
	92,524	233,712
Non current liabilities		
Secured		
- Term loan (SGD denominated)	68,055	67,203
Unsecured		
- Term loan(SGD denominated)	77,335	-
	145,390	67,203

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

- Bills discounting (RM denominated)	2.18%	3.01%
- Revolving credit (RM denominated)	2.33%	2.72%
- Short term loan (SGD denominated)	-	0.92%
- Secured long term loan (SGD denominated)	0.95%	1.08%
- Unsecured long term loan (SGD denominated)	0.70%	-

B8 Derivative Financial Instruments

The Group's outstanding derivatives as at 31 December 2021 were as follows:

Type of Derivatives	Contract/ Notional Value RM'000	Fair Value RM'000	Gains/(Losses) RM'000
Interest rate swap contracts			
- Less than 1 year (SGD denominated)	61,016	(786)	67
Foreign currency forward contracts			
- Less than 1 year	-	(0)	26
Total derivatives		(786)	93

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 2021 RM'000 (Unaudited)	As at 31 December 2020 RM'000 (Audited)
Current	559,374	781,594
1 to 30 days past due	1,010	55,771
31 to 60 days past due	2,738	4,829
61 to 90 days past due	1,999	1,630
91 to 120 days past due	4,460	2,278
More than 121 days past due	77,198	51,244
	<u>87,405</u>	<u>115,752</u>
Total trade receivables	646,779	897,346
Less: Allowance for impairment	(46,172)	(30,949)
Other receivables	60,264	38,461
Amount due from intermediate holding company	16	361
Amount due from related companies	187,931	111,032
Amount due from an associate	-	9,130
Amount due from a joint venture	1,259	22,872
	<u>850,077</u>	<u>1,048,253</u>

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

B10 Changes in Material Litigation

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

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

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

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

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

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

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

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

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

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

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

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

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

Matter was adjourned a few times due to the Covid-19 pandemic and it was further adjourned to 8 April 2022.

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"). We have selected our preferred CCIE panel but NHA has inclined for us to change our preferred panel as this selected panel schedule is full. We have written in to inform our decision to maintain our CCIE panel which was later maintained. Matter has been reverted to court as an amicable resolution at CCIE was not achieved. Next date of hearing on 10 March 2022.

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. We managed to get an earlier pre-trial case management on 27 January 2022 compared to what was earlier disclosed in previous quarter announcement on 4 January 2023 and hearing scheduled from 6 to 9 February 2023. Next case management on 17 March 2022.

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 2021 RM'000	Preceding Period Quarter 31 December 2020 RM'000	Current Year To Date 31 December 2021 RM'000	Preceding Year To Date 31 December 2020 RM'000
<u>Basic earnings per share</u>				
Profit attributable to members of the Company	64,727	30,200	112,588	72,786
Weighted Average Number of Ordinary Shares ('000)	1,289,359	1,289,359	1,289,359	1,289,359
Earnings per share (Basic) (sen)	5.01	2.34	8.73	5.64

By Order of the Board

Tan Kim Aun

Chin Lee Chin

Secretaries

AS AT DEC-2021 (RM MIL)	COMPLETION	CONTRACT SUM	O/S ORDERBOOK	
BUILDING			419	9%
PUTRAJAYA PARCEL F	Maintenance	1,610	11	
TNB HQ CAMPUS (PH 2)	3Q 2022	781	294	
PETRONAS LEADERSHIP CENTRE (PLC)	Completed	305	49	
IOI MALL (MEP)	1Q 2022	68	13	
OXLEY TOWER (MEP)	1Q 2022	68	52	
INFRASTRUCTURE/PILING			232	5%
LRT 3 : PACKAGE GS07-08	2Q 2022	1,295	196	
SENTUL WEST MRTUG ST. (MEP)	1Q 2022	57	9	
CHAN SOW LIN MRTUG ST. (MEP)	1Q 2022	54	9	
JALAN TAMBUN, IPOH	4Q 2022	14	14	
BANGSAR RISING - PILING	1Q 2022	5	5	
INDIA			818	17%
THORAPALLI - JITTANDAHALLI (TJ)	4Q 2023	508	508	
MEENSURUTTI - CHIDAMBARAN (MC)	3Q 2023	315	310	
SUSTAINABLE ENERGY			399	8%
SOLAR - EXTERNAL	Various	27	12	
NEW ORDER 2021 - EXTERNAL	Various	387	386	
SINGAPORE			456	10%
PRECAST	Various	331	160	
NEW ORDER 2021 - EXTERNAL	Various	298	296	
INTERNAL - SUNWAY GROUP			2,428	51%
SMC 4 + VO	2Q 2022	612	329	
SUNWAY SERENE	3Q 2022	413	86	
SUNWAY BELFIELD	4Q 2024	403	361	
SUNWAY VELOCITY 2	2Q 2022	352	115	
SOUTH QUAY CP2 - SUPERSTRUCTURE	4Q 2023	265	265	
SOUTH QUAY CP2 - SUPERSTRUCTURE (VO)	3Q 2024	293	293	
SUNWAY CARNIVAL MALL EXT.	2Q 2022	286	42	
SUNWAY VELOCITY 2B	4Q 2023	253	225	
SMC DAMANSARA	1Q 2023	240	231	
SMC SEBERANG JAYA	2Q 2022	180	61	
SMC SEBERANG JAYA - VO	2Q 2022	16	16	
SMC IPOH	1Q 2024	150	149	
SW INTERNATIONAL SCHOOL (SIS)	4Q 2022	121	69	
SIS - VO	4Q 2022	19	19	
SOUTH QUAY CP2 - PILING	2Q 2022	198	61	
SUNWAY VELOCITY 3C4	3Q 2022	100	37	
SUNWAY HOTEL RENOVATION	2Q 2022	81	29	
BIG BOX OFFICE	2Q 2022	51	37	
BUTTERWORTH-KULIM EXPRESSWAY	1Q 2022	4	2	
DRAINAGE WORKS	4Q 2022	1	1	
GRAND TOTAL @ DEC 2021		10,164	4,751	
RED : SECURED IN 2021		1,474	1,445	