

SUNWAY[®]

SUNWAY BERHAD

Registration No. 201001037627 (921551-D)
(Incorporated in Malaysia)

MINUTES OF THE 12TH ANNUAL GENERAL MEETING OF SUNWAY BERHAD (“SUNWAY” OR “COMPANY”) HELD VIRTUALLY THROUGH LIVE STREAMING AND ONLINE REMOTE VOTING AT THE BROADCAST VENUE AT THE PENTHOUSE, LEVEL 20, MENARA SUNWAY, JALAN LAGOON TIMUR, BANDAR SUNWAY, 47500 SUBANG JAYA, SELANGOR DARUL EHSAN ON THURSDAY, 23 JUNE 2022 AT 3:00 P.M.

PRESENT : **Board of Directors:**
Tan Sri Dato’ Seri Dr Jeffrey Cheah Fook Ling AO (*Chairman*) *
Tan Sri Datuk Seri Razman M Hashim *
Tan Sri Dato’ (Dr.) Chew Chee Kin *
Tan Sri Dato’ Dr Lin See Yan *
Tan Sri Datuk Dr Rebecca Fatima Sta Maria ^
Tan Sri Jamaludin Bin Ibrahim ^
Datuk Tong Poh Keow *
Datuk Zaiton Mohd Hassan *
Ms Sarena Cheah Yean Tih *
Dr Philip Yeo Liat Kok ^

ABSENT WITH APOLOGIES : Dato’ Sri Idris Jala

PRESENT : **Group Chief Financial Officer**
Mr Chong Chang Choong *

External Auditors - Messrs BDO PLT

Mr Tang Seng Choon *
Encik Mohammed Raslan *
Mr Lee Wee Hoong *

Poll Administrator - Mega Corporate Services Sdn Bhd

Ms Cindy Lim ^

Independent Scrutineers - Cygnus Technology Solutions Sdn Bhd

Mr Eugene Teow *

IN ATTENDANCE : Mr Tan Kim Aun (*Company Secretary*) *

SHAREHOLDERS/ PROXIES/GUESTS : As per online participation lists ^

Notes:

* Attend in person at the broadcast venue

^ Participate via online live streaming

1.0 OPENING ADDRESS

Tan Sri Dato’ Seri Dr Jeffrey Cheah Fook Ling (“**Tan Sri Chairman**”) called the virtual 12th Annual General Meeting (the “**AGM**” or “**Meeting**”) to order at 3:00 p.m. and welcomed all members present at the Meeting.

He extended Dato’ Sri Idris Jala’s (“**Dato’ Sri Idris**”) apology for not being able to attend the Meeting. He informed that he would chair the Meeting on behalf of Dato’ Sri Idris.

He then proceeded to introduce the Board members present at the venue and virtually via video conferencing. He also introduced the Group Chief Financial Officer, the Company Secretary as well as the representatives of Messrs BDO PLT (External Auditors), Mega Corporate Services Sdn Bhd (Poll Administrator) and Cygnus Technology Solutions Sdn Bhd (“**Cygnus**”) (Independent Scrutineers for the polling exercise for the Meeting).

2.0 CONFIRMATION OF QUORUM

Upon enquiry from Tan Sri Chairman, the Secretary confirmed that there was sufficient quorum for the convening of the Meeting based on the members who had logged into the live meeting platform.

3.0 CONFIRMATION OF PROXIES

Upon enquiry from Tan Sri Chairman, the Secretary reported that based on the registration data provided by the Poll Administrator as at 3:00 p.m. on 22 June 2022, the Company had received a total of 3,985,307,427 ordinary shares in proxies from the shareholders and a total of 3,624,565,310 ordinary shares appointing Tan Sri Chairman as proxy.

4.0 CONFIRMATION OF NOTICE SENT

Tan Sri Chairman declared that the notice convening the Meeting which had been sent to all members and published within the prescribed period, be taken as read.

5.0 REMOTE E-POLLING PROCEDURES

Tan Sri Chairman highlighted that shareholders had the right to ask questions and vote on all the resolutions of the Meeting. Shareholders could submit their questions online using the Question’s Pane in the meeting platform during the Meeting. The Board and Management would endeavour to answer all the questions raised. If the Board and Management were not able to respond to the questions due to time constraint, the answers would be posted onto the Company’s website soonest possible after the Meeting.

Tan Sri Chairman informed that all motions tabled at the Meeting, would be voted by poll using online polling. Mega Corporate Services Sdn Bhd had been appointed as the Poll Administrator to conduct the polling process and Cygnus had been appointed as the Independent Scrutineers to verify the polling results of the Meeting. The online polling system had been thoroughly and independently verified as well as proven reliable by Cygnus.

Tan Sri Chairman then invited Ms Cindy Lim from Mega Corporate Services Sdn Bhd to brief the shareholders on how they could submit their questions and vote online through the live streaming platform. After the explanation given by Ms Cindy Lim, Tan Sri Chairman announced that the online voting session had commenced and the shareholders and proxies could submit their votes through Digital Ballot Form, the online voting platform at any time until the closure of the voting session which he would announce later.

6.0 PRESENTATION BY PRESIDENT

Before Tan Sri Chairman proceeded with the business of the Meeting, he invited Tan Sri Dato' (Dr.) Chew Chee Kin ("**Tan Sri Chew**"), the President of the Company, to give a brief presentation on the financial performance of Sunway Group and its achievements for the financial year ended 31 December 2021.

Tan Sri Chew then presented Sunway Group's 2021 performance report in the form of a video presentation which included a snapshot of the Group's performance overview, performance of its key business divisions and the Group's outlook for 2022.

7.0 AGENDAS OF THE MEETING

Tan Sri Chairman then proceeded to table the agendas of the Meeting as follows:

- (a) Agenda 1:
Audited Financial Statements, Directors' and Auditors' Reports for the financial year ended 31 December 2021
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The first agenda was to receive the Audited Financial Statements, Directors' and Auditors' Reports for the financial year ended 31 December 2021.

The agenda was meant for discussion only and did not require the formal approval of the shareholders.

- (b) Agenda 2 (Ordinary Resolution 1):
Payment of Directors' and Board Committees' fees
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Agenda 2 was to approve Ordinary Resolution 1 on the payment of Directors' and Board Committees' fees amounting to RM1,054,342.47 to the Non-Executive Directors for the financial year ended 31 December 2021.

- (c) Agenda 3 (Ordinary Resolution 2):
Payment of benefits payable to Non-Executive Directors
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Agenda 3 was to approve Ordinary Resolution 2 on payment of benefits payable to Non-Executive Directors of up to RM600,000/- for the period from 24 June 2022 until the conclusion of next Annual General Meeting of the Company. The benefits payable comprised mainly meeting allowances.

- (d) Agenda 4 (Ordinary Resolutions 3, 4 and 5):
Re-election of Directors
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Agenda 4 was to consider and approve the re-election of Tan Sri Chew and Ms Sarena Cheah Yean Tih, who were retiring by rotation pursuant to Clause 106(1) of the Company's Constitution as well as Datuk Zaiton Mohd Hassan who was retiring pursuant to Clause 89 of the Company's Constitution. All the retiring Directors, being eligible, had offered themselves for re-election.

Tan Sri Razman M Hashim ("**Tan Sri Razman**") who also retired by rotation pursuant to Clause 106(1) of the Company's Constitution, had expressed his intention not to seek for re-election. Hence, he would retire after the conclusion of the Meeting.

On behalf of the Board, Tan Sri Chairman thanked Tan Sri Razman for his valuable contribution during his tenure as Director of the Company.

- (e) Agenda 5 (Ordinary Resolution 6):
Re-appointment of Messrs BDO PLT as Auditors

Agenda 5 was to consider and approve the re-appointment of Messrs BDO PLT as Auditors of the Company.

Messrs BDO PLT had indicated their willingness to continue in office for the ensuing year.

- (f) Agenda 6 (Ordinary Resolution 7):
Authority to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016

Agenda 6 was to seek renewal of a general mandate, which if passed, would empower the Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016.

Tan Sri Chairman informed that presently, there was no decision to issue new shares under the general mandate. Should there be a decision after the authorisation was sought, the Company would make an announcement of the actual purpose and utilisation of proceeds arising from such issuance of shares.

He also highlighted that the Company did not issue any new shares under the general mandate which was approved at its 11th Annual General Meeting held on 14 September 2021.

- (g) Agenda 7 (Ordinary Resolution 8):
Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature

Agenda 7 was to consider and approve Ordinary Resolution 8 on the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.

The details of the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature were set out in the Circular to Shareholders dated 29 April 2022.

- (h) Agenda 8 (Ordinary Resolution 9):
Proposed authority for the Company to purchase its own shares

Agenda 8 was to consider and approve Ordinary Resolution 9 on the Proposed Authority for the Company to purchase its own shares.

The proposed mandate would enable the Company to utilise its financial resources not immediately required for use, to purchase its own shares. This might enhance the earnings per share and reduce the liquidity level of the shares in Bursa Malaysia Securities Berhad, which generally would have a positive impact on the market price of the shares.

- (i) Agenda 9 (Ordinary Resolution 10):
Proposed renewal of the authority for Directors to allot and issue new ordinary shares in the Company in relation to the Dividend Reinvestment Scheme

Agenda 9 was to consider and approve Ordinary Resolution 10 on the Proposed Renewal of the Authority for Directors to allot and issue new ordinary shares in the Company in relation to the Dividend Reinvestment Scheme that would provide the shareholders of the Company with the option to elect to reinvest their cash dividend entitlements in new ordinary shares in the Company.

- (j) Agenda 10 (Special Resolution 1):
Proposed amendments to the Company's Constitution

Agenda 10 was to consider and approve Special Resolution 1 on the Proposed Amendments to the Company's Constitution.

The proposed amendments to the Company's Constitution were to include the procedures on postponement of general meetings of the Company in the event of a force majeure event such as national lockdown due to pandemic, the details of which were set out in the Circular to Shareholders dated 29 April 2022.

8.0 QUESTIONS AND ANSWERS SESSION

Tan Sri Chairman informed that the Company had received a letter dated 15 June 2022 from the Minority Shareholders Watch Group ("**MSWG**").

He invited Ms Janet Lim Lee San, the Assistant General Manager-Corporate Finance to address the questions raised by MSWG. The questions together with the Company's responses were presented for the information of the shareholders, which is attached to the minutes as Annexure "A".

As the Company had received additional question online, Tan Sri Chairman delegated to Tan Sri Chew to read out the questions.

The questions and replies given were as follows:

- (a) **Question:**

How is Sunway managing the rising cost of raw materials, inflation and economic downturn?

Answer:

Operationally, Sunway manages the impact of the rising cost of raw materials and inflation by utilising its raw materials and labour efficiently. In this respect, the Group endeavours to digitalise the business processes of the Group as much as possible. This would put the Group at an advantage against its competitors.

Further, the Group manages the impact of the economic downturn by reducing its fixed costs. This is done by varying the components of its fixed and variable costs.

Mr Chong Chang Choong, the Group Chief Financial Officer, acknowledged that there was a potential downside risk to the economic outlook of the country. However, the recent World Bank Economic Report forecasted a gross domestic product (GDP) growth of 5% to 6% for Malaysia supported by higher crude oil and crude palm oil (CPO) prices. Besides that, Malaysia will also benefit in the electronic and electrical (E&E) segment of the economy from the supply chain rebalancing by the importing countries. In addition, the Ringgit had become more competitive and it had attracted more foreign direct investments into the country. Barring any unforeseen circumstances, the economic outlook for the country was expected to be quite good for the rest of the year. As alluded by Tan Sri Chew in his presentation on the Group's performance earlier and given the Group's diversified exposure in all the main sectors in the Malaysian economy, the Group was well positioned to benefit from it.

(b) **Question:**

What is the progress of Sunway Healthcare Group IPO and when is the target date?

Answer:

The initial targeted date for Sunway Healthcare Group's IPO is between 2027 to 2028. However, if the performance of Sunway Healthcare Group was better than budgeted, its IPO date could be brought forward slightly.

After dealing with the questions received, Tan Sri Chew then handed back the Meeting to Tan Sri Chairman.

Tan Sri Chairman informed that the minutes of the Meeting and all relevant questions received from the shareholders which had not been responded, would be posted on the Company's website as soon as possible after the Meeting.

9.0 VOTING SESSION

Tan Sri Chairman then proceeded to the polling process. He informed shareholders and proxies who had yet to cast their votes, to submit their votes as the voting session would end in 5 minutes. Subsequently, an additional 1 minute was given to the shareholders and proxies who had yet to cast their votes.

After the end of the additional 1 minute, Tan Sri Chairman announced the closure of the voting session.

He further informed that there were several shareholders who had appointed the Chairman of the Meeting as their proxies and he had cast their votes in accordance to their instructions.

Cygnus verified the poll results at the end of the voting session.

10.0 POLL RESULTS

Upon computation of the poll results, Tan Sri Chairman called the Meeting to order for the declaration of the poll results.

The poll results of the Meeting were shown on the screen as follows:-

RESOLUTION	For			Against		
	No. of shareholders	No. of shares	%	No. of shareholders	No. of shares	%
Ordinary Resolution						
1	384	3,987,684,476	99.9974	32	104,803	0.0026
2	375	3,987,668,223	99.9970	41	121,056	0.0030
3	392	3,964,292,460	99.9775	23	893,499	0.0225
4	395	3,982,498,943	99.9990	21	41,752	0.0010
5	392	3,987,734,816	99.9986	26	54,471	0.0014
6	399	3,987,752,616	99.9991	19	36,671	0.0009
7	386	3,952,657,728	99.1190	32	35,31,559	0.8810
8	376	892,725,011	99.9944	24	50,039	0.0056
9	395	3,987,642,627	99.9977	22	91,413	0.0023
10	392	3,987,730,714	99.9986	25	56,747	0.0014
Special Resolution						
1	387	3,979,202,961	99.9987	27	49,813	0.0013

Based on the poll results, Tan Sri Chairman declared that all the resolutions tabled at the 12th AGM were carried.

IT WAS HEREBY RESOLVED:-

ORDINARY RESOLUTION 1

- **Payment of Directors' and Board Committees' fees**

THAT the Directors' and Board Committees' fees amounting to RM1,054,342.47 to the Non-Executive Directors for the financial year ended 31 December 2021 be hereby approved.

ORDINARY RESOLUTION 2

- **Payment of benefits payable to Non-Executive Directors**

THAT the payment of benefits payable to Non-Executive Directors of up to an amount of RM600,000/- from 24 June 2022 until the conclusion of next Annual General Meeting of the Company be hereby approved.

ORDINARY RESOLUTION 3

- **Re-election of Tan Sri Dato' (Dr.) Chew Chee Kin**

THAT Tan Sri Dato' (Dr.) Chew Chee Kin who retired by rotation pursuant to Clause 106(1) of the Company's Constitution, be hereby re-elected as a Director of the Company.

ORDINARY RESOLUTION 4

- **Re-election of Ms Sarena Cheah Yean Tih**

THAT Ms Sarena Cheah Yean Tih who retired by rotation pursuant to Clause 106(1) of the Company's Constitution, be hereby re-elected as a Director of the Company.

ORDINARY RESOLUTION 5

- **Re-election of Datuk Zaiton Mohd Hassan**

THAT Datuk Zaiton Mohd Hassan who retired pursuant to Clause 89 of the Company's Constitution, be hereby re-elected as a Director of the Company.

ORDINARY RESOLUTION 6

- **Re-appointment of Messrs BDO PLT as Auditors**
-

THAT Messrs BDO PLT be hereby re-appointed as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Directors.

ORDINARY RESOLUTION 7

- **Authority to Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016**
-

THAT subject always to the Companies Act 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company's Constitution and the approvals of the relevant government and/or regulatory authorities, where such approval is necessary, the Directors be hereby empowered pursuant to Sections 75 and 76 of the Companies Act 2016 to issue and allot new shares in the Company at any time at such price, upon such terms and conditions, for such purposes and to such person(s) whomsoever as the Directors may in their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being AND THAT the Directors be also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.

ORDINARY RESOLUTION 8

- **Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**
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- (I) **THAT** approval be hereby given to the Company and its subsidiaries to enter into recurrent related party transactions from time to time, which are necessary for the day-to-day operations as set out in Section 2D of the Circular to Shareholders dated 29 April 2022 which are of a revenue or trading nature and carried out in the ordinary course of business and are on terms not more favorable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company, subject to the compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, Companies Act 2016 (the "**Act**"), the Company's Constitution and all other applicable laws, guidelines, rules and regulations.
- (II) **THAT** such authority shall commence upon the passing of this resolution and shall continue to be in force until:-
- (a) the conclusion of the next Annual General Meeting ("**AGM**") of the Company at which time the mandate will lapse, unless by a resolution passed at the next AGM, the mandate is renewed; or
 - (b) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

- (c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier.

- (III) **THAT** authority be hereby given to the Directors of the Company to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution.

ORDINARY RESOLUTION 9

• Proposed Authority for the Company to Purchase its Own Shares

- (I) THAT subject to the Companies Act, 2016 (the “**Act**”), rules, regulations and orders made pursuant to the Act, provisions of the Company’s Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and any other relevant authorities, the Company be hereby authorised to purchase such amount of shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company PROVIDED THAT:-
- (a) the aggregate number of shares in the Company (“**Sunway Shares**”) which may be purchased and/or held by the Company shall not exceed 10% of the total number of issued shares of the Company at any point of time, subject to a restriction that the share capital of the Company does not fall below the applicable minimum share capital requirements of the Main Market Listing Requirements of Bursa Securities;
- (b) the maximum funds to be allocated by the Company for the purpose of purchasing the Sunway Shares shall not exceed the Company’s retained profits at any point of time;
- (c) the authority conferred by this resolution will commence immediately upon passing of this Ordinary Resolution and will continue to be in force until:-
- (i) the conclusion of the next Annual General Meeting (“**AGM**”) at which time it shall lapse unless by Ordinary Resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next AGM after that date is required by law to be held; or
- (iii) revoked or varied by Ordinary Resolution passed by the shareholders of the Company in a general meeting,
- whichever occurs first; and
- (d) upon completion of the purchase(s) of the Sunway Shares by the Company, the Directors of the Company be hereby authorised to cancel the Sunway Shares so purchased or to retain the Sunway Shares so purchased as treasury shares (of which may be dealt with in accordance with Section 127(7) of the Act), or to retain part of the Sunway Shares so

purchased as treasury shares and cancel the remainder and in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act, the Main Market Listing Requirements of Bursa Securities and any other relevant authorities for the time being in force.

- (II) **AND THAT** the Directors of the Company be hereby authorised to take all such steps as are necessary or expedient to implement, finalise or to effect the purchase(s) of the Sunway Shares with full powers to assent to any conditions, modifications, variations and/or amendments as may be required or imposed by the relevant authorities and to do all such acts and things (including executing all documents) as the Directors may deem fit and expedient in the best interest of the Company.

ORDINARY RESOLUTION 10

- **Proposed renewal of the authority for Directors to allot and issue new ordinary shares in the Company (“Sunway Shares”) in relation to the Dividend Reinvestment Scheme that provides the shareholders of the Company with the option to elect to reinvest their cash dividend entitlements in Sunway Shares**
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- (I) **THAT** pursuant to the Dividend Reinvestment Scheme (“**DRS**”) approved at the Extraordinary General Meeting held on 26 June 2014, approval be hereby given to the Company to allot and issue such number of new Sunway Shares for the DRS until the conclusion of the next Annual General Meeting, upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit and in the interest of the Company **PROVIDED THAT** the issue price of the said new Sunway Shares shall be fixed by the Directors at not more than 10% discount to the adjusted 5-market day volume weighted average market price (“**VWAP**”) of Sunway Shares immediately preceding the price-fixing date, of which the VWAP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price.
- (II) **AND THAT** the Directors and the Company Secretary be hereby authorised to do all such acts and enter into all such transactions, arrangements and documents as may be necessary or expedient in order to give full effect to the DRS with full power to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed or agreed to by any relevant authorities or consequent upon the implementation of the said conditions, modifications, variations and/or amendments or at the discretion of the Directors in the best interest of the Company.

SPECIAL RESOLUTION 1

- **Proposed Amendments to the Company’s Constitution (“Proposed Constitution Amendments”)**
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- (I) **THAT** approval be hereby given to the Company to implement and give effect to the Proposed Constitution Amendments as set out in Appendix II of the Circular to Shareholders of the Company dated 29 April 2022.
- (II) **AND THAT** the Directors and Company Secretary be hereby authorised to take all steps as are necessary and expedient in order to implement, finalise and give full effect to the Proposed Constitution Amendments.

CONCLUSION

There being no other business, the Meeting closed at 4:15 p.m. with a vote of thanks to the Chair, the Directors and the shareholders who participated in the Meeting.

Confirmed as a true and correct record of the proceedings thereof:-

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CHAIRMAN

Dated this

**SUNWAY BERHAD
MINUTES OF THE 12TH ANNUAL GENERAL MEETING HELD ON 23 JUNE 2022**

Questions raised by MSWG

Operational and Financial Matters

1. Sunway eMall was launched on 27 October 2021.
 - a) What is the differentiation strategy adopted by Sunway to compete with other more established e-commerce platforms and virtual malls operated by other retailers?
 - b) Besides saving from a single and consolidated delivery charge from multiple brands, what incentivizes shoppers to shop at Sunway eMall?

Answer:

- a) Sunway eMall is part of the Sunway's malls strategic digitalisation effort to complete its physical and digital mall presence, allowing the mall to grow its footprint to a larger market beyond its physical malls' catchment areas and offers a seamless Offline to Online experience capitalising on Sunway's existing ecosystem. It complements the physical retail space of 7 malls under Sunway and provides the option for in-store collection apart from delivery which differentiates them from other e-commerce platforms.

This e-commerce platform will allow its retailers some form of business continuity against any future unforeseen geographical or retail sub-sectors lockdowns.
 - b) By purchasing through Sunway eMall, the customers are assured that the authenticity and quality of the products purchased are from trusted brands from our retail malls. As the platform continues to grow, a greater variety of products and brands will be added into Sunway eMall, offering the customers more options and selections each time they visit the eMall. Further, the uniqueness of the O2O activations in the retail malls allow the customers the convenience and the opportunity to touch and feel and even test out the products before making a purchase.
2. The property division has set a property sales target of RM2.2b for FY2022. What is the latest property sales value achieved to date? Given the challenging operating environment which includes labour shortage, escalation of raw material prices, rising interest environment, inflationary environment which reduces purchasing power, what are the strategies adopted and measures taken by the property development division to achieve the above sales target and to ensure the delivery of quality products within the stipulated time frame and budgeted costs?

Answer:

As at 31 May 2022, the Property Development division has achieved sales of approximately RM700 million. We believe that we are still on track to achieve the sales target as we have major launches planned in the second half of the year. Nevertheless, the Group will continuously monitor the market to see if revision to launches and sales targets are required and update our shareholders and investors accordingly.

While buyer sentiment may be influenced by lingering pandemic uncertainties and other macro factors, we believe the outlook for the Property Development division remains resilient moving into 2022 based on the following:

- Strong location of our new developments. Our new launches like Sunway Alishan, Sunway Jernih and Sunway Flora are all within 500 meters from transit stations and within matured suburbs with high population and good amenities;
 - Marked improvement in sentiment for property sector in Singapore which augurs well for our Singapore development sales;
 - Delivering value to our valued customers through Sunway Property Pals and new initiatives like Care+ and Rent+ which will enhance the appeal and valuation of their properties; and
 - Working closely with our contractors and supply chain affected by the increase in raw material prices to ensure the rise in costs is shared equitably and most importantly, does not affect the quality or result in delays to the progress of our developments. On that note, we can share that the increase in material prices for the significant majority of our projects remain within our contingency provisions and have not affected our projected profit margins thus far.
3. The construction division targets to secure RM2b of new order book in FY2022 by tendering for both local and overseas projects.
- a) Of the RM2b order book replenishment target, how much is expected to be in-house projects coming from Sunway group?
 - b) The construction division is pursuing regional expansion in ASEAN countries and India. In which ASEAN countries is the construction division actively tendering for new projects?
 - c) What is the latest tender book? Of this amount, what is the split of building works, infrastructure works and sustainable energy projects?

Answer:

- a) From the order book replenishment target of RM2 billion, 25% is targeted from in-house projects.
 - b) The Construction division plans to further strengthen its regional presence in India and ASEAN countries. In India, the division is exploring more opportunities in rail infrastructure projects. In addition, the division is also on the lookout for construction-related opportunities in Indonesia arising from the relocation of its capital city from Jakarta to East Kalimantan.
 - c) The active tenders stood at RM14.9 billion as at June 2022 with the major bulk of the tender in local infrastructure works.
4. The gross amount of trade receivables more than 120 days past due jumped from RM148.2m as at 31 December 2020 to RM211.7m as at 31 December 2021.
- a) Which segment has the biggest share in the trade receivables more than 120 days?
 - b) What are the measures being taken to recover the overdue trade receivables?

Answer:

- a) Close to 50% of the trade receivables more than 120 days is from the construction segment, followed by 17% and 9% from the Property Development segment and Trading and Manufacturing segment respectively.

- b) As part of the trade credit management, the Group has established credit control procedure to monitor and recover overdue trade receivables. As proper credit evaluations of trade debtors were done before trade credit facilities were granted, such overdue debts tend to be caused by administrative delays or temporary cashflow timing issues experienced by the customers. Only when necessary, legal procedures will be initiated to recover overdue debts.

It should be noted that as at end of Q1 2022, the trade receivables more than 120 days have reduced from RM211.7 million to RM175.0 million.

5. As at 31 December 2021, the group's investment in quoted equity securities had a carrying value of RM278.3m (page 292 of FY2021 annual report). What were the stocks that the group invested in?

Answer:

The investment in quoted shares in FY 2021 was mainly due to investment in IJM Corporation Berhad shares of RM274 million.