Annexure "A"

Sunway Berhad 16th Annual General Meeting ("AGM")

Pre-AGM and Live Questions from Shareholders

30 June 2026

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Questions from Shareholders

FINANCIALS

1. **Total borrowings increased significantly to RM15.0 billion as at 31 December 2025, from RM10.9 billion in 2024, raising the net gearing ratio from 0.41x to 0.48x. While still manageable, what is Management's internal "ceiling" for net gearing? How will the Group balance its landbank replenishment with debt servicing in an elevated interest rate environment?**

The increase in the Group's borrowings was primarily to fund committed capital expenditure and strategic investments, particularly the acquisition of Sunway MCL (formerly known as MCL Land). In addition, borrowings were utilised to finance the acquisition of plant and equipment, replenishment of land bank, and support capital expenditure incurred for ongoing property development projects.

Notwithstanding that, the Group's net gearing ratio had improved to 0.30x as at 31 March 2026, on the back of enlarged Shareholders' equity resulting from the remeasurement gains upon the listing of Sunway Healthcare Holdings Berhad ("Sunway Healthcare") on 18 March 2026.

The Group maintains a prudent approach to capital and balance sheet management and believes that a net gearing of up to 0.50x is prudent. This provides the Group with sufficient financial flexibility to pursue growth opportunities while maintaining a strong balance sheet.

The Group remains active in replenishing its land bank to support future growth and ensure a sustainable development pipeline. At the same time, we continue to adopt a prudent approach to capital and debt management, carefully balancing the use of internally generated funds and borrowings. The Group continuously evaluates its funding structure to maintain an appropriate capital mix while preserving financial flexibility and balance sheet strength.

2. **The Group recognised an impairment loss of RM173.7 million on a carpark building during the financial year because its market value fell below its carrying amount. Could Management provide further details on the location of this asset and whether the impairment indicates a broader trend of declining valuations for standalone commercial assets in certain locations?**

The impairment loss on property, plant and equipment relates to a component within Sunway Square. During the period, a fair value gain was also recognised on the mall and office tower of the development. In accordance with the applicable accounting standards, these items are required to be presented separately in the financial statements. On a net basis, the overall impact of the valuation adjustments was a gain of approximately RM2.6 million.

3. It is noted from page 267 of the Integrated Annual Report 2025 ("IAR2025") that the Group has a 50%-owned joint venture in India undertaking property development. In addition, page 292 of IAR 2025 states that the Group monitors the country and industry sector profile of its trade receivables on an ongoing basis to manage concentration of credit risk. In 2025, India represented the Group's second-largest concentration of credit risk, with total exposure amounting to RM452.13 million. What is the status of this joint venture, including its operational and financial performance, as well as its prospects?

The Group has presence in India in two business segments, namely property development and construction. The joint venture referred to on page 267 of the IAR2025, Sunway Opus International Private Limited., was established for property development activities and is currently dormant. The trade receivables relating to India disclosed on page 292 of the IAR2025 pertains to the Construction Division, specifically the construction of a toll highway in India. The outstanding trade receivables are due from the National Highways Authority of India ("NHAI"). The Group considers these receivables low credit risk as payments is contractually structured under a hybrid annuity payment mechanism, providing a predictable and secure payment profile.

4. Could the Management comment on the recoverability of these receivables. Given the depreciation of the Indian rupee against the US dollar, what is the Group's exposure to foreign exchange risk in relation thereof?

The outstanding trade receivables due from NHAI are fully recoverable and would be repaid over time under an annuity payment arrangement. Accordingly, the Group does not anticipate any material credit risk associated with these receivables. The Group acknowledges that the receivables are subjected to foreign exchange exposure.

5. The report shows significant related-party transactions with Sunway Healthcare, Sunway Real Estate Investment Trust ("Sunway REIT") and other related parties. What independent benchmarking is used to ensure construction, management, information technology ("IT"), rental and service transactions are conducted at arm's length, especially where Sunway Berhad is on both sides of the ecosystem?

The Group has established a comprehensive policies and procedures governing recurrent related party transactions ("RRPTs") as disclosed in the Circular to Shareholders on the Proposed Renewal of Existing Shareholders' Mandate and Proposed New Shareholders' Mandate for RRPTs of a revenue or trading nature ("RRPT Circular") to ensure that all RRPTs are conducted on commercial terms, transparent and at arm's length basis.

Shareholders may refer to the RRPT Circular for further details. Where practicable, the Group obtains at least two comparable quotations from independent third parties to benchmark against the quotation submitted by the relevant Sunway entity participating in the tender process.

For specialised construction or property development projects where, comparable quotations are not readily available, the Group engages an independent professional quantity surveyor to provide cost estimates, which serves as a benchmark in assessing the competitiveness and reasonableness of the bid submitted.

6. The report shows 55% of borrowings are floating rate. What is the estimated impact on annual finance cost if interest rates increase by 50 or 100 basis points, and does the Management plan to increase the fixed-rate portion?

Based on the Group's interest rate sensitivity analysis, every 25 basis points increase in interest rates is estimated to reduce the Group's profit after tax and minority interests ("PATMI") by about RM16 million. Accordingly, a 50 basis points and 100 basis points increase in interest rates would result in an estimated reduction in PATMI of approximately RM32 million and RM64 million, respectively.

The Group continues to monitor the interest rate movements closely and has maintained prudent oversight of the Group's financing costs. In the current interest rate environment, the Group remains focused on optimising its debt portfolio through a balanced mix of fixed-rate and floating-rate borrowings, while proactively securing financing on favourable terms, subject to prevailing market conditions. The Group issued approximately RM900 million of medium-term notes earlier in the year to capitalise on the favourable interest rates and strengthen its long-term funding profile.

7. Given the ongoing capital expenditure for our pipeline of new hospitals (such as Sunway Medical Centre ("SMC") Damansara and SMC Ipoh) and the strategic 16% equity partner alignment with GIC, could Management update on the targeted timeline and regulatory milestones for the listing of Sunway Healthcare? Furthermore, how does the Board intend to deploy the capital proceeds from this eventual monetisation? Will it be heavily prioritised for debt paring to optimise net gearing, or strictly ring-fenced for further regional tertiary healthcare expansions?

Sunway Healthcare was successfully listed on the Main Board of Bursa Securities on 18 March 2026. The proceeds from the listing have been allocated towards three key utilisations, in line with the Group's growth and capital management strategy. Approximately 30% of the proceeds were utilised for the repayment of borrowings. A further 40% to 45% has been earmarked to fund future developments, including projects such as the Bukit Chagar transit-oriented-development ("TOD") and Seremban Sentral integrated development, as well as the expansion of new hospitals. The remaining proceeds was utilised to defray listing-related expenses.

8. What is the expected performance of the Group in 2026?

The Group is cautiously optimistic about its performance for the remainder of the financial year. While the operating environment continues to be shaped by domestic and global uncertainties, Management remains confident in the Group's resilience, diversified business model and disciplined execution capabilities. Barring any unforeseen circumstance, the Group expects to sustain its performance for the year.

9. Sunway MCL acquisition was completed on 31 October 2025. However, the financial performance of Sunway MCL is not available in the IAR2025. What was the share of profits contribution from Sunway MCL in FY2025 and if Sunway Berhad receives any dividends to date from Sunway MCL?

The Group is not required under the applicable financial reporting requirement to disclose a separate financial breakdown for Sunway MCL. Nevertheless, in response to the shareholder's question, Sunway MCL recorded a profit of RM58 million for FY2025. In addition, the Group recognised a negative goodwill gain of RM55 million arising from the acquisition. During the financial year, the Group also received dividend income of SGD345 million from Sunway MCL, reflecting the subsidiary's healthy cash generation and profitability.

10. Note 3 to the Financial Statements on Segmental Reporting indicates that the "Others" segment recorded revenue of RM922 million and profit of RM108 million in FY2025. Could the Management provide a breakdown of revenue and profit by contributions by the respective business division within the "Others" segment?

With reference to Note 3 on Segment Information in the IAR2025, the revenue reported under the "Others" segment was primarily contributed by the Group's Building Materials and Pharmaceutical segments. The Building Materials segment recorded revenue of RM341 million and profit before tax ("PBT") of RM71 million for FY2025. Meanwhile, the Pharmaceutical segment through Sunway Multicare, generated revenue of RM393 million and PBT of RM9 million during the financial year.

The remaining revenue and PBT under the "Others" segment were contributed by the Group's other businesses.

11. According to Note 9 to the Financial Statements, the Group incurred non-audit fees of RM863,000 payable to Member firms and affiliates of BDO PLT, and RM3.98 million payable to other auditors. Could Management elaborate on the nature of the professional services provided in relation to these non-audit fees?

The non-audit fees of RM3.98 million payable to other auditors incurred in FY2025 was related to the engagement of PwC to provide consultancy services for the Group's consolidation system transformation. This engagement was entered in Q1 2025, prior to the acquisition of MCL Group in Q4 2025.

12. The Group's balance sheet showed total debt of RM16.3 billion and shareholder equity of RM26.3billion. While the Group's gearing ratio decreased to 0.30x as at 31 March 2026, its operating cash flow covers only about 18% of the Group's total debt. Given the rising cost of servicing the leverage, could the Board share the plans to improve its organic, cash-generative operations at the parent level over the next 12-month, and what structural changes are being made to shield cash payout ratio from tightening under distress scenarios?

Although the Group's total borrowings stood at RM16.3 billion as at 31 March 2026, its net gearing ratio improved significantly to 0.30x, reflecting the strengthening of the Group's equity base following the listing of Sunway Healthcare and continued disciplined capital management. The Group's borrowings are primarily to fund its investments in property development, investment properties and healthcare facilities that are expected to generate sustainable future cash flows.

The Group continues to focus on enhancing organic cash generation across its core businesses. This is supported by the monetisation of its healthy unbilled property sales, disciplined execution of its sizeable construction order book, improving contributions from its maturing healthcare assets, and resilient recurring income from its investment properties. Management also places strong emphasis on working capital optimisation, disciplined capital expenditure, prudent cost management and efficient treasury management to strengthen operating cash flows.

From a capital management perspective, the Group continuously reviews its funding mix, debt maturity profile and financing costs to maintain adequate liquidity and minimise refinancing risk. The recent issuance of medium-term notes at favourable rates and the repayment of borrowings using part of the proceeds from the listing of Sunway Healthcare reflect the Group's proactive approach to managing its financing profile.

With respect to shareholder returns, the Board remains committed to its dividend policy while balancing the Group's funding requirements, financial position and future investment opportunities. Dividend decisions will continue to be made after taking into consideration the Group's profitability, operating cash flows, capital commitments, gearing position and prevailing market conditions, thereby ensuring that shareholder distributions remain sustainable even under more challenging operating environments.

13. What is the Group's dividend policy?

The Board has endorsed a dividend distribution guidance of a minimum 20% dividend payout ratio based on the Group's core PATMI. This reflects the Board's commitment to delivering sustainable returns to shareholders while ensuring that the Group retains sufficient cash to fund its growth initiatives and strategic investments. Subject to the Group's financial performance, cash flow position, capital commitments, and prevailing business conditions, the Board will consider declaring dividend above the minimum threshold with the objective on enhancing shareholder returns over the long-term.

STRATEGY AND CORPORATE DEVELOPMENT

14. Following the listing of Sunway Healthcare on 18 March 2026, how will the Group's dividend policy be affected by the loss of direct healthcare earnings, and what is the dividend-upstream from Sunway Healthcare to Sunway Berhad?

The Group's equity interest in Sunway Healthcare has changed from 84.0% to 69.4% following the listing. Notwithstanding that, the Group does not expect material earnings dilution from the healthcare segment. This is underpinned by the healthcare segment's strong growth prospects, supported by its robust expansion pipeline, increasing domestic demand for private healthcare services and the continued growth of Malaysia's medical tourist markets. Sunway Healthcare targets a dividend payout ratio of up to 30% of its PATMI.

15. What is the Board's outlook on sustaining cash dividend payout for 2026? Can Management provide clarity on its long-term cash dividend policy to ensure steady yields alongside the Group's aggressive expansion?

The Group is committed to delivering sustainable long-term value to shareholders through its dividend guidance, which provides for a minimum annual dividend payout of 20% of core PATMI. Historically, the Group has distributed above 30% of its core PATMI as dividends.

16. What is the Group's next M&A? Are there specific sectors that the Group targets? How does Management plan to further unlock value across Sunway Berhad's remaining core business pillars?

The Group is committed to pursuing growth through both organic growth across its existing businesses and inorganic growth through mergers and acquisitions ("M&A"). While the Group continues to explore opportunities across various sectors, any potential M&A must meet our strategic investment criteria and demonstrate a clear ability to generate meaningful synergies, strengthen our competitive position and create long-term, strategic and sustainable value for all stakeholders.

Accordingly, the Group does not confine its M&A strategy to any specific industry although there is a preference for industries relating to our core businesses. Should there be any material development, the Group will make the necessary announcements in accordance with the listing requirements in due course.

17. Does the Group have plans to expand into new international markets, and which business sectors are expected to drive its overseas growth initiatives?

The Group adopts a disciplined and selective approach towards overseas expansion. Given the varying regulatory environments, market dynamics, consumer preferences, and execution risks across different jurisdictions, all overseas investments are evaluated rigorously, taking into consideration country risk, market opportunities and the Group's capabilities. The Group has established an international presence in several countries. This includes property development and manufacturing operations in China, hospitality business in Vietnam and Cambodia as well as a long-standing presence in Singapore through property development projects, which have consistently delivered profitable returns. In FY2025, the Group completed its largest M&A exercise, with the acquisition of Sunway MCL, strengthened its presence in Singapore's property market. Recently, Sunway MCL secured the RM2.4 billion River Valley Green residential land tender in Singapore, underscoring the Group's confidence in the market, which benefits from a transparent regulatory framework and market characteristics that are broadly comparable to those in Malaysia.

Beyond property development, the Group's Trading and Manufacturing ("T&M") Division has established global footprint, operating across 50 locations in 7 countries including Singapore, Thailand, China, India, Indonesia, Vietnam and Australia. Its operations span a diverse range of businesses, including heavy equipment, building materials, industrial hoses and fittings, and industrial hardware amongst many other products.

18. Does the Group consider investing in the semiconductor sector? Considering the rapid adoption of artificial intelligence ("AI"), how does Management intend to leverage AI across the Group's businesses?

Approximately 97% of the Group's FY2025 revenue of RM9.8 billion was generated from its brick-and-mortar businesses. While management acknowledges the importance of embracing AI, investments in emerging technologies must be evaluated carefully, particularly given the significant research and development requirements, execution risks and specialised capabilities involved.

Accordingly, the Group is adopting a prudent and measured approach towards investments in new technology, including semiconductors. Nevertheless, the Group would not rule out such opportunities should they arise in the future. In the near term, the Group may consider investing into digital ventures, particularly those that could leverage Sunway University's support.

The Group has established digital ventures to support its internal information technology and AI adoption, develop technology solutions for deployment across the Group, and explore opportunities for external commercialisation. In addition, the Group invests through its iLabs Division which identify and culminates emerging cutting-edge technologies and evaluates their potential relevance to Sunway's businesses.

19. Could the Board share the key challenges that the Group is facing and the measures being undertaken by Management to address them?

The Group remains focused on delivering sustainable long-term growth through disciplined execution of its strategic priorities. In 2020, the Group launched its 3X Transformation Programme, with the objective of tripling its PBT by 2030, using 2019 as our baseline year. Following the launch of the transformation programme, the Group's PBT more than doubled from RM804 million in FY2019 to RM1.9 billion in FY2025. This encouraging progress demonstrates that the Group remains on track towards achieving its PBT target of RM3 billion by 2030. While challenges and uncertainties remain, Management continuously reviews its strategies and implement strategic initiatives that support the achievement of the Group's long-term goals.

Over the past 50 years, the Group has successfully navigated two major crises, namely the global financial crisis and the COVID-19 pandemic, by focusing on strengthening its existing businesses, maintaining financial discipline and leveraging the strength of its diversified business model. This resilience has enabled the Group to emerge stronger from each economic cycle.

20. Sunway has successfully captured significant upside from the advanced technology facilities and the data centre construction boom through Sunway Construction's involvement in data centre construction. Looking at the Group's landbank portfolio, what is the Group's long-term strategy in data centre ownership? What is the Group's plan in addressing energy and water shortage to support data centre development?

The Group does not have any plans to pursue ownership of data centre at this juncture. As a contractor, Sunway Construction is not subjected to potential utility shortage risks affecting data centre operation. Nonetheless, if opportunities prevail for the Group to invest in utility industry, the Group shall evaluate the opportunities accordingly and their synergies to the Group.

21. Sunway Berhad's stake in Sunway Healthcare stood at 69.4% following the listing in March 2026. Does the Group have any plans to reduce its stake? Should shareholders expect special distribution if the Group reduces its stakes in Sunway Healthcare?

The Group is confident of the prospect of Sunway Healthcare given its long-term growth prospects, supported by its visible expansion plans of brownfield and greenfield hospitals. In this regard, the Group does not plan to reduce its stakes in the near term.

PROPERTY DEVELOPMENT SEGMENT

22. How is the Group specifically pricing the potential uncertainties from cross-border policies?

The continued review and refinement of cross-border policies are expected to further strengthen the economic collaboration between Johor and Singapore and enhance the attractiveness of Johor-Singapore Special Economic Zone ("JS-SEZ") as a destination for investments, business expansion and skilled talent.

23. How is the Group leveraging JS-SEZ to attract foreign buyers?

Given Johor's improving connectivity and growing appeal as an investment destination, the Group is optimistic that real estate demand from foreign buyers will continue to grow over time. Sunway leverages its strong brand reputation and established track record in the Singapore real estate market complemented by targeted marketing initiatives such as roadshows in Johor and Singapore. The Group believes that the commencement of the operations of the Rapid Transit System ("RTS") Link will increase the interest for real estate in Johor.

24. What is the timeline for Sunway Majestic development?

Sunway Majestic is a mixed-use development in Johor Bahru City Centre and the upcoming RTS Link, featuring Johor's maiden SOHO concept and retail space. The first phase of the SOHO was launched in October 2025, where the entire development is expected to take 5 to 7 years.

25. What is the current progress of the RM2.0 billion Seremban Sentral?

The acquisition of the Seremban Sentral land is still at the stage of fulfilling the necessary conditions precedent. Concurrently, we have commenced planning for the development and will be obtaining the requisite approvals from the relevant authorities. The Group will proceed with the development in phases upon securing the necessary approvals.

26. Noted that certain conditions precedent for the Seremban Sentral development remain outstanding several months after the groundbreaking ceremony. Could the Board elaborate on the outstanding conditions precedent that have yet to be fulfilled? Are these outstanding matters expected to affect the timeline or the estimated gross development value ("GDV") of RM2.2 billion?

Following the award in May 2025, the Seremban Central development progress was largely on track. Since then, the Group proceeded with the necessary planning, rezoning process and submission of development plans to the relevant authorities as part of the regulatory approval process.

The Group also commenced preparatory works for the first phase of the development which comprises a hospital with an estimated capacity of 250 beds. Subsequent phases include a retail mall, office and serviced apartments, forming an integrated mixed-use development. Currently, a portion of the development land is occupied by a contractor appointed by the Ministry of Transport ("MOT") for the construction of the double-track railway project, however, this is not expected to affect the development of the first phase. The Group continues to work closely with the relevant authorities to facilitate an orderly progres of overall development.

27. With respect to the Bukit Chagar transit-oriented-development ("TOD"), could the Board provide an update on the project? Specifically, has the notice to proceed for the development of the retail mall and the topside mixed-use development been issued?

The Group is required to complete the construction of the podium and car park components to support the commencement of operations of the Johor Bahru-Singapore RTS and the Immigration, Customs, and Quarantine Complex ("ICQC") in January 2027. Given the tight delivery schedule, Management is closely monitoring construction progress to ensure timely completion.

Notwithstanding the demanding timeline, the Group remains confident in its ability to deliver the project within the planned timeframe, underpinned by its proven execution capability, strong project management expertise and established track record in delivering large-scale, complex integrated development projects.

28. The acquisition of Sunway MCL has contributed to record unbilled sales of RM9.5 billion. How does management plan to accelerate the conversion of these unbilled sales into revenue given the "lumpy" nature of executive condominium project recognition seen in previous years?

The significant increase in unbilled sales was largely attributable to the contribution from Sunway MCL's property development projects in Singapore and Malaysia. The Group's unbilled sales of RM9.5 billion provides strong earnings visibility for the Property Development segment for the next 3 years. A substantial portion of the unbilled sales was contributed by private condominium projects in Singapore, where the share of net profits is recognised progressively based on construction progress and billings. In Singapore, the Group remains committed to maintaining a balanced mix of private condominium and executive condominium projects that caters to wider market segment and buyer profiles.

29. While the Group's integrated townships in Malaysia continue to provide resilient recurring income, property development margins are facing headwinds from structural building material cost inflation. Could the Management elaborate on the Group's capital recycling strategy over the next three years, particularly in balancing capital allocation between its Malaysian and international property portfolios? How does the Management assess and manage the risk-return profiles of large GDV international development projects relative to the continued expansion of domestic transit-oriented developments?

The Group remains vigilant in managing cost inflation through disciplined cost control and procurement as well as continuous improvements in operational efficiency across our businesses.

At the same time, the Group remains focused on a disciplined capital allocation strategy, with a focus on replenishing its landbank in strategic locations that offer strong long-term growth potential, such as TODs, fast-turnaround residential projects and industrial developments that are well positioned to meet the evolving market demand in both Malaysia and Singapore.

To support its FY2026 property launch target of RM4.8 billion, the Group has recently launched Pinery Residences, a private condominium project in Singapore, as well as Sunway Serene 2 and Sunway Sakura 2 in Malaysia. Sunway MCL successfully secured a 2.8-acre residential site at River Valley Green, Singapore in June 2026, further strengthening its development pipeline. The Group's balanced portfolio strategy enables it to diversify geographical exposure, capture growth opportunities across different property cycles and market segments, supporting sustainable long-term earnings growth while maintaining prudent capital allocation.

HEALTHCARE SEGMENT

30. Medical cost inflation reached 15% in 2025. How will the Group manage margin compression caused by specialist shortages in pursuing its target of 2,200–2,300 beds? Has the Group been impacted by inventory and higher medical supplies costs amid geopolitical uncertainties?

To address industry-wide cost inflation, Sunway Healthcare continues to strengthen procurement efficiencies by leveraging its growing scale to negotiate for favourable price and terms through bulk arrangements. The enlarged network of hospitals also enables the healthcare Group to achieve greater efficiencies across its healthcare ecosystem. It is worth noting that majority of consultant specialists are engaged as independent practitioners and are not part of Sunway Healthcare's payroll.

The procurement and supply of pharmaceuticals, medical consumables and other critical healthcare supplies have remained stable and manageable thus far, with no material disruptions to the Group's healthcare operations.

31. In the President's Statement, it was mentioned that the Group expects medical tourism to contribute 15% of healthcare revenue. With the weakening of the Indonesian Rupiah, has the Group seen lower demand from Indonesia?

In Q1 FY2026, medical tourism contributed to 14.8% of Sunway Healthcare's revenue (FY2025: 13%). Despite the weakening of the Indonesian Rupiah, Sunway Healthcare recorded higher patient volumes from Indonesia, underscoring Malaysia's cost competitiveness and effectiveness of Sunway Healthcare's ongoing initiatives to expand its medical tourism segment.

32. Sunway Healthcare's contribution was RM215.6 million in FY2025 compared to RM216.2 million in FY2024, mainly due to start-up losses from SMC Damansara and SMC Ipoh. What is the expected timeline for the two hospitals to turn profitable, and what is the expected steady-state margin once they mature?

SMC Damansara commenced operation in December 2024 and has achieved its maiden EBITDA and PBT breakeven in August 2025 and January 2026 respectively. Meanwhile, SMC Ipoh has also achieved its maiden EBITDA breakeven in January 2026, nine months after the commissioning of the hospital in April 2025.

Based on historical track record, normalised EBITDA margin is in the mid-20%.

CONSTRUCTION SEGMENT

33. What is the anticipated increase in construction and property development costs for the Group? Any procurement hedging in place?

A substantial portion of Sunway Construction's outstanding order book comprises projects undertaken on a cost-plus model, which provides a degree of protection against cost escalation and reduces the sensitivity of margins to fluctuations in costs. Under this model, the cost escalation will be borne by clients. Sunway Construction adopts a prudent procurement and cost management practices, matching the timing of raw materials procurement with construction progress where possible.

Meanwhile, ongoing and future property development projects will be subjected to some degree of cost pressures, however, the impact is expected to be manageable as the projects typically span over 3 years at various stages of development. The estimated impact is less than 5% of overall development cost.

34. Data center projects now represent a significant portion of the record RM5.7 billion outstanding order book. While high value, these projects often have shorter tenures and different margin profiles. How does Sunway Construction mitigate the risk of a "boom-bust" cycle in the data centre market?

Sunway Construction endeavours to maintain a well-diversified order book across its key segments, including Advanced Technology Facilities ("ATF"), public infrastructure, purpose-built projects and projects within the Sunway Group ecosystem. Nevertheless, the composition of the outstanding order book may vary from time to time, depending on prevailing market opportunities, project award timelines and the progress of ongoing projects.

35. How does Sunway Berhad mitigate the long-term risk of potential infrastructure bottleneck (such as power and water constraints) in Malaysia? Are we pivoting towards developing "green data centres"?

The rapid adoption of AI and growing demand for cloud computing continue to drive the next wave of data centre investments across Asia, with major hyperscale technology companies expanding their cloud and AI data centres in Malaysia. Typically, contracts awarded to Sunway Construction would have secured the necessary power and water requirements, thereby minimising execution risk.

Sunway Construction is also evaluating opportunities in renewable energy generation under the Corporate Renewable Energy Supply Scheme ("CRESS"), which will enable Sunway Construction to supply renewable energy to their clients' data centres.

36. PBT for the Construction segment almost doubled in FY2025, mainly due to peak progress on data centre projects. How much of this profit is repeatable after the current data centre cycle, and what is the percentage of RM5.7 billion outstanding order book exposed to data centres?

As at 31 December 2025, Sunway Construction's outstanding order book stood at RM5.7 billion, of which approximately 41% is comprised of data centre construction projects. While the construction projects do not generate recurring income, its sizeable outstanding order book provides strong earnings visibility through progressive recognition of construction revenue over the project execution period.

PROPERTY INVESTMENT AND REIT SEGMENT

37. Could Management comment on the current trading conditions across Sunway Malls in light of consumer uncertainties caused by higher fuel prices?

The retail segment continued to record healthy operating metrics during the first 5 months of 2026. Retail sales remained resilient while retail footfall continued to trend upwards across the retail malls portfolio.

38. Sunway Ipoh Mall is expected to open next year. Could the Management share leasing progress for the mall and if the Management expect any issue to obtain reasonably healthy occupancy at reasonable rental yields upon the mall opening next year, in light of the economic uncertainty?

Sunway Ipoh Mall is targeted to commence operations in Q4 2027. As one of Malaysia's largest retail mall owners and operators, the Group has established strong network of domestic and international retailers. Drawing from the successful expansion of Sunway Carnival Mall in Penang, the Group is confident in its ability to replicate a similar track record in Ipoh. We believe that the Ipoh market remains underserved and present a compelling opportunity to introduce differentiated retail offerings that caters to the community and tourists.

39. What is the occupancy and footfall for Sunway Square? It was reported that RM13.4 million start-up operational loss relating to Sunway Square in Q1 FY2026. Kindly explain.

Sunway Square is a new integrated development within Sunway City Kuala Lumpur ("SCKL"), comprises a retail mall, two corporate office towers and a new Sunway University campus. Sunway Square Mall is curated with a higher concentration of food & beverage ("F&B"), edutainment, and services-oriented offerings, primarily to serve the residents, students and working community in the immediate vicinity.

Sunway Square Mall achieved an occupancy rate of 99% and recorded close to 1.5 million footfalls in the first three months of 2026. This reflecting strong visitorship since the launch of the mall in December 2025. One of the corporate tower that was completed and handover late last year, has achieved an occupancy rate of 70% while leasing efforts are ongoing to increase the occupancy of the office towers.

The start-up loss was largely related to the mall due to advertising and promotions ("A&P") costs and rental rebates.

40. On the pet-friendly status mall, why was this not thought of properly before promoting it as this pet friendly mall and had to reverse the policy after criticism on social media and by the State Exco?

The initiative was introduced in response to the growing demand for pet-friendly spaces among the community and mall visitors. However, following clarification from the authorities, pet-friendly activities and access have been confined to designated outdoor areas, ensuring that the needs of pet owners can be accommodated while maintaining a comfortable environment for the wider public.

41. Referring to last year's AGM, it was mentioned that Sunway Velocity Mall is expected to reach its full maturity soon. Does the Management think the mall has reached its "maturity" on its 10th anniversary?

Sunway Velocity Mall continues to demonstrate healthy operating performance, with an average occupancy rate of above 95%. The operating performance continued to improve as populations in the vicinity continued to grow and contributed positively to retail footfall and retail sales.

42. It was noted that the hospitality segment experienced softer performance in Q1 FY2026. What is Management's strategy to capture the influx of ASEAN tourists? How are we leveraging the SCKL ecosystem to promote SCKL in conjunction with the Visit Malaysia Year 2026?

The first quarter is traditionally a seasonally softer period for the hospitality business, following the peak year-end travel season and the impact of festive holidays. During the current year, performance was also affected by the deferment or cancellation of certain Meetings, Incentives, Conferences and Exhibitions ("MICE") activities at the start of geopolitical uncertainties. Looking ahead, the Group sees opportunities to capture the rising domestic and intra-ASEAN travel demand as higher fuel surcharges increase the cost of long-haul travel. Given that SCKL is an established tourism destination, the Group continues to leverage multiple marketing channels to capture these opportunities. This includes cross-selling initiatives across its hospitality, retail and theme parks offerings to bring synergistic value to these businesses.

43. Approximately one year post introduction of Sunway Discovery program, what is the current proportion of direct bookings versus OTA bookings, and have direct bookings increased since the introduction of this programme?

The GHA programme has generated more than 10,000 rooms nights since the inception in May 2024 across a total membership base of over 90,000 members. Direct bookings have grown by 8% compared to the previous year.

44. The overall cleanliness of the facilities in the Lost World of Tambun seems to have declined, i.e. murky water and accumulation of sediment at the main pool. When is the weekly water cleaning and maintenance process carried out, particularly at the main pool?

The pool cleaning is carried out daily before or after operating hours to maintain water quality and cleanliness. As the main pool is one of the largest attractions within the park and the maintenance team has a cleaning window of less than two hours each day, the vacuuming process is conducted in stages, with different zones cleaned on a rotational basis rather than the entire pool being vacuumed at once. This approach ensures that the pool is maintained effectively while accommodating operational constraints and guest's visitation schedules.

The murkiness that has been observed in the main pool is primarily due to sediments entering the pool from the ongoing construction works at our façade area. In response to this, we have further strengthened our maintenance efforts by increasing the frequency of sediment vacuuming to once every three days, together with regular water discharge and replenishment.

Deep cleaning and maintenance works are carried out on every Tuesday when the park is closed, particularly for the main pool, to minimise sediment build-up and improve water clarity. The team is closely monitoring the situation and remains committed to maintaining the highest standards of cleanliness and guest experience throughout this period. We sincerely apologise if it affects the overall guest experience and will continue to ensure the cleanliness of the pools.

OTHERS

45. As reported in the media on 21 May 2026, the Malaysian Anti-Corruption Commission ("MACC") has thrown Sunway Berhad into the spotlight again.

i. Has Sunway Berhad received any formal notification from MACC on this latest investigation?

ii. Do you have any knowledge whatsoever whether any individuals mentioned in the latest investigations are employed and/or appointed by Sunway Berhad?

iii. Apart from tarnishing the brand value and clean image of Sunway Berhad, have both the news impacted on the business aspects of the overall Sunway Group in terms of rejected bids for tendered projects to date?

For clarification, certain media reported that the MACC had commenced an investigation involving Sunway Berhad in relation to the proposed voluntary takeover of IJM Corporation Berhad ("IJM"). However, no personnel or individual associated with Sunway Group was investigated or called upon to assist in the investigation.

Following its review, the MACC concluded that the proposed acquisition of IJM was carried out in accordance with the applicable legal and regulatory framework prescribed by the Securities Commission Malaysia. Subsequently, a letter of clearance was issued by MACC on 26 March 2026.

The matter has not impacted on the Group's operations, business relationships or commercial standing. We continuously strive to protect the Sunway brand through our actions and product delivery. As evidence of this, Sunway Construction continues to secure new data centre projects from both existing and new multinational clients, reflecting the continued confidence of customers and stakeholders in the Group's capabilities and governance standards.

46. The Nomination and Remuneration Committee ("NRC") noted the categorisation of successors as "emergency, near-term, or long-term". Can management confirm if all C-suite and Level 2 positions currently have at least one "immediate" successor ready?

Yes, the succession plan is in place.

47. How much does the company spend on sustainability initiatives?

As disclosed in the Sustainability Report 2025, Sunway contributed more than RM7.3 million through various corporate social responsibility ("CSR") initiatives during the year. Of this amount, RM6.2 million was channelled to not-for-profit organisations, positively impacting more than 84,000 beneficiaries across Malaysia.

These efforts reflect Sunway's longstanding commitment to its philosophy of "doing well by doing good", whereby business success is pursued alongside meaningful contributions to society, community development and the well-being of underserved groups.

48. The report mentioned that the Group allocated RM200,000towards data governance and privacy initiatives, appointed 11 Data Protection Officers, and recorded zero major data breaches during the years. Given Sunway's extensive operations across healthcare, property, malls, hotels, fintech and digital platforms, could the Board clarify whether the RM200,000 represents the Group's total expenditure on data governance and cybersecurity, or whether it is only a component of a broader cybersecurity budget?

The RM200,000 refers specifically to the annual budget allocated by the Group's Digital Technology Services function for the Group's data governance and privacy initiatives. The allocation supports a range of data governance and privacy initiatives throughout the year, including awareness campaigns, internal communications and newsletters, as well as workshops and knowledge-sharing sessions conducted with external industry experts for Sunway's Data Protection Officers ("DPOs").

The Group appointed 11 DPOs across respective business divisions. These DPOs are responsible for overseeing data protection and privacy matters within their respective business units. The RM200,000 budget is approved as part of the Group's annual business planning process, with actual expenditure determined based on requirements and subject to the Group's established approval and governance processes.

49. The report stated that Sunway has invested approximately RM30 million in solar photovoltaic installations as of FY2025, generating around 22 GWh of renewable energy, and achieving about RM1.4 million in solar savings. What is the payback period and targeted return on investment for the solar investments?

The Group's solar photovoltaic investments have an estimated payback period of approximately 14 years, with an estimated internal rate of return ("IRR") of approximately 4.5% over the expected asset lifespan.

50. Please give door gift or e-wallet voucher.

We would like to inform that giving door gift for participation in general meetings is not Sunway's practice. Sunway believes in rewarding shareholders through total shareholders' returns including dividends.

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