

SUNWAY®

Advancing Innovation, Accelerating Growth



SUNWAY BERHAD
INTEGRATED ANNUAL REPORT 2021

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Advancing Innovation, Accelerating Growth

With renewed aspirations and capitalising on its digital transformation journey, Sunway was more prepared to face the challenges of 2021 and had embraced the new normal through enhanced digitalisation and innovation efforts to continue enhancing value for its stakeholders.

While strengthening and ensuring full recovery of its core businesses remain a priority, Sunway continues to explore diversification, investment and growth opportunities and product differentiation. By advancing innovation, Sunway looks forward to accelerating its growth in the new endemic environment.



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ABOUT THIS REPORT

INTRODUCTION

Sunway Berhad Integrated Annual Report ("IAR") for financial year ended 31 December 2021 ("FY 2021") provides strategic information based on the six capitals, seven guiding principles and eight content elements of the Integrated Reporting Framework of the Value Reporting Foundation ("VRF").

In its third year of integrated reporting ("<IR>"), Sunway Berhad ("Sunway" or " Group") intends to provide a comprehensive perspective and clear insights of how the Board and Senior Management perceive value creation, and the strategy going forward, to sustain financial and non-financial value creation over the short, medium and long-term perspectives.

Beyond past financial performance, Sunway's FY 2021 IAR provides narratives on the Group's business model and business strategies, its material risk factors and emerging opportunities by incorporating sustainability. This culminates in a presentation of the Group's future plans, strategic priorities and how the Board and Management have developed coherent plans to relevance, resilience and competitiveness amidst a dynamic and disruptive operating landscape.

Sunway presents its sustainability performance from 1 January to 31 December 2021 including comparatives in a standalone Sustainability Report ("SR 2021"), which forms part of our Reporting Suite for FY 2021.

REPORTING PERIOD

IAR 2021 covers the information and activities for the reporting period from 1 January to 31 December 2021, otherwise known as financial year 2021 ("FY 2021").The reporting period is consistent with the audited financial year of the Group.

BASIS OF PREPARATION AND MATERIALITY

The selection of content for IAR 2021 is determined by the <IR> principle of materiality. Materiality is defined as topics, trends, developments, issues, concerns that can / will:

Impact financial value creation
Information pertaining to the business growth of the Group and improved revenues and profits.
Affect non-financial value creation, especially stakeholder value creation
Information on continued stakeholder value creation.
Create business, operational and ESG risks
Information pertaining to managing and mitigation of risks, including ESG risks.
Impact future plans and prospects
Providing a clear understanding of plans and priorities going forward that is aimed at sustaining value creation.

The Group's material matters were derived from a thorough materiality assessment undertaken in FY 2020 to ascertain material matters that are most important to the Group and its stakeholders.

6 Capitals
<div><div></div><div>Financial</div></div> <div><div></div><div>Manufactured</div></div> <div><div></div><div>Human</div></div> <div><div></div><div>Intellectual</div></div> <div><div></div><div>Social and Relationship</div></div> <div><div></div><div>Natural</div></div>
7 Guiding Principles
<ul style="list-style-type: none">• Strategic focus and future orientation• Connectivity of information• Conciseness• Reliability and completeness• Consistency and comparability• Materiality• Stakeholder relationships
8 Content Elements
<ul style="list-style-type: none">• Organisational overview and external environment• Governance• Business model• Risks and opportunities• Strategy and resource allocation• Performance• Outlook• Basis of preparation and presentation

HOW TO READ THIS REPORT

The following recommended approach in reading this report may be useful towards gaining a more complete understanding of Sunway's FY 2021 narrative:

Creating and Sustaining Value
How Sunway defines value, beyond a typical financial perspective. Please see pages 30 to 31 for more information.
Sunway Business Model
How values are created through Sunway's Build, Own, Operate ("BOO") model. Please see pages 32 to 35 for more information.
Factors Impacting Value Creation
Factors impacting the Business Model and Sunway's value creation potential. This includes external trends and developments as well as related risks. Please see pages 39 to 41 for more information.
Financial Value Creation and Non-financial Value Creation
Actual values created in FY 2021. This includes financial and non-financial values. Please see pages 42 to 43 for more information.
Our Business Strengths, Synergy and Our Capitals (Resources)
Related strategic information that provides additional insights into the Group's resources, trade-offs between capitals and its key business strengths and strategies. Please see pages 36 to 38 and pages 47 to 49 for more information.
Future Focus
The Group's strategic priorities and focus areas going forward. Please see pages 44 to 46 for more information.
Divisional Information
Strategic information presented in Snapshots of each of Sunway's business divisions. Please see pages 50 to 58 for more information.

NAVIGATION ICONS

The navigation icons are used to strengthen linkages between strategic information, and to also inform readers on where additional information can be located within the IAR or at Sunway's website:

Guides you where you can find more information within the reports	Guides you where you can find more information online at www.sunway.com.my
---	---

Icons are also used to relate the capitals to the value creation discussed in this Report:

Financial	Human	Social and Relationship
Manufactured	Intellectual	Natural

APPLIED FRAMEWORKS

The following reporting / governance frameworks and guidelines have been applied (in part or full) in the development of IAR 2021 and SR 2021:

- Companies Act 2016 ("Act")
- Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad
- Malaysian Code on Corporate Governance 2021 ("MCCG 2021")
- Bursa Malaysia Sustainability Reporting Guide – Second Edition
- Malaysian Financial Reporting Standards ("MFRS")
- International Financial Reporting Standards ("IFRS")
- VRF Principles Based Framework
- Global Reporting Initiative ("GRI") Sustainability Reporting Standards: Core option
- Task Force on Climate-Related Financial Disclosures ("TCFD") recommendations
- Sustainability Accounting Standards Board ("SASB") disclosure requirements
- United Nations Sustainable Development Goals ("UNSDG")

FORWARD LOOKING STATEMENTS

This report contains forward-looking statements discussing targets, future plans, operations and performance of the Group based on reasonable current assumptions. Readers are advised not to place undue reliance on such statements as our business is subject to risks and uncertainties arising from unforeseen circumstances. Therefore, there may be variation between actual results and the guidance in these statements.

FEEDBACK

Feedback, suggestions or enquiries on this report may be sent to: irsunwayberhad@sunway.com.my.

ASSURANCE

The audited financial statements for the financial year ended 31 December 2021 ("FY 2021") are disclosed in this IAR 2021.The SR 2021 has obtained external assurance by SIRIM QAS International Sdn Bhd in relation to the data, initiatives and policies of the sustainability report. More information on the assurance report is available in the SR 2021.

DIRECTORS' STATEMENT OF RESPONSIBILITY

The Board of Directors of Sunway has applied its collective mind to present a balanced and comprehensive Annual Report based on good governance practices and guided by IIRC's <IR> Framework.

REPORTING SUITE FOR FY 2021

Aside from Sunway's IAR 2021, the following reports are also published for FY 2021. These reports serve to provide added disclosures on pertinent aspects of the Group's performance and complement the disclosures provided in IAR2021.

Readers are also encouraged to review the following towards acquiring a more in-depth perspective of Sunway, its business model, material ESG topics, risks and opportunities as well as approach to managing corporate governance.

- **Sustainability Report 2021 ("SR 2021")**
- **Corporate Governance Report 2021 ("CG 2021")**
- **Quarterly Results Announcements**

CORPORATE PROFILE

Sunway Berhad ("Sunway" or "the Group") is one of Southeast Asia's leading conglomerates with diverse businesses spanning key industries and a staff strength of close to 11,000. Established in 1978, the Sunway brand has a track record of excellence for over 40 years and is synonymous with some of the nation's most iconic developments as well as a host of sterling achievements.



OUR VISION

To be Asia's model corporation in sustainable development; innovating to enrich lives for a better tomorrow

OUR MISSION

- Empowering our people to deliver enhanced value to all stakeholders
- Embracing sustainability in our business processes and decisions
- Attracting and nurturing a talented and progressive workforce for the digital era

OUR CORE VALUES

-  Integrity
-  Humility
-  Excellence

Sunway has been a catalyst for nation-building. The Group remains at the forefront of key economic sectors and serve as a proxy for the Malaysian economy through its diverse business interests, spurring socio-economic progress across the country.

Sunway continues to drive innovation, excellence and progress across many industries in which it holds leadership positions, including property development, healthcare, construction, property investment, REIT, leisure, hospitality, trading and manufacturing, quarry as well as building materials.

Through its business model, Sunway stands tall as a creator of values for the society and the nation. This includes job and wealth creation, transfer of

technology, developing local value chains and providing entrepreneurship opportunities and more. The Group consists of nine main business divisions spanning over 50 locations worldwide, primarily in Asia.

Guided by its Founder and Chairman, Tan Sri Dato' Seri Dr Jeffrey Cheah AO, Sunway is deeply committed to advancing the 17 United Nations Sustainable Development Goals ("UNSDG"), and continues to align them with its Environmental, Social and Governance ("ESG") targets. These commitments form the Group's corporate strategy and social responsibility towards long-term success as well as building a more inclusive and sustainable world.

OUR BUSINESS DIVISIONS



Artist's impression of Sunway Belfield Residence

PROPERTY DEVELOPMENT

Known for its successful township developments, ground-breaking designs and quality homes, Sunway's Property Development division continues to distinguish itself as a leading property brand name, both in Malaysia and abroad.

The division stands tall on a track record of having developed over 31,000 residential, commercial and retail properties. Many of these are iconic developments that have set new industry benchmarks and ushered a new, brighter landscape for the property sector.

Among the division's many highlights is the award-winning, 800-acre flagship township of Sunway City Kuala Lumpur ("Sunway City"). Sunway City remains a hallmark development for sustainable and successful urban regeneration, where a disused tin mining area was successfully transformed into one of Malaysia's most desired address.

Today, Sunway City is the model city for sustainable urban living and continues to see new ideas and innovations being introduced. Among these include urban farming, smart city technologies and more.

Other notable townships and developments include Sunway City Ipoh, Sunway City Iskandar Puteri, Sunway Velocity, Sunway Damansara, Sunway Penang and also standalone developments which are either integrated or transit-oriented developments ("TOD").

 Please see page 50 for more information on the Property Development division's Strategic Snapshot.



RM3.2 billion

Properties launched



RM2.6 billion

Property sales



RM4.0 billion

Unbilled sales



3,334 acres

Landbank with GDV of

RM59.5 billion

OUR BUSINESS DIVISIONS

HEALTHCARE

The Healthcare division was established in 1999, with the opening of the flagship hospital in Sunway City, Sunway Medical Centre. The division has progressively expanded its network to bring its unique brand of high-quality medical services to other parts of the country and overseas. The network includes Sunway Medical Centre Velocity in Cheras, Kuala Lumpur, Sunway Specialist Centre Damansara, Sunway TCM Centre, Sunway Home Healthcare and Sunway Medical Centre Singapore.

At the heart of world-class healthcare is some of the nation's most skilled and experienced healthcare professionals and state-of-the-art equipment, which together, enable Sunway's Healthcare division to provide better clinical outcomes and have set new benchmarks for quality medical care.

The division is currently expanding its operations at its flagship Sunway Medical Centre Sunway City and Sunway Medical Centre Velocity. The division is also constructing new hospitals in Seberang Jaya in Penang; Sunway Damansara in Selangor and Sunway City Ipoh in Perak. In the pipeline are another three hospitals in Sunway City Iskandar Puteri, Johor, Kota Bharu, Kelantan and Paya Terubong, Ayer Itam in Penang Island.

With this expansion, the Healthcare division is set to become a leading integrated private healthcare group with an extensive network of hospitals and healthcare services in the region.

[Please see page 51 for more information on the Healthcare division's Strategic Snapshot.](#)



862
Licensed
beds



242
Specialist
consultation
suites



19
Operating
theatres



Artist's impression of Sunway Medical Centre Sunway City's new towers

OUR BUSINESS DIVISIONS



Sunway International School construction project

CONSTRUCTION

Sunway Construction Group Berhad ("SunCon") is one of Malaysia's largest pure play construction companies which has contributed significantly to the nation's infrastructure developments. SunCon has developed a comprehensive track record of successful rail projects, bridges, buildings and more.

Through innovative technologies such as Virtual Design & Construction ("VDC") systems, it synergises Building Information Modelling ("BIM") and Integrated Project Delivery ("IPD") to achieve project goals and enhance the value chain throughout the entire project lifecycle. SunCon leverages on digitalisation and innovation to reshape the future of the building industry – driving the transition to a more sustainable construction sector.

As a turnkey contractor, SunCon provides a full scope of construction services comprising building, civil and infrastructure engineering works, foundation and geotechnical engineering, mechanical, electrical and plumbing services ("MEP"), renewable energy services, to the manufacture and sale of precast concrete products.

SunCon's comprehensive expertise and experience provides the Group with a construction arm to support internal projects from other business divisions. It also undertakes external projects for private and public sector clients. These include projects overseas such as in India, where SunCon has established a well-regarded track record as a builder of highways.

[Please see page 52 for more information on the Construction division's Strategic Snapshot.](#)



**RM1.5
billion**
New contracts
secured



**RM4.8
billion**
Outstanding
order book

OUR BUSINESS DIVISIONS

**RM11.1
billion**

Assets Under
Management



**11.6
million
sqft**

Total Net
Lettable Area

PROPERTY INVESTMENT AND REIT

With total assets under management ("AUM") valued at RM11.1 billion, Sunway's Property Investment and Real Estate Investment Trust ("REIT") division is one of the largest property investment players in Malaysia. The division generates recurring income for the Group.

Property Investment and REIT division owns and manages properties in some of Malaysia's most recognisable locations. These properties are held either directly through the subsidiaries of the Group or Sunway REIT, a 40.9%-owned associate company. This includes destination retail malls such as Sunway Pyramid Mall, Sunway Velocity Mall, Sunway Big Box Retail Park as well as Grade A MSC-status office buildings such as The Pinnacle Sunway. Other notable properties include hotels, university campuses, student accommodations, a medical centre and an industrial asset, predominately located within the Group's integrated townships.

As at 31 December 2021, the division has a total net lettable area ("NLA") of 11.6 million sqft. Through technology innovations, the Property Investment and REIT division continues to improve its property management, including enhancing tenants' profiles and customers' experiences while improving cost management and operational efficiencies.

Please see page 53 for more information on the Property Investment and REIT division's Strategic Snapshot.



Sunway Pyramid Mall

OUR BUSINESS DIVISIONS

LEISURE

Bringing fun and entertainment into Sunway's townships nationwide, the Leisure division consists of two signature theme parks that have become highly popular in Malaysia and beyond.

Sunway Lagoon Theme Park and Sunway Lost World of Tambun Theme Park have firmly placed Malaysia on the map of international tourists and travellers.

Spanning 88 acres and boasting over 90 attractions across six uniquely designed parks, Sunway Lagoon Theme Park in Sunway City has attracted over 30 million visitors since its inception in 1992 and is acclaimed globally as one of Asia's best theme parks. It is also one of the most sought-after concert and event venues in the region.

Sunway Lost World of Tambun is strategically located within a 260-million-year-old limestone hills and verdant jungle scenery as well as natural hot springs in the vibrant integrated township of Sunway City Ipoh, Perak. It offers 40 acres of theme park attractions and a zoo park with a night safari and is the only theme park in Southeast Asia with natural hot springs.

Please see page 54 for more information on the Leisure division's Strategic Snapshot.



Sunway Lagoon theme park



128 acres
Total Park Size



0.6 million
Visitorship

HOSPITALITY

Comprises 3, 4, and 5-star hotels, the Hospitality division operates 12 hotels and resorts in Malaysia, Cambodia and Vietnam, cumulatively providing close to 3,700 guestrooms, suites and villas.

The division is a key component for supporting local and international tourism and the business and retail sector. These hotels have facilities for Meetings, Incentives, Conferences and Exhibitions ("MICE") and are preferred venues for a wide range of functions and events. The Hospitality division provides a strategic component to Sunway's integrated townships model.

Please see page 55 for more information on the Hospitality division's Strategic Snapshot.



12
Hotels and resorts managed



3,696
Guestrooms



Sunway Clio Hotel

OUR BUSINESS DIVISIONS



CASE 570ST Backhoe Loaders



7 countries
Regional presence



200
Agency lines

TRADING AND MANUFACTURING

The Trading and Manufacturing division commenced operations in 1983 and over the years, has grown into a leading, international trading house as a licensed distributor for various brands. It has also developed and introduced into the market its own brands of products.

The division provides a wide array of machinery and equipment for various industries. These include the construction, marine, oil and gas, mining, agriculture, manufacturing, logging and quarry sectors.

With a network of 200 agency lines over 7 countries in the region, the division offers five major product lines, namely hoses & fittings, heavy equipment parts, heavy equipment, building materials and industrial hardware. In 2021, the division added a new Automotive product line into its portfolio with the acquisition of Dongfeng Commercial Vehicle Malaysia.

The division supports internal and external customers and thus, contributes to Sunway Group's revenue and profit performance. Its extensive distribution system ensures the timely delivery of products and services to meet customers' satisfaction.

Please see page 56 for more information on the Trading and Manufacturing division's Strategic Snapshot.



9
Quarries



23
Asphalt plants



Asphalt plant

QUARRY

Since returning to quarry operations in 2005, Sunway continues to grow from strength to strength, driven by continued acquisitions of quarry sites and asphalt plants.

Today, Sunway's Quarry division is one of the country's largest players with 9 quarries and 23 asphalt plants strategically located close to highways across 19 locations in Malaysia.

The division's products are essential for construction works and also for the construction and maintenance of roads and highways.

Please see page 57 for more information on the Quarry division's Strategic Snapshot.

OUR BUSINESS DIVISIONS



Interlocking Concrete Pavers



9 Manufacturing facilities
comprising ICP, VCP and spun pile plants

BUILDING MATERIALS

The Group's Building Materials division comprises three core segments: Interlocking Concrete Pavers ("ICP"), Vitrified Clay Pipes ("VCP"), and Spun Piles.

The division manufactures products which are Eco-Label and Green Label compliant through sustainable manufacturing processes.

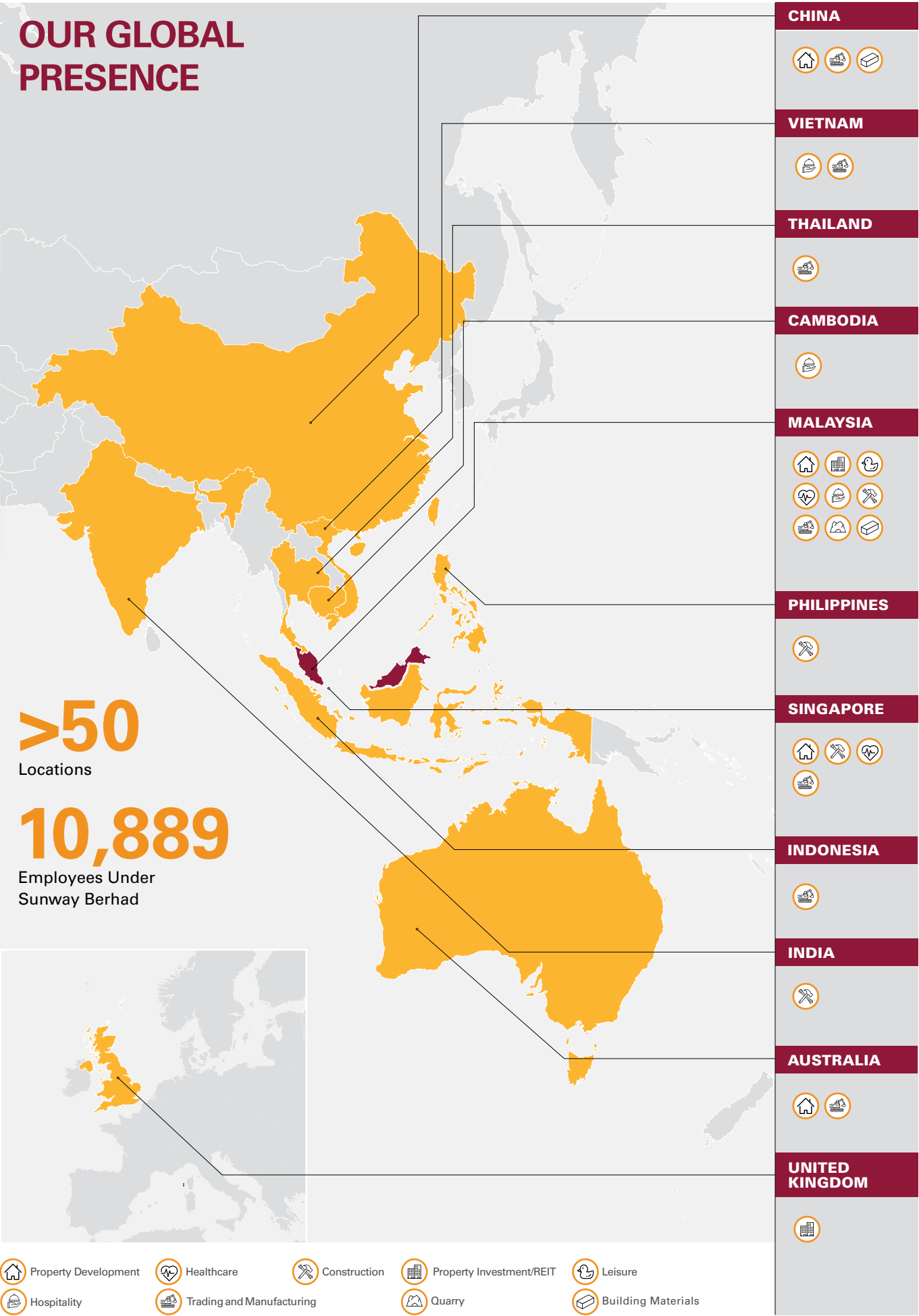
All manufacturing facilities are ISO accredited in Quality Management System and Environment Management Systems.

Please see page 58 for more information on the Building Materials division's Strategic Snapshot.

OTHERS

In tandem with the rapidly evolving external operating environment, as well as Sunway's aspirations for sustained value creation, the Group has established new businesses with the intent to providing solutions to many of the world's pressing challenges and explore high-value investment possibilities.

Among the diverse portfolio includes Sunway Pals, a loyalty card programme; Sunway Money, an e-remittance service provider; Sunway SCF, an early payment programme for companies to raise capital; Sunway iLabs, a hub to foster entrepreneurship and innovations; Sunway PopBox, an automated parcel lockers provider; Sunway XFarms, a sustainable farming solutions provider and lastly, Sunway Multicare Pharmacy, a pharmacy retail chain.



CORPORATE MILESTONES



AWARDS & ACCOLADES

AWARDS & ACCOLADES

SUNWAY BERHAD

35th Annual Reports Competition (ARC) International Awards 2021

- Interactive Annual Report category - Sustainability Report: Asia/Pacific - Bronze

75th Anniversary Celebration of the Department of Social Welfare Malaysia

- Prestigious Recognition of CSR efforts

Deloitte's 2021 Malaysia's Best Managed Companies awards

- Malaysia's Best Managed Companies 2021 - Sunway Berhad

Majlis Bandaran Subang Jaya Low Carbon Cities 2030 Challenge

- Diamond recognition in Zone Category - Sunway City

Minority Shareholder Watch Group (MSWG) - ASEAN Corporate Governance Awards 2020

- Industry Excellence Award under the Industrial Products & Services category - 3rd runners-up
- Top 100 Companies for Corporate Governance Disclosure 2020 - 28th place

National Annual Corporate Report Awards (NACRA) 2021

- Platinum Excellence Award for companies with market capitalisation of RM2 billion to RM10 billion
- Best Sustainability Reporting - Silver

Selangor Innovation Awards (AINS) 2021

- Sunway Smart Parking - 1st Runner up

Sustainable Business Awards Malaysia 2020/2021

- Sustainability Strategy - Winner
- Energy Management - Winner
- Climate Change & Emissions - Significant Achievement
- UN Sustainable Development Goals - Significant Achievement

Sustainability & CSR Malaysia Awards 2021

- Multi-Disciplinary Business: Company of the Year Award - Winner

Sustainable Employer Index (SEI)

- 2nd most Sustainable Employer in Malaysia

The Asset Triple 'A' Islamic Finance Awards 2021

- Best Rights Issue (Malaysia) - Sunway RM977.8 million Islamic Irredeemable Convertible Preference Shares

The Edge Billion Ringgit Club Awards 2021

- Best CR Initiatives: Below RM10 billion market capitalisation - Joint Winner

TAN SRI DR JEFFREY CHEAH AO

- Named one of **Forbes Asia's 2021 Heroes of Philanthropy** for his philanthropy work towards education, the second philanthropist in Asia to be included in this definitive list on four occasions

- Conferred **Honorary Doctorate of Philosophy** by Universiti Kebangsaan Malaysia (UKM), in recognition of his stalwart leadership in Health Education and Sustainability Networks

PROPERTY DEVELOPMENT

BCI Asia 2021

- Top 10 Developers Award 2021

Graduates' Choice Awards 2021

- Property Developer category - First runner-up

Star Property Awards 2021: Real Estate Developer

- All-Stars Award - Sunway Property
- Excellence, Family-Friendly Award (Landed) - Sunway Citrine Lakehomes
- Excellence, The Cornerstone Award - Sunway Citrine Lakehomes
- Excellence, The Creative Space Award - Sunway GRID
- Excellence, The Earth Conscious Award - Sunway City Iskandar Puteri

The Edge Malaysia Property Excellence Awards (TEPEA) 2021

- Top 10 Property Developers' Award - Joint No. 3

The EdgeProp Singapore Excellence Awards 2021

- Top Developer - Hoi Hup and Sunway Developments
- Residential (U/C) Non-Central Region Design Excellence - Ki Residences
- Residential (U/C) Non-Central Region Sustainability Excellence - Ki Residences
- Residential (U/C) Non-Central Region Marketing Excellence - Parc Central Residences
- Residential (U/C) Non-Central Region Layout Excellence - Parc Central Residences
- Residential (U/C) Non-Central Region Top Executive Condominium - Parc Central Residences
- Residential (U/C) Non-Central Region Showflat Excellence - Parc Canberra

HEALTHCARE

Frost & Sullivan Asia Pacific Best Practices Award 2021

- Malaysia Smart Hospital Company of the Year - Sunway Medical Centre

Global Health and Travel Asia Pacific Awards 2021

- **Sunway Medical Centre**
 - o Stand-out Jury Award for Best Hospital of the Year
 - o Bariatric Service Provider of the Year
 - o Digestive Health Service Provider of the Year
 - o Nuclear Medicine Provider of the Year

Global Healthcare Accreditation (GHA)

- Certificate of Conformance with COVID-19 Guidelines for Medical Travel Programs - Sunway Medical Centre

Healthcare Asia Award 2021

- **Sunway Medical Centre Velocity**
 - o Health Promotion Initiative of the Year
 - o ICT Initiative of the Year
 - o Smart Hospital Initiative of the Year

WSO Angels Award 2020 by World Stroke Organisation

- Platinum - Sunway Medical Centre

CONSTRUCTION

16th MOSHPA OSH Excellence National Award 2020

- Gold for OSH Management in the Construction category - TNB HQ Campus Project

Construction Industry Trade Awards (CITA) 2020

- Mechanical & Electrical Contractor award - Sunway Engineering Sdn Bhd

International Annual Report Competition (ARC) Awards 2021

- PDF Version of Annual Report in the Construction & Building category - Bronze

Minority Shareholder Watch Group (MSWG) - ASEAN Corporate Governance Awards 2020

- Industry Excellence Award under the Construction category
- Sunway Construction Group Berhad

The Edge Billion Ringgit Club Awards 2021

- "Highest Return on Equity (ROE) Over Three Years" in the Construction Sector for the third consecutive year

PROPERTY INVESTMENT/REIT

Australasian Reporting Awards (ARA) 2021

- Gold - Sunway REIT

International Annual Report Competition (ARC) Awards 2020

- PDF Version of Annual Report under the REIT (Commercial/Industrial/Office) category - Gold - Sunway REIT

Minority Shareholder Watch Group (MSWG) - ASEAN Corporate Governance Awards 2020

- Industry Excellence Award under the Real Estate Investment Trust category - Sunway REIT

National Annual Corporate Report Awards (NACRA) 2021

- Gold Excellence Award for companies with market capitalisation of RM2 billion to RM10 billion - Sunway REIT

The Asset Corporate Awards 2021

- Best Investor Relation (IR) Team - Sunway REIT
- Platinum ESG Corporate Award - Sunway REIT

CXP Best Customer Experience Awards 2021

- Sunway's Mall division

Selangor Innovation Award 2021

- Sunway Smart Parking - Sunway Pyramid Mall - 1st runner up

The EdgeProp Malaysia's Best Managed & Sustainable Property Awards 2021

- Gold in 10 Years and Above Retail category
 - Sunway Pyramid Mall
- Gold in the Below 10Years Retail category - Sunway Velocity Mall
- Gold in Below 10Years Single-Owned Office in a Mixed Strata category - Sunway GEO Tower

LEISURE

Sunway Lagoon

Putra Brand Award 2021

- Gold in Entertainment category

Malaysia Tourism Council Awards

- Gold for Best Outdoor Theme Park

2021 Trusted Brand Asia

- Gold in the Family Theme Park category

Sunway Lost World of Tambun Malaysia Tourism Council Awards

- Gold for Best Theme Park

HOSPITALITY

TripAdvisor Travellers' Choice Hotel Awards 2021

- Sunway Resort, Sunway Pyramid Hotel and Sunway Clio Hotel

Agoda 2021 Customer Review Awards

- Sunway Pyramid Hotel scored 8.9 over 10
- Sunway Clio Hotel scored 9.2 over 10

Booking.com Traveller Review Awards 2021

- Sunway Resort scored 8.6 over 10
- Sunway Pyramid Hotel scored 8.6 over 10
- Sunway Clio Hotel scored 8.8 over 10

Hotels.com Loved by Guests Awards 2021

- Sunway Putra Hotel scored 8.4 over 10

GROUP CORPORATE STRUCTURE

AS AT 31 MARCH 2022

GROUP CORPORATE STRUCTURE

AS AT 31 MARCH 2022

PROPERTY DEVELOPMENT

Sunway Integrated Properties Sdn Bhd

Sunway South Quay Sdn Bhd

Sunway PKNS Sdn Bhd

Sunway D'Mont Kiara Sdn Bhd

Sunway City (Penang) Sdn Bhd

Sunway Bintang Sdn Bhd

Sunway Bukit Gambier Sdn Bhd

Sunway City Properties Sdn Bhd

Sunway City (Ipoh) Sdn Bhd

Sunway Tunas Sdn Bhd

Sunway Semenyih Sdn Bhd

Sunway City (JB) Sdn Bhd

Sunway Iskandar Sdn Bhd*

Sunway Iskandar Development Sdn Bhd*

Sunway Monterez Sdn Bhd

Sunway Grand Sdn Bhd

Sunway Melawati Sdn Bhd

SunwayMas Sdn Bhd

Sunway Termuning Sdn Bhd

Sunway Rawang Heights Sdn Bhd

Sunway Kanching Heights Sdn Bhd

Sunway Bangi Sdn Bhd

Sunway Eastwood Sdn Bhd

Sunway Kiara Sdn Bhd

Sunway Subang Sdn Bhd

Sunway Serene Sdn Bhd

Sunway Marketplace Sdn Bhd*

Sunway Parkview Sdn Bhd*

Sunway Seafront Sdn Bhd*

Sunway Velocity Two Sdn Bhd

Sunway Rahman Putra Sdn Bhd

Sunway Alishan Sdn Bhd (formerly known as Sunway Kinrara Sdn Bhd)

Hoi Hup Sunway Development Pte Ltd**

Hoi Hup Sunway J.V. Pte Ltd**

Hoi Hup Sunway Property Pte Ltd**

Hoi Hup Sunway Miltonia Pte Ltd**

Hoi Hup Sunway Tampines Pte Ltd**

Hoi Hup Sunway Yuan Ching Pte Ltd**

Hoi Hup Sunway Pasir Ris Pte Ltd**

Hoi Hup Sunway Mount Sophia Pte Ltd**

Hoi Hup Sunway Sengkang Pte Ltd**

Hoi Hup Sunway Clementi Pte Ltd**

Hoi Hup Sunway Canberra Pte Ltd**

Hoi Hup Sunway Tampines J.V. Pte Ltd**

Hoi Hup Sunway Kent Ridge Pte Ltd**

Hoi Hup Sunway Katong Pte Ltd**

Sunway Australia Unit Trust*

Sunway Guanghao Real Estate (Jiangyin) Co. Ltd#

Tianjin Eco-City Sunway Property Development Co. Ltd**

Associated Circle Sdn Bhd

Commercial Parade Sdn Bhd

Bisikan Seni Sdn Bhd

Imbasan Intisari Sdn Bhd

Tidal Elegance Sdn Bhd

Emerald Freight Sdn Bhd

Park Symphony Sdn Bhd

Contemporary Factor Sdn Bhd

Prosper Revenue Sdn Bhd

Sunway Belfield Sdn Bhd

Sunway Artessa Sdn Bhd (formerly known as Sunway Avila Sdn Bhd)

Sunway Supply Chain Enterprise Sdn Bhd

Daksina Harta Sdn Bhd*

Sunway Permai Sdn Bhd

Sunway GD Piling Sdn Bhd

Sunway Opus International Private Limited#

Sunway MAK International Private Limited**

Sterling Paradise Sdn Bhd

Eaglefield Sdn Bhd

Mujurmas Sdn Bhd

Virgo Rhythm Sdn Bhd

Sunway Rydgeway Sdn Bhd

Pembangunan Risjaya Sdn Bhd

Lagoon Fantasy Sdn Bhd*

Objektif Ekuiti (M) Sdn Bhd*

Semangat Kancil (M) Sdn Bhd*

Sunway SPK Homes Sdn Bhd*

HEALTHCARE

Sunway Medical Centre Sdn Bhd*

SunMed@Homes Sdn Bhd*

SunMed Clinics Sdn Bhd*

SunMed Velocity Sdn Bhd*

Sunway Specialist Centre Sdn Bhd*

Sunway Medical Centre (Singapore) Pte Ltd#*

Sunway Senior Living Sdn Bhd*

Alliance Parade Sdn Bhd*

Paradigm Fairview Sdn Bhd*

Platinum Greenway Sdn Bhd*

Sunway Iskandar Medical Centre Sdn Bhd*

Sunway Medical Centre Ipoh Sdn Bhd*

Sunway Medical Centre Kota Bharu Sdn Bhd*

CONSTRUCTION

Sunway Construction Sdn Bhd

Sunway Engineering Sdn Bhd

Sunway Concrete Products (S) Pte Ltd#

Sunway Geotechnics (M) Sdn Bhd

Sunway Precast Industries Sdn Bhd

Sunway Machinery Sdn Bhd

Sunway Concrete Products (M) Sdn Bhd

Sunway Pekat Solar Sdn Bhd

Sunway SK Sdn Bhd

Sunway RNSIL MC Pte Ltd#

Sunway RNS TJ Pte Ltd#

Sunway Construction India Pte Ltd#

PROPERTY INVESTMENT

Sunway Pinnacle Sdn Bhd

Sunway Giza Mall Sdn Bhd

Sunway Giza Parking Sdn Bhd

Sunway Destiny Sdn Bhd

Sunway MUSC Sdn Bhd

Sunway Monash-U Residence Sdn Bhd

Sunway Residence Sdn Bhd

Sunway Pyramid Development Sdn Bhd

Sunway Velocity Mall Sdn Bhd*

Sunway REIT Management Sdn Bhd*

Sunway Real Estate Investment Trust*^

Sunway PFM Sdn Bhd

Sunway IFM Sdn Bhd

Sunway Parking Services Sdn Bhd

Sunway Big Box Sdn Bhd*

Sunway Ambience Sdn Bhd

Sunway Facility Management Sdn Bhd

Sunway Symphony Sdn Bhd

Sunway Century Sdn Bhd

Rich Worldclass Sdn Bhd

Sunway Tower 1 Sdn Bhd

Sunway Townhouse Sdn Bhd

Sunway Orient Sdn Bhd

Sumber Dorongan Sdn Bhd

Sunway Nexis Parking Sdn Bhd

Sunway Transit System Sdn Bhd

Sunway Integrated Parking Sdn Bhd

Sunway REM Sdn Bhd

Sunway Geo Sdn Bhd

Sunway Living Space Sdn Bhd

Reptolink Sdn Bhd

Galaxy Avenue Sdn Bhd

Sunway Sustainability Solutions Sdn Bhd

Sunway Leisure Sdn Bhd

Emerald Tycoon Sdn Bhd

Sunway RE Capital Pte Ltd*

Sunway RE Capital Advisors (SG) Pte Ltd#

Sunway RE Capital Advisors (UK) Limited#

Sunway Residence Trust*

Sunway Residence Trust II*

Sunway Residence (Guernsey) Limited#

Sunway Residence (Guernsey) 2 Limited#

Sunway Residence (Guernsey) Holdings Ltd#

Sunway Residence (Singapore) Pte Ltd#

Elite Commercial REIT**

Elite Commercial REIT Management Pte Ltd**

LEISURE

Sunway Lagoon Sdn Bhd

Sunway Lost World Water Park Sdn Bhd

Sunway Lagoon Club Berhad

Sunway Travel Sdn Bhd

Sunway Healthy Lifestyle Sdn Bhd

Pyramid Bowl Sdn Bhd*

HOSPITALITY

Sunway Resort Hotel Sdn Bhd

Sunway Velocity Hotel Sdn Bhd*

Sunway Putra Hotel Sdn Bhd

Sunway Biz Hotel Sdn Bhd

Sunway Hotel (Seberang Jaya) Sdn Bhd

Sunway Lost World Hotel Sdn Bhd

Sunway International Hotels & Resorts Sdn Bhd

Kinta Sunway Resort Sdn Bhd

Sunway Bigbox Hotel Sdn Bhd*

Sunway Hotel Phnom Penh Ltd#

Sunway Hotel Hanoi Liability Limited Company with one member#

TRADING AND MANUFACTURING

Sunway Marketing Sdn Bhd

Sunway Enterprise (1988) Sdn Bhd

Sunway Hydraulic Industries Sdn Bhd

Sunway Marketing (East Malaysia) Sdn Bhd

Sunway Hose Centre Sdn Bhd

Sunway Marketing (S) Pte Ltd#

Sunway Marketing (Thailand) Ltd#

Sunway Marketing (Vietnam) Co Ltd#

PT Sunway Flowtech#

PT Sunway Trek Masindo#

PT Sunway Pacific Flow#

PT Sunway Distribusi Indonesia#

Sunway TotalRubber Ltd#

Sunway TotalRubber Services Franchising Pty Ltd#

Sunway Hydraulic Industries (Wuhu) Co Ltd#

Sunway Trading (Shanghai) Pte Ltd#

Sunway Daechang Forging (Anhui) Co Ltd#

Sunway Winstar Sdn Bhd

Sunway Saf-T-Quip Sdn Bhd

Sunway United Star Sdn Bhd

Sunway Coating Solutions Sdn Bhd

Jaya DIY Mart Sdn Bhd

Sunway Material Handling Sdn Bhd

Sunway Architectural Products Sdn Bhd

Dongfeng Commercial Vehicle (Malaysia) Sdn Bhd

Sunway MKH Marketing Sdn Bhd*

QUARRY

Sunway Quarry Industries Sdn Bhd

Sunway Quarry (Kuala Kangsar) Sdn Bhd

Sunway Quarry Industries (Melaka) Sdn Bhd

Twinnors (Malaysia) Sdn Bhd

Dolomite Granite Quarry Sdn Bhd

Blacktop Industries Sdn Bhd

Blacktop Lanchang Sdn Bhd*

Can Technical Services Sdn Bhd

BUILDING MATERIALS

Sunway Paving Solutions Sdn Bhd

Sunway Paving Solutions (Sabah) Sdn Bhd

Sunway VCP Sdn Bhd

Sunway Spun Pile (M) Sdn Bhd

Sunway Spun Pile (Zhuhai) Co Ltd#

INVESTMENT HOLDINGS AND OTHERS

Sunway Synergy Sdn Bhd

Sunway Healthcare Holdings Sdn Bhd*

Sunway Healthcare Treasury Sdn Bhd (formerly known as Frontier Acres Sdn Bhd)*

Sunway City Sdn Bhd

Sunway Holdings Sdn Bhd

Sunway Holdings (Vietnam) Sdn Bhd

Sunway Global Limited#

Sunway Management Sdn Bhd

Sunway Management Services Sdn Bhd

Sunway Shared Services Sdn Bhd

Sunway HR Shared Services Sdn Bhd

Sunway Leasing Sdn Bhd

SWL Nominees (Tempatan) Sdn Bhd

Sunway Elite Sdn Bhd

Sunway Credit Sdn Bhd

Sunway Risk Management Sdn Bhd

Sunway Captive Insurance Ltd

Gopeng Berhad*^

Sunway City (S'pore) Pte Ltd#

Sunway Real Estate (China) Limited#

Eastern Glory Enterprises Limited#

Sunway REIT Holdings Sdn Bhd

Sunway Treasury Sdn Bhd

Sunway Treasury Sukuk Sdn Bhd

Sunway Investment Management Consultancy (Shanghai) Co. Ltd#

International Theme Park Pty Ltd#

Sunway Developments Pte Ltd#

Fortuna Gembira Enterpris Sdn Bhd

Hartford Lane Pty Ltd#

Sunway FSSC Sdn Bhd

Sunway Labuan Investment Ltd

Sunway Pals Loyalty Sdn Bhd

Sunway Money Sdn Bhd

Deco Style Sdn Bhd

Sunway Design Sdn Bhd

Sunway Construction Group Berhad^

Sunway Pendas Management Sdn Bhd

Sunway Southern Management Sdn Bhd

Sunway PopBox Sdn Bhd

Monumental Productions Sdn Bhd*

Sun Sea Capital Sdn Bhd

Orbit Capital (Malaysia) Sdn Bhd

Sunway Ventures Sdn Bhd

Sunway Leadership Centre Sdn Bhd

Pasir Mas Holdings Sdn Bhd

Fame Parade Sdn Bhd

Sunway Quantum Sdn Bhd

Sunway (Tianjin) Management Consultancy Co. Ltd.#

Sunway Land Pte Ltd#

Sunway City India Private Limited#

SunCity Vietnam Sdn Bhd

Konsep Objektif (M) Sdn Bhd

Area Star Sdn Bhd

Sunway City Cambodia Sdn Bhd

Hochimex Nominee Co Ltd#

Bidara Cahaya Resources Sdn Bhd

Sunway iLabs Accelerator Sdn Bhd

Sunway Little Sunshine Child Care Centre Sdn Bhd

TKM Sdn Bhd

Peluang Klasik (M) Sdn Bhd

Laudable Generations Sdn Bhd

Sunway D Hill Sdn Bhd

Anggaran Salju Sdn Bhd

Sunway Finpro Sdn Bhd

Credit Bureau Malaysia Sdn Bhd

Sunway Services Sdn Bhd

Sun SEA I Sdn Bhd

Sunway Supercar Resort Sdn Bhd*

Sunway Black Tap Sdn Bhd

Sunway Pharma Sdn Bhd

Sunway Organic Garden Sdn Bhd

Multicare Health Pharmacy Sdn Bhd

World Medicare Supplies Sdn Bhd

Bnature Health Sdn Bhd

Multicare (NHL) Pharmacy Sdn Bhd

Multicare Pharmacy (Bahau) Sdn Bhd

Multicare Wellness Pharmacy Sdn Bhd

Multicare Pharmacy (L&L) Sdn Bhd

Ann-Care Pharmacy Sdn Bhd

LKP Pharmacy Sdn Bhd

Jonhtks Pharmacy Sdn Bhd

Multicare (Banting) Pharmacy Sdn Bhd

CSF Pharmacy Sdn Bhd

LSP Pharmacy Sdn Bhd

WYJ Pharmacy Sdn Bhd

HCY Pharmacy Sdn Bhd

Multicare (KS) Pharmacy Sdn Bhd

Multicare (YMS) Pharmacy Sdn Bhd

WKF Pharmacy Sdn Bhd

Twinscare Pharmacy Sdn Bhd

Multicare Pharmacy (Mantin) Sdn Bhd

Multicare (LX) Pharmacy Sdn Bhd

Multicare Palm Pharmacy Sdn Bhd

Multicare KD Pharmacy Sdn Bhd

Multicare (PJ17) Pharmacy Sdn Bhd

Sunway Innovation Sdn Bhd

Sunway XFarm Sdn Bhd

Sunway Pristine Laundry Sdn Bhd*

Superseed II Ventures (Malaysia) Sdn Bhd*

Orbit Malaysia Fund 1 LP ("Orbit Malaysia Fund I")*

Notes:

This Group Corporate Structure excludes dormant companies.

Overseas company

^ Public listed company

* Associated company/
Joint venture company

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Chairman, Non-Independent Executive Director

Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling Ao

Non-Executive Co-Chairman, Independent Non-Executive Director

Dato' Sri Idris Jala

Deputy Executive Chairman, Non-Independent Executive Director

Tan Sri Datuk Seri Razman M Hashim

President, Non-Independent Executive Director

Tan Sri Dato' (Dr.) Chew Chee Kin

Non-Independent Executive Director

Sarena Cheah Yean Tih, *S.M.S.*

Senior Independent Non-Executive Director

Philip Yeo Liat Kok

Independent Non-Executive Directors

Tan Sri Dato' Dr. Lin See Yan

Tan Sri Datuk Dr Rebecca Fatima Sta Maria

Datuk Tong Poh Keow

Tan Sri Jamaludin Bin Ibrahim

Datuk Zaiton Mohd Hassan

(Appointed with effect from 8 March 2022)

AUDIT COMMITTEE

Datuk Tong Poh Keow (Chairman)

Tan Sri Dato' Dr. Lin See Yan

Tan Sri Datuk Dr Rebecca Fatima Sta Maria

Datuk Zaiton Mohd Hassan

(Appointed with effect from 8 March 2022)

Tan Sri Jamaludin Bin Ibrahim

(Resigned with effect from 8 March 2022)

NOMINATION AND REMUNERATION COMMITTEE

Tan Sri Datuk Dr Rebecca Fatima Sta Maria

(Chairman)

Tan Sri Dato' Dr. Lin See Yan

Philip Yeo Liat Kok

Tan Sri Jamaludin Bin Ibrahim

(Appointed with effect from 25 November 2021)

Dato' Sri Idris Jala

(Resigned with effect from 18 May 2021)

Datuk Tong Poh Keow

(Resigned with effect from 25 November 2021)

RISK MANAGEMENT COMMITTEE

Tan Sri Dato' Dr. Lin See Yan (Chairman)

Tan Sri Datuk Dr Rebecca Fatima Sta Maria

Datuk Tong Poh Keow

Datuk Zaiton Mohd Hassan

(Appointed with effect from 8 March 2022)

SUSTAINABILITY COMMITTEE

Tan Sri Dato' (Dr.) Chew Chee Kin (Chairman)

Philip Yeo Liat Kok

Datuk Tong Poh Keow

Sarena Cheah Yean Tih, *S.M.S.*

COMPANY SECRETARIES

Tan Kim Aun (MAICSA 7002988) (SSM PC No. 202008001249)

Chin Lee Chin (MAICSA 7012347) (SSM PC No. 202008001355)

REGISTERED OFFICE

Level 16, Menara Sunway

Jalan Lagoon Timur

Bandar Sunway, 47500 Subang Jaya

Selangor Darul Ehsan, Malaysia

Tel No : (603) 5639 8889

Fax No : (603) 5639 9507

SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn Bhd

[Registration No. 197101000970 (11324-H)]

Unit 32-01, Level 32, Tower A

Vertical Business Suite

Avenue 3, Bangsar South

No. 8, Jalan Kerinchi

59200 Kuala Lumpur

Wilayah Persekutuan, Malaysia

Tel No : (603) 2783 9299

Fax No : (603) 2783 9222

Email : is.enquiry@my.tricorglobal.comWeb : www.tricorglobal.com

Tricor's Customer Service Centre

Unit G-3, Ground Floor, Vertical Podium

Avenue 3, Bangsar South

No. 8, Jalan Kerinchi, 59200 Kuala Lumpur

AUDITORS

BDO PLT

Chartered Accountants

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

WEBSITE ADDRESS

www.sunway.com.my

INVESTOR RELATIONS

Email : irsunwayberhad@sunway.com.my

Tel No : (603) 5639 9257

CALENDAR OF SIGNIFICANT EVENTS

JANUARY



27

Several business units from the Sunway Group came together under the #SunwayforGood initiative to provide several non-governmental organisations with aid to help communities displaced by severe floods in the east coast of Malaysia.

From food to essential items totalling more than RM100,000, the items were swiftly collected and delivered to affected communities through several organisations, including the Sultan Ahmad Shah Environment Foundation for its Taman Negara-Kuala Tahan Flood Aid Mission 2021, Malaysia Red Crescent Society for its Pahang, Kelantan and Johor flood aid missions.

FEBRUARY

1

Sunway Berhad's wholly-owned subsidiary, Sunway Kinrara Sdn Bhd, signed a sale and purchase agreement to acquire a 3.34-acre parcel of prime freehold land in the matured neighbourhood of Taman Mutiara, Kuala Lumpur, at a purchase consideration of RM42 million for the development of exclusive homes.

The development is expected to be ready for launch by the first half of 2022 with the expected completion in 2026, contributing positively to Sunway's earnings from 2022.

22

Sunway's three public-listed companies, namely Sunway Berhad, Sunway Construction Group Berhad and Sunway REIT – have become one of the first few Malaysian companies to join over 1,700 organisations from around the globe to support the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). These recommendations support the goals of the Paris Agreement to limit global warming to below two degrees Celsius, compared with pre-industrial levels and aims to achieve a carbon neutral world by 2050.

MARCH

1

Sunway celebrated Chinese New Year by giving essential groceries and festive goodies, as well as ICT equipment and services to 230 beneficiaries from various multiracial children's homes in Perak.

In an effort to promote inclusiveness and diversity, Sunway celebrates all festive seasons in Muhibbah spirit under its #SunwayforGood umbrella. As part of #SunwayforGood, the Sunway LINE (Learn. Innovate. Nurture. Evolve.) initiative saw a total of seven laptops and one year's worth of WIFI gifted to the orphanages to ensure that the children have access to quality education.

10

A subsidiary of Sunway Berhad, Sunway RE Capital Pte Ltd, and MBU Capital have forged a transcontinental partnership to invest and manage Purpose-Built Student Accommodation (PBSA) assets in the United Kingdom (UK), underpinned by signs of recovery in the sector. The collaboration has been pre-seeded through a combination of assets and readily deployable equity, totalling £110m (approximately RM629.52 million).



12

Sunway Group committed Sunway Pyramid Convention Centre as the first private, large-scale vaccination centre for the Petaling district, as the country ramps up the National COVID-19 Immunisation programme (NCIP). The 150,000 sq ft convention centre opened its doors on 10 March until 22 August 2021.

CALENDAR OF SIGNIFICANT EVENTS

APRIL



8

AstraZeneca, a science-led biopharmaceutical company, has entered into a new partnership with Sunway University via its innovation arm, Sunway Innovation Labs (Sunway iLabs), to establish the first Health Innovation Hub in Malaysia. The Hub is part of the AstraZeneca A.Catalyst Network, an interconnected global network of more than 20 AstraZeneca health innovation hubs.

In line with the Malaysian government's call for digital innovation in the healthcare sector, the Hub will empower local start-ups and innovators to deliver new, sustainable solutions which will bolster the treatment of non-communicable diseases (NCDs) and support the patient experience, starting at the primary-care level.

19

Sunway Berhad's wholly-owned subsidiary, Sunway Rahman Putra Sdn Bhd, has signed a Sale and Purchase Agreement to acquire a 6.59-acre parcel of prime freehold land at Jalan Cochrane, Kuala Lumpur for a purchase consideration of RM233.4 million.

This acquisition is Master Community Developer Sunway's Property Development division's second landbank acquisition for the year and reflects its confidence in the recovery of the property market.



28

Sunway Group, in partnership with Selangor Youth Community (SAY), and His Highness Tengku Amir Shah Ibni Sultan Sharafuddin Idris Shah Alhaj, Raja Muda of Selangor, brought smiles and happiness to the 34 children from underprivileged backgrounds at Pusat Jagaan Kanak-kanak Rukaiyah Yatim dan Miskin with a variety of goodies and duit raya in conjunction with #SunwayforGood Sunway Raya Cheer event.

In total, Sunway teams across the nation delivered 1,000kg of rice, 10,000 containers of bubur lambuk, more than 4,000 packed meals, over 1,500 bags of groceries and other essentials for Hari Raya in an effort to connect with the underprivileged and celebrate the festive cheer through its #SunwayforGood umbrella.

MAY

5

Sunway City Sdn Bhd ("SunCity"), a wholly-owned subsidiary of Sunway, entered into a Share Purchase Agreement with Sunway Healthcare Holdings Sdn Bhd ("SHH"), a wholly-owned subsidiary of SunCity, for the disposal of its entire equity interests in several companies to SHH for a total consideration of RM683,362,834, to be fully satisfied by the allotment and issuance of 489,269,588 ordinary shares at an issue price of RM1.3967 per share in the share capital of SHH to SunCity as part of an internal reorganisation exercise.



21

Sunway Berhad, through its wholly owned subsidiary, Sunway Holdings Sdn Bhd, has entered into a Sales and Purchase Agreement with the owners of Multicare Pharmacy, one of the top five pharmaceutical retail players in the market, for a majority stake in Multicare Health Pharmacy Sdn Bhd.

JUNE

23

Sunway Berhad finalised a deal where Greenwood Capital Pte Ltd, an affiliate of GIC Pte Ltd, Singapore's sovereign wealth fund, will acquire a 16 percent stake (on a fully converted basis) in Sunway Healthcare Holdings Sdn Bhd ("Sunway Healthcare") for a total subscription consideration of RM750 million.

AUGUST

2

Sunway's retail malls facilitated up to RM200 million in working capital to assist its retailers through financing facilities provided by RHB Banking Group ("RHB") and Credit Guarantee Corporation Malaysia Berhad ("CGC"). The financing facilities, termed Sunway Malls SME Retailers Relief Financing Programme, is made available to the Group's mall retailers across seven malls.

Under this scheme, qualified retailers under Sunway's malls can apply for RHB financing facilities of up to RM500,000 with a loan tenure of seven years, where up to 80% of the principal financing amount is guaranteed by CGC. The programme will also incorporate an option for an overdraft facility of up to 30% of the financing limit with one of the lowest interest rates in the market.



25

Sunway Group committed its advertising funds for National Day and Malaysia Day to assist B40 communities that are economically affected through the #SunwayforGood Food Bank initiative.

The food bank drive saw more than 25,000 kilogrammes of food being distributed to some 2,100 B40 families across Selangor, Kuala Lumpur, Perak, Penang and Johor throughout this period until Malaysia Day.

SEPTEMBER

9

Sunway Berhad, through its joint venture vehicle with Singapore developer Hoi Hup Realty, has won a competitive bid for the en-bloc acquisition of Flynn Park, a condominium development located in Yew Siang Road, Pasir Panjang, Singapore with a bid of SGD371 million (approximately RM1.15 billion). The land is intended to be redeveloped into modern private residential condominiums.

OCTOBER



11

Sunway Berhad (Sunway), through its wholly owned subsidiary Sunway Shared Services Sdn Bhd, and Huawei Technologies (Malaysia) Sdn Bhd (Huawei) sealed a memorandum of understanding (MoU) to explore a collaboration to develop and advance the Sunway Digital Innovation Programme.

The proposed collaboration will see Sunway and Huawei explore development in the areas of FinTech, Big Data, Machine Learning, Digital Growth Platforms, Go-To-Market Enablement as well as Cloud Infrastructure Modernisation, leveraging Huawei's advanced technology, ecosystem, and digital innovation capabilities.

18

Multicare Pharmacy, a member of Sunway Group, went to the aid of victims in Karak who had lost their homes and businesses in a devastating fire, extending aid of more than RM20,000 to the victims and rescue team. The donations were distributed across three days by Multicare's pharmacists and pharmacy assistants who visited the affected areas to extend help and comfort to the victims as well as the rescue team through their Disaster Relief programme.

28

Sunway Group reached out to B40 families this Deepavali by providing close to 30,000 kilogrammes of essential groceries and nutritious food worth more than RM170,000 to a total of 863 families for three consecutive months, starting in October, through the #SunwayforGood Food Bank initiative.

With a focus on underserved single-parent and single-income households, this Deepavali Cheer reached beneficiaries across Johor, Kuala Lumpur, Selangor, Perak, Penang and Kedah, and aims to ensure safe and nutritious food is accessible to families deprived of much needed assistance due to the prolonged movement control orders.

CALENDAR OF SIGNIFICANT EVENTS

NOVEMBER



Sunway Developments Pte Ltd ("SDPL"), an indirect wholly-owned subsidiary of Sunway Berhad, and its joint venture partner, Hoi Hup Realty Pte Ltd ("Hoi Hup") entered into a Collective Sale and Purchase Agreement with the owners of 22 plots of residential freehold land at Thiam Siew Avenue to acquire the property which is located in Tanjong Katong, Singapore for a total consideration of S\$815.0 million (equivalent to approximately RM2.51 billion). The completion of the agreement is subject to fulfillment of conditions precedent and authorities' approval.

The Property, currently comprises landed residential units with a total land area of approximately 263,794 square feet will be redeveloped into a new private residential development with an allowed plot ratio of 2.8 times, subject to authorities' approval.



29

Sunway Group Founder and Chairman, Tan Sri Dr. Jeffrey Cheah, received an honorary doctorate for his leadership in health education network and sustainability from Universiti Kebangsaan Malaysia (UKM) in recognition of his commitment towards education and advancing the sustainability agenda.

The award was presented to him by the Chancellor of UKM, Duli Yang Maha Mulia Yang Dipertuan Besar of Negeri Sembilan Tuanku Muhriz Ibni Almarhum Tuanku Munawir in conjunction with the university's 49th convocation ceremony.

DECEMBER



7

Sunway Pyramid Mall, in partnership with Singapore-based amenities experts Rigel Technology, introduced Malaysia's first Internet of Toilet (IoT) system that will see the mall advance from a conventional washroom system to a more efficient management system to deliver a more connected, seamless experience for both the users and supervisors alike. This effort is part of Sunway Pyramid Mall's move towards transforming different aspects of the mall digitally.

The all-new smart toilet system will help optimise commercial toilet performance and efficiency within the building by utilising a centralised IoT system through data collection.



Sunway Group was announced as the Official Sustainability Partner of the Malaysian AIDS Foundation ("MAF") at the MAF Red Ribbon Gala fundraising event for HIV-AIDS.

MAF was established to raise awareness on the urgency of access to HIV treatment and to combat AIDS nationwide. Witnessed by Minister of Health, YB Khairy bin Jamaluddin Abu Bakar, this partnership marks the beginning of Sunway and MAF's long-term commitment to the people living with HIV in Sabah and Sarawak.



Sunway business units nationwide worked closely with a few non-governmental organisations to provide flood relief efforts to affected communities stranded and displaced from their homes after a 16 hrs non-stop rain in the Klang Valley, Ipoh and Johor.

The team provided food, essential items, COVID test kits, cleaning tools, medical assistance and even healthcare personnel and volunteers to help out with the relief efforts.



Sunway Construction Sdn Bhd ("SunCon"), a wholly-owned subsidiary of Sunway Construction Group Berhad, has accepted two Letters of Intent for the Design, Engineering, Procurement, Construction, Testing and Commissioning of Solar Photovoltaic Energy Generating Facility with Ancillary Equipment and Facilities with Generating Capacity of 50MW in relation to two Large Scale Solar 4 Projects ("LSS4 Projects") for a total contract sum of RM385 million.

The two LSS4 Projects are expected to contribute positively to the earnings of SunCon Group for the financial year ending 31 December 2022.

FINANCIAL CALENDAR

ANNOUNCEMENT OF QUARTERLY RESULTS

MAY

25

2021

Announcement of the unaudited consolidated results for the 1st quarter ended 31 March 2021

AUGUST

24

2021

Announcement of the unaudited consolidated results for the 2nd quarter ended 30 June 2021

NOVEMBER

25

2021

Announcement of the unaudited consolidated results for the 3rd quarter ended 30 September 2021

FEBRUARY

25

2022

Announcement of the unaudited consolidated results for the 4th quarter ended 31 December 2021

DIVIDEND

AUGUST

24

2021

- (a) Announcement of the first interim single tier cash dividend of 1.00 sen per ordinary share for the financial year ended 31 December 2021.
- (b) Announcement of the preferential dividend of 5.25% per annum (based on the issue price of RM1.00 per irredeemable convertible preference share ("ICPS")) for the period from 1 January 2021 up to and including 30 June 2021, in respect of the financial year ended 31 December 2021.

Date of entitlement : 1 October 2021

Date of payment : 21 October 2021

FEBRUARY

25

2022

- (a) Announcement of the second interim single tier cash dividend of 1.50 sen per ordinary share for the financial year ended 31 December 2021.
- (b) Announcement of the preferential dividend of 5.25% per annum (based on the issue price of RM1.00 per ICPS) for the period from 1 July 2021 up to and including 31 December 2021, in respect of the financial year ended 31 December 2021.

Date of entitlement : 22 March 2022

Date of payment : 14 April 2022

INTEGRATED ANNUAL REPORT & ANNUAL GENERAL MEETING

APRIL

29

2022

Date of notice of 12th Annual General Meeting and date of issuance of Integrated Annual Report 2021

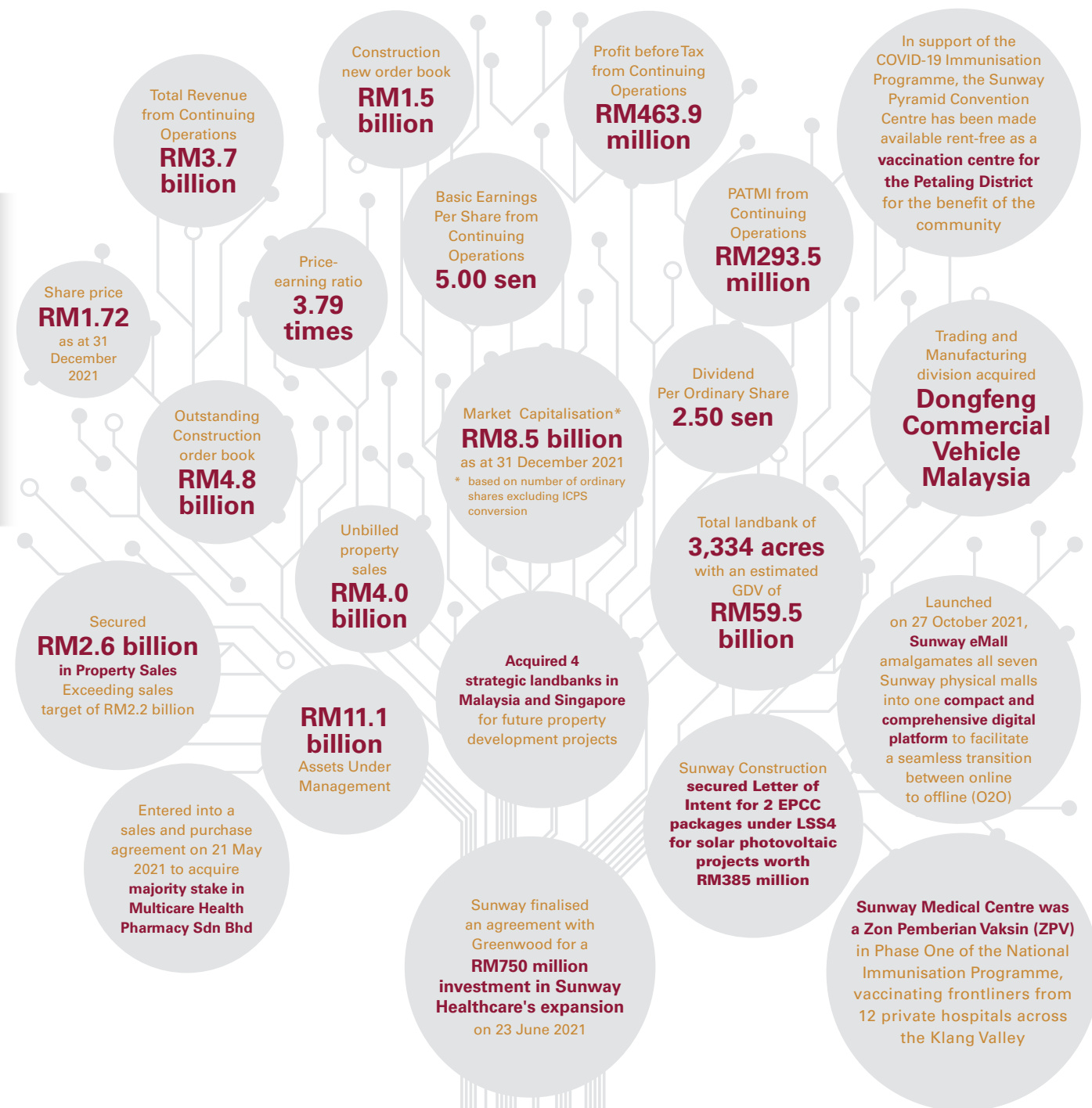
JUNE

23

2022

Date of 12th Annual General Meeting

FINANCIAL & BUSINESS HIGHLIGHTS

FINANCIAL VALUES CREATED
SEGMENTAL PERFORMANCE

PROPERTY DEVELOPMENT

Revenue (RM'000)

2021	625,749
2020	494,623
2019	545,852

Profit before tax (RM'000)

2021	154,062
2020	291,921
2019	228,526

PROPERTY INVESTMENT

Revenue (RM'000)

2021	312,349
2020	330,147
2019	803,468

Profit before tax (RM'000)

2021	(10,034)
2020	(27,432)
2019	323,118

CONSTRUCTION

Revenue (RM'000)

2021	1,111,698
2020	990,225
2019	1,273,269

Profit before tax (RM'000)

2021	148,750
2020	105,076
2019	162,331

STRATEGIC INVESTMENTS (CONTINUING OPERATIONS)

Revenue (RM'000)

2021	1,667,512
2020	1,393,764*
2019	1,572,857*

Profit before tax (RM'000)

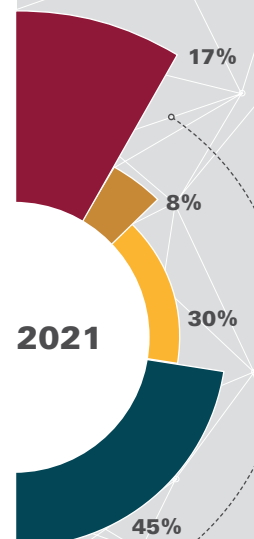
2021	171,121
2020	120,559*
2019	89,960*

* Revenue and profit before tax for FY 2019 and FY 2020 excluded results arising from discontinued operations as disclosed in Note 13 to the financial statements.

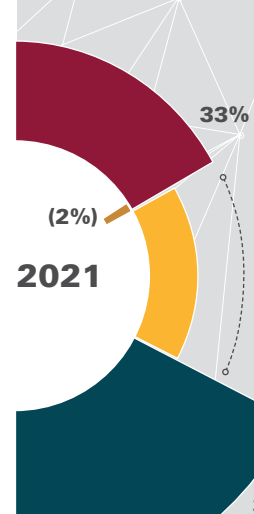
Please refer to Financial Review in Management Discussion and Analysis and Financial Statements for more information.

REVENUE
(CONTINUING OPERATIONS)

(RM'000)

PROFIT BEFORE TAX
(CONTINUING OPERATIONS)

(RM'000)



- PROPERTY DEVELOPMENT
- PROPERTY INVESTMENT
(comprises Property Investment, REIT, Leisure and Hospitality)
- CONSTRUCTION
- STRATEGIC INVESTMENT
(CONTINUING OPERATIONS)
(comprises Trading and Manufacturing, Quarry, Building Materials and Others)

FINANCIAL VALUES CREATED
FIVE-YEAR GROUP FINANCIAL HIGHLIGHTS

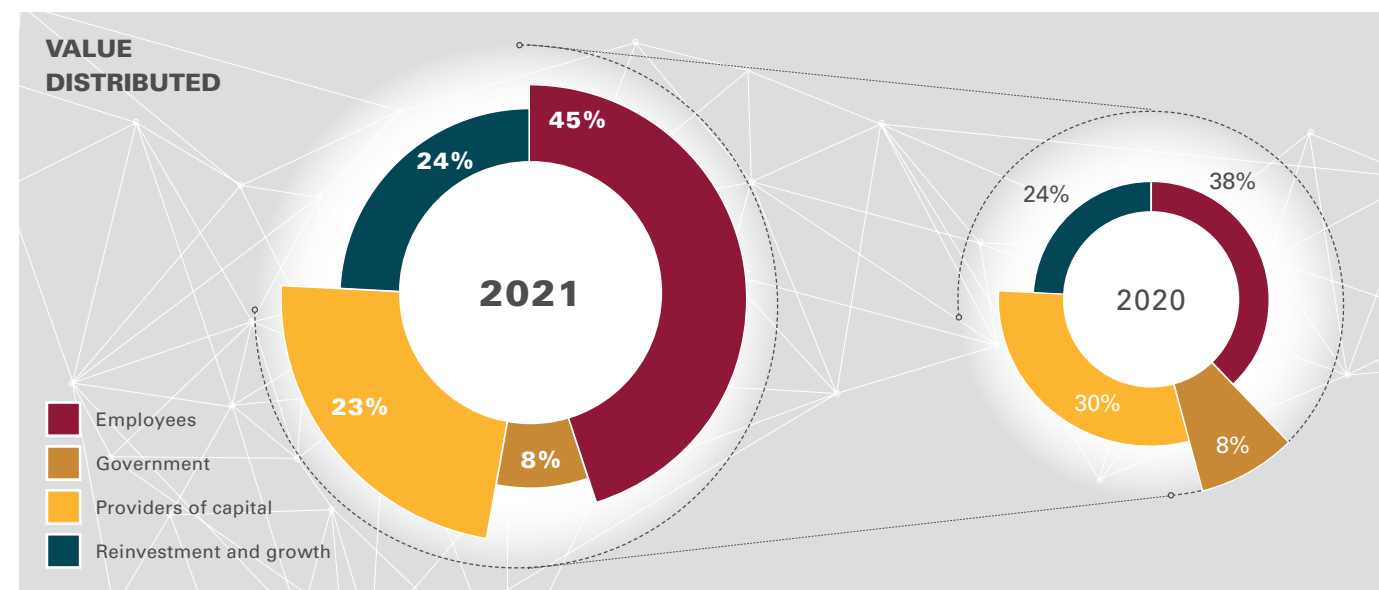
	Financial Year Ended				
	2021 RM'000	2020 RM'000 (Restated)	2019 RM'000 (Restated)	2018 RM'000 (Restated)	2017 RM'000 (Restated)
OPERATING RESULTS					
Continuing operations					
Revenue	3,717,308	3,208,759	4,195,446	4,950,442	4,874,669
Profit before tax	463,899	490,124	803,935	772,710	825,856
Income tax expense	(116,229)	(102,636)	(78,398)	(121,268)	(148,085)
Profit for the financial year from continuing operations	347,670	387,488	725,537	651,443	677,771
Discontinued operations					
Profit for the financial year from discontinued operations, net of tax	2,390,486	17,388	61,357	54,178	52,008
Profit for the financial year	2,738,156	404,876	786,894	705,620	729,779
Attributable to owners of the parent					
From continuing operations	293,504	340,264	648,375	581,923	575,824
From discontinued operations	2,370,942	16,990	60,790	53,846	51,643
	2,664,446	357,254	709,165	635,768	627,468
Attributable to non-controlling interests					
From continuing operations	54,166	47,224	77,162	69,520	101,946
From discontinued operations	19,544	398	567	332	365
	73,710	47,622	77,729	69,852	102,311
	2,738,156	404,876	786,894	705,620	729,779
KEY BALANCE SHEET DATA					
Property, plant and equipment	1,262,253	2,620,747	2,749,044	2,627,664	1,522,895
Investment properties	2,186,313	2,033,400	2,327,617	1,942,744	2,066,760
Rock reserves	5,082	5,342	5,605	5,868	6,132
Land held for property development	1,671,126	1,795,500	1,674,576	1,671,311	1,682,127
Investments in associates and joint ventures	8,901,667	4,349,965	4,085,235	3,390,661	3,628,602
Goodwill	376,225	325,435	311,808	313,893	311,814
Deferred tax assets	47,405	60,765	68,574	110,342	100,828
Trade receivables (non current)	204,198	179,713	140,071	63,838	51,407
Derivatives	7,540	-	-	-	34,181
Other non current assets	2,423,763	2,684,248	1,928,532	2,292,030	1,315,380
Current assets	7,998,726	7,038,029	8,181,277	6,720,523	6,461,035
Assets of disposal group classified as held for sale	-	-	-	486,128	294,283
Total assets	25,084,298	21,093,144	21,472,339	19,625,002	17,475,444
Long term borrowings	4,021,413	1,649,973	872,563	1,230,226	1,593,110
Perpetual sukuk	600,000	600,000	400,000	400,000	-
Deferred tax liabilities	108,967	122,489	130,304	146,907	121,331
Hire purchase and lease liabilities	90,741	325,262	768,204	810,389	234
Derivatives	188,957	1,665	187	36	4,496
Other long term liabilities	245,732	134,713	59,414	128,993	258,013
Current liabilities	6,706,188	7,948,465	9,830,340	8,324,485	6,986,024
Total liabilities	11,961,998	10,782,567	12,061,012	11,041,036	8,963,208
Non-controlling interests	1,091,921	797,382	1,043,960	619,106	621,521
Shareholders' equity	12,030,379	9,513,195	8,367,367	7,964,860	7,890,715
Total equity	13,122,300	10,310,577	9,411,327	8,583,966	8,512,236
FINANCIAL RATIOS					
Profit before tax margin (%)	12.48%	15.27%	19.16%	15.61%	16.94%
Basic earnings per share (sen)	45.41	7.20	14.55	13.05	13.04
Diluted earnings per share (sen)	44.88	7.20	14.55	13.04	13.00
Closing share price as at end of period (RM) [^]	1.72	1.61	1.80	1.47	1.63
Price-earning ratio (times)	3.79	26.44	12.45	11.22	12.72
Return on capital employed (ROCE) (%)	3.10%	3.66%	6.79%	6.55%	7.07%
Return on equity (ROE) (%)	28.01%	4.27%	8.90%	8.06%	8.40%
Net gearing ratio (times) [@]	0.45	0.52	0.61	0.52	0.40
Net tangible assets per share (sen)	197.59	156.09	163.75	157.19	154.35
Net assets per share (sen)	205.06	162.16	170.63	164.15	161.16
Share capital (RM'000)	5,393,889	5,393,667	5,393,666	5,379,437	5,370,606
Number of ordinary shares ('000)	4,934,074	4,933,932	4,933,931	4,924,402	4,918,491
Number of irredeemable convertible preference shares ('000)	977,779	977,779	-	-	-

Notes:

- Following the reassessment of the Group's investments in the wholesale funds, the financial statements for FY 2017 to FY 2020 have been restated via prior year adjustments retrospectively.
- The financial statements for FY 2019 (Restated) and FY 2018 (Restated) are prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") including the effects of MFRS 16 Leases which was adopted in the previous financial year. The financial statement for FY 2017 is prepared in accordance with MFRS and has not been restated to include the effects of MFRS 16.
- The financial statements for FY 2020 (Restated) and FY 2019 (Restated) are prepared in accordance with MFRS including the effects of applying IFRS Interpretation Committee ("IFRIC") agenda decision on IAS 23 Borrowing Costs on over time transfer of constructed goods. The financial statements for FY 2018 and FY 2017 are prepared in accordance with MFRS and has not been restated to include the effects of IAS 23 Borrowing Costs.

[^] Source: Bloomberg[@] Net gearing ratio calculations exclude cross currency swap.FINANCIAL VALUES CREATED
VALUE ADDED STATEMENT

FINANCIAL YEAR ENDED	2021 RM'000	2020 RM'000 (Restated)
Continuing operations		
Value added		
Total turnover	3,717,308	3,208,759
Purchases of goods and services	(2,483,124)	(2,097,376)
Value added by the Group	1,234,184	1,111,383
Share of profits of associates	60,168	63,171
Share of profits of joint ventures	21,024	167,654
Net gain/(loss) on revaluation of investment properties	47,300	(2,077)
Total value added from continuing operations	1,362,676	1,340,131
Reconciliation:		
Profit for the year	347,670	387,488
Add: Depreciation and amortisation	133,478	157,040
Finance cost	102,301	134,573
Staff costs	608,832	511,170
Taxation	116,229	102,636
Minority interests	54,166	47,224
Total value added from continuing operations	1,362,676	1,340,131
Value distributed		
Employees		
Salaries and other staff costs	608,832	511,170
Government		
Corporate taxation	116,229	102,636
Providers of capital		
Dividends	151,960	220,562
Finance costs	102,301	134,573
Minority interest	54,166	47,224
Reinvestment and growth		
Depreciation and amortisation	133,478	157,040
Income retained by the Group	195,710	166,926
Total distributed from continuing operations	1,362,676	1,340,131

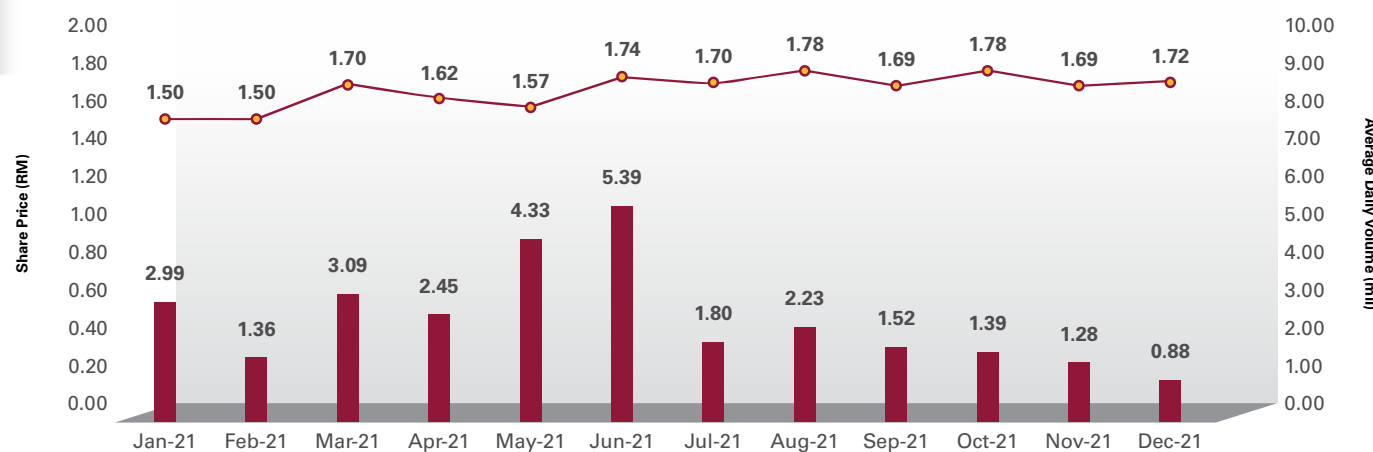


FINANCIAL VALUES CREATED
SHARE PERFORMANCE

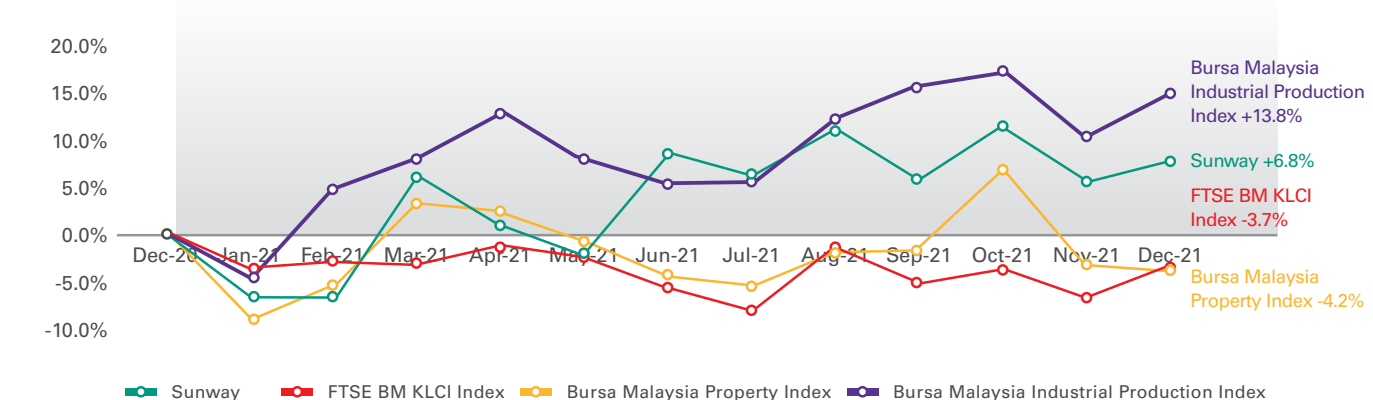
2021	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Closing Price (RM)	1.50	1.50	1.70	1.62	1.57	1.74	1.70	1.78	1.69	1.78	1.69	1.72
Total Monthly Volume (mil)	56.77	24.46	70.96	51.48	77.85	107.75	37.87	44.70	31.94	27.86	26.80	19.38
Average Daily Volume (mil)	2.99	1.36	3.09	2.45	4.33	5.39	1.80	2.23	1.52	1.39	1.28	0.88
FTSE BM KLCI Index*	1,566.40	1,577.75	1,573.51	1,601.65	1,583.55	1,532.63	1,494.60	1,601.38	1,537.80	1,562.31	1,513.98	1,567.53
Bursa Malaysia Property Index	669.05	695.99	754.27	749.24	725.61	699.89	693.68	720.10	719.22	782.14	709.07	703.65
Bursa Malaysia Industrial Production Index	169.19	185.34	191.14	199.36	190.86	186.30	187.20	198.34	204.23	206.79	195.04	202.71

* Financial Times Stock Exchange Bursa Malaysia Kuala Lumpur Composite Index
Source: Bloomberg

Share Price and Average Daily Volume



Share Price Performance versus Benchmarks



NON-FINANCIAL VALUES CREATED

HIGHLIGHTS AND ACHIEVEMENTS

- Member of Climate Governance Malaysia, the Malaysian chapter of the World Economic Forum's climate governance initiative.
- An official supporter of the Task Force of Climate-related Financial Disclosures ("TCFD").
- Committed to establish near-term science-based emissions reduction in line with the Science Based Targets ("SBTi") criteria and recommendations.

FUTURE PLANS / COMMITMENTS, TARGETS AND PLEDGES

- Target to achieve net zero carbon emissions by 2050.
- Introduced carbon pricing framework. From 2022 to 2024, the price is set at RM15 per tonne of carbon emitted above pre-defined threshold level.
- Target to halve emissions by 2030.

LINKAGE TO UNSDG GOALS



- Transforming our portfolios into low-carbon sustainable cities.
- Generation of 8,940 MWh of clean energy sourced from solar photovoltaic panels.
- Achieved CO₂e emissions reduction of 3.0% and avoided 7,953 tonnes of CO₂e emissions in FY 2021.
- Appointed the Jeffrey Sachs Center on Sustainable Development ("JSC") to conduct Value at Risk ("VaR") assessment on all Sunway's 74 properties to assess Sunway's risk exposure to climate change. Based on the climate VaR study, Sunway's property portfolio is assessed to be low VaR because 60 of the 74 properties evaluated were low VaR. The study also noted that 7 properties were medium VaR because of close proximity to the coast or river and another 7 properties were medium VaR because they have had experienced material historical climate-related damages. Sunway will continue to monitor all properties closely to ensure that they are safe against material climate-related physical risks (floods, increased rainfall intensity, landslides) and put in place mitigation measures as appropriate.

- To achieve 4% reduction in Building Energy Intensity per year for managed assets by 2030.
- At least 25% of electricity are sourced from renewable energy source by 2030 (5% locally generated, 20% purchased from green source/solar farm).
- Established a Water Management Policy and defined the level of water management best practices.



Incorporated climate change and ESG-related KPIs to the remuneration of Senior Management.



Zero confirmed incidence of non-compliance with relevant laws, regulations and standards among our suppliers.



- Achieved employee retention rate of 84.2%.
- Established a Group Human Rights Policy, which sets out the Group's commitments to human rights.
- Total beneficiaries from our community enrichment initiatives of >94,500.
- Administered more than 350,000 doses of COVID-19 vaccination to the general public.

The Group's community initiatives are guided by the three pillars of #SunwayforGood, focusing on healthcare, education and community enrichment.



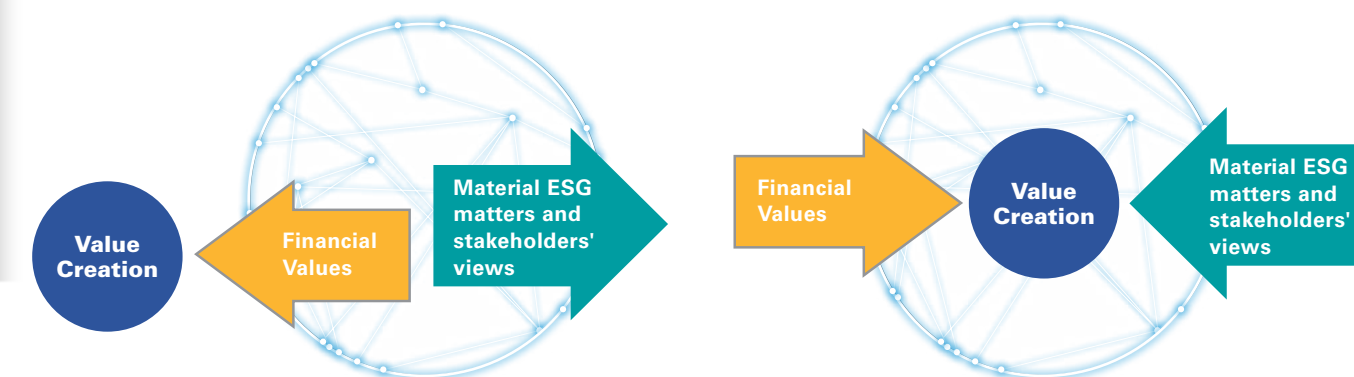
Please see our SR 2021 for more information.

CREATING AND SUSTAINING VALUE

In recent years, organisations are shifting their business strategy from a pure revenue and profits perspective towards a multi-capital, multi-values perspective, driven by the understanding that ESG can and have influenced financial value creation.

Together with new digital technologies and the growing power of stakeholders, ESG matters are reshaping how businesses should operate and plan for the future. The fundamental shift is the transition from pure, short-term profit oriented goals towards adopting longer-term, sustained value creation approaches.

Inclusion into Group value creation perspectives and into the business model



Legacy /Typical value creation perspective:

Driven by pure, short-term financial performance i.e. revenues, earnings and shareholders' dividends. ESG and stakeholders' views are often regarded as disparate and disconnected from the business model.

Sunway's value creation perspective:

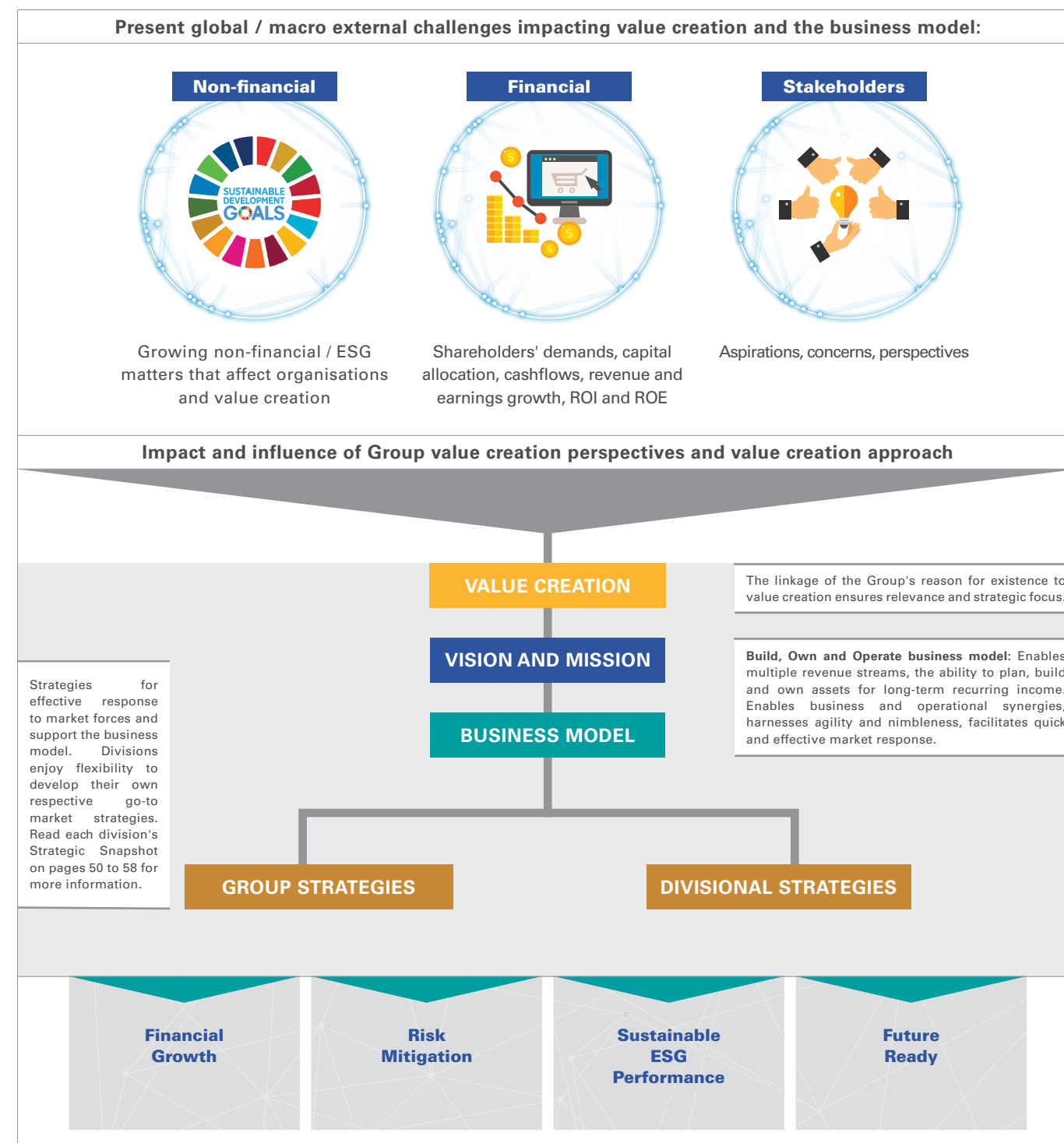
Where both financial and non-financial performance are measured across a triple bottom line, based on its impact on the Group and stakeholders over the short, medium and long-term perspectives.

WHY DOES THE MULTI-CAPITALS APPROACH MATTER?

An inclusive approach based on material ESG factors, stakeholder aspirations and multi-capitals perspective enables a more agile, attuned and holistic response towards driving revenues and profits. It enables the Group to develop a bird's eye view of all pertinent factors and to gain a comprehensive understanding of its macro-operating environment.

Equipped with this knowledge, more relevant and precise business strategies can be formulated. Strategies that address risks, that ensure efficient usage of capital and enable more sustainable environmental and social performance. These strategies also strengthen the business model and enable the leveraging of emerging opportunities and place the Group on a desired growth path for a brighter future.

CREATING AND SUSTAINING VALUE



SUNWAY BUSINESS MODEL

SUNWAY BUSINESS MODEL

Sunway is a conglomerate with diverse business operations and interests. The conglomerate organisational structure has its roots in the Group's Build, Own, Operate ("BOO") business model.

In essence, the BOO model entails the design and development of assets by Sunway, which are then owned and operated by the Group. In addition, Sunway also design and build assets for external clients or design, build and sell to third parties for profit i.e. homeowners for property development projects.

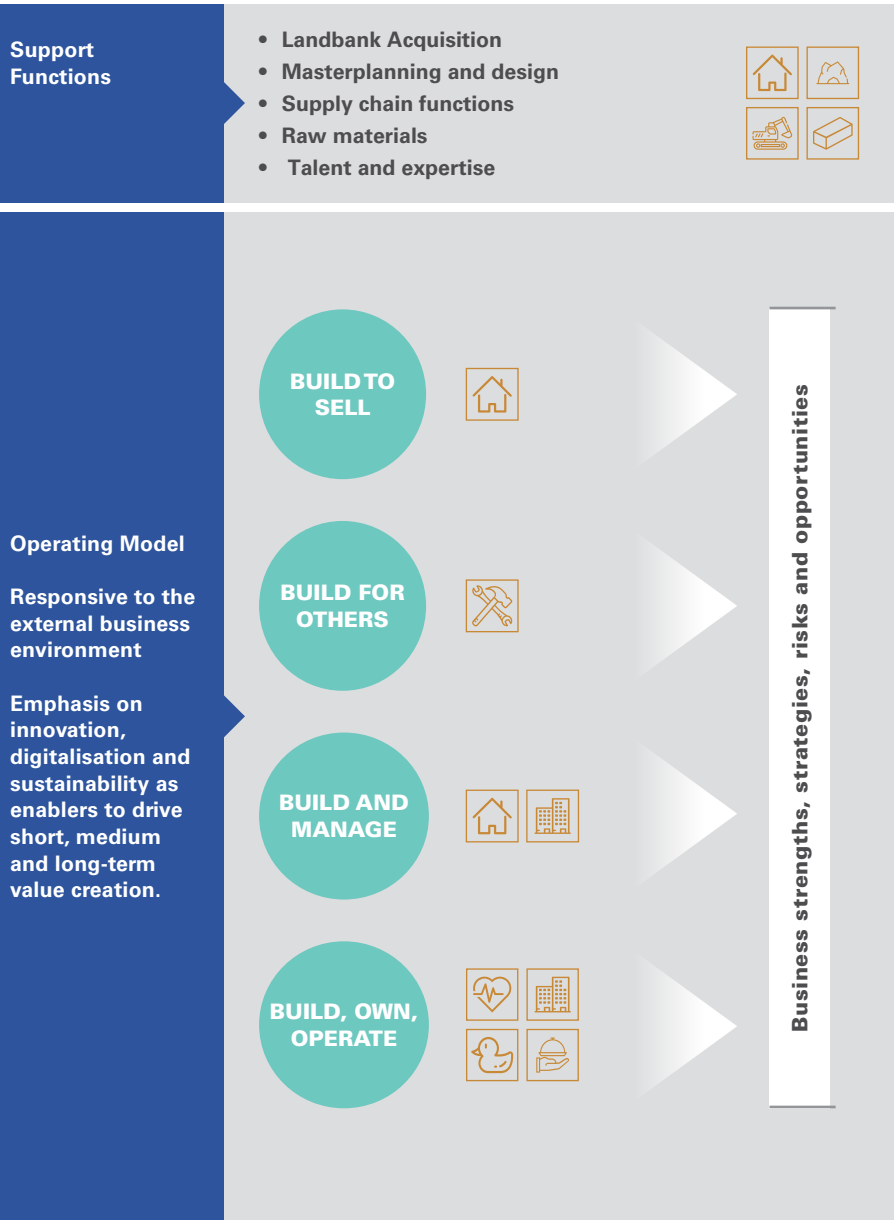
The design and build aspect of the business model is undertaken mainly by the Group's Property Development and Construction divisions, Sunway Construction Group Berhad ("SunCon") and Sunway Property Development division.

Assets built and retained by the Group provide recurring income and support diversification into other economic sectors such as healthcare, hospitality, leisure, retail and others. This enables the generation of multiple income streams thus reducing reliance on property development and construction as the main revenue sources.

The presence of multiple business divisions enables the realisation of Sunway's vision and mission. The conglomerate model promotes the creation of various stakeholder benefits and synergistic values.

Beyond developing infrastructure and supporting nation-building activities, Sunway provides the much-needed healthcare, education (under the not-for-profit Jeffrey Cheah Foundation), entertainment as well as supports local businesses and develops local supply chains for a sustainable community. Intangible values created include talent development, job creation, supporting societal unity and harmony, enhancing the quality of life and providing a wide range of enriching experiences.

It is through strategic master-planning and effective execution of respective businesses' strategies that the value creation is realised. Read how our conglomerate model creates sustainable value in the Thriving Township on pages 34 to 35.



Each of these elements form an integral part of a bigger ecosystem that provides an intellectual, synergistic, complementing elements to scale the Group forward to be a leading Asia's model corporation

- Property Development

Property Investment/REIT

Retail

Healthcare

Commercial

Leisure

Hospitality

Industrial

Construction

Building Materials

Trading and Manufacturing

Quarry

Education*

Digital

* Under the not-for-profit, Jeffrey Cheah Foundation

Outputs and outcomes based on a multi-capitals perspective

Values Created

Financial Capital	Generation of revenues and earnings, business growth, ROE and ROI, dividends, business and operational results.
Manufactured Capital	Development of buildings, infrastructures, shopping malls, hospitals, townships, homes, growth in product supply and output. Other tangible results and outcomes.
Human Capital	Development of professional, knowledge-based homegrown talent, developing high-paying jobs, creating robust talent eco-systems.
Intellectual Capital	Growth of Intellectual Property ("IP"), development of new techniques and methodologies processes and technologies. Strengthening of internal systems and processes.
Social and Relationship Capital	Satisfying stakeholders, stronger rapport and relationships, heightened brand recognition as a good corporate citizen. Ensuring human and labour rights.
Natural Capital	Efficiency in resource consumption, reduced carbon footprint, preserving biodiversity and reducing wastes.

BUILD TO SELL

Revolving around the Property Development division, where landbank is developed into townships or standalone developments.

Challenges:
Lack of suitable landbank, sluggish economy, weaker consumer sentiment, increasing market competition, lack of financing to support buyers.

Opportunities:
New customer experiences via digitalisation, new lifestyle concepts and products such as co-living spaces for the growing population.

BUILD FOR OTHERS

The Construction division, SunCon functions as the builder for a wide range of large scale public and private sector infrastructure projects. SunCon provides technical skills, systems, processes, labour and equipment to develop the project to completion.

Challenges:
Lack of large scale infrastructure projects in Malaysia. Increasing competition, rising operating costs and labour shortages.

Opportunities:
Greenfield opportunities in overseas markets, market leadership position through VDC and BIM capabilities, projects sourced from the Group.

BUILD AND MANAGE BUILD, OWN, OPERATE

Assets that are completed and owned by the Group are retained and managed to ensure better development control.

Challenges:
Sluggish economic backdrop, weaker consumer sentiment, increasing market competition, pandemic impacts.

Opportunities:
Ability to unlock asset value while retaining ownership with the capital generated used to acquire new assets.

THE THRIVING TOWNSHIP

Sunway's BOO business model is most evident through the Group's 800-acre Sunway City township which was developed and grew exponentially over the past 40 years.

The township demonstrates how all Sunway's business divisions, or components of the BOO model play a strategic role in the development and continued growth of a thriving, sustainable township.

The same township model is also being replicated in other parts of the country such as Sunway City Ipoh (Perak) and Sunway City Iskandar Puteri (Johor), as well as in some of the integrated property developments such as Sunway Velocity, Cheras Kuala Lumpur.

New elements continue to be added to the township to inject vibrancy and to ensure relevancy in tandem with the Group's external environment.

- 1

Master-planned residential homes at varying price points provide value creation to homeowners whilst meeting the nation's needs for quality housing. (Property Development, Construction)
- 2

Retail and commercial components create job opportunities and stimulate business activities, both of which are vital to sustaining a vibrant community. (Property Investment and REIT)
- 3

Leisure elements such as Sunway Lagoon theme park is a tourist destination and provides entertainment activities for the community. (Leisure)
- 4

Hospitals and medical centres provide top-notch healthcare services. (Healthcare)
- 5

Excellent accessibility and connectivity are achieved through a network of roads and highways.
- 6

An industrial centre further creates job opportunities and economic activity to sustain the township. (Building Materials, Trading and Manufacturing)
- 7

Hotels complete the self-contained community / township proposition and are also essential to driving business, trade, commerce and tourism. (Hospitality)
- 8

Emphasis on "blue" and "green" natural environment enables nature to thrive and promote ecological balance.
- 9

Sunway iLabs brings innovation and the cultivation of new ideas for sustainable urban living and development, thus enabling the continuous regeneration and rejuvenation of the urban space.
- 10

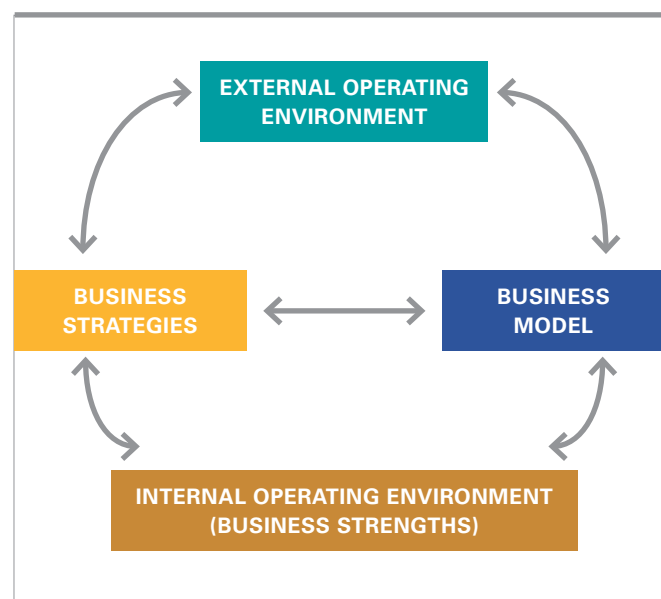
Sunway XFarms enables the city to partially meet its food requirements through urban farming which reduces environmental footprint and supports the development of local produce to meet local needs.

OUR BUSINESS STRENGTHS

Sunway's effectiveness in implementing its business model is attributed to the inherent strengths of the Group. These business and operational strengths provide a robust foundation and impetus that enable both Group and divisional strategies to be executed with precision and effectiveness.

The strengths support the realisation of the Sunway Vision and Mission and enable effective execution of all aspects of the build, operate and own components of the business model. It also supports the requirement to continuously evolve and adapt in tandem with the external operating requirement.

Business strengths may influence the choice of implemented strategies by the Group or any particular business division. They may also necessitate changes to the business model towards ensuring resilience and competitiveness.



OUR BUSINESS STRENGTHS

DIVERSIFIED & INTEGRATED BUSINESS GROUP

Description

Sunway's diversified business operations provides the Group with exposure to a large number of industries and economic sectors. Business divisions are leading players in their respective industries.

The conglomerate approach reduces dependence on a single industry, which may be prone to cyclical downturns. This also enables the advantage of deriving multiple income streams, comprising recurring and non-recurring revenues.

Diversity and integration of businesses in the Group's portfolio allows for greater dynamics in products and services offered and allows for easier penetration into other emerging business opportunities.

The diversified portfolio enables the Group to explore opportunities across other continents, where selected businesses can be tailored to suit various business environments abroad.

Strategies to Leverage on Strength

The Group's business divisions continue to collaborate to enable cost and operational efficiencies and stronger project management.

Collaboration also enables the cross-functional sharing of ideas, best practices and talents, and by leveraging on the capabilities of different business units, the ability to harness strategic synergy to develop more compelling value propositions and competitive advantage.

Please refer to the Business and Strategic Synergy on page 47 for more information.

INTERNATIONAL PRESENCE

Description

The Group has a diversified geographical presence in multiple countries / markets. Beyond providing revenue diversification, an international business presence enables exposure to new solutions and technologies while reducing reliance on the Malaysian market.

Strategies to Leverage on Strength

Through its business divisions, Sunway pursues selected expansion opportunities both locally and abroad.

The Construction and Trading and Manufacturing divisions in particular, remain active in growing their international business operations.

Other divisions such as the Leisure and Hospitality divisions continue to be driven by local market opportunities in the near term, given the current restriction on international travel due to the pandemic and the cautious stance international visitors may take even with the gradual reopening of the travel restrictions.

Please refer to Factors Impacting Value Creation on pages 39 to 41 to learn how we are managing business, operational and ESG risks.

STRONG RECURRING INCOME

Description

Several of Sunway's business units such as Property Investment and REIT division provide the Group with a steady base of recurring incomes and earnings.

Strategies to Leverage on Strength

The Group looks to develop and incubate more strategic assets for its Property Investment and REIT division.

Please refer to the Management Discussion and Analysis for the Property Investment and REIT division on pages 86 to 89 for more information.

STRONG ASSET AND FINANCIAL BASE

Description

Sunway continues to retain a strong cash position and healthy balance sheet. The Group has access to both internally generated funds and external financing.

Strategies to Leverage on Strength

Leveraging on its robust financial position, Sunway is able to undertake large capital expenditure projects or move quickly to capitalise on merger and acquisition opportunities.

It is also able to acquire technology and make long-term investments that require significant upfront outlay.

OUR BUSINESS STRENGTHS

PROVEN EXPERTISE AND TRACK RECORD
<p>Description</p> <p>The Sunway brand remains a reliable marque with stakeholders and continues to enjoy the trust of its target market. The brand has more than 40 years track record of quality, excellence and innovation. It remains a preferred brand among consumers and other stakeholders in the business segments / markets that it operates in.</p>
<p>Strategies to Leverage on Strength</p> <p>The strong brand equity in the Sunway marque has enabled the Group's business divisions to adopt a high market visibility approach with aggressive branding and marketing campaigns.</p>
<p>The high trust level has also enabled Sunway to retain consumers and grow its market share.</p>
HIGHLY EXPERIENCED AND PROFESSIONAL TALENT
<p>Description</p> <p>Sunway's 10,889 strong workforce provides the Group with the required skills, competences and technical qualities to enable delivery of products and services.</p>
<p>The large and diverse talent pool, provides for a rich reservoir of ideas, knowledge and experiences that can be tapped to drive business growth and to deliver the best strategic response.</p>
<p>Strategies to Leverage on Strength</p> <p>In FY 2021, focus has been put on the continued reskilling and upskilling of employees where required. Other focus areas include providing intra-division or inter-division job rotation opportunities.</p>
<p>The large talent pool also enables a more effective leadership succession plan as there are more potential candidates for grooming to fill leadership roles going forward.</p>
GOOD MARKETPLACE PRACTICES AND CORPORATE GOVERNANCE
<p>Description</p> <p>Sunway's strong commitment to accountability, transparency and good governance provides the Group with the necessary internal controls for mitigating financial and non-financial risks.</p>
<p>The Group-wide governance framework enables a faster and proactive response to market forces and ensures strong oversight over all material topics across an ESG perspective.</p>
<p>Strategies to Leverage on Strength</p> <p>Good governance remains a basis for continued strengthening of policies, processes and business practices across the Group.</p>
<p> Please refer to the Corporate Governance Overview Statement on pages 126 to 150 for more information.</p>
SUSTAINABILITY AT THE CORE
<p>Description</p> <p>Sunway continues to review closely how its ability to create value is influenced by environmental and social issues. In doing so, Sunway has emerged as an industry leader for sustainability, particularly in climate change, which is at the core of the Group's business model.</p>
<p>By placing sustainability at the heart of its business model, the Group creates enduring value that results in positive outcomes.</p>
<p>Strategies to Leverage on Strength</p> <p>Business divisions continue to seek ways to reduce their environmental footprint and to support labour and human rights. Supported by the Group's Sustainability team, the business divisions and operating companies continue to align progressively to the UNSDGs.</p>
<p>Sustainability-driven Key Performance Indicators have also been embedded into the Senior Management's performance assessment.</p>
<p> Please refer to our SR 2021 for more information on our sustainability initiatives.</p>
STRONG LEADERSHIP
<p>Description</p> <p>At the Group or business unit level, Sunway is helmed by proven industry captains with diverse capabilities and proven track records for excellent performance and results, led by renowned visionary Group founder, Tan Sri Dr. Jeffrey Cheah.</p>
<p>Strategies to Leverage on Strength</p> <p>Sunway's well-functioning leadership team formulates business strategies to ensure the Group's continual growth.</p>
<p> Please refer to pages 102 to 119 for profiles of our board of directors and senior management.</p>

FACTORS IMPACTING VALUE CREATION

MANAGING BUSINESS, OPERATIONAL AND ESG RISKS

In providing a comprehensive perspective on Sunway's value creation approach, it is essential to review the key material factors that have and continue to influence value creation going forward.

These factors comprise developments in the external operating environment, material risks including ESG and climate change risks, emerging trends as well as opportunities. The impact or influence resulting from these factors could be on the whole Group or only on specific business divisions.

The selection of the main topics or factors for IAR 2021 was achieved by considering the probability and severity of their impacts on financial and non-financial values (including impacts on stakeholders) as well as the context of the topic in terms of short, medium and long-term perspectives.

To provide readers with a concise view, information has been distilled to present the most material factors and how Sunway is responding effectively to manage and mitigate impacts while leveraging on opportunities. Specific information on the respective strategies employed by each business division is provided under the Strategic Snapshots from pages 50 to 58.

Risk	Description / Context / Impact To Value Creation	Present Level And Movement	Risk Level	Link To Material Matters
Continued Political Uncertainty	Continuous political instability may affect the government's focus in combatting the ongoing COVID-19 pandemic and spurring economic recovery.	Unchanged	High	Systematic Risk Management
	This includes decision lags in implementing fiscal policies with the aim of stimulating investments and reviving business sectors that were hard hit by the pandemic.			Innovation
	Besides that, continuous political instability may affect decisions on key infrastructure projects, many of which remain deferred or cancelled outright, as well as public sector expenditure which is essential to pump-prime the economy.			Economic Performance
	In addition, continuous political instability also influences foreign and domestic investors' sentiments and render investors to be more cautious. This directly impacts foreign direct investments as well as private sector investments and consumption, for which cumulatively would dampen the momentum of economic recovery.			Community
Weak Economic Growth	Global and domestic economy recovery continues to be slower-than-expected and impeded by the COVID-19 pandemic.	Unchanged	High	Economic Performance
	Despite the vaccination effort worldwide, the resurgence of new virus strains have once again led to various preventive measures which includes industry lockdowns.			Community
	Consequently, investors and consumers would adopt a cautious stance in regards to their investments and expenditures as a result of the subdued economic growth.			Labour Practices

FACTORS IMPACTING VALUE CREATION

Risk	Description / Context / Impact To Value Creation	Present Level And Movement	Risk Level	Link To Material Matters
COVID-19 Pandemic Resurgence	Any resurgence of new virus strains may necessitate a fresh round of lockdowns which would render many business sectors inoperable.	Unchanged	High	Community
	Even businesses deemed essential services would be affected by strict SOPs that imposes limitations on manpower, operational hours and customers.			Economic Performance
	Additional compliance costs to ensure conformity with government SOPs may further erode already thinned margins.			Systematic Risk Management Product Quality & Safety Customer Welfare Employee Health and Safety Labour Practices
Unsuccessful technology adoption	Incorrect adoption / selection or lack of effectiveness in execution may cause operational disruptions or deliver below than expected results.	Stable	Low	Innovation
	Technology adoption can more often than not incur significant costs even when results are not guaranteed. In such events, the return on Investment ("ROI") can be uncertain.			Economic Performance
Cybersecurity Risk	The proliferation of technology across the business model and higher reliance on digitalisation to drive efficiency will increase the risk of data theft, cybercrimes and other issues.	Stable	High	Business Ethics
	This could potentially lead to Intellectual Property or proprietary information being stolen or compromised, breach of customer privacy and technical glitches that could cause disruption to business processes and ultimately productivity loss.			Innovation
	The issue may also cause reputational risks and affect stakeholder confidence.			Product Quality & Safety Customer Welfare Economic Performance Systematic Risk Management
Supply Chain Disruptions	Sunway's reliance on a wide range of supply chains, both local and international, exposes the Group to higher risks of supply chain disruptions for both raw materials and services.	Stable	High	Product Quality & Safety
	In the event of such disruptions, businesses may need to incur higher costs to obtain alternative supply or face temporary disruptions in their operations until regular supply can resume.			Innovation Economic Performance Systematic Risk Management
Increase in Raw Material Prices	Various raw materials required by several business divisions continue to face a certain degree of scarcity. This is exacerbated by supply chain disruption caused by the COVID-19 pandemic and geo-political unrest.	Stable	Medium	Product Quality & Safety
	Scarcity may lead to cost overruns, for which could either erode margins or be passed on and increase costs to customers.			Economic Performance
	Given the current dampened state of the economy, a price hike will also affect consumer's appetite for consuming goods and services.			

FACTORS IMPACTING VALUE CREATION

Risk	Description / Context / Impact To Value Creation	Present Level And Movement	Risk Level	Link To Material Matters
Human Capital Risks	Amidst a highly competitive environment for a comparatively small talent pool, the Group faces a potential talent crunch, which would impact the ability to execute business strategies and ensure effective succession planning.	Stable	High	Training and Education Innovation
Risk of Health and Safety incidents including COVID-19 infections	Any significant occupational safety and health ("OSH") incident can disrupt operations and lead to site closures which impacts revenue directly. Such incidents will also cause business reputational damages, for which could impair the ability of the business to tender for contracts (for SunCon), as well as cause consumer apprehension.	Stable	High	Employee Health and Safety Customer Welfare Innovation
	The same consequences apply to any outbreak of COVID-19 infections at any operating site, be it a retail mall, hotel, hospital, construction site or theme park.			Economic Performance Labour Practices Community Systematic Risk Management
Non-Compliance with Regulatory Requirements	Any incident of non-compliance may lead to censures, fines or even a temporary shutdown on operations due to social or environmental violations.	Unchanged	High	Training and Education
				Business Ethics Customer Welfare Employee Health and Safety Economic Performance Labour Practices Community Systematic Risk Management

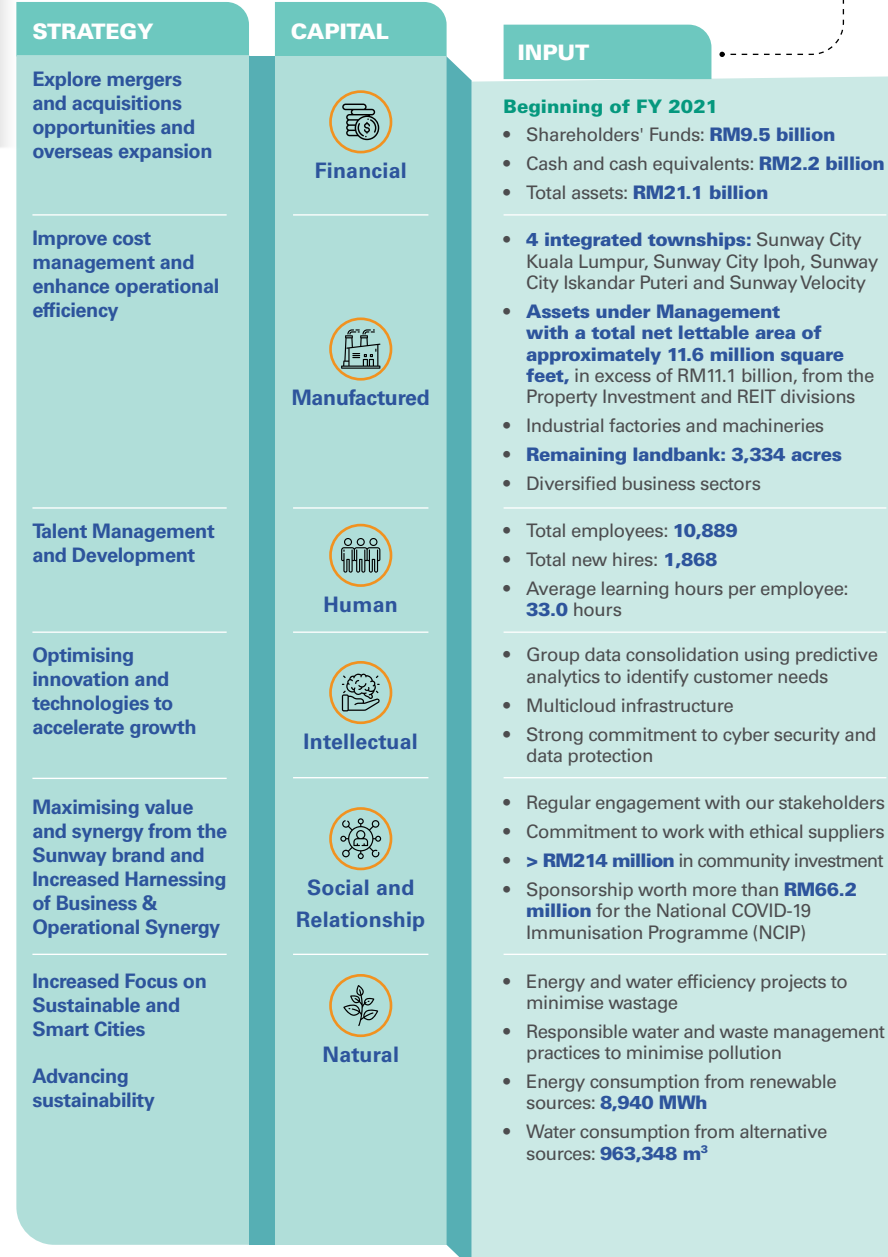
OUR VALUE CREATION MODEL

In a world with finite resources, the Group allocates its resources to optimise value creation (i.e. innovating, producing, and delivering products and services to the market) and value appropriation (measured by return on capital employed) by necessitating strategic prioritisations and trade-offs. While the primary purpose of every business is to maximise profit, value creation is fundamental to support a profitable and sustainable business.

The value of the business is defined by our stakeholders such as our community, customers, investors, suppliers and employees. The Group strives to optimise values and returns to stakeholders by having a long term perspective in practices and implications of value creation.

Value creation is a set of behaviours and norms that leads an organisation to achieve superior results. By identifying the value that our company aims to create and the corresponding trade-offs, we will continue to identify existing ineffective practices / shortcomings in order to implement corrective action, optimise activities to maximise output and minimise operational costs to create cost advantages in the market.

 Please see pages 48 to 49 for more information on our Capitals.



VISION

To be Asia's model corporation in sustainable development; innovating to enrich lives for a better tomorrow

MISSION

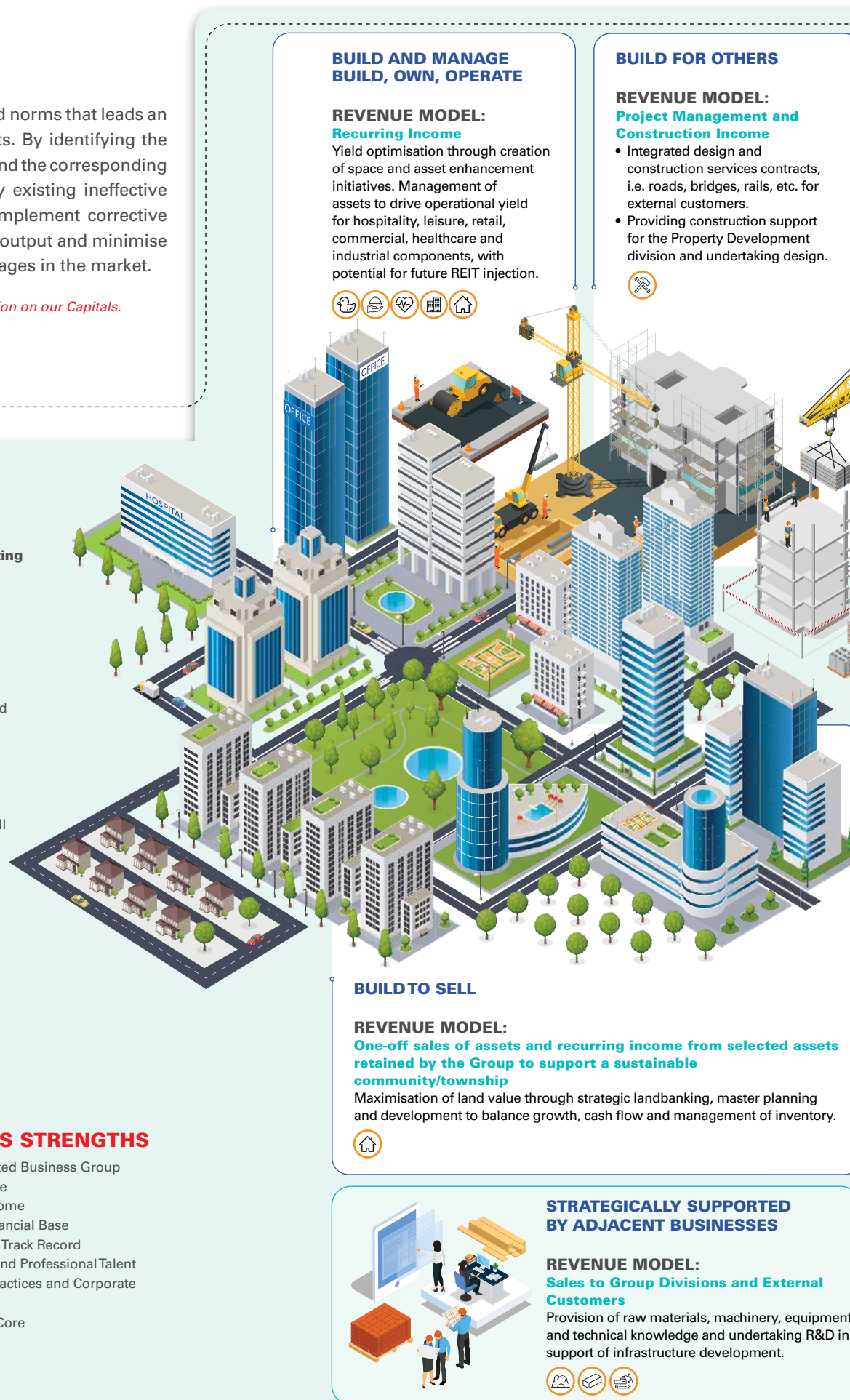
- Attracting and Nurturing** a talented and progressive workforce for the digital era
- Empowering Our People** to deliver enhanced value to all stakeholders
- Embracing Sustainability** in our business processes and decisions

CORE VALUES

- INTEGRITY**
- HUMILITY**
- EXCELLENCE**

OUR BUSINESS STRENGTHS

- Diversified & Integrated Business Group
- International Presence
- Strong Recurring Income
- Strong Asset and Financial Base
- Proven Expertise and Track Record
- Highly Experienced and Professional Talent
- Good Marketplace Practices and Corporate Governance
- Sustainability at the Core
- Strong Leadership



FUTURE PRIORITIES AND FOCUS AREAS

CONTINUED RELEVANCE, RESILIENCE AND COMPETITIVENESS AMIDST A DYNAMIC OPERATING LANDSCAPE

The prevailing dynamic and uncertain macro-operating landscape present both risks and opportunities to the Group. The only constant is the growing focus on ESG matters coupled with the increasing influence and impact of stakeholders on industries and business models.

Certainly, the COVID-19 pandemic and arising effects remains a lingering factor as it is still uncertain as to when will the world return to full normalcy. The pandemic has outlived initial predictions of being a short-term, contained development – morphing into a global, mid to long-term issue that dampens overall business momentum and economic recovery.

However, there are still plenty of opportunities available.

The proliferation of technology has enabled a rethinking and reinvention of conventional business strategies. Digitalisation and innovation such as blockchain has propelled companies to adopt new approaches to value creation. Technology enables a reduction in environmental footprint while supporting more efficient supply chains. The Group continues to pursue digital transformation and implementation of new technologies across the BOO business model and the Sunway ecosystem to stay ahead of the competition.

The Group is also looking forward to the reopening of the country's borders as this will benefit all business divisions from the direct and spill-over benefits with the resumption of inbound leisure and medical tourism.

In essence, Sunway remains in a complex environment that is fraught with risks yet also offer tremendous potentials. The emergence of new trends driven by various macro-operating forces continue to interact with the BOO model. For the forward-looking Sunway Group, this dynamic operating environment provides an exciting backdrop to pursue new avenues and strategies for sustained value creation.

The following are the strategic priorities at Group level going forward for the next 3-5 years. These priorities may change in tandem with changes with the operating environment.

The BOO model remains relevant to the core businesses as well as adjacent business divisions that support the overall ecosystem.

EMBEDDING ESG AT THE CORE OF THE BOO BUSINESS MODEL (ADVANCING SUSTAINABILITY)

ESG remains a key driver and enabler for the business model and will be increasingly integrated into business strategies and processes. The pursuit of the sustainability agenda is in the DNA of Sunway.

This approach enables a more effective response in addressing the many ESG related risks that would impact value creation. These include climate change, resource scarcity, growing population and increasing consumption demand and more. Such challenges also present opportunities for reinvention and innovation of the business model that enhance value creation and offer competitive advantages.

Financial and intellectual capital will continue to be allocated optimally to address ESG risks. The goal is to become net zero carbon by 2050. This will be achieved through greater adoption of eco-friendly designs and masterplanning, circular construction methodologies, green building development, waste recycling, transition to renewables, i.e. solar and other strategies. Other methods include sustainable cities and urban farming.

Through its business model, Sunway aims to play a concerted role in realising a low-carbon future and to realise the Paris Agreement goal of limiting global temperature rise to 1.5 degrees Celsius.

Senior Management remuneration has been linked to climate change and ESG-related KPIs to provide additional impetus to driving the ESG agenda.

SUNWAY BERHAD'S CLIMATE ACTION

HALVING EMISSIONS BY 2030

Internal Carbon Pricing

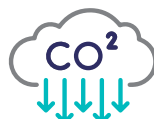
- Emission avoidance (Energy efficiency improvement)
- Energy substitution (Renewable energy)

Engaging with stakeholders to reduce Scope 3 emissions

- Upstream - Suppliers (Sustainable Procurement & Supply Chain)
- Downstream - Tenants (Green Lease)

GETTING TO NET ZERO BY 2050

- Carbon storage and capture
- Investment in large scale renewable energy



ACCELERATED ADOPTION OF TECHNOLOGY AND DIGITALISATION

The present pace of incorporating technology into business processes will be maintained and where necessary, intensified towards realising greater operational and cost efficiencies. The aim is to become a data driven company, that leverages on the potential of Artificial Intelligence, Big Data and Federated Learning across all business divisions.

In FY 2020 and FY 2021, several technology innovations / applications were introduced. Among these included virtual property showrooms, virtual clinics and Sunway eMall, an e-commerce platform that features all seven Sunway malls in a single platform. These innovations serve as catalysts for further proliferation of technologies across the Group.

Internally, Sunway is supported by a multi-cloud infrastructure that enables e-procurement and e-applications, which includes e-invoicing and e-payslips for employees.

Beyond just existing processes, technology will be used to develop new business and create new business possibilities. This includes enhancing the thriving township concept.



FUTURE PRIORITIES AND FOCUS AREAS

INCREASED FOCUS ON SUSTAINABLE AND SMART CITIES

Cities must be able to sustain and continuously renew themselves. Hence, Sunway's focus is to enable its townships/developments to enhance and develop sustainable ecosystems that enable urban areas to generate its required capitals or resources. These include food as well as social capitals through greenscapes and amenities and also providing jobs and necessary infrastructure to support thriving and growing communities. Natural capitals such as energy are also part of the mix towards transforming cities into low-carbon cities.

Urban farming via Sunway FutureX Farm, a Sunway iLabs initiative is one example. Others include working from homes or remote locations and more.

Leveraging technology and innovation, the Group aims to develop smart and sustainable cities that are compact, digitalised and transit-oriented with minimised resources to connect communities together.

TALENT MANAGEMENT AND DEVELOPMENT

While talents with conventional expertise remain important, with the advent of technology, almost all businesses have an increasing requirement for tech-savvy talents. Talents who are adept with using various digital technologies.

Technology will render many jobs defunct or irrelevant, while creating new occupations. Sunway's goal is to further enhance its present talent management framework towards realising optimum ability in recruiting, retaining and developing its close-to-11,000 strong workforce in 11 countries.

The Group will continue to invest in the development of its workforce in both soft skills and technical competencies. In FY 2021, its employee received an average of 33.0 hours of training and the goal is to enhance the quantity and quality of training.

FUTURE PRIORITIES AND FOCUS AREAS

OVERSEAS EXPANSION

The Group intends to expand its business presence across Southeast Asia and beyond. Several business divisions such as Property Development, Construction, Healthcare, Hospitality and Trading and Manufacturing have already established international operations. This serves as a launchpad to further expand the existing business presence, or to enable other divisions to also venture overseas.

The goal is to develop a diverse geographical footprint for relevant business divisions towards supporting income growth and diversification. Expansion will be driven by the individualised plans and appetites of each business division.

Specific expansion plans of individual business divisions are provided in the Management Discussion and Analysis section as well as the Strategic Snapshots of the respective business division.

MERGERS AND ACQUISITIONS

Leveraging on the financial strength of the Group, all business divisions will continue to be on the lookout for suitable acquisition targets while also remaining open to mergers that will provide business and operational synergies and competitive advantage.

Through inorganic growth, Sunway's business divisions can expand its operational size and capacity, market access and gain market share, acquire new technologies and derive many other benefits.

IMPROVE COST MANAGEMENT AND ENHANCE OPERATIONAL EFFICIENCY

The focus on cost and operational efficiency will continue to be maintained even as new capex investments are made for technological adoption, to improve environmental and social performance and to develop and retain talents.

The ongoing vigilance to address costs is driven by rising competition amidst a globalised operating landscape, the continued entry of new players and disruption in business models brought on by technology and other external forces.

MAXIMISING VALUE AND SYNERGY FROM THE SUNWAY BRAND

In a post pandemic world, customers continue to seek for assurance. Hence, a proven, trusted and well-recognised marque such as the Sunway brand is well positioned to capitalise on ongoing socio-economic recovery by leveraging on high brand trust and credibility.

Brand credibility remains a hallmark of the Group. Leveraging on this inherent strength, the focus is on transforming trust into more business development opportunities and to increase customers' propensity to transact. All business divisions are tasked with developing strategies that generate commercial and other opportunities through the strength of the Sunway brand name.

INCREASED HARNESSING OF BUSINESS & OPERATIONAL SYNERGY

Combining and / integrating the diverse capabilities and expertise of Sunway's business divisions offers many exciting permutations.

These enable operational efficiencies but also allow new products, solutions and services to be developed. Synergy strengthens competitive advantage, it supports supply chain and enables the collective knowledge and assets of the Group to deliver unique value propositions.

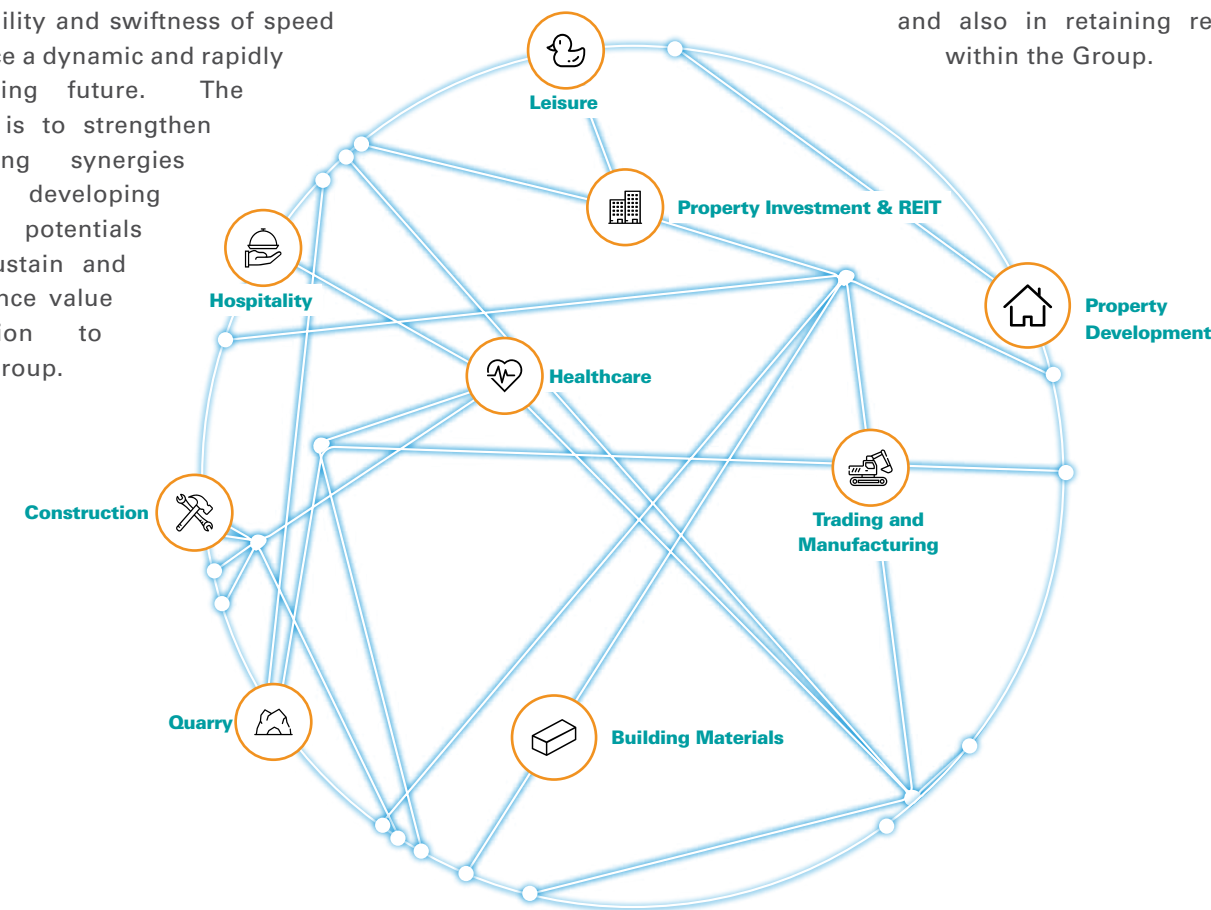
Specific synergistic collaborations are detailed in the Management Discussion and Analysis section as well as the Strategic Snapshots of the respective business division.

BUSINESS AND STRATEGIC SYNERGY

The ability to harness various business and operational synergies between business divisions is one of Sunway's unique competitive advantages. The present BOO Model enables a wide range of synergistic opportunities, and this distinctive edge continues to be enhanced through technology and innovation.

For example, through Sunway iLabs initiatives, conventional business divisions are being revitalised with new innovative ideas and solutions that ensure relevance and resilience as well as agility and swiftness of speed to face a dynamic and rapidly evolving future. The goal is to strengthen existing synergies while developing new potentials to sustain and enhance value creation to the Group.

Ultimately, synergies support a more robust value creation model as well as other strategic benefits such as faster time to market, reduced business costs, more competitive value propositions and also in retaining revenues within the Group.



Business & Operational Synergy Within the Group

Specific synergistic collaborations are provided in detail in the Strategic Snapshots on pages 50 to 58 and Management Discussion and Analysis on pages 68 to 101 of this Report.

OUR CAPITALS (RESOURCES)

In the implementation of its business model, Sunway consumes a wide range of capitals or resources which are transformed into various tangible and intangible outputs and outcomes. These resources are vital for the continued implementation of the business model however, it will continue to face various pressures.

A strategic review of all capitals required provides insight into the relationships between capitals including trade-offs and erosion of capitals in creating value. For example, the erosion of natural capitals such as the environment, land, water and other finite resources in the pursuit of fuelling business growth and driving revenue and profits.

A review of capitals enables identification of key resource dependencies that are vital in ensuring the sustainability of the business model going forward. For example, the dependence of high-calibre, tech savvy human capital with the proliferation of technology.

Conversely, the ability to acquire and develop such human capital will be dependent on recruitment and training budgets, which will lead to the consumption of financial capitals.

Essentially, capitals remain in a constant flux with each other, being eroded and created over time. The goal is to achieve balance between short-term trade-offs, where financial capitals are invested to develop other capitals, but in the long-term, such capitals support financial outputs and outcomes. This is achieved as focus on human, intellectual, social and relationship, manufactured and natural capitals promote operational efficiencies and increased productivity, reduced environmental footprint, customer and stakeholder satisfaction, talent retention, intellectual property and various other strategic benefits. These ultimately translate into growth in revenues and earnings in the mid-to-long term.



Financial

The pool of funds available to Sunway Berhad, generated from operations, investments and debt and equity financing structures.

Financial assets comprise cash and cash equivalents, assets, borrowings, share capital, perpetual securities and others.

Trade-offs include balancing between short-term financial objectives and requirements with long-term goals and returns. This includes balancing between providing optimum shareholder returns while conserving capital for capital expenditure and to drive business growth.

Investments into technology and talent management require substantial outlay and the efficiencies and benefits may only be realised in the medium to long-term perspectives. Other factors include financial capital allocation to business divisions based on their business plans. Conflicting and competing interests would necessitate that allocation decisions are made strategically.

Revenue from Continuing Operations: RM3.7 billion, Profit attributable to Owners of Company from Continuing Operations: RM293.5 million



Manufactured

Comprises all production / manufacturing sites and assets as well as related activities. This includes facilities related to construction, property development, theme parks, hospitals, etc.

Operational activities at all sites consume natural and financial capitals. Manufacturing / production activities are performed in accordance with regulatory standards. Continued vigilance on OSH has enabled continued exemplary performance.

The increased use of technology has enabled reduced labour dependencies and improved environmental performance.



Human

A close-to-11,000 strong workforce comprising a wide range of professional talents from across the Group.

The focus is on developing talents that can drive Sunway's business model, especially with the growing focus on digitalisation and ESG.

Investments into staff recruitment, training as well as bonuses and benefits consume financial resources. These however, are essential in developing and retaining a high-calibre talent pool especially amidst a highly competitive market for talent.

Employee retention rate: 84.2%, New hires: 1,868, average training hours per employee: 33.0.

[Read more on how Sunway is developing a safe, equal and dignified workforce in our SR 2021.](#)



Intellectual

The collective knowledge, experience and expertise within the Group. This includes all forms of intellectual property including business processes, strategies and proprietary information, tools and trademarks as well as products and solutions.

Investment in developing intellectual capitals is an ongoing annual process which erodes short-term financial capital and values, but supports competitive edge in the medium and long term. It drives better risk management and forecast planning.

Internally, Sunway is supported by a multi-cloud infrastructure which enables seamless connectivity for the Group. The infrastructure is well protected with adequate cybersecurity system to mitigate cyberattacks and protect data integrity. The advancement in information technology also enables the use of Robotic Process Automation in many of the Group's work processes and even data consolidation processes.



Social and Relationship

Comprises relationships and rapport developed with stakeholders over time. Social and relationship capital is vital for many of Sunway's business divisions where brand reputation and perception is essential to financial value creation.

The continued effects of the COVID-19 pandemic in 2021 has seen social engagement being further driven by virtual mediums. The costs of these did not significantly impact financial or any other capitals.

However, with the pandemic, Sunway has upped its investment to local communities. This include financial and non-financial support.

[Read more on how Sunway is investing in community inclusivity in our SR 2021.](#)



Natural

Typically, BOO models are intensive consumers of natural resources. The biggest consumers are the construction and property development divisions. Other business divisions also consume raw materials such as energy, water and buildings materials in their operations.

Consumption of natural resources does produce environmental impacts, which the Group is progressively addressing across all business divisions. The relationship between raw materials, financial costs and environmental impacts continue to be addressed by the Group through new technology and methodologies. For example, using Virtual Design & Construction ("VDC"), Building Information Modelling ("BIM") and Integrated Project Delivery ("IPD") for design and construction activities, transitioning to renewable energy, water consumption from alternative sources and more.

For example, the installation of solar panels on site, though requiring initial capital outlay will reduce emissions while providing long-term energy savings.

The use of local supply chains for procurement promote higher cost and resource efficiency while reducing environmental impacts.

[Read more on how Sunway is transforming our portfolios to low-carbon sustainable cities in our SR 2021.](#)

STRATEGIC SNAPSHOTS OF OUR BUSINESS DIVISIONS

STRATEGIC SNAPSHOTS OF OUR BUSINESS DIVISIONS

PROPERTY DEVELOPMENT

FY 2021 Goals and Objectives

- Target to launch RM2.8 billion GDV worth of properties and forecasted sales of RM2.2 billion
- Accelerate ongoing digital transformation to further enhance sales and customer service levels
- Elevate customer satisfaction levels to generate more repeat buyers and larger referral niche market
- Managing operational and cost efficiencies to ensure timely completion and delivery of projects of high quality
- Replenishment of landbanks
- Increased implementation of eco-friendly aspects into building model

FY 2021 Value Creation Strategies

- Leverage on Sunway's integrated BOO business model and ecosystem to drive competitive advantage and improve the sustainability of local communities
- Tap on big-data driven customers' insights and analytics to strengthen the value chain, from development planning to after-sales services
- Utilise research and data analytics to improve business insights on housing needs
- Focus on design efficiency to manage rising cost of materials while ensuring quality

FY 2021 Highlights and Achievements

- RM3.2 billion GDV of properties launched with record sales of RM2.6 billion achieved
- Completed and handed over 570 property units
- Received Joint 3rd ranking in The Top 10 The Edge Property Excellence Awards ("TEPEA") 2021
- Received 5 awards from StarProperty Awards 2021
- RM4.0 billion in unbilled sales, providing earnings visibility for the next two to three years
- Secured 4 major landbank in Malaysia and Singapore during the year
- 3,334 acres of remaining landbank with RM59.5 billion GDV

FY 2022 Priorities and Focus Areas

- **Group Synergy**
Continue to leverage on the Sunway ecosystem to further improve the sustainability of communities post COVID-19
- **Digital Innovation**
Accelerate digital transformation & enhance go-to-market strategies using digital platform and e-commerce
- Support Malaysia's transition to a low-carbon, climate-resilient economy by transforming its townships into smart and sustainable cities
- Leverage on innovative rewards programmes i.e. Sunway Property PALS+
- Improve speed to market through customer data analytics and product standardisation
- **Landbanking Opportunities**
Continue to be on the lookout for landbank for future developments, especially in the Klang Valley
- **Talent Management**
Develop internal capabilities and competencies, including human capital
- Broaden income streams through launch of innovative products elements and through overseas expansion
- **Product Offerings**
Continued focus on Transit-Oriented Development ("TOD") / integrated developments as well as explore customisable industrial and logistics properties in tandem with increasing demand for e-commerce and warehousing facilities
- Innovate new value propositions i.e. more community-centric green developments, integrated wellness hubs, etc.

FY 2022 Risks and Challenges

- General economy weakness and property overhang affecting demand and pricing
- Changes in government / financial policies, including bank lending policies and Overnight Policy Rate ("OPR")
- Availability of suitable end-financing solutions for home buyers
- Rising cost of construction materials impacting margins
- Lack of strategic land parcels

HEALTHCARE

FY 2021 Goals and Objectives

- Prioritising the safety of patients, consultants and staff amid COVID-19 pandemic
- Supporting the government's National COVID-19 Immunisation Programme by operating vaccination centres ("PPV") across our facilities
- Managing declining foreign & interstate patients and lower paediatric census (in the first half of FY 2021)
- Managing progress of construction works (new wings and hospitals expansion)
- Attraction and retention of medical talents
- Managing public fears of visiting hospitals
- Ensuring excellent healthcare services and care despite COVID-19 related disruptions
- Continue supporting government initiatives by providing and subsidising treatment for patients from public hospitals
- Continued focus on Sustainability efforts to reduce carbon footprint

FY 2021 Value Creation Strategies

- Hub and Spoke Synergy approach: Cross referrals from hospital network, drive tertiary and quaternary care and centralise procurement to improve cost and operational efficiencies
- Expedite construction works on all ongoing projects
- Competency development via skill-focused internal trainings to upgrade clinical skills & knowledge of young / junior staff
- Enhancing customer experience
- Ramp-up bed occupancy in all hospitals
- Expand ancillary and care services
- Adopting various cost-saving and operational efficiency measures

FY 2021 Highlights and Achievements

- Improved revenue and earnings underpinned by increased hospital census, and higher COVID-19 related revenues
- Sunway Medical Centre ("SMC") is the 1st private tertiary hospital in Malaysia to launch Telemedicine Command Centre ("TCC") in January 2021
- Increased bed occupancy rates (SMC: 62% and SMCV: 46%) in FY 2021
- Operated 3 PPVs and 1 mega PPV at Sunway Pyramid Convention Centre with more than 350,000 doses of vaccines administered as at 31 December 2021
- SMC launched BellaBot – the first hospital in Malaysia to deploy food delivery and navigation robots
- SMC conducted the first robot-assisted total hip replacement in Malaysia with new equipment, Mako SmartRobotics™ in July 2021
- Organised 1st Sunway Virtual Oncology and Palliative Care Symposium in October 2021 – 4,575 registered participants
- Sunway Medical Centre Velocity ("SMCV") is the 1st private hospital in KL to initiate a new network system named STEMI ("ST Elevation Myocardial Infarction") to provide faster and immediate treatment for patients exhibiting severe heart attack symptoms. STEMI connects GP clinics in the surrounding areas directly to its Accident & Emergency ("A&E") department and cardiologists for swift medical intervention and treatment
- SMCV recorded its first positive profit after tax in the month of November 2021 since its opening in September 2019
- Sunway Home Healthcare business saw a surge in demand for home nursing services during the pandemic. The revenue of Home Healthcare grew circa 90% to RM3.4 million in FY21
- Together with SMC's TCC, our Home Healthcare launched the "Monitoring COVID-19 at Home" package for Category 1 and 2 COVID patients. Home Healthcare also collaborated with Sunway Clio Hotel in providing monitoring services to guests and patients that signed up for its COVID quarantine package

FY 2022 Priorities and Focus Areas

- To solidify SMC's position as the largest private hospital in Malaysia and one of the top private quaternary hospitals in Southeast Asia
- Continue to drive clinical and customer service excellence through investment in latest medical technologies and automation
- Expansion into new geographical areas, such as Seberang Jaya and Kuching
- Commissioning of new hospitals and facilities coupled with construction of pipeline hospital projects
- Broaden our service offerings such as senior living, home healthcare services, robotic assisted surgery, etc.
- Capitalise on increased hospital activities under the National Recovery Plan
- Drive census through medical tourism with the reopening of international borders
- Continued focus on COVID-19 related services as a recurring revenue contributor
- Reinforce Hub and Spoke growth model to generate cross-referrals and optimise utilisation of our healthcare facilities
- Step-up talent retention and development initiatives
- **Digital Innovation**
 - Maintain ongoing digital transformation momentum with new applications and enhancements to improve service to customers
 - Continue to strengthen digital health offerings
- **Sustainability Actions**
Reduce carbon footprint through focus on energy efficiency and facility management services

FY 2022 Risks and Challenges

- New virus strains may lead to reimposition of lockdowns and continued disruption, which impacts business processes, construction works and revenue streams
- Prolonged border closures may impact foreign derived revenues
- Gestation periods for new hospitals may impact overall financial performance of the Healthcare division

STRATEGIC SNAPSNOTS OF OUR BUSINESS DIVISIONS

CONSTRUCTION

FY 2021 Goals and Objectives

- Ensure business continuity and operations on all sites during the various Movement Control Orders
- Reduce dependence on local projects by developing overseas order book
- Improve cost and operational efficiencies to sustain earnings margins amidst a competitive marketplace
- Retain talent pool especially for highly specialised expertise
- Ensure sufficient raw materials for construction works amidst COVID-19 related disruptions to supply chain
- Increase sustainable energy footprint in Malaysia

FY 2021 Value Creation Strategies

- Strengthened and refined Business Continuity Plan
- Accelerated digitalisation and cost management initiatives
- Implemented Project Management Dashboard for remote 3D BIM models visualisation to enable teams to collaborate in real time during the lockdowns
- Continued regional business development in Southeast Asia and India
- Expanded BIM capabilities from 4D to 6D towards enabling increased cost control and more effective project delivery
- Secured its maiden large-scale renewable energy projects under LSS4 and others

FY 2021 Highlights and Achievements

- Robust outstanding order book of RM4.8 billion as at end FY 2021
- RM1.5 billion of new contracts secured in FY 2021
- Commenced works for 2 highway projects in India following financial close
- Completed contract valued at RM310 million for Petronas New Leadership Centre project
- Secured Letter of Intent for 2 EPCC packages under LSS4 for solar photovoltaic projects with generation capacity of 50MW each with combined value of RM385 million
- Zero compounds and fines related to social or environmental non-compliance
- Established a Board Sustainability Committee to oversee the sustainability matter of the division

FY 2022 Priorities and Focus Areas

- | | |
|--|---|
| <ul style="list-style-type: none"> New Market <p>Target to secure new order book of RM2 billion by tendering for both local and overseas projects</p> <p>Continue to pursue regional expansion in ASEAN countries and India</p> <p>Explore opportunities in Private-Public Partnership ("PPP") projects</p> New Product Offerings <p>Commissioning of Integrated Construction and Prefabrication Hub ("ICPH") in Singapore</p> <p>Pursue higher margin niche projects such as solar and others</p> | <ul style="list-style-type: none"> Digital Initiatives <p>Continue digitalisation and automation efforts to enhance efficiency and productivity</p> Sustainability Actions <p>Continue to pursue actions to achieve Net Zero emissions by 2050</p> <p>Ensure safety and wellbeing of all stakeholders amidst the emergence of new COVID-19 variants</p> <p>Development of maiden District Cooling System (DCS) in Sunway South Quay</p> |
|--|---|

FY 2022 Risks and Challenges

- Slower than anticipated economic recovery and political uncertainties may dampen public investment notably, for large-scale public infrastructure projects
- Highly competitive domestic market landscape which impact margins
- Scarcity of skilled VDC / BIM personnel
- Rising cost of construction materials
- Lack of skilled foreign workers due to the present government freeze on incoming supply

STRATEGIC SNAPSNOTS OF OUR BUSINESS DIVISIONS

PROPERTY INVESTMENT AND REIT

FY 2021 Goals and Objectives

- Maintain high occupancy rates for both retail malls and commercial properties
- Providing strategic support for tenants to sustain business operations
- Explore alternative usage for vacant office space
- Drive footfall by enhancing in-mall customer experience
- Ensuring high-level of compliance with pandemic SOPs
- Managing cost and operational efficiencies
- Retain and develop customer and tenant confidence amidst the COVID-19 pandemic and the sluggish business environment

FY 2021 Value Creation Strategies

- Continuation of rental and marketing assistance programme to support affected tenants
- Targeted renowned international and regional brands to launch flagship stores in Sunway's malls
- Upgrading of office spaces to meet market trend
- Launch of e-commerce platform which facilitates a seamless transition between online to offline (O2O). The platform aims to expand retailers' business platforms and offer a complete customer experience
- Increase synergistic collaborations with other Sunway business divisions
- Leverage digitalisation and technology to improve cost and operational efficiency
- Implement energy-saving initiatives throughout the various lockdowns
- Innovate new offerings and solutions for both tenants and customers
- Introduced precautionary health and safety measures to enhance employees, retailers and customers' confidence in preparation of full reopening of retail business

FY 2021 Highlights and Achievements

- Achieved 92% average occupancy rate for retail malls
- The Pinnacle Sunway and Menara Sunway maintained average occupancy rate of close to 100%
- A total of 160 new stores opened in 2021, including Adidas's largest store in South East Asia
- Successfully launched Sunway eMall in October 2021 with an initial 200 merchants comprising 30,000 SKUs
- Launched Malaysia's first smart toilet system that utilises a centralised Internet of Toilet ("IoT") system through data collection to provide excellent facilities and high-performance facility management
- Sunway Pyramid Mall created an additional NLA of 46,000 sqft. at The Link and Sunway Resort Annexe
- Rental-free provision of Sunway Pyramid Convention Centre as a vaccination centre
- Synergistic collaboration with Leisure and Hospitality divisions to jointly develop promotional packages
- Sunway's malls were the first malls in Malaysia to allow entry to only fully vaccinated customers into their premises
- Unveiled Corporate Suite@19, a 30,000 sqft of Green RE certified open-plan office space

FY 2022 Priorities and Focus Areas

- **Accelerate recovery and improve income**
Capitalise on the recovery of retail sales and footfall to improve income generation
 - **Elevation of Retail Experience**
To continue refreshing and elevating tenancy mix to cater to market demands

To identify and implement asset enhancement initiatives at retail malls to enhance retail experiences
 - **New Customer Acquisition**
Capitalise on Sunway PALS mobile application to attract new customers and retain existing customers
 - **Digital enhancement**
Virtual Shelves involving digital screens and mirrors featuring personalised products that customers can order from one location and collect at the shops
 - **Improving property yield**
Optimising property yield by improving occupancy rates for commercial properties at competitive rental rates
 - **Reinvention of office spaces**
Asset enhancement initiatives on office spaces to keep abreast with the evolving market requirements
 - **Towards net-zero carbon targets**
Sunway REIT targets to achieve at least 25% of electricity generated from Renewable Energy sources by 2030 and an average 4% annual reduction in Building Energy Intensity

FY 2022 Risks and Challenges

- Oversupply of retail and office space which potentially places downward pressure on occupancy and rental rates
- Oversupply situation may be exacerbated with the planned additional incoming supply of retail and commercial space
- Increased work-from-home ("WFH") trend and flexible office space post pandemic may affect overall demand for commercial spaces
- Weaker-than-expected economy recovery which poses risk of deterioration in consumer sentiment and weak employment prospects
- Continued risk of COVID-19 outbreaks at any properties

STRATEGIC SNAPSHOTS OF OUR BUSINESS DIVISIONS

LEISURE

FY 2021 Goals and Objectives

- Maintaining continued high level of COVID-19 SOP compliance to ensure continued operations post reopening of theme parks
- Drive business development and generate ancillary revenue streams
- Restore customer confidence towards visiting theme parks post vaccination
- Retaining talents due to increased attrition caused by lack of job stability and prospects (various lockdowns over two years, shutdown of sites, etc.)
- Improve operations via process reengineering, automation and digitalisation initiatives

FY 2021 Value Creation Strategies

- Continued emphasis on domestic customer market including focus on East Malaysia
- Initiated multiple collaborations with other business divisions to generate income
- Tied-up with various domestic corporate partners to promote theme park packages
- Implemented "State of Play" safety procedures to ensure smooth resumption of operations
- Provided extended expiry dates for tickets and annual passes
- Increased utilisation of digital channels to expand market presence and reach

FY 2021 Highlights and Achievements

- Launched private cabanas at Sunway Lagoon to provide privacy and social distancing measures for families
- Sunway Lagoon launched "Camp Out!" – first ever camping experience in the theme park
- Developed Sunway Lagoon Soy Sauce, Sunway Lost World White Coffee powder and other merchandising opportunities to generate alternative revenue stream
- Setting up of Sunway Theme Park ("STP") Kedai Runcit to managed the retail of the in-house products and showcased products in Sunway's Property Development division showhouses nationwide
- Successful collaboration with Sunway divisions for synergistic benefits:
 - Sunway XFarm's farm kits and organic vegetables are sold by STP *Kedai Runcit*
 - Collaboration with School of Culinary Arts, Sunway University to develop pastries utilising Sunway LostWorld's White Coffee
 - Collaboration with Sunway Medical Centre to develop packages for medical tourists
 - Collaboration with Sunway Pals to enchanted domestic packages
 - Collaboration with Sunway University students for Deepavali activation at Sunway Lagoon
 - Collaboration with Sunway eMall to promote in-house products
- Developed various successful marketing propositions with external parties to market the theme park facilities and offerings

FY 2022 Priorities and Focus Areas

- Continue to capitalise on Group's synergy in formulating holiday packages which appeals to the domestic market
- Materialising business plans with continued aggressive marketing strategies to capture the market
- Maintaining a high health and safety standards in the theme parks to rebuild consumers' confidence
- Drive ongoing digital transformation process for operational efficiency
- Develop sufficient talent pool and retaining talents to be ready for the recovery of the segment

FY 2022 Risks and Challenges

- Prolonged pandemic period and continued disruption to the operating environment
- Lack of consumer confidence (due to COVID-19 safety concerns)
- Increasing competition due to new theme park entrants
- Weather conditions i.e. haze and rain impacting footfalls
- Talent attrition due to the theme park closures

HOSPITALITY

FY 2021 Goals and Objectives

- Sustain occupancy rates by capitalising on domestic demand
- Manage lean operating cost structure
- Leverage other business divisions to develop new value propositions or strategic collaborations
- Recalibration of business model to cater to market changes
- Transformation of Sunway Resort
- Maintain safety and hygiene preventive measures to regain guests' confidence

FY 2021 Value Creation Strategies

- Continued focus on domestic travellers through stay packages that combine all-inclusive room, F&B, retail, theme park and leisure experiences
- Collaborations and partnerships with external and internal brands
- Offer quarantine hotel packages to group travel returnees and foreign workers as an alternate revenue source
- Conversion to room-only offerings to streamline operation costs and cater to market demand
- Tapped domestic group events i.e. corporate meetings
- Increased digital branding and marketing activities to optimise distribution reach and maximise direct bookings
- Invested in digital media for brand awareness such as collaborations with digital influencers
- Progressive execution of asset enhancement initiative for Sunway Resort
- Implemented Sunway Safe Stay programme, which incorporates five (5) pillars of safety and hygiene comprising of almost 30 protocols of heightened cleaning practices, assurance and well-being standards

FY 2021 Highlights and Achievements

- Staycation packages contributed over 5,000 room nights in the cluster hotels in Sunway City
- Sunway Clio Hotel designated as quarantine centre leveraging on the Group's healthcare division services to create differentiation
- Enhanced F&B offerings following opening of Yeast Bistronomy in Sunway Pyramid Hotel
- Launched various packages with leading domestic brands such as Malaysia Airlines, etc.
- Playful Staycation & Wildest Staycation packages at Sunway Pyramid Hotel collaborations with Sunway Lagoon and Sunway Pyramid Mall
- Launched Sunway Big Box Hotel in Sunway City Iskandar Puteri to capture the leisure and business demand ahead of reopening of travel borders

FY 2022 Priorities and Focus Areas

- **Brand Synergy**
Leveraging the strength of Sunway City Kuala Lumpur as a leisure and business destination to offer a holistic experience and packages
- **Better Cost Management**
Progressively phasing out use of single-use plastics

Maintain lean cost structure and prudent cost management to improve profitability without compromising product and service delivery
- **New Product Offerings**
Drive collaborations and partnerships with internal and – external brands such as Gordon Ramsay Bar & Grill and Black Tap Craft Burgers and Shakes

Focus on greater product differentiation

Successful launch of the new Sunway Resort, offering completely new facilities and services
- **Digital Innovation**
Invest and implement smart hotel technology for guests' convenience

FY 2022 Risks and Challenges

- Uncertainties surrounding global and domestic economic recovery which may hinder business confidence and consumer sentiment
- Risk of widespread of COVID-19 variants which may lead to tightening of travel restrictions & closure of international borders
- Delay in re-opening of new Sunway Resort
- Intensifying competition during the recovery phase and incoming supply of hotels may exert pressure on occupancy rates and room rates
- Escalating cost of goods and resources

STRATEGIC SNAPSHOTS OF OUR BUSINESS DIVISIONS

STRATEGIC SNAPSHOTS OF OUR BUSINESS DIVISIONS

TRADING AND MANUFACTURING

FY 2021 Goals and Objectives

- Acquisition of Dongfeng Commercial Vehicles (M) Sdn Bhd ("Dongfeng")
- Internal restructuring of subsidiaries in Malaysia and Indonesia to streamline its operations and achieve management efficiencies
- Reduce dependence on domestic revenue streams
- Addressing disruptions to raw materials and supply chains brought on by COVID-19 and other macro-economic and domestic socio-political developments
- Maintaining customer sales and relationships during lockdown periods
- Managing higher credit risk default of customers

FY 2021 Value Creation Strategies

- Continued active engagement with all parties to expedite merger and acquisition process
- Continued expansion of product lines and distribution network to increase market share
- Continued development of overseas business ventures and potentials
- Ramped up online sales of products
- Close engagement with principals to ensure sufficient stock replenishment
- Launch of more "green" products in tandem with customers' changing preferences
- Increased adoption of IT and digital technologies to realise greater streamlined operations and drive value chain efficiencies
- Efficient management of slow moving and aging stocks to reduce inventory costs and improve cash flows

FY 2021 Highlights and Achievements

- The acquisition of Dongfeng was completed in October 2021
- Completed internal restructuring exercise in both Malaysia and Indonesia
- Improved performance year-on-year. Achieved profit before tax of RM38.0 million (2020: RM24.5 million)
- Established Occupational Health, Safety and Environment ("OHSE") Committee in 2021 and adopted OHSE Policy

FY 2022 Priorities and Focus Areas

- New Market**
Opportunity to diversify and tap into a new market segment of haulage and logistics with Dongfeng
- Explore new revenue streams from sale and rental of Sunway Material Handling new BYD "electric" forklifts product lines
- Continue to explore merger and acquisition opportunities and regional expansion for division's growth
- Concentrate on opportunities arising from 12th Malaysia Plan and Budget 2022 infrastructure projects rollout
- New Product Offerings**
Expand online and "green" product ranges. This includes BYD Lithium-Ion battery forklift and solar panels
- Increase sales of own manufactured products through Sunway's companies in Southeast Asia and Australia
- Digital Innovation**
Continue to enhance adoption of digitalisation across the business processes and value chains to achieve operational efficiencies

FY 2022 Risks and Challenges

- Slow global economic recovery and prolonged pandemic uncertainties resulting in customers' prudent expenditure on equipment
- Loss of distributorship rights
- Lack of skilled industry talents and short of manpower
- Foreign currency fluctuation risks
- Intense competition in the trading and manufacturing market impacting pricing and costs
- Financial institutions remain cautious on loan / financing approvals for equipment expenditure
- Risk of disruption in supply chain for delivery of equipment
- Risk of credit default of customers

QUARRY

FY 2021 Goals and Objectives

- Managing acute drop in demand caused by MCOs and subsequent backlog of orders
- Consolidate market leadership position via mergers and acquisitions of quarries and asphalt plants
- Maintain momentum of the digitalisation agenda
- Contain cost, streamline business processes and strengthen capital base
- Continued focus on sustainable development initiatives

FY 2021 Value Creation Strategies

- Accelerated production to meet demand surge post reopening of the economy
- Intensified customer engagement and business development activities to ramp up orders
- Enhancement of internal control processes via Robotic Process Automation (RPA)
- Deferment of various CAPEX
- Driving income stream diversification by exploring new market potentials
- Re-initiated tree replanting activities and switched to hydrocarbon products as substitute for fuel oil

FY 2021 Highlights and Achievements

- Implemented Customer Real-time logistic information system that enables real time tracking of trucks
- Supplied customised premix solution for local council projects for road resurfacing and maintenance projects with high durability from selected premix plants

FY 2022 Priorities and Focus Areas

- New Market**
Continue to be on the look out to expand asset base of quarries and asphalt plants in Peninsular Malaysia through acquisition or joint ventures
- New Product Offerings**
Design and develop systems to better manage requests for new premix designs, enabling automatic tracking and monitoring of requests
- Customer focus**
Improve customer experience by focusing on cost, quality and delivery
- Certification for Integrated Management System ("IMS") for ISO 9001:2015 and ISO 45001:2018
- Sustainable Development initiatives**
Continued restoration of quarry sites via tree replanting
- Explore use of sustainable energy and continued transition to more environmentally friendly fuels at operational sites
- Introduce more batching plants with manufacturing flexibility
- Human Capital**
Emphasis on succession planning and talent retention

FY 2022 Risks and Challenges

- Higher raw material prices and lagging economic recovery would continue to impact pace of industry momentum
- Slow rollout of the 12MP and Budget 2022 mega infrastructure projects
- Rising prices of raw material and other production inputs may erode earnings

STRATEGIC SNAPSHOTS OF OUR BUSINESS DIVISIONS

BUILDING MATERIALS

FY 2021 Goals and Objectives

- Sustaining business and operations by obtaining MITI approval to operate during the lockdown
- Managing global and local supply chain disruptions, which caused price escalations of raw materials
- Managing labour shortage due to the freeze on incoming foreign workers
- Sustaining profits amidst stiff competition and rising production costs
- Maintaining the Sunway brand appeal and managing substitute competing products amidst new market entrants and a competitive market

FY 2021 Value Creation Strategies

- Continued implementation of Business Continuity Plan ("BCP") to address disruptions to operations brought on by COVID-19 and related developments
- Continued pursuit of cost and operational efficiencies to strengthen cash flows and preserve working capital
- Increased customer engagement and business development activities to drive sales, especially via conversion
- Continued R & D efforts to enhance product quality and designs
- Launched new products and variants to maintain brand leadership and to cater to customers' demands
- Pursued carbon reduction via R & D, waste management and process improvement

FY 2021 Highlights and Achievements

- Strong recovery in sales volume especially in Q4 2021 for ICP and Spun Piles
- First Malaysian manufacturer to achieve international standard specification BS EN 295:2013 (TÜV SÜD) for vitrified clay pipes
- Brand strengthening and enhanced competitiveness through "Specification and Guidelines for Interlocking Concrete Paving Blocks" published by Road Engineering Association of Malaysia ("REAM") and JKR in January 2021
- Secured contract for supply of spun piles for 1,200MW Combined Cycle Power Generating Facility at Pulau Indah, Selangor
- Completed the installation of solar panels at Sunway Paving Solutions and Sunway Spun Pile Batang Kali plant in 1H 2021

FY 2022 Priorities and Focus Areas

- **Production Optimisation**
Optimise productivity to lower production cost, sustain margins and achieve operational efficiencies

Optimise capacity for spun pile plant, enhance jointing and firing process for vitrified clay pipes
- **Research & Development**
Develop and launch new products and valued added propositions, especially through R & D

Focus on developing more eco-friendly product variants in tandem with customers' preferences

Tap digitalisation to derive greater value chain efficiencies

Double up efforts to achieve ISO 45001 implementation for the Batang Kali and Senai ICP plants
- **New Market**
Explore potential overseas markets to drive sales of building materials products

Increase product conversion of roads / walkways using ICP

FY 2022 Risks and Challenges

- Continued COVID-19 pandemic related disruptions to the economy, industry and customer sentiments impacting demand for building materials
- Ongoing political uncertainties which affect policy and decision making to spur industry resurgence
- Increase in production cost due to escalating material cost, oil & gas prices and labour shortage
- Continued entrants of new players and ongoing competition which erode margins
- Entrance of more substitute products
- Various supply chain disruptions impacting delivery of products to customers

SUNWAY CITY ISKANDAR PUTERI

Inception date
2012

Size
1,800 acres

Classification
Greenfield



TOWNSHIP AWARDS / RECOGNITION

The Earth Conscious Award by StarProperty Awards 2021

Special Awards and Sustainable Development Goals and Best Green Product & Technology at the Malaysia Green Building Council's Leadership in Sustainability Awards in 2020

Green Building Index (GBI) Silver certification in 2019

Known as Nature's Capital City, Sunway City Iskandar Puteri is strategically located within the heart of Iskandar Puteri, Johor, Sunway's largest township in the making. With seamless connections to major highways, Sunway City Iskandar Puteri is close to major attractions in Iskandar Puteri and Singapore.

With close to 1,800 acres of landbank and more than RM30 billion in Gross Development Value ("GDV"), Sunway City Iskandar Puteri is one of the first townships in Johor to be awarded the GBI silver rating.

CHAIRMAN'S
STATEMENT

TAN SRI DATO' SERI DR JEFFREY CHEAH FOOK LING AO
Executive Chairman

Sunway commits
to achieving
**net zero
emissions
by 2050**

Value Creation
from partial divestment
of SHH
One-off net gain:
**RM2,286.1
million**

Net assets per share:
RM2.05
(from RM1.62 as
at 31 December 2020)

DEAR VALUED STAKEHOLDERS,

On behalf of the Board of Directors, I am pleased to present Sunway Berhad's Integrated Annual Report for the financial year ended 31 December 2021 ("FY 2021"). For most part of 2021, it was challenging with the COVID-19 pandemic affecting lives, livelihoods as well as shaping the global economic landscape.

At Sunway, we are structured not just to survive, but to thrive. Our resilience is underscored by agility, nimbleness, and an ability to rapidly adapt to a fast-changing local, regional and global environment.

Digitalisation is in the DNA of Sunway as I believe that we cannot overcome the challenges of the digital age by relying on an analogue mindset. I strongly believe that winning the war of talent in this digital age is paramount to drive Sunway to becoming a future ready organisation.

2021 HIGHLIGHTS

— **LANDMARK
PARTNERSHIP
WITH GIC**

Sunway Healthcare Group sealed a landmark partnership with an affiliate of GIC Pte Ltd RM750 million investment (for a 16% equity interest on a fully diluted basis) to become a leading integrated private healthcare group.

— **FIRST CORPORATE IN
MALAYSIA TO ESTABLISH
A CARBON PRICING
FRAMEWORK**

In our endeavour to achieve net zero carbon by 2050, Sunway is the first corporate in Malaysia to establish its own carbon pricing framework to encourage decarbonisation efforts across Sunway's business divisions.

— **SUNWAY IS BEST
MANAGED COMPANY IN
MALAYSIA**

Sunway was recognised as one of Malaysia's Best Managed Companies 2021 by leading global consulting company Deloitte in the award's inaugural edition in Malaysia. Sunway stands out as the only conglomerate that align its business strategies with ESG commitments towards the betterment of society.

— **BUILDING
A SAFER NATION**

Sunway supported the National COVID-19 Immunisation Programme by committing more than RM60 million and providing vaccination centres to the Malaysian government for up to 12 months.

2021 IN PERSPECTIVE

At the start of FY 2021, the Group has initially expected to head towards business recovery. However, the emergence of a new Delta variant of the COVID-19 virus had led to re-imposition of strict nationwide movement control orders and even a full lockdown of economic activities.

Two years into the pandemic, Sunway was more prepared. The Group extended the Business Continuity Plan, which was activated in FY 2020 and had made significant progress in our digital transformation process. Consequently, the Group was able to continue to operate seamlessly under these circumstances.

Some of our business divisions managed to leverage on digital platforms to operate. However, the theme parks, hotels and retail malls which rely heavily on physical visitorships were adversely impacted by the lockdowns and restrictions on operations as well as border closures, restricting travel. Hence, in FY 2021, the Retail, Leisure and Hospitality business segments under the Property Investment & REIT division remained challenged. These business segments continued to improve their operational performance by capitalising on opportunities of these lull times to spruce up the theme park facilities and amenities as well as to refurbish the hotels in anticipation of the reopening of the international borders.

We also continued to stay vigilant by ensuring that COVID-19 prevention measures and SOPs were in place at all our business operations to safeguard our employees, our tenants and visitors to our premises.

TOWARDS REALISING SHAREHOLDERS' VALUE

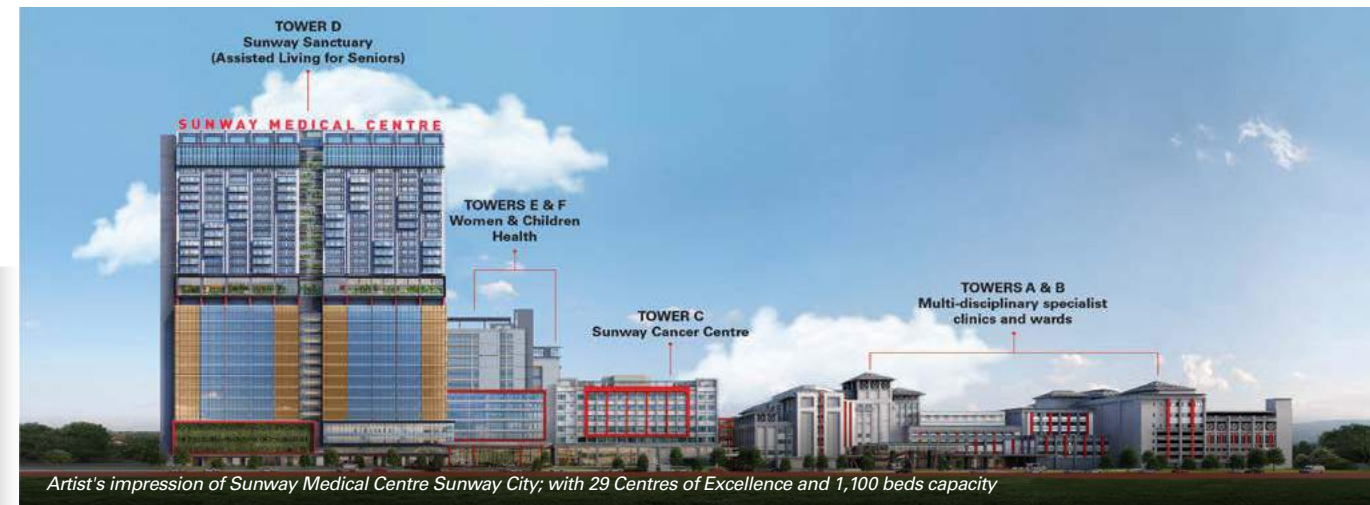
It has been a rewarding year for the Group despite the ongoing COVID-19 pandemic. Our fund-raising exercises undertaken in the past two years have strengthened our financial capital base, placing the Group in a position of strength to continue to pursue its value creation moving forward.

In pursuing our goal of value creation in FY 2021, we successfully ramped up our retail pharmaceutical presence through the acquisition of Multicare Health Pharmacy. Complementing Sunway Pharmacy's existing network, the combined group Sunway Multicare Pharmacy is now one of the leading market players in the country.

In June 2021, Sunway sealed a landmark partnership with Greenwood Capital Pte. Ltd. ("Greenwood"), an affiliate of GIC Pte Ltd ("GIC"), for a RM750 million investment into Sunway Healthcare Group ("SHH"), for a 16% equity interest on a fully diluted basis, for the expansion of SHH. The investment validated confidence in our Healthcare division's prospects and the long term potential of Malaysia's healthcare industry. With the expansion, SHH is set to become a leading integrated private healthcare group with a network of hospitals and healthcare services in Malaysia and Singapore with close to 3,000 beds in the next few years.

Our Trading and Manufacturing division also successfully acquired Dongfeng Commercial Vehicles (Malaysia) Sdn Bhd, a sole distributor of commercial trucks in Malaysia which imports, distributes and sells Dongfeng brand commercial vehicles. The acquisition is to strengthen the division's distribution capacity and market share in the commercial vehicles segment.

CHAIRMAN'S STATEMENT



Artist's impression of Sunway Medical Centre Sunway City, with 29 Centres of Excellence and 1,100 beds capacity

COMMENDABLE FINANCIAL PERFORMANCE

The Group recorded revenue of RM3,717.3 million and profit before tax ("PBT") of RM463.9 million from Continuing Operations for the financial year ended 31 December 2021 compared to revenue and PBT of RM3,208.8 million and RM490.1 million respectively in the corresponding period ended 31 December 2020, representing an increase in revenue of 15.8% and decrease in PBT of 5.3%. Revenue was higher in the current period due to higher contributions from most business divisions except the Property Investment division. PBT was lower largely due to lower profit contributions from Property Development and Quarry divisions. The current year profit would have been higher had the operating performance of the Healthcare division not been disclosed separately under Discontinued Operations.

On 23 December 2021, the Group fulfilled the initial closing conditions in relation to the proposed investment of SHH by Greenwood. In relation to this, the Group deconsolidated SHH and reclassified its remaining equity interest in SHH as joint ventures. The financial results of the Healthcare division was also reported separately under Discontinued Operations in the consolidated income statements. The Group recognised a one-off net gain of RM2,286.1 million arising from the partial divestment of SHH, which mainly arises from re-measurement of remaining equity interest in SHH held as joint ventures at fair value. The net assets per share of the Company increased from RM1.62 as at 31 December 2020 to RM2.05 as at 31 December 2021.

In line with the improved financial performance, the Board declared a total cash dividend of 2.50 sen per ordinary share for the financial year ended 31 December 2021. The dividend payout was equivalent to 33% of core profit after tax and minority interest ("PATMI") and exceeded the dividend payout guidance of 20% of core PATMI. In addition, the Group also declared preferential dividend of 5.25% per annum [based on the issue price of RM1.00] per irredeemable convertible preference share in respect of the financial year ended 31 December 2021.

UPHOLDING OPERATIONAL EXCELLENCE

The commendable financial performance recorded in FY 2021 was underscored by operational excellence of the businesses. The Property Development division achieved property sales of RM2.6 billion, underpinned by healthy demand from Malaysia and strong property sales in Singapore. The division exceeded its revised property sales target of RM2.2 billion in 2021.

In implementing a speed-to-market strategy in 2021, the Property Development division achieved strong take-up rate for the launch of Sunway Belfield's Tower A & B launched in January and March 2021 respectively. In Singapore, Parc Central Residences in Tampines, an executive condominium project which was launched in January 2021 was fully sold.

The Healthcare division saw stronger top line and improvement in hospital census. The fast-paced responsiveness by the Healthcare division in identifying opportunities amid the ongoing pandemic and the rapid speed-to-market COVID-19 related services have contributed to the favourable performance in FY 2021. Notably, the division's Sunway Medical Centre Velocity which commenced operations in September 2019, successfully achieved breakeven at the profit after tax level in the last quarter of FY 2021 after just over 2 years in operation, contributed largely by the division's strategic efforts.

The Construction division also maintained a strong outstanding order book of RM4.8 billion including RM1.5 billion in new contracts secured in FY 2021. The division has made its maiden in-roads into large-scale solar projects in FY 2021, securing two packages of the Large-Scale Solar 4 projects worth RM385 million.

DELIVERING SHARED SUSTAINABLE VALUE

In ensuring the sustenance of long-term development, the Property Development division continued to expand its landbank. In FY 2021, the division acquired more than 20 acres of landbank across strategic locations in the Klang Valley and Singapore. In all these strategic locations, the division plans to improve speed-to-market in order to optimise returns for the projects.

In the Klang Valley, these included landbank in Taman Mutiara, Cheras and Jalan Cochrane, both in Kuala Lumpur. These acquisitions are for the proposed development of townhouses and condominiums and transit-oriented mixed developments targeted for launch in the first half of FY 2022 with total gross development value ("GDV") of close to RM1.4 billion.

In Singapore, the division acquired landbank in Pasir Panjang and Tanjong Katong for the proposed development of private condominiums with total GDV of approximately RM8.3 billion. These acquisitions represent Sunway's expanded presence in Singapore where the division's property development projects have performed well.

The Group's aspiration to emulate the success of Sunway City Kuala Lumpur in Sunway City Iskandar Puteri is gradually coming into fruition. The 1,800 acres sustainable township has invested efforts into developing a masterplan to create a thriving ecosystem and foster a vibrant community in Iskandar Malaysia. Sunway City Iskandar Puteri is now an integrated retail, hospitality, commercial, leisure and educational hub. The Group has in the pipeline to build world-class attractions, medical centre and explore opportunities of establishing an integrated logistics hub as part of the masterplan.

Message from Professor Dr. Jeffrey Sachs

Sunway Berhad is by every standard a world-leader in sustainable development and an inspiration to businesses and civil society around the world.

In every major transformation needed for a thriving and sustainable future, Sunway Berhad is demonstrating remarkable global leadership, including the world-renowned Sunway University; the pathbreaking Sunway Medical Centre; the Sunway Berhad pathway to net zero emissions by 2050; the many Sunway innovations in sustainable land use; the development of Sunway cities of the future; and the Sunway digital strategy.

Sunway Berhad thrives because it puts the wellbeing of humanity in the forefront, and it inspires the best from all of its stakeholders and admirers. **I deeply admire the philosophy of the Founder, Tan Sri Jeffrey Cheah, that "one must have a higher purpose in life" and his conviction that "we can all do well by doing good."**

CHAIRMAN'S STATEMENT

Innovation is part of Sunway's DNA. As such, we have also striven towards digital transformation and the implementation of new technologies across the Sunway Group to drive improvements in operational efficiency. We are proudly at the forefront of investing in technology with a vision to be a data-driven insights company embedding Artificial Intelligence, Big Data and Federated Learning across all Sunway businesses.

We have always been committed to striving towards excellence in all areas of our business, and our results reflect the progress we have made in relation to our strategic thrusts in FY 2021.

SUSTAINABILITY IS THE KEY
TO A BETTER FUTURE

Sunway continues to be a leader in our respective business sectors in driving change in developing more sustainable industries, digitalisation and innovation, securing a sustainable future for communities, driving attention on climate change, local talent development, and nation-building.

The very foundations of Sunway are based on the concept of sustainable development. This began with the transformation of our flagship Sunway City Kuala Lumpur from a relative wasteland into a smart sustainable city today. Our sustainability agenda, in particular in alignment with the 17 UNSDGs, played a major role in guiding value creation for Sunway in FY 2021.



Professor and Director of the Center for Sustainable Development at Columbia University, USA; SDG Advocate for UN Secretary General Antonio Guterres; and President of the UN Sustainable Development Solutions Network; Jeffrey Cheah Distinguished Honorary Professor and Chairman of the Jeffrey Sachs Center on Sustainable Development at Sunway University.

CHAIRMAN'S STATEMENT



To reiterate Sunway's commitment to climate change, the Group became a member of Climate Governance Malaysia, the Malaysian chapter of the World Economic Forum's climate governance initiative. We have also been an official supporter of the Task Force of Climate-related Financial Disclosures ("TCFD") since 2021.

I am happy to note that Sunway was one of the first few public-listed companies in Malaysia to commit to setting near-term science-based emissions reduction targets in line with the Science Based Targets ("SBTi") criteria and recommendations.

In addition, Sunway has also incorporated climate change and ESG-related Key Performance Indicators ("KPIs") to the remuneration of Senior Management, in line with the MCCG 2021.

In recognition of our total and unwavering commitment to the sustainability agenda and to advancing the SDGs in Asia, Sunway City Kuala Lumpur was chosen as one of three overarching United Nations Sustainable Development Solutions Network ("SDSN") centres. We are grateful to SDSN for establishing Sunway University as one of the three global SDSN centres, together with the Centres in New York City and Paris to oversee and coordinate continent-wide sustainability initiatives in Asia, the Americas and Europe as well as Africa respectively.

Some of the programmes being implemented include the ASEAN Green Future, a regional project that aims to accelerate action for decarbonisation to achieve net-zero by 2050 in Southeast Asia. Also being implemented is Mission 4.7, a global initiative to achieve SDG Target 4.7, promoting

Education for Sustainable Development ("ESD") and Global Citizenship ("GC"). The SDSN Asia team will work closely with the Mission 4.7 Co-Chairs and leadership team to incorporate education in sustainable development and global citizenship in schools throughout Asia.

To further enrich our ongoing sustainability efforts and expand our mission beyond 2030, we established the Sunway Centre for Planetary Health on 23 September 2021. The Centre aims to provide a space to share knowledge about planetary health, translate academic discourse into easily accessible information, facilitate learning, and create solutions together with a broad range of stakeholders to effect lasting systemic change. Initially, it will focus on Asia and the Pacific, regions most vulnerable to the impacts of climate change and other planetary health challenges.

Besides the establishment of our multiple sustainability-related centres, we have also stepped up in our fight against global warming by joining a 1,700-strong coalition of organisations globally to support the recommendations of the TCFD. This encompasses providing support for the goals of the Paris Agreement to limit global warming to below two degrees Celsius compared to pre-industrial levels and aims to achieve a carbon-neutral world by 2050.

Sunway aligned our material ESG issues to the 17 SDGs as part of the Group's strategy for long-term success and economic value. We view the TCFD as a strategic tool for engagement between our group of companies and investors. In addition, we believe the climate disclosure recommendations will help identify and assess risks posed by climate change.

ESG: NOT JUST A BUZZWORD

Our motivation towards Environmental, Social and Governance ("ESG") is inherent and deeply rooted. This is reflected in our business philosophy and our core values of Integrity, Humility and Excellence. For Sunway, ESG is not merely a "buzz word", or a compliance matter. As an organisation dedicated to building a better world, we acknowledged that to make a difference in the community, society and the world, we have to embrace a purpose beyond profits.

#SUNWAYFORGOOD

We firmly believe that in all that we do, we must improve the quality of life and society, and contribute towards the making of our community and nation a better place for future generations. Sunway's business model and culture is centred around an enduring purpose, which is to sustainably improve people's lives.

I am deeply humbled that our efforts are recognised. In April 2021, the Malaysian government acknowledged the social impact of our CSR efforts. This is the first time in history of Sunway that we were awarded with four CSR recognitions within a year: The Community CSR Award; Sustainability and CSR Malaysia Awards 2021 by Malaysia's Ministry of Women, Family and Community Development; and Best CR Initiatives for companies with market capitalisation of below RM10 billion by TheEdge Billion Ringgit Club.



Through our #SunwayforGood campaign, the Group successfully impacted more than 500,000 lives across the country and we target to touch millions of lives by 2030. We champion our CSR through three areas, namely Community Enrichment, Healthcare and Education, aligned with our commitment to the 17 UNSDGs.

The Group also partnered with a number of NGOs to achieve profound and lasting impact by giving back in ways that align with the unique needs of local communities, giving special emphases to festive outreach, food aid programmes and relief efforts.

CHAIRMAN'S STATEMENT

In December 2021, Malaysia once again experienced the worst floods in recent memory. Sunway was among the first organisations to mobilise aid and provide warm meals to the affected communities in flood-stricken areas throughout Selangor and other parts of the country.

In the fight against the ongoing pandemic, Sunway supported the National COVID-19 Immunisation Programme by committing more than RM60 million and providing vaccination centres to the Malaysian government for up to 12 months.

TOWARDS NET-ZERO

Along with our commitment to advancing the sustainable development agenda, Sunway has committed to achieving net zero emissions by 2050. We are thus poised to accelerate and intensify climate action through the implementation of an internal carbon pricing to encourage carbon reduction initiatives across our business divisions.

With the implementation of our very own carbon pricing framework, Sunway will become the first company in Malaysia to emulate more than 40 governments in the world who have adopted a progressive stance on climate policy, including calling for a fee on carbon through the cap-and-trade systems.

Our carbon pricing framework also outline the proposed emission targets for our individual business units, along with the resources to help achieve them. From 2022 to 2024, the price will be set at RM15 per tonne of carbon emitted above a pre-defined threshold level. We are wasting no time in moving towards "deep decarbonisation", starting from within our organisation.

Further, the Group took several measures to strengthen its commitment to transition towards a low-carbon future. In 2021, the Group continued to invest in renewable energy sourced from solar photovoltaic ("PV") panels and generated 8,940 MWh of clean energy. Our goal is to harness 25% of our energy requirement from the sun to power all operations by 2030. To this end, Sunway has appointed the Jeffrey Sachs Center on Sustainable Development to quantify our climate Value-at-Risk based on the worst-case scenario as part of our risk analysis.

CHAIRMAN'S STATEMENT

HONOURED AMONG THE BEST

In FY 2021, Sunway Berhad was proud and honoured to receive numerous awards and accolades.

Sunway Berhad was recognised as one of Malaysia's Best Managed Companies 2021 by leading global consulting company Deloitte in the award's inaugural edition in Malaysia. Sunway stands out as the only conglomerate that align its business strategies with ESG commitments towards the betterment of society.

Our Property Development division continued to be top pick by garnering the All-Stars Award in the Star Property Awards 2021: Real Estate Developer, Top 10 Developers in Malaysia Award 2021 at the BCI Asia 2021 and Joint Third Top Property Developers Awards at The Edge Malaysia Property Excellence Awards ("TEPEA") 2021. Our property developments were also recognised with several accolades which are strong testament to our commitment to delivering quality property development projects.

As for our Healthcare division, Sunway Medical Centre won the Global Health and Travel Asia Pacific Awards 2021 for Bariatric Service Provider of the Year; Digestive Health Service Provider of the Year; Nuclear Medicine Provider of the Year awards; and received a Stand-out Jury Award for Best Hospital of the Year.

Our commitment in digital transformation in the healthcare sector was rewarded with Frost & Sullivan Asia Pacific Best Practices Award for 2021 in Malaysia Smart Hospital Company of the Year award for Sunway Medical Centre. Sunway Medical Centre Velocity, though young in experience having only commenced operations in September 2019, was recognised at the Healthcare Asia Awards 2021 for its Health Promotion Initiative of the Year; ICT Initiative of the Year; and Smart Hospital Initiative of the Year.

Sunway Berhad garnered two National Annual Corporate Report Awards ("NACRA") in 2021 with Platinum under the Industry Excellence in Corporate Reporting (under the category of Companies with RM2 Billion to RM10 Billion in Market Capitalisation) and Silver under the category of Best Sustainability Reporting. The Group is committed to good corporate and sustainability reporting to our stakeholders as part of our long-term value creation journey.

On a personal note, I was deeply honoured to be granted an Honorary Doctorate of Philosophy from Universiti Kebangsaan Malaysia ("UKM") in recognition of leadership in Health, Education and Sustainability Networks. I share this achievement with my fellow Sunwayians as it is through our dedicated collective efforts to reaffirm our beliefs that has helped realised our vision and mission.

OUTLOOK AND PROSPECTS

GLOBAL ECONOMY TRANSITIONS
TOWARDS NORMALCY

The global economy again started in a weaker position in 2022 due to the spread of the new Omicron COVID-19 variant, resulting in some countries re-imposing mobility restrictions.

The International Monetary Fund ("IMF") projected the global growth to moderate to 4.4% in 2022, from 5.9% in 2021 as it is faced with rising energy and commodity prices as well as supply disruptions leading to cost-push inflationary pressure. In anticipation that elevated inflation will persist in 2022, interest rates are also expected to rise by 75 bps to 100 bps this year. This move by the Federal Reserve is expected to prompt policymakers around the world to tighten their monetary policy to contain inflationary pressure and manage exchange rate strength.

The global growth outlook remained subdued as it continued to be affected by developments surrounding the COVID-19 virus. However, most countries have progressively transitioned towards endemic management of the virus, thus supporting economic recovery towards normalcy, albeit at varying degrees. In the near term, heightened geopolitical tensions surrounding the military conflict in Ukraine have emerged as a risk to global growth.

MALAYSIAN ECONOMY GAINING MOMENTUM

The pace of economic recovery for Malaysia is expected to gain momentum as the economy transitions into the endemic phase beginning April 2022, reopening of the economic activities and international borders. While the risk of resurgence or emergence of COVID-19 variants persist, a better endemic management of COVID-19 will be less disruptive to the economy. Malaysia is expected to benefit from the expansion of global demand and higher domestic private and public investments. In all, Malaysia's GDP is projected to expand at a faster pace of between 5.3% and 6.3%.

Amidst global inflationary pressure and tightening of monetary policy, Bank Negara Malaysia ("BNM") cited that monetary policy in 2022 will continue to be supportive of a sustainable economic recovery while preserving price stability. Given the lingering uncertainties and downside risks to growth, any potential tightening in monetary policy in containing inflationary pressure is expected to be gradual in order to maintain financial stability.

The potential downside risk to Malaysia's economic growth stems from weaker-than-expected global growth, the worsening impact in supply chain disruptions and the emergence of severe and vaccine-resistant COVID-19

variants. Nevertheless, the prevailing Omicron variant is expected to be considerably less severe than previous waves given that the majority of the population is vaccinated, coupled with ongoing implementation of booster vaccinations. As of 7 March 2022, 98.7% of the country's adult population had received 2 doses of COVID-19 vaccine and 64% had received their booster shots.

RESILIENCE IN OUR STANCE

Two years on, it is encouraging to note that the severity of the COVID-19 pandemic has started to wane due to the relatively successful mass vaccination roll-out by the government. The transition to endemic phase and the reopening of the country's borders augurs well for the Group as it will benefit from the more sustainable economic recovery. This will further benefit our Leisure, Hospitality and Healthcare divisions from the resumption of inbound leisure and medical tourism.

As a trusted organisation with almost 50 years of excellence behind us, we are charting our growth trajectory to be Asia's model corporation in sustainable development and innovating to enrich lives for a better tomorrow. Sunway is a strong proxy to economic recovery. With the strong digital infrastructure in place, we are now operationally better prepared to manage the consequential impact of COVID-19. All our business divisions are expected to recover, albeit at varying pace, primarily underpinned by domestic economy recovery in the medium term.

The Group, through its various divisions, have established strong footprint in regional countries. Moving forward, Sunway will further strengthen its regional presence to capitalise on opportunities present in these markets and to diversify the Group's income base.

One of the strategic thrusts for the Group is to strengthen its competitiveness and market share through mergers and acquisitions. Sunway is in a position of strength to capitalise on opportunities arising from the economic fallout in the past two years.

In addition, we will continue with our strategic focus on Sunway's business model and value creation. The Sunway ecosystem offers tremendous synergistic opportunities to the Group and forms an integral part of Sunway's big data in the Group's ambitious digitalisation transformation journey. Notwithstanding that, our steadfast commitment to ESG factors will also continue to guide the operations of our businesses.

All in all, barring any unforeseen circumstances, the Group positively expects our FY 2022 financial and operational performance to be stronger and surpass that of FY 2021.

CHAIRMAN'S STATEMENT

APPRECIATION AND ACKNOWLEDGEMENTS

I would like to express my appreciation and gratitude to my fellow Board members, our management teams and our employees, for their unwavering efforts and contribution towards our growth and successes. As a Group, we would like to express our sincere gratitude to our customers, shareholders, investors, financiers, business partners, suppliers and government authorities, for their continued support through these years.

On behalf of the Board, I would like to warmly welcome Datuk Zaiton Mohd Hassan who has joined the Board as Independent Non-Executive Director with effect from 8 March 2022. She brings with her a strong commitment to the sustainability agenda from her previous experiences. She will, I am certain, support Sunway's continuing pursuit of leading the market in embedding Sustainability in the businesses.

Going forward, leveraging on our unique combination of a solid foundation, strong digital platform, prudent strategy and a dynamic team driving Sunway, we are confidently prepared to lead the Group and the region towards an era of innovation, growth and sustainability.

**TAN SRI DATO' SERI DR
JEFFREY CHEAH FOOK LING AO**
EXECUTIVE CHAIRMAN

MANAGEMENT DISCUSSION AND ANALYSIS

INTRODUCTION

In the second year of the COVID-19 economy, Sunway Berhad was better prepared for the pandemic's adverse and disruptive impacts on the Group's diverse portfolio of businesses, consisting of Property Development, Property Investment & REIT, Leisure, Hospitality, Construction, Healthcare, Trading and Manufacturing, Quarry and Building Materials divisions. With the digital infrastructure improvements and operational efficiencies established since FY 2020, most of the business operations of the Group were able to transition seamlessly to work and operate remotely during the various movement control order phases of 2021.

However, the Leisure and Hospitality divisions, and to a certain extent the retail malls under the Property Investment & REIT division, which were more dependent on physical footfalls, continued to be affected by the closure of its operations and restrictions on interstate and international travels that were in place for the most part of FY 2021. The Leisure and Hospitality divisions used this lull time to upgrade and maintain their facilities and equipment in preparation for the pent-up demand when the economy reopened, while the retail segment under the Property Investment & REIT division launched Sunway eMall to complement the business of the physical malls.

Other strategic priority during the year included the finalisation of a partnership with an affiliate of Singapore's sovereign wealth fund, GIC Pte Ltd ("GIC") in June 2021. This is in line with the Group's plan to grow the Healthcare division into the largest private healthcare provider in the country and potentially provide the Group an opportunity to unlock its value through listing. Further, the Group also acquired majority stake in Multicare Health Pharmacy Sdn Bhd in May 2021 which added over 90 retail pharmacies across six states in Peninsular Malaysia to its portfolio.

As one of the leading conglomerates in Malaysia, the synergistic strength of Sunway's businesses was instrumental in reducing the pandemic's impact on the Group, with the relative resilience of the Property Development, Healthcare and Construction divisions helping to cushion the performance of sectors more severely impacted. Furthermore, Sunway's "Build, Own and Operate" business model allowed the Group to capitalise on each division's strength to tailor its packaged product and service offerings according to customers' wants and needs across the various stages of the pandemic.

The successful mass vaccination rollout which ramped up in the second and third quarter of FY 2021 and seeing over 90% adult population fully vaccinated by year end, helped move the nation on a path of recovery. As infection rates began trending downwards, the local social and tourism-related activities were reinvigorated by the reopening of economic sectors, auguring well for the eventual recovery of Sunway's leisure and hospitality operations and the Group's performance going forward.

FINANCIAL REVIEW

GROUP FINANCIAL PERFORMANCE

On 23 June 2021, the Group and Greenwood Capital Pte Ltd ("Greenwood") entered into a share subscription agreement ("SSA") for a 16% equity interest (on a fully converted basis) in Sunway Healthcare Holdings Sdn. Bhd. ("SHH"), a wholly-owned subsidiary of the Group, for a total subscription consideration of RM750.0 million in cash. Subsequently, on 23 December 2021, the Group had fulfilled the initial closing conditions of the SSA and a shareholders' agreement ("SHA") was entered into between the Group and Greenwood in order to set out the terms in which SHH and its subsidiaries (collectively, "Sunway Healthcare Group") shall be operated, managed and administered.

Since the initial closing was completed on 23 December 2021, the Group has accounted for 100% of the results of the Healthcare division for FY 2021. In accordance with MFRS 5: *Non-current Assets Held for Sale and Discontinued Operations*, the financial results of the Healthcare division for the current financial year are presented separately under Discontinued Operations in the consolidated income statements. With effect from 1 January 2022, the Group will recognise its share of the profit or loss in the Healthcare division under the equity method of accounting.

The Group recorded revenue of RM3,717.3 million and profit before tax of RM463.9 million from Continuing Operations in FY 2021 compared to revenue of RM3,208.8 million and profit before tax of RM490.1 million in FY 2020, representing an increase in revenue of 15.8% and decrease in profit before tax of 5.3%. Revenue in the current year was higher due to higher contributions from most business segments except Property Investment division.

Profit before tax in the current year was lower due to lower profit contributions from Property Development and Quarry divisions. However, the current year profit would have been higher had the operating performance of the Healthcare division not been disclosed separately under Discontinued Operations.

As a result of the partial divestment of Sunway Healthcare Group as mentioned above, a one-off net gain of RM2,286.1 million was recognised in the current financial year mainly arising from the re-measurement of the remaining equity interest held by the Group as joint ventures. Details of the Discontinued Operations are disclosed in Note 13 to the Financial Statements.

MANAGEMENT DISCUSSION AND ANALYSIS

It should also be noted that due to the adoption of MFRS 15: *Revenue from Contracts with Customers*, the development profit from two of the Group's on-going Singapore property development projects will only be recognised upon completion and handover of the projects. The accumulated progressive profit related to these projects as at the end of FY 2021 which amounted to RM51.7 million was not recognised.

	Revenue (RM'000)		Profit/(Loss) Before Tax (RM'000)	
	2021	2020 (Restated)	2021	2020 (Restated)
CONTINUING OPERATIONS				
Property Development	625,749	494,623	154,062	291,921
Property Investment <i>(comprises Property Investment, REIT, Leisure and Hospitality)</i>	312,349	330,147	(10,034)	(27,432)
Construction	1,111,698	990,225	148,750	105,076
Trading & Manufacturing	840,586	812,079	37,999	24,481
Quarry	337,757	321,389	9,383	14,777
Building Materials	143,526	135,717	10,564	8,287
Others	345,643	124,579	113,175	73,014
Total	3,717,308	3,208,759	463,899	490,124

	Net Profit After Tax (RM'000)	
	2021	2020 (Restated)
DISCONTINUED OPERATIONS		
Healthcare	2,390,486	17,388

SEGMENTAL FINANCIAL PERFORMANCE

Continuing Operations
Property Development

The Property Development division reported revenue of RM625.7 million and profit before tax of RM154.1 million in FY 2021 compared to revenue of RM494.6 million and profit before tax of RM291.9 million in FY 2020, representing an increase in revenue of 26.5% and lower profit before tax by 47.2%.

Revenue in the current year was higher due to higher sales and progress billings from local development projects as well as higher contribution from the completion and handover of two local development projects in the second half of the year. It should be noted that the higher profit in the previous financial year included the recognition of the balance of the development profits for one of the Group's Singapore and China property development projects which amounted to RM182.5 million and a gain on land disposal of RM7.7 million in the fourth quarter of FY 2020.

Property Investment

The Property Investment division reported revenue of RM312.3 million and loss before tax of RM10.0 million in FY 2021 compared to revenue of RM330.1 million and loss before tax of RM27.4 million in FY 2020, representing a decrease in revenue of 5.4% and lower loss before tax of 63.5%.

The various phases of movement control order and lockdown during the current financial year had adversely impacted the financial performance of the Group's Leisure and Hospitality divisions and to a certain extent, the retail mall businesses. However, the reopening of the social and local tourism-related activities in the last quarter of FY 2021 has helped to reduce the full year losses. Revenue in FY 2021 was partly lower due to lower rental income after completion of the disposal of The Pinnacle Sunway to Sunway REIT in November 2020. The lower losses in FY 2021 was also attributed to a fair value gain on revaluation on investment properties of RM41.3 million, compared to a fair value loss of RM47.9 million in FY 2020.

Construction

The Construction division recorded revenue of RM1,111.7 million and profit before tax of RM148.8 million in FY 2021 compared to revenue of RM990.2 million and profit before tax of RM105.1 million in FY 2020, representing an increase in revenue of 12.3% and profit before tax of 41.6%. The financial performance of the division was better in the current year mainly due to higher progress billings from local construction projects and higher profit margins.

The division successfully achieved new order book replenishment of RM1.5 billion in FY 2021 and closed the financial year with an outstanding order book of RM4.8 billion.

MANAGEMENT DISCUSSION AND ANALYSIS

Trading and Manufacturing

The Trading and Manufacturing division recorded revenue of RM840.6 million and profit before tax of RM38.0 million in FY 2021 compared to revenue of RM812.1 million and profit before tax of RM24.5 million in FY 2020, representing an increase in revenue of 3.5% and profit before tax of 55.1%. The financial performance was better in the current year mainly due to higher sales from the local market and better operating margins which more than offset the lower performance from China due to strict power-rationing measures.

Quarry

The Quarry division reported revenue of RM337.8 million and profit before tax of RM9.4 million in FY 2021 compared to revenue of RM321.4 million and profit before tax of RM14.8 million in FY 2020, representing an increase in revenue of 5.1% and decrease in profit before tax of 36.5%. Revenue in the current year was marginally higher mainly due to higher sales volume for aggregates and higher average selling price for premix. However, current year profit before tax was lower due to higher operating costs and lower profit margins.

Building Materials

The Building Materials division reported revenue of RM143.5 million and profit before tax of RM10.6 million in FY 2021 compared to revenue of RM135.7 million and profit before tax of RM8.3 million in FY 2020, representing an increase in revenue of 5.8% and profit before tax of 27.7%. Revenue was higher mainly due to higher sales volumes and better average selling prices of Spun Piles products which contributed to the better profitability for the Building Materials division in the current financial year.

Discontinued Operations

Healthcare

The Healthcare division reporting under Discontinued Operations recorded net profit of RM2,390.5 million in FY 2021 compared to RM17.4 million in FY 2020. Excluding the one-off net gain arising from the partial divestment of Sunway Healthcare Group of RM2,286.1 million, the better operating performance of RM104.4 million in the current financial year was due to strong sustained recovery in hospital activities with higher number of admissions and outpatient treatments at Sunway Medical Centre ("SMC") and Sunway Medical Centre Velocity ("SMCV"). As a result, profit of SMC improved significantly, while SMCV achieved its maiden operating profit of RM0.5 million in the fourth quarter of FY 2021.

STATEMENT OF FINANCIAL POSITION

The Group's total borrowings increased from RM7.5 billion in FY 2020 to RM8.7 billion in FY 2021. However, this increase was partially offset by an increase in cash and bank balances from RM2.2 billion in FY 2020 to RM2.8 billion in FY 2021. As a result, net borrowings in FY 2021 was RM5.9 billion, which is higher than the net borrowings in FY 2020 of RM5.3 billion. The additional borrowings during the year was utilised to fund capital expenditure related to the construction of the Group's investment properties and land acquisitions as well as acquisitions of additional investments.

Total assets increased from RM21.1 billion in FY 2020 to RM25.1 billion in FY 2021. This was mainly attributed to the fair value of the remaining 84% equity interest of the Group in Sunway Healthcare Group which was reclassified from subsidiaries to investment in joint ventures in relation to the partial divestment of Sunway Healthcare Group as disclosed in Note 13 to the Financial Statements.

Share capital largely remained the same at RM6.4 billion in FY 2021 compared to the previous financial year, with slight increase from the issuances of new ordinary shares pursuant to the exercise of warrants during the year.

STATEMENT OF CASH FLOWS

OPERATING ACTIVITIES

Net cash generated from operating activities was RM978.7 million in FY 2021 compared to RM874.7 million in FY 2020. The amount generated from operating activities in FY 2021 was higher mainly due to decrease in cash utilised for working capital purposes for the year.

INVESTING ACTIVITIES

The Group utilised RM1,279.6 million for investing activities in FY 2021 compared to RM798.5 million in FY 2020. The amount utilised in the current year was higher mainly due to higher advances to associates and joint ventures and higher acquisition of land held for development. It should be noted that the lower utilisation in FY 2020 was also due to higher proceeds received from disposal of investment properties which did not recur in FY 2021.

FINANCING ACTIVITIES

Net cash from financing activities increased to RM845.0 million in FY 2021 from an outflow of RM259.7 million in FY 2020. This was in line with the higher overall net borrowings of the Group.

Hence, as at 31 December 2021, cash and cash equivalents of Sunway stood at RM2.7 billion, an increase from the preceding year's balance of RM2.2 billion.

DIVIDENDS DECLARED

The Group has paid out RM48.9 million on 21 October 2021 as the first interim single tier cash dividend of 1.00 sen per ordinary share for FY 2021. A preferential dividend of 5.25% per annum totalling RM25.7 million was also paid on 21 October 2021, based on the issue price of RM1.00 per irredeemable convertible preference share ("ICPS"), for the period from 1 January 2021 to 30 June 2021.

The Board of Directors has also declared a second interim single tier cash dividend of 1.50 sen per ordinary share for FY 2021, and another preferential dividend of 5.25% per annum based on the issue price of RM1.00 per ICPS in respect of the period from 1 July 2021 to 31 December 2021, to be distributed on 14 April 2022.

This brings the full year ordinary share dividend declared for FY 2021 of 2.50 sen per ordinary share for FY 2021, with a total dividend payout to shareholders amounting to RM122.2 million. The marked growth in dividend returns compared to FY 2020 is in line with the Group's commitment to provide equitable returns to our loyal shareholders, whose support has helped the Group weather the challenges of the pandemic towards a stronger performance in FY 2021.

CAPITAL MANAGEMENT

Sunway has a prudent capital management strategy that focuses on ensuring the flexibility of its capital structure to take advantage of opportunities as they arise while maintaining a strong liquidity position. Utilising a diversified funding mix and supported by a well-balanced borrowings profile with varied maturity and favourable financing terms, Sunway is able to maintain a robust balance sheet that also adequately hedges the Group against interest rate and foreign currency risks from its borrowings.

The Group's capital structure is overseen by Sunway's centralised treasury operation. Its exposures are reviewed periodically to ensure an optimal mix of debt and equity. The Group's financial strength is validated by Malaysian Rating Corporation Berhad ("MARC"), which has maintained Sunway's private debt securities programmes at a rating of MARC-1/AA- at its annual review, with a stable ratings outlook.

RISK MANAGEMENT

Sunway maintains an effective risk management framework that is benchmarked against the ISO31000:2018 Risk Management – Guidelines, with Enterprise Risk Management ("ERM") embedded into the Group's key business activities and operational processes. This enables the Group to identify, evaluate, mitigate and monitor various financial, business,

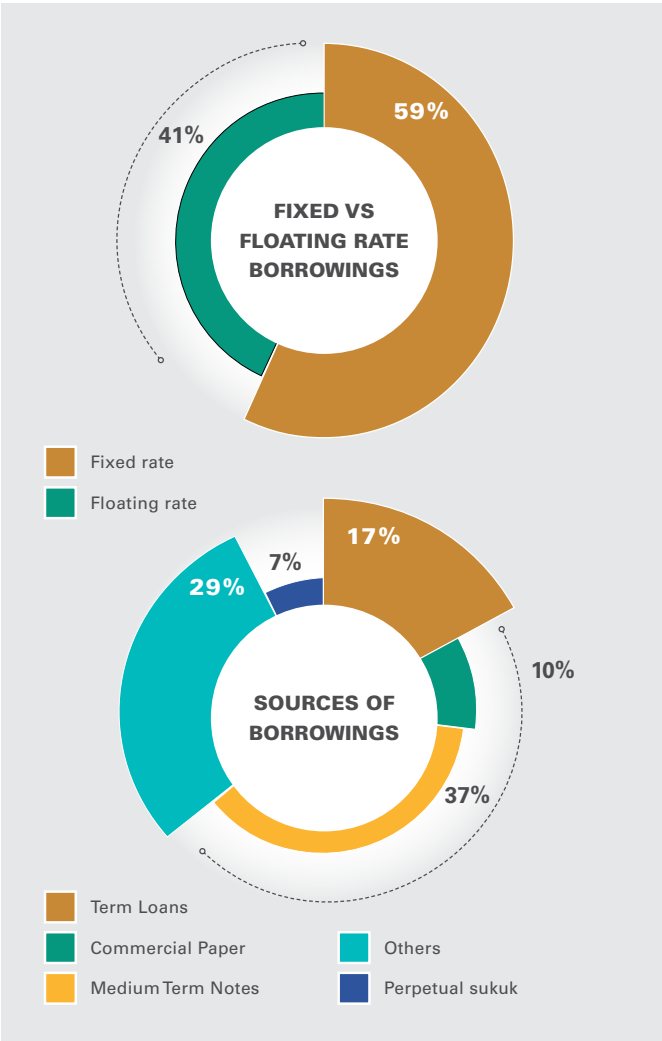
MANAGEMENT DISCUSSION AND ANALYSIS

operational and strategic risks and developed effective mitigation action plans to ensure all our stakeholders' interests are protected.

The Group's risk management structure and control mechanisms are outlined in the Statement on Risk Management and Internal Control on pages 151 to 155 of this IAR2021. The identified risks and their potential impacts on the key material matters of the Group are discussed in the Factors Impacting Value Creation section on pages 39 to 41 of this IAR2021.

RM MILLION	FY 2021	FY 2020 (Restated)
Gross borrowings	8,715.5	7,511.8
Cash and bank balances	2,810.3	2,238.4
Net borrowings	5,905.2	5,273.4
Gross gearing ratio (times)	0.66	0.73
Net gearing ratio (times)*	0.45	0.52
Shareholders' fund	12,030.4	9,513.2
Net assets per share (sen)	205.06	162.16

* Net gearing ratio calculations exclude cross currency swap.



MANAGEMENT DISCUSSION AND ANALYSIS

MANAGEMENT DISCUSSION AND ANALYSIS

GROUP OUTLOOK AND PROSPECT

The gradual economic activity rebound in the tail end of FY 2021 is expected to gain further momentum in 2022, underpinned by the pandemic containment measures under the National Recovery Plan ("NRP") and supportive fiscal and financial measures. This will be driven by the expansion in global demand and higher private sector expenditure amid improvements in the labour market and continued policy support. National gross domestic product ("GDP") is projected by Bank Negara Malaysia to experience growth of 5.3% to 6.3% in 2022 (up from the 3.5% projected growth of 2021), with Overnight Policy Rate ("OPR") maintained at 1.75% as at 3 March 2022.

Risks to the growth outlook, however, remain tilted to the downside. Such risks may arise from a weaker-than-expected global growth, a worsening in supply chain disruptions, and the emergence of severe and vaccine-resistant COVID-19 variants of concern such as the recent surge of the Omicron variant. Nevertheless, the overall operating environment in FY 2022 is expected to be much better and stronger than 2021 as evidenced by the fourth quarter performance of the Group in FY 2021.

In view of this outlook, the respective business divisions of the Group have set out business plans to improve their operations performance back to pre-COVID levels. The Property Development division expects sales trend to be steady and healthy supported by stable employment and improving business outlook. Property Investment & REIT, Leisure and Hospitality divisions are expected to improve in tandem with economic activities, relying primarily on domestic demand until the full reopening of the economy and international borders with effect from 1 April 2022.


The Construction division is expected to perform better as the division continues to pursue opportunity in the private and public sectors, including Private Funding Initiatives ("PFI"), pipeline projects from the Group and sustainable energy. The division continues to expand its overseas presence in India and ASEAN countries.

Plans are also in place to continue the growth trajectory of the Healthcare division, which can look forward to the opening of assisted living units and the operationalisation of Sunway Medical Centre Seberang Jaya to contribute to the division's performance. The reopening of international borders augur well for the resumption of medical tourism which was impacted in the past two years.

Sustainability will remain a key driver and enabler of the Group's growth, with Environmental, Social and Governance ("ESG") considerations embedded at the core of Sunway's "Build, Own, Operate" Business Model to realise the aspiration of developing low-carbon, future-ready and self-sufficient cities. This is in alignment with the Group's multi-capital approach to value creation, with great care and consideration placed on balancing the Group's financial capital preservation needs and expenditure into priority growth areas of Sunway such as talent management and development, overseas expansion and investments into technology and digitalisation efforts.

Sunway is committed to the Group's ongoing digital transformation process, striving to be future-ready with big data, Robotic Process Automation ("RPA") and federated learning implemented at various business processes and operations divisions to ease routine and mundane process and procedures and to create new intellectual talents who will work more efficiently to tackle the more complex tasks.

As we move into FY 2022 and beyond, Sunway will continue to leverage this future-forward mentality of the Group and harness the synergies of the diverse business operations under its wing to chart the Group's growth towards advancing innovation, accelerating growth.

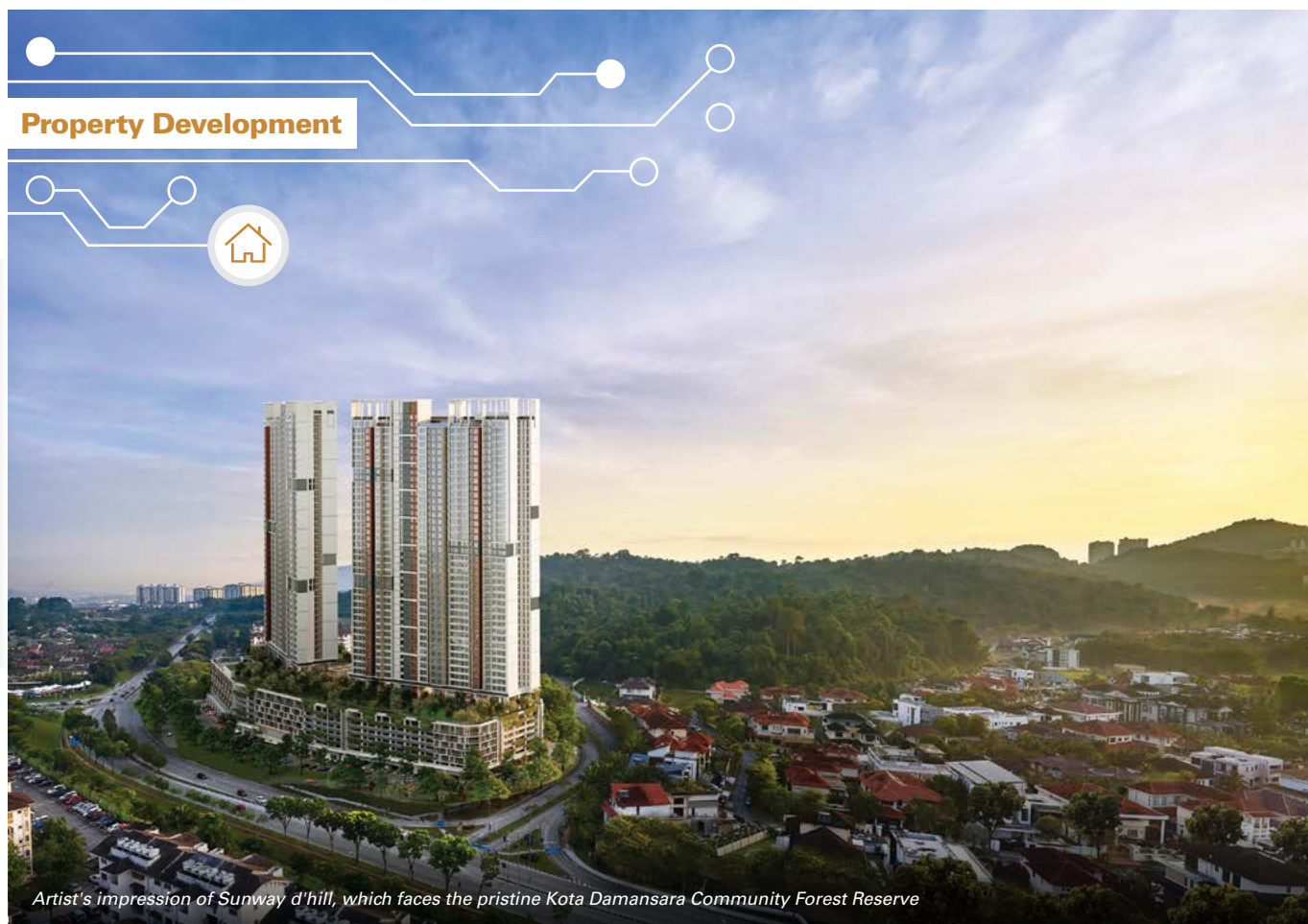
 Further information on the respective divisions' FY 2021 operations performance and future plans are discussed in the Segmental Operations Review on subsequent pages and their Strategic Snapshots on pages 50 to 58.

SEGMENTAL OPERATIONS REVIEW

The key performance indicators for each division in FY 2021 are presented below alongside previous years' performance:

	2021	2020	2019	2018	2017
Property Development					
- Launches	RM3.2 bil	RM1.9 bil	RM1.2 bil	RM2.1 bil	RM1.1 bil
- Sales	RM2.6 bil	RM1.3 bil	RM1.6 bil	RM1.9 bil	RM1.2 bil
- Unbilled Sales	RM4.0 bil	RM2.4 bil	RM2.7 bil	RM2.1 bil	RM1.0 bil
- Landbank	3,334 acres	3,328 acres	3,347 acres	3,283 acres	3,305 acres
Healthcare					
- Number of Specialist Consultation Suites	242	237	226	180	180
- Number of Operating Theatres	19	19	17	12	12
- Number of Licensed Beds	862	862	863	636	533
Construction					
- New Contracts Secured	RM1.5 bil	RM2.3 bil	RM1.8 bil	RM1.6 bil	RM4.0 bil
- Outstanding Order Book	RM4.8 bil	RM5.1 bil	RM5.2 bil	RM5.2 bil	RM6.1 bil
Property Investment & REIT					
- Assets Under Management	RM11.1 bil	RM10.9 bil	RM10.7 bil	RM9.9 bil	RM9.4 bil
- Total Net Lettable Area	11.6 mil sqft	11.6 mil sqft	11.3 mil sqft	10.2 mil sqft	10.0 mil sqft
Leisure					
- Total Park Size	128 acres	128 acres	128 acres	128 acres	128 acres
- Visitorship	0.6 mil	0.6 mil	2.5 mil	2.4 mil	2.3 mil
Hospitality					
- Number of Hotels and Resorts Managed	12	11	11	11	11
- Number of Guestrooms	3,696	3,424	3,386	3,386	3,386
Trading & Manufacturing					
- Regional Presence	7 countries	7 countries	7 countries	6 countries	6 countries
- Agency Lines	200	191	181	166	150
Quarry					
- Number of Quarries	9	9	8	6	6
- Number of Asphalt Plants	23	24	24	13	13
Building Materials					
- Number of Manufacturing Facilities	9	9	9	8	7

MANAGEMENT DISCUSSION AND ANALYSIS



OPERATING ENVIRONMENT

Despite the resurgence of COVID-19 and higher number of lockdowns days implemented in FY 2021, the macro-economic factors were accommodative for the Property Development division with a number of government policies incentivising home ownership.

The extension of the Home Ownership Campaign ("HOC") until the end of 2021 with stamp duty waiver for the instrument of transfer and loan agreement, plus the Real Property Gains Tax ("RPGT") exemption and uplift of 70% cap on margin of financing for third housing loan onwards helped stimulate property purchases. This is supported by a historically low interest rate environment and the maintenance of the OPR at 1.75% since July 2020.

Property demand remained strong despite cautious consumer sentiment and the banks' stricter lending policies. The success of the mass vaccination rollout and strict SOP procedures under the NRP allowed more economic sectors to reopen towards the latter part of 2021, which boosted the confidence of home buyers and helped support property sales.

The periodic resurgence of COVID-19 infections in the country and continued implementation of social distancing measures at work sites impacted the construction progress of some of the division's property projects. This has caused some delays in the progress billings for the property projects during the lockdown. However, construction at the property sites were able to continue after obtaining the necessary approvals and the division is now working on catching up with progress of the construction in the respective sites.

STRATEGIC RESPONSE

Two years into the Coronavirus pandemic, the division was operationally better prepared to manage the consequential impact. Virtual sales galleries, innovative digital marketing strategies and customer-friendly applications were some of the initiatives put in place during the pandemic back in 2020 that continued to serve the division well in FY 2021.

The Property Development division initially set a sales target of RM1.6 billion for 2021 in view of the anticipated challenges of the continued pandemic. However, strong sales achieved towards the first half of 2021 encouraged the division to revised its property sales target upwards to RM2.2 billion. This is supported by strategically planned property launches based on the division's insights into housing needs and requirements of its target markets, with pricing considerations taking into account the cautious consumer sentiment and property overhang situation.


Recognising that well-priced products in good locations are still attracting genuine interest from new home buyers, the division focused its property launch efforts on the mid-to-upper middle class category to ensure marketability. In 2021, the Property Development division launched RM3.2 billion Gross Development Value ("GDV") worth of properties, with over 65% of the launches in the Klang Valley, 30% in Singapore and the balance in China.

Sales was supported by the "Always with You 2021" campaign. The third iteration of this popular campaign first introduced in 2020 aims to remove the barriers to home ownership caused by uncertainties in the macroeconomic environment. Running from 15 October to 31 December 2021, the "Always with You 2021" campaign offers:



The Property Development division recorded sales of RM553 million in two months as a result of its "Always with You 2021" campaign.

Remaining unbilled sales stood at RM4.0 billion as at 31 December 2021, which provides earnings visibility for the next three years. Meanwhile, the division has 3,334 acres of landbank with a GDV of RM59.5 billion remaining for future development.

 Please see page 50 for more information on the Property Development division's Strategic Snapshot.

MANAGEMENT DISCUSSION AND ANALYSIS

HIGHLIGHTS AND ACHIEVEMENTS

EXCEEDING TARGETS

The Property Development division successfully exceeded the revised sales target with the achievement of RM2.6 billion sales as at 31 December 2021, its highest sales record in the history of the division. The commendable achievement amid the ongoing pandemic challenges was underpinned by the strong performance in Singapore where the real estate market was still performing strongly, recording total sales in excess of RM1.4 billion. In Malaysia, the launches of its well-priced projects in good locations also attracted encouraging sales from new home buyers.

Key launches in Malaysia for the year under review include Sunway Belfield Towers A to C with a total GDV of RM1.1 billion, and Sunway Velocity Two Tower D. These launches were fast tracked in light of the strong demand of the earlier phases, which saw take up rates exceeding 90% soon after launch. The division also launched two new projects in the Klang Valley, namely Sunway d'hill Residences in Kota Damansara and Sunway Artessa in Wangsa Maju that has seen encouraging early bookings.

Beyond Malaysia, the division's Executive Condominium, Parc Central Residences in Tampines, Singapore which was launched in January 2021, was fully taken up, reflecting the robust property market in the neighbouring country. Further afield in Tianjin, China, the earlier success of Sunway Garden Phase 1 and Phase 2 prompted the launch of Phase 3 of the condominium project towards the end of December 2021. The take up rate for the project is expected to see more traction in 2022.

In the year under review, the division has successfully completed and handed over 570 units for vacant possession, which included its Sunway City Iskandar Puteri's Citrine Lakehomes Phase 2 in June 2021 and Sunway South Quay's GeoLake Residences and Townhouses towards the end of the year.

MANAGEMENT DISCUSSION AND ANALYSIS

HIGHLIGHTS AND ACHIEVEMENTS


STRATEGIC LANDBANKING

Sunway's Property Development division had also been active in replenishing its landbank. In the first half of 2021, the division acquired two parcels of prime freehold land totalling 10 acres for transit-oriented developments ("TOD") with potential GDV of RM1.4 billion. The first parcel is a 3.3-acre freehold land in Taman Mutiara, Cheras for the development of exclusive residences catering to families and upgraders demanding larger living spaces and more carparks. The second is a 6.6-acre parcel of prime freehold land in Jalan Cochrane next to the Cochrane MRT Station for a transit-oriented mixed development complementing the nearby Sunway Velocity and IKEA MyTown.

In Singapore, the division, through its joint venture vehicle with Singapore developer Hoi Hup Realty, has won a competitive bid for the en-bloc acquisition of Flynn Park, a condominium development located in Yew Siang Road, Pasir Panjang, Singapore with a bid of SGD371 million (approximately RM1.15 billion) in September 2021. The joint venture also won another competitive bid for two parcels of freehold residential land in Tanjong Katong, Singapore with a bid of SGD815 million (approximately RM2.5 billion) in November 2021. The acquisitions represent Sunway's continued presence in Singapore in which its current launched developments have done well.

AWARD WINNING PROPERTY DEVELOPER

The division's successes are further affirmed by a rash of awards and accolades secured in FY 2021, including one of the Top 10 Property Developers' Award at The Edge Malaysia's Property Excellence Awards 2021, 4 Excellence and 1 All-Stars Awards at the StarProperty Awards 2021 Real Estate Developer, and 7 accolades at The EdgeProp Singapore Excellence Awards 2021 including the Top Developer nod for Hoi Hup and Sunway Developments.

 Please see page 14 for more information on the Property Development division's awards & accolades.

FUTURE ORIENTATION

While consumer sentiment will likely be influenced by lingering pandemic uncertainties, the outlook for the Property Development division remains cautiously optimistic moving into 2022. Backed by sound product positioning as well as Sunway's customer-centric marketing campaigns and the current low-interest-rate environment, the Property Development division will continue to invest in building community-centric sustainable developments which are strategically located in high-growth areas. Tailored to suit evolving lifestyles in the new norm, the division's upcoming developments are designed for well-being while being affordably priced.

Keeping to the momentum of 2021, the division is targeting RM2.2 billion in sales and planned for 10 property launches with a total GDV of RM2.3 billion for 2022.

Launches in Malaysia make up close to 60% of the planned launches, which include the first tower of serviced apartments in transit-oriented Jernih Residence in Kajang, condominium and superlink units in Sunway Alishan in Cheras, Kuala Lumpur, and the first tower of serviced apartments in Bukit Jalil. Up north in Penang, the division will launch townhouses in the Sunway Wellesley mixed development in Bukit Mertajam, and condominium units in Sunway Dora at Bayan Lepas. In Ipoh, the division expects to launch townhouses in the integrated sustainable township of Sunway City Ipoh. Plans for launches in Johor include landed linked homes in Sunway City Iskandar Puteri, and semi-detached homes and bungalows in Sunway Lenang Heights.

The remaining 40% of its launches targets international markets, with the planned launch of private condominiums at Flynn Park in Singapore, and Phase 3 of its Sunway Gardens residential property project in Tianjin, China.

Sales of the new launches will be supported with continued use of digital customer touchpoints such as virtual show units, social media channels and the unified Sunway Property application, as well as innovative property campaigns.

An innovative rewards programme dubbed the Sunway Property PALS+ will soon be launched to offer rewards and benefits to its homebuyers as well as tenants and sub-sale owners across Sunway's property development projects, in addition to existing buyers who have previously benefitted from the original Sunway Property PALS programme. The programme is specially curated and personalised to meet the practical and purposeful needs of different communities, by providing value added rewards and conveniences. These include convertible rent credit towards progressive payment for the first property purchase, property purchase benefits, F&B and retail rewards, home care and management services, wellness offerings and more.

MANAGEMENT DISCUSSION AND ANALYSIS



Artist's impression of Sunway Bukit Jalil project

Going forward, the division is committed to continue supporting Malaysia's transition to a low-carbon, climate-resilient economy by transforming its townships into smart and sustainable cities. It is the ultimate aim of the division to have all of its assets completed from 2025 onwards to be green-building certified, with efficient energy, water and waste management across its developments, while leveraging the Sunway ecosystem to further improve the sustainability of communities around Malaysia.

Planned initiatives include the masterplanning of 8 integrated wellness hubs across Malaysia's highest growth regions where Sunway has established integrated townships and developments. Each of the integrated wellness hubs will be masterplanned with six key wellness pillars, namely lifelong learning, sustainable living, modern and traditional care, active lifestyle, nature, and multi-generational living, with the aim to provide a holistic wellness lifestyle and improve the overall well-being of the community.

MANAGEMENT DISCUSSION AND ANALYSIS



OPERATING ENVIRONMENT

The ongoing COVID-19 pandemic continued to be the main factor impacting the operating environment of the Healthcare industry in FY 2021. Public fear of going to the hospitals persisted amid the higher infection numbers, causing deferment of elective surgery cases, follow-up appointments and out-patient treatments. The reintroduction of movement control orders restrictions including interstate travel ban and the on-going international borders closure also affected hospital admission numbers among foreign and interstate patients.

As the battle against COVID-19 raged on, the public healthcare system was severely stretched and had to decant some patients to private hospitals. The private sector, including Sunway's Healthcare division, stepped up to support the nation by converting some of its wards and reserved intensive care unit ("ICU") beds for COVID-19 treatment. The division also provided substantial subsidy for non-COVID patients decanted from the government hospitals, under the public-private partnership with the Ministry of Health ("MOH"), to help alleviate the long waiting period faced by patients for life-saving treatments and surgeries.

This added to the increase in pandemic related operational expenses, which included the implementation of triage check-points, provision of personal protective equipment ("PPEs") and sanitising equipment, setting up COVID swab tent, negative-pressure rooms and isolation cabins to prevent the spread of COVID-19 to other patients.

The surge in COVID-19 patients volume also put a strain on nursing, particularly those with niche skills in infectious diseases and critical care which saw higher patient volumes amid the outbreak. The division was also adept in redeploying critical support to its front liners to mitigate staff burnout. The nurse shortage persisted for the remainder of the year, with nursing talents diverted to support the rollout of mega vaccination ("PPV") centres.

STRATEGIC RESPONSE

Supporting National Immunisation Efforts

With the continued threat of the pandemic affecting public health and safety as well as the division's operations, Sunway's Healthcare division was keen to support the COVID-19 National Immunisation Programme when the programme kicked off in FY 2021. SunMed Convention Centre in Sunway Medical Centre at Sunway City Kuala Lumpur served as the designated PPV centre for Sunway's healthcare professionals and the frontliners of 10 other private hospitals in the Petaling District, administering over 6,300 vaccine doses during Phase 1 of the programme. This was followed by the administration of close to 2,800 doses to frontliners and patients at the division's facilities in Phase 2, and over 29,000 vaccine doses to the public in Phase 3, which prioritised the elderly. Since October 2021, Sunway Medical Centre has resumed the role of a private hospital vaccination centre for teenagers aged from 12 to 17 and is currently part of the *Program Imunisasi COVID-19 Kebangsaan Kanak-Kanak* ("PICKids") to provide COVID-19 vaccination for children ages 5 to 11 as well as continuing to provide adult booster shots.

Together with the other PPV centres set up at Sunway Pyramid Convention Centre, Sunway Medical Centre Velocity and Sunway Specialist Centre Damansara, the Sunway vaccination centres have administered more than 350,000 COVID-19 vaccines.

Efforts to support the public healthcare system and national immunisation programme saw Sunway deriving positive brand value, further boosting the confidence of both patients and doctors in the division's business model. The high vaccination rate achieved towards the last quarter of FY 2021 resulted in higher hospital activities under Phase 4 of the NRP, contributing to improved revenue from the primary and secondary care segment.

Sustaining Revenue Sources

Efforts were made to alleviate the pandemic's disruption on the provision of healthcare services to the patients. To overcome the interstate travel ban in effect during the movement control period, Sunway's Healthcare division facilitated the provision of ambulance service to patients outside the Klang Valley who were seeking emergency medical treatment at its facilities. The division also worked closely with the Malaysia Healthcare Travel Council ("MHTC") to facilitate arrangements for its overseas patients who required access to urgent medical care such as surgeries and cancer treatments during the international travel ban, and has achieved global healthcare accreditation for conformance with COVID-19 guidelines for medical travel programmes.

Beyond access challenges, the division continued to educate the public through media coverages and social media platforms to increase awareness on health conditions that require urgent medical attention and while highlighting the stringent precautionary measures implemented at its facilities to encourage patients to resume clinical visits and treatments.

Meanwhile, the division continued to provide COVID-related treatments and services through the promotion of its MOH-certified COVID-19 screening and molecular lab services such as Antibody Test, "RTK-Antigen Test" and "RT-PCR Test", with drive-through services provided for added convenience and to reduce infection risks. A dedicated children's covid ward was set up to offer specialised care for paediatric covid patients, while new services

MANAGEMENT DISCUSSION AND ANALYSIS

such as Remote Home Monitoring and Post-Covid Recovery Services were created to cater to the new demands. A Long Covid Syndrome Clinic was also established to offer treatment for those with lingering symptoms.

Sunway Home Healthcare business also saw a surge in demand for home nursing services during the pandemic as they provided nursing services to care for patients at the convenience of their home, especially for those who require regular monitoring, wound care, post-stroke or post-surgery rehabilitation. Their home nursing activities doubled in 2021 which helped contribute to the performance of the Healthcare division.

Strengthening Business Model

The Healthcare division continued to embrace the hub and spoke model to grow its network of hospitals and healthcare services towards becoming a leading integrated private healthcare group in the region. Towards that end, the division finalised a deal with an affiliate of Singapore's sovereign wealth fund GIC Private Limited ("GIC") on 23 June 2021 where the latter will acquire a 16% stake (on a fully converted basis) of the Sunway Healthcare Group through a RM750 million investment that will catapult Sunway to the forefront of the region's healthcare industry.

This strategic partnership is in line with the division's growth strategy, which will see the expansion of its existing hospitals and the setting up of new hospitals and ancillary healthcare businesses across the country.

Work on the capacity expansion and construction of new facilities at Sunway Medical Centre and Sunway Medical Centre Velocity are progressing well despite the continued worksite disruptions due to the pandemic. Construction of the new Sunway Medical Centre Seberang Jaya, Sunway Medical Centre Damansara and Sunway Medical Centre Ipoh hospitals are also on-going, with target commencement of operations between 2022 to 2024. The division also conducted feasibility studies and planning for hospitals in the pipeline in Kota Bharu, Kelantan, Sunway Iskandar Puteri, Johor and Paya Terubong, Penang.



MANAGEMENT DISCUSSION AND ANALYSIS

Beyond asset expansion, the division also ramped up efforts to grow other healthcare ancillary services and develop new sub-specialties to strengthen its brand positioning and revenue streams. This is supported by the continued digitalisation initiatives and technological adoption that places Sunway's Healthcare division at the forefront of innovation, while efforts to enhance customer service were in full swing to improve patient's healthcare experience at the facilities. The strong brand positioning of Sunway Medical Centre resulting from these strategies has helped to support the Healthcare division's recruitment of doctors and skilled nurses, with recruitment activities carefully paced to synchronise talent acquisition with the ongoing capacity expansion.

A cost reduction review was conducted to manage the higher cost of operations amid the pandemic, leveraging on centralised planning, procurement efforts and management systems of the hub and spoke model to implement strict cost disciplines. Cost-saving measures implemented included a reduction in non-essential expenses and delaying non-critical budgeted capital expenditure on equipment to offset the ad-hoc operating costs due to the demands of the pandemic.

The healthcare division was able to leverage the synergistic strength of the Sunway Group for joint marketing and inter-group referrals from the Group's own pharmaceutical business, Sunway Multicare Pharmacy. Other collaboration includes the provision of COVID-19 screening and monitoring services to guests staying at Sunway Clio Hotel, which was designated as a quarantine centre for travel returnees and foreign workers.

 Please see page 51 for more information on the Healthcare division's Strategic Snapshot.



Bellabot, the first advanced food delivery and navigation robot assisting in the hospital

HIGHLIGHTS AND ACHIEVEMENTS

The fast-paced responsiveness by the Healthcare division in identifying opportunities amid the ongoing pandemic and the rapid speed to market COVID-19 related services have contributed to the favourable performance of the Healthcare division in FY 2021, which saw stronger top line and improvement in hospital census. Notably, the division's Sunway Medical Centre Velocity which commenced operations in September 2019, successfully achieved breakeven at the profit after tax level in the last quarter of FY 2021 after just over 2 years in operation contributed largely by the division's strategic efforts.

Digitalisation Innovation

Proactive Group-wide digitalisation initiative was key in driving the division's investment into digital healthcare avenues, which helped the division achieve many firsts in its field. Sunway Medical Centre became the first private tertiary hospital in Malaysia to launch a dedicated Telemedicine Command Centre on 1 Jan 2021, operating 24/7 via calls, emails and social media platforms to provide primary healthcare advisory services with over 40,000 patients served to date.

The Telemedicine Command Centre complemented other measures towards establishing Sunway's healthcare facilities as smart hospitals, such as the introduction of SunMed Go to digitalise appointment booking and provide online accessibility to imaging reports, the use of Portzo task assignment and productivity tracking tool for the hospital's concierge team to improve efficiency, and SOPEO for real-time tracking of admission and discharge processes to reduce turnaround time. These measures did not go unnoticed in the industry as Sunway Medical Centre won the Malaysia Smart Hospital Company of the Year Award at the Frost & Sullivan Best Practices Award 2021, while Sunway Medical Centre Velocity took home the ICT Initiative of the Year and Smart Hospital of the Year nods at the Healthcare Asia Awards 2021 in addition to the Health Promotion of the Year award.

Meanwhile, Sunway Medical Centre Seberang Jaya is on track to be the first hospital to fully implement the new Hospital Management System ("HMS") and Electronic Medical Records ("EMR").

Aside from enhancing operational efficiency, the embrace of digitalisation and technology adoption is also in line with the Healthcare division's plans to increase its sub-specialties and surgical offerings. Minimally Invasive and Robotic surgery, Robotic-assisted Arthroplasty surgery, Robotic Gynae-Oncology Surgery for the removal of malignant growth, the set-up of an in-house Cytogenetic Screening and Transplant Immunology services to support its expanding renal and marrow transplant services, and the use of Preimplantation Genetic Technology in the expansion of its fertility services have been added to the facility's repertoire, as well as the development of other complex surgery and bone and stem cell procedures.


On 5 July 2021, Sunway Medical Centre conducted the first robot-assisted total hip replacement in Malaysia with Mako SmartRobotics™. Since then, over 100 cases of Mako SmartRobotics™ and ROSA® Knee System assisted surgeries were conducted for total knee, partial knee and total hip replacement.

Better Customer Experiences

Technology was also used to enhance customer service experience with the introduction of BellaBot, the first advanced food delivery and navigation robots, with 4 BellaBot units purchased in 2021 to assist in delivering food to the young patients and also as Lobby Ambassadors to assist in directing and escorting customers within the hospital.

Other efforts to improve the healthcare experience at Sunway's healthcare facilities include the introduction of ward-side discharge, daily ward visit and discharge follow-up courtesy calls, online inpatient meals ordering system and the provision of buggy and valet services at the carpark for elderly and weak patients. A centralised One Queue System has also been introduced to reduce congestion and waiting time for the various administrative processes. For better management of customers' experience, the division launched the Patient X'perience online feedback consolidation system with plans for future enhancements in the pipeline.

These improvements contributed to the division's multiple wins at the Global Health Asia Pacific Awards 2021, taking home the Stand-Out Jury Award for Best Hospital of the Year, Best Bariatric Service Provider of the Year, Best Digestive Health Service Provider of the Year, and Best Nuclear Medicine Service Provider of the Year recognitions.

 Please see page 15 for more information on the Healthcare division's awards & accolades.

Strategic Collaboration

Amid the ongoing pandemic, existing collaborations with internationally-renowned institutions such as University of Cambridge and Royal College of Physicians continued to be active through a series of Continuing Professional Development webinars for doctors and other healthcare professionals held in 2021, which saw an average of 300 to 400 attendees from all over the world including the UK. The division also successfully held the first Sunway Virtual Oncology and Palliative Care Symposium in October 2021, with a total of 4,575 registered participants.

Meanwhile, the partnership with Harvard Medical School for the Leadership in Medicine one-year blended learning programme has reached its 4th year in 2021. Sunway Medical Centre also became the first private hospital in Malaysia to be appointed by the Federation of the Royal College of Physicians as a Practical Assessment of Clinical Examination Skills ("PACES") examination centre for trainee doctors, as part of their MRCP (UK) exam.

MANAGEMENT DISCUSSION AND ANALYSIS

FUTURE ORIENTATION

The healthcare industry is gradually moving towards normalcy with the lifting of travel restrictions in Malaysia and the growing list of countries reopening their international borders. Coupled with the high vaccination rates achieved, the division anticipates an increase in patients for non-critical treatments and medical tourists, which will boost its facilities' beds occupancy rates. The trend of telemedicine and remote diagnosis in line with the digitalisation of medical health and Internet of Things ("IoT") adoption will remain a mainstay in the near term post pandemic era, with COVID-19 related treatments and services expected to remain a recurring revenue contributor for the division as the administration of booster shots and pre-travel screening and testing become a requirement of the stricter travel policies adopted by many countries.

Priorities for the division in 2022 will continue to focus on driving revenue growth and operational excellence through enhancements in clinical services and customer experience supported by a strong talent and digitalisation focus. Digitalisation initiatives and enhancements with new multi-facilities and service-capable solutions and the addition of remote health monitoring services will go a long way in strengthening of the Sunway brand and operational efficiency.

With the hub and spoke model at the core, efforts to reinforce the model will see new businesses, products and services from hospitals and non-hospitals emerging within the division in order to capture the larger and under-served community in all parts of Malaysia. The division will also increase its focus on marketing Sunway Medical Centre's tertiary and quaternary services to other states in Malaysia while construction of the new hospitals in Seberang Jaya, Kota Damansara, and Ipoh are underway. The division will continue to look out for strategic merger and acquisition opportunities as well as future expansion of its Traditional & Complementary Medicine ("TCM") centres, ambulatory care centres and home healthcare services nationwide.

A new senior living residence will also be unveiled in later part of FY 2022. Sunway Sanctuary is a senior living complex located right next to Sunway Medical Centre in Sunway City Kuala Lumpur. Anchoring on retirees' and semi retirees' fundamental needs, Sunway Sanctuary will take care of the different facets of senior living be it independent or assisted living, through the provision of world-class hospitality services, social interaction through recreational activities as well as healthcare support.

With these strategic priorities in place coupled with the positive industry outlook, the division looks forward to continue to contribute another year of strong performance to the Group. Synergy will remain a priority with cross referrals within the Healthcare division's complementary services leveraged to drive customer growth while fostering further collaboration with the Group's Hospitality, Leisure and Retail businesses and Sunway Education Group to develop and cross-market medical tourism packages.

MANAGEMENT DISCUSSION AND ANALYSIS



OPERATING ENVIRONMENT

Since the onset of the pandemic in 2020, the construction industry's activities were impacted by the multiple rounds of movement control orders to contain the disease's spread, bringing construction activities to a standstill at times. Prospects of a recovery in 2021 was dashed early on with infection levels continuing to rise. The resurgence of COVID-19 cases resulted in more movement control orders and subsequently a full lockdown to be implemented in 2021. This has affected the progress of some of the construction projects which impacted the revenue and profitability for Sunway Construction Group Berhad ("SunCon").

It was fortunate that the lockdown in FY 2021 was less severe compared to FY 2020 for the construction industry as approval for construction activities was given on a project-to-project basis, depending on the

percentage of fully vaccinated workers, under Phase 1 of the NRP which allowed certain construction activities to resume. The successful rollout of the national vaccination campaign in helping to flatten the infection curve provided a glimmer of hope towards the last quarter of the year where the resumption of construction activities at full capacity was allowed in Phase 4 of the NRP.

Aside from the disruption of construction activities, other challenges faced by the construction industry included a delay in the rollout of large-public infrastructure projects, disruptions in the supply chain, escalating prices of construction materials, shortage of skilled workers due to border closures, and adherence to stringent COVID-19 SOPs to prevent outbreak at construction sites. Scarcity of projects in the local construction sector also intensified competition in the market.

MANAGEMENT DISCUSSION AND ANALYSIS

STRATEGIC RESPONSE

Despite the operational shutdowns, disruptions and restrictions during the year, SunCon remains focused to continue to deliver value with concerted efforts on operational excellence and driving cost efficiencies through a refinement of its Business Continuity Plan.

The pandemic has taught the division to be agile and to adapt to the evolving situation quickly, accelerating SunCon's digitalisation and cost management initiatives.


A Project Management Dashboard was implemented to enable SunCon's teams to collaborate more effectively during the pandemic, while exploring further use of automation as well as application of the Virtual Design and Construction ("VDC") and Building Information Modelling ("BIM") in projects.

Changes were also implemented in the work processes to optimise the productivity of the division during the restriction periods with less workers on site. Upon the lifting of the movement restrictions, SunCon forged ahead in project execution to deliver progress on its RM4.8 billion in outstanding orders.

While ensuring smooth construction projects execution to meet delivery timelines, SunCon continued to replenish its construction order book, taking on more domestic private and public projects, including in-house projects, while venturing overseas to explore potential joint venture ("JV") partnerships in the ASEAN region and India. Beyond traditional construction projects, SunCon is also actively exploring opportunities in the Renewable Energy ("RE") sector in line with the Sunway Group's sustainability commitments.

The safety and well-being of SunCon's employees remained a key priority amidst the pandemic. Extensive protocols were put in place to safeguard all employees, including precautionary mass testing carried out periodically in an effort to help flatten the national infection curve. SunCon has also ensured that its Centralised Labour Quarters ("CLQs") are in compliance to Act 446, Workers' Minimum Standards of Housing and Amenities Act 1990, with all three of its CLQs receiving the Certificate for Accommodation by Jabatan Tenaga Kerja.

With the exception of those with health conditions, almost 100% of SunCon's employees and business partners have been fully vaccinated.

 Please see page 52 for more information on the Construction division's Strategic Snapshot.



MANAGEMENT DISCUSSION AND ANALYSIS

HIGHLIGHTS AND ACHIEVEMENTS

Orderbook Highlights

Despite the challenges, SunCon managed to deliver a resilient performance during the year with timely project deliveries and maintained a strong outstanding order book of RM4.8 billion including RM1.5 billion in new contracts secured in FY 2021.

The Petronas New Leadership Centre ("PNLC") project in Bangi which kicked off in August 2019 has been completed in December 2021, while work on TNB HQ Campus Phase 2 project in Bangsar and LRT 3 Package GS07&08 project in the Klang Valley are progressing well with the resumption of the construction activities, targeted for completion in the second quarter of 2022.

For its international projects, works have commenced in the construction of the two highway projects in Tamil Nadu, India, following financial close in May 2021. SunCon has obtained the start work order for the Meensurutti-Chidambaram project on 8 August 2021 and the Thorapalli Agraharam-Jittandahalli project on 7 December 2021.

Integrated Construction and Prefabrication Hub

Construction of the Integrated Construction and Prefabrication Hub ("ICPH"), SunCon's automated precast plant in Singapore, is progressing on schedule and expected to be completed in the second half of FY 2022. Production at the ICPH is anticipated to commence by the end of 2022 and efforts are underway to build up the orderbook for the new plant's capacity utilisation, with a total of RM298 million worth of pre-cast contracts secured as at end of FY 2021.

With the commencement of operations at the ICPH plant, the division looks forward to strengthening its presence in Singapore, supported by its strong track record in securing government and private projects in the island nation.

Digital Transformation

During the year, the division implemented a Project Management Dashboard which enables visualisation of the 3D BIM models remotely without the need for the proprietary BIM software, providing 360 degrees as-built-on-site photos which are able to be viewed by the project teams virtually and for drawings to be updated without the need to be on-site physically. This innovation allowed the project team to collaborate more effectively, while the BIM capabilities have now been expanded from 4D to 6D with the additions of scheduling, cost and facility management information features towards enabling better cost control and project delivery.

With these advancements, the PNLC project was successfully completed with implementation of full BIM standards including facility management parameters. The project is certified to British Standards Institution ("BSI") Level 2 project, demonstrating SunCon's capability to deliver to international BIM standards.

Aside from construction process improvements, SunCon has also developed several Robotics Process Automations ("RPA") to improve its day-to-day operations. One of RPA is the automated matching for Purchase Orders and Delivery Orders to help with the payment processing, as well as the electronics Transfer Form where record keeping can be improved with lesser reliance on physical paper.

Renewable Energy Venture

SunCon has made significant progress on the Renewable Energy ("RE") front in 2021 securing two Letters of Intent totalling RM385 million for two packages of the Large-Scale Solar 4 projects for the design, engineering, procurement, construction, testing and commissioning of solar photovoltaic ("PV") energy generating facilities. This marks SunCon's maiden in-roads into large-scale solar projects in addition to the multiple solar rooftop projects that were secured during the year, with total capacity of 986 kWp under implementation.


Sustainability Highlights

A Board Sustainability Committee has been established at SunCon to further strengthen its ESG governance and advance the division's sustainability agenda in line with Sunway Group's aspirations. SunCon has made further refinements of its Future Value Goals and has committed to net zero emissions by 2050.

As a socially responsible company, SunCon continued to support its communities with initiatives targeted to relieve the impact of the pandemic and floods on the most vulnerable segments of society. This included the Food for Thought Campaign, held in partnership with Kechara Soup Kitchen to donate meals to homeless and marginalised families in Malaysia, and the Food Aid Campaign, which contributed essential food items to more than 1,800 individuals and families surrounding SunCon's project sites in collaboration with its business partners. SunCon also supported Sunway Group's flood relief efforts in Selangor and Perak, and sponsored a home makeover for an underprivileged family in Kampung Sungai Penchala, Kuala Lumpur in a CSR initiative led by Sunway Putra Mall.

Awards and Achievements

As a testament to the division's stellar performances and achievements, SunCon continued to be honoured at the national and regional award circuits, receiving the The Edge Billion Ringgit Club Awards 2021 for the Highest Return on Equity ("ROE") Over Three Years for Construction Sector and the Industry Excellence Award at MSWG-ASEAN Corporate Governance Award 2020. SunCon also bagged a Gold for OSH Management in Construction for the TNB HQ Campus Project at the 16th MOSHPA OSH Excellence National Award 2020.

 Please see page 15 for more information on the Construction division's awards & accolades.

The year 2021 also marks SunCon's 40-year anniversary. Through a strategy built on its core values of Integrity, Humility and Excellence and the maintenance of a strong track record of performance, SunCon has grown progressively over the years into Malaysia's largest pure play construction company. Drawing on its rich heritage and combination of local knowledge and international experience, SunCon will continue to offer value added solutions to its clients, with an unwavering commitment to safety, quality and social responsibility to ensure sustainable value creation for all its stakeholders.



Solar panels installation at F&N Dairies Manufacturing plant at Pulau Indah, Klang

MANAGEMENT DISCUSSION AND ANALYSIS

FUTURE ORIENTATION

Going into 2022, the persistence of the COVID-19 pandemic brings the possibility of new waves of infection which may hamper SunCon's operations. Challenges such as the lack of skilled foreign workers, shortage of VDC/BIM talents and the escalating cost of construction materials will continue to affect the division alongside the slow rollout of large-scale public and private infrastructure projects in Malaysia.

Nevertheless, the construction industry is expected to be on a recovery trajectory in view of the reopening of all economic sectors as the nation transitions towards endemic management of the infectious disease.

SunCon is cognisant of the external environment risks and potential opportunities which may arise in the recovery in the economy and therefore remains cautiously optimistic of the short-term outlook of the division. The division is staying agile to adapt quickly to any changes in the operating environment while being well positioned to capitalise on the post pandemic recovery opportunities.

Domestically, SunCon will continue to focus on in-house projects of the Sunway Group, which boasts a landbank of 3,334 acres with a GDV of over RM59 billion as at FY 2021. The planned developments play right into the division's strength of constructing hotels, medical centres, residential and mixed commercial developments, and will help drive growth across the SunCon Group.

The division is also working diligently to expand its sustainable energy business. The outlook for the RE industry in Malaysia remains positive, with both the public and private sectors devoting increasing resources towards ESG matters. For example, government initiatives such as residential net energy metering and green technology incentives will help boost the growth of the solar PV industry further.

Beyond RE, SunCon looks forward to the development of its maiden District Cooling System ("DCS") in Parcel CP2 at Sunway South Quay which was developed in partnership with ENGIE South East Asia.

With SunCon's strong balance sheet, the division welcomes opportunities in Public Private Partnership ("PPP") projects locally and abroad, such as the MRT3 project in Malaysia and other opportunities in ASEAN and India where infrastructure development is on the rise.

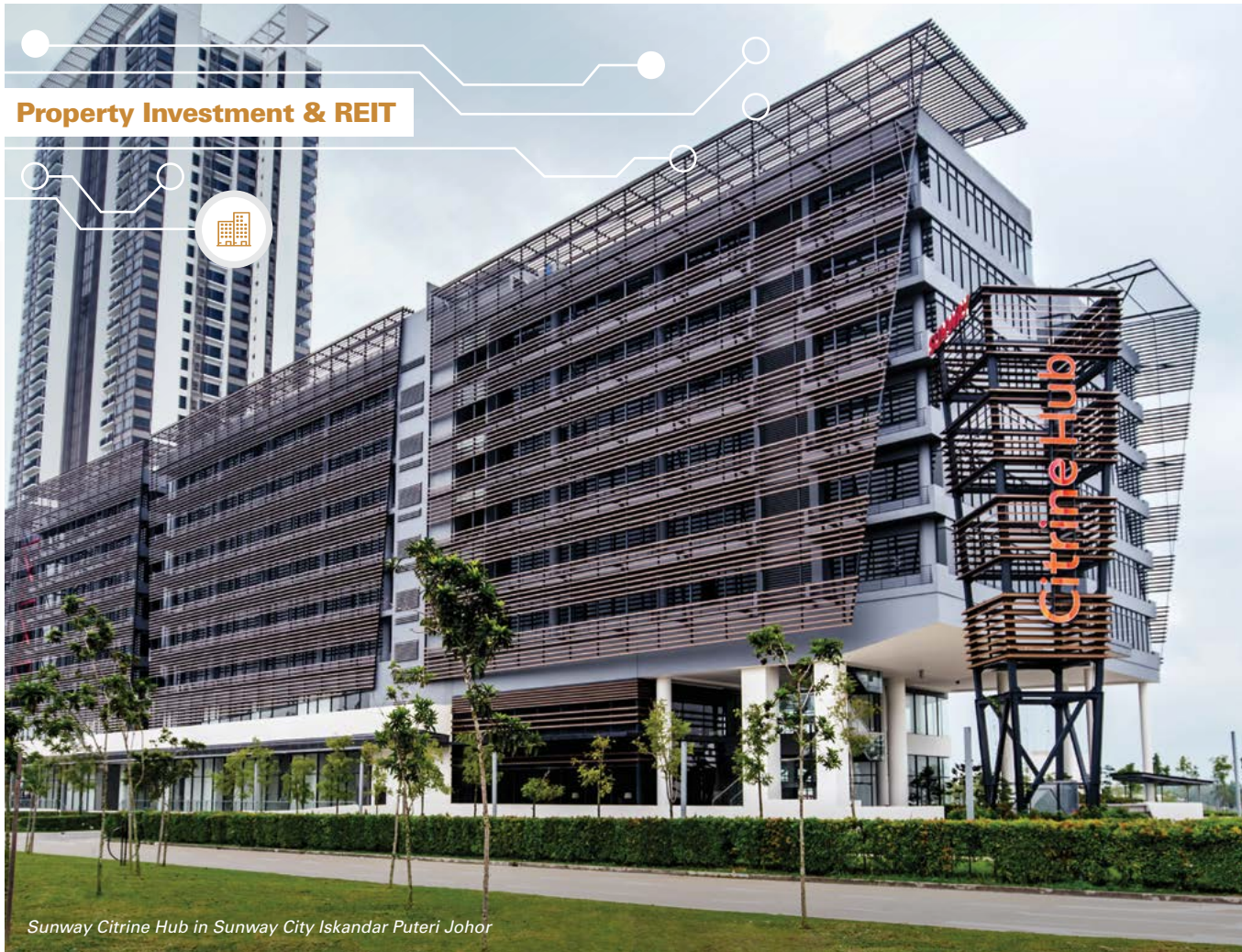
At the same time, the division remains focused on driving digitalisation and automation of its construction processes to enhance efficiency, productivity and sustainability, building on its leadership position as Malaysia's largest pure play construction company to deliver sustainable returns to its shareholders.

With RM8.1 billion worth of tenders in the pipeline and an outstanding orderbook value of RM4.8 billion to last till 2023, the long term fundamentals of SunCon continues to be strong, and the division anticipates to benefit from the long term market trend of urbanisation and infrastructure growth through sustainable construction.

Detailed discussion of SunCon's business model, performance, strategies, risk and outlook can be found in Sunway Construction Group Berhad's Annual Report 2021.

MANAGEMENT DISCUSSION AND ANALYSIS

Property Investment & REIT



OPERATING ENVIRONMENT

The retail and commercial segments under the Property Investment and REIT division were adversely impacted by the various extended phases of lockdowns during the year under review, which registered significantly more lockdown days than the preceding year. Continued restrictions and international border closures weighed on retail consumer sentiment and business confidence for much of the year, exerting pressure on occupancy rate for retail and office spaces.

Additional challenges to the retail segment include intensifying competition with new malls coming into operations, changes in customers' retail behaviours in the post-pandemic norm, the persistent high number of COVID-19 cases in the Klang Valley, as well as supply chain and logistics disruptions faced by the division's retail tenants, resulting in lower retail sales for the segment.

Meanwhile, the commercial segment was confronted with an oversupply of office space in 2021, which persisted before the pandemic, putting pressure on the rental and occupancy rates at various locations. The switch to flexible and remote working arrangements in many companies have further reduced office space requirements in those organisations, while others opt to switch from a

managed office space to a more flexible open space to accommodate social distancing practices. Fortunately, buildings located in strategic integrated developments and transit-oriented developments ("TOD") continue to command stable demand over stand-alone buildings.

As Malaysia's vaccination efforts ramped up, the gradual reopening of business sectors including social and tourism-related activities in the last quarter of the year under the NRP have helped to drive the recovery of footfall in Sunway's malls to 100% normality, as benchmarked against the pre-pandemic Q4 2019. This helped to mitigate the impact of the pandemic that was prevalent for most part of FY 2021.

Nevertheless, Sunway's Property Investment and REIT division remained resilient in 2021, supported by strong balance sheets and access to credit and liquidity to take advantage of the post-pandemic recovery. The Government's economic stimulus measures such as wage subsidies and tax relief for affected businesses, and making more disposable income available for the rakyat, continue to help stimulate the retail market and relieve pressure on the overall sector.

STRATEGIC RESPONSE

Against continued headwinds in the Property Investment & REIT division's operating environment, cost containment was a central focus for the division to reduce the impacts on the division's bottom line. When the lockdown was in place, the Group took the opportunity to reduce the consumption of electricity at the retail malls and commercial buildings by setting temporary closures of under-utilised carparks and regulating the temperature of the air conditioners. The retail segments also explored the possibility of installing solar panels on its properties in its move towards renewable energy and cost savings.

Efforts to rejuvenate the retail malls' tenancy mix and reinvent existing office spaces continued to be prioritised in tandem with the evolving business landscape and changing market trends. Technology was also greatly leveraged to deliver new services and retail experience to both customers and tenants through the continued enhancement of the Sunway PALS loyalty programme.

In FY 2021, the division continued to capitalise on the Group's synergy to help offset the market's impact, working with other divisions to generate activities and cross-sell packages that can increase footfalls to Sunway's malls. This was supported by efforts to instil greater customers' and tenants' confidence in the Sunway brand name, such as the extension of rental rebates and marketing assistance to affected tenants on a case-to-case basis to support their business sustainability. Through RHB and CGC, the retail segment initiated "Sunway Malls SME Retailers Relief Financing Programme" to facilitate up to RM200 million in working capital to assist retail tenants in easing their financial burdens. This continues the trend of strong support for the division's tenants that began since the pandemic's onset in early 2020, as the first mall group in the country to announce a 14-day rent-waiver in March 2020, followed by further rent rebates and marketing campaigns throughout the year to ensure business sustainability of its tenants.

Stringent infection prevention measures introduced in 2020 remained in place to ensure the health and safety of the retail and commercial tenants, customers and visitors, while stepping up marketing efforts to emphasise these measures to show solidarity with the Malaysian people, allay safety concerns and drive the return of customers to the retail malls. Personalised badges indicating 'I'm Vaccinated' were distributed to 12,000 strong working population consisting of Sunway's malls' management staff, outlet staff, security personnel and cleaners, serving to reinforce confidence among returning shoppers. A significant milestone in the year was the launch of Sunway eMall in October 2021, marking the Group's 8th mall to support e-commerce adoption among the division's retail tenants.

In the Commercial segment, the division faced challenges in providing site inspection for potential tenants and property agents due to the pandemic. Virtual Site Inspection and Digital Marketing Brochure was implemented to provide an alternative mode of viewing the properties safely during the pandemic, with property agents interacting regularly with potential tenants using digital communication platforms to keep them updated.

Through it all, human capital development continued to be emphasised in the division to counter attrition risk due to the opening of new malls in the country and to ensure an adequate talent pool to support the Group's continued plans to expand its retail portfolio.

As COVID-19 remains the main factor affecting the division's performance, the Group was keen to help the nation move past this threat. Sunway was the first private conglomerate to support the national COVID-19 Immunisation Programme. In March 2021, the Group committed its 150,000 sq. ft. Sunway Pyramid Convention Centre rent-free as the first private large-scale vaccination centre ("PPV") for the Petaling district in collaboration with the Selangor COVID-19 Immunisation Task Force ("CITF"). Since the PPV was in operations from 10 March until 22 August 2021, more than 300,000 people have been vaccinated at the venue.

 Please see page 53 for more information on the Property Investment & REIT division's Strategic Snapshot.



MANAGEMENT DISCUSSION AND ANALYSIS

HIGHLIGHTS AND ACHIEVEMENTS

Retail Segment

At a time when retailers were reeling from the pandemic, the division's retail segment performed commendably and successfully maintained an average occupancy rate of 92% in 2021 for its retail malls.

Proactive measures to improve the retail properties under the division's management saw the opening of a new retail precinct, The Link, connecting Sunway Pyramid Mall to Sunway Resort in December 2021, with addition of new eateries along the Link to enhance customer experience for both establishments. Sunway Velocity Mall, on the other hand, created a dedicated precinct for al-fresco dining at Nanjing Street to revitalise its tenancy mix, while Sunway Putra Mall revamped and refurbished the mall's interior to be more vibrant and engaging, with the addition of edutainment and reading corners into the spaces and have upgraded the escalators and facilities to provide better shopping experience at the mall.

The division's asset enhancement initiatives proved fruitful, with big brand names such as Adidas opening its largest South East Asia brand centre in Sunway Pyramid Mall and Sports Direct establishing its flagship store in Sunway Resort Annexe in 2021. These major brands' tenancy commitment reinforced retailers' confidence in the Sunway brand, which helped the division attract another 160 new stores in 2021 to bring the cumulative number of new stores to 360 since the onset of the pandemic.


The malls recorded improvement in footfall for the year compared to 2020, especially since the easing of restrictions in Phase 4 of the NRP. Sales and footfall had recovered to 100% normality in the fourth quarter of 2021 compared to just 70% in the same quarter in 2020, as benchmarked against pre-pandemic Q4 2019, which was its historical high quarter. A strong pent-up demand, festive seasonality, and higher percentage of fully vaccinated population were among the key drivers in aiding the recovery, supported by the division's confidence-building initiatives for shoppers with elevated safety and hygiene standards and marketing campaigns.

In continuation of the Autisme Project, Sunway Putra Mall held community engagement activities in April 2021 to create awareness on autistic individuals' needs. The event also displayed art pieces from Art School in the mall for exhibition and sale, and continuing support for the Kloth Cares fabric recycling programme. SENI, a special needs learning centre, also helped to strengthen the community's affinity for Sunway's malls and drive footfall.

Innovations such as the successful launch of the Sunway eMall e-commerce platform which provides a seamless Online-to-Offline ("O2O") retail experience, and the introduction of

the first Internet of Toilet (IoT) system in Malaysia at Sunway Pyramid Mall in 2021, speaks to the division's commitment to continually create a better retail experience for shoppers. The digitally enhanced smart washroom uses sensors to provide the management team a bird's eye view of the washroom performance, water consumption or other valuable data that will help reduce downtime, lower cost and even reduce water consumption for a more sustainable output.

Sunway's malls continued to garner top awards and accolades. Sunway Pyramid Mall won the EdgeProp Malaysia's Best Managed Property Award in retail category 10 years and above, whilst Sunway Velocity Mall won in retail category below 10 years. In addition, its efforts in smart innovations did not go unnoticed, as Sunway's malls were awarded the CXP Best Customer Experience Awards 2021 and Sunway Pyramid Mall bagged 1st runner up at the Selangor Innovation Award 2021 for its Sunway Smart Parking system introduced in 2020.

 Please see page 15 for more information on the Property Investment & REIT division's awards & accolades.

Commercial Segment

The strategic efforts to strengthen tenants' confidence continued to pay off in 2021, with the division's commercial portfolio successfully maintaining occupancy rate of almost 100% at The Pinnacle Sunway and Menara Sunway.

The implementation of virtual site inspection and utilisation of creative digital marketing videos and social media channels to offer virtual guided tours appealed to potential tenants, and allowed the division's sales agents to interact with existing tenants to obtain feedback for improvement.



The Link, Sunway Pyramid Mall opened in December 2021

FUTURE ORIENTATION

Retail Segment

Although business improvement was seen in the fourth quarter of 2021, the emergence of a new variant of COVID-19 virus in early of 2022 have seen infection rates skyrocketed in recent months. Due to that, footfalls to retail malls have tapered down slightly, but it is expected to be less severe than 2021 as consumer sentiment is gradually recovering, supported by the successful vaccination campaign and a stable employment outlook.

The roll-out of the mass vaccination to adults and adolescents in 2021 had progressed smoothly, achieving high vaccination rates of over 90% for both. The commencement of vaccination among children ages 5 to 11 in 2022 have provided much relief to parents. Hence, with the added protection and the continued application of pandemic SOPs and best practices, the retail segment looks forward to a pick-up in economic activities in the second half of 2022 as the economy enters into the endemic phase beginning 1 April 2022.

E-commerce penetration in Malaysia is expected to continue to grow at an accelerated pace, fuelled by consumer behavioural change post-pandemic and will remain a mainstay of the future. With the continued growth in online penetration rate, it is crucial for the retail segment to continue to offer a unique O2O retail experience, and Sunway will continue to adopt this omnichannel strategy to achieve sales in both realms.

The ongoing expansion of Sunway Carnival Mall in Seberang Jaya, Penang, is expected to be completed in the second quarter of 2022, which will increase the mall's net lettable area to 840,000 sqft.

Digital channel enhancements for the retail malls that are in progress in 2022 include the planned introduction of Virtual Shelves which involves digital screens and mirrors featuring personalised products that customers can order from one location and collect at the shops.

Other notable trends include the increasing awareness on the importance of building ventilation, leading to preference for open-air and less congested retail spaces. It is anticipated that consumers will desire for more social interactions in the post-pandemic era.

The shifts in trend have been incorporated into the division's business and expansion strategies, while sustainability continues to be driven in the business operations. Plans are underway to incorporate more sustainable energy initiatives to enhance energy efficiency and better water management in the malls and landscaping around the malls and office spaces.

Additional information on REIT-related performance and outlook are discussed in detail in Sunway Real Estate Investment Trust's Integrated Annual Report 2021.

MANAGEMENT DISCUSSION AND ANALYSIS

Commercial Segment

With the resurgence of COVID-19 infection rates in the beginning of 2022, employers are again encouraged to facilitate Work-From-Home ("WFH") arrangements for their employees. Business continuity measures such as WFH, split-team arrangement and de-densification requirements, is likely to stay on post-pandemic to be the new normal, which may lead to softer demand for office spaces compounding the oversupply.

Competing in this new normal will require a strong understanding of the changing trends and preferences of businesses and working individuals. The Commercial segment has adapted its growth strategy along the changing dynamics of future office spaces. Co-working and flexible working spaces have gained preference, especially for office occupiers looking to relocate or expand in the near term before committing to a longer-term office tenancy. The need for physical distancing measures may yet lead to a reversal of open-plan office trends, and future office plans of the division will take that into consideration.

The Commercial segment is proud to unveil Corporate Suite@19, a new 30,000 sqft open-plan Grade A office space built on the top level of Sunway Resort at Sunway City Kuala Lumpur. Scheduled to open in the first quarter of 2022, the office space features green spaces certified with a "Green RE" rating, ample natural light and breathtaking views of the city. The conversion of Sunway Resort Rooftop to Malaysia's first 'penthouse' workspace aims to create an inspiring and conducive environment for entrepreneurs and business leaders to rejuvenate office space concepts to stay at the forefront of evolving market requirements.

Office space within integrated developments and transit-oriented developments are expected to remain resilient, which bodes well for Sunway's commercial properties.

The division is confident that physical offices will continue to be relevant as a space for corporate branding, personal growth and a sense of belonging, as well as for physical and mental health, and aims to continue rejuvenating office spaces to meet the market's evolving needs.



Artist's impression of Corporate Suite@19

MANAGEMENT DISCUSSION AND ANALYSIS



OPERATING ENVIRONMENT

The pandemic's profound impact to consumer behaviour and economic stability continued to plague the Leisure sector in FY 2021, with fluctuating infection numbers leading to recurrent disruption of leisure operating activities. This has caused delays to the opening of the Sunway Lagoon Night Park and postponements of paid events and concerts. Overall, the division's theme parks counted lesser operating days in FY 2021 compared to FY 2020. Uncertainty over the ease of restrictions persisting for most part of the year until the country entered into Phase 4 of the NRP in the last quarter of 2021, where theme parks were allowed to reopen at 50% capacity to fully vaccinated visitors. Sunway Lagoon reopened on 7 October 2021, while the Sunway Lost World of Tambun resumed operations on 18 October 2021.

Consumer appetite remain dampened by health and safety concerns as well as reduced disposable income due to the prolonged economic hardship, affecting the division's visitorship numbers. Visitorship was also affected by the continued closure of international borders, particularly for Sunway Lagoon, which used to derive over 50% of its visitorships from foreign tourists, compared with the Sunway Lost World of Tambun which caters for mostly domestic tourists.

Aside from that, manpower has become a growing issue for the division, with theme park closures and industry uncertainties driving talent attrition. Coupled with the increasing competition from new theme park entrants and emergence of new entertainment sectors competing for similar competencies, the growing challenge of talent attraction, retention and training has put further pressure on the division's operational efficiency.

STRATEGIC RESPONSE

With restrictions and forced closures imposed for much of the operating year, the division continued to use the downtime to enhance and improve on its park facilities and attractions, with the aim to provide a refreshed theme park experience for visitors when the parks were allowed to reopen.

Enhanced "State of Play" pandemic prevention measures such as heightened SOP practices, improved automatic chlorination system, disinfection of high-touchpoint surfaces every two hours and physical distancing measures, continued to be implemented to ensure smooth resumption of operations when restrictions were lifted. It serves to provide peace of mind for visitors and instil customers' confidence to resume public leisure activities. The expiry dates for tickets and annual passes were also extended as an added assurance to elevate customers' confidence against the volatility of pandemic restrictions.

Cost and operational optimisation initiatives were also implemented, such as incorporating the use of robotics for automation and digitalisation of operational processes. Through the analysis of data extracted using business intelligence tools, the division was able to reengineer processes for better efficiency. The division also increased the use of digital marketing channels to expand its market reach, especially in the relatively untapped East Malaysia market.

MANAGEMENT DISCUSSION AND ANALYSIS

FUTURE ORIENTATION

Due to the continued restrictions on international travels, both Sunway Lagoon and Sunway Lost World of Tambun have shifted their marketing focus on the domestic tourism scene, taking advantage of the relaxation of interstate travels to drive local demand for staycations. The Leisure division also leveraged on Sunway's integrated development ecosystem in formulating synergistic promotional packages with other divisions that appeal to the domestic market, and established tie-ups with major domestic corporate partners.

One such synergistic promotional packages is the collaboration between Sunway Lagoon, Sunway Pyramid Mall and Sunway Pyramid Hotel and Sunway Clio Hotel for staycation packages which offers the visitors hotel stays and retail shopping or food and beverage vouchers together with admissions into the theme park.

Beyond parks and rides, the division continued to explore ways to diversify its revenue stream through the development of theme park merchandises, while continuing to develop its human capital to fill critical roles and leadership positions in the future.

 Please see page 54 for more information on the Leisure division's Strategic Snapshot.

Given the recovery trajectory of the nation's economic activities and the promising performance of the last quarter of FY 2021, prospects for the Leisure division remains bright. With the successful rollout of the vaccination programme that has been extended as well to children aged 5 to 11 years old, which makes up a core target market of the division, the division is hopeful that the high vaccination rate and the planned easing of international borders in 2022, beginning with neighbouring countries such as Singapore and Thailand, will improve the performance of the Leisure division going forward.

The division's theme parks continue to command a dominant position in the local market, and has planned several upcoming initiatives to take full advantage of the pent-up demand to provide an unforgettable experience for its guests to further cement the Group's foothold in this market, and to attract more visitors from East Malaysia. Towards that end, in February 2022, the Leisure division has launched its STP Studios and Mega Roadshow to generate sales to the theme parks.

The high standards of health and safety practices will continue to be maintained at the theme parks, while efforts to shore up the division's human capital resources will proceed alongside a more progressive digital transformation of the business to support the division's growth in 2022 and beyond.

HIGHLIGHTS AND ACHIEVEMENTS

Despite lesser operating days in 2021, park visitorship numbers for the year was on par with 2020 at 0.6 million, boosted by the resumption of leisure activities in the last quarter of the year which was made possible by the successful roll-out of the nationwide vaccination campaign.

Financial results in the final quarter of FY 2021 for the division showed a marked improvement over preceding quarters, offering a glimmer of hope for the post pandemic recovery of the sector.

The various inter-division collaborations and tie-ups with major domestic partners were key in driving demand amid this challenging operating environment. The division saw encouraging take up from the 'Jom Jalan-Jalan' campaign with Tourism Malaysia and Petron, sale of theme park packages at the Maybank Treats Fair, and the collaboration with Sunway Medical Centre to offer attractive medical tourism packages. The division also collaborated with Malaysia Airlines Berhad on packages and content creation for their new e-commerce platform, Journify to promote the theme parks.


Beyond efforts to drive visitorship, effective synergy with Sunway's business units were also leveraged to derive mutual benefits during the year. The division collaborated with Sunway XFarms to sell farm kits and organic vegetables in their Sunway Theme Park's shop, "STP Kedai Runcit" at Sunway Lost World of Tambun, while STP Kedai Runcit's merchandise and products are showcased in all Sunway's Property Development division show units nationwide. Furthermore, the division also worked closely with Sunway University faculties to develop innovative

food creations to showcase the theme park's merchandise and collaboration on certain projects to showcase the university students' creativity at the theme park.

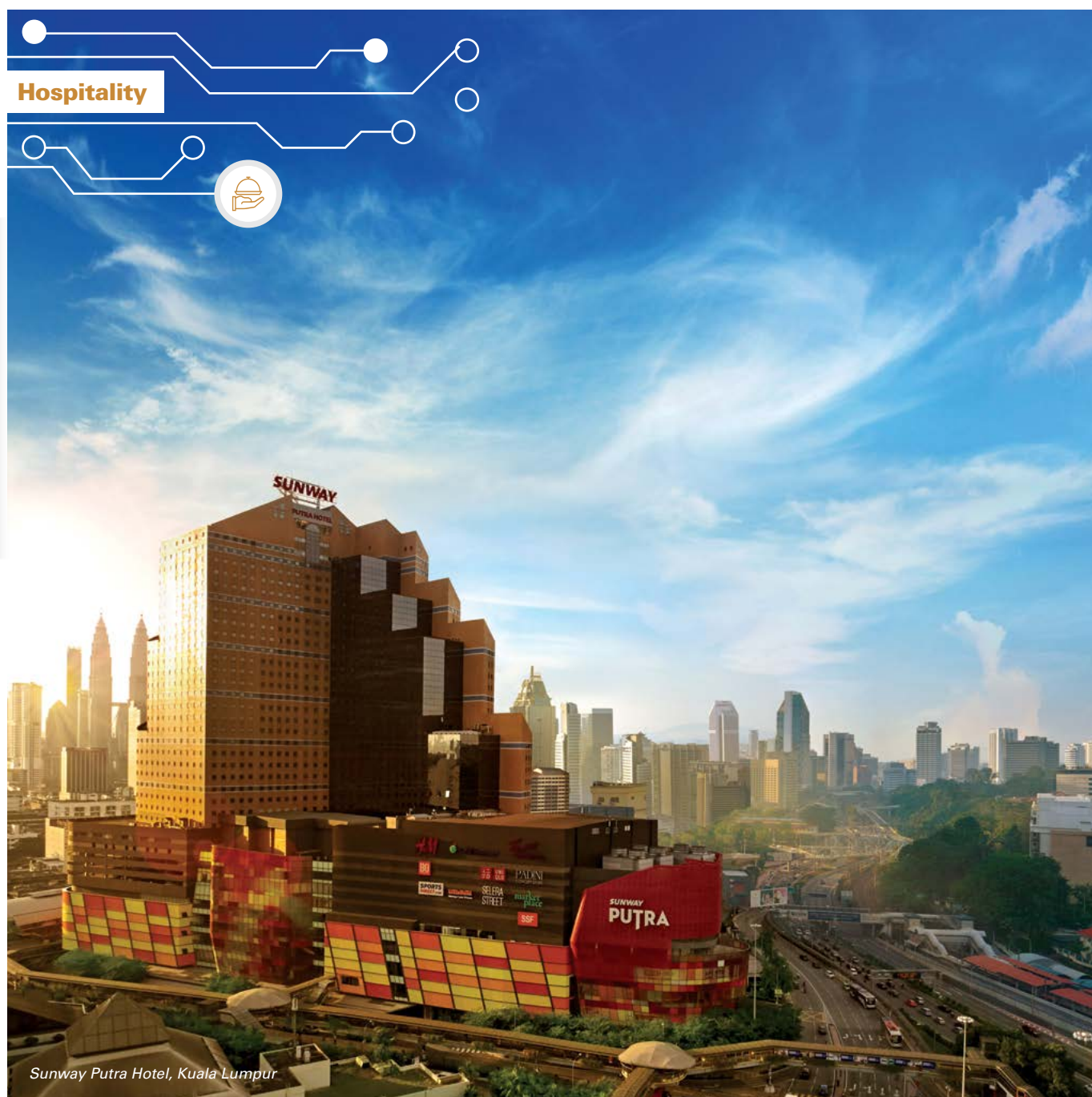
Other attractions launched include Sunway Lagoon's first ever camping experience in the theme park, called "Camp Out!". Camp Out! at Sunway Lagoon provides an extension of its Best Day Ever experience. It offers the opportunity to camp in the heart of Sunway Lagoon, topped off with BBQ dinner and access to private pools. The camping site is stationed in the middle of Sunway Lagoon theme park, allowing campers to enjoy the night under a luminous sky.

The safety and wellbeing of the parks' visitors were also enhanced with additions of rentable private cabanas at Sunway Lagoon theme park to provide privacy and social distancing measure for families and events.

During the recent unprecedented floods in the country, the division extended aid to its affected employees and provided sponsorship of clothes, towels, swimming tubes, boat, cleaning tools, cooking utensils and packed food to the affected areas. Sunway Lost World of Tambun theme park also sent their volunteers to help with the cleaning efforts. First aid treatment was also offered by the division for Taman Sri Muda residents for a week, with warm porridge dispensed to its residents during the flood and clean-up.

 Please see page 15 for more information on the Leisure division's awards & accolades.

MANAGEMENT DISCUSSION AND ANALYSIS



OPERATING ENVIRONMENT

As one of the sectors which was adversely affected by the COVID-19 pandemic, FY 2021 was another operationally challenging year for the Hospitality division with continued international borders closure, interstate travel restrictions and frequent implementation of the various stages of movement control orders forcing facilities closure and impacting event and travel planning. Due to the restrictions imposed, the division's hotels registered a sharp decline in bookings from foreign guests and domestic tourists as well as lower corporate meetings, incentives, conference and exhibitions ("MICE"), while the

weaker economy also impacted revenue from its F&B offerings with the public being more cautious in their spending. Restrictions on economic activities have also caused construction delays leading to the deferment of Sunway Resort's reopening and the loss of potential revenue.

Aside from direct revenue impacts, the hotels' leaner operational headcount implemented for cost containment also made it difficult to adjust to the change in demands during the intermittent reopening of

the economy, leading to a shortage of skilled workers during periods of high room occupancy. The continued uncertainty affecting the industry and the higher health risks faced by frontline hospitality staff also made employee retention and attraction difficult for the industry, causing spill over challenges to ensuring service quality at the hotels.

Towards the fourth quarter of 2021, with the successful achievement of high vaccination rates nationwide, all sectors of the economy were gradually allowed to resume their activities under Phase 4 of the NRP. The reopening of the economy augurs well for the hospitality industry, which saw the revival of domestic tourism and more people opting to dine-in at the hotel restaurants. Hotels have also began hosting MICE events, and received many enquiries and discussions for events in 2022 which will involve international delegates.

STRATEGIC RESPONSE

Having gone through several rounds of movement control orders since March 2020, Sunway's Hospitality division was better prepared to face the challenges in FY 2021. Its leaner operating structure focused on delivering top line business at greater cost effectiveness, offering no-frills services for guests while continuously enhancing productivity and reshaping the business plan to align with the evolving pandemic scenario. The division also explored different business operating models and looked for ways to derive new revenue streams by addressing pandemic needs.

Sunway Clio Hotel was designated as a quarantine hotel from May 2021, offering standard and premium quarantine packages for travel returnees and foreign workers as an alternate revenue source. The continuing uncertainties of pandemic restrictions was also capitalised by offering Essential Long Stay and Work From Hotel packages at Sunway Pyramid Hotel, with flexibility offered to permit unlimited changes to room bookings as part of its customer retention strategy.

Collaborations with the Group's Leisure, Retail and Healthcare businesses as well as other local partners generated more online tactical promotional packages targeting local markets, capitalising on the RM1,000 tax relief stimulus with flexible booking terms and leisure attraction pairing to encourage higher take-up. These included the "Eat.Play.Stay" package at Sunway Pyramid Hotel launched in partnership with Sunway PALS and Sunway Pyramid Mall, and the "Playful Staycation" and "Wildest Staycation" packages collaboration with Sunway Lagoon Theme Park to drive traction into Sunway City Kuala Lumpur. Additionally, the "Takes 2 To Play" and "Splashing Break" packages at Sunway Pyramid Hotel and Sunway Clio Hotel were offered in collaboration with Malaysia Airlines on their new "Journify" e-commerce platform.

These campaigns were supported by an increase in digital branding and marketing activities to optimise distribution reach and maximise direct bookings, and collaborations with various partners such as

MANAGEMENT DISCUSSION AND ANALYSIS

Malaysian Association of Hotels, Malaysia Tourism Board, online shopping platforms, travel agents and business councils, as well as participation in travel fairs, expos and roadshows to promote its offerings.

Efforts to drive revenue growth were complemented with efficient cost management initiatives, such as minimising the operations of non-essential hotel facilities to lower utilities cost and sharing of support staff between hotel departments, kitchen operations, banquet events and housekeeping duties to overcome staff shortage.

Through it all, the safety of staff and guests remained a priority for the Hospitality division, which implemented strict SOPs in line with the enhanced #SunwayStaySafe protocols while ensuring all its employees are fully vaccinated before being allowed back to work. Frontline staff are provided with the necessary personal protective equipment ("PPE") to protect both guests and employees, while a work-from-home rotation schedule was also implemented for administrative and managerial staff. The division also engaged a licensed hazardous waste handler certified by Ministry of Health Malaysia for the management of waste from guests undergoing quarantine at Sunway Clio Hotel to prevent contamination.

Please see page 55 for more information on the Hospitality division's Strategic Snapshot.



MANAGEMENT DISCUSSION AND ANALYSIS

HIGHLIGHTS AND ACHIEVEMENTS

Sunway Resort, Sunway Pyramid Hotel and Sunway Clio Hotel, Sunway City Kuala Lumpur

With restrictions on interstate travel and domestic tourism activities in place for much of the year, Sunway Pyramid Hotel was only accepting essential stay bookings until the sector wide reopening in October 2021. Hence, the full year occupancy rate fell below 30% in FY 2021.

Construction delays due to the various stages of the movement control orders have caused the delay in the reopening of Sunway Resort in FY 2021, leading to a loss of potential revenue from room occupancy and F&B sales.


Against this challenging operating scenario, the division leveraged on the strength of Sunway City Kuala Lumpur as a destination experience to launch staycation packages in collaboration with various internal and external brands throughout FY 2021.

Sunway Clio Hotel's designation as a quarantine centre leveraged on the strength of the Group's healthcare division to offer a differentiated service for the quarantined guests. Its Premium Quarantine package, which is inclusive of a COVID-19 test conducted at the hotel by a certified team from Sunway Medical Centre, was able to drive higher occupancy for the division.

In line with the Group's digitalisation efforts, the Hospitality division has begun implementing smart hotel technology to improve service quality and enhance guests experience. Guests can now enjoy a contactless check-in process at Sunway Pyramid Hotel and Sunway Clio Hotel, while the division's internal operating management system was upgraded to Cloud accessibility with new features to improve productivity.

Aside from technological implementation, the Hospitality division continues to look for ways to enhance its product and service offering. During the year under review, Sunway Resort has entered into a ground-breaking partnership with Gordon Ramsay Restaurants to open the world-renowned, multi-Michelin starred chef's first-ever restaurant in Malaysia, Gordon Ramsay Bar & Grill, marking the start of an exciting new era of international gastronomy for the country. The division has also entered into an agreement with Yeast Boulangerie-Bistro, which opened its third outlet in Malaysia at Sunway Pyramid Hotel, offering an array of artisan Parisian cuisine including freshly-baked breads, pastries and authentic French bistro-style dishes.

With the continuous improvements made, Sunway Pyramid Hotel and Sunway Clio Hotel continues to achieve high Guest Review Index scores of 91.0% and 94.6% respectively. All three of the division's hotels at Sunway City Kuala Lumpur received the TripAdvisor Travellers' Choice 2021 awards, while scoring 8.6 and above on Booking.com to bag the site's Traveller Review Awards 2021.

 Please see page 15 for more information on the Hospitality division's awards & accolades.

Sunway Putra Hotel, Kuala Lumpur

With the pandemic restrictions remaining in place in FY 2021, the MICE segment, which has traditionally been the main revenue contributor of Sunway Putra Hotel, saw a migration of its activities to the virtual realm with digital symposiums and meetings becoming the new normal.

In light of continued challenges in the MICE segment, Sunway Putra Hotel focused its efforts on ensuring cost effectiveness and productivity to deliver its top line with a lean structure that focused on labour efficiency. This saw the convergence of teams in its establishment, setting up taskforce and support teams to work across multiple departments to assist the various departments that required additional manpower during peak periods at the hotel.

Sunway Putra Hotel has also taken this opportunity to remodel and adapt its operations to improve guest experience and facilitate better efficiency. This includes the replacement of passenger elevators to provide guests with a faster, smoother, and more comfortable ride from the hotel's ground floor entrance to its main lobby on level 9. The replacement work began in July 2021 and will be completed in June 2022.

Aside from the new lifts, the hotel is also upgrading the hotel room facilities in all its 650 guestrooms and suites with a new system that will provide seamless entertainment to guests on a new digital platform. Additionally, a dedicated channel will serve as an information portal to highlight promotions and announcements to its guests.

The hotel continues to be fare favourably among guests, receiving the Loved by Guests award in 2021 with a score of 8.4/10 – an award granted by Hotels.com to the highest-ranked properties based on reviews from guests.

Sunway Big Box Hotel

The Hospitality division unveiled Sunway Big Box Hotel, its first hotel in southern Peninsular Malaysia in October 2021. Situated in Sunway City Iskandar Puteri, Sunway's 1,800-acre integrated township in Johor, the 284-room hotel offers guests access to a plethora of amenities in the township. The hotel connects directly to Sunway Big Box Retail Park, Malaysia first hybrid retail park and within easy access to Senai International Airport and Puteri Harbour via nearby highways.

Other Hotels

Sunway Hotel Seberang Jaya successfully renewed its 4-star rating by Malaysian Association of Hotels ("MAH") in June 2021, and implemented a rooftop waterproofing project during the year.

Meanwhile, Sunway Velocity Hotel have also implemented Self Check-In Kiosks at its premises, eliminating the use of paper and reducing the generation of plastic waste from ink cartridges for guest check-in process.



Artist's impression of Sunway Resort lobby

Sustainability Initiatives

Various sustainability initiatives have been implemented at the Hospitality division's establishments. This includes the elimination of single-use bathroom plastic amenities in place of reusable dispenser, while also switching to sustainable, environmentally sensitive and natural bathroom products to reduce the contamination of harmful chemicals into waterways. These efforts are being rolled out progressively at all its business operations.

Aside from reducing plastic use, Sunway Hotel Seberang Jaya and Sunway Hotel Georgetown have installed Rainwater Harvesting System in 2021, and started collecting and utilising rainwater since August 2021.

Meanwhile, Sunway Resort, Sunway Clio Hotel and Sunway Pyramid Hotel has successfully recycled 2,450kg of used linen, converted 6,653kg of used cooking oil into biodiesel, composted 14,007kg of food waste and donated 220kg of surplus food. The hotels have also repurposed and recycled 106kg of used soap bars.

Despite the challenges faced, the Hospitality division remained active in community CSR activities throughout 2021, with Sunway Putra Hotel providing 1,750 packed lunches to 250 front-liners at the Putra World Trade Centre vaccination centre in June 2021, and contributing 1,300 packed meals to the flood victims in Selangor in December 2021 in collaboration with Malaysia Red Crescent society. The division also distributed 90 cartons of bottled water to the frontliners at roadblocks around Penang in February and May 2021, while Sunway Hotel Seberang Jaya donated soap bars to the Seberang Jaya Prison to spread awareness and enhance self-hygiene among the prison community.

MANAGEMENT DISCUSSION AND ANALYSIS

FUTURE ORIENTATION

With international borders gradually reopening, the division is expecting a gradual rebound in occupancy rates and revenue recovery towards the second half of FY 2022 on the assumptions that business activities in all sectors remained open and high vaccination rate achieved. The extension of special tax relief of RM1,000 for expenses incurred on local travels will help to incentivise domestic tourism, which will be boosted by the anticipated intensification of travel campaigns by the government, with a shift in travel behaviour to short-haul breaks and shorter itineraries expected.

The division looks forward to driving domestic traffic from the surrounding regions, while focusing on marketing initiatives in the ASEAN region, to spur international tourists arrivals. The division will continue exploring collaborations with internal and external partners on packaged offerings and hybrid events to ensure the division's hotels stay competitive in attracting guests.

As Sunway Resort completes its current transformation progressively in 2022, the division look forward to welcoming guests to a brand-new experience at Sunway City Kuala Lumpur. Besides a luxurious ambience, new features for seamless connectivity across digital platforms will be included such as contactless check-in, room service, and a mobile super application and digital transactions, minimising contact between staff and guests.

The addition of signature food & beverage outlets such as Gordon Ramsay Bar & Grill and Black Tap Craft Burgers & Shakes in Sunway Resort and Yeast Bistronomy in Sunway Pyramid Hotel, with more iconic partnerships in the pipeline, will help to strengthen Sunway City Kuala Lumpur's positioning to match other world-class integrated developments. The division anticipates that the phased re-opening of Sunway Resort in the first half of 2022 will contribute positively to the hospitality division's performance.

While digitalisation transformation continues at the division's various hotels to minimise face-to-face interactions and create a more seamless guest experiences with automated processes, its staff will continue to engage guests with warm, intuitive and efficient service. The commitment to authenticity and personalised attention at every turn to create memorable experiences has always been Sunway Hospitality division's key pillar that drives the resilience of the division going into 2022 and beyond.

MANAGEMENT DISCUSSION AND ANALYSIS

Trading and Manufacturing



Trading & Manufacturing division's latest green product, BYD Lithium Ion Battery-operated forklifts

OPERATING ENVIRONMENT

In FY 2021, the pandemic continued to present challenges for the Trading and Manufacturing division. The review of the domestic mega infrastructure projects has led to the delay in the rollout and even cancellation of some projects, which indirectly impacts the demand for trading and manufacturing products.

Global supply chain disruptions and shortage of raw materials also affected the stability of division's inventory stock, compounded by logistics challenges such as a lack of containers and shipping vessels, resulting in sharp spikes in transportation charges. These challenges led to prolonged lead times to fulfil customers' orders while increasing the cost and selling price of its inventory.

Amid the challenging economic outlook, financial institutions were cautious in loan approvals for the division's customers, and the division was similarly prudent when evaluating credit limit extensions for customers to minimise its credit risk exposure.

STRATEGIC RESPONSE

The Trading and Manufacturing division is well diversified with its global sales operations network across 7 countries. The division provides a wide range of equipment, machineries and various industrial products to service multiple economic sectors ranging from construction, marine, oil and gas, mining, agriculture and more. Although the pandemic and the various infection containment measures continued to hamper economic activities globally and locally, the division's diversification across many countries and economic sectors provided a natural hedge against the full impact of the pandemic, thus, generating a more resilient and balanced revenue stream for the Trading and Manufacturing division.

To counter the risk of stock shortage, the division works closely with its principals to ensure that the division maintains ready stocks to meet customers' orders. If the need arises, the division has allocated monetary capital to commit to advance purchases and bulk purchases in order to avoid shortage of inventory. Further, the division also produced its own in-house brands of products which allows more flexibility for the division to divert its international sourcing to manage the supply chain disruptions from different countries.

Leveraging the Group's strong technology infrastructure, the division was able to operate its business operations smoothly while working from home amid the multiple movement control orders and full lockdown. Processing of customers' orders, purchase orders and payments to suppliers were able to be conducted digitally. The division was also able to manage its overseas operations using Business Intelligence ("BI") tools, such as generation of reports, monitoring of salesperson performance and conducting virtual meetings to engage with the team and service outstation customers.

Digital application was extended into the sales process by expanding the product range available on the division's online platform to drive online sales. The Trading and Manufacturing division also sourced for more eco-friendly products in response to the growing awareness on climate change impacts to meet the demand for green products.

📄 Please see page 56 for more information on the Trading and Manufacturing division's Strategic Snapshot.

HIGHLIGHTS AND ACHIEVEMENTS

The efficiencies derived from the Business Continuity Plan process improvements have contributed positively to the division's bottom line, with FY 2021 registering better profit before tax than the pre-COVID FY 2019 results.

The strong financial performance in FY 2021 was also underpinned by several operational achievements. The division recorded the highest sales of its Case 570ST backhoe from India since taking on the agency line in 2015. Further, the online platform of Sunway Winstar's Jaya DIY Mart registered higher sales which contributed positively to the performance of the division. Jaya DIY Mart has also opened its second retail store in Petaling Jaya, further strengthening the division's industrial hardware foothold in the Klang Valley.

Efforts to increase the production capacity of the division's manufacturing facilities in China has seen the successful installation of an additional production line for pin and bush heat treatment at the Daechang plant capable of producing 900 to 1,200 chains, and the manual set-up of an additional production line for mini link assembly with a production capacity of 700 chains.

In October 2021, the Trading and Manufacturing division became the exclusive distributor for Dongfeng trucks in Malaysia upon the successful acquisition of Dongfeng Commercial Vehicles (Malaysia) Sdn Bhd. The acquisition was part of the division's new products and business diversification into the Automotive business segment which will provide the opportunity to tap into the haulage and logistics market.

The pursuit of greener products has led Sunway Material Handling Sdn Bhd ("SMH") to initiate talks with BYD China to bring in their lithium-ion range of battery forklifts to Malaysia. The first batch of 12 units of BYD Lithium Ion Battery-operated forklifts have arrived in early January 2022.

The division also successfully restructured some of its operating subsidiaries during the year which has helped to streamline the division's operations and achieved better cost management.

In its efforts to raise occupational and safety standards and practices, the division undertook several Health & Safety initiatives during the year through the formation of an OHSE Committee and the establishment of a formal OHSE Policy for the Trading and Manufacturing division. The OHSE Committee members have attended several induction and training sessions on areas such as working at height, machinery and fencing, OHS risk management, and scheduled waste management.

Meanwhile, on the social front, the division and its employees in the Klang Valley have contributed monetary donation to assist colleagues who were affected by the recent floods in a show of solidarity that strengthened camaraderie among the division's employees.

MANAGEMENT DISCUSSION AND ANALYSIS

FUTURE ORIENTATION

While the pandemic continues to be a concern for the sector given its wide-ranging impacts on economic activities, the Trading and Manufacturing division is cautiously optimistic that the market outlook and prospects for the 2022 in the mid-term will see some improvements, barring further lockdowns and geopolitical instabilities.

The high development budget allocation at the national level is expected to drive a pickup in construction activities and increase the demand for the division's products. Further, the rising Crude Palm Oil ("CPO") prices to above RM5,000 per tonne levels and uptrend in tin and iron prices augur well towards the recovery of the regional performance of the division.

The strategic priorities of the division going into 2022 will remain focused on driving efficiencies of its trading and manufacturing activities, particularly in ensuring sufficient inventory stocks and raw material supplies to meet demands. Efforts to reduce logistics and other supply chain disruptions will be driven by active engagement with its principals and suppliers. The continued utilisation of digital process management tools will also help to strengthen the quality control measures through improvements in the checking processes.

Concurrent with the internal operational enhancements, the division will continue to be on the lookout for growth opportunities through mergers and acquisitions, while expanding its agency line to increase more eco-friendly products to support the Group's sustainable development and net zero carbon emissions goals.



New Automotive business segment for the division

MANAGEMENT DISCUSSION AND ANALYSIS



OPERATING ENVIRONMENT

The resurgence of COVID-19 infections throughout FY 2021 continued to weigh on the quarry industry, with multiple movement control orders and a full lockdown period leading to a decline in demand for the division's products due to delays in the local council's road and maintenance projects. Enforcement of the restrictions also impacted the entire supply chain of the aggregates and premix production from raw material supply to logistics and delivery. The division's quarry and asphalt manufacturing operations were particularly impacted by the restrictions in plant operations during the full lockdown implemented from June till October 2021. Although a special approval of operations was obtained in mid-June 2021, the approval was only applicable for selected critical maintenance jobs.

Overall, the division's plant productivity was hampered by the higher number of lockdown days experienced in 2021, while sales was dragged by reduced demand for aggregates and premix, which is highly dependent on the economic activities of the country. The combination of these factors had put further pressure on the division's operational and financial performance, with margins impacted as well by rising raw material and fuel costs.

Aside from the forced shutdown of plant operations, the other efficiency challenges experienced in FY 2021 were less severe compared with at the initial onset of the pandemic in FY 2020 as the digital infrastructure put in place and the Business Continuity Plan activated then has enabled the quarry division's back office processes to continue operating in the new normal with minimal disruption.

STRATEGIC RESPONSE

Foremost among the priorities of the division in FY 2021 was cost containment to reduce the full lockdown's drain on its finances. A strategic decision was made to defer non-critical capital expenditure and initiatives in 2021 to ensure sufficient liquidity to weather the uncertainties brought by the pandemic.

When the economy reopened upon the lifting of restrictions during Phase 4 of the NRP in October 2021, the division focused on ensuring the manufacturing plants were operating at peak efficiency to enable the division to progressively catch up on its delivery backlogs. This was supported by the division's ongoing digitalisation efforts with the adoption of technologies and business intelligence tools to improve operational efficiency.

Meanwhile, the Quarry division continued to be on the lookout for potential merger and acquisition of quarries and asphalt plants to strengthen its market leadership position, with an eye towards diversifying its income stream and explore new markets in other regions.

 Please see page 57 for more information on the Quarry division's Strategic Snapshot.

HIGHLIGHTS AND ACHIEVEMENTS

On the product development front, a new customised premix solution has been created to supply the local councils' road resurfacing and maintenance projects from selected premix plants which provides higher durability than conventional premix.

In line with the division's strategic expansion plans, on the back of the successful completion of the acquisitions of Blacktop Industries Sdn Bhd and Dolomite Granite Quarry Sdn Bhd, the division continues to explore new quarry sites across the country with the aim to penetrate new market segments.

Several transformation plans have been implemented which is aligned with the division's digitalisation thrust to improve operational efficiency by providing real-time logistic information to customers and enhance internal control processes. Customers are now able to receive real-time information on the estimated time of arrivals of the trucks, with Global Positioning System ("GPS") tracking assisting the arrangement of work logistics and machineries. The use of Robotic Process Automation ("RPA") also helps to screen trucks' GPS reports for the detection of suspicious activities during the logistics process, offsetting the need for administrators to perform time-consuming manual analysis.

MANAGEMENT DISCUSSION AND ANALYSIS

FUTURE ORIENTATION

The outlook for the quarry division remains challenging with the ongoing pandemic likely to result in slower economic and business recovery, albeit with a slightly more optimistic prospect. Signs of a gradual business recovery driven by the high vaccination rates is creating stronger market sentiments in 2022, however the rise in raw material prices such as natural gas, diesel, steel and crude oil will continue to keep operating costs high for the division's crusher and premix plants.

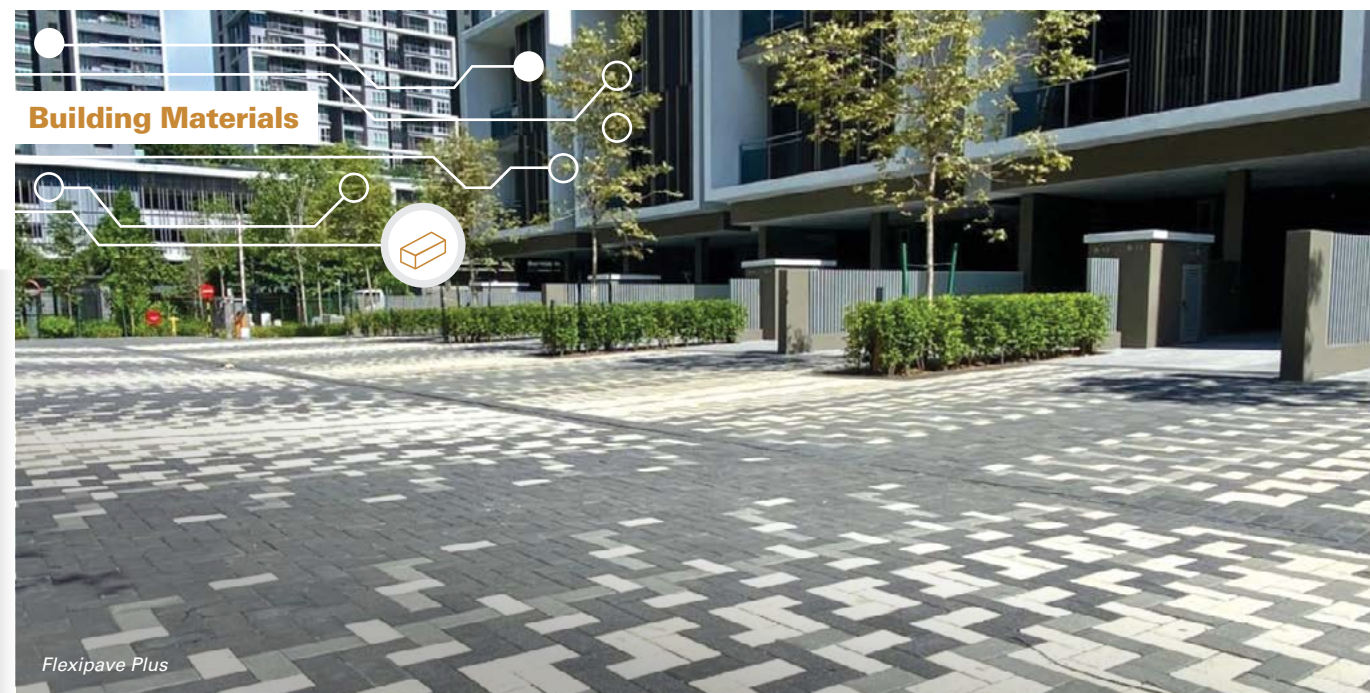
Nevertheless, with the division's high operating capacity and its wide network of quarries and asphalt manufacturing plants across Peninsular Malaysia, the Quarry division is in a strong position to capitalise on any opportunity which may arise on the economic recovery landscape, especially with the expected resumption of infrastructure projects. The division will continue to be on the look out to expand its asset base through mergers and acquisitions of greenfield or existing quarries while looking to explore new markets in other regions to diversify its income stream.

The Quarry division intends to maintain its market leadership position as the top asphalt manufacturing operator in the country and to be the top aggregates operator in the country through a strong customer focus to improve customers' experience by focusing on reducing cost and ensuring quality products and timely delivery. This will be supported by human capital investment in recruitment and to intensify training to stimulate talent growth and ensure a sustainable pipeline of capable future leaders.

The ongoing process of obtaining the quality certification for Integrated Management System (IMS) for ISO 9001:2015 and ISO 45001:2018 is on track to be finalised this year.

Innovation and sustainability remain a priority for the division, with R&D efforts to continue to design new premix product with better features while exploring ways to improve plant efficiency and lower emissions with fuel oil substitutes and a shift towards renewable energy use. Productivity initiatives will continue to be pursued to optimise the usage of hydrocarbon product in asphalt manufacturing, while plans are underway to introduce more batching plants to provide flexibility in asphalt manufacturing. The division relies on sharing of technical know-how stored in company's knowledgebase in an effort to minimise production downtime of its plants. Despite the slower progress achieved in 2021 due to the pandemic, the division's tree planting initiatives to rehabilitate quarry sites will continue in 2022 to ensure site integrity and support environmental sustainability.

MANAGEMENT DISCUSSION AND ANALYSIS



OPERATING ENVIRONMENT

FY 2021 remains a challenging year for the Building Materials division due to recurring pandemic disruption on construction activities and a deceleration of infrastructure development plans. The subdued economic environment has caused property developers to continue to keep their stock holding cost low to preserve their liquidity, hence reducing their demand for building materials.

Against this scenario, competition in the Building Materials sector has increased, eroding margins. Prices of raw materials have also escalated due to shortages resulting from global supply chain disruption and geopolitical instability causing further uncertainty and inflation. Increasing cost of gas and fuel have also resulted in higher production cost as well as higher transportation cost in the industry.

With the higher cost of building materials, the market saw an increase in substitute products which adds to the competition for the division's product portfolio. Furthermore, restrictions in bringing in foreign workers have hampered the recovery process of the division's manufacturing plants.

STRATEGIC RESPONSE


The Building Materials division's priority in FY 2021 was to ensure sustained operational efficiency amid the disruptions to the business environment and to manage operational cost efficiently. Operationally, the manufacturing plants were allowed to operate in limited capacity based on the COVID-19 pandemic standard operating procedures.

Financially, the division continued to manage its cost to ensure sufficient cash flows and working capital are maintained to mitigate the impact of reduced economic activities, increase of raw material and operational costs. Tighter credit control measures were also put in place with close scrutiny of customers' credit status and collection period to manage the division's liquidity.

Business processes were also improved, leveraging on Sunway's collaborative digital tools to support work processes and hence, the division was able to derive greater value chain efficiencies.

Efforts were made to intensify research and development ("R&D") to enhance the building materials product integrity and design. These product developments were made possible by increased stakeholder engagements to better understand market trends, as well as the concerns of suppliers and employees. This allowed the division to introduce new products and variants to maintain its brand leadership and to cater to customers' needs.

The strategy to focus on branding over price competition also helped to sustain sales in existing markets, while the division continued to explore overseas market opportunities.

 Please see page 58 for more information on the Building Materials division's Strategic Snapshot.

MANAGEMENT DISCUSSION AND ANALYSIS

HIGHLIGHTS AND ACHIEVEMENTS

Despite the many challenges plaguing the sector, the Building Materials division's strategic response proved effective, seeing a recovery of sales volume especially in last quarter of FY 2021.

Demand for the division's Interlocking Concrete Pavers ("ICP") and spun piles product have been favourable, securing strong sales during the resumption of most construction activities in Phase 4 of the NRP. During the year, the division successfully secured a key contract to supply spun piles for the 1,200MW Combined Cycle Power Generating Facility at Pulau Indah, Selangor. The awarding of the contract is testament to the quality and integrity of the division's spun piles products.

As for ICP, the establishment of "Specification and Guidelines for Interlocking Concrete Paving Blocks" published by Road Engineering Association of Malaysia ("REAM") and JKR in January 2021, helped instil customer confidence in the division's product, and helped strengthen its reputation as a market leader in this sector. The Building Materials division was also the first Malaysian manufacturer to achieve International Standard Specification BS EN295:2013 (TÜV SÜD) for its vitrified clay pipes ("VCP"). These accreditations recognise the quality and integrity of the division's products, and enhances the Building Materials division's competitiveness in the export market.

Aside from strengthening product quality, the Building Materials division has consistently strived towards ESG best practices in line with the Group's commitment to the UNSDG goals. Towards that end, the division has progressively incorporated renewable energy ("RE") into its manufacturing plants, beginning with the installation of Photovoltaic ("PV") solar panels at its VCP plant in 2019, which has contributed to the reduction in energy consumption and its operating cost. This was followed by the Sunway Paving Solutions and Sunway Spun Pile solar project initiated at the Batang Kali plant in 2020, which was completed in early 2021. Better waste management process was also implemented to enhance OSHA compliance.

As ESG awareness grows in the industry and with more developers incorporating ESG screening criteria for their supply chains, the Building Materials division stands to benefit from these green initiatives in the longer run.

FUTURE ORIENTATION

In line with the National Recovery Plan's projected post-pandemic outlook and supported by the favourable budgetary allocations to the construction sector at the national level, the Building Materials division looks forward to the anticipated increase in building materials demand to shore up its FY 2022 performance.

The division will remain focused on cost and operational optimisation, with the aim to optimise the capacity for its plants and improve the joint and firing process in the manufacturing of vitrified clay pipes. Digitalisation efforts to enhance efficiencies will remain in effect, while the continued push towards R&D for product development and enhancement will serve to strengthen the division's brand leadership through product differentiation.

On the sales front, there is potential in exploring and expanding the export market for division's VCP products, while the market for bigger diameter spun piles is another potential avenue for sales expansion. The division will continue to drive conversion of road and walkway project customers to utilise the division's ICP products by emphasis on the product's advantages while research and development continues to launch new designs to meet market trends and demand.

Backed by a highly motivated and passionate team with continued emphasis on talent recognition and retention, the Building Materials division will remain resilient to respond to changes in the ever-evolving business environment to contribute positively to the Group's bottom line and deliver value to all its stakeholders.



PROFILE OF BOARD OF DIRECTORS

TAN SRI DATO' SERI DR JEFFREY CHEAH FOOK LING AO <i>Executive Chairman, Non-Independent Executive Director</i>	AGE / GENDER / NATIONALITY 77 / Male / Malaysian
	DATE OF APPOINTMENT 22 November 2010

MEMBERSHIP OF BOARD
COMMITTEE(S):

Nil

ACADEMIC/PROFESSIONAL
QUALIFICATION(S):

- Business and Accounting graduate of Victoria University in Melbourne, Australia

PRESENT DIRECTORSHIP(S):
Public company(ies):

- Jeffrey Cheah Foundation
- Razak School of Government
- Perdana Leadership Foundation
- Malaysian Industry Government Group for High Technology

Private company(ies)
and other organisation(s):

- Active Equity Sdn Bhd and Group (Non-Executive Director)
- Jef-San Enterprise Sdn Bhd (Non-Executive Director)
- Sunway Education Group Sdn Bhd and Group (Non-Executive Director)
- Sunagata Supercars Sdn Bhd (Non-Executive Director)



Tan Sri Dr. Jeffrey Cheah is the Founder and Chairman of Sunway Group, one of Southeast Asia's leading conglomerates with 13 business divisions across more than 50 locations worldwide. He is also the founder and trustee of Jeffrey Cheah Foundation ("JCF"), Malaysia's largest education-focused social enterprise.

An ardent advocate of the sustainable development agenda, accompanied by a deep commitment to giving back to society, his entrepreneurial and philanthropic activities showcase his personal philosophy: that "one must have a higher purpose in life" and that "sustainability and profitability can go hand in hand."

The very founding of Sunway Group is based on the concept of sustainable development. The flagship Sunway City Kuala Lumpur was transformed from 800 acres of tin-mining wasteland into Malaysia's first integrated, green township. It is now home to a vibrant community of more than 200,000 people living, working, learning and playing in a healthy, safe and connected environment.

Canopied walkways and electric buses running on specially designed elevated lines provide seamless connectivity between its various facilities, which include residences, commercial entities, hotels, three universities, Malaysia's first theme park, a 1,100-bed medical centre and one of Malaysia's largest malls.

By integrating technology even more deeply in its operations, Sunway City Kuala Lumpur aims to become the region's model smart, sustainable city of the 21st century.

Sunway City Ipoh was built upon the principles of preservation and conservation, cradled by 260-million-year-old limestone hills, rainforests and flowing thermal hotsprings. Sunway City Iskandar Puteri in Johor, dubbed as Nature's Capital City, offers world-class city living in harmony with the area's natural beauty, such as the seafront facing Singapore across the Johor Straits, the Pendas River and mangrove forests.

Sunway's unique "Build-Own-Operate" model ensures constant value creation and the continued growth of its properties.

The success of Sunway City Kuala Lumpur propelled Sunway Group's growth beyond property development into one of Southeast Asia's leading conglomerates, comprising 13 business divisions, a 16,000-strong workforce and operations in 50 locations worldwide.

Firmly and consistently upholding the core values of Integrity, Humility and Excellence, under Tan Sri Dr. Jeffrey Cheah's visionary leadership and a highly competent and capable management team, Sunway has established a reputation as a trusted brand with an excellent track record for delivering on its promises.

In line with Tan Sri Dr. Jeffrey Cheah's pioneering commitment to sustainability, Sunway embraced the 17 Sustainable Development Goals, or SDGs, adopted by the United Nations in 2015 and has integrated sustainability into all of the Group's business practices and decision-making processes.

While some may claim that a focus on sustainability could hurt the bottom line, Sunway is demonstrating daily that sustainability and profitability can go hand in hand.

Driven by his personal motto of "I aspire to inspire before I expire," it is Tan Sri Dr. Jeffrey Cheah's hope that by walking the talk, Sunway can set an example for other corporations to follow. It is his firm belief that given the state of the planet and its people, implementing the sustainable development agenda is no longer just an option but an urgent imperative and that "we can all do well by doing good."

PROFILE OF BOARD OF DIRECTORS

Tan Sri Dr. Jeffrey Cheah's business success enabled him to realise his lifelong dream of setting up a Foundation dedicated to nation building and giving back to society.

Rooted in his conviction that education offers the best route out of poverty and misery, he established the JCF in 2010 by gifting it, in perpetuity, his entire stake in the Sunway Education Group ("SEG"). The gift was worth several billion ringgit.

The not-for-profit Foundation owns and governs all 23 educational entities under the SEG. It is helmed by an independent and distinguished Board of Trustees under the royal patronage of HRH Sultan of Selangor.

Committed to nation-building by making quality education and world-class expertise affordable and accessible, the Foundation has disbursed scholarships and grants exceeding RM570 million to-date. It is Tan Sri Dr. Jeffrey Cheah's personal aim to award more than RM1 billion worth of scholarships in his lifetime.

The Foundation has also established partnerships between Sunway and a string of world-renowned institutions that include University of Cambridge, Harvard University, Oxford University, MIT in Boston, University of California Berkeley and Lancaster University in the United Kingdom.

Following a gift that will eventually total USD20 million over 10 years, the Foundation entered into a partnership with the United Nations Sustainable Development Solutions Network (UN-SDSN) in 2016 that led to the establishment of the Jeffrey D. Sachs Center on Sustainable Development at Sunway University.

More recently, the UN-SDSN set up its Asia headquarters at the Sunway University. One of only three such global centres, it is tasked with implementing continent-wide sustainability initiatives. The Asia headquarters ranks Sunway City Kuala Lumpur alongside New York City (which oversees The Americas) and Paris (with responsibility for Africa and Europe).

Tan Sri Dr. Jeffrey Cheah's visionary leadership, entrepreneurial endeavours and generous philanthropy have elevated not just his personal profile, but helped burnish the Sunway brand globally. His philosophy that "one must have a higher purpose in life" animates Sunway's dedicated commitment to the "3P" bottom line of "People, Planet, Profits" which sets it apart from many other corporations.

Among his other contributions to nation-building, Tan Sri Dr. Jeffrey Cheah was a member of the Economic Action Council which was set up in 2020 and chaired by the Prime Minister of Malaysia. He also serves as a member of the National Agricultural Advisory Council and is a founding trustee of the Razak School of Government, a leadership development institution for the public sector that is named after Malaysia's second prime minister.

Besides being conferred 12 honorary doctorates by leading universities worldwide, he has also been recognised four times as Forbes Asia Hero of Philanthropy in 2009, 2015, 2019 and 2021. He was appointed Council Member of UN-SDSN in 2013; a member of Harvard's Global Advisory Council in 2014 and a member of the Committee of University Resources at Harvard in 2015. He was also appointed Officer of the Order of Australia (AO) by the Prime Minister of Australia for his contribution in building bilateral relations between Malaysia and Australia through education, among a long-growing list of accomplishments. In 2018, he was also conferred Malaysian Institute of Management's Court of Emeritus Fellow.

PROFILE OF BOARD OF DIRECTORS

Other achievements and appointments of Tan Sri Dr. Jeffrey Cheah include:

- 2021
- Named Forbes Asia 2021 Hero of Philanthropy for the fourth time (2009, 2015, 2019 and 2021).
 - Conferred Honorary Doctorate of Philosophy by Universiti Kebangsaan Malaysia (UKM).
- 2020
- Appointed to Economic Action Council (EAC).
 - Appointed to National Agricultural Advisory Council.
 - Awarded Hunayn Ibn Ishaq Unity Award, the first non-Muslim recipient at the Islamic Excellence Awards 1441H/2020A.
- 2019
- Appointed chairman of UN-SDSN Malaysia chapter.
 - Awarded the Asian Leadership Award by Asian Association of Management Organisations.
- 2018
- Awarded Malaysian Institute of Management's Court of Emeritus Fellow.
- 2017
- Awarded the ASEAN@50 Lifetime Achievement Award by ASEAN Business Advisory Council Malaysia.
 - Awarded the inaugural Sustainability Icon Award by Ratings Agency of Malaysia.
- 2016
- Recipient of the Victoria University Distinguished Alumni Award.
 - Awarded the Channel News Asia Lifetime Achievement Luminary Award 2016.
- 2015
- Founding Chair for the Malaysian 30% Club.
 - Conferred Honorary Fellow by the Institution of Engineers, Malaysia.
- 2014
- President's Award by Malaysia Institute of Planners.
- 2013
- Appointed as Council Member of United Nations Sustainable Development Solutions Network.
- 2012
- Appointed as Permanent Honorary President to the Federation of Hakka Associations Malaysia, in appreciation of his invaluable contributions to the Associations.

PROFILE OF BOARD OF DIRECTORS

<div>DATO' SRI IDRIS JALA</div> <div>Non-Executive Co-Chairman, Independent Non-Executive Director</div>	AGE / GENDER / NATIONALITY
	63 / Male / Malaysian
	DATE OF APPOINTMENT
	11 August 2017

- MEMBERSHIP OF BOARD COMMITTEE(S):
- Nil
- ACADEMIC/PROFESSIONAL QUALIFICATION(S):
- Masters Degree in Industrial Relations from Warwick University
 - Bachelor Degree in Development Studies and Management from University Sains Malaysia
- PRESENT DIRECTORSHIP(S):
- Public company(ies):
- Heineken Malaysia Berhad
 - Jeffrey Cheah Foundation

- Private company(ies) and other organisation(s):
- Sunway University Sdn Bhd (Non-Executive Director)
 - PEMANDU Associates Sdn Bhd (President & Chairman)
 - Perintis Akal Sdn Bhd (Chairman)



Dato' Sri Idris Jala is the President and Chief Executive Officer ("CEO") of PEMANDU Associates. Previously, he was Advisor to the Prime Minister, National Transformation Programme and the Managing Director of Big Fast Results Institute and CEO of PEMANDU, a unit in the Prime Minister's Department, Malaysia, the organisation tasked with spearheading Malaysia's transition towards high income status by 2020. He also served as Minister in the Prime Minister's Department, Malaysia for 6 years from 2009 to 2015.

He is a renowned transformation guru in turning around companies' performance through his big fast results methodology and transformational strategies that are innovative, rigorous and relevant to today's demands. He has continuously delivered sustainable socio economic reforms which, in 2014, saw Bloomberg place him among the top 10 most influential policy makers in the world.

He is also the Founder and Executive Chairman of The Global Transformation Forum, the world's singular platform for influential, global leaders to engage and share experiences and best practices on how to drive transformation.

In addition, he is an Expert Resource Speaker at the Harvard Health Leaders' Ministerial Forum and a Visiting Fellow of Practice at the Oxford Blavatnik School of Government. He also served on the Advisory panel for the World Economic Forum on New Economic Growth and also on the Advisory Panel of World Bank.

Prior to his Government stint, he was Managing Director/CEO at Malaysia Airlines ("MAS") for 3 years. He was brought on board to turn around the airline which was in crisis brought about by a prolonged bout of losses from operational inefficiencies.

Before MAS, he spent 23 years at Shell Group, rising up the ranks to hold senior positions including Vice President, Shell Retail International and Vice President Business Development Consultancy, based in the United Kingdom. This included successful business turnarounds in Malaysia and Sri Lanka.

PROFILE OF BOARD OF DIRECTORS

TAN SRI DATUK SERI RAZMAN M HASHIM*Deputy Executive Chairman, Non-Independent Executive Director***AGE / GENDER / NATIONALITY**

82 / Male / Malaysian

DATE OF APPOINTMENT

17 June 2011

**MEMBERSHIP OF BOARD
COMMITTEE(S):**

Nil

**ACADEMIC/PROFESSIONAL
QUALIFICATION(S):**

- Member of Australian Institute of Bankers

PRESENT DIRECTORSHIP(S):**Public company(ies):**

- Jeffrey Cheah Foundation
- Mycron Steel Berhad
- Perdana Leadership Foundation (Alternate Trustee to Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling)

Private company(ies)**and other organisation(s):**

- Sunway Education Group Sdn Bhd and Group (Non-Executive Director)
- MC Farren Supercars Sdn Bhd (Non-Executive Director)
- Sunagata Supercars Sdn Bhd (Non-Executive Director)



Tan Sri Datuk Seri Razman joined Standard Chartered Bank Malaysia Berhad as an Officer Trainee in 1964. Throughout his 34 years of banking experience in Standard Chartered Bank Malaysia Berhad, he served with the bank's offices in London, Europe, Hong Kong and Singapore. In 1994, he was appointed as Executive Director/Deputy Chief Executive of Standard Chartered Bank Malaysia Berhad until his retirement in June 1999. In the same month in 1999, he was appointed as Chairman of MBF Finance Berhad by Bank Negara Malaysia as its nominee until January 2002 when the finance company was sold to Arab-Malaysian Group.

PROFILE OF BOARD OF DIRECTORS

TAN SRI DATO' (DR.) CHEW CHEE KIN*President, Non-Independent Executive Director***AGE / GENDER / NATIONALITY**

76 / Male / Malaysian

DATE OF APPOINTMENT

17 June 2011

**MEMBERSHIP OF BOARD
COMMITTEE(S):**

- Sustainability Committee (Chairman)

**ACADEMIC/PROFESSIONAL
QUALIFICATION(S):**

- Attended Program in Management Development at Harvard Business School
- Bachelor of Economics (Honours) Degree from University of Malaya

PRESENT DIRECTORSHIP(S):**Public company(ies):**

- Gopeng Berhad
- Sunway Construction Group Berhad

Private company(ies)**and other organisation(s):**

- Sunway Education Group Sdn Bhd and Group (Non-Executive Director)



Tan Sri Dato' (Dr.) Chew started his career as a Trainee Executive in UMW (Malaya) Sdn Bhd in 1974. Prior to joining Sunway Group, he was the General Manager of UMW (Malaya) Sdn Bhd. He joined Sunway Group in 1981 as General Manager. In 1984, he was promoted to the Group General Manager (Operations) and was subsequently promoted to Deputy Group Managing Director (Operations) in 1989. In 1995, he was promoted to Group Managing Director and to President in 1999. He has more than 30 years' experience in general management, quarrying, construction, building materials, trading and manufacturing businesses.

PROFILE OF BOARD OF DIRECTORS

SARENA CHEAH YEAN TIH, <i>s.m.s</i> <i>Executive Director, Non-Independent Executive Director</i>	AGE / GENDER / NATIONALITY 47 / Female / Malaysian
	DATE OF APPOINTMENT 18 November 2010

MEMBERSHIP OF BOARD
COMMITTEE(S):

- Sustainability Committee (Member)

ACADEMIC/PROFESSIONAL
QUALIFICATION(S):

- Member of the Australian Society of Certified Practising Accountants (ASCPA)
- Masters in Business Administration from Melbourne Business School
- Bachelor of Commerce (Accounting and Finance) from the University of Western Australia
- Capital Markets Services Representative's Licence (CMSRL) holder

PRESENT DIRECTORSHIP(S):

Public company(ies):

- SunREIT Capital Berhad
- SunREIT Unrated Bond Berhad
- SunREIT Perpetual Bond Berhad
- Yayasan Raja Muda Selangor
- Bank of America Malaysia Berhad

Private company(ies)

and other organisation(s):

- Active Equity Sdn Bhd and Group (Non-Executive Director)
- Jef-San Enterprise Sdn Bhd (Non-Executive Director)
- Sunway Education Group Sdn Bhd and Group (Non-Executive Director)
- Bendera Teliti (M) Sdn Bhd (Non-Executive Director)
- Excelvagant Sdn Bhd (Non-Executive Director)
- Excelvagant Care Sdn Bhd (Non-Executive Director)
- Excelvagant Education Services Sdn Bhd (Non-Executive Director)
- Progressive Venture Sdn Bhd (Non-Executive Director)



Ms Sarena Cheah started her career with the Sunway Group since 1995 and served under various roles in the Corporate Finance, Internal Audit and Business Development departments. In 2006, she was made General Manager for Sales & Marketing of the Group's Property Development division before assuming the position of Director of Strategy & Corporate Development in 2009, during which she oversaw the successful merger and integration of Sunway Holdings Berhad and Sunway City Berhad. In May 2013, she was appointed as Joint Managing Director of Property Development Division, Malaysia/Singapore and subsequently took on her current position as Managing Director of Property Development Division of Sunway in May 2015.

She is a Board Member of Sunway REIT Management Sdn Bhd, the Manager of Sunway Real Estate Investment Trust as well as a member of the National Committee of Real Estate and Housing Developers Association Malaysia (REHDA).

PROFILE OF BOARD OF DIRECTORS

PHILIP YEO LIAT KOK <i>Senior Independent Non-Executive Director</i>	AGE / GENDER / NATIONALITY 75 / Male / Singaporean
	DATE OF APPOINTMENT 9 April 2020

MEMBERSHIP OF BOARD COMMITTEE(S):

- Nomination and Remuneration Committee (Member)
- Sustainability Committee (Member)

ACADEMIC/PROFESSIONAL
QUALIFICATION(S):

- Master in Business Administration from Harvard University
- Master of Science (Systems Engineering) from University of Singapore
- Honorary Doctor of Engineering from University of Toronto, Canada
- Bachelor of Applied Science (Industrial Engineering) from University of Toronto, Canada

PRESENT DIRECTORSHIP(S):

Public company(ies):

- Jeffrey Cheah Foundation
- City Developments Limited
- Kerry Logistics Network Limited
- Baiterek National Managing Holding JSC
- Accuron Technologies Limited
- St. Joseph's Institution Foundation for the Lasallian Mission Ltd

Private company(ies)

and other organisation(s):

- MTIC Holdings Pte Ltd (Non-Executive Chairman)
- P*YEO Investments Pte Ltd (Executive Director)
- Hexagon Development Advisors Pte Ltd (Non-Executive Chairman)
- Singapore Aerospace Manufacturing Pte Ltd (Non-Executive Chairman)
- IGlobe Partners (II) Pte Ltd (Non-Executive Chairman)
- IGlobe Platinum Fund Limited (Non-Executive Chairman)
- IGlobe Platinum Fund II Limited (Non-Executive Chairman)
- IGlobe Platinum Fund III Limited (Non-Executive Director)
- Economic Development Innovations Singapore Pte Ltd (Executive Chairman)
- Advanced MedTech Holdings Pte Ltd (Executive Chairman)
- Dornier Medtech GmbH (Munchen) (Non-Executive Chairman)
- Symbiosis Ventures Management Sdn Bhd (Non-Executive Director)
- Jobtech Pte Ltd (Non-Executive Director)
- Biopolis Ventures (S) Pte Ltd (Non-Executive Director)
- OnSponge Pte Ltd (Non-Executive Director)
- AtumRa Therapeutics Pte Ltd (Non-Executive Director)
- AbAsia Biolabs Pte Ltd (Non-Executive Director)
- Sunway University Sdn Bhd (Non-Executive Director)



Mr Philip Yeo is currently the Chairman of the Board of Directors of Economic Development Innovations Singapore ("EDIS") Private Limited. Established in 2013, EDIS is an economic development management services company founded by Mr Yeo that provides strategic advice and undertakes the development and management of integrated industrial and urban areas. In addition, he is also the Chairman of Accuron Technologies Limited, Advanced MedTech Holdings and i-Globe Partners. Accuron Technologies Limited is a global precision engineering and technology group headquartered in Singapore with operations in major markets in Asia, Europe and the USA and serving the aerospace and industrial markets. Advanced MedTech Holdings is a high growth medtech company in Southeast Asia and a global medical technology leader with a core focus in urology devices and services. As for i-Globe Partners, it is a Singapore-based private venture capital fund.

He sits in the Board of City Developments Ltd, Singapore's largest property developer, Kerry Logistics Network Ltd which is listed in Hong Kong and Supervisory Board of Directors of Baiterek National Managing Holding JSC of Kazakhstan.

His previous appointments included serving in the Singapore Administrative Service from June 1970 to 31 March 1999. From June 1970 to December 1985, he served in various appointments in the Ministry of Defence ("MINDEF"), including Permanent Secretary for logistics, defence research & development and defence industries (September 1979 to December 1985). He left MINDEF to assume the appointment of Executive Chairman of Economic Development Board (EDB) in January 1986. He also served as the Founding Chairman of the National Computer Board (now known as Infocomm Media Development Authority) of Singapore from 1981 to 1987.

He played a leading role in formulating and championing Singapore's first national computerisation plan to evolve the nation into the information age.

He was the Executive Chairman of the Agency for Science, Technology and Research ("A*STAR") from February 2001 to March 2007. A*STAR is a Singapore government agency focused on building up public scientific research capabilities. He then assumed the position of Chairman of Standards, Productivity and Innovation for Growth, Singapore (Spring Singapore) from April 2007 to 31 March 2018. He was also appointed the Senior Adviser for Science and Technology to the Ministry of Trade and Industry from April 2007 to September 2008. In his role as Special Adviser for Economic Development in the Prime Minister's Office from April 2007 to August 2011, he assisted the Prime Minister's Office in establishing new economic links with foreign governments who value Singapore's development experience, and provide strategic inputs to establish strategic partnerships and open up opportunities with other fast-growing economies.

He was a member of World Health Organisation Expert Working Group on Research & Development Financing from January 2009 to January 2010. He was a member of the United Nations Committee of Experts in Public Administration (CEPA), established by the Economic and Social Council (ECOSOC) from 2010 to 2013.

PROFILE OF BOARD OF DIRECTORS

TAN SRI DATO' DR. LIN SEE YAN*Independent Non-Executive Director***AGE / GENDER / NATIONALITY**

82 / Male / Malaysian

DATE OF APPOINTMENT

18 March 2015

**MEMBERSHIP OF BOARD
COMMITTEE(S):**

- Risk Management Committee (Chairman)
- Nomination and Remuneration Committee (Member)
- Audit Committee (Member)

**ACADEMIC/PROFESSIONAL
QUALIFICATION(S):**

- Distinguished Fellow of the Institute of Strategic and International Studies
- Fellow of Malaysian Institute of Management and Malaysian Economic Association
- Fellow of Malaysian Insurance Institute (Hon.)
- Fellow of Malaysian Institute of Bankers
- Fellow of Royal Statistical Society (London)
- Eisenhower Fellow and a Fellow of the IMF Institute (Washington DC)
- Pro-Chancellor and Research Professor of Sunway University
- Pro-Chancellor of Universiti Teknologi Malaysia
- British Chartered Scientist
- Three post-graduate degrees, including a PhD in Economics from Harvard University
- Chartered Statistician

PRESENT DIRECTORSHIP(S):**Public company(ies):**

- Wah Seong Corporation Berhad
- Jeffrey Cheah Foundation
- Ancom Berhad
- Nylex (Malaysia) Berhad

Private company(ies)**and other organisation(s):**

- IGB REIT Management Sdn Bhd (Manager for IGB REIT) (Chairman and Independent Non-Executive Director)
- Sunway University Sdn Bhd (Non-Executive Director)
- Tun Ismail Ali Foundation (PNB)
- Harvard Club of Malaysia Foundation
- Malaysian Economic Association Foundation



Tan Sri Dato' Dr. Lin is a corporate strategy and financial consultant. He has a long and distinguished history of service with the Government of Malaysia and the private sector. He was Chairman/President and Chief Executive Officer of the Pacific Bank Group and for 14 years previously, Deputy Governor of Bank Negara Malaysia, having been a central banker for 34 years. He was advisor to all the past Prime Ministers and Ministers of Finance.

Tan Sri Dato' Dr. Lin continues to serve the public interest after his retirement, some current appointments include member of key Steering Committees at the Ministry of Higher Education as well as of the Asian Shadow Financial Regulatory Committee; Governor, Asian Institute of Management, Manila; Chairman Emeritus, Harvard Graduate School Alumni Council at Harvard University in Cambridge (USA); President of Harvard Club of Malaysia and Economic Advisor to the Associated Chinese Chambers of Commerce & Industry Malaysia. He serves as an expert on some UN and World Bank Groups on sustainable development.

In addition, he is a Trustee of the Tun Ismail Ali Foundation (PNB), Harvard Club of Malaysia Foundation, Malaysian Economic Association Foundation, Jeffrey Cheah Foundation and Program Pertukaran Fellowship Perdana Menteri Malaysia. Tan Sri Dato' Dr. Lin is also an author and columnist.

PROFILE OF BOARD OF DIRECTORS

TAN SRI DATUK DR REBECCA FATIMA STA MARIA*Independent Non-Executive Director***AGE / GENDER / NATIONALITY**

64 / Female / Malaysian

DATE OF APPOINTMENT

1 March 2018

**MEMBERSHIP OF BOARD
COMMITTEE(S):**

- Nomination and Remuneration Committee (Chairman)
- Risk Management Committee (Member)
- Audit Committee (Member)

**ACADEMIC/PROFESSIONAL
QUALIFICATION(S):**

- Ph.D from the University of Georgia in Athens
- M.S. (Counselling) from Universiti Pertanian Malaysia (now known as University Putra Malaysia)
- Bachelor of Arts (Honours) in English Literature from the University of Malaya
- Postgraduate Diploma in Public Administration from the National Institute of Public Administration (INTAN), Malaysia

AWARDS:

- Malcolm Knowles Award for the best PhD dissertation in the field of Human Resource Development by the American Academy of Human Resource Development in 2000
- Professional Achievement Awards by School of Education, University of Georgia (2013)

PRESENT DIRECTORSHIP(S):**Public company(ies):**

- RHB Bank Berhad
- Hartalega Holdings Berhad
- Eco World International Berhad

Non-profit organisation(s):

- Institute for Democracy and Economic Affairs (IDEAS) (Director)
- MyKasih Foundation (Trustee)
- Yayasan Hartalega (Trustee)

International Organisation:

- APEC Secretariat (Executive Director)



Tan Sri Dr Rebecca began her career in the Malaysian Administrative and Diplomatic Service in 1981 and served in various capacities in the then Ministry of Trade and Industry.

She retired as the Secretary-General of the Ministry of International Trade and Industry ("MITI Sec-Gen") on 2 July 2016. As MITI Sec-Gen, a post she was appointed to in December 2010, she provided oversight for the formulation and implementation of Malaysia's international trade policies and positions. This involved Malaysia's participation in bilateral, regional (ASEAN, APEC, OIC) and multilateral fora (World Trade Organisation), as well as bilateral and regional trade negotiations. On the regional front, she played a key role in ASEAN economic integration and chaired the ASEAN Senior Economic Officials Meeting (2015) as well as the ASEAN High Level Task Force for Economic Integration (Jan 2011-June 2016).

She was the Chair of the Institute for Democracy and Economic Affairs ("IDEAS") and the EU-Malaysia Chamber of Commerce and Industry till 31 December 2018.

Tan Sri Dr Rebecca currently serves on the Board of Trustees of MyKasih Foundation, and Yayasan Hartalega as well as Director of IDEAS, and took office as an Executive Director of Asia-Pacific Economic Cooperation (APEC) Secretariat on 2 January 2019.

PROFILE OF BOARD OF DIRECTORS

TAN SRI JAMALUDIN BIN IBRAHIM <i>Independent Non-Executive Director</i>	AGE / GENDER / NATIONALITY 63 / Male / Malaysian
	DATE OF APPOINTMENT 3 March 2021

MEMBERSHIP OF BOARD

COMMITTEE(S):

- Nomination and Remuneration Committee (Member)

ACADEMIC/PROFESSIONAL
QUALIFICATION(S):

- Master of Business Administration from Portland State University, Oregon, United State of America ("USA")
- Bachelor of Science in Business Administration and a minor in Mathematics from California State University, USA

PRESENT DIRECTORSHIP(S):

Public company(ies):

- Axiata Foundation
- QSR Brands (M) Holdings Berhad
- Prasarana Malaysia Berhad
- AirAsia Aviation Group Limited



Tan Sri Jamaludin has more than 40 years of experience, including about 16 years in IT and 23 years in telecommunications. Outside ICT, he has been involved in many other areas especially in education.

His last executive role was at Axiata Group Berhad where he has retired on 31 December 2020. He was the Managing Director/ President & Group Chief Executive Officer for almost 13 years since its inception in 2008. Within the Group, among others, he was a Board member of Axiata Group Berhad and Chairman of Celcom Axiata Berhad. He continues to be a Board member of PT XL Axiata in Indonesia and Axiata Foundation. He has been appointed as Chairman of Prasarana Malaysia Berhad since 1 July 2021.

Tan Sri Jamaludin joined Axiata after more than 10 years with Maxis Communications Berhad since 1997. He was made the Chief Operating Officer the same year and the Chief Executive Officer a year later until he retired in 2007.

For about four years (1993-1997), he led Digital Equipment Malaysia as its Managing Director. Prior to that, he spent about 12 years in IBM (1981-1993) – the first five years as a Systems Engineer and then in various positions in Sales, Marketing and Management.

His career began in 1980 as a lecturer in Quantitative Methods at California State University, USA. He has served as a board member of GSMA, the world's biggest Mobile Association for six two-year terms (over a period between 2003 to 2020) and was the Deputy Chairman in 2014. Tan Sri Jamaludin had also served as a director at an IT solutions provider, Heitech Padu Berhad (2000-2006).

Tan Sri Jamaludin has served the government in many roles. In March 2020, he was appointed by the Prime Minister of Malaysia as a member of the country's Economic Action Council. In November 2020, he was appointed as a member of Digital Economy Council and 4IR4 by YAB Prime Minister of Malaysia. He was involved in education in various capacities including as a board member of Universiti Tun Hussein Onn Malaysia (2006-2008) and Universiti Tun Abdul Razak (2007-2011). He had also served as a member of the Board of the government owned venture capital company, Mavcap Bhd (2001-2005) and few others.

Over the years, Tan Sri Jamaludin has earned numerous awards and accolades, by local and global organisations, in recognition for his contributions and achievements.

PROFILE OF BOARD OF DIRECTORS

DATUK TONG POH KEOW <i>Independent Non-Executive Director</i>	AGE / GENDER / NATIONALITY 67 / Female / Malaysian
	DATE OF APPOINTMENT 21 September 2020

MEMBERSHIP OF BOARD

COMMITTEE(S):

- Audit Committee (Chairman)
- Risk Management Committee (Member)
- Sustainability Committee (Member)

ACADEMIC/PROFESSIONAL
QUALIFICATION(S):

- Chartered Accountant, Malaysian Institute of Accountants (MIA)
- Chartered Accountant, Association of Chartered Certified Accountants, United Kingdom ("UK") (ACCA)
- Chartered Secretaries and Administrators, Institute of the Chartered Secretaries and Administrators, UK (ICSA)
- Diploma in Commerce, Kolej Tunku Abdul Rahman

PRESENT DIRECTORSHIP(S):

Public company(ies):

- Velesto Energy Berhad

Private company(ies) and other
organisation(s):

- DP Management Services Sdn Bhd (Non-Executive Director)
- Rawady Holdings Sdn Bhd (Non-Executive Director)



Datuk Tong began her career as a secretarial assistant with Siva, Heng & Monteiro in 1978 and was promoted to manager of secretarial services and audit in 1980. She left the firm in 1981 to join Shapadu Holding Sdn Bhd as an accountant and company secretary until March 1983.

She joined Highlands & Lowlands Berhad in November 1983 as an accountant and assistant company secretary. In 1985, she joined Kumpulan Guthrie Berhad and has held various senior positions until her promotion to Chief Finance Officer ("CFO") in April 2003. In October 2007, post the completion of the merger of Sime Darby Berhad, she was appointed as the CFO of Sime Darby Plantation Berhad. In June 2008, she assumed the position of Group CFO of Sime Darby Berhad. She held this position for about 9 years, until her appointment as Executive Director/Group CFO of Sime Darby Property Berhad in November 2017, post the completion of the demerger of Sime Darby Berhad. She retired as Group CFO of Sime Darby Property Berhad on 31 March 2019 and as Executive Director on 31 May 2019.

Datuk Tong was named the Best CFO in Malaysia for 2014, 2015 and 2017 at the Institutional Investor Corporate Awards - Alpha Southeast Asia and Best CFO for Investor Relations (Large Cap) for 2013, 2014 and 2017 at Malaysia Investor Relations Awards.

PROFILE OF BOARD OF DIRECTORS

DATUK ZAITON MOHD HASSAN <i>Independent Non-Executive Director</i>	AGE / GENDER / NATIONALITY 65 / Female / Malaysian
	DATE OF APPOINTMENT 8 March 2022

MEMBERSHIP OF BOARD
COMMITTEE(S):

- Audit Committee (Member)
- Risk Management Committee (Member)

ACADEMIC/PROFESSIONAL
QUALIFICATION(S):

- Chartered Accountant of Association of Chartered Certified Accountants (ACCA), United Kingdom
- Chartered Accountant of Malaysian Institute of Accountants (MIA)
- Certified Public Accountant of Malaysian Institute of Certified Public Accountants (MICPA)

PRESENT DIRECTORSHIP(S):

Public company(ies):

- Sime Darby Plantation Berhad
- Yayasan Masjid Cina

Other organisation(s)

- Malaysia Professional Accountancy Centre (MyPAC)



Datuk Zaiton is a Fellow and Council Member of the Association of Chartered Certified Accountants (ACCA), United Kingdom, and was the Deputy Chair of the International Federation of Accountants (IFAC) Professional Accountants in Business (PAIB) Advisory Group. Datuk Zaiton's exposure at the international level in looking at the role of accountants in value creation and building sustainable businesses has led to her strong commitment to the sustainability agenda.

She is also a member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants.

She started her career as an auditor in PricewaterhouseCoopers. She then moved into banking, including serving Malaysia's largest bank, Maybank for 12 years in various senior positions in Treasury, International Operations and Group Strategic Planning.

She was selected by the Central Bank of Malaysia to set up the country's second rating agency, Malaysian Rating Corporation Berhad where she was President for eight years.

She was also Chairman of the Board Risk and Audit Committees of Bank Islam and Chairman of the Board Risk Audit & Governance Committee of Tabung Haji (Malaysia's Pilgrims fund) from 2018 to 2020.

Datuk Zaiton had also served as the Chairman of the Development Bank of Malaysia. She had led the Board and Management, assisted by the World Bank, to a new direction and strategic business model to assess projects applying for funding from the Bank using an Impact Assessment Framework, measuring impact to national development on one dimension and contribution to the achievement of the UNDP Sustainable Development Goals (SDGs) on another dimension.

She is currently the Chairman of the Board Governance and Audit Committee of public listed Sime Darby Plantation Berhad, the world's largest producer of Certified Sustainable Palm Oil. She is also a member of the Sustainability Committee which oversees the formulation of strategic and implementation plans in various areas such as climate risk.

She is an active member in Malaysia's accounting fraternity. She is currently the Chief Executive Officer of a not for profit institution, the Malaysia Professional Accountancy Centre (MyPAC), which focuses on giving the opportunity and funding for students from underprivileged B40 families to pursue professional accountancy qualifications.

NOTES:

1. **Family Relationship with Director and/or Major Shareholder**
Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling who is the Executive Chairman and major shareholder of Sunway, is the father of Sarena Cheah Yean Tih, the Executive Director.

Save as disclosed above, none of the other Directors has any family relationship with any director and/or major shareholder of Sunway.

2. **Conflict of interest**
Mr Philip Yeo Liat Kok is a Director of City Developments Limited, a company incorporated in Singapore which principal activities include property development.

Save as disclosed above, none of the other Directors has any conflict of interest with Sunway Group.

3. **Conviction for Offences**
None of the Directors has any conviction for offences within the past 5 years other than traffic offences (if any) nor public sanctions or penalty imposed by the relevant regulatory bodies during the financial year.

4. **Attendance of Board Meetings**
The attendance of the Directors at Board Meetings held during the financial year ended 31 December 2021 is disclosed in the Corporate Governance Overview Statement.

 Please refer to Corporate Governance Overview Statement on pages 126 to 150 for more information

PROFILE OF SENIOR MANAGEMENT

DATO' TAN KIA LOKE <i>Senior Managing Director – Chairman's Office</i>
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AGE / GENDER / NATIONALITY
71 / Male / Malaysian

DATE OF APPOINTMENT
1 January 2015



ACADEMIC/PROFESSIONAL QUALIFICATION(S):

- Bachelor of Science (Hon) Degree in Civil Engineering, University of Strathclyde, United Kingdom

PRESENT DIRECTORSHIP(S) IN PUBLIC COMPANY(IES):

- Malaysian South-South Corporation Berhad
- Malaysian Industry-Government Group for High Technology
- Sunway Construction Group Berhad (Alternate Director to Evan Cheah Yean Shin)

AWARDS:

- CEO of the Year by the Malaysian Construction Industry Excellence Award (MCIEA) (2006)

Dato' Tan is a Civil Engineer by profession. He joined Sunway Group in 1981. He was the Senior Managing Director of Sunway Construction Sdn Bhd and was appointed as Head of Property and Construction Division on 1 January 2013 after the merger of Sunway Holdings Berhad and Sunway City Berhad in August 2011. His key role was to synergise and enhance the full potential values in the Group's core property and construction collaborations. He is currently the Senior Managing Director in Chairman's Office to support the Chairman of Sunway Group in areas of new business ventures, strategic partnerships and collaborations.

He is the Honorary Advisor of Master Builders Association Malaysia.

EVAN CHEAH YEAN SHIN <i>Executive Vice President - President's Office; Chief Executive Officer - China</i>
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AGE / GENDER / NATIONALITY
42 / Male / Malaysian

DATE OF APPOINTMENT
1 March 2015 (Executive Vice President – President's Office)



ACADEMIC/PROFESSIONAL QUALIFICATION(S):

- Chartered Financial Analyst Charterholder
- Certified Practising Accountant
- Member of Malaysian Institute of Accountants
- Bachelor's Degree in Commerce and Bachelor's Degree in Business Systems, Monash University

PRESENT DIRECTORSHIP(S) IN PUBLIC COMPANY(IES):

- Sunway Construction Group Berhad
- Elite Commercial REIT

Mr Evan Cheah is currently the Group Chief Executive Officer ("CEO") for Digital and Strategic Investments at Sunway Group, a leading Malaysian conglomerate with multi-industry interests in property development, property investment, construction, healthcare, leisure and hospitality, retail mall management, fund management, building materials & industrial distribution and manufacturing.

He has more than 10 years of experience in general management, investments and technology across various businesses within Sunway Group.

Prior to his current role, he was the CEO of Sunway Group's China operations responsible for its China Corporate Office. Concurrently, he was the Executive Vice President – President's Office driving new business growth and synergies for Sunway Group.

Mr Evan Cheah sits on the board of Sunway Construction Group Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad, as a non-independent non-executive director. He currently also sits on the boards of various private operating companies including as Chairman of the Board for Credit Bureau Malaysia Sdn Bhd, Sunway Money Sdn Bhd, Multicare Health Pharmacy Sdn Bhd and Tianjin Eco-City Sunway Property Development Co. Ltd.

He graduated with a Bachelor's Degree in Commerce and a Bachelor's Degree in Business Systems from Monash University in 2001. He is a Chartered Financial Analyst (CFA) Charterholder, a Fellow of Certified Practising Accountants (CPA) Australia, and a Member of Malaysian Institute of Accountants.

PROFILE OF SENIOR MANAGEMENT

CHONG CHANG CHOONG*Group Chief Financial Officer***AGE / GENDER / NATIONALITY**

63 / Male / Malaysian

DATE OF APPOINTMENT

1 July 2018

**ACADEMIC/PROFESSIONAL QUALIFICATION(S):**

- Member of Institute of Chartered Accountant in England and Wales
- Bachelor of Arts (Honours) in Economics and Accounting, University of Newcastle Upon Tyne, England

PRESENT DIRECTORSHIP(S) IN PUBLIC COMPANY(IES):

- Gopeng Berhad

In 1980, Mr Chong started his career as an Article Clerk in Robson Rhodes, a chartered accountant firm in London. He returned to Malaysia in 1984 and he was a Corporate Banking Officer with Bumiputera Merchant Bankers Bhd. Subsequently, he held various positions in different financial institutions, including John Hancock Life Insurance Berhad and DMG K&N Kenanga Berhad. His last position prior to joining Sunway Group was the General Manager – Investments of Public Mutual Berhad from 1995 to 2004. Under his guidance, Public Mutual Berhad won numerous fund management awards.

Mr Chong joined Sunway Group as the Director of Group Corporate Affairs on 1 December 2010 and he is responsible for overseeing the corporate finance and treasury functions. Upon the listing of Sunway, he was redesignated to Chief Financial Officer of Sunway and subsequently, assumed his current role as Group Chief Financial Officer.

He has more than 20 years of experience in banking, stockbroking, corporate finance and portfolio fund management.

DATO' LAU BENG LONG*Group Managing Director - Sunway Healthcare Group***AGE / GENDER / NATIONALITY**

67 / Male / Malaysian

DATE OF APPOINTMENT

1 January 2022

**ACADEMIC/PROFESSIONAL QUALIFICATION(S):**

- Bachelor of Science (Hons), Universiti Sains Malaysia
- Master of Health Administration, University of New South Wales
- Master of Business Administration, Southern Cross University
- Postgraduate Diploma in Public Administration, National Institute of Public Administration (INTAN)

PRESENT DIRECTORSHIP(S) IN PUBLIC COMPANY(IES):

- Yayasan Kasih Hospis

Dato' Lau has more than 35 years of experience in the healthcare sector. He currently overlooks the Healthcare division of the Sunway Group and is in charge of Sunway Medical Centre Bandar Sunway, Sunway Medical Centre Velocity and spearheading the planning and project management of new hospitals and other healthcare facilities in the major cities of Malaysia and Singapore.

With effect from 1 January 2022, he has been promoted to Group Managing Director - Sunway Healthcare Group to drive the expansion plans of Sunway Healthcare Group to become a leading integrated private healthcare group with a network of hospitals and healthcare services in the region.

Prior to this, he held executive leadership positions in Pantai Medical Centre (KL) as well as Mount Alvernia Hospital and Assisi Hospice & Home in Singapore. He was also a planning and management consultant for healthcare projects in East Malaysia, Indonesia and UAE. In his early career, he was holding planning and corporate secretarial positions in the Ministry of Agriculture and Harrison's & Crosfield PLC respectively.

Currently, Dato' Lau is a volunteer board member of Yayasan Kasih Hospis.

LIEW KOK WING*Group Managing Director – Construction Division***AGE / GENDER / NATIONALITY**

53 / Male / Malaysian

DATE OF APPOINTMENT

1 April 2022

**ACADEMIC/PROFESSIONAL QUALIFICATION(S):**

- Master of Science Degree in Civil Engineering, National University of Singapore
- Bachelor of Engineering (Hons) in Civil Engineering, National University of Singapore

PRESENT DIRECTORSHIP(S) IN PUBLIC COMPANY(IES):

- Sunway Construction Group Berhad

Mr Liew began his career with L&M Geotechnic in Singapore in 1993, as a Project Engineer at various construction projects in Singapore. In 1996, he was transferred to L&M Systems, Thailand as Project Manager in charge of infrastructure works for a low rise luxury housing project in Bangkok. In the same year, he left to join Taylor Woodrow Projects (M) Bhd. before joining Sunway Construction Sdn Bhd ("SCSB") as Senior Geotechnical Engineer from 1996 to 1998. Thereafter, he joined Nishimatsu Construction Company Singapore.

He rejoined SCSB in 2000 and was promoted during the course of overseeing various projects in Malaysia and India to the position of Senior General Manager, heading the Civil Engineering Division in 2003. He was further promoted as the Deputy Managing Director in 2016 and as the Managing Director of SCSB on 1 January 2020.

Effective 1 April 2022, he assumed the position of Group Managing Director of Sunway Construction Group Berhad. He has more than 20 years of experience in the construction industry.

LEE CHUAN SENG*Chief Executive Officer - Quarry Division***AGE / GENDER / NATIONALITY**

54 / Male / Malaysian

DATE OF APPOINTMENT

1 February 2018

**ACADEMIC/PROFESSIONAL QUALIFICATION(S):**

- Chartered Accountant
- Fellow Member of Chartered Institute of Management Accountants, United Kingdom
- Member of Chartered Global Management Accountant
- Member of Malaysian Institute of Accountants
- Masters in Business Administration, Victoria University of Technology, Australia

PRESENT DIRECTORSHIP(S) IN PUBLIC COMPANY(IES):
NIL

Mr Lee has more than 23 years of experience in the quarrying industry. He was appointed as Chief Executive Officer - Quarry Division on 1 February 2018. Prior to this appointment, he was the Chief Operating Officer of Sunway Group's Quarry division, in charge of 6 quarries and 13 asphalt manufacturing plants with annual sales turnover of over RM200 million.

He first joined Sungei Way Quarry Industries Sdn Bhd in 1996 as the Accountant and last served as Commercial Manager (Southern & Eastern Region) of the Sunway-Pioneer joint venture, formed in 1999 when the Group divested its quarrying operations to Pioneer International Limited. In his role as Commercial Manager from 1999 to 2001, he was in charge of 3 core products, namely aggregates, asphalt manufacturing and ready-mixed concrete.

He then took on the role of Financial Controller for Setia Jura Quarry Industries Sdn Bhd in 2001 and held the same position until 2005, when the company was injected into Sunway Holdings Berhad. From there, he progressed to the position of Chief Operating Officer in 2012.

In 2020, he has expanded the quarry and asphalt operations to a total of 8 quarries and 24 asphalt manufacturing plants in the ever changing dynamic construction market.

In order to complement his forte in the industry and the quarrying and asphalt/premix fraternity, he is also holding the current vice chairman position in the Selangor Quarry Association, Malaysia for year 2019-2021.

PROFILE OF SENIOR MANAGEMENT

YEOH YUEN CHEE

Chief Executive Officer –
Trading and Manufacturing Division

AGE / GENDER / NATIONALITY

61 / Male / Malaysian

DATE OF APPOINTMENT

1 January 2021



ACADEMIC/PROFESSIONAL QUALIFICATION(S):

- Bachelor of Business in Business Administration, RMIT University
- Fellow of the Institute of Management Specialists, United Kingdom

PRESENT DIRECTORSHIP(S) IN PUBLIC COMPANY(IES):

NIL

Mr Yeoh has more than 40 years of experience in the field of heavy equipment business. In 1978, he started his career with UMW Equipment Sdn Bhd, a leading heavy equipment distributor in Malaysia and was the Senior Manager for Products and Branch Operations before joining Sunway Group in 2006 as Assistant General Manager of Sunway Enterprise (1988) Sdn Bhd ("Sunway Enterprise"), the heavy equipment business division of Sunway Trading and Manufacturing Division.

Mr Yeoh was promoted to General Manager in 2009 and was subsequently to Senior General Manager in 2013 assuming larger responsibilities to identify new markets and business models, reputable agency lines as well as overseas expansion.

He was instrumental in transforming Sunway Enterprise from a key quarrying equipment and accessories supplier into a full fledge heavy equipment distributor and solutions provider including rental of material handling equipment through expansion of Sunway Enterprise's product portfolio via acquisition of exclusive distributorships of reputable product brands such as CASE Construction Equipment, Sany Concrete Pumping Equipment and Rotary Drilling Rigs, Lonking Wheel Loaders, Weichai Mining Trucks, HBXG Bulldozers and Tailift Forklifts owned by Toyota Industries Group of Japan.

DANNY NG BOON LIANG

Chief Executive Officer –
Building Materials Division

AGE / GENDER / NATIONALITY

62 / Male / Malaysian

DATE OF APPOINTMENT

1 May 2013



ACADEMIC/PROFESSIONAL QUALIFICATION(S):

- Bachelor of Economics (Business Administration), University of Malaya

PRESENT DIRECTORSHIP(S) IN PUBLIC COMPANY(IES):

NIL

Mr Danny Ng has 38 years of working experience, including 16 years in quarry operations and road construction for the Quarry division of Sunway Group.

He joined Sunway Group in 1986. He currently oversees the Building Materials division which includes the interlocking concrete pavers and compressed concrete slabs, vitrified clay pipes and jacking pipes and spun piles for Malaysia. He was designated to his current position in 2013.

Prior to this appointment, Mr Danny Ng was the Executive Director of the Sales and Marketing division of Sunway Building Technology Berhad Group of Companies. He was also the Senior General Manager of the Southern Region of Sunway Pioneer Quarry Sdn Bhd and Pioneer Sun-Mix Concrete Sdn Bhd, a former joint-venture company of Sunway Group.

CHAN HOI CHOY

Chief Executive Officer –
Sunway Shopping Malls and Theme Parks

AGE / GENDER / NATIONALITY

62 / Male / Malaysian

DATE OF APPOINTMENT

1 January 2009



ACADEMIC/PROFESSIONAL QUALIFICATION(S):

- Bachelor of Science (Hons) degree in Managerial and Administrative Studies, University of Aston, Birmingham, United Kingdom

PRESENT DIRECTORSHIP(S) IN PUBLIC COMPANY(IES):

NIL

Having spent his entire 36 years of professional career in mall management and development, Mr Chan has acquired extensive experience in general mall management, operations and marketing management. He began his career in Sungei Wang Plaza in 1983 where he spent 11 years with this successful shopping mall before joining Berjaya Starcity (now known as Times Square) as the General Manager, principally responsible for the development of this major shopping mall in the heart of Kuala Lumpur from 1994 to 1999. His next career move was to Sunway Pyramid.

In his current position, he oversees the portfolio of 7 malls, namely Sunway Pyramid, Sunway Velocity Mall, Sunway Carnival Mall, Sunway Putra Mall, Sunway Big Box Retail Park, Sunway Giza, Sunway Citrine Hub and 2 Theme Parks, namely Sunway Lagoon and Lost World of Tambun.

He is the current Advisor of Malaysia Shopping Malls Association (PPK Malaysia) after serving a two-term presidency in advocating the industry interest at both international and national levels. He also serves as the current Advisor of Council of Asian Shopping Centres (CASC) and sits on the Industry Advisory Board of Sunway University Business School.

FOO SHIANG WYNE

Chief Human Resources Officer
– Group Human Resources

AGE / GENDER / NATIONALITY

50 / Female / Malaysian

DATE OF APPOINTMENT

1 January 2015



ACADEMIC/PROFESSIONAL QUALIFICATION(S):

- Bachelor of Science (Hons) in Computer Science, University of Sussex, United Kingdom
- Masters in Business Administration, Cardiff Business School, United Kingdom

PRESENT DIRECTORSHIP(S) IN PUBLIC COMPANY(IES):

NIL

Ms Foo is an experienced Human Resources Practitioner, and a Marshall Goldsmith Certified Executive Coach, with more than 20 years' extensive experience in various industries such as Pharmaceuticals, Medical Devices, Hospitality and Fast Moving Consumable Good.

Prior to joining Sunway, she was the Human Resources Director of GlaxoSmithKline for Malaysia, Singapore and Brunei as well as in Johnson & Johnson Medical Devices Division for Malaysia and Indonesia. She was also the Regional Director of Human Resources of Hilton Worldwide, where she managed the overall HR spectrum of 17 properties across South East Asia, and was the Regional Learning & Development Manager for NIKE (Southeast Asia) in her earlier career days.

Ms Foo joined Sunway Group in 2013 as the General Manager - Organisation Development, and assumed her current role in 2015 where she is responsible for the overall Group Human Resources and Human Resources Shared Services.

She is instrumental in formulating strategies to redefine the learning culture, and elevate talent and organisational practices at Sunway, including talent acquisition, learning & development, talent management, total rewards and performance management. She also spearheaded diversity and inclusion initiatives, strengthened employer branding through strategic collaborations with top universities, and is leading the group-wide HR Digital Transformation across all businesses within Sunway, revolutionising HR services for the Group.

NOTES:

1. **Family Relationship with Director and/or Major Shareholder**
Evan Cheah Yean Shin is the child of Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling who is the Executive Chairman and major shareholder of Sunway and he is the sibling of Sarena Cheah Yean Tih, the Executive Director of Sunway.

Save as disclosed above, none of the other Senior Management members has any family relationship with any director and/or major shareholder of Sunway.

Conflict of interest
None of the Senior Management members has any conflict of interest with Sunway Group.

Conviction for Offences
None of the Senior Management members has any conviction for offences within the past 5 years other than traffic offences, if any. They have not been imposed any penalty by any relevant regulatory bodies during the financial year 2021.

SUSTAINABILITY AT SUNWAY

Sunway Berhad's sustainability governance is led by the Board Sustainability Committee ("BSC") comprising four Board Directors. Established in 2020, the BSC reviews, supervises and makes recommendations in the areas of sustainability strategy, environment, social and governance ("ESG") targets and performance, progress and scorecard. The BSC meets at least twice a year to review Sunway's sustainability strategies.

In 2021, we strengthened our sustainability governance by incorporating sustainability initiatives and targets in our senior managers' Key Performance Indicators ("KPIs") and performance evaluations, which are linked to remuneration. Hence, senior management are held accountable and responsible for the Group's ESG performance and progress on climate action.

Sustainability Governance Structure



Our ESG Highlights:

Top 15% percentile of its Industry Classification Benchmark ("ICB") Supersector that has been assessed by FTSE Russell	ESG rating of "A" by Morgan Stanley Capital International ("MSCI")	Official supporter of the Task Force on Climate-related Financial Disclosures ("TCFD")	One of the first few public-listed companies in Malaysia to commit to setting near-term science-based emissions reduction targets in line with the Science Based Targets ("SBTi") criteria and recommendations	Aims to achieve Net Zero Carbon Emissions by 2050	Linked ESG-related KPIs including climate change to the remuneration of Senior Management
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Our 2030 Goals:

GOAL 1 Transforming Our Portfolios to Low-Carbon Sustainable Cities	GOAL 2 Advocating A Responsible Value Chain	GOAL 3 Developing A Safe, Equal and Dignified Workforce	GOAL 4 Investing in Community Inclusivity	GOAL 5 Respecting Ethical Principles
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Strategy

SUNWAY'S NET ZERO CARBON EMISSIONS BY 2050 ROADMAP

ON TRACK TOWARDS ACHIEVING 2030 TARGETS

We have set future value goals and 2030 targets to transform our portfolios to low-carbon sustainable cities.

Strategic Framework:

- Decarbonisation
- Resource management
- Pollution management

— Net zero pathway
--- Business as usual

ACCELERATING DECARBONISATION

From now till 2030, Sunway's focus is to reduce residual emissions by improving efficiency and using energy substitution. In 2021, we have established an Internal Carbon Pricing framework to start preparing for the potential transition risks from climate-related issues at RM15 per tonne of CO₂e emitted above a threshold level. This is a mechanism/decision-making tool that can help our business divisions to understand their exposure to external carbon pricing schemes, guide their decisions and investments and put a value on their greenhouse gas ("GHG") emissions in a way that drives positive change in their business.

We target for our managed and industrial properties to reduce their emissions per tonne of production by 4% and 3.5% respectively per year by 2030 using 2022 as a base year.

Implementation:

Internal Carbon Pricing

- Emission avoidance (Energy efficiency improvement)
- Energy substitution (Renewable energy)

Engaging with stakeholders to reduce Scope 3 emissions

- Upstream - Suppliers (Sustainable procurement & supply chain practices)
- Downstream - Tenants (Green lease)

Please read our SR 2021 for more information on the Group's energy consumption and GHG emissions.

GETTING TO NET ZERO

To get to net zero carbon emissions by 2050, we plan to focus on carbon offset technology.

Implementation:

Carbon storage and capture

Investment in large scale renewable energy

Global temperature is estimated to reach between 4.0°C to 5.0°C without any mitigation efforts.

Global warming is limited to 1.5°C with mitigation efforts, in line with the Paris Agreement goal.



SUSTAINABILITY AT SUNWAY

GOAL 1

TRANSFORMING OUR PORTFOLIOS TO LOW-CARBON SUSTAINABLE CITIES

Managing Our Energy Consumption

In 2021, the Group continued to conserve energy usage across all its business divisions amid several lockdown periods and restricted movement due to the pandemic.

Our Solutions:

Initiatives such as using LED and T5 bulbs, installing motion sensors at common areas and replacing old electrical appliances were implemented. As a result of these efforts, our energy consumption decreased by a marginal **3% to 476,963 MWh** compared to the previous year.

Shifting from fossil fuel to renewable energy continues to play a key role in reducing the Group's GHG emissions. The Group has invested in solar power generation since 2018 and has generated 18,860 MWh of clean energy. In 2021 alone, **8,940 MWh or 3%** was generated from our solar panels as per the target for the year.

The Group's overall energy has been on a decrease since 2020 despite the increase in our total Gross Floor Area due to below normal capacity operations in our buildings during Movement Control Orders ("MCO"), which did not reflect a business-as-usual scenario. Our Building Energy Intensity ("BEI") decreased overall from 2015 to 2021 except for the Healthcare division. This was because the healthcare industry was not affected during MCOs. Additionally, private healthcare institutions accepted and treated decanted patients from public hospitals, which was likely to contribute to the increased BEI in the healthcare division.

32,126 tonnes of CO₂e avoided since 2015 (equivalent to **6,279 gasoline-powered** passenger vehicles driven for one year)

8,940 MWh of clean energy generated (equivalent to electricity use by **763 homes** for one year)

Managing Our Water Consumption

Our approach in managing our water consumption is focused on optimising efficiency across our value chain and identifying areas for improvement across the life cycle of all our business areas. The life cycle approach is integrated in all our sustainable building designs and management systems, centering on water conservation through reducing, recycling and reusing.

Our Solutions:

Our business divisions continued to implement water saving initiatives such as creating awareness among employees, hotel guests and shoppers, **installing water-efficient fixtures** as well as checking and monitoring leakages, apart from installing rainwater harvesting system.

WE CONSERVE WATER THROUGH THESE EFFORTS

01 Water Crisis SOPs

All Sunway properties have established a water crisis Standard Operating Procedure ("SOP") to address the issue of water disruption. The SOPs cover emergency planning to address water disruption that occurs during business operation hours

02 Water Saving Initiatives

Installing water-efficient fittings such as sensor taps, new faucets and water-efficient taps

03 Alternative Water Sources

Apart from municipal potable water, we consume water from alternative water sources including:

- Lakewater
- Rainwater

Our water consumption has been steadily decreasing since 2020 due to reduced operation hours during the MCO periods. In 2021, the Group's water consumption reduced by 17% to 3,309,758 m³.

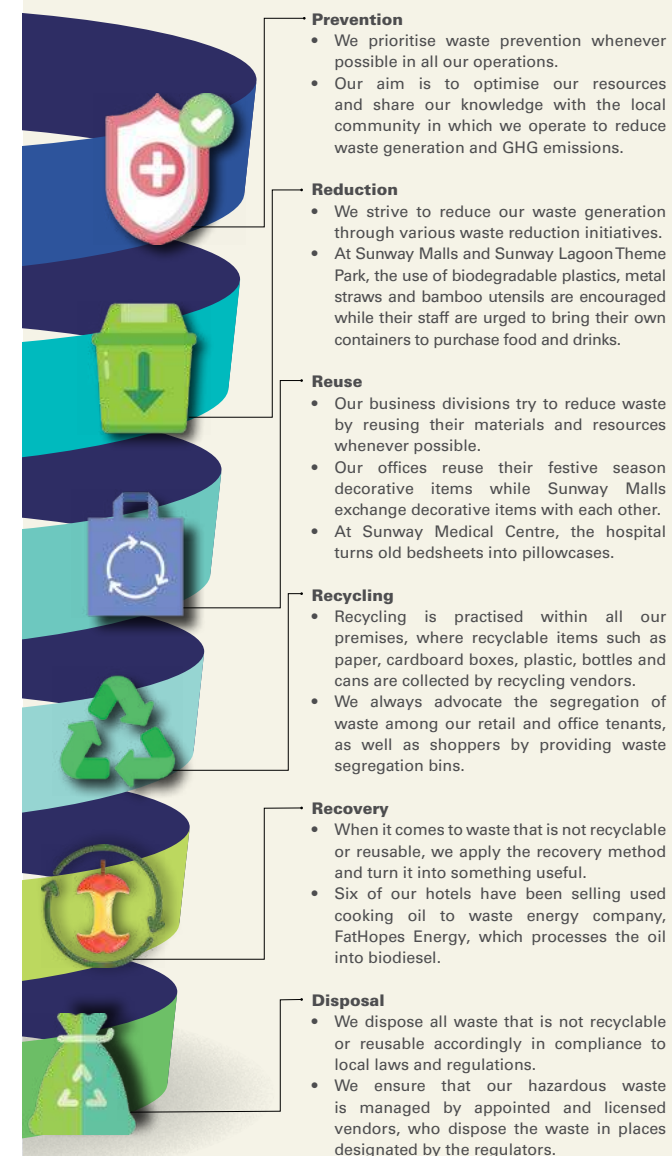
963,348 m³ of water consumption from alternative sources (equivalent to **385 Olympic-sized swimming pools**)

Managing Our Waste Generation

We strongly believe in waste prevention where possible as we strive to reduce our waste to landfills from across our operations. We remain guided by a waste management hierarchy, and we comply with the Solid Waste and Public Cleansing Management Act 2007, allowing us to manage waste based on the potential benefits.

Our Solutions:

Waste Management Hierarchy (most preferred to least preferred)



SUSTAINABILITY AT SUNWAY

In 2021, we diverted 6% of waste from landfill, which was 2% higher than 2020. Based on our environmental performance indicator, our percentage of diverted waste has been increasing from 3% to 4% from 2017 to 2019, reflecting the Group's commitment to preventing and reducing waste. This includes implementing initiatives on waste prevention, reduction, recycling and recovery.

6% of waste diverted from landfills



GOAL 2

ADVOCATING A RESPONSIBLE VALUE CHAIN

In 2021, 95% of our procurement budget was spent on local suppliers within our significant locations of operations, which included all Sunway business divisions' operations in Malaysia.

We uphold good business ethics when engaging with our suppliers by offering them equal access to opportunities. To ensure our selected suppliers are credible and reliable, a tendering and bidding process is conducted prior to any purchases. The screening process, which is done both online and offline, is governed by clear and transparent procurement policies and practices.

We are committed to responsible procurement by working with partners who uphold the same high sustainability standards we subscribe to in the areas of ethical conduct, human rights, workplace standards and environmental management.

100%

- of the new suppliers have completed the supplier environmental and social risk assessment starting July 2021.
- of the new suppliers do not have negative environmental and social impacts in the supply chain and no action need to be taken.
- of the new suppliers, to our knowledge, have not been identified to commit any non-compliance in the areas assessed such as freedom of association and collective bargaining, child labour, or forced or compulsory labour.

Note: New suppliers refers to suppliers who have completed the Sunway Registration Form and Supplier Risk Assessment beginning 2021.

SUSTAINABILITY AT SUNWAY

GOAL 3

DEVELOPING A SAFE, EQUAL AND DIGNIFIED WORKFORCE

Our Commitment and Values



We have been a signatory of the UN Global Compact (UNGC) Principles since 2012.



We are committed to respecting human rights as outlined in the UN Guiding Principles on Business and Human Rights and the UNGC Principles.



We recognise the International Labour Organisation's (ILO) eight fundamental Conventions concerning:

- Freedom of association and the right to collective bargaining
- The elimination of forced labour, child labour and discrimination in the workplace



We have zero tolerance for child labour and forced labour, and we comply with child labour laws in every country we operate in.



We expect all employees to adhere to the Group's Code of Conduct and Business Ethics Policy. Employees are required to acknowledge that they read, understood and will abide by the policy through submission of the Annual Staff Declaration Form.

Prioritising Employee Well-being

As our most precious asset, the well-being of our employees is vital for the sustainable growth of the Group. In 2021, we continued to engage with employees through virtual Town Halls and Dialogue Sessions to address any issues amid disruptions from the COVID-19 health crisis. We also rolled out various measures to navigate challenges from the prolonged pandemic including allowing working from home arrangement to keep our employees safe and healthy, physically and mentally.

We continuously strive to be the preferred employer by compensating our employees with competitive benefits beyond regulatory requirements and monthly wages. Among the benefits provided for full-time employees were family-friendly policies, employee health screening, staff discounts and more.

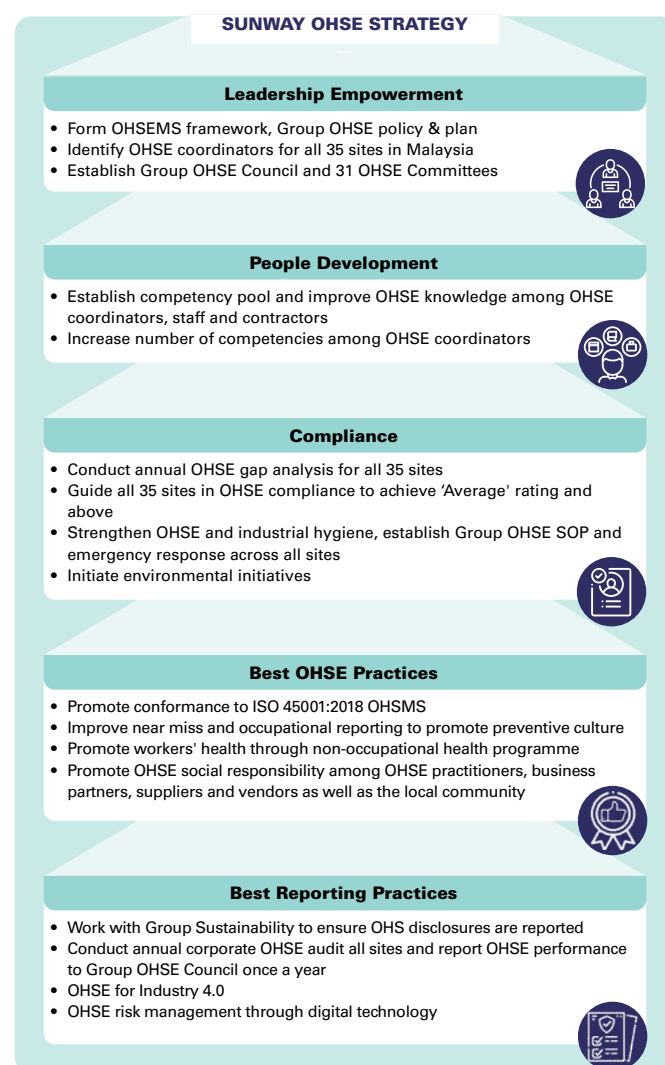
Learning and Development

Due to the continued disruptions from the pandemic, majority of our learning and development were focused on soft skills, technical and functional training. We also expanded our learning programmes to include more digital skills and learning programmes. With the advent of remote working and learning, more employees have chosen to do online learning this year compared to the previous year.

Average of **33.0** learning hours per employee

Safeguarding the Health and Safety of Our People

We aim to comply to best practices across all our sites over the next 10 years and reach level 5 (generative) safety culture. This is boosted by our five-year strategic OHSE plan from 2021 to 2025, which came into effect this year. This plan is adopted based on National OHSMP 2021-2025 to ensure that we align with national directive. There are five strategic initiatives with 24 programmes in place:



In 2021, we achieved

- 0 High-consequence work-related injuries
- 0 Work-related ill health



GOAL 4

INVESTING IN COMMUNITY INCLUSIVITY

Despite challenges and disruptions from the pandemic, Sunway continued to strive towards building a sustainable future in 2021 by contributing in-cash and in-kind to the local communities in which we operate, ensuring no one is left behind.

Engaging with the local communities allows us to better understand and meet the need of our stakeholders, apart from giving back to society and enriching lives. The Group worked closely with government bodies, non-profit organisations and charitable partners to enrich the communities and create long-lasting positive impact.

The Group's community initiatives are guided by the three pillars of #SunwayforGood:



HEALTHCARE



EDUCATION

COMMUNITY
ENRICHMENT

SUNWAY BERHAD INVESTED
>RM214 MILLION
IN COMMUNITY INCLUSIVITY IN 2021.

This amount included:

- * RM136 mil rental rebate for retail tenants to ease their burden during the pandemic
- * > RM66.2 mil sponsorship of rent-free vaccination centres
- * > RM2.4 mil worth of discounts for COVID-19 treatment in our medical centres
- * RM2.3 mil sponsorship from our hotels as quarantine centres

Sponsored rental-free spaces as vaccination centres, where we administered more than **350,000 doses** of COVID-19 vaccinations



GOAL 5

RESPECTING ETHICAL PRINCIPLES

At Sunway, we are committed to conducting our business in an ethical and responsible manner. The Group's Code of Conduct and Business Ethics guides the way we operate and ensures we comply with all applicable laws and regulations in all jurisdictions and countries within which we operate. The core components of the Code include promoting sustainability, health and safety, non-discrimination, anti-corruption, bribery and fraud, compliance with internal controls and procedures and sexual harassment.

SUSTAINABILITY AT SUNWAY

Zero Tolerance for Fraud, Bribery and Corruption

The Group has a zero-tolerance stance on fraud, bribery and corruption. Apart from the Code of Conduct, we are also guided by a set of robust corporate policies that address anti-bribery and corruption, anti-money laundering as well as whistleblowing.

Cyber Security and Data Governance

Our holistic and robust cyber security controls are supported by the Group's company-wide governance infrastructure. Sunway's IT Shared Services Centre is certified with the ISO 27001:2013 international standard and focuses on the Information Security Management System (ISMS) – a framework of policies and procedures that include all legal, physical and technical controls involved in an organisation's information risk management processes. As part of the international standard, the shared services centre practises periodic vulnerability assessment and patch management. It also conducts an annual review to ensure effectiveness of the Group's Information Security and a yearly disaster recovery simulation for critical services, which is documented and audited internally as well as independently by an external party.

Risk Management

The Group is guided by a resilient risk management framework that integrates enterprise risk management ("ERM") into key business activities, initiatives and processes to identify and mitigate risks that may impact our stakeholders and the organisation. The framework is benchmarked against the ISO31000:2018 Risk Management Guidelines.

Sunway's Universe of Policies

Board Policies

- Non-Audit Services Policy
- Policy on Selection and Assessment of Members of the Board of Directors and Board Composition
- External Auditors Selection Policy
- Directors Remuneration Policy
- Fit and Proper Policy *new*

Corporate Policies

- Anti-Bribery & Corruption ("ABC") Policy
- Anti-Money Laundering Policy
- Diversity & Inclusion Policy
- Whistleblowing Policy & Procedure

Sustainability Policies

- Group Sustainability Policy
- Group Occupational Health, Safety and Environment Policy
- Human Rights Policy
- Sustainable Procurement Policy
- Water Management Policy
- Green Building Policy *new*
- Biodiversity Policy *new*

For more information on the policies, please go to Sunway Berhad's corporate website at <https://www.sunway.com.my/investor-relations/corporate-governance/#section-policies>

CORPORATE GOVERNANCE OVERVIEW STATEMENT

CORPORATE GOVERNANCE OVERVIEW STATEMENT

A PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

The Board is committed to the high standards of corporate governance set out in the Malaysian Code on Corporate Governance 2021 ("MCCG 2021"). This Corporate Governance Overview Statement, together with the Corporate Governance Report which is available on our website, describes how the Board has applied the main principles of good governance and complied with the relevant provisions as set out in the MCCG 2021 for the year under review.

EFFECTIVE BOARD

Our Board is composed of highly skilled professionals who bring a range of skills, perspectives and corporate experience to our boardroom. In accordance with the MCCG 2021, the role of the Board is to promote the long-term sustainable success of the Company, generate value for shareholders and contribute to wider society. To ensure sufficient time for discussion, the Board utilises its four principal committees to effectively manage its time. At each Board meeting, the agenda ensures sufficient time for the committee chairs to report on the contents of discussions, any recommendations to the Board which require approval and the actions taken. The Board conducts a detailed annual review of our strategy. In addition, as we generate value through the core activities identified in our business model, the flexibility of the business model will also be assessed by the Board to ensure it remains 'future ready'.

6

Independent Non-Executive Directors

4

Non-Independent Executive Directors

The Board is primarily responsible for setting the Group's strategy for delivering long-term value to our shareholders and other stakeholders, providing effective challenge to Management concerning the execution of the strategy and ensuring the Group maintains an effective risk management and internal control system.

4

Independent Non-Executive Directors

Oversees the Group's financial reporting, maintains an appropriate relationship with the External Auditors and monitors the Group's internal controls.

3

Independent Non-Executive Directors

Reviews and monitors the Group's principal and emerging risks and the effectiveness of the Group's risk management systems.

2

Independent Non-Executive Directors

2

Executive Directors

Reviews, supervises and recommends the Group's sustainability strategy and issues as well as key environmental, social and governance (ESG) targets and performance to advance the sustainability leadership of the Group.

MEETINGS AND ATTENDANCE											
Non- Independent Executive Director				Independent Non-Executive Director							
Executive Chairman	Deputy Executive Chairman	President	Executive Director		Non-Executive Co-Chairman	Senior Independent Director	Independent Director	Independent Director	Independent Director	Independent Director	
Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling <small>AO</small>	Tan Sri Datuk Seri Razman M Hashim	Tan Sri Dato' (Dr) Chew Chee Kin	Sarena Cheah Yean Tih, <small>S.M.S.</small>		Dato' Sri Idris Jala	Philip Yeo Liat Kok	Tan Sri Dato' Dr. Lin See Yan	Tan Sri Datuk Dr Rebecca Fatima Sta Maria	Tan Sri Jamaluddin Bin Ibrahim	Datuk Tong Poh Keow	
13/13	13/13	13/13	13/13		13/13	12/13	13/13	13/13	11/11*	13/13	
							10/10	10/10	4/7*	10/10	
					3/3*	4/5	5/5	5/5		5/5	
							5/5	5/5		5/5	
						3/3				2/3	

* reflects the number of meetings held during the time the Director held office

GOVERNANCE FRAMEWORK AND BOARD RESOURCES

Corporate governance is essential in ensuring our business is run in the right way for the benefit of all of our stakeholders. Our governance framework was established to provide clear lines of accountability and responsibility. It also assists with the sharing of information and facilitates fast decision making and effective oversight.

Our governance arrangements support the development and delivery of strategy by:

- ensuring accountability and responsibility;
- facilitating the sharing of information for the Board to make informed decisions;
- establishing engagement programmes with key stakeholders;
- maintaining a sound system of risk oversight, management and an effective suite of internal controls;
- providing independent insight and knowledge from the Non-Executive Directors; and
- facilitating the development and monitoring of key performance indicators.

The Board maintains a formal schedule of matters which are reserved solely for its approval. These matters are included in the Group's Board Charter, which can be found on our website and is regularly reviewed. The Directors utilise an electronic Board paper system which provides immediate and secure access to papers. The Chairman of the Board and the chairs of the committees set the agendas for upcoming meetings with support from the Company Secretaries.

We aim to ensure that the information shared with our Board is timely, and of sufficient depth to facilitate debate and to fully understand the content without becoming unwieldy and unproductive. Papers are required to be clear and concise with any background material included as an appendix. We often invite the person-in-charge of the paper/report to join the Board in their discussions, to enable our Directors to truly 'drill down' into the data supplied and question Management directly.

All Directors have access to the services of the Company Secretaries and any Director may initiate an agreed procedure whereby independent professional advice may be sought at the Company's expense.

BOARD ROLES AND RESPONSIBILITIES					
Co-Chairmen		President		Senior Independent Non-Executive Director	
The Executive Chairman provides leadership to the Board and guidance to the Group.		The President reports to the Executive Chairman and the Board. He focuses on the Group's businesses and manages the day-to-day operations of the Company as well as implements the Board's decisions.		Mr Philip Yeo Liat Kok is the appointed Senior Independent Non-Executive Director. He coordinates the activities of the Independent Non-Executive Directors in circumstances where it would be inappropriate for the Chairman to serve in such capacity. He also assists the Chairman and the	
The Independent Non-Executive Co-Chairman chairs the Board meetings, sets the agenda items, promote active engagement among Directors as well as between the Board and the President. He ensures the smooth functioning of the Board including the effectiveness of the overall governance systems and processes.				Board to ensure effective corporate governance in managing affairs of the Board and the Company. He is available to shareholders if they have concerns relating to matters that the Chairman, President or Group Chief Financial Officer ("GCFO") has failed to resolve, or where such contact is inappropriate.	
Non-Executive Directors		Company Secretaries			
Provide constructive challenge to our Management, help to develop proposals on strategy and monitor performance against our key performance indicators ("KPIs"). They ensure that no individual or group dominates the Board's decision making and promote the highest standards of integrity and corporate governance throughout the Company and particularly at Board level. Further, they review the integrity of financial reporting and that financial controls and systems of risk management are robust.		Secretary to the Board and its committees, the Company Secretaries develop Board and Board Committees' agendas and collate and distribute papers, ensure compliance with Board procedures and advise on regulatory compliance and corporate governance. Further, they facilitate induction programmes for Directors, assist with their training and development as required and are responsible for communications with retail shareholders and the organisation of the Annual General Meeting. Additionally, they are available to support all Directors.			

CORPORATE GOVERNANCE OVERVIEW STATEMENT

CORPORATE GOVERNANCE OVERVIEW STATEMENT

A PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

BOARD KEY FOCUS AREAS AND FUTURE PRIORITIES

Board Renewal

During the year under review, the Board had approved the appointment of Tan Sri Jamaludin Bin Ibrahim as an Independent Non-Executive Director on 3 March 2021. His experience and knowledge in information technologies and telecommunication would contribute to the Group's digital transformation initiatives and ventures into new digital businesses.

In view of Tan Sri Datuk Seri Razman M Hashim's retirement at the coming Annual General Meeting of the Company on 23 June 2022, the Board will further refresh and enhance the gender diversity of the Board.

Enhancing Quality Standards of Audit and Internal Control

In a continuous effort to improve the quality of the internal audit function and to comply with the international standards, the Board has appointed an external professional consultant for a Quality Assessment Review ("QAR"). The last QAR was conducted in 2015. The assessment was initially planned to be undertaken in 2020 but had to be postponed to 2022 due to the COVID-19 pandemic. The QAR will validate the Group's internal audit activities as to whether they have conformed to the relevant internal audit standards as well as to identify key areas of improvements.

Net Zero Carbon Emissions by 2050

The Board approved the "Net Zero Carbon Emissions by 2050" goal.

As part of the Group's risk management towards climate-related issues, we have appointed The Jeffrey Sachs Center on Sustainable Development ("JSC") to conduct Value at Risk ("VaR") assessment on all our 74 properties to assess the Group's risk exposure to climate change. Based on the climate VaR study, Sunway will continue to monitor all properties closely to ensure that they are safe against material climate-related physical risks (e.g. floods, increased rainfall intensity, landslides) and put in place mitigation measures as appropriate. To prepare for the potential transitional risks from climate-related issues, the Group has established an Internal Carbon Pricing framework and set an internal carbon price at RM15 per tonne of CO₂e emitted above a threshold level based on the respective business division. Management has also included it as a key performance indicator of the business divisions and any breach of the carbon emission threshold will have an impact on their respective year-end bonus pool.

Sunway is committed to deepening our understanding of the climate-related potential risks and opportunities, and investing in strategies and actions that will prudently mitigate material risks and enhance our business position as a provider of high-quality green and sustainable products and services.

 Please refer to Climate Report: Net Zero By 2050 in the Sustainability Report 2021.

Management Advisory Committee on Digital

As part of the Group's digital transformation initiatives, the Board and Management have established a Management Advisory Committee to advise the Board on digital initiatives and new digital businesses.

CONFLICT OF INTEREST

Directors must avoid situations in which their own personal or business interests directly or indirectly conflict, or appear to conflict, with the interests of the Company. In this respect, the Board operates a policy that restricts a Director from voting on any matter in which they might have a personal interest unless the Board unanimously decides otherwise. Prior to all major Board decisions, the Chairman requires the Directors to confirm that they do not have a potential personal conflict with the matter being discussed. If a conflict does arise, the Director is excluded from discussions and his/her declaration of interest will be recorded in the minutes of meeting.

INTEGRITY AND ACCOUNTABILITY

The Board has a formalised code of conduct and business ethics policy ("**Code**") which provides an ethical framework to guide actions and behaviours of all Directors and its employees.

The Company also has in place a Whistleblowing Policy and Procedures. The objective of this policy and procedure is to provide a mechanism for all level of employees and stakeholders of the Group to report concerns about any suspected wrongdoing, inappropriate behaviour or misconduct relating to fraud, corrupt practices and/or abuse on a timely basis for management action.

Any employee or member of the public who has knowledge or is aware of any improper conduct within the Group is encouraged to disclose through the following reporting channels:

Whistleblowing hotlines

Tel: +603 5639 8025 E-mail: whistleblowing@sunway.com.my Fax: +603 5639 8027

The Group has a zero tolerance against all forms of bribery and corruption practices. It has formulated an Anti-Bribery and Corruption Policy and Procedures ("**ABC Policy**") as well as an Anti-Money Laundering Policy and Procedures ("**AML Policy**"). The ABC Policy provides procedures and guidance to all employees and business associates of the Group in complying with the policy. As for the AML Policy, all employees of the Group are required to implement measures to prevent money laundering within its businesses. Both the ABC Policy and AML Policy are under the oversight of the Risk Management Committee.

 Further details of the Code, Whistleblowing Policy and Procedures, ABC Policy and AML Policy are set out in the Corporate Governance Report ("**CG Report**"). The Code, Whistleblowing Policy and Procedures, ABC Policy, AML Policy and the CG Report are available at the Company's website at www.sunway.com.my.

BOARD APPOINTMENTS, SKILLS AND KNOWLEDGE

APPOINTMENTS TO THE BOARD

At Sunway Berhad, we ensure that appointments to our Board are made on merit with the overriding objective of ensuring that the Board maintains the correct balance of skills, length of service and knowledge of the Group to successfully determine the Group's strategy.

Appointments are made based on the recommendation of the Nomination and Remuneration Committee with due consideration given to the benefits of diversity in its widest sense, including gender and personal strengths.

PROFESSIONAL TRAINING

An effective Board requires the right mix of skills and experience. Our Board is a diverse and effective team focused on promoting the long-term success of the Group for the benefit of all stakeholders.

Training

With the ever-changing environment in which Sunway operates, it is important for our Executive and Non-Executive Directors to remain aware of recent and upcoming developments. We require all Directors to keep their knowledge and skills up-to-date and include training discussions with the Chairman in their annual performance reviews. Our Company Secretaries provide regular updates to the Board and its committees on regulatory and corporate governance matters. We invite professional advisers to provide in-depth updates. Updates and training are not solely reserved for legislative developments but aim to cover a range of issues including, but not limited to, market trends, economic environment, technological and ESG considerations.

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A PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

DIRECTOR PROFESSIONAL DEVELOPMENT AND TRAININGS

Name of Directors	Course Title / Organiser	Date
Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling Ao	The Rise of Sunway SEA as Investment Destination (Gobi Partners with Alibaba Global Initiatives)	4 March 2021
	CEO Asia Pacific roundtable with Prof Klaus Schwab (World Economic Forum)	8 April 2021
	CEOs Sustainability Malaysia Chapters (Live Fireside Chat with HSBC Stuart Milne)	20 May 2021
	Qatar Economic Conference (Bloomberg)	23 June 2021
	Emerging Tech on CO2 capture & utilization (SunU Engineering with MIT & other Universities across the globe)	7 July 2021
	Philanthropy & Sustainable Development (MIDF Group)	2 September 2021
	SDSN Leaders Global Council (United Nations Sustainable Development Solutions Network)	23 September 2021
	Harvard Global Advisory Council Meeting (Harvard Business 2021)	14 October 2021
Dato' Sri Idris Jala	Directors' Duties and Climate Change (Bar Council)	22 July 2021
Tan Sri Datuk Seri Razman M Hashim	Directors' Duties and Climate Change (Bar Council)	22 July 2021
Tan Sri Dato' (Dr.) Chew Chee Kin	Reimagining your business with AI (McKinsey & Company)	27 May 2021
	Directors' Duties and Climate Change (Bar Council)	22 July 2021
	Top tech trends - What do they mean for your organisation (Federation of Public Listed Companies Bhd)	27 August 2021
Sarena Cheah Yean Tih, S.M.S.	Topic of Conglomerates (Bain & Co)	22 January 2021
	Asia CXO Forum on Organisation for the Future (McKinsey & Company)	26 February 2021
	Situational Leadership II (Sunway Property HR)	29 March 2021
	Reimagining your business with AI (McKinsey & Company)	27 May 2021
	Global China Summit (JP Morgan)	2 June 2021
	FIDE Forum - Dialogue on the Future of Malaysia Financial Sector (Bank of America ("BOFA"))	9 June 2021
	The Future of Office (ARA Webinar)	29 June 2021
	FIDE Training - Commonwealth Financial Planning (BOFA)	8 to 9 July 2021
	FIDE Training - Governance Frameworks (BOFA)	12 July 2021
	FIDE Training - Bausch & Lomb / Molex (BOFA)	13 July 2021
	FIDE Training - New Century/ Ashanti (BOFA)	14 July 2021
	FIDE Training - JP Morgan & Bear/ Greenbrian (BOFA)	15 July 2021
	FIDE Training - Board Challenges in Risk Management/The Language of Risk (BOFA)	21 to 22 July 2021
	FIDE Training -The Financial Institution Directors Education (BOFA)	2 to 6 August 2021
	FIDE Training -The Financial Institution Directors Education (BOFA)	9 &11 August 2021
	Business Challenges and Regulatory Expectations - What Directors Need To Know (Fund Management) (Securities Industry Development Corporation)	8 September 2021
	Invest Malaysia 2021 - Rebuilding a Sustainable Economy (Bursa Malaysia Berhad & Malayan Banking Berhad)	14 October 2021
	How 5G is going to change the world (CHK Consultancy Sdn Bhd)	5 November 2021
Philip Yeo Liat Kok	ITE Leadership Seminar - The Thinking Hands Story* (Institute of Technical Education, Singapore)	30 July 2021
	EDB's 60th Anniversary - In Conversation with Philip Yeo - "The Ultimate Challenges of Leadership"* (Economic Development Board, Singapore)	18 August 2021
	Fireside chat with Imperial College Alumni members* (Imperial College Alumni)	30 September 2021
Tan Sri Dato' Dr. Lin See Yan	AMEU Economics Summit 2021 - Economic Resurgence: History in the Making (The Association of Malaysian Economics Undergraduates)	28 August 2021
	Asia's Future Re-imagined: Business, Community and Society beyond the Pandemic* (The Asian Institute of Management (AIA) Manila)	21 September 2021
	CEO Forum 2021: Business In The New Normal. Recover, Rethink, Rebuild^ (Perdana Leadership Foundation)	20 October 2021
	PNB Knowledge Forum on Climate Change - A New Green Deal For Malaysia* (Permodalan Nasional Berhad)	25 October 2021
Tan Sri Datuk Dr Rebecca Fatima Sta Maria	Asia's Journey to Prosperity - Policy, Market and Technology over 50 years^ (The Asian Institute of Management (AIA) Manila)	3 November 2021
	Beyond Bogor: Exploring APEC's Next Chapter - Trade and Investment (National Center For APEC)	13 January 2021
	Beyond Bogor: Exploring APEC's Next Chapter - Innovation and Digitalization (National Center For APEC)	27 January 2021
	APEC - Closing the Digital Skills Gap 2020 (APEC Human Resources Development Working Group)	27 January 2021
	World Economic Forum - RAG - APAC Dedicated Session called Modernizing Asia-Pacific Supply Chains (World Economic Forum)	29 January 2021
	AsiaTrade Week - Scene-setting: A review of trade (The Economist)	17 February 2021
	The Women Agenda (Youth Economic Forum 2021)	6 March 2021
	2021 GCC Global Summit Panel: "Building Blocks: The Future of Asia-Pacific Trade and Economy" (Global China Connection (GCC))	13 March 2021
	Future Female Leaders Forum in conjunction with International Women's Day 2021 (RISE 2021)	13 March 2021
	Digital trade and working towards a digital agreement in the Asia Pacific (RIETI, Japan)	23 March 2021
	The Economist's Make or Break: Regulating in a disruptive world event (The Economist)	28 April 2021
	APEC Seminar on Advancing Economic Inclusion through Trade and Investment in the Asia Pacific Region (APEC Study Center of China at Nankai University)	14 May 2021
	Promoting Inclusive and Responsible Business (IRB) for Sustainable Growth in Digital Society (Ministry of Commerce of People's Republic of China)	19 May 2021
	The Economist Event "Borderless business: Capturing ASEAN-China trade opportunities" (The Economist)	27 May 2021

Name of Directors	Course Title / Organiser	Date
Tan Sri Datuk Dr Rebecca Fatima Sta Maria (Cont'd.)	APEC Workshop on Inclusive Digital Society: Alleviating Poverty and Improving Living Standards through Increased Economic Growth (APEC China and Papua New Guinea (SCE))	8 June 2021
	ITC and APEC - Connecting on Trade and the Environment (International Trade Centre)	9 June 2021
	QUEST Senior Managers' Virtual Forum: Building a Learning Culture (Quest Learning)	15 June 2021
	Leading in VUCA 3.0: How Ready & Effective is Your Board? (Institute of Corporate Directors Malaysia ("ICDM"))	8 July 2021
	Edunity Foundation/G25 Malaysia entitled, "Post-COVID-19: The Importance of Institutional Reforms" (Edunity Foundation/G25 Malaysia)	27 July 2021
	APEC Stakeholder Awareness on Voluntary Sustainability Standards: Role and Impact of VSS on Trade in APEC Region (Department of Standards Malaysia/UNCTAD)	14 September 2021
	United Nations Environment Programme - 4 th Session of Forum of Ministers and Environmental Authorities of Asia Pacific (United Nations Environment Programme)	7 October 2021
	2021 APEC Closing the Digital Skills Gap Forum (APEC Human Resources Development Working Group)	19 October 2021
Tan Sri Jamaludin Bin Ibrahim	Women's Economic Empowerment Milestone (US EAP/EP/US SEGA)	8 November 2021
	Perkongsian Mengenai Amalan Terbaik Pelan Transformasi dan Pendigitalan di Rantau Asia (McKinsey & Company)	27 May 2021
	ICDM Advocacy Dialogue for the Launch of 2020 Malaysian Board Practices Review Report (ICDM)	8 July 2021
	Hari Libat Urus (Engagement Day) Bagi Rangka Tindakan (Blueprint) Ekonomi Digital Malaysia (RTEDM) (Strategic Change Management Office, Economic Planning Unit, Prime Minister Department)	12 July 2021
	Gov.UK: Digitising Public Service Delivery (BCG)	3 August 2021
	Briefing session on DNB and our 5G plans (Digital Nasional Berhad)	29 September 2021
	Khazanah Megatrend Forum (Khazanah Nasional Berhad)	4 to 6 October 2021
	2021 Axiata Group Berhad Board Retreat - Invitation to Special Talks by Industry Experts (Axiata Group Berhad)	13 October 2021
Datuk Tong Poh Keow	2021 Axiata Group Berhad Board Retreat - Invitation to Special Talks by Industry Experts (Axiata Group Berhad)	22 October 2021
	2021 Axiata Group Berhad Board Retreat - Invitation to Special Talks by Industry Experts (Axiata Group Berhad)	26 October 2021
	Women's Empowerment Principles (WEPs) Awareness (LeadWomen)	26 January 2021
	MFRS Update 2020/2021 (ACCA Malaysia)	10 March 2021
	Preparing the Board for Digital Disruption (ICDM)	6 April 2021
	IR – Integrated Reporting, The ASEAN Experience (Malaysian Institute of Accountants ("MIA"))	19 April 2021
	Risk Management Conference 2021 - Navigating Challenges in Unprecedented Times (MIA)	21 to 22 April 2021
	Innovate for Exponential Growth in the Disruptive Era (ICDM)	6 May 2021
	ACCA Singapore Annual Conference - Reshaping Finance : Digitally Enabled Sustainability Focused (ACCA Singapore)	18 May 2021
	Reimagining Your Business Using AI (McKinsey & Company)	21 May 2021
	Directors' Duties and Climate Change (Bar Council)	22 July 2021
	SDG: Spurring Malaysia's Economic Recovery to end Malnutrition (Jeffrey Sachs Center)	17 August 2021
	Corporate Liability S17A of the MACC Act – The Ultimate Vaccine for Corruption in Private Sector (Malaysian Institute of Management ("MIM"))	26 August 2021
	Environmental, Social, and Governance (ESG) (ICDM)	21 September 2021
	SIDC Conference - Business Foresight Forum (BFF) 2021: Transformative Innovation - Reshaping Business Realities in Extraordinary Times (Securities Industry Development Corporation)	22 to 23 September 2021
	ACCA Technical Symposium 2021: Business Strategy and Financial Reporting – Considerations in respect to the impact of COVID-19 and Post Pandemic Recovery (ACCA Malaysia)	12 October 2021
	Post Budget 2022 – Rebuilding National Resilience (MIM)	16 November 2021

* Attended as speaker
^ Attended as panellist

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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A PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

BOARD EVALUATION

The Chairman of the Board is responsible, with assistance from the Nomination and Remuneration Committee ("NRC"), for ensuring that the Company has an effective Board with an appropriate range of skills, expertise and experience. Every year, a performance evaluation of the Board and its committees is carried out to ensure that they continue to be effective, that each of the Directors demonstrates commitment to his/her role and has sufficient time to carry out his/her duties effectively.

The Committee reviews the results of the evaluation process and makes recommendations to the Board in relation to outcomes and further actions. During the year under review, an independent formal external evaluation was conducted by the Institute of Corporate Directors Malaysia.

The Board with the recommendation of the NRC, has appointed the Institute of Corporate Directors Malaysia ("ICDM") to undertake an external independent evaluation on the effectiveness of the Board and Directors for the financial year ended 31 December 2021. The objective of the appointment was to provide the Board with an independent insight and external perspective of the effectiveness of the Board and its committees in terms of oversight and governance processes. In addition, the assessment would provide suggestions for improvements in its journey to becoming a high-performing Board.

The Board and Directors effectiveness evaluation ("BDEE") covered the following key parameters:

- Board Leadership
- Board Composition, Skills and Development
- Board Committees
- Board Governance Oversight and Processes
- Board Agenda, Meeting and Information
- Board Dynamics and Culture
- Board and Management Relationship
- Board and Stakeholder Engagement
- Board Sustainability Matters
- Board's Pandemic/Crisis Management Response

The evaluation comprised a series of online questionnaires for the Board and each of its principal committees to be completed by the Board and committee members, together with an individual performance review of each Director and a separate review of the Chairman's performance. Based on the agreed parameters, the questionnaires were designed to encourage thought provoking and candid responses.

ICDM prepared reports summarising the key findings. The reports on the Board and its committees were initially tabled to the Chairmen prior to being presented to the Board for discussion.

RESULTS FROM THE EVALUATION

BOARD LEADERSHIP

Overall, Board members see the Chairman as an effective leader who is visionary, open minded, and provides room, time and platform for all Directors to voice out ideas and concerns. The Board members generally consider the President to be a capable leader with a good track record and has the respect and trust of the senior management team. The Independent Directors actively participate in all discussions and the individual Board members demonstrate a high level of commitment to their fiduciary duties.

BOARD COMPOSITION, SKILLS AND DEVELOPMENT

Overall, the Board comprises a very good mix and balance of experience, skill sets and diversity. The Board would consider refreshing the age diversity by bringing younger Board members onto the Board to better represent the generations onto the Board especially those who are more adept at new business models and technologies and brings in viewpoints of younger generations.

BOARD GOVERNANCE OVERSIGHT AND PROCESSES

The Board generally meets the standards of corporate governance and has established processes to undertake its Board duties and responsibilities.

BOARD AGENDA, MINUTES AND INFORMATION

The Board agenda, meetings and information generally meets the standards of corporate governance. Board members have a good attendance record and are also open to additional meetings, when required. The Chairmen are involved in firming up the agenda, and members of the Board may request specific subject matters to be included in the agenda as needed.

BOARD DYNAMICS AND CULTURE

Board dynamics and culture received amongst the highest ratings from both the Board and senior management team. There appears to be openness and debate in Board and Board Committees' meetings.

The Board works as a team with emphasis on honest open communication, trust, respect as well as driving the right level of accountability and integrity. Board members' relationships are generally friendly, collegial and newer members find their fellow Directors supportive and available for advice, if needed.

BOARD AND MANAGEMENT RELATIONSHIP

The President manages the Board relationship well, is supportive and a bridge to the senior management.

BOARD AND STAKEHOLDER ENGAGEMENT

With respect to stakeholder engagement, Board members feel that stakeholder engagement and relationship with investors have been adequate.

BOARD SUSTAINABILITY MATTERS

The Company is forward looking and ahead of its peers with respect to sustainability and winning awards for its achievements.

BOARD PANDEMIC/CRISIS MANAGEMENT RESPONSE

The Board has demonstrated that it can respond swiftly and effectively to the evolving crisis and has taken proactive steps to manage risks and its consequences to the business and operating environment pursuant to changing regulatory developments.

BOARD COMMITTEES

Board members agree that the Board Committees perform their roles well in their respective mandates.

JOURNEY TOWARDS HIGH-PERFORMING BOARD

Structured annual development and training plan	Comprehensive onboarding process for new Directors	Dynamic Board agenda for operational and strategic deliberations	Succession planning of senior management	Stakeholder engagement and communication framework, strategy and implementation plan	Directors' professional development with emphasis on sustainability	Trends and emerging risks in relation to ESG and pandemic	Digital transformation initiatives
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CORPORATE GOVERNANCE OVERVIEW STATEMENT

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A PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

NOMINATION AND REMUNERATION COMMITTEE REPORT

NRC

Nomination and Remuneration Committee


The NRC comprises exclusively Independent Non-Executive Directors. The Chairman of the NRC was Tan Sri Datuk Dr Rebecca Fatima Sta Maria. The other members of the Committee were Tan Sri Dato' Dr Lin See Yan, Mr Philip Yeo Liat Kok and Tan Sri Jamaludin Bin Ibrahim ("Tan Sri Jamaludin"). Tan Sri Jamaludin was appointed as a member of NRC in place of Datuk Tong Poh Keow ("Datuk Tong") with effect from 25 November 2021. Dato' Sri Idris Jala resigned as a member of NRC on 18 May 2021.

The NRC is responsible for reviewing the composition, size and diversity of the Board. It ensures that the Board comprises Directors with appropriate skills, knowledge, expertise and experience as well as ensuring a proper balance between Executive Directors and Independent Non-Executive Directors. It is also responsible for advising the Board on matters relating to the remuneration of the Board and senior management in order to retain and attract the best talents in the market.

in accordance with Paragraph 1.01 and Practice Note 13 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") as well as his/her time commitment and potential contribution.

It also undertakes the annual assessment of the Board and Board Committees. In addition, it is responsible for the succession planning of the Board and senior management.

It regularly reviews the criteria to be used in the Board recruitment process. In the case of candidates proposed for appointment as Independent Non-Executive Directors, the NRC would assess the candidate's independence

 The duties and responsibilities of the NRC are set out in its terms of reference ("TOR") which is available at the Company's website at www.sunway.com.my.

FY 2021 ACTIVITIES

During the financial year, five (5) meetings were held to deliberate on the following matters:

- At the meeting held on 25 February 2021, the NRC deliberated on the matters stated below:
 - The NRC had interviewed and assessed Tan Sri Jamaludin, who was nominated as an Independent Non-Executive Director. Having been satisfied with Tan Sri Jamaludin's qualification, industry experience, competencies and time commitment as well as his confirmation of his independence, the NRC then recommended his nomination to the Board for approval. He was subsequently appointed by the Board on 3 March 2021.
 - With the assistance of the Company Secretary, the NRC had analysed and discussed the report on the effectiveness of the Board and Board Committees. The NRC was satisfied that the Board was effective in discharging its statutory roles and responsibilities. As for the Board Committees, it was pleased with their effectiveness in discharging their roles and responsibilities in accordance to their respective TOR. The NRC noted the comments and areas of improvements highlighted in the reports.
 - It also undertook a comprehensive assessment of individual Independent Non-Executive Directors' performance and contribution during the Board meetings. All the Board members except Datuk Tong, had participated in the Director's peer review for the financial year 2020. Datuk Tong did not undertake the review as she was only appointed to the Board on 21 September 2020.
 - The NRC undertook an annual review of the size, structure and composition of the Board and Board Committees and found them to be appropriate. The NRC decided to increase the size of the Audit Committee ("AC") by recommending Tan Sri Jamaludin to be appointed as an additional member of the AC. The Board had subsequently appointed Tan Sri Jamaludin as an additional member of AC with effect from 3 March 2021.
 - The Independent Directors confirmed their continued independence in accordance with the Listing Requirements of Bursa Securities and that they would continue to act in the best interest of all stakeholders.
 - The NRC was pleased that the Directors had kept themselves abreast with the latest knowledge by attending seminars/ workshops in 2020. The NRC always encourages the Board members to attend specific training programmes in order to keep themselves abreast with the rapidly changing economic, business, technological and regulatory environment as well as financial reporting standards.

- The contributions and performances of the following retiring Directors who were due for retirement at the Eleventh Annual General Meeting ("11th AGM") were evaluated by the Committee:-
 - Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling, Dato' Sri Idris Jala and Tan Sri Datuk Dr Rebecca Fatima Sta Maria who were due for retirement by rotation pursuant to Clause 106(1) of the Company's Constitution; and
 - Datuk Tong Poh Keow who was due for retirement under casual vacancy pursuant to Clause 89 of the Company's Constitution.
- The retiring Directors had offered themselves for re-election at the 11th AGM held on 14 September 2021. Tan Sri Datuk Dr Rebecca Fatima Sta Maria, being the Chairman of the Committee as well as Dato' Sri Idris Jala and Datuk Tong Poh Keow, being members of the Committee, had recused themselves and abstained from participating in the decision to recommend their own re-election.
- Based on the peer review results of the retiring Directors and the retiring Executive Director's performance scorecard, the NRC then recommended their re-election to the Board and shareholders. The retiring Directors were subsequently re-elected by the shareholders at the 11th AGM.
- The NRC had reviewed and recommended the appointment of an external independent consultant i.e. ICDM to undertake Board and Directors Effectiveness Evaluation ("BDEE") exercise for the financial year 2021 in line with the Best Practice 6.1 of Malaysian Code on Corporate Governance. The objective was to provide an independent insight and external perspective of the Board's effectiveness in terms of its oversight responsibilities as well as its processes. In addition, the assessment would provide suggestions for improvements in its journey to becoming a high-performing Board.

- At the meeting held on 31 March 2021, the NRC reviewed and discussed the following matters:
 - The NRC had endorsed and recommended the revised proposal of ICDM for the BDEE exercise for the Board's approval.
 - It had recommended the re-election of Tan Sri Jamaludin as Director pursuant to Clause 89 of the Company's Constitution. He was subsequently re-elected by the shareholders at the 11th AGM.
 - The NRC reviewed and discussed the 2020 year-end performance appraisal of the Executive Directors. The actual results achieved were compared with their planned key performance indicators ("KPIs"). Non achievement of KPIs were explained and justified. In view of the challenging environment, the NRC endorsed and recommended the payment of a one-month bonus as token of appreciation to the Executive Directors for the financial year 2020 for the approval of the Board.

- It had also recommended the revision to the Remuneration Policy for Directors and Senior Management for the Board's approval.
- The NRC had reviewed and recommended the following revised Board Committees' fees for the financial year ended 31 December 2020 for the Board's approval:

	Existing Fee (per annum)	Proposed Revised Fee (per annum)
Audit Committee		
Chairman	RM6,000	RM25,000
Member	RM3,000	RM15,000
Risk Management Committee		
Chairman	-	RM10,000
Member	-	RM5,000
NRC		
Chairman	-	RM10,000
Member	-	RM5,000

The recommendation for the proposed revised Board Committee fees was to commensurate with their duties, responsibilities, commitment and contribution in accordance with the terms of reference of the respective Board Committee. The revised fees were approved by the shareholders at the 11th AGM.

- On 17 May 2021, the NRC met to discuss the following matters:
 - The NRC deliberated on the new KPIs and performance score cards using Balanced Scorecard approach for the Executive Directors for the financial year 2021. Their KPIs also included a 20% weightage for sustainability comprising environmental, social and governance ("ESG").
 - The NRC discussed the list of senior management whose performance scorecard which would be reviewed by the Committee in the future.
 - It also reviewed and endorsed the NRC report for 2020.
- On 24 August 2021, the NRC deliberated on the following matters:
 - The NRC had reviewed and discussed the achievements of mid-year KPIs and mid-year performance appraisal of the Executive Directors.
 - The NRC was updated on the timeline and progress of the BDEE exercise by ICDM.

- On 25 November 2021, the NRC met to discuss the following matters:
 - The terms of reference of NRC was reviewed and updated.
 - Group Human Resource ("GHR") would present the performance scorecards of the Group Chief Financial Officer and Managing Director of Sunway Healthcare Group for the Committee's review from next year onwards.
 - The NRC had reviewed the Remuneration Policy for Directors and Senior Management which had been amended to include ESG as the Board viewed seriously the ESG application in the Group's operations. The Group had a 10-year Sustainability Goals & Targets which was developed by the Group Sustainability Committee ("GSC") and GHR. GHR had included the KPIs from the 10-year plan into the Executive Directors' scorecards effective 2021. The accomplishments of these KPIs would have a weightage of not less than 10% in the scorecard of the respective Director.
 - The Chief Human Resources Officer presented the management succession plan for all the C-Suite and level 2 leaders. The potential successors to each key position in the organisation was brought up for consideration. The NRC received assurances that all potential candidates nominated to C-suite and level 2 leaders' positions were of sufficient calibre. A leadership programme was in place to track their readiness in order to provide orderly succession. All senior management have one or more potential successors in one or more of these stages i.e. ready now, ready soon or ready later.

In managing talents and succession planning, annual talent reviews are conducted across the Group, culminating in the review of key management positions by the Talent Council, led by the President. This annual exercise comprehensively reviews the succession plans for all key management positions, including the leadership and growth potential, and development plans for the identified successors. These key management profiles were then reviewed with the Chairman before the Chief Human Resources Officer presented them to the NRC for endorsement, which took place on 25 November 2021.

An annual talent review and planning was undertaken whereby the Chief Human Resources Officer presented her talent acquisition and retention plan.

- The annual contracts of service for Tan Sri Datuk Seri Razman M Hashim and Tan Sri Dato' (Dr) Chew Chee Kin for the period from 1 January 2022 to 31 December 2022 were reviewed and recommended for the Board's approval.
- The recommendations made by ICDM in its BDEE report was tabled to the NRC for discussion and consideration.

TENURE OF DIRECTORSHIP

The Board has a policy whereby an Independent Non-Executive Director who has reached the threshold of 9 years' tenure will be re-designated as Non-Independent Non-Executive Director. During the financial year under review, none of the Independent Non-Executive Directors has reached the 9-year tenure.

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A PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Sustainability is central to the Company's strategy and forms an integral part of how the Group operates. To advance the Group's Sustainability Goals, the Board oversees and monitors the implementation and effectiveness of the Group's sustainability strategies and, in doing so, seeks to ensure the alignment of the Group's policies and practices with its culture, purpose and values.

The Board also looks at a range of matters that are important to investors and other stakeholders. This included environmental, social and governance ("ESG") matters, which have continued to gain momentum during 2021 as a driver of the Group's purpose. Over the course of the year, the Committee received regular updates to help it gain a deeper understanding of the issues which are of concern to investors and stakeholders and also as a means of ensuring the Group's sustainability strategy continues to be appropriate; the Company complies with its regulatory reporting obligations; and investors and other stakeholders remain confident that the Company is taking its ESG obligations seriously. Across the globe, government action and regulation on climate change is accelerating and the Committee has focused on what this means for Sunway.

BOARD SUSTAINABILITY LEADERSHIP DURING THE YEAR

BOARD RESPONSIBILITY	PROMOTING SUSTAINABILITY STRATEGIES	ENSURING APPROPRIATE SKILLS AND KNOWLEDGE	LINKING SUSTAINABILITY PERFORMANCE TO REMUNERATION
<p>The Group has in place a Board Sustainability Committee ("BSC") which consists of two independent Non-Executive Directors and two Non-Independent Non-Executive Directors. The BSC reviews, supervises and makes recommendations to the Board for approval in the areas of sustainability strategy and issues, key environment, social and governance (ESG) targets and performance, progress and scorecard. The Committee meets at least twice a year. In 2021, it had reviewed the Group's materiality assessment process and results. The BSC is supported by Sunway Group Sustainability Department ("GS") which help them make informed decisions that will drive the integration of sustainability strategies into business operations in order to achieve the Group's sustainability goals. It has also appointed Jeffrey Sachs Center on Sustainability Development ("JSC") as its advisor, offering support through recommendations with academic research.</p>	<p>In 2021, the Group conducted online sustainability training through "Introduction to ESG" sessions to its employees from various business divisions across the Group. Conducted by Group Sustainability, the objective of the programme was to increase awareness on sustainability and ESG knowledge among the employees. The programme, which started with a virtual pilot workshop in 2020, covered various topics including the 17 UNSDGs, environmental impacts of business activities, the importance of Occupational Health and Safety, and the Company's Code of Conduct and Business Ethics.</p>	<p>In 2021, the BSC recommended the following to the Board:</p> <ul style="list-style-type: none">Appointment of the Jeffrey Sachs Center ("JSC") to quantify the Company's climate Value-at-Risk ("VaR") based on the worst-case scenario as part of its analysis of risk. These risks will be evaluated annually. Appropriate measures will be taken to mitigate and adapt to risks which form part of the selection criteria that will be incorporated in future assessment of new properties to be acquired.Adoption of the Internal Carbon Pricing framework for the potential transitional risks from climate-related issues at RM15 per tonne of CO₂e emitted above a threshold level. This is a mechanism/ decision-making tool that can help the business divisions to understand their exposure to external carbon pricing schemes, guide their business decisions and investments and put a value on their greenhouse gas ("GHG") emissions in a way that drives positive change in their business. <p>Additionally, the Company has signed up as a member of Climate Governance Malaysia. As a member, the Board members receive regular updates, newsletters, trainings, invitation to events and other communication materials relating to sustainability. They also receive regular updates from regulators such as Bursa Malaysia Securities Berhad, Securities Commission Malaysia, etc. Further, the Company Secretary and Group Sustainability regularly share relevant and current ESG developments to the Board.</p>	<p>The Company integrated management of ESG material matters into the senior executives' KPIs, linking them to their remuneration. This includes linking the remuneration for senior executives to climate change performance and ESG performance such as their management of the Group's material sustainability risks and opportunities. The KPIs are aligned to the Sunway Sustainability 2030 Goals and Targets and will be cascaded to the employees within the organisation, tracked and reported annually.</p>

A DEDICATED PRACTITIONER

The Company has appointed Mr Ong Pang Yen as its Chief Sustainability Officer to oversee the management of sustainability matters which resides with the Board, including the integration of sustainability consideration in the operations of the Group.

BSC Board Sustainability Committee

Members:
Tan Sri Dato' (Dr) Chew Chee Kin (Chairman)
Datuk Tong Poh Keow
Philip Yeo Liat Kok
Sarena Cheah Yean Tih

FY 2021 ACTIVITIES

During the financial year, the BSC met three (3) times to deliberate on the following matters:

On the First BSC Meeting held on 8 February 2021, the BSC discussed the following:

- Terms of reference of the BSC.
- 5-year plan for sustainability reporting practices to be aligned with the latest global reporting trend.
- The need to look into improving the Group's FTSE4Good Bursa Malaysia (F4GBM) ESG score.
- Sunway Group's official support to the Taskforce on Climate-related Financial Disclosures (TCFD).
- Sunway Berhad's Occupational Health and Safety (OHS) performance which include 8 Business Units ("BUs") such as Healthcare, Leisure, Hotels, Trading & Manufacturing, Quarry, Property and Facility Management and Integrated Properties:
 - Incident statistics
 - Fatality cases
 - High consequence work-related injuries
 - Ill health cases
- The Group's compliance with 18 Malaysia OHSE-related Acts and 10 international laws (depending on the BUs' activities).
- Management's target to have all BUs to be ISO 45001:2018 certified by 2030.

Summary of BSC's recommendations to the Board for approval:

- 5 group-wide goals:
 - Goal 1: Transforming the Group's portfolios to low carbon sustainable cities
 - Goal 2: Advocating a responsible value chain
 - Goal 3: Developing a safe, equal and dignified workforce
 - Goal 4: Investing in community inclusivity
 - Goal 5: Respecting ethical principles
- Group Occupational Health, Safety and Environment (OHSE) Policy and the formation of OHSE Committee in compliance with Section 30 of Occupational Safety and Health Act (OSHA) 1994.

On the Second BSC Meeting held on 6 April 2021, the BSC discussed the following:

- The adoption of the terms of reference of the BSC.
- The need to rephrase and re-categorise the targets approved at the previous BSC Meeting to better reflect the definition and intention of the targets.
- Sunway's Human Rights Policy and the present practices of the Group.

- The Jeffrey Sachs Center (JSC) national and ASEAN-level mobilisation plans offered to Economic Planning Unit (EPU) which aim to combat climate change and support the SDG agenda.
- The letter from Tan Sri Abdul Wahid Omar, the Chairman of Bursa Malaysia Berhad dated 9 March 2021 and the Company's performance in Bursa Malaysia's recommendations and consideration survey in relation to its Sustainability Report 2020.

Summary of BSC's recommendations to the Board for approval:

- The draft Sustainability Report 2020 of Sunway Berhad.

On the Third BSC Meeting held on 28 September 2021, the BSC discussed the following:

- The Group's Net Zero Carbon strategy, the implementation proposal, timeline and action plans to achieve the strategy. The strategy would be effective from 2022 involving all the asset managers/operators of the BUs. The common understanding on the targets set over the 3 stages leading to 2030, the carrot and/or stick approach of the internal carbon pricing and the quantum of the internal carbon pricing were discussed.

Summary of BSC's recommendations to the Board for approval:

- The adoption of the Internal Carbon Pricing framework as the key driver and strategic action plans to manage the Climate Change Transitional risks and the Group's 2050 net zero carbon target.
- The strategic and implementation framework for Internal Carbon Pricing:
 - Review the existing energy intensity targets for Office, Hospitality and Retail Divisions.
 - Set energy intensity targets for all BUs.
 - Set energy intensity targets in 3 phases:
 - Phase 1: 2022 - 2024
 - Phase 2: 2025 - 2027
 - Phase 3: 2028 - 2030
 - Total charge to be based on total carbon emitted by properties exceeding the targets set (based on BUs).
- The Group Water Policy, Group Sustainability's proposal and strategy on water management and for all BUs to have their water standard operating procedures in place by year end.
- The appointment of JSC to assess the physical risks due to climate change for all assets owned by Sunway Property Investment.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

A PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

REMUNERATION

The Group recognises that in order to attract and retain the Executive Directors and senior management, it is important to have a fair and competitive remuneration package that commensurate with their qualification, experience, skills, responsibilities, performance, contribution as well as benchmarking industry peers. In view of this, a framework and guidelines provided by an independent consultant and market data on the remuneration practices of comparable peers are taken into consideration in determining the remuneration package for Executive Directors and senior management. It is structured on the basis of linking rewards to corporate and individual performance. The performance and remuneration package of the Executive Director is subject to evaluation of the NRC.

For Independent Non-Executive Directors including the Non-Executive Chairman, the level of remuneration reflects their knowledge, experience and level of responsibilities. In addition, the remuneration is benchmarked against industry peers of similar size as well as complexity of the Group's businesses. The remuneration of Independent Non-Executive Directors consists of fixed annual directors' fees, Board Committees' fees and meeting allowances for each Board or Board Committee meeting attended.


The Board as a whole determines the fees for the Non-Executive Directors with individual Directors abstaining from decisions in respect of their individual remuneration. The fees and allowances payable to the Non-Executive Directors are subject to the prior approval of shareholders at the Annual General Meeting ("AGM") of the Company.

The Non-Executive Chairman is entitled to directors' fee of RM360,000 per year while the rest of the Non-Executive Directors are entitled to directors' fees of RM120,000 per individual per year. The meeting allowance is set at RM1,000 per individual per meeting.

In addition to the directors' fees, the Chairman and members of the following Board Committees are entitled to the following fees in respect of their roles and responsibilities as outlined in their respective terms of reference, as approved by the shareholders at the Eleventh Annual General Meeting of the Company held on 14 September 2021:

	Chairman	Member
Audit Committee	RM25,000	RM15,000
Risk Management Committee	RM10,000	RM5,000
NRC	RM10,000	RM5,000

The Board Committees' fees are subject to the shareholders' approval at the AGM. The fees will be reviewed as and when the need arises. The Board Committees' fees are payable annually together with the payment of the directors' fees.

 The details of the Directors' remuneration for the financial year 2021 are disclosed in the CG Report which is available in the Company's website at www.sunway.com.my.

B PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT ACCOUNTABILITY

RISK MANAGEMENT AND INTERNAL CONTROLS

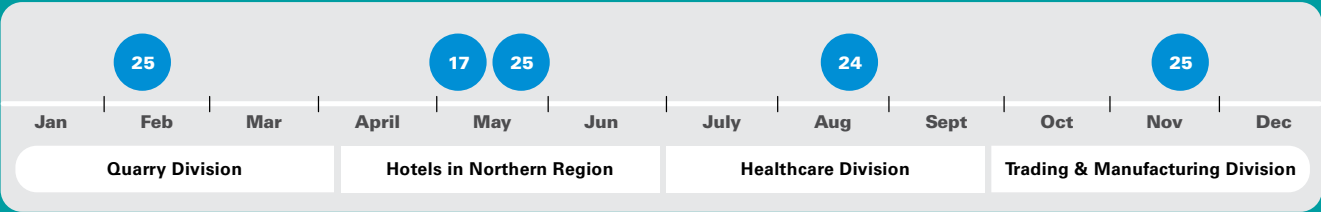
The Board is responsible for ensuring that sound risk management and internal control systems are in place. The Risk Management Committee ("RMC") is responsible for designing the risk management and internal control systems and ensuring they are effectively deployed throughout the Group. The internal control system is a framework to manage risks and monitor compliance with procedures.

It is designed to meet the Group's particular needs and the risks to which it is exposed. However, it can provide only reasonable, not absolute, assurance against material loss to the Group or material misstatement in the financial statements. The Audit and Risk Management Committees, on behalf of the Board and with the assistance of the Internal Audit function, monitored, reviewed and assessed the effectiveness of the Group's risk management and internal control systems in the context of the Group's strategy, business model and risk appetite. The Audit and Risk Management Committees also carries out a robust assessment of the principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity, notably in the light of the COVID-19 pandemic. In fulfilling their responsibilities, the Audit and Risk Management Committees receive reports to enable an evaluation of the control environment and risk assurance framework and processes. No significant failings or weaknesses were identified.

FY 2021 RISK MANAGEMENT COMMITTEE ACTIVITIES

During the financial year, RMC had held five (5) meetings. In its quarterly meetings held on 25 February 2021, 17 May 2021, 25 May 2021, 24 August 2021 and 25 November 2021, RMC deliberated on the identified top risks of the Group and action plans to manage or mitigate the said risks. The key business units which had been invited to present their key business risks and action plans to address the said risks in 2021 were Quarry Division, Hotels in Northern Region, Healthcare Division and Trading & Manufacturing Division.

The RMC also endorsed the Statement on Risk Management and Internal Control to be included in the Company's Annual Report 2020 and reviewed its terms of reference to ensure that it was updated with the regulatory and MCGG requirements.



AUDIT COMMITTEE REPORT

The Board of Sunway Berhad is pleased to present the Audit Committee Report for the financial year ended 31 December 2021. This report provides insights into the manner in which the Audit Committee ("AC") has discharged its oversight functions.

TERMS OF REFERENCE					
AC			Group Internal Audit Department ("GIAD")		
Chairman	Independent Director, who is not the Chairman of the Board				
Composition	<div><div><ul style="list-style-type: none">At least 3 membersMust be Independent DirectorsMembership qualification</div><div><ul style="list-style-type: none">Financially literateNo alternate Director</div></div>				
Key Functions	Financial Reporting	Internal Control Systems	Internal Audit Function	External Audit	Related Party transactions & Conflict of Interest Situations
Performance Review	Annual Evaluation by the Board			Self and Peer Evaluation by the AC	

CORPORATE GOVERNANCE OVERVIEW STATEMENT

CORPORATE GOVERNANCE OVERVIEW STATEMENT

B PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT ACCOUNTABILITY

TERMS OF REFERENCE

The scope of the roles and responsibilities of the AC is outlined in its terms of reference ("TOR") which is set out at Sunway website at www.sunway.com.my.

The AC assists the Board to review, to assess and make recommendations on matters relating to financial and accounting records, internal controls, related party transactions ("RPT"), potential conflict of interest and financial reporting practices of Sunway Berhad Group.

COMPOSITION

The AC comprised four (4) members, all of whom were Independent Non-Executive Directors during the financial year ended 31 December 2021. Members of the AC comprised the following Directors:-

1	Datuk Tong Poh Keow <i>(Chairman, Independent Non-Executive Director)</i>	2	Tan Sri Dato' Dr. Lin See Yan <i>(Member, Independent Non-Executive Director)</i>	3	Tan Sri Datuk Dr Rebecca Fatima Sta Maria <i>(Member, Independent Non-Executive Director)</i>	4	Datuk Zaiton Mohd Hassan <i>(Member, Independent Non-Executive Director) (Appointed with effect from 8 March 2022)</i>	5	Tan Sri Jamaludin Bin Ibrahim <i>(Member, Independent Non-Executive Director) (Appointed with effect from 3 March 2021 and resigned on 8 March 2022)</i>
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The composition of the AC complied with the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the principles and practices set out in the Malaysian Code on Corporate Governance 2021 ("MCCG 2021"):

MMLR

Requirements	Commentary
Paragraphs 15.09(1)(a) & (b)	<ul style="list-style-type: none">The AC comprises 4 members, all of whom are Independent Non-Executive Directors who satisfy the test of independence under the MMLR.
Paragraph 15.09(1)(c)	<ul style="list-style-type: none">Datuk Tong Poh Keow is a member of the Malaysian Institute of Accountants.

MCCG 2021

Best Practices	Commentary
Practice 9.1	<ul style="list-style-type: none">Datuk Tong Poh Keow is not the Chairman of the Board.
Practice 9.2	<ul style="list-style-type: none">The TOR of the AC provides that no former partner of the external audit firm of the Company shall be appointed as a member of the AC before observing a cooling-off period of at least 3 years.Since the incorporation of the Company on 10 November 2010, none of the Directors were former partners of the external audit firm of the Company.
Practice 9.3	<ul style="list-style-type: none">The AC has policies and procedures to assess the suitability, objectivity and independence of the external auditor.
Practice 9.4	<ul style="list-style-type: none">The AC comprises solely of Independent Directors.
Practice 9.5	<ul style="list-style-type: none">All members are financially literate and are able to understand matters under the purview of the AC including the financial reporting process.They have attended various training programmes, conferences, seminars and courses organised by the relevant regulatory authorities and professional bodies on areas relevant to the Group's businesses, Directors' roles, responsibilities, effectiveness and/or corporate governance issues.

PERFORMANCE OF AC

The performance and effectiveness of the AC is assessed on an annual basis. The Board, through its Nomination and Remuneration Committee ("NRC") had on 25 February 2021, reviewed the performance of the AC for the financial year 2020. The internal assessment was facilitated by the Company Secretary. The Board was satisfied with the performance and effectiveness of the AC, in which it had discharged its function, duties as well as responsibilities in accordance with its TOR.

On the recommendation of the NRC, the Board had appointed The Institute of Corporate Directors Malaysia ("ICDM") as an external independent consultant to undertake the Board, the Directors and Board Committees Effectiveness Evaluation ("BDEE") exercise for the financial year 2021. Based on the assessment in ICDM's report tabled to the Board on 29 September 2021, the ICDM reported that the AC had discharged its roles and responsibilities effectively in accordance with its TOR.

MEETINGS AND ATTENDANCE

During the financial year under review, the AC held ten (10) meetings with the attendance record of the AC members shown below:-

Name	Membership	Attendance (attended/ held)	% of Attendance
Datuk Tong Poh Keow	Chairman	10/10	100%
Tan Sri Dato' Dr Lin See Yan	Member	10/10	100%
Tan Sri Datuk Dr Rebecca Fatima Sta Maria	Member	10/10	100%
Tan Sri Jamaludin Bin Ibrahim (Appointed w.e.f. 3 March 2021)	Member	4/7*	57%

* reflects the number of meetings held during the time the Director held office

The President and Group Chief Financial Officer were present in all the meetings to provide explanation and to address audit and internal control issues as well as to report on the Group's financial performance. The Head of Group Internal Audit Department ("GIAD") attended all the meetings to present the quarterly internal audit reports and the annual audit plan. The External Auditors, Messrs. BDO PLT ("BDO"), were present at eight (8) of the meetings held. The External Auditors presented the Audit Planning Memorandum, annual audit findings, draft audited financial statements and financial matters for the financial year 2020. The External Auditors also highlighted the accounting treatment and disclosure of the Group's investments in various wholesale funds ("Investments").

The minutes of each AC Meeting were recorded and tabled for confirmation at subsequent AC Meetings. All minutes were presented to the Board for noting and discussion. The Chairman of the AC ("AC Chairman") reported the AC's recommendations and remedial actions (if any) to the Board for its consideration, approval and Management's implementation. Significant audit issues and resolutions were highlighted to the Board at its immediate subsequent meeting.

SUMMARY OF ACTIVITIES

During the financial year ended 31 December 2021, the following activities took place at the AC Meetings:-

1. Financial Reporting

(a) Quarterly Financial Results

At the AC Meetings held on 31 March 2021, 25 May 2021, 24 August 2021 and 25 November 2021, the AC reviewed and discussed with Management, the quarterly management accounts and quarterly financial results. The AC focused its attention on ensuring that the necessary processes and controls were in place in the preparation of accurate financial reports.

At each of the meeting, the Group Chief Financial Officer presented the quarterly financial reports and confirmed to the AC, the following matters:

- The accounting policies and methods of computation adopted by the Group were consistent with those adopted in the previous audited financial statements except for the adoption of the new or amended accounting standards which were effective for the financial year 2021;

- The financial statements are prepared in accordance with the MMLR, all relevant approved accounting standards, regulatory and other legal requirements so as to give a true and fair view of the financial position of the Group;
- There were no significant and unusual issues other than those reported in the financial statements; and
- The Company and the Group continued to operate as going concerns.

The AC scrutinised and reviewed the quarterly financial results with Management to ensure the appropriateness of the accounting treatment and the accuracy of the reported figures. The Group Chief Financial Officer highlighted the material transactions, accounting adjustments and provisions made. Explanations to material variances or movements during the relevant quarters were highlighted and explained.

Having reviewed the unaudited quarterly financial results, the AC subsequently recommended the same be presented to the Board for approval for release to Bursa Securities.

(b) Audited Financial Statements

On 17 May 2021, the AC together with the External Auditors and Management, deliberated on the audited financial statements for the financial year ended 31 December 2020. The AC was briefed on the significant audit findings, key audit matters and the adoption of new accounting standards in the audited financial statements. The AC had also discussed with the External Auditors on the explanatory notes in the financial statements which provided information on the financial impact of the COVID-19 pandemic on the Group as well as the accounting treatment and disclosure of the Investments. Following the reassessment, the AC in concurrence with the External Auditors, had determined that the Investments amounting to RM3,152 million were entities under the Group's control in accordance with the Malaysian Financial Reporting Standards 10 Consolidated Financial Statements. Consequently, these wholesale funds were consolidated into the financial statements of the Group for the financial year ended 31 December 2020, and comparatives were restated via prior year adjustments.

The Management and the External Auditors confirmed to the AC that the draft audited financial statements were prepared in accordance with the relevant accounting standards and legal requirements. On the recommendation of the AC, the Board subsequently approved the release of the audited financial statements to Bursa Securities.

(c) Accounting standards and other relevant regulatory requirements

The AC was also briefed and took note of the changes and amendments to the accounting standards presented by the External Auditors and the Group Chief Financial Officer which potentially have material financial impact on the Company's financial reports.

Among the new regulations highlighted was the Guidance Note on Practices by Fund Management Companies in respect of Wholesale Funds.

The External Auditors had also provided its Transparency Report pursuant to the requirement of the Audit Oversight Board and paragraph 33(d)(ii) of International Standard on Quality Management ("ISQM") 1 to the AC.

(d) Response to Key Audit Matters

The preparation of financial statements in conforming to MFRS and IFRS requires the use of certain critical accounting estimates and assumptions. Key audit matters are matters of most significance in the audit of the financial statements of the Group and the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

CORPORATE GOVERNANCE OVERVIEW STATEMENT

B PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT ACCOUNTABILITY

The AC has reviewed the process and procedures performed and is satisfied that the accounting estimates and significant judgement applied are appropriate. For the year under review, the External Auditors had identified the following as key audit matters:-

(i) Revenue recognition for property development

Revenue from property development is recognised over the period of contracts with customers using the input method by reference to the costs incurred for work performed to-date against the estimated costs to completion. Management is required to exercise significant judgement in determining the satisfaction of performance obligations as stated in the contracts with customers, transaction price allocation and costs in applying the input method to recognise revenue over time.

During the review of quarterly management accounts and quarterly financial results to be released to Bursa Securities, the AC reviewed and discussed with Management, the basis used for the recognition of revenue for property development for all its significant property development activities including local and overseas projects. At each meeting, the Group Chief Financial Officer highlighted the areas where significant estimates and critical judgements were made in ascertaining the quantum and timing of revenue recognised.

The AC also took cognisance that BDO had performed various audit procedures and did not identify any material exception. This was reported to the AC by BDO as set out in their Independent Auditors' Report on pages 173 to 178 of the audited financial statements for the financial year ended 31 December 2021.

(ii) Revenue recognition for construction contracts

Revenue from construction contracts is recognised using the output method which recognises revenue on the basis of certification of contract work performed to-date over the estimated total contract sum.

Management is required to exercise significant judgement in estimating the progress towards complete satisfaction of performance obligations and determining whether there is any exposure to Liquidated Ascertained Damages ("LAD") based on the facts and circumstances of the relevant construction projects, including projects that had been served with certificates of non-achievement for project delays, if any.

During the review of quarterly management accounts and quarterly financial results to be released to Bursa Securities, the AC reviewed and discussed with Management, the basis used for the recognition of revenue for construction contracts under Sunway Construction Group Berhad. Management continues to closely monitor relevant indicators including potential exposures to project delays and LADs caused by adverse effects of the COVID-19 pandemic which would influence the estimates used in arriving to the Group's reported revenue from construction contracts. At each quarterly meeting, the Group Chief Financial Officer had highlighted areas where there were potential LADs and areas where significant estimates and critical judgements were made in ascertaining contract sums, variation orders, claims or contingencies.

BDO had also reported to the AC that it had performed various audit procedures and did not identify any material exception. This is as set out in their Independent Auditors' Report on pages 173 to 178 of the audited financial statements for the financial year ended 31 December 2021.

(iii) Partial divestment of equity interest in Sunway Healthcare Holdings Sdn. Bhd and its subsidiaries ("SHH Group")

The Group divested 16% equity interest in SHH Group to Greenwood Capital Pte. Ltd. ("Greenwood") in a share subscription agreement ("SSA") signed in June 2021. Subsequently, the Group and Greenwood entered into a shareholders' agreement ("SHA") in December 2021 which

sets out the terms governing their relationship, including the basis on which SHH Group shall be operated, managed and administrated. Following the SHA, the Group was deemed to have lost control over SHH Group and accordingly, recognised its remaining equity interest in SHH Group as investments in joint ventures at fair value at the date when control is lost in accordance with MFRS 10 *Consolidated Financial Statements*.

The partial divestment transaction requires significant judgement in determining the basis for the loss of control by the Group over SHH Group and to ensure compliance with applicable accounting standards. The computation of the fair value of the partial divestment considerations including certain exit clauses of the SSA and SHA recognised as derivative liabilities as well as the fair value of the 84% remaining interest in SHH Group and the net gain arising from the partial divestment of SHH Group requires significant judgement by Management on the estimates and assumptions applied. Full details of these financial impact are explained in the audited financial statements under Note 13 Discontinued Operations, Note 27 *Derivatives* and Note 53 *Significant events during the financial year and subsequent to the end of the reporting period*.

During the Board Meetings to approve the divestment proposal, the Board reviewed the contractual terms of the SSA and SHA, substance of the transaction and the requirements of the relevant accounting standards relating to the loss of control over SHH Group. The AC engaged in various discussions with Management and BDO to deliberate and analyse the application of the appropriate accounting treatment, estimates and assumptions on the transaction. During the review of the year-end financial statements, the Group Chief Financial Officer highlighted the details of the computations of net gain arising from the partial divestment of SHH Group, the fair value of the partial divestment considerations including certain exit clauses of the SSA and SHA recognised as derivative liabilities as well as the fair value of the remaining equity interest in SHH Group.

The AC took cognisance that BDO had performed various audit procedures to re-compute, assess and challenge Management's computations and assumptions used and did not identify any material exceptions. BDO reported this to the AC as set out in their Independent Auditors' Report on pages 173 to 178 of the audited financial statements for the financial year ended 31 December 2021.

Based on the above process, the AC is satisfied that the requirements of the accounting standards have been met in respect of the partial divestment and the net gain arising from the partial divestment of SHH Group and fair value of the remaining interest in SHH Group retained and held as joint ventures are appropriately stated in the financial statements.

2. Assessing Risks and Control Environment

(a) The AC also reviewed with the GIAD, the adequacy and robustness of the internal controls system and the risk management framework.

(b) On 25 February 2021, the AC was briefed by the External Auditors on the improvements recommended for the Group's cybersecurity system consequent to their IT financial audit. At the meeting, the External Auditors reported that there were no significant weaknesses in the Group's overall internal control systems.

3. Evaluating the Internal and External Audit Process

(a) Internal Audit

(i) The AC had approved GIAD's 2021 Annual Audit Plan at the meeting held on 25 February 2021. The Audit Plan was developed using a risk-based audit methodology where business units and processes were selected for audit based on risk assessments carried out periodically by GIAD. The AC had reviewed the adequacy and relevance of the scope and resources allocated for the Audit Plan. The Plan and its proposed audit timetable and the budgeted man-hours were subsequently approved. The

Audit Plan was also reviewed on a quarterly basis taking into account any new developments which had an impact on the audit coverage.

GIAD had provided reasonable assurance to the Board and Management on the adequacy and integrity of the internal controls, risk management, governance processes and management information systems of the Group, including systems for compliance with applicable laws, regulations, rules, directives and guidelines which were consistent with the Audit Charter of GIAD and best practices.

GIAD's audit engagements for 2021 were mainly carried out to cover the following key business divisions:-

- Property Development
 - Tender and award processes, project management review, cost and quality control.
 - Trading and Manufacturing ("T&M")
 - Key operating processes including inventory management and credit control, newly acquired businesses and the automated sales commissions processes.
 - Healthcare
 - Revenue and collections processes, procurement and payroll processes.
 - Leisure
 - Ticketing and collection processes and park safety and maintenance.
 - Building Materials and Quarry
 - Key operating processes including revenue, assets management, inventory at plants and sites.
 - Information Technology
 - New systems and post implementation reviews, review of security implementation for cloud platforms and compliance to data governance framework, compliance reviews including ISO:27001 for IT Shared Services and compliance to Bank Negara regulations for certain subsidiaries.
- (ii) The AC had reviewed the results of the audit engagements carried out by GIAD at the AC Meetings held on 25 February 2021, 25 May 2021, 24 August 2021 and 25 November 2021 as well as discussed the major findings and audit recommendations. The AC also reviewed the status of implementation of corrective actions taken by Management to ensure appropriate remedial actions were taken on a timely basis to address all areas of risk and internal control issues. In addition, GIAD updated the AC on the progress of the 2021 Audit Plan and results of ad-hoc assignments including audit investigations.

(iii) At the meeting held on 17 May 2021, the Internal Audit Function Evaluation Report was tabled to AC to assess the performance of GIAD. The AC had assessed the effectiveness of the Internal Audit Function in terms of scope of work and compliance with relevant regulatory standards as well as its collaboration with the External Auditors. The Committee also assessed the adequacy of resources as well as the qualifications, skills and competencies of key staff within the GIAD.

The AC was satisfied with the independence, performance and effectiveness of the GIAD. It was of the opinion that the Internal Audit function was appropriate to its size, the nature and scope of its activities. The GIAD had functioned independently in providing the AC and Management with vital information on potential weaknesses in the system of internal control and provided constructive inputs and ideas for remedial action.

(iv) The AC had on 25 May 2021, met with GIAD without the presence of Management and Executive Board members to facilitate discussions of additional matters in relation to audit issues and internal control weaknesses noted in the course of its audit. The AC was given assurance by the GIAD that it had unfettered access

to documents and was not hindered in any way by Management from performing its investigations and audit function.

(v) GIAD at the meeting held on 25 November 2021, sought the approval of the AC to carry out the external quality assurance review ("QAR") on GIAD in February 2022 which was earlier scheduled to be performed in 2020 but was postponed due to the COVID-19 pandemic.

(b) External Audit

(i) The AC met with the External Auditors, BDO, on the following dates:

- On 25 February 2021 and 31 March 2021, the AC had reviewed and deliberated with Management and the External Auditors on the External Auditors' Report in relation to their audit of the financial statements for the financial year ended 31 December 2020.

The External Auditors had confirmed their professional independence in respect to the audit engagement.

They reported their audit status and highlighted the findings on areas of significant audit attention, key audit matters and financial reporting updates. They were not aware of any non-compliance of laws and regulations, as well as any material litigations and claims against the Group other than those brought forward from prior financial years. There were no significant changes to the scope or audit approach as compared with the External Auditors' audit plans except for the Investments.

The AC and the Management had also confirmed to the External Auditors that they were not aware of any non-compliance of laws and regulations or any significant fraud related matters.

- The AC had also on 17 May 2021, discussed with the External Auditors on the final draft of the audited financial statements of the Company for the financial year ended 31 December 2020.

The External Auditors had expressed their professional opinion that the Company's audited financial statements gave a true and fair view of the financial position, financial performance and cash flows of the Group and of the Company in accordance with the Malaysian Financial Reporting Standards and the requirements of the Companies Act 2016.

Based on its annual audit, the External Auditors reported the following key audit matters and its audit response in its Auditors' Report for the financial year 2020:

- Revenue recognition for property development
 - Revenue recognition for construction contracts
 - Recognition of right-of-use assets and lease liabilities
 - Prior years' adjustments
- The AC had on 25 November 2021, reviewed the External Auditors' Group Audit Planning Memorandum ("APM") for the financial year ended 31 December 2021. The APM outlined the External Auditors' engagement and reporting responsibilities, their audit approach, the materiality threshold and performance materiality, areas of significant auditor attention, their engagement team as well as audit reporting, deliverables and audit fees.

(ii) The AC had two private sessions with the External Auditors to discuss any issues and reservations arising from their annual audit without the presence of Management and the Executive Board members on 31 March 2021 and 17 May 2021. The External Auditors were given the opportunity to raise any matters of concern arising from their audit work. They also informed that they had received full cooperation from Management and had unrestricted access to the Company's records.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

B PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT ACCOUNTABILITY

- (iii) At its meeting held on 17 May 2021, the AC had reviewed the audit and non-audit fees of the External Auditors for the financial year 2020.

The AC having considered the nature, scope and amount of the non-audit fees, was satisfied that there was no conflict of interest and it would not impair the independence of the External Auditors. The audit and non-audit fees were then approved by the AC.

- (iv) An annual assessment of the performances and effectiveness of the External Auditors in respect to their statutory audit services were conducted by the AC. The results of the evaluation were discussed at its meeting held on 25 May 2021. Based on the assessment, the AC was satisfied with the adequacy of resources, timeliness and service quality rendered by the External Auditors.

Subsequently, the AC had recommended to the Board the re-appointment of the External Auditors for the next financial year subject to the shareholders' approval at the Company's Annual General Meeting.

4. Reviewing Related Party Transactions & Conflict of Interest Situations

- (a) The AC had at its meetings held on 25 February 2021, 25 May 2021, 24 August 2021 and 25 November 2021, reviewed and deliberated on any potential conflict of interest, related party transactions and recurring related party transactions.

All related party transactions and recurring related party transactions ("RRPT") were presented by Management to the AC for review. All were found to have complied with the approved criteria as follows:-

- In compliance with the MMLR of Bursa Securities, relevant rules and regulations as well as the shareholders' RRPT mandate;
- Transactions/arrangements were carried out on an arms' length basis and under normal commercial terms;
- Transactions/arrangements were in the best interest of the Company;
- Interested Directors had disclosed their interests and abstained from deliberation and voting;
- Adequate disclosures were made via Bursa announcements, quarterly reports and the annual report; and
- Prior approval had been obtained from the shareholders, where applicable.

With the assistance of GIAD, the AC had satisfied itself on the adequacy, appropriateness and compliance of the procedures established to monitor recurrent related party transactions.

At each meeting, the President, supported by the Group Human Resource team reported to the AC, whether there was any conflict of interest situations. During the year under review, several immaterial conflict of interest cases were highlighted and corresponding remedial actions were taken to resolve them.

- (b) On 25 February 2021, the AC reviewed and approved the AC Statement contained in the Circular to Shareholders in respect of the proposed renewal of existing shareholders' mandate and proposed new shareholders' mandate for recurrent related party transactions. At the meeting, the GIAD and Management provided the necessary assurances that the procedure and processes of monitoring and ensuring these transactions would be entered into at arm's length and on normal commercial terms were adequate and robust.

5. Other Matters

- (a) On 17 May 2021, the AC reviewed and recommended for the Board's approval, the Corporate Governance Overview Statement, AC Report and Statement on Risk Management and Internal Control for inclusion into the Company's Annual Report 2020.

The AC had also reviewed and recommended for the Board's approval, the Annual Report 2020 of the Company.

- (b) At the AC Meetings held on 17 May 2021, 25 May 2021, 24 August 2021 and 25 November 2021, the AC reviewed the borrowings and guarantee commitments of the Group, including the related, covenants.

- (c) On 17 May 2021 and 25 May 2021, the AC was briefed on the Management's action plan to address the net current liabilities position of the Group. On 24 August 2021, it was reported to the AC that the Company had successfully achieved a net current assets position in its Balance Sheet as at 30 June 2021.

- (d) The AC reviewed and discussed with Management, the provision of financial assistance by the Group to its joint venture companies and associate companies at its Meetings held on 25 May 2021 and 24 August 2021.

- (e) The AC reviewed the proposed Discretionary Authority Limit Policy of the Group at its Meeting held on 24 August 2021.

- (f) The AC had deliberated and reviewed, the Group's policy manual and would recommend it to the Board upon its finalisation.

- (g) The AC on 25 November 2021, had discussed with the Group Chief Financial Officer, the reporting structure and the adequacy of competent accounting staff in the Group Finance Department, including their career development, professional training and succession planning.

- (h) On 25 November 2021, the AC had reviewed and approved its revised terms of reference incorporating the new amendments to the MCGG 2021 and MMLR.

- (i) At the AC Meetings held on 25 February 2021, 31 March 2021, 25 May 2021, 24 August 2021 and 25 November 2021, the AC was informed that there were no breaches of the MMLR of Bursa Securities during the financial year.

- (j) The AC was briefed by the Company Secretary at its quarterly meetings on the following developments in regulations and laws:

- Extension of time of one-month granted by Bursa Malaysia Berhad ("Bursa Malaysia") for issuance of quarterly reports and annual reports that include the audited financial statements which were due by 28 February 2021, 31 March 2021 and 30 April 2021 via Bursa Malaysia's letter dated 17 February 2021.
- Amendments to the MMLR of Bursa Securities in relation to the public security holding spread requirements via Bursa Securities' letter dated 23 February 2021.
- Extension of time of one-month granted by Bursa Malaysia for issuance of quarterly reports and annual reports that include the audited financial statements which were due by 31 May 2021 and 30 June 2021 via Bursa Malaysia's letter dated 21 May 2021.
- Extension of time of one-month granted by Bursa Malaysia for issuance of quarterly reports and annual reports that include the audited financial statements which were due by 31 July 2021 and 31 August 2021 via Bursa Malaysia's letter dated 31 June 2021.
- Guidance Note on Co-operation and Self-Reporting issued by the Securities Commission Malaysia ("SC") on 23 June 2021.
- Corporate Governance Strategic Priorities 2021 – 2023 issued by SC.

- (k) Minutes of the previous AC Meetings were tabled at the following Board Meetings by the AC Chairman. Significant issues and concerns raised during the AC Meetings together with the accompanying recommendations were reported to the Board for decision.

PERFORMANCE EVALUATION

Based on the ICDM's assessment, the AC had performed well and was effective in meeting its roles and responsibilities in accordance to its TOR.

CONTINUING EDUCATION

The details of training programmes and seminars attended by each AC member during the financial year ended 31 December 2021 are set out under "Director Professional Development and Trainings" on pages 130 to 131.

OTHERS

The AC and the Head of GIAD have also been given the responsibility by the Board to monitor the implementation of the Whistleblowing Policy and Procedures, whilst duties relating to the day-to-day administration of the policy are performed by the Head of GIAD. During the financial year under review, there were 2 cases reported through the channel. GIAD had taken the necessary steps to investigate and address the complaints made in accordance with the Whistleblowing Policy and Procedures.

INTERNAL AUDIT FUNCTION AND SUMMARY OF ACTIVITIES

The Group's Internal Audit ("IA") function is an integral part of the assurance framework and it is performed in-house and undertaken by GIAD. The mission of GIAD is to enhance and protect Sunway Berhad Group's organisational value by providing risk-based and objective assurance, advice and insight. GIAD helps the Group to accomplish its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, internal controls and governance processes. GIAD reports functionally to the AC and administratively to the Executive Chairman.

GIAD is headed by Mr Yee Meng Haw who is a Certified Internal Auditor ("CIA"). He is also a member of the Malaysian Institute of Certified Public Accountant ("MICPA"), a member of the Malaysian Institute of Accountants ("MIA") and a Chartered Member of the Institute of Internal Auditors Malaysia ("CMIA").

GIAD has 18 auditors and all of the auditors have either tertiary or professional qualifications. Some are members of Certified Information System Auditors ("CISA") and Certified Internal Auditor ("CIA"). The Head of GIAD and the auditors have confirmed that they are free from any relationships or conflicts of interest which could impair their objectivity and independence in their audit assignments.

GIAD is a member of the Malaysian Chapter of the Institute of Internal Auditors ("IIA") and adopts the International Standards for the Professional Practice of Internal Auditing ("IIA Standards") laid down in the International Professional Practices Framework issued by the IIA. GIAD successfully completed its external Quality Assessment Review in 2015 and continues to meet or exceed the IIA Standards in all key aspects. GIAD was originally scheduled to undertake another external Quality Assessment Review in 2020 but this has been postponed to 2022 due to the COVID-19 pandemic. GIAD carried out its activities based on a risk-based annual audit plan approved by the AC. The AC reviews annually the adequacy of the scope, function and resources of the IA, to ensure that the responsibilities of GIAD are fully discharged.

The internal audit reports arising from the audit assignments carried out in 2021 were issued to the respective business unit management for their responses and Management were made responsible to ensure that the agreed corrective actions to be taken to address the reported risks and weaknesses were taken promptly within the required timeframes. Follow-up audit engagements were carried out by GIAD to ensure that the key corrective actions were implemented appropriately. The internal audit reports were subsequently tabled to the AC for its review. The Head of GIAD has unrestricted access to the AC and reports directly to the AC Chairman. In its current structure, the GIAD has been able to provide Directors and senior management with pertinent information about weaknesses in the system of internal control allowing Management to take prompt remedial actions.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

During the financial year ended 31 December 2021 and as at the date of this report, GIAD had carried out the following activities:-

- (a) Prepared and presented the risk-based annual internal audit plan encompassing key business segments within the Group for the approval of the AC.

- (b) Performed audit engagements which covered reviews of internal control systems, accounting and management information systems, risk management and governance practices.

- (c) Reviewed the audit plan in view of the disruptions caused by the COVID-19 pandemic and proposed revisions to the audit timetable for AC's approval during quarterly AC Meetings.

- (d) Revised audit approach to adopt remote auditing via virtual platforms during audit planning, execution and reporting processes. The audit coverage was also revised to focus on assessments of potential risks arising from the pandemic including areas of compliance, governance and fraud.

- (e) Issued internal audit reports to the AC and Management providing results of the assessments of internal controls, identifying key areas of concerns as well as highlighting recommendations for improvements and carried out follow-up audits.

- (f) Acted on suggestions made by the AC and/or senior management on concerns over operations or controls and significant issues pertinent to the Company and of the Group.

- (g) Performed investigative audits on allegations of mismanagement or improper acts reported through the whistleblowing procedures and other channels.

- (h) Assisted Management in performing financial due diligence reviews for acquisition of new businesses during the year.

- (i) Reported to the AC on review of the adequacy, appropriateness and compliance with the procedures established to monitor recurrent related party transactions.

- (j) Reviewed risk exposures of new IT systems implemented to assess the controls that should be in place to mitigate the risks identified prior to implementation.

- (k) Reported to the AC on the key observations on the effectiveness of Internal Audit Function of listed issuers by Bursa Malaysia in Bursa Malaysia's report published on 21 October 2020.

The costs incurred for the Internal Audit Function in respect of the financial year ended 31 December 2021 including staff payroll costs and overheads amounted to RM3.79 million. The costs incurred in the previous financial year was RM4.24 million.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

CORPORATE GOVERNANCE OVERVIEW STATEMENT

C PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

The Board is committed to its responsibilities to all of its stakeholders, including shareholders, employees, customers, suppliers and the communities in which it operates, and strives to ensure effective engagement with, and encourage participation from, each of these groups. The Directors are mindful of these responsibilities and consider them as part of their decision-making process. A strong and distinctive culture encouraging responsible practice has been

deeply embedded at all levels of our business for many years. Our employees observe clear guiding principles that drive ethical interactions with, and positive outcomes for, our key stakeholders. The Board sets the tone by nurturing, monitoring and reaffirming these principles, and demonstrating through its discussions and actions that the interests of stakeholders are central to its decision-making.

A summary of our stakeholder engagement activities are set out in the table below.

Stakeholder Groups	Engagement Methods	Frequency	Priorities & Concerns	Our Response	Material Matters
CUSTOMERS					
Sunway values its customers and aims to use the best of its abilities and resources to provide superior quality and services.	<ul style="list-style-type: none">ESG Materiality assessmentCustomer satisfaction surveysEvents and activitiesLoyalty programmes	<div>Annually</div> <div>Throughout the year</div>	<ul style="list-style-type: none">Timely and transparent dissemination of information about Sunway's business operations and its impacts on the environmentCustomer safety and data privacyEfficient customer service and proficient employeesSafe and quality productsCompliance with laws & regulationsSunway's environmental impacts	<ul style="list-style-type: none">Sunway practices timely and transparent communication with customers.The Sustainability Report discloses environmental impact in a comprehensive and transparent manner.Cybersecurity system is put in place to mitigate cyberattacks and protect the data privacy of stakeholders.Sunway invests in employees' learning and development to ensure high level of proficiency to meet customer's expectation. Sunway recorded an average of 33.0 training hours per employee in 2021.Sunway ensures products are produced in accordance to safety standards.	<ul style="list-style-type: none">Customer responsibilityHuman capital developmentIndirect economic impactPhysical impacts of climate changeResource management (Energy)Resource management (Water)Resource management (Emission)Pollution (Waste / Effluents)Ecology & Biodiversity
EMPLOYEES					
Sunway builds an inclusive workforce and prioritise employees' welfare. Sunway believes that employees are enablers to achieve transformational goals for the organisations, in the communities that Sunway builds, owns, manages and serves as well as the world at large.	<ul style="list-style-type: none">ESG Materiality assessmentEmployee engagement programmes, training and town hall sessionsEmployee engagement surveyKelab Sosial Sunway activities	<div>Annually</div> <div>Throughout the year</div>	<ul style="list-style-type: none">Career development and progressionRemunerationWork-life balanceFair and safe workplaceCompliance with laws & regulations	<ul style="list-style-type: none">Sunway establishes family-friendly policies and provides better-than-industry-average benefits.Sunway conducts benchmarking of industry remuneration and offer better-than-industry-average remunerations and benefits to attract and retain talents.The Group assesses employees' performance through the "My Performance Focus Areas". In 2021, all employees were assessed.Sunway formalises the Group's Occupational Health, Safety and Environment ("OHSE") policy and establishes a five-year (2021 – 2025) OHSE Strategy to provide safe and healthy work environment.Sunway practices to uphold zero tolerance for discrimination against race, religion, gender, age, disabilities and nationality.	<ul style="list-style-type: none">Human capital developmentDiversity & inclusionCorporate governanceBusiness ethicsRisk & crisis managementLabour standards & practices
GOVERNMENT & INDUSTRY AFFILIATES					
Sunway works closely with the government and industry affiliates to progress in sustainable development and nation-building.	<ul style="list-style-type: none">ESG Materiality assessment	Annually	<ul style="list-style-type: none">Compliance with laws and regulationsSupport policies of national interest which drives economic prosperity, sustainability and innovationPrivate partnership to drive national agendaSharing of best practices for industry progressImplementation of policies and requirements by relevant agencies or professional bodies	<ul style="list-style-type: none">Sunway upholds good corporate governance through robust policies such as the Code of Conduct and Business Ethics and Anti-Bribery and Corruption Policy to ensure regulatory compliance.Sunway supports the government's climate ambition by committing to achieve net zero carbon emissions by 2050.To support the transition towards a low-carbon economy, Sunway is a member of Climate Governance Malaysia.Active contribution to the development of the national economy.	<ul style="list-style-type: none">Physical impacts of climate changeBusiness ethicsCorporate governanceRisk & crisis managementIndirect economic impact
	<ul style="list-style-type: none">MeetingsProject site visitsSite inspectionsTechnical committees	When necessary			
	<ul style="list-style-type: none">Engagement sessionsEngagement with Department of Occupational Safety and Health (DOSH)Report submissionsSite visits and auditsTraining, seminars and demonstrations	Throughout the year			
	<ul style="list-style-type: none">Dialogues	Ongoing			

CORPORATE GOVERNANCE OVERVIEW STATEMENT

CORPORATE GOVERNANCE OVERVIEW STATEMENT

C PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

Stakeholder Groups	Engagement Methods	Frequency	Priorities & Concerns	Our Response	Material Matters
LOCAL COMMUNITIES & NGOS					
Sunway invests in the communities in which Sunway operates in order to create long term values and enrich the livelihood of the communities.	<ul style="list-style-type: none">ESG Materiality assessmentCommunity engagement through social activities and #SunwayforGood initiativesCorporate advertisements	<div>Annually</div> <div>Throughout the year</div>	<ul style="list-style-type: none">Community enrichment initiativesInitiatives in line with Malaysia's Shared Prosperity Vision and United Nations 17 Sustainable Development GoalsSunway's environmental impacts	<ul style="list-style-type: none">Sunway enriches and empowers the local community through #SunwayforGood initiatives. In 2021, Sunway invested more than RM119 million in community inclusivity programmes.Sunway supports the National COVID-19 Immunisation Programme by providing vaccination venues to enable mass vaccination for the frontliners and public.Sunway contributes to underprivileged and B40 community during lockdowns through cash donation and distribution of food and basic necessities.	<ul style="list-style-type: none">Community enrichmentPhysical impacts of climate changeIndirect economic impact
SHAREHOLDERS / INVESTORS / ANALYSTS					
Sunway maintains prudent risk management, ensures transparent reporting, timely communication and strive to maximise shareholders' returns.	<ul style="list-style-type: none">Annual general meetingESG Materiality assessmentExtraordinary general meeting (if required)Corporate websiteInvestor relations enquiry platformsOne-on-one meetingGroup meetingAnalyst and investor briefingInvestors' non-deal roadshows and conferencesSite visits	<div>Annually</div> <div>When necessary</div> <div>Throughout the year</div>	<ul style="list-style-type: none">Effective business growth strategiesEffective communication and timely reportingPrudent risk managementMarket outlook and segmental strategies	<ul style="list-style-type: none">Sunway implements strategies to enhance business and financial resilience through innovation and technology.Active investor relations programme and activities to engage the investment community and retail investors.Sunway incorporates sustainability related key performance indicators into performance evaluations for senior management.Sunway strengthens its climate change actions to mitigate climate risks establishing an Internal Carbon Pricing framework.Sunway bolsters its risk management by conducting a Value at Risk (VaR) assessment on the Group's properties' risk exposure to climate change.	<ul style="list-style-type: none">Indirect economic impactBusiness ethicsCorporate governanceRisk & crisis managementPhysical impacts of climate change
SUPPLIERS / VENDORS					
Suppliers are required to adhere to Sunway's Sustainable Procurement Policy and Supplier Code of Conduct, which emphasise on environmental protection, business and social ethics.	<ul style="list-style-type: none">ESG Materiality assessmentSuppliers feedback formsTender and bidding processDay-to-day support engagementsMeetings	<div>Annually</div> <div>When necessary</div> <div>Ongoing</div>	<ul style="list-style-type: none">Sustainable procurementQuality products and servicesHuman rights and social inclusionAccessibility of formsTimely paymentProfessional and transparent procurement	<ul style="list-style-type: none">Suppliers and vendors are guided by Sunway's Sustainable Procurement Policy and Supplier Code of Conduct, including ESG practices.Practise equal access to purchasing opportunities and ensure a transparent tender and bidding process in the procurement value chain.Procurement registration form and terms & conditions are made available in the corporate website at www.sunway.com.my.Utilise the Esker software to ease the approval process and eliminate hardcopy submissions from suppliers to maintain a systematic archive and improves customer experience.Sunway is committed to respecting human rights as set out in the UN Guiding Principles on Business and Human Rights and UN Global Compact ("UNG") Principles. The Group also recognises the International Labour Organisation's ("ILO") eight fundamental Conventions concerning freedom of association and the right to collective bargaining, and the elimination of forced labour, child labour and discrimination in the workplace.	<ul style="list-style-type: none">Resource management (supply chain & materials)Business ethicsCorporate governance

CORPORATE GOVERNANCE OVERVIEW STATEMENT

C PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

CONDUCT OF GENERAL MEETINGS

The Board encourages shareholders' participation in general meetings. The Annual General Meeting ("AGM") of the Company provides a principal forum for shareholders to share their views. It also provides open dialogue opportunity and interaction between the Board and the shareholders. The participation of shareholders, both individuals and institutions at general meetings on clarifications of pertinent and relevant information is encouraged.

In providing a more efficient and wide-spread shareholders' participation, the Company has introduced online polling. Due to the pandemic in 2020, the Company had conducted its Eleventh Annual General Meeting ("11th AGM") and Extraordinary General Meeting ("EGM") on a fully virtual basis through live streaming and online remote voting using the Remote Participation and Voting ("RPV") facility. The virtual meetings had enabled shareholders to participate remotely and safely from wherever they were. A shareholder who was not able to participate in the AGM/EGM was given the option of appointing a proxy to participate remotely and vote online on his/her behalf.


In 2021, the Company had served more than 28 days' notice for its 11th AGM which was initially scheduled on 25 June 2021. However, pursuant to the Full Movement Control Order imposed by the Government, the Board had postponed the 11th AGM to 14 September 2021. A 28-day notice was given for the Postponed 11th AGM. The Company had also served a 14-day notice for its EGM which was held on 14 September 2021. The notice period given to the shareholders had allowed them to have sufficient time to scrutinise the Annual Report and Circular to Shareholders and to make the necessary arrangements to participate in the meetings. The Company also distributed together with the notice of 11th AGM and EGM, an Administrative Guide, which furnished useful information regarding the conduct of the virtual AGM/EGM such as details of the virtual meeting, shareholders' entitlement to participate and vote in the virtual meeting, their right to appoint proxy, steps and procedures to access and vote in the virtual AGM/EGM. Shareholders who are not able to participate in the meeting are allowed to appoint any person(s) as their proxies to participate, speak and vote in his or her stead at all the general meetings.

At the Postponed 11th AGM, the President's video presentation provided the shareholders, an overview of the performance of the Group and its core businesses for the financial year 2020 as well as the prospect of the Group. As for the EGM, a representative from Maybank Investment Bank Berhad, the Principal Adviser, presented the details of the corporate proposals tabled at the EGM for the shareholders' understanding.

The Chairman provided ample time and opportunities for the Questions and Answers sessions during the AGM and EGM. All the Directors together with the President, Group Chief Financial Officer, management team and External Auditors were present to respond to all queries raised. In addition, the Principal Adviser and solicitor were also present at the EGM to answer any questions asked. Shareholders were also encouraged to send in their questions prior to the AGM/EGM via email or through the online platform provided by the Company's Share Registrar. All suggestions and comments given by the shareholders were also noted by Management for consideration.

In addition, written queries raised by the Minority Shareholder Watch Group were presented to the shareholders at the 11th AGM together with the Group's response.

All resolutions set out in the notice of the 11th AGM and EGM were voted remotely by poll. Messrs BDO Consulting Sdn Bhd, an independent scrutineer validated the votes for each resolution. The Company's Share Registrar, Sunway Management Sdn Bhd was the Polling Administrator for the conduct of the online polling.

 The minutes of the 11th AGM and EGM are made available on the Company's website at www.sunway.com.my for the information of the public.

This Corporate Governance Overview Statement was approved by the Board on 12 April 2022.



Dato' Sri Idris Jala

Independent Non-Executive Co-Chairman

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors ("the Board") is pleased to present the Statement on Risk Management and Internal Control, pursuant to Chapter 15, Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and Principle B of the Malaysian Code on Corporate Governance 2021, with guidance from the Statement of Risk Management and Internal Control: Guidelines for Directors of Listed Issuers.

THE BOARD'S RESPONSIBILITY

The Board affirms its commitment and responsibility towards effective risk management and internal control. The Board embeds risk management and internal control framework and systems into the activities, initiatives and processes of Sunway and its subsidiaries ("the Group"). The framework has been set in place by the Board to identify, evaluate, mitigate and monitor key risks faced by the Group.

The framework is designed to mitigate risks or events with significant adverse impact on the achievement of the Group's objectives and strategies. As such, it provides reasonable, but not absolute, assurance against material financial misstatement and management information and records, or against financial losses or fraud. As the business environment constantly undergoes challenges and changes, the Group's risk management and internal control framework will be constantly reviewed to ensure the systems' adequacy to address the challenges and changes.

The Board, as a whole or through delegation to the Audit Committee ("AC") and the Risk Management Committee ("RMC"), reviews the adequacy, effectiveness and integrity of the Group's risk management and internal control systems.

The AC's scope includes overseeing the internal framework to ensure its operational effectiveness and adequacy.

The RMC oversees the Group's risk management and internal control. Accountable to the Board of Directors, the RMC meets quarterly to:

- 1 Identify, assess and monitor key business risks and review risk mitigation strategies
- 2 Review and recommend risk management strategies, policies and levels of risk tolerance
- 3 Ensure infrastructure, resources and systems are in place to manage risks

In 2021, the RMC duly reviewed, appraised and assessed the efficacy of the controls and progress of action plans taken to mitigate, monitor and manage the Group's risk exposure. The RMC has subsequently provided assurance to the Board that the Group's risk management framework and internal controls are operating adequately and effectively in all material aspects.

INTERNAL CONTROL SYSTEM

Planning, monitoring and review of the Group's performance and conduct are done via scheduled periodic meetings of the Board, Board Committees and management. The annual Business Plan ensures that all divisions and operating subsidiaries prepare and present their respective outlook, expectations, budgets, performance and targets for the forthcoming year.

The President communicates the Board's expectations to management teams and employees during management meetings, managers' conferences, e-mail announcements and fora, while the heads of operating subsidiaries and departments are empowered with the responsibility of planning, monitoring, reporting and managing their respective operations. The Group seeks to proactively review and evaluate existing corporate governance practices and internal control policies. Best practices, improvements and changes are recommended to the Board of Directors for adoption and implementation.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

COMPONENTS OF THE INTERNAL CONTROL SYSTEM

1 Policies and Procedures

The Group's internal control system includes clear, formalised and documented internal policies, standards and procedures to ensure compliance with internal controls and relevant laws and regulations. It enables all divisions and operating subsidiaries to effectively and efficiently, operate and respond proactively to potential business, operational, financial, compliance and other risks in achieving the Group's goals and objectives. These documents are regularly reviewed and are published in the Group's web portals.

- Anti-Bribery and Corruption Policy
- Anti-Money Laundering Policy
- Code of Conduct and Business Ethics Policy
- Diversity & Inclusion Policy
- External Auditors Selection Policy
- Group Occupational Health, Safety & Environment Policy
- Group Sustainability Policy
- Human Rights Policy
- Members of the Board of Directors and Board Composition Selection and Assessment Policy
- Non-Audit Services Policy
- Remuneration Policy for Directors and Senior Management
- Sustainable Procurement Policy
- Water Management Policy
- Whistle Blowing Policy & Procedure

2 Audit

The Group Internal Audit Department ("GIAD") carries out internal audits on divisions and operating units of the Group based on a risk-based audit plan approved annually by the AC. Periodic reports are submitted to the AC highlighting observations, recommendations, and action plans to improve the Group's internal control system. The AC reviews and deliberates on any matters relating to internal control highlighted by the External Auditors in the course of their statutory audit of the financial statements of the Group. Additionally, subsidiaries accredited with certifications are audited as scheduled by auditors of relevant certification bodies. Results of these audits are reported to management.

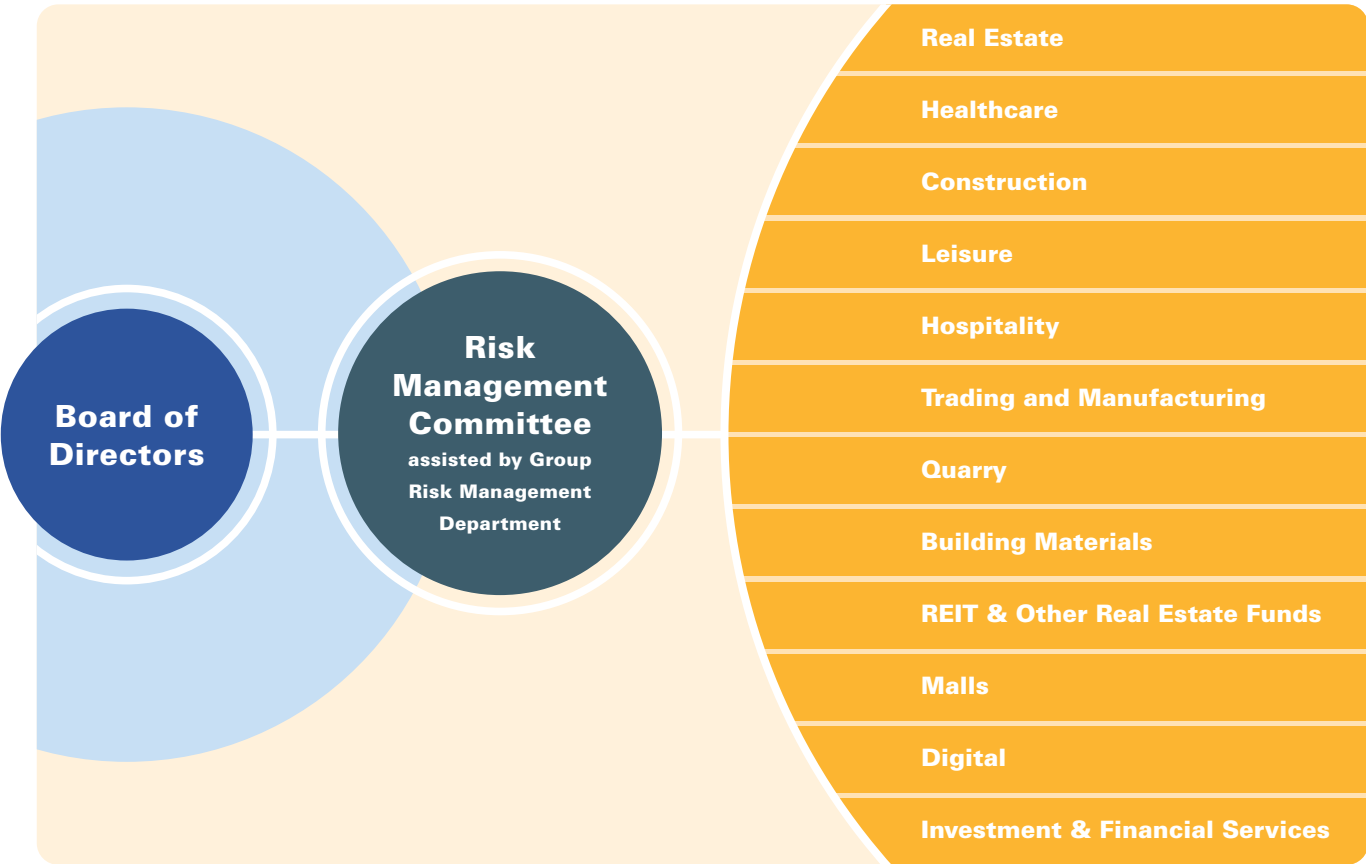
3 Risk Management

The Group's risk management framework is benchmarked against the ISO31000:2018 Risk Management – Guidelines, and is designed to embed Enterprise Risk Management ("ERM") into key activities, initiatives and processes of the Group.

Operating subsidiaries are tasked with reporting major risks on a quarterly basis to management as it aims for a holistic approach towards risk management. The respective operating subsidiaries being risk owners of their immediate sphere are responsible to develop the appropriate response strategies to mitigate risks.

In providing assurance to the RMC and the Board, the Group Risk Management Department ("GRMD"), continues to review the quarterly risk reports to identify and mitigate all major risks of the operating subsidiaries under the Group. The quarterly risks from all operating subsidiaries are consolidated and updated to the RMC, highlighting major risks and mitigating controls carried out.

The reporting structure is as follows:



The RMC meets quarterly to deliberate on top risks identified, and its Chairman subsequently updates the Board on proceedings from the RMC. Internal control and risk related matters are recommended to the Board for deliberation or approval, while matters and decisions made within the purview of the RMC are escalated to the Board for notation.

The GRMD is accountable for effectiveness of the risk management framework and is independently distinguished from the risk owners - the respective heads of operating subsidiaries being such persons with vital insights of respective businesses and able to actively identify, mitigate and monitor the identified risks through decisions and actions.

Consequently, the GRMD undertakes the role of assisting operating subsidiaries by identifying, quantifying, managing and mitigating critical risks, in addition to monitoring and reporting action plans prepared by the operating subsidiaries. In line with the Group's governance initiatives, the GRMD also collaborates with other support functions such as Group Brand Marketing & Communication, Group Finance, Group Internal Audit, Group IT, Group Legal, Group Procurement, Group Secretarial and Corporate Development.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

KEY RISK FACTORS

Apart from the macro risks of Political Uncertainty and Weak Economic Growth highlighted in Factors Impacting Value Creation on pages 39 to 41, the following risks were most prevalent among business units in the Group.

These were presented to the RMC where controls, mitigating plans and monitoring mechanisms were highlighted.

EXTERNAL RISKS

Mitigation Actions

As the COVID-19 pandemic continues to impact economic activities, food security, public health, employment, workers' health and safety and other social activities, the Group continues to ensure resilience by adopting strategies to provide value-added products and services via Group synergies, continuous digital innovation and transformation, and exploration of new businesses.

The hospitality industry was hit hard by the pandemic as interstate travel and domestic tourism activities were restricted for most parts of 2021. In mitigating this risk, the Group's Hospitality division continued its resiliency by offering value-added 'staycation' packages with synergistic collaboration with the Theme Parks and Retail divisions.

The Sunway Clio Hotel was designated as a quarantine centre, and in collaboration with the Healthcare division, was able to generate higher revenue and Guest Review Index scores by offering a premium and distinctive stay for quarantined guests.

In addition, the Group's journey in sustainability is aimed at cascading and driving climate and environment policies, operations and management of natural resources, energy, utilities, environment, bio-diversity, waste, greenhouse gas emissions and alternative resources. Practices and strategies are driven by core values of sustainability to build integrated townships that are efficient, self-sustaining and eco-friendly.

OPERATIONAL RISKS

Mitigation Actions

Health and safety, delivery of products and services, disaster recovery, infrastructure maintenance and production standards are continuously monitored to ensure adherence to best practices or standards.

The Jeffrey Sachs Center was appointed to assess the physical risk of climate change for the Group's non-REIT properties, where Sea Level Rise ("SLR") and increased rainfall intensity were the main risks. Mitigation action plans were undertaken for properties classified as high risk, such as rock-barrier construction, structural repairs and asset upgrades.

In response to the COVID-19 pandemic, all business premises, offices, production sites and factories ensure strict adherence to their respective external and internal standards and guidelines. Compliance to these rules are mandatory for our stakeholders - customers, local communities, tenants, employees, contractors, suppliers and other affiliates. Measures undertaken include:

- Virtual meetings and trainings to minimise physical contact;
- Work-from-home and alternate team arrangements;
- Increased disinfecting frequency of high touch points;
- Thermal and self-check-in scanners at all entrances; and
- Social distancing in office, public areas, suraus, dining areas and elevators.

CYBER & IT SECURITY

Mitigation Actions

The Group remains proactive in bridging the digital and communications gap from operations to finances and production. Focus areas include platform development of applications, infrastructure, resource planning, performance management, supply chain management and human capital management.

Mitigation of cyber security risks and data governance is continuously performed and monitored under the relevant policies to ensure a robust, secure, effective and efficient IT environment.

REGULATORY

Mitigation Actions

The Group remains committed in mitigating risks of non-compliance to all applicable rules or regulations which its business units or joint ventures are subjected to, such as Anti-Bribery and Corruption, Anti-Money Laundering and Anti-Terrorism Financing, Competition, Personal Data Protection, Economic Sanction and Environmental, Health and Safety laws and etc.

Policies and procedures are periodically reviewed to ensure relevance, applicability and to reduce the Group's exposure to potential legal liabilities and minimise any adverse impact arising from non-compliance of such changes.

Training and staff assessment for mandatory policies such as Anti-Bribery and Corruption, Code of Conduct and Business Ethics, Conflict of Interest Declaration, E-Policy and Personal Data Protection are conducted annually via the Group's SAP MyLearning online platform.

To systematically assess and monitor the risk of corrupt and bribery practices, an anti-bribery and corruption risk assessment is conducted via a 3-stage approach which encompass, briefing, workshop and approval stages.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

HUMAN CAPITAL

Mitigation Actions

The Group continues to focus on attracting, grooming and retaining skilled and competent employees as part of its succession planning and strengthening of the leadership pipeline.

Group Human Resources, together with respective divisions and operating subsidiaries continuously improve and enhance strategies and plans such as employee engagement surveys, team building exercises, training and development – internal and external and reviews of the Group's staff remuneration and compensation benefits. Key performance indicators, based on balanced scorecards are used to track and measure employees' performance, while employee engagement surveys are conducted to obtain feedback on effectiveness and efficiency, in line with the Group's goals and objectives.

COMPETITION

Mitigation Actions

As one of Malaysia's largest conglomerate, market competition is a perennial risk. However, it is also through the Group's diverse nature that risk mitigation of competition risk is effected at an optimum level. Group synergy and digital innovation and transformation are key elements in enabling competitive advantage through operational efficiency, improved customer experience and value added products and services, all in a sustainable ecosystem.

The Group's Property Development division is a prime example in its commitment towards offering integrated, smart and sustainable cities. From 2025 onwards, all its developments are to be green-building certified with efficient energy, water and waste management. These integrated townships will offer six key wellness pillars, namely lifelong learning, sustainable living, modern and traditional care, active lifestyle, nature and multi-generational living.

The Retail division was able to pro-actively improve its offerings and tenancy mix as well as asset enhancements to produce a more vibrant and engaging customer experience.

On the digital front, the launch of the Sunway eMall e-commerce platform provided customers with a seamless Online-to-Offline shopping experience while the Internet of Toilet system in Sunway Pyramid Mall represents a digital innovation which uses sensors to enable monitoring of water consumption or other data to reduce downtime and costs.

MATERIAL JOINT VENTURES AND ASSOCIATES

This statement does not cover the risk management and internal control framework and processes of the Group's material joint ventures and associates as these areas fall within the control of their shareholders and management. The Group safeguards its interests in those entities through the appointment of representatives on their respective boards and, in certain cases, through their management or operational committees. While the Group's Healthcare division is classified as joint ventures effective 23 December 2021, GRMD will continue to review its quarterly risk reports and report its findings to the RMC.

THE BOARD'S CONCLUSION

The Board is pleased to report that the state of the Group's risk management and internal control framework is able to meet the Group's objective to ensure good corporate governance. For the year under review, there was no potential or present failure or weakness that would have material adverse effect on the results of the Group.

The Board has also received assurance from the President and Group Chief Financial Officer that the Group's risk management and internal control framework is operating adequately and effectively in all material aspects. Continuous focus on measures to protect and enhance shareholder value and business sustainability will remain a core practice for the Group.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITOR

The external auditor has reviewed this Statement of Risk Management and Internal Control as required under Paragraph 15.23 of Bursa Malaysia Securities Berhad's Main Market Listing Requirements. The limited assurance review was performed in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and Audit and Assurance Practice Guide 3 ("AAPG 3") *Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control Included in the Annual Report*. AAPG 3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

Based on their procedures performed, the external auditors have reported to the Board that nothing has come to their attention which causes them to believe that this Statement is not prepared, in all material respects, in accordance with the disclosures required by paragraph 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is factually inaccurate.

This Statement of Risk Management and Internal Control was approved by the Board of Directors on 12 April 2022.

Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling, AO
Executive Chairman

ADDITIONAL COMPLIANCE INFORMATION

The information set out below is disclosed in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"):-

1. STATUS OF UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSAL

(a) Sunway had on 3 December 2020, issued and allotted 977,779,351 irredeemable convertible preference shares ("ICPS") to the existing shareholders of Sunway, raising RM977,779,351/- new capital for the Company pursuant to the renounceable rights issue of up to 1,112,777,962 new ICPS in Sunway Berhad ("Sunway" or the "Company") at an issue price of RM1/- per ICPS on the basis of one ICPS for every five existing ordinary shares in Sunway held by the shareholders of Sunway ("Rights Issue of ICPS").

The gross proceeds raised from the Rights Issue of ICPS were utilised for repayment of existing borrowings, capital expenditure to expand and develop hospitals, property development and property investment expenditure of Sunway Group and to defray the expenses incurred in relation to the Rights Issue of ICPS.

Sunway had on 29 July 2021, announced the variation of the utilisation of proceeds raised from the Rights Issue of ICPS. Approximately RM164.2 million which had been earmarked for capital expenditure to expand and develop hospitals of Sunway Group had been utilised for repayment of the Group's borrowings instead.

As at 30 September 2021, the proceeds had been fully utilised.

(b) On 10 April 2020, Sunway had announced that the Company had established a Commercial Paper/Medium Term Note Programme of RM2.0 billion in nominal value ("2020 CP/MTN Programme") pursuant to the prevailing Guidelines on Unlisted Capital Market Products Under the Lodge and Launch Framework.

During the financial year ended 31 December 2021, Sunway had rollover 9 tranches of commercial paper/medium term notes ("CP/MTN") totaling RM217 million, including a new drawdown of RM5 million of CP note under the 2020 CP/MTN Programme at various interest rates and had fully repaid the outstanding CP notes. As at 31 December 2021, there is no outstanding CP/MTN issued under 2020 CP/MTN Programme.

The proceeds raised from the 2020 CP/MTN Programme were utilised to finance investment activities, capital expenditure, working capital requirements and/or other general corporate purposes (including but not limited to future operating expenses and financing expenses, i.e. the fees and expenses relating to the 2020 CP/MTN Programme) of the Company and/or its direct and indirect subsidiaries and including jointly controlled entities and associate companies.

(c) On 29 January 2019, Sunway had announced that Sunway Treasury Sukuk Sdn Bhd ("Sunway Treasury Sukuk"), a wholly owned subsidiary of Sunway Treasury Sdn Bhd ("Sunway Treasury"), which in turn a wholly-owned subsidiary of Sunway, had established an Islamic Commercial Papers/ Islamic Medium Term Notes Programme with the Shariah Principle of Mudharabah of RM10.0 billion in nominal value ("Sukuk Mudharabah Programme").

During the financial year ended 31 December 2021, Sunway Treasury Sukuk had 86 issuance of Islamic Commercial Papers ("ICPs") totaling RM6.46 million and 2 series of Islamic Medium Term Notes ("IMTNs") under the Sukuk Mudharabah Programme at various interest rates. Sunway Treasury had repaid RM6,684 million of ICPs. As at 31 December 2021, the total outstanding ICPs and IMTNs amounted to RM821 million and RM700 million respectively.

The proceeds raised from the Sukuk Mudharabah Programme were utilised to finance investment activities, capital expenditure, working capital requirements and/or other general corporate purposes (including but not limited to future operating expenses relating to the Sukuk Mudharabah Programme) of the Company and/or its direct and indirect subsidiaries and including jointly controlled entities and associate companies.

(d) On 15 December 2017, Sunway had announced that it had established a Perpetual Islamic Medium Term Note Programme of up to RM5.0 billion in nominal value ("Sunway Sukuk Programme") for issuance of Islamic medium term notes ("Sunway iMTNs") pursuant to the Guidelines on Unlisted Capital Market Products Under the Lodge and Launch Framework.

There were no issuance of Sunway iMTNs during the financial year ended 31 December 2021. As at 31 December 2021, the total outstanding Sunway iMTNs amounted to RM600 million.

The proceeds raised from the Sunway Sukuk Programme were utilised to finance investment activities, capital expenditure, working capital requirements and/or other general corporate purposes (including but not limited to future operating expenses relating to the Sunway Sukuk Programme) of the Company and/or its direct and indirect subsidiaries and including jointly controlled entities and associate companies.

(e) On 29 September 2017, Sunway had announced that Sunway Parkview Sdn Bhd ("Sunway Parkview"), a wholly-owned subsidiary of Sunway Iskandar Sdn Bhd ("Sunway Iskandar"), had established a Medium Term Note Programme of up to RM999.0 million in nominal value ("Sunway Parkview MTN Programme") for issuance of medium term notes ("Sunway Parkview MTNs") pursuant to the Guidelines on Unlisted Capital Market Products Under the Lodge and Launch Framework.

During the financial year ended 31 December 2021, Sunway Parkview had issued 2 tranches of Sunway Parkview MTNs totaling RM499 million under the Sunway Parkview MTN Programme at various interest rates. As at 31 December 2021, the total outstanding Sunway iMTNs amounted to RM799 million.

The proceeds raised from Sunway Parkview MTN Programme were utilised to part finance or reimburse the development expenditure incurred by Sunway Parkview and Sunway Iskandar in relation to projects in Sunway City Iskandar Puteri.

(f) On 17 July 2017, Sunway had announced that Sunway Treasury Sukuk had received authorisation from the Securities Commission Malaysia ("SC") to establish an Islamic Medium Term Note Programme of up to RM10.0 billion in nominal value ("2017 Sukuk Programme") for issuance of unrated Islamic medium term notes ("UiMTNs") via SC's letter dated 14 April 2017.

During the financial year ended 31 December 2021, Sunway Treasury Sukuk had issued 25 tranches of UiMTNs totaling RM1,525 million under the 2017 Sukuk Programme at various interest rates and had repaid RM1.10 million of UiMTNs. As at 31 December 2021, the total outstanding UiMTNs amounted to RM2,545 million.

The proceeds raised from the 2017 Sukuk Programme were utilised to finance investment activities, capital expenditure, working capital requirements including the refinancing/early redemption/buy back of Sunway Treasury Sukuk's ICPs under its Sukuk Programme and/or other general corporate purposes.

(g) On 22 August 2014, Sunway had announced that Sunway Treasury Sukuk had received authorisation from SC to establish an Islamic commercial paper/medium term note programme for issuance of Islamic commercial papers ("ICPs") and/or Islamic medium term notes ("IMTNs") under the Shariah principle of Mudharabah of up to RM2.0 billion in nominal value ("Sukuk Programme") via SC's letter dated 21 August 2014.

During the financial year ended 31 December 2021, Sunway Treasury Sukuk had 3 issuance of ICPs totaling RM150 million under the Sukuk Programme at various interest rates and had repaid RM150 million of ICPs. As at 31 December 2021, the total outstanding ICPs and IMTNs amounted to RM50 million and RM670 million respectively.

The proceeds raised from the Sukuk Programme were utilised to finance investment activities, capital expenditure, working capital requirements and/or other general corporate purposes.

(h) On 26 March 2013, Sunway had announced that Sunway Velocity Mall Sdn Bhd ("SVM"), a 59% owned subsidiary of Sunway City, which in turn is a wholly-owned subsidiary of Sunway, had received authorisation from the SC to establish a medium term note programme for the issuance of unrated medium term notes ("UMTNs") of up to RM1.0 billion in nominal value ("MTN Programme") via SC's letter dated 21 March 2013.

There were no issuance of UMTNs during the financial year ended 31 December 2021. As at 31 December 2021, the total outstanding UMTNs amounted to RM710 million.

The proceeds raised from the MTN Programme were utilised to repay advances and other related costs due to Sunway Treasury for the development and operation of SVM.

2. AUDIT AND NON-AUDIT FEES

During the financial year ended 31 December 2021, the total audit and non-audit fees paid or payable incurred for services rendered to the Company and the Group by the external auditors, or a firm affiliated to the external auditors are as follows:-

	Group (RM'000)	The Company (RM'000)
Audit fees	3,679	406
Non-audit fees	495	46
TOTAL:	4,174	452

3. MATERIAL CONTRACTS INVOLVING DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

There were no material contracts (not being contracts entered into in the ordinary course of business) entered into by Sunway and/or its subsidiaries involving Directors' and major shareholders' interests during the financial year ended 31 December 2021.

4. RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE

The details of the recurrent related party transactions are disclosed in Note 50 of the Notes to the Financial Statements.

INVESTOR RELATIONS

INVESTOR RELATIONS

The investor relations landscape continues to evolve in recent years alongside changes brought about by the COVID-19 pandemic and the growing awareness of ESG. The Group undertakes active engagement with the investment community as they represent an important part of the Group stakeholders.

The objective of these engagements is to present a true and fair view of Sunway's financial performance, business outlook and prospects, strategic direction, risk factors and challenges to facilitate the investment community in making informed research evaluations and investment decisions.

Given the Group's continued transformation and progress as a value creating entity, engagement with the investment community is also essential in enabling them to develop a clear understanding of the Group's value creation model which encompasses the BOO model and its synergistic values from the ecosystem of businesses.

Beyond presenting a review of business and operational performance, these sessions were aimed at highlighting how Sunway's business divisions were responding proactively to the pandemic in FY 2021, and how each divisions will continue to pivot accordingly towards sustaining financial and non-financial value creation.

The investor relations strategies also place emphasis on communicating ESG goals and targets as well as embedding ESG strategies within the respective business operations of each division. This is in line with the growing adoption of ESG investing among investors, which are becoming a prerequisite for integration of ESG evaluation into fundamental assessment of companies. A company's ESG performance is becoming a criterion for access to capital markets and financing.

NEW INITIATIVES IN FY 2021

INITIATIVE	STAKEHOLDERS ENGAGED
Special analysts and investors briefings in relation to the strategic investment for the healthcare segment	Analysts and institutional investors
Analysts and investors group meetings on ESG	Analysts and institutional investors

In FY 2021, the Investor Relations team initiated and/ participated in 23 investor-related engagements as follows:



All engagements with investors, analysts, shareholders, the media and others were conducted through virtual platforms.

INVESTORS' PERCEPTIONS OF SUNWAY

Research coverage for Sunway was maintained at 12 in FY 2021. Sunway aims to expand its research coverage in order to broaden its reach to larger group of investors, both domestic and international.

	FY 2021	FY 2020
Number of research coverage	12	12
Average target price (RM)	2.11	1.86
Analysts' recommendation:		
Buy / Outperform	9 (75%)	8 (67%)
Hold / Neutral	3 (25%)	4 (33%)

(Source: Bloomberg)

Research Coverage in 2021:

- Affin Hwang Investment Bank
- AllianceDBS Research
- AmInvestment Bank
- CGS-CIMB
- CLSA
- Hong Leong Investment Bank Research
- Kenanga Research
- Maybank Investment Bank
- MIDF Research
- RHB Research
- TA Securities
- UOB KayHian

COMMUNICATION CHANNELS

Briefing Packs, Flash Notes	Quarterly Results and Annual Report	IR Portal and E-Mail
As mandated by Bursa Malaysia, Sunway releases financial and material business information on a timely basis to Bursa Malaysia, with this information published on Sunway's website.	The Group announces its quarterly financial performance and also publishes a comprehensive Integrated Annual Report for the benefit of shareholders.	Comprehensive IR related information is available on the Group's IR portal. Information provided, include share prices, latest announcements, latest quarterly results, latest and past annual reports, investor presentation decks and more.
Subsequently, information in the form of briefing packs and flash notes are immediately disseminated to analysts, media and other parties.	The annual report provides a detail review of the Group's performance as well as insights into the outlook and prospects of Sunway for the forthcoming financial year.	The IR portal can be accessed via https://www.sunway.com.my/investor-relations/
Analyst briefings are also arranged as and when necessary towards providing timely and transparent market disclosure.		The IR team can be contacted via: irsunwayberhad@sunway.com.my .
The Group's IR portal is updated within 48 hours of any announcement made.		

REPRESENTATION IN INDICES (as at 31 December 2021):

- FTSE Bursa Malaysia Mid 70 Index
- FTSE Bursa Malaysia Top 100 Index
- FTSE Bursa Malaysia Emas Index
- FTSE Bursa Malaysia Emas Shariah Index
- FTSE4Good Bursa Malaysia Index
- FTSE4Good Bursa Malaysia Shariah Index
- Bursa Malaysia Industry Products & Services Index
- FTSE ASEAN All-Share Index
- MSCI Emerging Markets Small Cap Index

(Source: Bloomberg)

DIRECTORS' RESPONSIBILITY STATEMENT FOR THE AUDITED FINANCIAL STATEMENTS

The Directors are required by the Companies Act 2016 (the "Act") to prepare the financial statements for each financial year which have been made out in accordance with applicable Financial Reporting Standards and International Financial Reporting Standards, the requirements of the Act in Malaysia and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Directors are responsible to ensure that the financial statements give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year, and of the results and cash flows of the Group and of the Company for the financial year.

In preparing the financial statements, the Directors have:



The Directors are responsible to ensure that the Group and the Company keep accounting records which disclose the financial position of the Group and of the Company with reasonable accuracy, enabling them to ensure that the financial statements comply with the Act.

The Directors are responsible for taking such steps as are reasonably open to them to safeguard the assets of the Group and of the Company and to detect and prevent fraud and other irregularities.

DIRECTORS' REPORT

The Directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2021.

PRINCIPAL ACTIVITIES

The principal activities of the Company were investment holding and provision of management services. On 24 May 2021, the Company changed its principal activities from investment holding and provision of management services to investment holding.

The principal activities and details of the subsidiaries are set out in Note 51 to the financial statements.

RESULTS

	Group RM'000	Company RM'000
Continuing operations		
Profit before tax	463,899	130,727
Income tax expense	(116,229)	(10,524)
Profit for the financial year from continuing operations	347,670	120,203
Discontinued operations		
Profit for the financial year from discontinued operations, net of tax	2,390,486	-
Profit for the financial year	2,738,156	120,203
Profit attributable to:		
Owners of the parent	2,664,446	120,203
Non-controlling interests	73,710	-
	2,738,156	120,203

DIVIDENDS

The dividends paid, declared or proposed by the Company since the end of the previous financial year were as follows:

	RM'000
In respect of financial year ended 31 December 2020:	
First interim single tier cash dividend of 1.5 sen per ordinary share, paid on 28 April 2021	73,334
Preferential dividend of 5.25% per annum based on the issue price of RM1 per irredeemable convertible preference share ("ICPS") for the period from 3 December 2020 (date of issuance) up to and including 31 December 2020, paid on 28 April 2021	4,068
	77,402

DIRECTORS' REPORT (CONTD.)

DIRECTORS' REPORT (CONTD.)

DIVIDENDS (CONTD.)

The dividends paid, declared or proposed by the Company since the end of the previous financial year were as follows: (contd.)

	RM'000
In respect of financial year ended 31 December 2021:	
First interim single tier dividend of 1.0 sen per ordinary share, paid on 21 October 2021	48,891
Preferential dividend of 5.25% per annum based on the issue price of RM1 per ICPS for the period from 1 January 2021 up to and including 30 June 2021, paid on 21 October 2021	25,667
	74,558
Total dividends paid	151,960

On 25 February 2022, the Board of Directors declared a second interim single tier dividend comprising of 1.5 sen per ordinary share of the Company and a semi-annual preferential dividend of 5.25% per annum based on the issue price of RM1 per ICPS for the period from 1 July 2021 up to and including 31 December 2021, in respect of the financial year ended 31 December 2021. Accordingly, the entitled shareholders of the Company will receive the second interim single tier dividend and preferential dividend in cash on 14 April 2022 amounting to approximately RM73,336,000 and RM25,667,000 respectively. The dividends will be accounted for in the equity as an appropriation of retained earnings in the financial year ending 31 December 2022.

The Board of Directors does not propose any final dividend for the financial year ended 31 December 2021.

ISSUE OF SHARES AND SHARES BUY-BACK

- (a) During the financial year, the Company increased its issued and paid-up share capital from RM6,371,446,000 to RM6,371,668,000 by way of issuance of 142,437 new ordinary shares pursuant to the exercise of Warrants 2017/2024 at an exercise price of RM1.56 per ordinary share for cash.

The new ordinary shares issued during the financial year rank pari passu in all respects with the existing ordinary shares of the Company. There were no other issues of shares during the financial year.

- (b) As at 31 December 2021, the Company held a total of 45,004,665 ordinary shares as treasury shares out of its total issued and paid up share capital of 4,934,074,204 ordinary shares. Such treasury shares are recorded at a carrying amount of RM74,335,169 (2020: RM74,335,169).

The Company did not make any purchase of its own shares during the financial year.

WARRANTS 2017/2024

On 4 October 2017, the Company issued 629,970,466 free warrants pursuant to the bonus issue of warrants undertaken by the Company on the basis of 3 free warrants for every 10 ordinary shares held in the Company.

The warrants entitle the registered holder, at any time within a period of 7 years commencing on and including the date of issuance of the warrants and expiring on the close of business at 5.00 p.m. in Malaysia on the date immediately preceding the 7th anniversary of the date of issuance of the warrants, and if such date is not a market day, then on the preceding market day. In relation to this, the warrants were issued at an exercise price of RM1.86 each.

WARRANTS 2017/2024 (CONTD.)

The exercise price of the warrant is subject to a fixed annual step-down of RM0.07 per year on each of the anniversary dates of the date of first issuance of the warrants. The exercise price, at any time during the tenure of the warrants, is further subjected to adjustments in accordance with the provisions of the Deed Poll for warrants dated 19 September 2017 ("Deed Poll") in the event of any alteration to the share capital of the Company.

During the financial year, 142,437 new ordinary shares of RM1.56 each were issued pursuant to the exercise of Warrants 2017/2024 for the equivalent numbers by the registered holders.

On 4 October 2021, the exercise price of warrants had been adjusted from RM1.56 to RM1.49 each pursuant to a fixed annual step-down of RM0.07 per year on each of the anniversary dates from the first issuance of the warrants in accordance with the Deed Poll.

The Warrants were listed on Bursa Malaysia Securities Berhad on 6 October 2017 and the salient features of the Warrants are disclosed in Note 42(c) to the financial statements.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in Note 45 to the financial statements.

DIRECTORS

The Directors who have held office during the financial year and up to the date of this report are as follows:

Tan Sri Dato' Seri Dr. Jeffrey Cheah Fook Ling AO
Dato' Sri Idris Jala
Tan Sri Datuk Seri Razman M Hashim
Tan Sri Dato' Dr. Lin See Yan
Tan Sri Datuk Dr Rebecca Fatima Sta Maria
Tan Sri Dato' (Dr.) Chew Chee Kin
Datuk Tong Poh Keow
Tan Sri Jamaludin Bin Ibrahim
Philip Yeo Liat Kok
Sarena Cheah Yean Tih
Datuk Zaiton Binti Mohd Hassan (Appointed on 8 March 2022)

In accordance with Clause 106 of the Constitution of the Company, Tan Sri Dato' (Dr.) Chew Chee Kin and Sarena Cheah Yean Tih retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-election.

Datuk Zaiton Binti Mohd Hassan retires pursuant to Clause 89 of the Constitution of the Company at the forthcoming Annual General Meeting and being eligible, offers herself for re-election.

Tan Sri Datuk Seri Razman M Hashim who also retires by rotation pursuant to Clause 106 of the Company's Constitution, has expressed his intention not to seek for re-election at the forthcoming Annual General Meeting. Hence, he will retain office until the close of the forthcoming Annual General Meeting.

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the Directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, other than as may arise from the ICPS and warrants issued as disclosed in Note 42 to the financial statements.

DIRECTORS' REPORT (CONTD.)

DIRECTORS' BENEFITS (CONTD.)

Since the end of the previous financial year, none of the Directors has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of remuneration received or due and receivable by the Directors or the fixed salary of a full-time employee of the Company as shown in Note 11 to the financial statements) by reason of a contract made by the Company or a related corporation with any Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, except as disclosed in Note 50 to the financial statements.

DIRECTORS' INTERESTS

According to the register of Directors' shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of Directors in office at the end of the financial year in ordinary shares, ICPS, non-cumulative convertible redeemable preference shares and warrants in the Company and its related corporations during the financial year were as follows:

	Number of ordinary shares			
	As at 1.1.2021	Acquired	Sold	As at 31.12.2021
The Company				
Direct interests:				
Tan Sri Dato' Seri Dr. Jeffrey Cheah Fook Ling AO	115,206,913	-	-	115,206,913
Tan Sri Datuk Seri Razman M Hashim	3,613,524	-	-	3,613,524
Tan Sri Dato' Dr. Lin See Yan	1,000,000	-	-	1,000,000
Tan Sri Dato' (Dr.) Chew Chee Kin	21,038,466	-	-	21,038,466
Sarena Cheah Yean Tih	5,248,592	-	-	5,248,592
Deemed interests:				
Tan Sri Dato' Seri Dr. Jeffrey Cheah Fook Ling AO ^a	2,964,002,520	20,000,000	-	2,984,002,520
Tan Sri Dato' (Dr.) Chew Chee Kin ^b	1,564,862	-	-	1,564,862
Sarena Cheah Yean Tih ^c	3,069,768,417	20,000,000	-	3,089,768,417

	Number of irredeemable convertible preference shares			
	As at 1.1.2021	Acquired	Sold	As at 31.12.2021
The Company				
Direct interests:				
Tan Sri Dato' Seri Dr. Jeffrey Cheah Fook Ling AO	23,041,382	19,319,700	-	42,361,082
Tan Sri Dato' (Dr.) Chew Chee Kin	4,207,692	-	-	4,207,692
Sarena Cheah Yean Tih	1,049,718	-	-	1,049,718
Deemed interests:				
Tan Sri Dato' Seri Dr. Jeffrey Cheah Fook Ling AO ^a	592,800,501	43,527,100	-	636,327,601
Tan Sri Dato' (Dr.) Chew Chee Kin ^b	312,972	-	-	312,972
Sarena Cheah Yean Tih ^c	613,963,126	62,846,800	-	676,809,926

DIRECTORS' REPORT (CONTD.)

DIRECTORS' INTERESTS (CONTD.)

According to the register of Directors' shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of Directors in office at the end of the financial year in ordinary shares, ICPS, non-cumulative convertible redeemable preference shares and warrants in the Company and its related corporations during the financial year were as follows: (contd.)

	Number of non-cumulative convertible redeemable preference shares			
	As at 1.1.2021	Acquired	Sold	As at 31.12.2021
Immediate holding company				
Sungei Way Corporation Sdn. Bhd.				
Direct interest:				
Tan Sri Dato' Seri Dr. Jeffrey Cheah Fook Ling AO	300,000,000	-	-	300,000,000
Deemed interest:				
Sarena Cheah Yean Tih ^d	300,000,000	-	-	300,000,000

	Number of ordinary shares			
	As at 1.1.2021	Acquired	Sold	As at 31.12.2021
Immediate holding company				
Sungei Way Corporation Sdn. Bhd.				
Deemed interests:				
Tan Sri Dato' Seri Dr. Jeffrey Cheah Fook Ling AO ^e	10,000,000	-	-	10,000,000
Sarena Cheah Yean Tih ^f	10,000,000	-	-	10,000,000

	Number of ordinary shares			
	As at 1.1.2021	Acquired	Sold	As at 31.12.2021
Ultimate holding company				
Active Equity Sdn. Bhd.				
Direct interests:				
Tan Sri Dato' Seri Dr. Jeffrey Cheah Fook Ling AO	102,000	-	-	102,000
Sarena Cheah Yean Tih	25,500	-	-	25,500
Deemed interests:				
Tan Sri Dato' Seri Dr. Jeffrey Cheah Fook Ling AO ^g	68,000	-	-	68,000
Sarena Cheah Yean Tih ^d	102,000	-	-	102,000

DIRECTORS' REPORT (CONTD.)

DIRECTORS' INTERESTS (CONTD.)

According to the register of Directors' shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of Directors in office at the end of the financial year in ordinary shares, ICPS, non-cumulative convertible redeemable preference shares and warrants in the Company and its related corporations during the financial year were as follows: (contd.)

	Number of ordinary shares			
	As at 1.1.2021	Acquired	Sold	As at 31.12.2021
Related Corporation				
Sunway Construction Group Berhad				
Direct interests:				
Tan Sri Dato' Seri Dr. Jeffrey Cheah Fook Ling AO	7,923,892	-	-	7,923,892
Tan Sri Datuk Seri Razman M Hashim	106,864	-	-	106,864
Tan Sri Dato' Dr. Lin See Yan	10,000	-	-	10,000
Sarena Cheah Yean Tih	57,727	-	-	57,727
Deemed interests:				
Tan Sri Dato' Seri Dr. Jeffrey Cheah Fook Ling AO ^h	833,629,588	-	-	833,629,588
Sarena Cheah Yean Tih ⁱ	841,482,416	-	-	841,482,416

	Number of ordinary shares			
	As at 1.1.2021	Acquired	Sold	As at 31.12.2021
Related company				
Sunway Global Limited				
Direct interest:				
Tan Sri Dato' (Dr.) Chew Chee Kin	689,183	-	-	689,183

	Number of warrants 2017/2024			
	As at 1.1.2021	Acquired	Sold	As at 31.12.2021
The Company				
Direct interests:				
Tan Sri Dato' Seri Dr. Jeffrey Cheah Fook Ling AO	34,611,993	-	-	34,611,993
Tan Sri Datuk Seri Razman M Hashim	484,042	-	-	484,042
Tan Sri Dato' (Dr.) Chew Chee Kin	2,818,169	-	-	2,818,169
Sarena Cheah Yean Tih	703,065	-	-	703,065

DIRECTORS' REPORT (CONTD.)

DIRECTORS' INTERESTS (CONTD.)

According to the register of Directors' shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of Directors in office at the end of the financial year in ordinary shares, ICPS, non-cumulative convertible redeemable preference shares and warrants in the Company and its related corporations during the financial year were as follows: (contd.)

	Number of warrants 2017/2024			
	As at 1.1.2021	Acquired	Sold	As at 31.12.2021
The Company				
Deemed interests:				
Tan Sri Dato' Seri Dr. Jeffrey Cheah Fook Ling AO ^l	435,046,372	-	-	435,046,372
Tan Sri Dato' (Dr.) Chew Chee Kin ^o	209,618	-	-	209,618
Sarena Cheah Yean Tih ^k	468,393,711	-	-	468,393,711

^a Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Active Equity Sdn. Bhd., Sungei Way Corporation Sdn. Bhd., Jef-San Enterprise Sdn. Bhd. and children.

^b Deemed interest by virtue of Section 59(11)(c) of the Companies Act 2016 held through spouse.

^c Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Active Equity Sdn. Bhd., Sungei Way Corporation Sdn. Bhd., Jef-San Enterprise Sdn. Bhd., spouse and parent.

^d Deemed interest by virtue of Section 8 of the Companies Act 2016 held through parent.

^e Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Active Equity Sdn. Bhd. and children.

^f Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Active Equity Sdn. Bhd. and parent.

^g Deemed interest by virtue of Section 8 of the Companies Act 2016 held through children.

^h Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Active Equity Sdn. Bhd., Sungei Way Corporation Sdn. Bhd., Sunway Berhad, Sunway Holdings Sdn. Bhd. and children.

ⁱ Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Active Equity Sdn. Bhd., Sungei Way Corporation Sdn. Bhd., Sunway Berhad, Sunway Holdings Sdn. Bhd., spouse and parent.

^j Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Active Equity Sdn. Bhd., Sungei Way Corporation Sdn. Bhd. and children.

^k Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Active Equity Sdn. Bhd., Sungei Way Corporation Sdn. Bhd., spouse and parent.

By virtue of Tan Sri Dato' Seri Dr. Jeffrey Cheah Fook Ling's and Sarena Cheah Yean Tih's substantial interests in the Company and Active Equity Sdn. Bhd., they are deemed to have interest in the shares of all the subsidiaries of the Company and Active Equity Sdn. Bhd. to the extent the Company and Active Equity Sdn. Bhd. have an interest.

The other Directors in office at the end of the financial year did not have any interests in ordinary shares, ICPS, non-cumulative convertible redeemable preference shares and warrants in the Company or its related corporations during the financial year.

DIRECTORS' REPORT (CONTD.)

DIRECTORS' REPORT (CONTD.)

DIRECTORS' REMUNERATION

The details of Directors' remuneration are disclosed in Note 11 to the financial statements.

INDEMNITY AND INSURANCE FOR OFFICERS AND AUDITORS

The Group and the Company effected Directors' liability insurance during the financial year to protect the Directors of the Group and of the Company against potential costs and liabilities arising from claims brought against the Directors. The amount of insurance premium paid by the Group and the Company for the financial year 2021 was RM81,733.

There were no indemnity given to or insurance effected for the auditors of the Group and of the Company during the financial year.

OTHER STATUTORY INFORMATION

(I) As at the end of the financial year

- (a) Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
 - (ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.
- (b) In the opinion of the Directors, the results of operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature other than the net gain arising from the partial divestment of Sunway Healthcare Holdings Sdn. Bhd. and its subsidiaries of RM2,286,116,000 as disclosed in Note 13 to the financial statements.

(II) From the end of the financial year to the date of this report

- (c) The Directors are not aware of any circumstances:
- (i) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any material extent;
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and
 - (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) In the opinion of the Directors:
- (i) there has not arisen any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made; and
 - (ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

(III) As at the date of this report

- (e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.

OTHER STATUTORY INFORMATION (CONTD.)

(III) As at the date of this report (contd.)

- (f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.
- (g) The Directors are not aware of any circumstances not otherwise dealt with in the report or financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

LIST OF DIRECTORS OF SUBSIDIARIES

Pursuant to Section 253 of the Companies Act 2016 in Malaysia, the list of Directors of the subsidiaries (excluding Directors who are also Directors of the Company) during the financial year and up to the date of this report is as follows:

Adly Sham Bin Che Din	Dato' Tan Kia Loke
Adrian Cheah Yean Sun	Datuk Lim Lian Kheng
Adrian Lim Tiong Yeau	Datuk Mohamad Zamree Bin Mohamad Ishak
Aminah Binti Noordin	Dodda Lingamurthy
Anne Marie Tan Hwee Hwee	Dr Sarinder Kumari A/P Oam Parkash
Azlina Binti Jaapar	Dr Tan Kok Heng
A.Thirumahal A/P S.Anandhanadarajah ^##	Eric Tan Chee Hin
Beh Soo Ming	Evan Cheah Yean Shin
Bernard Anand A/L Paul	Fong Choon Fuoi
Bhawarlal H Jain	Fong Foo Tat
Cha Luan Kee	Fong Teck Keng
Chan Hoi Choy	Foo Shiang Wyne
Chan Tack Ming	Foo Yoon Seong
Chang Kim Long	Foong Wooi Fatt
Che Rozita Binti Abd Aziz	Goh Geok Chuan
Chen Chow Kyan	Goh Hai Thun @ Ng Hai Thun
Chen Kok Peng	Gunawan Sukardi Subur
Chen Yau Shiung	H.E Nhean Leng
Cheng Jew Keng	H.E Sok An
Chew Chor Eng	Hajah Siti Zubaidah Binti Abd Jabar #
Chew Pek Teong	Hau Lian Hong
Chia Hon Yuen	Heng Swee Lian
Chin Teck Seng	Ho Ch'an Hin
Chong Chang Choong	Ho Poo Hong
Chong Sau Min	Hong Eng Heng
Choy Le Roy	Hoo Han Huat
Chu Yuen Leng	Hor Chee Hong
Chu Yuen Mun	How May Lynn
Chua Seng Teong	Irene Sin May Lin @ Irene Wong May Lin #
Chung Soo Kiong	Izzat Emir Aziz Bin Fawzi
Cindy Tan Ler Chin ^	Jegatheesan A/L Achelingam
CoSign Services Limited	Johnas Tahan Siahaan
Datin Paduka Norazlina Binti Zakaria	Jonathan Tay Kong Seng
Dato' Dr Ir Johari Bin Basri	Kelly Leong Wai Keong
Dato' Ir Goh Chye Koon	Khaou Phallaboth
Dato' Ng Tiong Lip	Khoo Chai Ee
Dato' Siow Kim Lun @ Siow Kim Lin	Khoo Min Sinn

DIRECTORS' REPORT (CONTD.)

LIST OF DIRECTORS OF SUBSIDIARIES (CONTD.)

Pursuant to Section 253 of the Companies Act 2016 in Malaysia, the list of Directors of the subsidiaries (excluding Directors who are also Directors of the Company) during the financial year and up to the date of this report is as follows: (contd.)

Khor Seng Yan	Ng Chee Hwa
Kok Shin Lin	Ng Chong Beng
Kong Beng Kuin ^	Ng Chun Lieh
Kong Heong Fook	Nicholas Manevski
Koo Sow Ming	Oh Keng Jin
Krishnakumar A/L Chelliah ^^	Oknha Sour Pheng
Kumaresan A/L Varadu Rasu	Ong Pang Yen
Kwon Il Park	Ooi Hooi Inn
Kwon Ouk Park	Pathuri Veera Anjaneyulu
Kwong Tzyy En	Phang Sau Lian
Lang Leong Cheng	Phua Swee Hock
Lang Leong Hai	Phuan Ke Shin
Lee Boon Chuan	Poh Siau Jane
Lee Boon Kwang	Quah Kok Heng
Lee Chuan Seng	Quet Foong
Lee Kee Keat	Saisuda Needham
Lee Kok Chiew ^	Samuel Ching Lee Yuen
Lee Soo Ping	Sankarnarayanan Ramanathan
Lee Soong Hwa	Sing Chui Boon
Liew Chee Choong	Soo Chin Kang
Liew Jin Song	Spread Services Limited
Liew Kok Wing	Subba Rao Semenchalam
Lim Chee Siang	Sum Kwai Mun
Lim Chin Huat	Tan Beng Kwee
Lim Chin Khuan	Tan Chee Seng #
Lim Ee Foong	Tan Eng Koon
Lim Fung Ee	Tan Guat Hua
Lim Hai Poh	Tan Hwa Chuan
Lim Khoon Yee @ Lim Choon Kow	Tan Ju Chiaie ^
Lim Kim Wong	Tan Kim Yoke
Lim Kuan Poh	Tan Lay Kuan
Lim Kwee Hiong	Tan Poh Chan ##
Lim Li Qi	Tan Siew Hin
Lim Li Yong	Tan Sri Dato' (Dr) R.V. Navaratnam
Lim Vin Tze	Tan Wee Bee #
Loh Chon Fei	Tan Yit Chong
Loo Bit Sin	Teo Siew Foun ^
Lum Tuck Ming ##	Teoh Joo Keng
Matthijs Geert-Jan Van Leeuwen	Teoh Kok Lin
Nabilah Farhanah Binti Tajul Ariffin	Thomas Samuel A/L CT Samuel
Ng Bee Lien	Toh Seok Leng
Ng Boon Liang	Toh Soon Seng
Ng Chee Hing	Tong Sau Ching

DIRECTORS' REPORT (CONTD.)

LIST OF DIRECTORS OF SUBSIDIARIES (CONTD.)

Pursuant to Section 253 of the Companies Act 2016 in Malaysia, the list of Directors of the subsidiaries (excluding Directors who are also Directors of the Company) during the financial year and up to the date of this report is as follows: (contd.)

Tuan Haji Suhaimi Bin Haji Kasdon ^	Woo Keen Seng
Tuan Ir. Haji Md Kamarzan Bin Md Rais	Woo Keen Yau
U Than Oo	YAM Tengku Kamil Ismail Bin Tengku Idris Shah
Wai Sow Fun	Yap Chong Koon
Wayne Chong Wee Earn	Yap Gee Tian
Wong Ban Seng	Yau Meng Sze
Wong Foo Jye	Yeoh Aik Hong
Wong Fook Chai	Yeoh Kar Wuen
Wong Kok Leong ^	Yeoh Yuen Chee
Wong Kong San	Yeow Boon Ban
Wong Kwan Song	Yip Lai Hun ^^
Wong Kwong Fei	Yong Num Heng
Wong Wan Wooi	

^ Appointed during the financial year

^^ Appointed after the financial year but before the date of this report

Resigned during the financial year

Resigned after the financial year but before the date of this report

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD

Significant events during the financial year and subsequent to the end of the reporting period are disclosed in Note 53 to the financial statements.

HOLDING COMPANIES

The immediate and ultimate holding companies of the Company are Sungei Way Corporation Sdn. Bhd. and Active Equity Sdn. Bhd. respectively, both of which are incorporated in Malaysia.

AUDITORS

The auditors, BDO PLT (LLP0018825-LCA & AF 0206), have expressed their willingness to continue in office.

The details of auditors' remuneration of the Company and its subsidiaries for the financial year ended 31 December 2021 are disclosed in Notes 9 and 13 to the financial statements.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 12 April 2022.

Tan Sri Dato' Seri Dr. Jeffrey Cheah Fook Ling AO

Tan Sri Dato' (Dr.) Chew Chee Kin

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Tan Sri Dato' Seri Dr. Jeffrey Cheah Fook Ling and Tan Sri Dato' (Dr.) Chew Chee Kin, being two of the Directors of Sunway Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 179 to 373 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2021 and of their financial performance and cash flows of the Group and of the Company for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 12 April 2022.

Tan Sri Dato' Seri Dr. Jeffrey Cheah Fook Ling AO

Tan Sri Dato' (Dr.) Chew Chee Kin

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, Chong Chang Choong, being the officer primarily responsible for the financial management of Sunway Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 179 to 373 are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed Chong Chang Choong at Petaling Jaya in the State of Selangor Darul Ehsan on 12 April 2022.

Chong Chang Choong

Before me,



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUNWAY BERHAD

(INCORPORATED IN MALAYSIA)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Sunway Berhad, which comprise the statements of financial position as at 31 December 2021 of the Group and of the Company, and the statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 179 to 373.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2021, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

(a) Revenue recognition for property development

Revenue from property development during the financial year as disclosed in Note 5 to the financial statements is RM601,504,000.

We determined this to be a key audit matter because it requires management to exercise significant judgements in determining the satisfaction of performance obligations as stated in the contracts with customers, transaction price allocations and costs in applying the input method to recognise revenue over time.

The Group identifies performance obligations that are distinct and material, which are judgmental in the context of contracts. Transaction prices are determined based on estimated profit margins prior to its allocation to the identified performance obligations.

The Group also estimates total contract costs in applying the input method to recognise revenue over time. In estimating the total costs to complete, the Group considers the completeness and accuracy of its costs estimation, including its obligations to contract variations, claims and cost contingencies.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUNWAY BERHAD (CONTD.)
(INCORPORATED IN MALAYSIA)

Key Audit Matters (contd.)

(a) *Revenue recognition for property development (contd.)***Audit response**

Our audit procedures included the following:

- (i) reviewed contracts with customers to identify distinct and material performance obligations, and compared our findings to the findings of the Group;
- (ii) assessed estimated total costs to complete through inquiries with operational and financial personnel of the Group;
- (iii) inspected documentation to support cost estimates made including contract variations and cost contingencies;
- (iv) compared contract budgets to actual outcomes to assess reliability of management budgeting process and controls; and
- (v) recomputed the results of the input method determined by management for revenue recognition based on verified actual costs incurred to-date and budgeted costs.

(b) *Revenue recognition for construction contracts*

Revenue from construction contracts during the financial year as disclosed in Note 5 to the financial statements is RM1,065,644,000.

We determined this to be a key audit matter because it requires management to exercise significant judgements in estimating the progress towards complete satisfaction of performance obligations and determining whether there is any exposure to liquidated ascertained damages ("LAD"). The progress towards complete satisfaction of performance obligations is measured using the output method, which is based on contract work certified to date over the estimated total contract sum.

In estimating the progress towards complete satisfaction of performance obligations, the Group considers the estimated contract work completed to date and the completeness and accuracy of its estimated total contract sum, including contract variations, claims and contingencies.

Audit response

Our audit procedures included the following:

- (i) inspected documentation to support the estimated total contract sum and correspondences from contract customers in relation to variations and claims to corroborate key judgements applied by management;
- (ii) inspected documentation certified by professional consultants to support the contract work performed by the Group to-date;
- (iii) recomputed the progress towards complete satisfaction of performance obligations determined by management for revenue recognition based on contract work certified to-date and budgeted total contract sum;
- (iv) inquired in-house operational and financial personnel of the Group to assess the merits of extension of time submitted to the contract customers for assessing the exposure to LAD; and
- (v) inspected relevant correspondences and reports, including on-going negotiations with contract customers for the late delivery of contract works.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUNWAY BERHAD (CONTD.)
(INCORPORATED IN MALAYSIA)

Key Audit Matters (contd.)

(c) *Partial divestment of equity interest in Sunway Healthcare Holdings Sdn. Bhd. and its subsidiaries ("SHH Group")*

On 23 June 2021, the Group and Greenwood Capital Pte. Ltd. ("Greenwood") entered into a share subscription agreement ("SSA") for the subscription of 16% equity interest in SHH Group on a fully converted basis subject to certain conditions in accordance with the SSA as disclosed in Note 13 to the financial statements.

On 23 December 2021, the Group had fulfilled the initial closing conditions of the SSA and a shareholders' agreement ("SHA") was entered into between the Group and Greenwood, which sets out the terms governing the relationship between them, including the basis on which SHH Group shall be operated, managed and administered. In relation to this, the Group lost its control over SHH Group and recognised its remaining equity interest in SHH Group as investments in joint ventures at fair value at the date when control is lost in accordance with MFRS 10 *Consolidated Financial Statements*. This has resulted in a net gain arising from the partial divestment of SHH Group of RM2,286,116,000 under discontinued operations in the statements of profit or loss of the Group as disclosed in Note 13 to the financial statements.

We determined this to be a key audit matter because it involves significant judgements and estimates by management in determining:

- (i) whether the Group had lost control over SHH Group resulting from the partial divestment based on the terms of the SSA and SHA and substance of the transactions;
- (ii) the fair value of the remaining interest in SHH Group; and
- (iii) the fair value of the partial divestment considerations including certain exit clauses of the SSA and SHA recognised as derivative liabilities.

Audit response

Our audit procedures included the following:

- (i) read and discussed with management on the contractual terms of the SSA and SHA to gain an understanding of the terms in the SSA and SHA;
- (ii) assessed the basis of management in determining the loss of control by the Group over SHH Group and the recognition of SHH Group as joint ventures in accordance with MFRS 10 *Consolidated Financial Statements* and MFRS 11 *Joint Arrangements*;
- (iii) obtained and recomputed the Group's computations of net gain arising from partial divestment, fair value of the partial divestment considerations including certain exit clauses of the SSA and SHA recognised as derivative liabilities as well as the fair value of the remaining interest in SHH Group;

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUNWAY BERHAD (CONTD.)
(INCORPORATED IN MALAYSIA)

Key Audit Matters (contd.)

(c) *Partial divestment of equity interest in Sunway Healthcare Holdings Sdn. Bhd. and its subsidiaries ("SHH Group") (contd.)*

Audit response (contd.)

Our audit procedures included the following: (contd.)

- (iv) compared and challenged the following key inputs and assumptions used in respect of the fair values of partial divestment considerations and the remaining interest in SHH Group, amongst others, evaluated and assessed with the involvement of our internal valuation expert:
- the methodology and approach used for the valuation and whether they are based on generally accepted valuation model;
 - the key inputs and assumptions used, particularly in the cash flow forecasts and projections used in the valuation as well as the certain exit clauses assumptions;
 - the discount rate used, considering whether the rate reflects the current market assessments of the time value of money and the risks specific to the asset; and
 - the reasonableness of the estimated fair value of the remaining interest in SHH Group based on the overall partial divestment consideration.
- (v) assessed whether the disclosures within the financial statements in relation to the partial divestment are appropriate and adequate in accordance to the MFRSs and IFRSs.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUNWAY BERHAD (CONTD.)
(INCORPORATED IN MALAYSIA)

RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRSs, IFRSs and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control of the Group and of the Company.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- (d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUNWAY BERHAD (CONTD.) (INCORPORATED IN MALAYSIA)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTD.)

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 51 to the financial statements.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

BDO PLT

BDO PLT
LLP0018825-LCA & AF 0206
Chartered Accountants

Kuala Lumpur
12 April 2022

→ ✓

Tang Seng Choon
02011/12/2023 J
Chartered Accountant

STATEMENTS OF PROFIT OR LOSS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Note	Group		Company	
		2021 RM'000	2020 RM'000 (Restated)	2021 RM'000	2020 RM'000
Continuing operations					
Revenue	5	3,717,308	3,208,759	93,400	419,758
Cost of sales	6	(2,704,917)	(2,371,982)	-	(26,738)
Gross profit		1,012,391	836,777	93,400	393,020
Other income	7	171,154	246,400	21,275	22,212
Administrative expenses		(480,832)	(433,662)	(29,138)	(18,886)
Net (impairment losses)/ reversals of impairment losses on financial assets and contract assets	9	(17,494)	(19,036)	2,394	(2,095)
Selling and marketing expenses		(140,520)	(122,048)	-	-
Other expenses		(216,921)	(277,399)	(3,109)	(27,764)
Operating profit		327,778	231,032	84,822	366,487
Finance and other distribution income	8	157,230	162,840	86,459	95,918
Finance costs	8	(102,301)	(134,573)	(40,554)	(60,777)
Share of results of associates, net of tax		60,168	63,171	-	-
Share of results of joint ventures, net of tax		21,024	167,654	-	-
Profit before tax	9	463,899	490,124	130,727	401,628
Income tax expense	12	(116,229)	(102,636)	(10,524)	(24,892)
Profit for the financial year from continuing operations		347,670	387,488	120,203	376,736
Discontinued operations					
Profit from discontinued operations, net of tax	13	104,370	17,388	-	-
Net gain on partial divestment of discontinued operations		2,286,116	-	-	-
Profit for the financial year from discontinued operations, net of tax		2,390,486	17,388	-	-
Profit for the financial year		2,738,156	404,876	120,203	376,736
Attributable to owners of the parent					
From continuing operations		293,504	340,264	120,203	376,736
From discontinued operations		2,370,942	16,990	-	-
		2,664,446	357,254	120,203	376,736
Attributable to non-controlling interests					
From continuing operations		54,166	47,224	-	-
From discontinued operations		19,544	398	-	-
		73,710	47,622	-	-
		2,738,156	404,876	120,203	376,736
Earnings per share attributable to owners of the parent (sen per share):					
Basic					
From continuing operations	14	5.00	6.86		
From discontinued operations	14	40.41	0.34		
		45.41	7.20		
Diluted					
From continuing operations	14	4.94	6.86		
From discontinued operations	14	39.94	0.34		
		44.88	7.20		

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Group		Company	
	2021 RM'000	2020 RM'000 (Restated)	2021 RM'000	2020 RM'000
Profit for the financial year	2,738,156	404,876	120,203	376,736
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss				
Foreign currency translations	39,391	41,171	-	-
Reclassification of foreign currency translation reserve to profit or loss upon partial divestment of discontinued operations	(3)	-	-	-
Cash flow hedge reserve - fair value gain/(loss)				
- Fair value gain of derivatives	51,753	23,887	-	-
- Amounts recycled to profit or loss	(50,089)	(26,392)	-	-
Item that will not be reclassified subsequently to profit or loss				
Fair value (loss)/gain on other investments at fair value through other comprehensive income	(37,218)	19,775	-	-
Share of other comprehensive income of an associate	1,790	-	-	-
Other comprehensive income for the financial year, net of tax	5,624	58,441	-	-
Total comprehensive income for the financial year	2,743,780	463,317	120,203	376,736
Total comprehensive income attributable to:				
Owners of the parent	2,669,525	409,345	120,203	376,736
Non-controlling interests	74,255	53,972	-	-
	2,743,780	463,317	120,203	376,736

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Note	<----- Group ----->		
		31.12.2021 RM'000	31.12.2020 RM'000 (Restated)	1.1.2020 RM'000 (Restated)
Assets				
Non-current assets				
Property, plant and equipment	16	1,262,253	2,620,747	2,749,044
Intangible assets	17	56,985	25,233	19,833
Investment properties	18	2,186,313	2,033,400	2,327,617
Inventories	19	1,671,126	1,795,500	1,674,576
Investments in associates	21	2,709,684	2,693,171	2,458,048
Investments in joint ventures	22	6,191,983	1,656,794	1,627,187
Goodwill	23	376,225	325,435	311,808
Deferred tax assets	24	47,405	60,765	68,574
Trade receivables	25	204,198	179,713	140,071
Other receivables	26	6,319	6,276	6,099
Amount due from an associate	34	1,380	457	-
Amounts due from joint ventures	35	1,492,450	1,787,899	1,332,623
Derivatives	27	7,540	-	-
Rock reserves	28	5,082	5,342	5,605
Other investments	29	866,581	864,153	569,856
Biological assets	30	48	230	121
		17,085,572	14,055,115	13,291,062
Current assets				
Inventories	19	2,422,351	2,074,699	2,077,811
Trade receivables	25	1,123,433	1,451,946	1,638,423
Other receivables	26	506,772	311,354	348,938
Contract assets	31	112,076	91,303	76,230
Derivatives	27	2,465	31,532	1,925
Amounts due from associates	34	53,032	49,408	35,145
Amounts due from joint ventures	35	801,548	620,493	992,429
Other investments	29	98,778	100,285	376,373
Tax recoverable		68,008	68,594	79,257
Cash and bank balances	32	2,810,263	2,238,415	2,554,746
		7,998,726	7,038,029	8,181,277
Total assets		25,084,298	21,093,144	21,472,339

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021 (CONTD.)

		<----- Group ----->		
	Note	31.12.2021 RM'000	31.12.2020 RM'000 (Restated)	1.1.2020 RM'000 (Restated)
Equity and liabilities				
Current liabilities				
Borrowings	36	4,093,176	5,260,615	7,022,907
Trade payables	37	1,401,221	1,467,529	1,344,269
Other payables	38	876,354	936,045	1,241,951
Contract liabilities	31	12,583	74,610	43,529
Amounts due to associates	34	5,908	6,680	11,950
Amounts due to joint ventures	35	185,783	42,807	72,774
Hire purchase and lease liabilities	39	31,763	50,333	69,750
Derivatives	27	43,727	72,369	17,730
Tax payable		55,673	37,477	5,480
		6,706,188	7,948,465	9,830,340
Non-current liabilities				
Borrowings	36	4,021,413	1,649,973	872,563
Perpetual sukuk	40	600,000	600,000	400,000
Deferred tax liabilities	24	108,967	122,489	130,304
Other payables	38	243,678	120,089	52,360
Amounts due to joint ventures	35	504	12,405	4,131
Long term liabilities	41	1,550	2,219	2,923
Hire purchase and lease liabilities	39	90,741	325,262	768,204
Derivatives	27	188,957	1,665	187
		5,255,810	2,834,102	2,230,672
Total liabilities		11,961,998	10,782,567	12,061,012
Equity attributable to owners of the parent				
Share capital	42	5,393,889	5,393,667	5,393,666
Irredeemable convertible preference shares	42	977,779	977,779	-
Treasury shares	42	(74,335)	(74,335)	(53,324)
Equity contribution from a joint venture	43	51,654	51,654	51,654
Merger reserve	44	(1,192,040)	(1,192,040)	(1,192,040)
Reserves	45	6,873,432	4,356,470	4,167,411
		12,030,379	9,513,195	8,367,367
Non-controlling interests		1,091,921	797,382	1,043,960
Total equity		13,122,300	10,310,577	9,411,327
Total equity and liabilities		25,084,298	21,093,144	21,472,339

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021 (CONTD.)

		<----- Company ----->	
	Note	31.12.2021 RM'000	31.12.2020 RM'000
Assets			
Non-current assets			
Property, plant and equipment	16	840	8,066
Investments in subsidiaries	20	7,224,283	5,519,822
Investment in a joint venture	22	800	800
Other investments	29	78	78
		7,226,001	5,528,766
Current assets			
Other receivables	26	10,389	15,331
Amounts due from subsidiaries	33	842,521	2,842,885
Amounts due from associates	34	61	52
Amounts due from joint ventures	35	2,992	3,783
Cash and bank balances	32	8,202	10,131
		864,165	2,872,182
Total assets		8,090,166	8,400,948
Equity and liabilities			
Current liabilities			
Borrowings	36	-	81,000
Other payables	38	54,642	45,259
Amounts due to subsidiaries	33	8,400	6,206
Amounts due to associates	34	72	51
Amounts due to joint ventures	35	2	-
Lease liabilities	39	264	2,764
Tax payable		19,234	19,900
		82,614	155,180
Non-current liabilities			
Perpetual sukuk	40	600,000	800,000
Lease liabilities	39	560	7,241
		600,560	807,241
Total liabilities		683,174	962,421
Equity attributable to owners of the parent			
Share capital	42	5,393,889	5,393,667
Irredeemable convertible preference shares	42	977,779	977,779
Treasury shares	42	(74,335)	(74,335)
Reserves	45	1,109,659	1,141,416
Total equity		7,406,992	7,438,527
Total equity and liabilities		8,090,166	8,400,948

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

[^] Represents 142,437 warrants amounting to RM222,202.

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^A Represents 404 warrants amounting to RM695.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

	<----- Non-distributable ----->			Distributable	
	Share capital (Note 42) RM'000	Irredeemable Convertible Preference Shares (Note 42) RM'000	Treasury shares (Note 42) RM'000	Retained earnings (Note 45) RM'000	Equity, total RM'000
2021					
Company					
At beginning of financial year	5,393,667	977,779	(74,335)	1,141,416	7,438,527
Profit for the financial year	-	-	-	120,203	120,203
Other comprehensive income, net of tax	-	-	-	-	-
Total comprehensive income	-	-	-	120,203	120,203
Transactions with owners					
Issuance of ordinary shares					
pursuant to exercise of warrants	222 [^]	-	-	-	222 [^]
Dividends paid	-	-	-	(151,960)	(151,960)
	222	-	-	(151,960)	(151,738)
At end of financial year	5,393,889	977,779	(74,335)	1,109,659	7,406,992

[^] Represents 142,437 warrants amounting to RM222,202.

	<----- Non-distributable ----->			Distributable	
	Share capital (Note 42) RM'000	Irredeemable Convertible Preference Shares (Note 42) RM'000	Treasury shares (Note 42) RM'000	Retained earnings (Note 45) RM'000	Equity, total RM'000
2020					
Company					
At beginning of financial year	5,393,666	-	(53,324)	985,242	6,325,584
Profit for the financial year	-	-	-	376,736	376,736
Other comprehensive income, net of tax	-	-	-	-	-
Total comprehensive income	-	-	-	376,736	376,736
Transactions with owners					
Issuance of irredeemable convertible preference shares	-	977,779	-	-	977,779
Issuance of ordinary shares					
pursuant to exercise of warrants	1 [^]	-	-	-	1 [^]
Purchase of treasury shares	-	-	(21,011)	-	(21,011)
Dividends paid	-	-	-	(220,562)	(220,562)
	1	977,779	(21,011)	(220,562)	736,207
At end of financial year	5,393,667	977,779	(74,335)	1,141,416	7,438,527

[^] Represents 404 warrants amounting to RM695.

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Note	Group		Company	
		2021 RM'000	2020 RM'000 (Restated)	2021 RM'000	2020 RM'000
Cash flows from operating activities					
Profit before tax					
From continuing operations		463,899	490,124	130,727	401,628
From discontinued operations		2,388,389	17,399	-	-
Adjustments for:					
Finance and other distribution income		(170,169)	(171,886)	(86,459)	(95,918)
Finance costs		124,777	157,873	40,554	60,777
Dividend income	5	(38,515)	(4,221)	(93,400)	(382,840)
Depreciation and amortisation		216,883	236,539	327	2,587
Fair value gain on:					
- derivatives	7	(984)	(819)	-	-
- investment properties	18	(82,621)	(58,831)	-	-
Fair value loss on:					
- derivatives	9	24	1,971	-	-
- investment properties	18	35,321	60,908	-	-
- other investments	9	2,486	2,970	-	-
Gain on disposal of:					
- property, plant and equipment	7, 13	(3,426)	(2,960)	-	-
- a subsidiary	7	-	(3)	-	-
- a joint venture	7	(124)	-	-	-
- investment properties	7	-	(24,002)	-	-
Gain on disposal of equity interest in a subsidiary	7	-	(81)	-	-
Gain on reclassification from a subsidiary to a joint venture arising from loss of control	7	-	(103)	-	-
Gain on re-measurement of remaining interest held as an associate	7	-	(3,638)	-	-
Impairment losses on:					
- trade and other receivables	25, 26	36,130	26,349	-	-
- amounts due from subsidiaries	33	-	-	-	2,096
- amounts due from joint ventures	35	303	7,238	-	-
- property, plant and equipment	16	439	2,745	-	-
- contract assets	31	29	67	-	-
- goodwill	23	-	3,643	-	-
- investment in an associate	21	2,987	-	-	-
- quasi-equity loan advanced to joint ventures	22	838	-	-	-
Loss on disposal of property, plant and equipment	9, 13	365	158	-	-
Loss on reclassification from a subsidiary to a joint venture arising from loss of control	9	-	61	-	-
Negative goodwill on acquisition of subsidiaries	7	(460)	(8)	-	-
Net cash generated from/(used in) operating activities carried forward		2,976,571	741,493	(8,251)	(11,670)

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

	Note	Group		Company	
		2021	2020	2021	2020
		RM'000	RM'000 (Restated)	RM'000	RM'000
Cash flows from operating activities (contd.)					
Net cash generated from/(used in) operating activities brought forward		2,976,571	741,493	(8,251)	(11,670)
Net unrealised foreign exchange losses/ (gains):					
- hedged items	9	50,089	26,392	-	-
- others	7, 9, 13	(2,565)	6,549	5	50
Net gain on reassessments and modifications of leases	7, 9, 13	(4,082)	(46,376)	(2,022)	-
Cash flow hedge reserve recycled to profit or loss	9	(50,089)	(26,392)	-	-
Loss on redemption of perpetual sukuk	9, 40	-	-	2,980	18,970
Rent concessions	39	(3,496)	(5,495)	-	-
Reversal of impairment losses on:					
- trade and other receivables	25, 26	(11,968)	(10,503)	-	-
- amounts due from joint ventures	35	(920)	(137)	-	(1)
- amounts due from associates	34	(133)	(72)	-	-
- amounts due from subsidiaries	33	-	-	(2,394)	-
- contract assets	31	(5)	-	-	-
- quasi-equity loan advanced to joint ventures	22	-	(76)	-	-
Share of results of:					
- associates		(60,168)	(63,171)	-	-
- joint ventures		(21,024)	(167,654)	-	-
Net movements in unrealised profit arising from construction project in joint ventures		4,061	123	-	-
Net movements in unrealised profit arising from sale of assets to associate		2,095	2,036	-	-
Write down of inventories to net realisable value	19	9,248	7,811	-	-
Reversal of inventories written down to net realisable value	7	(192)	(43)	-	-
Write off of:					
- bad debts	9, 13	2,753	1,705	15	-
- biological assets	9	11	-	-	-
- inventories	19	1,386	696	-	-
- property, plant and equipment	9, 13	3,027	2,687	-	-
- intangible assets	9, 13	137	49	-	-
Recognition of fair value of derivatives liabilities on exit clauses in relation to the partial divestment of SHH Group	13	224,364	-	-	-
Net gain on partial divestment of discontinued operations and re-measurement of remaining equity interest held as joint ventures	13	(2,510,480)	-	-	-
Operating profit/(loss) before working capital changes		608,620	469,622	(9,667)	7,349
Cash generated from/(used in) operations carried forward		608,620	469,622	(9,667)	7,349

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

	Note	Group		Company	
		2021	2020	2021	2020
		RM'000	RM'000 (Restated)	RM'000	RM'000
Cash flows from operating activities (contd.)					
Cash generated from/(used in) operations brought forward		608,620	469,622	(9,667)	7,349
Changes in working capital:					
Land held for property development		(24,024)	(81,918)	-	-
Inventories		(24)	106,676	-	-
Trade receivables		169,300	118,182	-	-
Other receivables		43,122	32,736	4,942	10,845
Contract assets		(20,797)	(15,140)	-	-
Trade payables		(26,217)	131,386	-	-
Other payables		(30,914)	(269,787)	9,383	(20,153)
Long term payables		58,938	37,389	-	-
Contract liabilities		(62,027)	31,081	-	-
Interest received		178,302	180,039	86,459	95,918
Dividends received from:					
- joint ventures and associates		151,228	191,531	16,400	19,840
- subsidiaries		-	-	77,000	363,000
- other investments		38,515	4,221	-	-
Tax refunded		9,681	10,987	-	-
Tax paid		(114,988)	(72,295)	(11,190)	(5,223)
Net cash from operating activities		978,715	874,710	173,327	471,576
Cash flows from investing activities					
Acquisitions of:					
- biological assets		-	(186)	-	-
- equity interest from non-controlling interests		(27,322)	(2,428)	-	-
- intangible assets	17	(9,243)	(9,020)	-	-
- investment properties and investment properties under construction		(84,053)	(101,349)	-	-
- land held for property development		(13,534)	(62,293)	-	-
- other investments		(65,722)	(317,074)	-	-
- property, plant and equipment	16	(343,858)	(455,118)	(22)	(68)
- subsidiaries for cash, net of cash acquired	20	(36,495)	(9,519)	-	-
Deposit paid for acquisition of land held for development	26	(228,390)	-	-	-
Proceeds from disposal of:					
- intangible assets		13	55	-	-
- other investments		19,526	315,715	-	-
- property, plant and equipment		6,588	6,461	-	-
- investment properties		-	450,000	-	-
- investment in an associate		-	7,915	-	-
- investment in a joint venture		902	-	-	-
Proceeds from acquisition of equity interest by non-controlling interests		18,060	1,075	-	-
Net cash used in investing activities		(763,528)	(175,766)	(22)	(68)

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

	Note	Group		Company	
		2021	2020	2021	2020
		RM'000	RM'000	RM'000	RM'000
(Restated)					
Cash flows from investing activities (contd.)					
Net cash used in investing activities brought forward		(763,528)	(175,766)	(22)	(68)
Net (subscriptions)/redemptions of units in structured entities by the Group and the Company		-	(131,978)	30,539	712,664
Investment in redeemable preference shares of subsidiaries	20	-	-	(1,735,000)	(305,000)
Redemption of redeemable preference shares in subsidiaries		-	-	-	300,000
Additional interests acquired in:					
- joint ventures	22	(97,906)	(528)	-	-
- associates	21	(6,418)	(290,858)	-	-
Subscription of medium term notes issued by a joint venture	22	(299,000)	-	(299,000)	-
Proceeds from disposal of medium term notes issued by a joint venture	22	-	-	299,000	-
Repayments from/(Advances to):					
- subsidiaries		-	-	2,004,937	(764,923)
- associates and joint ventures		169,292	(95,747)	805	(1,749)
Net cash flows from licensed banks and other financial institutions with maturity of over 3 months		2,073	1,786	20	(20)
Quasi-equity loan (advanced to)/repaid by joint ventures		(269,671)	38,279	-	-
Net subscriptions/(redemptions) of units in structured entities by non-controlling interests		246,644	(126,082)	-	-
Net cash outflow from loss of control of subsidiaries	13	(261,092)	(17,590)	-	-
Net cash (used in)/from investing activities		(1,279,606)	(798,484)	301,279	(59,096)
Cash flows from financing activities					
Drawdowns of:					
- term loans		936,774	533,526	-	-
- revolving credits		1,049,670	1,827,705	-	-
- commercial papers		2,770,125	4,341,000	5,000	351,000
- medium term notes		760,000	1,895,000	-	-
- other bank borrowings		1,510,163	1,998,947	-	-
Net cash from financing activities carried forward		7,026,732	10,596,178	5,000	351,000

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

		Group		Company	
	Note	2021 RM'000	2020 RM'000 (Restated)	2021 RM'000	2020 RM'000
Cash flows from financing activities (contd.)					
Net cash from financing activities brought forward		7,026,732	10,596,178	5,000	351,000
Repayments of:					
- hire purchase and lease liabilities		(51,298)	(64,632)	(238)	(2,651)
- term loans		(382,440)	(1,382,300)	-	-
- revolving credits		(1,049,356)	(1,443,305)	-	-
- commercial papers		(2,700,125)	(5,009,000)	(86,000)	(456,000)
- medium term notes		(120,000)	(1,430,000)	-	(610,000)
- other bank borrowings		(1,484,388)	(2,164,006)	-	-
Proceeds from issuance of irredeemable cumulative preference shares	42	-	977,779	-	977,779
Proceeds from issuance of ordinary shares pursuant to exercise of warrants	42	222	1	222	1
Interest paid		(214,584)	(265,817)	(40,554)	(60,777)
Dividends paid	15	(151,960)	(220,562)	(151,960)	(220,562)
Dividends paid to non-controlling interests in subsidiaries		(27,796)	(33,023)	-	-
Shares buyback		-	(21,011)	-	(21,011)
Redemption of perpetual sukuk	40	-	-	(202,980)	(768,970)
Issuance of perpetual sukuk	40	-	200,000	-	400,000
Net cash from/(used in) financing activities		845,007	(259,698)	(476,510)	(411,191)
Net cash from operating activities		978,715	874,710	173,327	471,576
Net cash (used in)/from investing activities		(1,279,606)	(798,484)	301,279	(59,096)
Net cash from/(used in) financing activities		845,007	(259,698)	(476,510)	(411,191)
Net increase/(decrease) in cash and cash equivalents		544,116	(183,472)	(1,904)	1,289
Effects of exchange rate changes on cash and cash equivalents		5,281	7,305	(5)	(50)
Cash and cash equivalents at beginning of financial year		2,182,845	2,359,012	10,091	8,852
Cash and cash equivalents at end of financial year	32	2,732,242	2,182,845	8,182	10,091

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

1. CORPORATE INFORMATION

Sunway Berhad (“the Company”) is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The principal place of business and registered office of the Company are located at Level 16, Menara Sunway, Jalan Lagoon Timur, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan.

The principal activities of the Company were investment holding and provision of management services. On 24 May 2021, the Company changed its principal activities from investment holding and provision of management services to investment holding.

The principal activities of the subsidiaries are set out in Note 51 to the financial statements.

The immediate and ultimate holding companies of the Company are Sungei Way Corporation Sdn. Bhd. and Active Equity Sdn. Bhd. respectively, both of which are incorporated in Malaysia.

The financial statements for the financial year ended 31 December 2021 were authorised for issue in accordance with a resolution by the Board of Directors on 12 April 2022.

2. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards (“IFRSs”) and the requirements of the Companies Act 2016 in Malaysia.

The new MFRSs and amendments to MFRSs adopted during the financial year are set out in Note 54(a) to the financial statements.

The Group adopted IFRS Interpretations Committee (“IFRIC”) Agenda Decision on IAS 23 *Borrowing Costs* as at 1 January 2020 retrospectively. The Group has consistently applied the Standard in its opening statements of financial position as at 1 January 2020 and throughout the financial years presented, as if the Standard had always been in effect. In relation to this, comparative figures of the Group for the financial year ended 31 December 2020 in these financial statements, including their opening statements of financial position as at 1 January 2020, have been restated to give effect to these changes as summarised in Note 55 to the financial statements.

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

The financial statements are presented in Ringgit Malaysia (“RM”), which is also the functional currency of the Company. All financial information presented in RM has been rounded to the nearest thousand (“RM’000”), unless otherwise stated.

3. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services. In addition, the businesses are also considered from a geographical perspective. The Group’s reportable segments are as follows:

- (i) Property development - development of residential and commercial properties.
- (ii) Property investment - management, operation and letting of properties, operation of theme parks, rendering recreational club facilities, travel agent and time sharing businesses, management and operation of hotels, investment in real estate investment fund.
- (iii) Construction - construction of building and civil works and provision of mechanical, electrical and piling works.
- (iv) Trading and manufacturing - trading and manufacturing of construction and industrial products and building materials.
- (v) Quarry - quarrying, manufacturing and supplying of premix, manufacturing of ready-mixed concrete and production of building stones.
- (vi) Investment holdings - management, provision of financial services to companies within the Group, as well as holding of investments in the shares of subsidiaries, associates and other investments.
- (vii) Others - manufacturing of vitrified clay pipes, concrete pipes, interlocking pavers, pretensioned spun concrete piles, precast micro injection piles, reinforced concrete piles, euro tiles, blocks and concrete products, provision of secretarial and share registration services, provision of management services, lease and hire purchase financing, interior design and renovation, loyalty programme, investment in online media, electronic parcel locker operator, operation of petrol kiosk, online remittance and money services, retail of pharmaceutical products, provision of venture capital fund management, provision of credit reference services and credit rating and the provision of training services.

Except as indicated above, no operating segments have been aggregated to form the above reportable segment.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise corporate assets, liabilities and expenses.

Segment revenue and expenses include transfers between business segments that are eliminated on consolidation. Segment results exclude the effects of transfers between business segments.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

3. SEGMENT INFORMATION (CONTD.)

Business segments

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segments:

	Property development RM'000	Property investment RM'000	Construction RM'000	Trading and manufacturing RM'000	Quarry RM'000	Investment holdings RM'000	Others RM'000	Adjustments/eliminations RM'000	Total continuing operations RM'000	Discontinued operations RM'000	Adjustments/eliminations RM'000	Note	Total RM'000
At 31 December 2021													
Revenue													
Sales to external customers	625,749	312,349	1,111,698	840,586	337,757	42,676	446,493	-	3,717,308	815,114	-	-	4,532,422
Inter-segment revenue	60,349	58,008	959,208	149,342	32,812	455,498	85,026	(1,800,243)	-	-	-	A	-
Inter-operation revenue ^a	4,948	5,059	177,746	1,090	-	2,646	11,218	-	202,707	11,911	(214,618)	-	-
Total revenue	691,046	375,416	2,248,652	991,018	370,569	500,820	542,737	(1,800,243)	3,920,015**	827,025**	(214,618)	-	4,532,422
Results													
Operating profit/(loss)	122,782	24,640	132,115	40,448	7,331	(34,884)	35,346	-	327,778	111,810	-	-	439,588
Finance and other distribution income	34,865	69,849	13,459	9,041	5,909	170,273	11,042	(157,208)	157,230	12,939	-	-	170,169
Finance costs	(40,569)	(138,510)	(4,338)	(11,490)	(5,756)	(44,638)	(14,208)	157,208*	(102,301)	(22,476)	-	-	(124,777)
Share of results of associates	(374)	60,293	(559)	-	-	-	808	-	60,168	-	-	-	60,168
Share of results of joint ventures	37,358	(26,306)	8,073	-	1,899	-	-	-	21,024	-	-	-	21,024
Profit/(Loss) before tax	154,062	(10,034)	148,750	37,999	9,383	90,751	32,988	-	463,899	102,273	-	-	566,172
Income tax	(32,423)	12,429	(38,673)	(7,861)	(569)	(40,430)	(8,702)	-	(116,229)	2,097	-	-	(114,132)
Total net gain arising from the partial divestment of SHH Group	121,639	2,395	110,077	30,138	8,814	50,321	24,286	-	347,670	104,370	-	-	452,040
Net profit for the year	121,639	2,395	110,077	30,138	8,814	50,321	24,286	-	347,670	104,370	-	-	452,040
Non-controlling interests	(2,577)	1,131	(45,012)	(331)	(107)	(5,017)	(2,253)	-	(54,166)	(19,544)	-	-	(73,710)
Attributable to owners of the parent	119,062	3,526	65,065	29,807	8,707	45,304	22,033	-	293,504	2,370,942	-	-	2,664,446

Inter-operations sales within continuing operations and discontinued operations.

* Included inter-operations transactions within continuing operations and discontinued operations.

** Before eliminations on consolidation.

3. SEGMENT INFORMATION (CONTD.)

Business segments (contd.)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segments: (contd.)

	Property development RM'000	Property investment RM'000	Construction RM'000	Trading and manufacturing RM'000	Quarry RM'000	Investment holdings RM'000	Others RM'000	Adjustments/eliminations RM'000	Total continuing operations RM'000	Discontinued operations RM'000	Adjustments/eliminations RM'000	Note	Total RM'000
At 31 December 2021 (contd.)													
Assets													
Segment assets	6,185,125	2,860,312	1,960,767	859,927	410,169	12,515,874	1,275,911	(10,000,867)	16,067,218	-	-	-	16,067,218
Investments in associates	-	2,647,334	-	-	-	5,668	56,682	-	2,709,684	-	-	-	2,709,684
Investments in joint ventures	1,962,694	130,802	126,601	51	15,477	-	-	-	2,235,625	3,956,358	-	-	6,191,983
Unallocated assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Total assets	-	-	-	-	-	-	-	-	-	-	-	-	25,084,298
Liabilities													
Segment liabilities	4,938,908	3,690,831	1,250,925	566,844	323,906	10,116,403	712,346	(9,802,805)	11,797,358	-	-	-	11,797,358
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-	-	-	-	-	-	-	164,640
Other segment information													
Capital expenditure	86,670	15,456	34,820	8,481	5,358	41	15,940	-	166,766	297,794	-	B	464,560
Depreciation and amortisation	7,204	42,070	24,677	15,174	17,779	76	26,498	-	133,478	83,405	-	-	216,883
Impairment losses on: - property, plant and equipment (Note 16)	-	-	-	39	400	-	-	-	439	-	-	-	439

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

3. SEGMENT INFORMATION (CONTD.)

Business segments (contd.)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segments: (contd.)

	Property development RM'000	Property investment RM'000	Construction RM'000	Trading and manufacturing RM'000	Quarry RM'000	Investment holdings RM'000	Others RM'000	Adjustments/eliminations RM'000	Total continuing operations RM'000	Discontinued operations RM'000	Adjustments/eliminations RM'000	Note	Total RM'000
At 31 December 2020 (Restated)													
Revenue													
Sales to external customers	494,623	330,147	990,225	812,079	321,389	4,669	255,627	-	3,208,759	620,302	-	-	3,829,061
Inter-segment revenue	30,249	100,774	942,583	119,842	29,170	805,867	61,171	(2,089,656)	-	-	-	A	-
Inter-operation revenue*	3,288	3,853	124,631	2,811	-	2,574	8,031	-	145,188	12,001	(157,189)	-	-
Total revenue	528,160	434,774	2,057,439	934,732	350,559	813,110	324,829	(2,089,656)	3,353,947**	632,303**	(157,189)	-	3,829,061
Results													
Operating profit/(loss)	99,663	27,366	93,925	30,715	10,686	(54,180)	22,857	-	231,032	31,653	-	-	262,685
Finance and other distribution income	47,960	64,142	17,820	10,304	6,426	214,174	11,826	(209,812)	162,840	9,046	-	-	171,886
Finance costs	(48,065)	(155,415)	(6,921)	(16,538)	(4,747)	(103,160)	(11,539)	209,812*	(134,573)	(23,300)	-	-	(157,873)
Share of results of associates	(29)	61,636	252	-	(11)	-	1,323	-	63,171	-	-	-	63,171
Share of results of joint ventures	190,392	(25,161)	-	-	2,423	-	-	-	167,654	-	-	-	167,654
Profit/(Loss) before tax	291,921	(27,432)	105,076	24,481	14,777	56,834	24,467	-	490,124	17,399	-	-	507,523
Income tax	(23,332)	(3,508)	(27,501)	(4,808)	(3,376)	(34,544)	(5,567)	-	(102,636)	(11)	-	-	(102,647)
Net profit/(loss) for the year	268,589	(30,940)	77,575	19,673	11,401	22,290	18,900	-	387,488	17,388	-	-	404,876
Non-controlling interests	(7,059)	2,996	(33,232)	(1,722)	195	(7,834)	(568)	-	(47,224)	(398)	-	-	(47,622)
Attributable to owners of the parent	261,530	(27,944)	44,343	17,951	11,596	14,456	18,332	-	340,264	16,990	-	-	357,254

Inter-operations sales within continuing operations and discontinued operations.

* Included inter-operations transactions within continuing operations and discontinued operations.

** Before eliminations on consolidation.

3. SEGMENT INFORMATION (CONTD.)

Business segments (contd.)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segments: (contd.)

	Property development RM'000	Property investment RM'000	Construction RM'000	Trading and manufacturing RM'000	Quarry RM'000	Investment holdings RM'000	Others RM'000	Adjustments/eliminations RM'000	Total continuing operations RM'000	Discontinued operations RM'000	Adjustments/eliminations RM'000	Note	Total RM'000
At 31 December 2020 (Restated) (contd.)													
Assets													
Segment assets	5,256,817	2,701,495	1,545,079	838,062	398,519	15,877,081	1,027,522	(12,570,173)	15,074,402	1,539,418	-	-	16,613,820
Investments in associates	-	2,629,930	-	-	-	-	63,241	-	2,693,171	-	-	-	2,693,171
Investments in joint ventures	1,454,425	142,463	44,805	-	15,101	-	-	-	1,656,794	-	-	-	1,656,794
Unallocated assets	-	-	-	-	-	-	-	-	-	-	-	-	129,359
Total assets	-	-	-	-	-	-	-	-	-	-	-	-	21,093,144
Liabilities													
Segment liabilities	4,276,740	3,856,155	1,423,695	547,386	315,372	11,181,704	546,538	(12,525,319)	9,622,271	1,000,330	-	-	10,622,601
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	-	-	159,966
Total liabilities	-	-	-	-	-	-	-	-	-	-	-	-	10,782,567
Other segment information													
Capital expenditure	14,564	132,398	3,393	11,199	141,840	75	6,269	-	309,738	271,400	-	B	581,138
Depreciation and amortisation	6,719	58,253	33,275	16,220	16,457	115	26,001	-	157,040	79,499	-	-	236,539
Impairment losses on:	-	-	-	-	-	-	-	-	-	-	-	-	-
- property, plant and equipment (Note 16)	-	-	-	-	2,237	-	508	-	2,745	-	-	-	2,745
- goodwill (Note 23)	-	-	-	-	-	-	-	-	-	-	-	-	3,643

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

3. SEGMENT INFORMATION (CONTD.)

Geographical segments

The following table provides an analysis of the Group's revenue, profit/(loss) before tax, net profit/(loss), profit/(loss) attributable to owners of the parent and assets by geographical segments:

	Revenue from contracts with customers RM'000	Other revenue RM'000	Total revenue RM'000	Profit/(loss) before tax RM'000	Net profit/(loss) RM'000	Net profit/(loss) attributable to owners of the parent RM'000	Segment assets Non-current RM'000	Current RM'000
At 31 December 2021								
Malaysia	3,926,491	147,596	4,074,087	524,549	2,704,088	2,619,413	7,499,310	7,424,485
Singapore	162,332	422	162,754	7,099	6,624	6,626	169,157	179,246
China	139,620	-	139,620	12,922	10,775	10,688	73,368	143,570
India	12,262	-	12,262	(8,741)	(9,056)	(4,047)	407	50,604
Australia	34,885	-	34,885	4,539	379	770	41,079	75,251
Indonesia	44,813	-	44,813	3,775	2,276	2,276	2,897	37,056
United Kingdom	-	25,225	25,225	32,774	33,631	33,443	-	1,115
Other countries	38,776	-	38,776	(10,745)	(10,561)	(4,723)	350,281	19,392
	4,359,179	173,243	4,532,422	566,172	2,738,156	2,664,446	8,136,499	7,930,719
At 31 December 2020 (Restated)								
Malaysia	3,140,247	124,922	3,265,169	254,445	156,783	136,947	9,067,404	6,485,673
Singapore	130,238	-	130,238	168,625	168,013	161,226	147,409	201,716
China	273,691	-	273,691	25,478	23,738	22,729	70,804	153,505
India	42,092	-	42,092	41,279	40,800	22,426	11	2,715
Australia	29,323	-	29,323	9,181	8,199	3,627	41,255	69,123
Indonesia	32,821	-	32,821	(187)	29	29	3,105	30,839
United Kingdom	-	21,687	21,687	14,479	13,425	13,279	309,982	11,711
Other countries	34,040	-	34,040	(5,777)	(6,111)	(3,009)	4,415	14,153
	3,682,452	146,609	3,829,061	507,523	404,876	357,254	9,644,385	6,969,435

3. SEGMENT INFORMATION (CONTD.)

Note Nature of eliminations to arrive at amounts reported in the consolidated financial statements

A Inter-segment revenues are eliminated on consolidation.

B Capital expenditures consist of:

	2021 RM'000	2020 RM'000
Property, plant and equipment (excluding right-of-use assets)	364,214	455,361
Intangible assets	9,243	9,020
Biological assets	-	186
Investment properties	91,103	116,571
	464,560	581,138

4. CAPITAL AND FINANCIAL RISK MANAGEMENT

(a) Capital management

The primary objective of the Group's and the Company's capital management is the maintenance of a strong credit rating and healthy capital ratios, in order to support the Group's businesses and maximising shareholders' value.

The Group and the Company manage their capital structure by ensuring that financial commitments are met as and when they fall due. In addition, divestment of the Group's non-core assets, which provides low returns are also made to optimise the capital structure of the Group.

The Group and the Company monitor capital utilisation using the gearing ratio. This ratio is used to assess the appropriateness of the Group's debt level, hence its capital structure. The ratio is calculated as net debt divided by total equity. Net debt includes total borrowings net of cross currency swap, and perpetual sukuk less cash and bank balances.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

4. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONTD.)

(a) Capital management (contd.)

	Note	Group		Company	
		2021 RM'000	2020 RM'000 (Restated)	2021 RM'000	2020 RM'000
Borrowings	36	8,114,589	6,910,588	-	81,000
Add: Perpetual sukuk	40	600,000	600,000	600,000	800,000
(Less)/Add: Cross currency swap	36	(2,522)	40,705	-	-
Net borrowings after cross currency swap		8,712,067	7,551,293	600,000	881,000
Hire purchase with financial institutions	39	906	1,215	-	-
Less:					
Cash and bank balances	32	(2,810,263)	(2,238,415)	(8,202)	(10,131)
Net debt		5,902,710	5,314,093	591,798	870,869
Total equity		13,122,300	10,310,577	7,406,992	7,438,527
Gearing ratio		45%	52%	8%	12%

Pursuant to the requirements of Practice Note No. 17/2005 of the Bursa Malaysia Securities Berhad, the Group is required to maintain a consolidated shareholders' equity of more than 25% of the issued and paid-up capital (excluding treasury shares) and such shareholders' equity is not less than RM40.0 million. The Company has complied with this requirement for the financial year ended 31 December 2021.

(b) Financial risk management objectives and policies

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its interest rate risks (both fair value and cash flow), foreign currency risk, liquidity risk, credit risk and market risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below. It is, and has been throughout the year under review, the Group's policy that no trading in derivative financial instruments shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient.

Interest rate risk

The Group's and the Company's income and operating cash flows are substantially independent of changes in market interest rates. The Group's and the Company's interest-bearing financial assets are mainly short term in nature and have been mostly placed in fixed deposits and deposits with other financial institutions.

The Group's and the Company's interest rate risk arise primarily from interest bearing borrowings. The Group manages its interest rate exposure by monitoring a mix of fixed and floating rate borrowings. The Group also entered into interest rate swap contracts and cross currency swap contracts to hedge the floating rate interest payable on certain borrowings. The Group closely monitors markets and output from various industry working groups on the transitions to new interest rate benchmark arising from the respective interest rate benchmarks reforms in various jurisdictions. At the end of the reporting period, the Group's interest rate swap contracts and cross currency swap contracts are not affected by any interest rate benchmarks reforms. Approximately 59% (2020: 68%) of the Group's borrowings after cross currency swap are at fixed rates of interest.

The interest rate profile and sensitivity analysis of interest rate risk have been disclosed in Notes 25, 32, 33, 35, 36, 39 and 40 to the financial statements.

4. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONTD.)

(b) Financial risk management objectives and policies (contd.)

Foreign currency risk

The Group is not significantly exposed to foreign currency risk as the majority of the Group's transactions, assets and liabilities are denominated in Ringgit Malaysia ("RM") except for foreign currency risk arising from countries in which certain foreign subsidiaries operate. The currencies giving rise to this risk are primarily Singapore Dollar ("SGD"), United States Dollar ("USD"), Chinese Renminbi ("RMB"), Australian Dollar ("AUD") and British Pound Sterling ("GBP"). Foreign currency exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

Approximately 10% (2020: 15%) of the Group's sales are denominated in foreign currencies whilst almost 10% (2020: 9%) of costs are denominated in the respective functional currencies of the Group entities.

The Group maintains a natural hedge, whenever possible, by borrowing in the currency of the country in which the property or investment is located or by borrowing in currencies that match the revenue stream to be generated from its investments.

The Group also holds cash and bank balances denominated in foreign currencies for working capital purposes. At the end of the reporting period, such foreign currency balances amounted to RM241.8 million (2020: RM208.0 million).

Material foreign currency transactions exposures are hedged, mainly with derivative financial instruments such as forward foreign exchange contracts and cross currency swap contracts.

The Group entered into cross currency swap contracts to manage its exposure in foreign currency risk arising from foreign currency borrowings as well as to minimise the interest cost. These cross currency swap contracts have expiry periods within 12 months to 36 months (2020: 3 months to 12 months).

In relation to its investments in foreign subsidiaries whose net assets are exposed to currency translation risks and which are held for long term investment purposes, the differences arising from such translation are recorded under the foreign currency translation reserve. These translation differences are reviewed and monitored on a regular basis.

NOTES TO THE FINANCIAL STATEMENTS
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4. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONTD.)

(b) Financial risk management objectives and policies (contd.)

Foreign currency risk (contd.)

Foreign currency risk exposure

The currency risk exposure profiles for each class of financial instruments are as follows:

Group	SGD <1 year RM'000	SGD >1 year RM'000	USD <1 year RM'000	USD >1 year RM'000	RMB <1 year RM'000	RMB >1 year RM'000	AUD <1 year RM'000	AUD >1 year RM'000	GBP <1 year RM'000	GBP >1 year RM'000	Others <1 year RM'000	Others >1 year RM'000
At 31 December 2021												
Financial assets in foreign currencies												
Cash and bank balances	40,345	-	61,069	-	56,316	-	42,795	-	13,363	-	27,862	-
Trade and other receivables	87,911	-	4,055	-	34,077	2	6,153	6,138	3,774	-	65,804	179
Financial liabilities in foreign currencies												
Trade and other payables	(34,289)	-	(11,397)	-	(31,872)	(3,979)	(6,821)	-	(12,043)	-	(22,812)	-
Borrowings	(93,575)	(179,417)	(208,925)	(743,773)	-	-	(89,536)	(253,901)	(28,224)	(339,030)	-	-
Less: hedged portion	-	-	208,925	743,773	-	-	65,829	253,901	-	-	-	-
Borrowings - unhedged portion	(93,575)	(179,417)	-	-	-	-	(23,707)	-	(28,224)	(339,030)	-	-
Net exposure	392	(179,417)	53,727	-	58,521	(3,977)	18,420	6,138	(23,130)	(339,030)	70,854	179

4. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONTD.)

(b) Financial risk management objectives and policies (contd.)

Foreign currency risk (contd.)

Foreign currency risk exposure (contd.)

The currency risk exposure profiles for each class of financial instruments are as follows: (contd.)

Group	SGD <1 year RM'000	SGD >1 year RM'000	USD <1 year RM'000	USD >1 year RM'000	RMB <1 year RM'000	RMB >1 year RM'000	AUD <1 year RM'000	AUD >1 year RM'000	GBP <1 year RM'000	GBP >1 year RM'000	Others <1 year RM'000	Others >1 year RM'000
At 31 December 2020												
Financial assets in foreign currencies												
Cash and bank balances	39,112	-	48,039	-	56,825	-	33,333	-	11,686	-	18,955	-
Trade and other receivables	88,106	-	1,812	-	65,860	-	5,066	6,285	1,421	-	21,643	-
Financial liabilities in foreign currencies												
Trade and other payables	(10,034)	-	(2,779)	-	(50,234)	-	(4,703)	-	(9,071)	-	(21,310)	-
Borrowings	(150,368)	(67,203)	(972,146)	-	-	-	(267,131)	(23,336)	(232,985)	(74,433)	-	-
Less: hedged portion	-	-	972,146	-	-	-	265,417	-	-	-	-	-
Borrowings - unhedged portion	(150,368)	(67,203)	-	-	-	-	(1,714)	(23,336)	(232,985)	(74,433)	-	-
Net exposure	(33,184)	(67,203)	47,072	-	72,451	-	31,982	(17,051)	(228,949)	(74,433)	19,288	-
Company												

At 31 December 2021/2020

The currency risk exposure profile of the Company is not presented as its exposure to foreign currencies was not material at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

4. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONTD.)

(b) Financial risk management objectives and policies (contd.)

Foreign currency risk (contd.)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's and the Company's profit net of tax to a reasonably possible change in the foreign exchange rates against the functional currency of the Company, which are material to the Group, with all other variables held constant.

	Group		Company	
	2021	2020	2021	2020
Profit net of tax	RM'000	RM'000	RM'000	RM'000
SGD/RM				
- strengthen 0.6% (2020: 1.3%)	(852)	(985)	-	-
- weaken 0.6% (2020: 1.3%)	852	985	-	-
USD/RM				
- strengthen 0.9% (2020: 2.0%)	376	718	-	-
- weaken 0.9% (2020: 2.0%)	(376)	(718)	-	-
RMB/RM				
- strengthen 2.9% (2020: 0.1%)	1,205	38	-	-
- weaken 2.9% (2020: 0.1%)	(1,205)	(38)	-	-
AUD/RM				
- strengthen 2.4% (2020: 1.0%)	439	111	-	-
- weaken 2.4% (2020: 1.0%)	(439)	(111)	-	-
GBP/RM				
- strengthen 1.2% (2020: 0.4%)	(3,340)	(1,009)	-	-
- weaken 1.2% (2020: 0.4%)	3,340	1,009	-	-

Liquidity risk

The exposure of the Group to liquidity risk arises primarily from mismatches of the maturities of financial assets and financial liabilities. The objective of the Group is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The objective of the Group's liquidity management is to maintain a balance between long term and short term borrowings to ensure continuity of funding at a cost efficient manner to meet its financial obligations on a timely basis. In this regard, the Group diligently manages its debt maturity profile, operating cash flows and various sources of funding after taking into account of the refinancing, repayment and funding requirements to provide an adequate liquidity buffer. Besides maintaining a reasonable level of cash and cash convertible investments to meet its working capital needs, the Group also ensures it has sufficient undrawn credit facilities available to complement its overall liquidity management. The Group has undrawn credit facilities of RM2,083.0 million (2020: RM1,676.0 million) at the end of the financial year.

In addition, the Group strives to maintain available banking facilities at a reasonable level to its overall debt position. As far as possible, the Group raises committed funding from both capital markets and financial institutions and balances its portfolio with some short term funding so as to achieve overall cost effectiveness.

At the end of the reporting period, approximately 50% (2020: 76%) of the Group's borrowings will mature in less than one year based on the carrying amounts reflected in the financial statements.

4. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONTD.)

(b) Financial risk management objectives and policies (contd.)

Liquidity risk (contd.)

The analysis of financial instruments by remaining contractual maturities has been disclosed in Notes 27, 33, 34, 35, 36, 37, 38, 39 and 40 to the financial statements.

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including investment securities, cash and bank balances and derivatives), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The credit risk concentration profiles have been disclosed in Notes 25 and 26 to the financial statements.

Market risk

Market risk is the risk that the fair value or future cash flows of the financial instruments of the Group would fluctuate because of changes in market prices (other than interest or exchange rates).

The Group is exposed to equity price risks arising from quoted investments held by the Group. These investments are held for strategic rather than trading purposes and the equity securities under other investments are classified as financial assets designated at fair value through other comprehensive income.

To manage its price risk arising from its investments, the Group diversifies its portfolio in accordance with the limits set by the Group.

The sensitivity analysis of market risk has been disclosed in Note 29 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

5. REVENUE

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Continuing operations				
Revenue from contracts with customers:				
Property development:				
- sale of properties under development	577,183	353,160	-	-
- sale of completed properties	24,321	125,361	-	-
Revenue from construction contracts	1,065,644	942,668	-	-
Sales of goods and services	1,845,113	1,614,515	-	-
Property management fees	9,001	10,021	-	-
Management fees from:				
- subsidiaries	-	-	-	34,578
- joint ventures	19,931	16,281	-	2,340
- associates	2,872	144	-	-
	3,544,065	3,062,150	-	36,918
Other revenue:				
Interest advances and share financing	14,909	16,924	-	-
Rental income	119,294	125,065	-	-
Lease and hire purchase	525	399	-	-
Dividend income from:				
- subsidiaries	-	-	77,000	363,000
- a joint venture	-	-	16,400	19,840
- other investments	38,515	4,221	-	-
	173,243	146,609	93,400	382,840
	3,717,308	3,208,759	93,400	419,758
Timing of revenue recognition:				
Products and services transferred over time	1,674,631	1,322,274	-	36,918
Products and services transferred at a point in time	1,869,434	1,739,876	-	-
Revenue from contracts with customers	3,544,065	3,062,150	-	36,918

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

5. REVENUE (CONTD.)

Disaggregation of revenue from contracts with customers has been presented in the operating segments, Note 3 to the financial statements, which has been presented based on geographical location from which the sale transactions originated.

(a) Revenue from property development and construction contracts

Contracts with customers may include multiple promises to customers and therefore accounted for as separate performance obligations. In this case, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. When these are not directly observable, they are estimated based on expected cost plus margin.

Revenue from property development and construction contracts is measured at the fixed transaction price agreed under the agreement.

Revenue is recognised as and when control of the asset is transferred to the customer and it is probable that the Group would collect the consideration to which it will be entitled in exchange for the asset that would be transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the performance of the Group does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Revenue from property development

Revenue from property development is recognised over the period of the contract using the input method by reference to the costs incurred for work performed to date against the estimated costs to completion if control of the asset transfers over time. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

Significant judgement is required in determining the satisfaction of performance obligations as stated in the contracts with customers, transaction price allocations and costs in applying the input method to recognise revenue over time.

The Group identifies performance obligations that are distinct and material, which are judgmental in the context of contracts. Transaction prices are determined based on estimated profit margins prior to its allocation to the identified performance obligations. The Group also estimates total contract costs in applying the input method to recognise revenue over time. In estimating the total costs to complete, the Group considers the completeness and accuracy of its costs estimation, including its obligations to contract variations, claims and cost contingencies.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

5. REVENUE (CONTD.)

(a) Revenue from property development and construction contracts (contd.)

Revenue from construction contracts

Revenue from construction contracts is recognised over the period of the contract using the output method by reference to the progress towards complete satisfaction of that performance obligation if control of the asset transfers over time. The output method recognises revenue on the basis of direct measurements of value to the customer of the construction work performed to date relative to the remaining construction work promised under the contract, which is based on the contract work certified to date over the estimated total contract sum.

If control of asset transfers at a point in time, revenue is recognised at a point in time when the customer obtains control of the asset.

Significant judgement is required in estimating the progress towards complete satisfaction of performance obligations and in assessing the exposures to Liquidated Ascertained Damages ("LAD") based on the facts and circumstances of the relevant construction projects, including projects that had been served with certificates of non-achievement for project delays. In making these judgements, the Group evaluates based on experience and by relying on the work of specialists.

Information on receivables, contract assets and contract liabilities from contracts with customers are disclosed in Notes 25 and 31 to the financial statements respectively.

(b) Sale of completed properties

The Group recognises sales at a point in time for the sale of completed properties, when the control of the properties has been transferred to the purchasers, being when the properties have been completed and delivered to the customers and it is probable that the Group will collect the considerations to which it would be entitled to in exchange for the assets sold.

There is no significant financing component in the revenue arising from sale of completed properties as the sales are made on the normal credit terms not exceeding twelve months.

(c) Sale of goods and services, rights of enjoyment and club subscription fees

Revenue from sale of products and services rendered is recognised at a point in time when the products have been transferred or the services have been rendered to the customers and coincide with the delivery of products and services and acceptance by customers.

There is no material right of return and warranty provided to the customers on the sale of products and services rendered.

There is no significant financing component in the revenue arising from sale of products and services rendered as the sales or services are made on the normal credit terms not exceeding twelve months.

Entrance fees collected for rights of enjoyment of facilities are recognised when tickets are utilised.

Club subscription fees are recognised on the accrual basis.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

5. REVENUE (CONTD.)

(d) Property management fees

Revenue from property management fees are recognised over time as income when the customers receive and consume the benefits.

(e) Management fees

Management fees from the management of real estate investment funds activity and the provision of management services to subsidiaries are recognised over time when customers/subsidiaries simultaneously receive and consume the benefits.

(f) Interest advances and share financing

Interest advances and share financing are recognised as income on accrual basis.

(g) Rental income

Rental income is accounted for on a straight line basis over the lease term of an ongoing lease.

(h) Interest on lease and hire purchase

Interest on lease and hire purchase are recognised as income on the effective yield basis method.

(i) Dividend income

Dividend income is recognised when the right of the Group to receive payment is established.

6. COST OF SALES

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
	(Restated)			
Continuing operations				
Property development costs (Note 19(b))	(372,687)	(231,875)	-	-
Cost of completed properties sold	(18,165)	(107,570)	-	-
Construction contract costs	(719,866)	(730,432)	-	-
Cost of goods sold and services rendered	(1,594,199)	(1,302,105)	-	(26,738)
	(2,704,917)	(2,371,982)	-	(26,738)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

7. OTHER INCOME

Included in other income are the following:

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Bad debts recovered	1,088	2,158	-	-
Corporate guarantee commission fee	1,795	1,710	18,887	21,448
Fair value gain on:				
- investment properties (Note 18)	82,621	58,831	-	-
- derivatives	984	819	-	-
Gain on disposal of:				
- property, plant and equipment	3,330	2,449	-	-
- investment properties	-	24,002	-	-
- a subsidiary	-	3	-	-
- a joint venture	124	-	-	-
Gain on disposal of equity interest in a subsidiary	-	81	-	-
Gain on reclassification from a subsidiary to a joint venture arising from loss of control	-	103	-	-
Gain on re-measurement of remaining equity interest held as an associate	-	3,638	-	-
Gain on reassessments and modifications of leases	4,055	46,251	2,022	-
Negative goodwill on acquisition of subsidiaries (Note 20)	460	8	-	-
Rental income:				
- equipment	947	658	-	-
- land and buildings	8,902	8,461	18	407
- others	1,014	789	-	-
Rent concessions (Note 39)	3,496	5,495	-	-
Reversal of inventories written down to net realisable value (Note 19)	192	43	-	-
Return on capital redemption of an associate	-	21,554	-	-
Foreign exchange gain:				
- realised	6,075	17,775	-	5
- unrealised	9,673	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

8. FINANCE AND OTHER DISTRIBUTION INCOME AND FINANCE COSTS

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000 (Restated)	RM'000	RM'000
Continuing operations				
Finance and other distribution income				
Finance and other distribution income from:				
- Advances to subsidiaries	-	-	71,098	74,451
- Advances to joint ventures	80,799	60,239	2,819	-
- Perpetual note of an associate	11,756	11,791	-	-
- Deposits with licensed banks	1,497	5,999	423	449
- Deposits with financial institutions	8,104	21,829	-	-
- Structured entities under the control of the Company	-	-	12,119	21,018
- Other investments	53,864	60,423	-	-
- Others	1,210	2,559	-	-
	157,230	162,840	86,459	95,918
Finance costs				
Interest expense in relation to:				
- Hire purchase and lease liabilities	(8,687)	(10,072)	(43)	(628)
- Bank overdrafts	(35)	(830)	-	-
- Revolving credits	(31,829)	(25,771)	-	-
- Commercial papers and medium term notes	(10,599)	(16,968)	(984)	(18,433)
- Term loans	(16,015)	(42,240)	-	-
- Bankers' acceptances	(1,660)	(4,673)	-	-
- Bills discounting	(1,852)	(3,150)	-	-
- Perpetual sukuk	(30,800)	(28,966)	(39,527)	(41,716)
Others	(824)	(1,903)	-	-
	(102,301)	(134,573)	(40,554)	(60,777)

Interest income

Interest income from short term deposits and advances is recognised on the accrual basis, using the effective interest method, unless recoverability is in doubt, in which case, it is recognised on receipt basis.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

9. PROFIT BEFORE TAX

- (a) Other than those disclosed elsewhere in the financial statements, the following amounts have been included in arriving at profit before tax:

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Auditors' remuneration:				
Statutory audit				
- BDO PLT	2,562	2,353	406	493
- Member firms of BDO PLT	703	604	-	-
- Other auditors	251	247	-	-
Non-statutory audit				
- BDO PLT	483	1,149	46	567
Foreign exchange loss:				
- realised	3,742	11,686	100	27
- unrealised	7,101	6,549	5	50
- unrealised (hedged items)	50,089	26,392	-	-
Cash flow hedge reserve recycled to profit or loss	(50,089)	(26,392)	-	-
Fair value loss on:				
- investment properties (Note 18)	35,321	60,908	-	-
- derivatives	24	1,971	-	-
- other investments	2,486	2,970	-	-
Write down of inventories to net realisable value (Note 19)	5,023	6,273	-	-
Loss on disposal of property, plant and equipment	68	158	-	-
Loss on reassessments and modifications of leases	12	-	-	-
Loss on reclassification from a subsidiary to a joint venture arising from loss of control	-	61	-	-
Loss on redemption of perpetual sukuk (Note 40)	-	-	2,980	18,970
Write off of:				
- bad debts	312	270	15	-
- biological assets (Note 30)	11	-	-	-
- inventories (Note 19)	873	514	-	-
- property, plant and equipment	207	854	-	-
- intangible assets	-	49	-	-
Rental expense:				
- short term leases	4,227	1,479	-	52
- low value assets	1,740	1,409	-	213
- variable lease payments	25,840	16,618	-	5
Direct operating expenses arising from investment properties that generated rental income	49,636	37,471	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

9. PROFIT BEFORE TAX (CONTD.)

- (b) Net impairment losses/(reversals of impairment losses) on financial assets and contract assets recognised in profit or loss were as follows:

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Impairment losses on:				
- trade and other receivables (Notes 25, 26)	28,124	22,519	-	-
- amounts due from subsidiaries (Note 33)	-	-	-	2,096
- amounts due from joint ventures (Note 35)	303	7,238	-	-
- contract assets (Note 31)	29	67	-	-
- quasi-equity loan advanced to joint ventures (Note 22)	838	-	-	-
	29,294	29,824	-	2,096
Reversals of impairment losses on:				
- trade and other receivables (Notes 25, 26)	(10,742)	(10,503)	-	-
- amounts due from subsidiaries (Note 33)	-	-	(2,394)	-
- amounts due from associates (Note 34)	(133)	(72)	-	-
- amounts due from joint ventures (Note 35)	(920)	(137)	-	(1)
- contract assets (Note 31)	(5)	-	-	-
- quasi-equity loan advanced to joint ventures (Note 22)	-	(76)	-	-
	(11,800)	(10,788)	(2,394)	(1)
Net impairment losses/(reversals of impairment losses) on financial assets and contract assets	17,494	19,036	(2,394)	2,095

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

10. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Continuing operations				
Wages, salaries and bonuses	481,420	389,187	3,577	23,358
Social security contributions	5,110	4,837	19	170
Contributions to defined contribution plan	54,172	47,455	392	2,923
Other benefits	66,815	68,540	115	4,912
	607,517	510,019	4,103	31,363

Included in employee benefits expense of the Group and of the Company are Executive Directors' remuneration amounting to RM19,241,000 (2020: RM13,711,000) and Nil (2020: RM4,844,000) as further disclosed in Note 11 to the financial statements.

11. DIRECTORS' REMUNERATION

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Continuing operations				
Executive Directors' remuneration:				
Fees	100	100	-	-
Emoluments	19,141	13,611	-	4,844
Total Executive Directors' remuneration (excluding benefits-in-kind) (Note 10)	19,241	13,711	-	4,844
Estimated money value of benefits-in-kind	104	125	-	85
Total Executive Directors' remuneration including benefits-in-kind (Note 50)	19,345	13,836	-	4,929
Non-Executive Directors' remuneration:				
Fees	940	924	940	924
Other emoluments	271	102	271	102
Total Non-Executive Directors' remuneration	1,211	1,026	1,211	1,026
Total Directors' remuneration including benefits-in-kind	20,556	14,862	1,211	5,955

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

11. DIRECTORS' REMUNERATION (CONTD.)

The number of Directors of the Company whose total remuneration during the financial year fell within the following bands is analysed below:

	Number of Directors	
	2021	2020
Executive Directors:		
RM400,000 - RM600,000	1	1
RM1,000,000 - RM2,100,000	1	1
RM2,600,000 - RM8,400,000	1	1
RM9,600,000 - RM36,000,000	1	1
Non-Executive Directors:		
Below RM400,000	6	7

12. INCOME TAX EXPENSE

	Group		Company	
	2021 RM'000	2020 RM'000 (Restated)	2021 RM'000	2020 RM'000
Continuing operations				
Current income tax:				
Malaysian income tax	105,008	59,582	10,143	5,000
Foreign income tax	8,336	4,913	-	-
	113,344	64,495	10,143	5,000
Under/(Over) provision in prior years:				
Malaysian income tax	10,755	37,540	381	19,892
Foreign income tax	(186)	(335)	-	-
	10,569	37,205	381	19,892
	123,913	101,700	10,524	24,892
Deferred tax (Note 24):				
Relating to origination and reversal of temporary differences	8,245	11,197	-	-
Over provision in prior years	(15,929)	(10,261)	-	-
	(7,684)	936	-	-
Total income tax expense	116,229	102,636	10,524	24,892

- (a) Domestic current income tax is calculated at the Malaysian statutory tax rate of 24% (2020: 24%) of the estimated assessable profit for the year. Taxation for other jurisdiction is calculated at the rates prevailing in the respective jurisdictions.
- (b) During the financial year, the Inland Revenue Board ("IRB") conducted a tax audit on Sunway Treasury Sdn. Bhd., a wholly-owned subsidiary of the Sunway City Sdn. Bhd., which is in turn a wholly-owned subsidiary of the Company, for Years of Assessment 2017 to 2019. Upon completion of tax audit, IRB issued notices of tax assessment amounting to RM9.5 million, which comprise of RM6.6 million additional tax payable and a tax penalty of RM2.9 million.

The Company has sought a legal opinion from its tax lawyer and is confident that it has an arguable case and will seek the necessary remedies provided under the law. The additional tax payable and tax penalty have been accounted for within income tax expense as under provision in prior years and other expenses respectively in the statements of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

12. INCOME TAX EXPENSE (CONTD.)

- (c) A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

	Group	
	2021 RM'000	2020 RM'000 (Restated)
Continuing operations		
Profit before tax	463,899	490,124
Taxation at Malaysian statutory tax rate of 24% (2020: 24%)	111,336	117,630
Different tax rates in other countries	(586)	(9,110)
Deferred tax recognised at different tax rates	(6,084)	2,816
Income not subject to tax	(60,216)	(75,077)
Expenses not deductible for tax purposes	68,752	63,730
Utilisation of previously unrecognised tax losses, unabsorbed capital allowances, unabsorbed tax allowances and other deductible temporary differences	(3,934)	(1,011)
Deferred tax assets not recognised in respect of unrecognised tax losses, unabsorbed capital allowances, unabsorbed tax allowances and other deductible temporary differences	35,522	32,145
Deferred tax assets recognised on previously unrecognised tax losses, unabsorbed capital allowances, unabsorbed tax allowances and other deductible temporary differences	(3,715)	(33)
Effect of share of profit of associates	(14,440)	(15,161)
Effect of share of profit of joint ventures	(5,046)	(40,237)
Under provision of income tax in prior years	10,569	37,205
Over provision of deferred tax in prior years	(15,929)	(10,261)
Income tax expense for the year	116,229	102,636

	Company	
	2021 RM'000	2020 RM'000
Profit before tax	130,727	401,628
Taxation at Malaysian statutory tax rate of 24% (2020: 24%)	31,374	96,391
Income not subject to tax	(26,235)	(96,764)
Expenses not deductible for tax purposes	5,655	7,506
Utilisation of previously unrecognised other deductible temporary differences	(651)	(2,133)
Under provision of income tax in prior years	381	19,892
Income tax expense for the year	10,524	24,892

- (d) There is no tax effect on other comprehensive income of the Group and of the Company during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

13. DISCONTINUED OPERATIONS

Partial divestment of equity interest in Sunway Healthcare Holdings Sdn. Bhd. and its subsidiaries

On 23 June 2021, Sunway City Sdn. Bhd. ("SunCity"), a wholly-owned subsidiary of the Company, Sunway Healthcare Holdings Sdn. Bhd. ("SHH"), and Greenwood Capital Pte. Ltd. ("Greenwood") entered into a Share Subscription Agreement ("SSA") for the subscription of 100,000,000 ordinary shares in SHH, 10,000,000 irredeemable convertible preference shares in SHH ("ICPS") and 1 cumulative irredeemable dividend convertible preference share in SHH (collectively, "Subscription Shares") by Greenwood for a total subscription consideration of RM750 million in cash ("Subscription Amount").

The Subscription Amount will be paid over 5 tranches subject to the satisfaction of the closing conditions of the respective tranches in accordance with the SSA as disclosed in Note 53(c) to the financial statements. In conjunction with the partial divestment, SunCity's equity interest in SHH would be diluted by 16% (on a fully converted basis).

On 23 December 2021, SunCity had fulfilled the initial closing conditions as stipulated in the SSA resulting in Greenwood becoming a shareholder of SHH, and a Shareholders' Agreement ("SHA") was entered into between the Company, SunCity, SHH and Greenwood (collectively, "Parties"), which sets out the terms governing the relationship between them, including the basis on which SHH and its subsidiaries (collectively, "SHH Group") shall be operated, managed and administered.

Consequently, SHH Group have been deconsolidated from SunCity, resulting in SHH Group being joint ventures, due to a loss of control in accordance with MFRS 10 *Consolidated Financial Statements*, as unanimous consent is required from both parties for any action or decision in respect of the reserved matters under the SHA. As a result, SunCity recognises its remaining equity interest in SHH Group as investments in joint ventures at fair value on initial recognition.

Prior to the partial divestment, SunCity has completed an internal reorganisation exercise, which involved SHH acquiring all of the SunCity's equity interest in its subsidiaries as disclosed in Note 53(a) to the financial statements.

Since the initial closing conditions were fulfilled on 23 December 2021, the Group has accounted for 100% of the results of SHH Group for the financial year ended 31 December 2021. In accordance with MFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*, the financial results of SHH Group for the current financial year are presented separately under discontinued operations in the statement of profit or loss of the Group.

In addition, certain exit clauses of SSA and SHA were recognised as derivative liabilities following the partial divestment of 16% equity interest in SHH to Greenwood by SunCity as disclosed in Note 27(b)(iv) to the financial statements.

- (a) The financial effects at the date of partial divestment were as follows:

	RM'000
Property, plant and equipment	1,548,336
Inventories	29,760
Goodwill	7,665
Trade and other receivables	266,410
Cash and bank balances	261,092
Trade and other payables	(296,873)
Deferred tax assets	9,847
Borrowings	(164,851)
Lease liabilities	(221,101)
Other assets	5,687
Other liabilities	(104)
Net carrying amount of SHH Group as at date of partial divestment	1,445,868

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

13. DISCONTINUED OPERATIONS (CONTD.)

Partial divestment of equity interest in Sunway Healthcare Holdings Sdn. Bhd. and its subsidiaries (contd.)

(a) The financial effects at the date of partial divestment were as follows: (contd.)

	RM'000
Net gain arising from the partial divestment of SHH Group	
Fair value of the remaining 84% equity interest in SHH Group retained and held as joint ventures	3,956,348
Less: Net carrying amount of Sunway Healthcare Group as at date of partial divestment	(1,445,868)
Net gain on partial divestment of discontinued operations and re-measurement of remaining equity interest held as joint ventures*	2,510,480
Less: Recognition of fair value of derivative liabilities	(224,364)
Net gain arising from the partial divestment of SHH Group	2,286,116

* Included loss on partial divestment of discontinued operations of RM231,339,000 as the Subscription Amount will be paid directly to SHH, which was divested from the Group. Hence, there were no divestment proceeds at the Group level. The effect of loss of control of SHH Group on cash flows of the Group is a cash outflow of RM261,092,000.

(b) Results of discontinued operations, net of tax

The analysis of the results of the discontinued operations is as follows:

	Group 2021 RM'000	2020 RM'000
Revenue	815,114	620,302
Expenses	(712,841)	(602,903)
Results from operating activities	102,273	17,399
Taxation	2,097	(11)
Results from operating activities, net of tax	104,370	17,388
Net gain on partial divestment of discontinued operations and re-measurement of remaining equity interest held as joint ventures	2,510,480	-
Recognition of fair value of derivative liabilities	(224,364)	-
Profit for the financial year from discontinued operations, net of tax	2,390,486	17,388

(i) Cash flows attributable to discontinued operations

	Group 2021 RM'000	2020 RM'000
Net cash from operating activities	266,263	82,727
Net cash (used in)/from investing activities	(996,505)	367,457
Net cash from/(used in) financing activities	690,305	(405,986)
	(39,937)	44,198

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

13. DISCONTINUED OPERATIONS (CONTD.)

Partial divestment of equity interest in Sunway Healthcare Holdings Sdn. Bhd. and its subsidiaries (contd.)

(b) Results of discontinued operations, net of tax (contd.)

(ii) Profit before taxation

	Group 2021 RM'000	2020 RM'000
Operating profit from discontinued operations has been arrived at after charging:		
Auditors' remuneration:		
Statutory audit		
- BDO PLT	148	95
- Member firms of BDO PLT	15	12
Non-statutory audit		
- BDO PLT	12	12
Loss on disposal of property, plant and equipment	297	-
Write off of:		
- bad debts	2,441	1,435
- property, plant and equipment	2,820	1,833
- inventories (Note 19)	513	182
- intangible assets	137	-
Write down of inventories to net realisable value (Note 19)	4,225	1,538
Foreign exchange loss:		
- realised	29	-
- unrealised	7	-
Rental expense:		
- short term leases	68	102
- low value assets	1,357	790
- variable lease payments	580	637
Interest expense in relation to:		
- hire purchase and lease liabilities	12,034	12,032
- bankers' acceptances	281	927
- amount due to a related party	9,510	9,865
- others	651	476
and crediting:		
Gain on disposal of property, plant and equipment	96	511
Gain on reassessments and modifications of leases	39	125
Rental income:		
- land and buildings	7,941	6,396
- others	1,900	1,471
Finance and other distribution income from:		
- deposits with financial institutions	12,617	8,994
- others	322	52

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

13. DISCONTINUED OPERATIONS (CONTD.)

Partial divestment of equity interest in Sunway Healthcare Holdings Sdn. Bhd. and its subsidiaries (contd.)

(b) Results of discontinued operations, net of tax (contd.)

(ii) Profit before taxation (contd.)

Net impairment losses on financial assets recognised in profit or loss were as follows:

	Group	
	2021	2020
	RM'000	RM'000
Impairment losses on:		
- trade and other receivables (Notes 25, 26)	8,006	3,830
Reversal of impairment losses on:		
- trade and other receivables (Notes 25, 26)	(1,226)	-
Net impairment losses on financial assets	6,780	3,830

(iii) Taxation

	Group	
	2021	2020
	RM'000	RM'000
Malaysian income tax:		
- current year	300	12
- under/(over) provision in prior years	5	(1)
	305	11
Deferred tax:		
- relating to origination and reversal of temporary differences	(2,402)	-
	(2,097)	11

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

14. EARNINGS PER SHARE

(a) Basic

	Group	
	2021	2020
		(Restated)
Profit attributable to owners of the parent (RM'000)		
From continuing operations	293,504	340,264
From discontinued operations	2,370,942	16,990
	2,664,446	357,254
Weighted average number of ordinary shares in issue ('000)*	5,866,745	4,963,120
Basic earnings per share (sen)		
From continuing operations	5.00	6.86
From discontinued operations	40.41	0.34
	45.41	7.20

(b) Diluted

	Group	
	2021	2020
		(Restated)
Profit attributable to owners of the parent (RM'000)		
From continuing operations	293,504	340,264
From discontinued operations	2,370,942	16,990
	2,664,446	357,254
Weighted average number of ordinary shares in issue ('000)*	5,935,520	4,963,120
Diluted earnings per share (sen)		
From continuing operations	4.94	6.86
From discontinued operations	39.94	0.34
	44.88	7.20

* The weighted average number of ordinary shares in issue includes the effect of dilution of warrants and ordinary shares that will be issued upon mandatory conversion of ICPS of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

15. DIVIDENDS PAID AND PROPOSED

	Group/Company	
	2021 RM'000	2020 RM'000
Dividends on ordinary shares declared and paid:		
Second interim single tier dividend for 2019: 4.5 sen per ordinary share	-	220,562
First interim single tier dividend for 2020: 1.5 sen per ordinary share	73,334	-
First interim single tier dividend for 2021: 1.0 sen per ordinary share	48,891	-
	122,225	220,562
Dividends on irredeemable convertible preference share ("ICPS") declared and paid:		
Preferential dividend, for the period from 3 December 2020 (date of issuance) up to and including 31 December 2020 of 5.25% per annum per ICPS	4,068	-
Semi-annual preferential dividend, for the period from 1 January 2021 to 30 June 2021 of 5.25% per annum per ICPS	25,667	-
	29,735	-
Total dividends declared and paid	151,960	220,562

On 25 February 2022, the Board of Directors declared a second interim single tier dividend comprising of 1.5 sen per ordinary share of the Company and a semi-annual preferential dividend of 5.25% per annum based on the issue price of RM1 per ICPS for the period from 1 July 2021 up to and including 31 December 2021, in respect of the financial year ended 31 December 2021. Accordingly, the entitled shareholders of the Company will receive the second interim single tier dividend and preferential dividend in cash on 14 April 2022 amounting to approximately RM73,336,000 and RM25,667,000 respectively. The dividends will be accounted for in the equity as an appropriation of retained earnings in the financial year ending 31 December 2022.

The Board of Directors does not propose any final dividend for the financial year ended 31 December 2021.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

16. PROPERTY, PLANT AND EQUIPMENT

	Freehold land RM'000	Buildings RM'000	Leasehold land* RM'000	Renovations RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Equipment, furniture and fittings RM'000	Quarry development expenditure RM'000	Capital work-in-progress RM'000	Subtotal RM'000	Land and buildings RM'000	Motor vehicles and equipment RM'000	Total RM'000
Group													
At 31 December 2021													
Cost													
At beginning of financial year	110,713	1,112,918	338,785	155,395	972,733	67,466	663,173	41,388	394,861	3,857,432	605,984	11,669	4,475,085
Additions	-	3,260	1,116	9,922	18,118	2,278	45,359	3,203	280,958	364,214	20,860	393	385,467
Disposals/write-offs	-	(112)	(1,089)	(5,917)	(17,822)	(5,189)	(42,779)	-	(132)	(73,040)	(1,085)	-	(74,125)
Reassessment and modification of leases	-	-	-	-	-	-	-	-	-	-	(83,840)	(672)	(84,512)
Reclassifications	-	916	20,647	(148)	(1,717)	4,987	181	1,468	(36,047)	(9,713)	11,600	(1,887)	-
Transfers to investment properties (Note 18)	-	-	-	(351)	-	-	-	-	(1,840)	(2,191)	-	-	(2,191)
Transfers from/to intangible assets (Note 17)	-	-	-	-	-	-	790	-	(88)	702	-	-	702
Acquisition of subsidiaries	-	2,581	-	1,492	2,001	2,421	8,173	-	-	16,668	20,263	-	36,931
Loss of control of subsidiaries	(41,340)	(477,952)	(43,227)	(65,208)	-	(932)	(426,502)	-	(603,571)	(1,658,732)	(301,524)	(4,214)	(1,964,470)
Exchange differences	75	5,414	1,686	254	3,744	136	1,075	-	28	12,412	(663)	(18)	11,731
At end of financial year	69,448	647,025	317,918	95,439	977,057	71,167	249,470	46,059	34,169	2,507,752	271,595	5,271	2,784,618
Accumulated depreciation													
At beginning of financial year	-	207,762	10,522	52,850	693,187	55,163	398,779	21,005	-	1,439,268	320,202	7,937	1,767,407
Depreciation charge for the year	-	26,217	3,811	14,369	44,221	5,581	60,255	4,363	-	158,817	45,873	1,524	206,214
Disposals/write-offs	-	(12)	(164)	(2,709)	(16,604)	(4,934)	(42,063)	-	-	(66,486)	(1,085)	-	(67,571)
Reassessment and modification of leases	-	-	-	-	-	-	-	-	-	-	(77,288)	(644)	(77,932)
Reclassifications	-	(715)	2,114	(286)	(2,727)	3,216	230	-	-	1,832	244	(2,076)	-
Transfers to intangible assets (Note 17)	-	-	-	-	-	-	(146)	-	-	(146)	-	-	(146)
Acquisition of subsidiaries	-	563	-	1,060	302	1,682	5,013	-	-	8,620	8,944	-	17,564
Loss of control of subsidiaries	-	(35,602)	(1,422)	(11,083)	-	(613)	(228,493)	-	-	(277,213)	(135,074)	(3,847)	(416,134)
Exchange differences	-	2,410	186	204	2,235	110	923	-	-	6,068	(463)	(12)	5,593
At end of financial year	-	200,623	15,047	54,405	720,614	60,205	194,498	25,368	-	1,270,760	161,353	2,882	1,434,995
Accumulated impairment losses													
At beginning of financial year	-	47,311	2,237	-	36,879	35	382	-	87	86,931	-	-	86,931
Impairment loss for the year	-	39	400	-	-	-	-	-	-	439	-	-	439
At end of financial year	-	47,350	2,637	-	36,879	35	382	-	87	87,370	-	-	87,370
Net carrying amount	69,448	399,052	300,234	41,034	219,564	10,927	54,590	20,691	34,082	1,149,622	110,242	2,389	1,282,253

* Leasehold land are in respect of right-of-use assets for which the Group has land titles.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

16. PROPERTY, PLANT AND EQUIPMENT (CONTD.)

	Group										Right-of-use		Total RM'000
	Freehold land RM'000	Buildings RM'000	Leasehold land* RM'000	Renovations RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Equipment, furniture and fixtures RM'000	Quarry development expenditure RM'000	Capital work-in- progress RM'000	Subtotal RM'000	Land and buildings RM'000	Motor vehicles and equipment RM'000	
At 31 December 2020													
Cost													
At beginning of financial year	110,792	1,088,526	173,883	135,073	989,619	72,932	597,979	32,789	244,754	3,446,347	1,189,758	6,579	4,642,684
Additions	-	24,139	152,946	14,336	19,193	2,199	75,246	8,599	158,703	455,361	9,714	945	466,020
Disposals/write-offs	-	(1,196)	-	(1,592)	(17,443)	(5,547)	(17,577)	-	(711)	(44,066)	(2,892)	(55)	(47,013)
Reassessment and modification of leases	-	-	-	-	-	-	-	-	-	-	(581,230)	(689)	(581,919)
Reclassifications	743	(785)	11,600	7046	(7,777)	(2,481)	8,847	-	(8,027)	9,166	(11,600)	2,434	-
Transfers (to)/from intangible assets (Note 17)	-	-	-	-	-	-	(184)	-	-	(184)	200	-	16
Acquisition of subsidiaries	-	-	-	538	1,865	505	2,578	-	123	5,609	1,208	2,415	9,232
Loss of control of subsidiaries	(1,583)	-	-	-	(15,337)	(251)	(3,690)	-	-	(20,861)	-	-	(20,861)
Exchange differences	761	2,234	356	(6)	2,613	109	(26)	-	19	6,060	826	40	6,926
At end of financial year	110,713	1,112,918	338,785	155,395	972,733	67,466	663,173	41,388	394,861	3,857,432	605,984	11,669	4,475,085
Accumulated depreciation													
At beginning of financial year	-	181,469	7821	38,910	665,431	53,946	355,415	17,479	-	1,320,471	485,511	3,472	1,809,454
Depreciation charge for the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals/write-offs	-	26,779	1,712	14,140	53,468	5,851	57,062	3,526	-	162,528	63,013	1,705	227,246
Reassessment and modification of leases	-	(809)	-	(723)	(16,645)	(4,761)	(14,782)	-	-	(37,720)	(2,892)	(55)	(40,667)
Reclassifications	-	-	-	-	-	-	-	-	-	-	(226,106)	-	(226,106)
Transfers (to)/from intangible assets (Note 17)	-	323	883	118	(3,828)	8	691	-	-	(1,805)	(244)	2,049	-
Acquisition of subsidiaries	-	-	-	420	1,005	184	2,270	-	-	-	58	-	3
Loss of control of subsidiaries	-	-	-	-	(7,575)	(149)	(1,852)	-	-	3,879	500	743	5,122
Exchange differences	-	-	106	(15)	1,429	84	(58)	-	-	(9,576)	362	23	(9,576)
At end of financial year	-	207,762	10,522	52,850	693,187	55,163	398,779	21,005	-	1,439,268	320,202	7,937	1,767,407
Accumulated impairment losses													
At beginning of financial year	-	47,311	-	-	36,371	35	382	-	87	84,186	-	-	84,186
Impairment loss for the year	-	-	2,237	-	508	-	-	-	-	2,745	-	-	2,745
At end of financial year	-	47,311	2,237	-	36,879	35	382	-	87	86,931	-	-	86,931
Net carrying amount	110,713	857,845	326,026	102,545	242,667	12,268	264,012	20,383	394,774	2,331,233	285,782	3,732	2,620,747

* Leasehold land are in respect of right-of-use assets for which the Group has land titles.

16. PROPERTY, PLANT AND EQUIPMENT (CONTD.)

	Equipment, furniture and fittings RM'000	Motor vehicles RM'000	Subtotal RM'000	Right-of-use Land and buildings RM'000	Total RM'000
Company					
At 31 December 2021					
Cost					
At beginning of financial year	2,154	2,566	4,720	27,316	32,036
Additions	22	-	22	-	22
Reassessment and modification of leases	-	-	-	(26,255)	(26,255)
At end of financial year	2,176	2,566	4,742	1,061	5,803
Accumulated depreciation					
At beginning of financial year	2,070	2,566	4,636	19,334	23,970
Depreciation charge for the year	62	-	62	265	327
Reassessment and modification of leases	-	-	-	(19,334)	(19,334)
At end of financial year	2,132	2,566	4,698	265	4,963
Net carrying amount	44	-	44	796	840
At 31 December 2020					
Cost					
At beginning of financial year	2,086	2,566	4,652	26,716	31,368
Additions	68	-	68	600	668
At end of financial year	2,154	2,566	4,720	27,316	32,036
Accumulated depreciation					
At beginning of financial year	1,970	2,566	4,536	16,847	21,383
Depreciation charge for the year	100	-	100	2,487	2,587
At end of financial year	2,070	2,566	4,636	19,334	23,970
Net carrying amount	84	-	84	7,982	8,066

- (a) Leasehold land, right-of-use land and buildings, right-of-use motor vehicles and right-of-use equipment represent right-of-use assets arising from lease arrangements that do not meet the definition of investment property.

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

16. PROPERTY, PLANT AND EQUIPMENT (CONTD.)

- (b) The Group assessed whether there are any indications of impairment of property, plant and equipment during the financial year. In doing this, management considered the current environment, taking into consideration the impact of COVID-19 pandemic and performance of Cash Generating Units ("CGUs"). Management considered certain CGUs which are loss-making as impairment indications.

The recoverable amount of a CGU is determined based on value-in-use calculations using cash flow projections derived from financial budgets approved by management.

Management has made estimates about future results and key assumptions applied to cash flow projections of the CGUs. These key assumptions are applied to cash flow projections of the CGUs and include forecast growth in future revenues and operating profit margins, as well as determining appropriate pre-tax discount rates and growth rates.

Management has determined that the recoverable amounts of certain property, plant and equipment are lower than their carrying amounts. Accordingly, impairment losses on property, plant and equipment of the Group amounted to RM439,000 (2020: RM2,745,000) has been recognised within administrative and other expenses in the statements of profit or loss during the current financial year. The pre-tax discount rates applied on the cash flow projections in determining the recoverable amounts range from 5.6% to 9.6% (2020: 4.5% to 8.5%).

- (c) All items of property, plant and equipment (excluding right-of-use assets) are initially recorded at cost. After initial recognition, property, plant and equipment (excluding right-of-use assets) are stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings	2%
Renovations	4% - 33%
Plant and machinery	5% - 20%
Motor vehicles	10% - 20%
Equipment, furniture and fittings	5% - 33%

Freehold land has an unlimited useful life and therefore is not depreciated. Capital work-in-progress included in property, plant and equipment are not depreciated as these assets are not yet available for use.

Quarry development expenditure consists of expenditure incurred to construct infrastructure to facilitate the quarry operations. Quarry development expenditure is amortised over the extractable rock reserves period, ranging from 3 to 80 years.

The useful lives and residual values of property, plant and equipment (excluding right-of-use assets) are estimated based on common life expectancies and commercial factors applied in the various respective industries.

Changes in expected level of usage, occupancy rates and economic development could impact the economic useful lives and the residual values of these assets, and hence future depreciation charges on such assets could be revised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

16. PROPERTY, PLANT AND EQUIPMENT (CONTD.)

- (d) The right-of-use assets under property, plant and equipment are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases.

After initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and accumulated impairment losses, if any, and adjusted for any re-measurement of the lease liabilities.

The right-of-use assets are depreciated on the straight-line basis over the period of the lease term. The principal depreciation periods are as follows:

Leasehold land	over the lease period from 45 to 99 years
Land and buildings	over the lease period from 1 to 47 years
Motor vehicles and equipment	over the lease period from 1 to 5 years

- (e) During the financial year, the Group and the Company made the following cash payments to purchase property, plant and equipment:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Additions of property, plant and equipment	385,467	466,020	22	668
Additions via hire purchase and lease liabilities	(21,253)	(10,659)	-	(600)
Movement in property, plant and equipment creditor	(5,959)	12,447	-	-
Capitalisation of borrowing costs	(14,397)	(12,690)	-	-
Cash outflow for acquisition of property, plant and equipment	343,858	455,118	22	68

- (f) Included in property, plant and equipment of the Group are amounts of RM14,397,000 (2020: RM12,690,000) for borrowing costs capitalised at interest rates ranging from 3.88% to 4.32% (2020: 3.95% to 5.62%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

17. INTANGIBLE ASSETS

Group	Software RM'000	Operating right RM'000	Data cost RM'000	Trademark and brand name RM'000	Total RM'000
At 31 December 2021					
Cost					
At beginning of financial year	97,526	28,263	13,604	86	139,479
Additions	6,786	-	2,456	1	9,243
Transfers (to)/ from property, plant and equipment (Note 16)	(790)	-	88	-	(702)
Write-offs	(8,345)	-	-	-	(8,345)
Disposals	(30)	-	-	-	(30)
Loss of control of subsidiaries	(33,853)	-	-	-	(33,853)
Acquisition of subsidiaries	-	-	-	10	10
Effect of purchase price allocation	-	-	-	44,965	44,965
Exchange differences	10	-	-	-	10
At end of financial year	61,304	28,263	16,148	45,062	150,777
Accumulated amortisation					
At beginning of financial year	76,713	10,089	9,271	-	96,073
Amortisation charge for the year	8,562	-	1,810	-	10,372
Transfers from property, plant and equipment (Note 16)	146	-	-	-	146
Write-offs	(8,208)	-	-	-	(8,208)
Disposals	(17)	-	-	-	(17)
Loss of control of subsidiaries	(22,751)	-	-	-	(22,751)
Exchange differences	4	-	-	-	4
At end of financial year	54,449	10,089	11,081	-	75,619
Accumulated impairment loss					
At beginning/end of financial year	-	18,173	-	-	18,173
Net carrying amount	6,855	1	5,067	45,062	56,985

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

17. INTANGIBLE ASSETS (CONTD.)

Group	Software RM'000	Operating right RM'000	Data cost RM'000	Trademark and brand name RM'000	Total RM'000
At 31 December 2020					
Cost					
At beginning of financial year	76,577	28,468	-	104	105,149
Additions	7,203	-	1,817	-	9,020
Transfers from/(to) property, plant and equipment (Note 16)	184	(200)	-	-	(16)
Write-offs	(31)	-	-	(18)	(49)
Disposals	(454)	(5)	-	-	(459)
Acquisition of a subsidiary	14,070	-	11,787	-	25,857
Exchange differences	(23)	-	-	-	(23)
At end of financial year	97,526	28,263	13,604	86	139,479
Accumulated amortisation					
At beginning of financial year	56,996	10,147	-	-	67,143
Amortisation charge for the year	8,184	-	769	-	8,953
Transfers from/(to) property, plant and equipment (Note 16)	55	(58)	-	-	(3)
Disposals	(404)	-	-	-	(404)
Acquisition of a subsidiary	11,900	-	8,502	-	20,402
Exchange differences	(18)	-	-	-	(18)
At end of financial year	76,713	10,089	9,271	-	96,073
Accumulated impairment loss					
At beginning/end of financial year	-	18,173	-	-	18,173
Net carrying amount	20,813	1	4,333	86	25,233

Intangible assets with finite lives such as software, operating right and data costs are initially measured at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Intangible assets with finite lives are amortised on a straight line basis over the estimated economic useful lives.

Software

Software that does not form an integral part of the related hardware is treated as intangible asset with finite life and is amortised over its estimated useful life of 3 to 5 years.

Operating right

Operating right relates to the exclusive right granted by a third party to operate and manage the park and ride facilities in Sunway. Operating right has finite useful life and is amortised over its estimated useful life of 30 years.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

17. INTANGIBLE ASSETS (CONTD.)

Data cost

Data cost represents the database of corporate information used for the provision of credit reference, credit rating and other related services. Data cost has finite life and is amortised over its estimated useful life of 5 years.

Trademark and brand name

The costs of trademark and brand name acquired represent their fair values as at the date of acquisition. The useful lives of trademark and brand name are estimated to be indefinite because based on the current market share of the trademark and brand name, management believes there is no foreseeable limit to the period over which the trademark and brand name are expected to generate net cash flows to the Group. Trademark and brand name are stated at cost less any impairment losses. The carrying amounts of trademark and brand name are reviewed annually and adjusted for impairment where they are considered necessary.

The carrying amounts of trademark and brand name have been allocated to the CGU identified from the others segment-pharmaceutical. The recoverable amount of the CGU has been determined based on value-in-use calculations using cash flow projections derived from financial budgets approved by management. The disclosure of key inputs and assumptions are similar to the impairment assessment on the goodwill, which have been set out in Note 23 to the financial statements.

18. INVESTMENT PROPERTIES

	Group	
	2021 RM'000	2020 RM'000
Investment properties	1,973,600	1,817,396
Investment properties under construction	212,713	216,004
	2,186,313	2,033,400

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

18. INVESTMENT PROPERTIES (CONTD.)

Investment properties

	Group	
	2021 RM'000	2020 RM'000
At valuation		
At beginning of financial year	1,817,396	2,004,191
Additions	39,502	68,813
Transfers from/(to):		
- property, plant and equipment (Note 16)	2,191	-
- land held for development (Note 19(a))	-	(5,211)
- investment properties under construction	54,892	155,180
Fair value adjustments:		
- gains*	82,621	58,831
- losses	(35,321)	(60,908)
Disposal	-	(409,642)
Loss of control of subsidiaries [#]	5,000	-
Exchange differences	7,319	6,142
At end of financial year	1,973,600	1,817,396

* Pursuant to this, the fair value gains on investment properties are derived from gross fair value gains amounting to RM83,038,000 (2020: RM67,212,000) and an adjustment of RM417,000 (2020: RM8,381,000).

[#] Represent realisation of fair value adjustment following the partial divestment of SHH Group.

The investment properties consist of the following:

	Group	
	2021 RM'000	2020 RM'000
Long term leasehold land	292,365	229,221
Freehold land	135,865	127,299
Buildings	1,545,370	1,460,876
	1,973,600	1,817,396

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

18. INVESTMENT PROPERTIES (CONTD.)

The carrying amounts of the properties as at 31 December 2021 and 31 December 2020 were based on valuations carried out by C H Williams Talhar & Wong Sdn. Bhd., Knight Frank Malaysia Sdn. Bhd. and CBRE Limited. Fair value is determined primarily based on investment and comparison approaches. The fair value measurements of the investment properties are based on the highest and best use, which do not differ from their actual use.

Investment properties under construction

	Group	
	2021 RM'000	2020 RM'000
At cost		
At beginning of financial year	216,004	323,426
Additions	51,601	47,758
Transfers to:		
- investment properties	(54,892)	(155,180)
At end of financial year	212,713	216,004

The investment properties under construction consist of the following:

	Group	
	2021 RM'000	2020 RM'000
Long term leasehold land	99,614	97,822
Buildings	113,099	118,182
	212,713	216,004

- (a) Long term leasehold land represent right-of-use asset arising from lease arrangements that meet the definition of investment property.
- (b) Investment properties (excluding right-of-use assets) are initially measured at cost, including transaction costs. Investment properties under right-of-use assets are initially measured at costs, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases. Subsequent to initial recognition, investment properties are measured at fair value, which reflects market conditions at the end of the reporting period and changes in fair value are included in profit or loss. Fair value gain would be adjusted after taking into consideration of the difference in recognising the rental income on a straight-line basis over the lease term and rental income billed to the tenant in the current financial year, where applicable.

If the Group determines that the fair value of an investment property under construction is not reliably determinable but expects the fair value of the property to be reliably determinable when construction is complete, the Group shall measure that investment property under construction at cost until either its fair value becomes reliably determinable or construction is completed (whichever is earlier). Once the Group is able to measure reliably the fair value of an investment property under construction that has previously been measured at cost, the Group shall measure that property at its fair value.

External valuers are involved for valuation of significant assets. Selection criteria of external valuers include market knowledge, reputation, independence and whether professional standards are maintained. Management decides, after discussions with the external valuers of the Group, which valuation techniques and inputs to use for each case and compares changes in fair value with relevant external sources to determine whether the change is reasonable. Management also verifies major inputs by agreeing information in the valuation to contracts and other relevant documents.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

18. INVESTMENT PROPERTIES (CONTD.)

- (c) Interest expense capitalised during the financial year under investment properties under construction of the Group amounting to RM7,050,000 (2020: RM15,222,000) at interest rates ranging from 4.18% to 4.62% (2020: 3.35% to 5.90%) per annum.
- (d) The Group measures fair values using the fair value hierarchy that reflects the significance of the inputs used in making the measurements. The following table provides the fair value measurement hierarchy of the Group's investment properties:

Group	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
At 31 December 2021				
Investment properties:				
Commercial properties	-	68,956	264,807	333,763
Education properties	-	221,014	229,643	450,657
Leisure properties	-	2,475	12,050	14,525
Residential properties	-	1,023,748	-	1,023,748
Other properties	-	150,907	-	150,907
	-	1,467,100	506,500	1,973,600

At 31 December 2020

Investment properties:				
Commercial properties	-	71,155	209,147	280,302
Education properties	-	137,123	208,660	345,783
Leisure properties	-	2,475	12,100	14,575
Residential properties	-	998,871	-	998,871
Other properties	-	177,865	-	177,865
	-	1,387,489	429,907	1,817,396

Fair value reconciliation of investment properties measured at Level 3

	Commercial RM'000	Education RM'000	Leisure RM'000	Total RM'000
At 1 January 2021	209,147	208,660	12,100	429,907
Re-measurement recognised in other income/(expenses)				
- unrealised	603	20,094	(50)	20,647
Additions	433	727	-	1,160
Transfer from property, plant and equipment	-	162	-	162
Transfer from investment properties under construction	54,624	-	-	54,624
At 31 December 2021	264,807	229,643	12,050	506,500

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

18. INVESTMENT PROPERTIES (CONTD.)

- (d) The Group measures fair values using the fair value hierarchy that reflects the significance of the inputs used in making the measurements. The following table provides the fair value measurement hierarchy of the Group's investment properties: (contd.)

Fair value reconciliation of investment properties measured at Level 3 (contd.)

	Commercial RM'000	Education RM'000	Leisure RM'000	Total RM'000
At 1 January 2020	624,010	205,438	12,400	841,848
Re-measurement recognised in other (expenses)/income - unrealised	(5,221)	3,222	(300)	(2,299)
Disposal	(409,642)	-	-	(409,642)
At 31 December 2020	209,147	208,660	12,100	429,907

- (e) Description of valuation techniques used and key inputs to valuation on investment properties measured at Level 3:

Property category	Valuation technique	Significant unobservable inputs	Range	Inter-relationship
At 31 December 2021				
Commercial	Investment method	Estimated rental value per square feet per month	RM0.50 to RM49.31	Higher estimated rental, higher fair value.
		Estimated rental value per parking bay per month	RM95.00 to RM159.55	
		Estimated outgoings per square feet per month	RM1.25 to RM6.78	Higher estimated outgoings, lower fair value.
		Estimated outgoings per parking bay per month	RM14.25 to RM31.50	
	Cost method	Void allowance	5.00% to 10.00%	Higher range of inputs, lower fair value.
		Market yield rate	6.25% to 8.00%	
		Discount rate	6.50% to 7.25%	
		Difference in location, time factor, size, land usage, shape, tenure and main road frontage	-10.00% to 5.00%	Higher differential rate, lower fair value.
		Estimated replacement cost per square feet	RM100.00 to RM250.00	Higher estimated replacement cost, lower fair value.
		Depreciation rate	2.50%	Higher depreciation rate, lower fair value.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

18. INVESTMENT PROPERTIES (CONTD.)

- (e) Description of valuation techniques used and key inputs to valuation on investment properties measured at Level 3: (contd.)

Property category	Valuation technique	Significant unobservable inputs	Range	Inter-relationship
At 31 December 2021 (contd.)				
Education	Cost method	Difference in location, time factor, size, land usage, shape, tenure and main road frontage	-30.00% to -5.00%	Higher differential rate, lower fair value.
		Estimated replacement cost per square feet	RM240.00	Higher estimated replacement cost, lower fair value.
		Depreciation rate	13.00%	Higher depreciation rate, lower fair value.
	Investment method	Estimated replacement cost per square feet	RM212.00	Higher estimated replacement cost, lower fair value.
		Depreciation rate	1.50%	Higher depreciation rate, lower fair value.
Leisure	Investment method	Estimated rental value per square feet per month	RM1.57	Higher estimated rental, higher fair value.
		Estimated outgoings per square feet per month	RM0.08	Higher estimated outgoings, lower fair value.
	Cost method	Void allowance	5.00%	Higher range of inputs, lower fair value.
		Market yield rate	3.50% to 7.00%	
		Discount rate	7.00%	
		Difference in location, time factor, size, land usage, shape, tenure and main road frontage	-30.00% to -5.00%	Higher differential rate, lower fair value.
		Estimated replacement cost per square feet	RM90.00 to RM200.00	Higher estimated replacement cost, lower fair value.
		Depreciation rate	52.00% to 55.00%	Higher depreciation rate, lower fair value.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

18. INVESTMENT PROPERTIES (CONTD.)

- (e) Description of valuation techniques used and key inputs to valuation on investment properties measured at Level 3: (contd.)

Property category	Valuation technique	Significant unobservable inputs	Range	Inter-relationship
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At 31 December 2020

Commercial	Investment method	Estimated rental value per square feet per month	RM0.50 to RM49.31	Higher estimated rental, higher fair value.
		Estimated rental value per parking bay per month	RM95.00 to RM169.63	
		Estimated outgoings per square feet per month	RM1.20 to RM6.78	Higher estimated outgoings, lower fair value.
		Estimated outgoings per parking bay per month	RM14.25 to RM34.93	
		Void allowance	5.00% to 10.00%	Higher range of inputs, lower fair value.
		Market yield rate	6.25% to 8.00%	
		Discount rate	6.50% to 7.25%	
	Cost method	Difference in location, time factor, size, land usage, shape, tenure and main road frontage	-10.00% to 0.00%	Higher differential rate, lower fair value.
		Estimated replacement cost per square feet	RM80.00 to RM110.00	Higher estimated replacement cost, lower fair value.
		Depreciation rate	50.00%	Higher depreciation rate, lower fair value.
Education	Cost method	Difference in location, time factor, size, land usage, shape, tenure and main road frontage	-30.00% to 15.00%	Higher differential rate, lower fair value.
		Estimated replacement cost per square feet	RM230.00 to RM250.00	Higher estimated replacement cost, lower fair value.
		Depreciation rate	12.00% to 23.00%	Higher depreciation rate, lower fair value.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

18. INVESTMENT PROPERTIES (CONTD.)

- (e) Description of valuation techniques used and key inputs to valuation on investment properties measured at Level 3: (contd.)

Property category	Valuation technique	Significant unobservable inputs	Range	Inter-relationship
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At 31 December 2020 (contd.)

Leisure	Investment method	Estimated rental value per square feet per month	RM1.75	Higher estimated rental, higher fair value.
		Estimated outgoings per square feet per month	RM0.08	Higher estimated outgoings, lower fair value.
		Void allowance	5.00%	Higher range of inputs, lower fair value.
		Market yield rate	3.50% to 7.00%	
		Discount rate	7.00%	
	Cost method	Difference in location, time factor, size, land usage, shape, tenure and main road frontage	-30.00% to 30.00%	Higher differential rate, lower fair value.
		Estimated replacement cost per square feet	RM90.00 to RM200.00	Higher estimated replacement cost, lower fair value.
		Depreciation rate	48.00% to 53.00%	Higher depreciation rate, lower fair value.

- (f) Methods of valuation

Comparison method

The comparison/cost method of valuation entails separate valuations of the land and buildings to arrive at the market value of the subject property.

Under the comparison method, a property's fair value is estimated based on comparable transactions. This approach is based upon the principle of substitution under which a potential buyer would not pay more for the property than it would cost to buy a comparable substitute property. In theory, the best comparable sale would be an exact duplicate of the subject property and would indicate, by the known selling price of the duplicate, the price for which the subject property could be sold.

The land is valued by reference to transactions of similar lands in surrounding with adjustments made for differences in location, terrain, size and shape of the land, tenure, title restrictions, if any and other relevant characteristics.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

18. INVESTMENT PROPERTIES (CONTD.)

(f) Methods of valuation (contd.)

Comparison method (contd.)

Completed buildings are valued by reference to the current estimates on constructional costs to erect equivalent buildings, taking into consideration of similar accommodation in terms of size, construction, finishes contractors' overheads, fees and profits. Appropriate adjustments are then made for the factors of obsolescence and existing physical condition of the building.

Buildings under construction are valued by reference to the total development costs incurred to date plus profits expected from its designated usage, discounted to their present value at a discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

All investment properties valued using the comparison method are categorised as Level 2 in the fair value hierarchy.

Investment method

A property's fair value is estimated using explicit assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. As an accepted method within the income approach to valuation, the investment method involves the projection of a series of cash flows on a real property interest. To this projected cash flow series, an appropriate, market-derived discount rate is applied to establish the present value of the income stream associated with the real property.

The duration of the cash flow and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related lease up periods, re-letting, redevelopment, or refurbishment. The appropriate duration is typically driven by market behaviour that is a characteristic of the class of real property. In the case of investment properties, periodic cash flow is typically estimated as gross income less vacancy, non-recoverable expenses, collection losses, lease incentives, maintenance cost, agent and commission costs and other operating and management expenses. The series of periodic net operating incomes, along with an estimate of the terminal value anticipated at the end of the projection period, is then discounted.

Significant increases/(decreases) in estimated rental value and outgoings per annum in isolation would result in a significant higher/(lower) fair value of the properties. Significant increases/(decreases) in market yield and discount rate in isolation would result in a significantly lower/(higher) fair value.

Generally, a change in the assumption made for the estimated rental value is accompanied by a directionally similar change in the rent growth per annum and discount rate.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

19. INVENTORIES

	Note	Group 2021 RM'000	2020 RM'000 (Restated)
Non-current			
Land held for property development			
- At cost		1,669,818	1,794,192
- At net realisable value		1,308	1,308
	(a)	1,671,126	1,795,500
Current			
At cost:			
Properties held for sale		106,575	116,227
Trading inventories		283,631	315,503
Food and beverages		1,116	868
Consumables		2,430	2,143
Raw materials		38,465	26,631
Work in progress		5,874	3,752
Finished goods		131,154	109,101
		569,245	574,225
Property development costs	(b)	1,751,883	1,468,671
At net realisable value:			
Properties held for sale		126	976
Trading inventories		100,150	30,827
Raw materials		807	-
Work in progress		37	-
Finished goods		103	-
		101,223	31,803
		2,422,351	2,074,699
Non-current		1,671,126	1,795,500
Current		2,422,351	2,074,699
		4,093,477	3,870,199

(a) Land held for property development

Group	Freehold land RM'000	Long term leasehold land RM'000	Development costs RM'000	Total RM'000
At 31 December 2021				
At beginning of financial year	898,262	247,122	650,116	1,795,500
Additions	12,125	1,409	70,446	83,980
Net transfers to:				
- Property development costs (Note 19(b))	(61,990)	(41,654)	(104,710)	(208,354)
At end of financial year	848,397	206,877	615,852	1,671,126

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

19. INVENTORIES (CONTD.)

(a) Land held for property development (contd.)

Group	Freehold land RM'000	Long term leasehold land RM'000	Development costs RM'000	Total RM'000
At 31 December 2020				
At beginning of financial year	641,330	495,939	537,307	1,674,576
Additions	10,302	51,991	132,570	194,863
Reversal of land cost	(1,426)	-	-	(1,426)
Net transfers (to)/from:				
- Property development costs (Note 19(b))	(40,619)	(12,864)	(24,241)	(77,724)
- Investment properties (Note 18)	-	5,211	-	5,211
Reclassifications	288,675	(293,155)	4,480	-
At end of financial year	898,262	247,122	650,116	1,795,500

(b) Property development costs

Group	Freehold land RM'000	Long term leasehold land RM'000	Development costs RM'000	Cumulative costs recognised in profit or loss RM'000	Total RM'000
At 31 December 2021					
At beginning of financial year (as previously stated)	658,069	424,095	3,358,971	(2,947,121)	1,494,014
Effects of adoption of IFRIC Agenda Decision (Note 55)	-	-	(56,130)	30,787	(25,343)
At beginning of financial year (restated)	658,069	424,095	3,302,841	(2,916,334)	1,468,671
Costs incurred during the year	163,751	2,153	386,130	-	552,034
Reversal of land cost	(68,947)	-	-	-	(68,947)
Recognised during the year (Note 6)	-	-	-	(372,687)	(372,687)
Exchange differences	-	(4,759)	(30,346)	37,066	1,961
Net transfers from/(to):					
- Land held for property development (Note 19(a))	61,990	41,654	104,710	-	208,354
- Inventories - Properties held for sale	(619)	(60)	(3,702)	-	(4,381)
Reversal of completed projects	(4,634)	(122,754)	(581,123)	708,511	-
Over provision in prior years	-	(37)	(32,157)	(928)	(33,122)
Property development costs at end of financial year	809,610	340,292	3,146,353	(2,544,372)	1,751,883

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

19. INVENTORIES (CONTD.)

(b) Property development costs (contd.)

Group	Freehold land RM'000	Long term leasehold land RM'000	Development costs RM'000	Cumulative costs recognised in profit or loss RM'000	Total RM'000
At 31 December 2020 (Restated)					
At beginning of financial year (as previously stated)	707,902	443,184	3,225,416	(3,022,938)	1,353,564
Effects of adoption of IFRIC Agenda Decision (Note 55)	-	-	(40,076)	15,831	(24,245)
At beginning of financial year (restated)	707,902	443,184	3,185,340	(3,007,107)	1,329,319
Costs incurred during the year	19,114	3,077	308,897	-	331,088
Reversal of land cost	(31,646)	(6,149)	-	-	(37,795)
Recognised during the year (Note 6)	-	-	-	(231,875)	(231,875)
Exchange differences	-	(2,145)	(12,963)	16,704	1,596
Reclassifications	(76,721)	(5,767)	82,488	-	-
Net transfers from/(to):					
- Land held for property development (Note 19(a))	40,619	12,864	24,241	-	77,724
- Inventories - Properties held for sale	(360)	-	(1,026)	-	(1,386)
Reversal of completed projects	(839)	(20,969)	(284,136)	305,944	-
Property development costs at end of financial year	658,069	424,095	3,302,841	(2,916,334)	1,468,671

- (i) Long term leasehold land represents costs incurred as a consequence of having used the right-of-use assets to produce inventories during the financial year in accordance with MFRS 102 *Inventories*.
- (ii) Land held for property development is classified within non-current assets and is stated at lower of cost and net realisable value.
- (iii) Property development costs not recognised as an expense are recognised as an asset measured at lower of cost and net realisable value. The asset is subsequently credited over to profit or loss and recognised as an expense when the control of the asset is transferred to the customer.

The Group recognises in profit or loss the property development revenue and costs by reference to the progress towards complete satisfaction of that performance obligation at the reporting period. It is measured based on direct measurements of the value transferred by the Group to the customers and the Group's efforts or inputs to the satisfaction of the performance obligation. Significant judgement is required in determining the completeness and accuracy of the budgets and the extent of the costs incurred.

Substantial changes in cost estimates can have a significant effect on the profitability of the Group in future periods. In making the above judgement, the Group relies on past experience and work of specialists. Transaction price are determined based on estimated profit margins prior to its allocation to the identified performance obligations.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

19. INVENTORIES (CONTD.)

- (iv) Completed properties held for sale are stated at the lower of cost and net realisable value. Cost consists of cost associated with the acquisition of land, direct costs and appropriate proportions of common costs attributable for developing the properties until completion.
- (v) Costs of trading inventories, food and beverages and consumables are determined on a weighted average basis, while cost of raw material, work in progress and finished goods determined on a weighted average and first in, first out basis.
- (vi) The amount of inventories recognised as an expense during the financial year are included in the cost of sales of the Group as disclosed in Note 6 to the financial statements.
- (vii) A write down of inventories to net realisable value and write off of inventories of RM9,248,000 (2020: RM7,811,000) and RM1,386,000 (2020: RM696,000) respectively were made during the year.
- (viii) The Group reversed RM192,000 (2020: RM43,000) in respect of inventories written down in the previous financial years that were subsequently not required as the Group was able to sell those inventories above their carrying amounts.
- (ix) Interest expense capitalised under property development costs and land held for development costs of the Group amounted to RM21,938,000 (2020: RM30,806,000) and RM46,422,000 (2020: RM49,226,000) at interest rates ranging from 3.06% to 5.56% (2020: 3.07% to 5.90%) respectively.

20. INVESTMENTS IN SUBSIDIARIES

	Company	
	2021	2020
	RM'000	RM'000
At cost		
Unquoted ordinary shares	209,625	209,625
Unquoted preference shares	6,683,057	4,948,057
At fair value		
Quoted units in wholesale funds	331,601	362,140
	7,224,283	5,519,822

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

20. INVESTMENTS IN SUBSIDIARIES (CONTD.)

- (a) Investments in subsidiaries other than investments in quoted units in wholesale funds are stated in the separate financial statements of the Company at cost less impairment losses, if any.

Investments in quoted units in wholesale funds are classified as financial assets measured at fair value through profit or loss pursuant to MFRS 9 *Financial Instruments*. The fair value of quoted units in wholesale funds is categorised as Level 1 in the fair value hierarchy. There is no transfer between levels in the fair value hierarchy during the financial year.

- (b) All components of non-controlling interests shall be measured at their acquisition-date fair values, unless another measurement basis is required by MFRSs. The choice of measurement basis is made on a combination-by-combination basis. Subsequent to initial recognition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.
- (c) The Company and/or its subsidiaries review the investments in subsidiaries measured at cost for impairment when there is an indication of impairment.

The recoverable amounts of the investments in subsidiaries are assessed by reference to the fair value less cost to sell of the underlying assets or the value-in-use of the respective subsidiaries.

The value-in-use is the net present value of the projected future cash flows derived from the business operations of the respective subsidiaries discounted at an appropriate pre-tax discount rate. For such discounted cash flow method, it involves the use of estimated future results and a set of assumptions to support their income and cash flows. Judgement had also been used to determine the pre-tax discount rate for the cash flows and the future growth rate of the business of the entities.

- (d) The Group and the Company determined that their placements in wholesale funds are in substance, structured entities under their control in accordance with MFRS 10 *Consolidated Financial Statements*, taking into consideration their power over the wholesale funds, exposure or rights to variable returns from their involvement with the wholesale funds and their ability to use their power over the wholesale funds to affect the amount of their returns.

The Group and the Company invested in these wholesale funds with the objective of achieving short term to long term income for their treasury management purposes. The funds are managed by the respective fund managers, who apply various investment strategies to accomplish their respective investment objectives. Their operations are financed through the creation of investee fund units, which in turn entitle the holders to variable returns and fair values in the respective wholesale fund's net assets.

In relation to this, the Group and the Company hold 100% directly and indirectly in most of these wholesale funds as disclosed in Note 51 to the financial statements, which are all established in Malaysia. The Group and the Company are exposed to, or has rights to variable returns from their involvements in these funds. Accordingly, these funds are deemed as subsidiaries of the Group and of the Company and have been consolidated in the financial statements of the Group.

During the current financial year, the Company had net redemptions of units in its wholesale funds amounting to RM30,539,000 (2020: RM712,664,000).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)**20. INVESTMENTS IN SUBSIDIARIES (CONTD.)**

- (e) During the financial year, the Group completed the following subscriptions, acquisitions, incorporations of companies, partial divestment of subsidiaries and establishment of trust:
- (i) On 5 January 2021, Sunway City Sdn. Bhd. ("SunCity"), a wholly-owned subsidiary of the Company, had incorporated a new subsidiary known as Sunway Healthcare Holdings Sdn. Bhd. ("SHH") with paid-up share capital of RM2 comprising 2 ordinary shares. SunCity further subscribed for a total of 1,019,681,342 ordinary shares in SHH for RM1,424,188,932;
- (ii) On 15 March 2021, the Company had subscribed 10,000,000 Non-Cumulative Redeemable Preference Shares in the share capital of Sunway Services Sdn. Bhd. for a total cash consideration of RM10,000,000;
- (iii) On 26 April 2021, SunCity, a wholly-owned subsidiary of the Company had acquired a total of 1,096,000 ordinary shares, representing 0.84% equity interest in the share capital of Sunway Medical Centre Sdn. Bhd. for a total cash consideration of RM4,250,960;
- (iv) On 1 June 2021, Sunway Holdings Sdn. Bhd. ("SHSB"), a wholly-owned subsidiary of the Company, had incorporated a new subsidiary known as Sunway Innovation Sdn. Bhd. with paid-up share capital of RM100,000 comprising 100,000 ordinary shares;
- (v) On 21 May 2021, SHSB, a wholly-owned subsidiary of the Company had acquired 482,000 ordinary shares, representing 96.4% equity interest in Multicare Health Pharmacy Sdn. Bhd. for an indicative cash consideration of RM137,444,000, after having taken into consideration of time value of money, which are payable in three (3) tranches over 5 years as disclosed in Note 20(f) to the financial statements;
- (vi) On 21 May 2021, SHSB, a wholly-owned subsidiary of the Company had acquired a total of 2 ordinary shares, representing 66.67% equity interest in the share capital of Bnature Health Sdn. Bhd. for a total cash consideration of RM33,325;
- (vii) On 21 May 2021, SHSB, a wholly-owned subsidiary of the Company had acquired 100 ordinary shares, representing 100% equity interest in World Medicare Supplies Sdn. Bhd. for an indicative cash consideration of RM326,000, after having taken into consideration of time value of money, which are payable in three (3) tranches over five years as disclosed in Note 20(h) to the financial statements;
- (viii) On 3 August 2021, SHSB, a wholly-owned subsidiary of the Company had acquired 40,581 ordinary shares, representing 0.57% equity interest in the share capital of Sunway Winstar Sdn. Bhd. for a total cash consideration of RM638,088. On 4 October 2021, SHSB had further increased its equity stake to 98.85% following its acquisition of additional 1,343,489 ordinary shares in Sunway Winstar Sdn. Bhd. for a total cash consideration of RM22,132,418;
- (ix) On 13 August 2021, Sunway RE Capital Pte. Ltd., which is wholly-owned by SunCity, had established a private trust known as Sunway Residence Trust II ("SRT II") in Singapore with paid-up unit of GBP1 comprising 1 unit. On 15 October 2021, Sunway RE Capital Pte. Ltd. had subscribed for additional 23,599,999 units for a total cash consideration of GBP23,599,999;
- (x) On 19 August 2021, SRT II had incorporated a new subsidiary known as Sunway Residence (Singapore) Pte. Ltd. with paid-up share capital of GBP1 comprising 1 ordinary share;

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)**20. INVESTMENTS IN SUBSIDIARIES (CONTD.)**

- (e) During the financial year, the Group completed the following subscriptions, acquisitions, incorporations of companies, partial divestment of subsidiaries and establishment of trust: (contd.)
- (xi) On 10 September 2021, Sunway Residence (Singapore) Pte. Ltd. had incorporated a new subsidiary known as Sunway Residence (Guernsey) Holdings Limited with paid-up share capital of GBP1 comprising 1 ordinary share;
- (xii) On 10 September 2021, Sunway Residence (Guernsey) Holdings Limited had incorporated a new subsidiary known as Sunway Residence (Guernsey) 2 Limited with paid-up share capital of GBP1 comprising 1 ordinary share;
- (xiii) On 30 September 2021, Sunway RE Capital Advisors (SG) Pte. Ltd., a wholly-owned subsidiary of Sunway RE Capital Pte. Ltd., had incorporated a new subsidiary known as Sunway MBU RE Capital Advisors (UK) Limited with paid-up share capital of GBP1 comprising 1 ordinary share;
- (xiv) On 30 September 2021, the Company had subscribed 116,500 Non-Convertible Non-Cumulative Redeemable Preference Shares in the share capital of SunCity for a total cash consideration of RM1,165,000,000;
- (xv) On 11 October 2021, Sun SEA Capital Sdn. Bhd., a wholly-owned subsidiary of SHSB, had acquired 1 ordinary share, representing the entire equity interest in Orbit Capital (Malaysia) Sdn. Bhd. for cash consideration of RM1;
- (xvi) On 10 November 2021, Sunway Marketing Sdn. Bhd., a wholly-owned subsidiary of SHSB, had acquired 14,550,000 ordinary shares, representing 97% equity interest in Dongfeng Commercial Vehicle (Malaysia) Sdn. Bhd. for an indicative cash consideration of RM10,316,000, after having taken into consideration of time value of money, which are payable in two (2) tranches over two years as disclosed in Note 20(i) to the financial statements;
- (xvii) On 24 November 2021, the Company had subscribed 56,000 NCNCRPS in the share capital of SunCity for a total cash consideration of RM560,000,000; and
- (xviii) On 23 December 2021, Sunway Healthcare Holdings Sdn. Bhd., a wholly-owned subsidiary of SunCity, which in turn is a wholly-owned subsidiary of the Company, had been reclassified from a subsidiary to investment in a joint venture following the partial divestment as disclosed in Note 13 to the financial statements.
- (f) Acquisition of Multicare Health Pharmacy Sdn. Bhd. and its subsidiaries ("Multicare Group")
- On 21 May 2021, SHSB, a wholly-owned subsidiary of the Company had entered into a Sale and Purchase Agreement ("SPA") to acquire 482,000 ordinary shares, representing 96.4% equity interest in Multicare Group for an indicative cash consideration of RM137,444,000, after having taken into consideration of time value of money, which are payable in three (3) tranches over five years. The first tranche of the purchase consideration was completed on 4 June 2021 for cash consideration of RM53,894,000, and consequently Multicare Group became subsidiaries of the Group on 2 July 2021 upon the completion of the shares transferred. The final payment for the first tranche amounting to RM20,402,000 was completed on 13 January 2022.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

20. INVESTMENTS IN SUBSIDIARIES (CONTD.)

- (f) Acquisition of Multicare Health Pharmacy Sdn. Bhd. and its subsidiaries ("Multicare Group") (contd.)

The fair value and the carrying amounts of the identifiable assets and liabilities of Multicare Group as at the date of acquisition were as follows:

	Fair value recognised on acquisition RM'000	Carrying amount RM'000
Property, plant and equipment	19,033	18,860
Trademark	10	10
Brand name *	44,965	-
Inventories	54,556	54,556
Trade receivables	1,222	1,222
Other receivables	15,824	15,824
Cash and bank balances	25,163	25,163
Tax recoverable	103	103
	160,876	115,738
Trade payables	57,119	57,119
Other payables	181	181
Hire purchase and lease liabilities	12,178	12,178
Borrowings	2,653	2,653
	72,131	72,131
Total identifiable net assets	88,745	
Less: Non-controlling interest	(9,756)	
Share of net assets of the Group	78,989	
Goodwill on acquisition	58,455	
Total cost of acquisition	137,444	

* Represent fair value of intangible asset acquired and recognised in accordance with MFRS 3 Business Combinations.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

20. INVESTMENTS IN SUBSIDIARIES (CONTD.)

- (f) Acquisition of Multicare Health Pharmacy Sdn. Bhd. and its subsidiaries ("Multicare Group") (contd.)

The considerations transferred for the acquisition of Multicare Group are as follows:

	RM'000
Cash paid (first tranche)	53,894
Consideration not paid (first tranche)	20,402
Contingent considerations recognised as at acquisition date (second and third tranches)	63,148
Total considerations	137,444

The second and third tranches contingent considerations, which have been agreed upon as part of the SPA with the previous owners of Multicare Group are derived from fixed multiples of average profit after tax and non-controlling interest.

The fair value of the contingent considerations were estimated at RM63,148,000 at the acquisition date.

The effects of the acquisition on cash flows of the Group are as follows:

	RM'000
Total consideration for equity interest acquired (first tranche)	74,296
Less: Cash and cash equivalents of subsidiary acquired	(25,163)
Less: Adjustment of consideration not paid as at 31 December 2021	(20,402)
Net cash outflow of the Group on acquisition	28,731

- (g) Acquisition of Bnature Health Sdn. Bhd. ("Bnature")

On 21 May 2021, SHSB, a wholly-owned subsidiary of the Company had entered into a SPA to acquire 2 ordinary shares, representing 66.67% equity interest in Bnature for an indicative cash consideration of RM33,325. The purchase consideration was completed on 4 June 2021 and consequently Bnature became subsidiary of the Group on 2 July 2021 upon the completion of the shares transferred.

The fair value and the carrying amounts of the identifiable assets and liabilities of Bnature as at the date of acquisition were as follows:

	Fair value recognised on acquisition RM'000	Carrying amount RM'000
Property, plant and equipment	3	3
Trade receivables	455	455
Other receivables	216	216
Cash and bank balances	236	236
Tax recoverable	9	9
	919	919
Trade payables	255	255
Other payables	615	615
	870	870

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

20. INVESTMENTS IN SUBSIDIARIES (CONTD.)

(g) Acquisition of Bnature Health Sdn. Bhd. ("Bnature") (contd.)

The fair value and the carrying amounts of the identifiable assets and liabilities of Bnature as at the date of acquisition were as follows: (contd.)

	Fair value recognised on acquisition RM'000
Total identifiable net assets	49
Less: Non-controlling interest	(16)
Share of net assets of the Group	33
Goodwill on acquisition	-
Total cost of acquisition	33

The effects of the acquisition on cash flows of the Group are as follows:

	RM'000
Total consideration for equity interest acquired	33
Less: Cash and cash equivalents of subsidiary acquired	(236)
Net cash inflow of the Group on acquisition	(203)

(h) Acquisition of World Medicare Supplies Sdn. Bhd. ("World Medicare")

On 21 May 2021, SHSB, a wholly-owned subsidiary of the Company had entered into a SPA to acquire 100 ordinary shares, representing 100% equity interest in World Medicare for an indicative cash consideration of RM326,000, after having taken into consideration of time value of money, which are payable in three (3) tranches over five years. The first tranche of the purchase consideration was completed on 4 June 2021 for cash consideration of RM221,335, and consequently World Medicare became subsidiary of the Group on 2 July 2021 upon the completion of the shares transferred.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

20. INVESTMENTS IN SUBSIDIARIES (CONTD.)

(h) Acquisition of World Medicare Supplies Sdn. Bhd. ("World Medicare") (contd.)

The fair value and the carrying amounts of the identifiable assets and liabilities of World Medicare as at the date of acquisition were as follows:

	Fair value recognised on acquisition RM'000	Carrying amount RM'000
Property, plant and equipment	128	128
Trade receivables	476	476
Other receivables	32	32
Cash and bank balances	79	79
	715	715
Other payables	15	15
Tax payables	72	72
	87	87
Total identifiable net assets	628	
Negative goodwill on acquisition *	(302)	
Total cost of acquisition	(302)	

* The above acquisition resulted in a negative goodwill of RM302,000, which is recognised in the statements of profit or loss.

The considerations transferred for the acquisition of World Medicare are as follows:

	RM'000
Cash paid (first tranche)	221
Contingent considerations recognised as at acquisition date (second and third tranches)	105
Total considerations	326

The second and third tranches contingent considerations, which have been agreed upon as part of the SPA with the previous owners of World Medicare are derived from fixed multiples of average profit after tax.

The fair value of the contingent considerations were estimated at RM105,000 at the acquisition date.

The effects of the acquisition on cash flows of the Group are as follows:

	RM'000
Total consideration for equity interest acquired (first tranche)	221
Less: Cash and cash equivalents of subsidiary acquired	(79)
Net cash outflow of the Group on acquisition	142

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

20. INVESTMENTS IN SUBSIDIARIES (CONTD.)

(i) Acquisition of Dongfeng Commercial Vehicle (Malaysia) Sdn. Bhd. ("Dongfeng")

On 10 September 2021, Sunway Marketing Sdn. Bhd., a wholly-owned subsidiary of SHSB, which in turn is a wholly-owned subsidiary of the Company had entered into a Share Sales Agreement ("SSA") to acquire 14,550,000 ordinary shares, representing 97% equity interest in Dongfeng for an indicative cash consideration of RM10,316,000, after having taken into consideration of time value of money, which are payable in two (2) tranches over two years. The first tranche of the purchase consideration was completed on 10 November 2021 for cash consideration of RM8,388,000, and consequently Dongfeng became subsidiary of the Group. The final payment for the first tranche amounting to RM1,199,000 will be paid in the next financial year.

The fair value and the carrying amounts of the identifiable assets and liabilities of Dongfeng as at the date of acquisition were as follows:

	Fair value recognised on acquisition RM'000	Carrying amount RM'000
Property, plant and equipment	203	203
Inventories	10,703	10,703
Trade receivables	1,754	1,754
Other receivables	529	529
Cash and bank balances	563	563
	13,752	13,752
Trade payables	887	887
Other payables	2,058	2,058
Lease liabilities	35	35
	2,980	2,980
Total identifiable net assets	10,772	
Less: Non-controlling interest	(323)	
Share of net assets of the Group	10,449	
Negative goodwill on acquisition *	(158)	
Provision for contingent liability	25	
Total cost of acquisition	10,316	

* The above acquisition resulted in a negative goodwill of RM158,000, which is recognised in the statements of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

20. INVESTMENTS IN SUBSIDIARIES (CONTD.)

(i) Acquisition of Dongfeng Commercial Vehicle (Malaysia) Sdn. Bhd. ("Dongfeng") (contd.)

The considerations transferred for the acquisition of Dongfeng are as follows:

	RM'000
Cash paid (first tranche)	8,388
Consideration not paid (first tranche)	1,199
Contingent consideration recognised as at acquisition date (second tranche)	729
Total considerations	10,316

The second tranche contingent consideration, which has been agreed upon as part of the SSA with the previous owners of Dongfeng is derived from the aggregate net asset value per share of Dongfeng as at the end of the month immediately preceding the Second Completion Date multiplied by the total number of second tranche sale shares.

The effects of the acquisition on cash flows of the Group are as follows:

	RM'000
Total consideration for equity interest acquired (first tranche)	9,587
Less: Cash and cash equivalents of subsidiary acquired	(563)
Less: Adjustment of consideration not paid as at 31 December 2021	(1,199)
Net cash outflow of the Group on acquisition	7,825

(j) Loss of control of Sunway Healthcare Holdings Sdn. Bhd. ("SHH")

On 23 June 2021, SunCity, a wholly-owned subsidiary of the Company disposed partially of its equity interest held in SHH, a wholly-owned subsidiary of SunCity, which in turn is wholly-owned by the Company to Greenwood Capital Pte. Ltd. ("Greenwood") for a total cash consideration of RM750 million, which involved subscription of 100,000,000 ordinary shares, 10,000,000 Irredeemable Convertible Preference Shares and 1 Cumulative Irredeemable Dividend Convertible Preference Share in SHH by Greenwood, which collectively gives Greenwood a 16% equity interest in SHH on a fully converted basis subject to certain conditions in accordance with the Share Subscription Agreement ("SSA").

On 23 December 2021, SunCity had fulfilled the initial closing conditions as stipulated in the SSA resulting in Greenwood becoming a shareholder of SHH, and a Shareholders' Agreement ("SHA") was entered into between the Company, SunCity, SHH and Greenwood.

The financial effects of the above arrangement as at the date of loss of control were disclosed in Note 13 to the financial statements.

(k) The revenue and profit or loss of the acquirees in Note 20 (g), (h) and (i) for the financial year ended 31 December 2021 or since the date of acquisition did not have any material effect on the financial results of the Group. Multicare Group has contributed a total revenue of RM156,734,000 and profit of RM11,744,000 in the 6 months to 31 December 2021 and if the acquisition had occurred on 1 January 2021, management estimated that revenue of Multicare Group would have been RM278,672,000 and profit for the financial year ended 31 December 2021 of Multicare Group would have been RM20,935,000.

(l) The winding up and strike off of subsidiaries did not have any material effect on the financial results and position of the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

20. INVESTMENTS IN SUBSIDIARIES (CONTD.)

(m) Summarised information of companies with non-controlling interests that are material to the Group is set out below. The summarised financial information presented below is the amount before inter-company elimination. The non-controlling interests of the other companies are not material to the Group.

(i) Summarised statements of financial position

	Sunway PKNS Sdn. Bhd. Group RM'000	Sunway Semenyih Sdn. Bhd. RM'000	Sunway Construction Group Berhad Group RM'000	Kenanga MoneyExtra Fund II RM'000	Total RM'000
At 31 December 2021					
Non-current assets	183,689	121,333	849,419	-	1,154,441
Current assets	306,173	11,480	1,014,796	847,155	2,179,604
Total assets	489,862	132,813	1,864,215	847,155	3,334,045
Non-current liabilities	62,000	-	155,433	-	217,433
Current liabilities	47,909	292	992,011	1,990	1,042,202
Total liabilities	109,909	292	1,147,444	1,990	1,259,635
Net assets	379,953	132,521	716,771	845,165	2,074,410
Equity attributable to owners of the parent	231,913	94,208	391,070	433,772	1,150,963
Non-controlling interests	148,040	38,313	325,701	411,393	923,447
Total equity	379,953	132,521	716,771	845,165	2,074,410
At 31 December 2020					
Non-current assets	186,945	121,333	620,517	-	928,795
Current assets	314,252	10,578	1,285,546	471,398	2,081,774
Total assets	501,197	131,911	1,906,063	471,398	3,010,569
Non-current liabilities	65,482	-	73,460	-	138,942
Current liabilities	77,807	237	1,189,629	34	1,267,707
Total liabilities	143,289	237	1,263,089	34	1,406,649
Net assets	357,908	131,674	642,974	471,364	1,603,920
Equity attributable to owners of the parent	217,973	93,615	317,523	308,711	937,822
Non-controlling interests	139,935	38,059	325,451	162,653	666,098
Total equity	357,908	131,674	642,974	471,364	1,603,920

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

20. INVESTMENTS IN SUBSIDIARIES (CONTD.)

(m) (contd.)

(ii) Summarised statements of profit or loss and other comprehensive income

	Sunway PKNS Sdn. Bhd. Group RM'000	Sunway Semenyih Sdn. Bhd. RM'000	Sunway Construction Group Berhad Group RM'000	Kenanga MoneyExtra Fund II RM'000	Total RM'000
At 31 December 2021					
Revenue	38,749	-	1,729,155	16,242	1,784,146
Profit for the year	22,031	847	110,750	15,938	149,566
Other comprehensive income	-	-	1,143	-	1,143
Total comprehensive income	22,031	847	111,893	15,938	150,709
Profit attributable to:					
- owners of the parent	13,925	593	65,738	10,959	91,215
- non-controlling interests	8,106	254	45,012	4,979	58,351
Total comprehensive income attributable to:					
- owners of the parent	13,925	593	66,362	10,959	91,839
- non-controlling interests	8,106	254	45,531	4,979	58,870

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

20. INVESTMENTS IN SUBSIDIARIES (CONTD.)

(m) (contd.)

(ii) Summarised statements of profit or loss and other comprehensive income (contd.)

	Sunway PKNS Sdn. Bhd. Group RM'000	Sunway Semenyih Sdn. Bhd. RM'000	Sunway Construction Group Berhad RM'000	Kenanga MoneyExtra Fund II RM'000	Total RM'000
At 31 December 2020					
Revenue	9,894	-	1,552,652	22,754	1,585,300
(Loss)/Profit for the year	(476)	1,099	73,727	22,227	96,577
Other comprehensive income	-	-	2,400	-	2,400
Total comprehensive (loss)/income	(476)	1,099	76,127	22,227	98,977
(Loss)/Profit attributable to:					
- owners of the parent	(246)	769	39,933	14,407	54,863
- non-controlling interests	(230)	330	33,794	7,820	41,714
Total comprehensive (loss)/income attributable to:					
- owners of the parent	(246)	769	42,333	14,407	57,263
- non-controlling interests	(230)	330	33,794	7,820	41,714

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

20. INVESTMENTS IN SUBSIDIARIES (CONTD.)

(m) (contd.)

(iii) Summarised statements of cash flows

	Sunway PKNS Sdn. Bhd. Group RM'000	Sunway Semenyih Sdn. Bhd. RM'000	Sunway Construction Group Berhad RM'000	Kenanga MoneyExtra Fund II RM'000	Total RM'000
At 31 December 2021					
Net cash (used in)/generated from:					
- operating activities	(20,569)	801	238,710	14,753	233,695
- investing activities	(30,557)	(9,492)	(174,011)	100,785	(113,275)
- financing activities	(26,664)	-	(122,377)	360,109	211,068
Net (decrease)/increase in cash and cash equivalents	(77,790)	(8,691)	(57,678)	475,647	331,488
Effects of foreign exchange rates changes	-	-	438	-	438
Cash and cash equivalents at beginning of the year	83,745	9,921	117,838	190,593	402,097
Cash and cash equivalents at end of the year	5,955	1,230	60,598	666,240	734,023
At 31 December 2020					
Net cash (used in)/generated from:					
- operating activities	(18,982)	1,271	87,802	7,594	77,685
- investing activities	103,251	7,000	(173,177)	155,238	92,312
- financing activities	(4,924)	-	(147,295)	(48,008)	(200,227)
Net increase/(decrease) in cash and cash equivalents	79,345	8,271	(232,670)	114,824	(30,230)
Effects of foreign exchange rates changes	-	-	(110)	-	(110)
Cash and cash equivalents at beginning of the year	4,400	1,650	350,618	75,769	432,437
Cash and cash equivalents at end of the year	83,745	9,921	117,838	190,593	402,097

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

21. INVESTMENTS IN ASSOCIATES

	Group	
	2021 RM'000	2020 RM'000
Unquoted shares at cost	20,608	14,940
Quoted shares at cost	2,239,834	2,239,084
Perpetual note	340,000	340,000
Share of post-acquisition distributable reserves	322,066	308,505
Share of non-distributable reserves	31,138	29,522
Unrealised profit arising from sale of assets to associate	(89,269)	(87,174)
	2,864,377	2,844,877
Less: Accumulated impairment losses	(154,693)	(151,706)
	2,709,684	2,693,171
Dividend received	40,953	90,337
Market value of quoted shares	2,109,265	2,233,881

- (a) Investment in associate is stated at cost less accumulated impairment losses in the separate financial statements and it is accounted for using the equity method of accounting in the consolidated financial statements.
- (b) The financial year end of the associates are coterminous with those of the Group, except for Pyramid Bowl Sdn. Bhd., which has a financial year end of 31 March. Management account of this associate for the financial year ended 31 December 2021 has been used for the purpose of applying the equity method of accounting.
- (c) During the financial year, impairment losses of RM2,987,000 on investments in associates had been recognised within other expenses in the statements of profit or loss due to declining business operations.
- (d) Details of the associates are as follows:

Name of companies	Principal place of business/ Country of incorporation	Principal activities	Effective interest in equity	
			2021 %	2020 %
(i) Associate of Sunway City (S'pore) Pte. Ltd.				
Sunway MAK International Private Limited #	India	Property development	26.35	26.35
(ii) Associate of Sunway Leisure Sdn. Bhd.				
Pyramid Bowl Sdn. Bhd. #	Malaysia	Bowling alley operator	40	40
(iii) Associates of Sunway Holdings Sdn. Bhd.				
Sungei Way-Saigon-Pilecon Engineering Company #	Vietnam	Dormant	42.3	42.3

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

21. INVESTMENTS IN ASSOCIATES (CONTD.)

- (d) Details of the associates are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	Effective interest in equity	
			2021 %	2020 %
(iii) Associates of Sunway Holdings Sdn. Bhd. (contd.)				
Monumental Productions Sdn. Bhd. ("Monumental Productions")	Malaysia	Investing and acquiring social media channels and providing advertising consultancy services and other advisory services on social media channels	37.33	37.33
(iv) Associate of Fortuna Gembira Enterpris Sdn. Bhd.				
Gopeng Berhad # ("Gopeng")	Malaysia	Cultivation of oil palm, investment holding and property development	19.33	19.33
(v) Associate of Sunway Marketing Sdn. Bhd.				
Buildtrend B.S.G. (M) Sdn. Bhd. #	Malaysia	Distribution of architectural building products and sanitary wares	30	30
(vi) Associate of Sunway Builders Sdn. Bhd.				
ISZL Consortium #	Unincorporated Abu Dhabi	Construction	13.64	13.64
(vii) Associate of Sunway REIT Holdings Sdn. Bhd.				
Sunway Real Estate Investment Trust ("Sunway REIT")	Malaysia	Investment in real estate	40.89	40.89
(viii) Associates of Sunway RE Capital Pte. Ltd.				
Elite Commercial REIT #@ ("Elite REIT")	Singapore	Investment in real estate	5.76	8.14

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

21. INVESTMENTS IN ASSOCIATES (CONTD.)

(d) Details of the associates are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	Effective interest in equity	
			2021 %	2020 %
(viii) Associates of Sunway RE Capital Pte. Ltd. (contd.)				
Elite Commercial REIT Management Pte. Ltd. # ("Elite REIT Manager")	Singapore	Managing and administering real estate investment trust	15	15
(ix) Associate of Sunway City Sdn. Bhd.				
Superseed II Ventures (Malaysia) Sdn. Bhd. ^	Malaysia	Provision of fund management	44	-
Orbit Malaysia Fund 1, L.P. ("Orbit Malaysia Fund") ^^	Malaysia	Provision of fund management	50	-

[#] Audited by firms of auditors other than BDO in Malaysia and BDO Member Firms.

^{*} Despite the Group held 50% equity interest in Orbit Malaysia Fund, the Group does not have the substantive rights and power to direct the relevant activities nor it has any joint control on the arrangement. Thus, the Group has treated its interest in Orbit Malaysia Fund as an associate, considering its power to exercise significant influence.

[@] The dilution of the Group's effective equity interest in Elite REIT is due to the issuance of new units under Elite REIT's Distribution Reinvestment Plan on 24 September 2021.

[^] The results are consolidated based on the unaudited financial statements.

(e) Significant influence is presumed to not exist when an entity hold less than 20% of the voting rights of another entity, unless it can be clearly demonstrated otherwise.

The Group holds a nineteen point three three percent (19.33%) interest in Gopeng for which the Group has determined that it holds significant influence as the Group has two representatives on the Board of Directors of Gopeng, who are able to participate in policy-making processes, including participation in decisions about dividends or other distributions.

The Group holds a five point seven six percent (5.76%) interest in Elite REIT for which the Group has determined that it holds significant influence as the Group has a representative on the Board of Directors of Elite REIT, who is able to participate in policy-making processes, including participation in decisions about dividends or other distributions.

The Group holds a fifteen percent (15%) interest in Elite REIT Manager for which the Group has determined that it holds significant influence as the Group has a representative on the Board of Directors of Elite REIT Manager, who is able to participate in policy-making processes, including participation in decisions about dividends or other distributions.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

21. INVESTMENTS IN ASSOCIATES (CONTD.)

(e) (contd.)

The Group holds a thirteen point six four percent (13.64%) interest in ISZL Consortium for which the Group has determined that it holds significant influence as the Group has a representative on the Board of Directors of ISZL Consortium, who is able to participate in policy-making processes, including participation in decisions about dividends or other distributions.

Based on these, the Group considers that it has the power to exercise significant influence and has treated its interests in Gopeng, Elite REIT, Elite REIT Manager and ISZL Consortium as associates.

(f) The Group assessed whether there are any indications of impairment during the financial year. In doing this, management considered the current environments, taking into consideration the impact of COVID-19 pandemic and performance of CGUs. Management has considered the drop in market values of quoted shares in certain associates in the current financial year as impairment indications.

The recoverable amount of a CGU is determined based on value-in-use calculations using cash flow projections derived from financial budgets approved by management.

Management has made estimates about future results and key assumptions applied to cash flow projections of the CGUs. These key assumptions are applied to cash flow projections of the CGUs and include forecast growth in future revenues and operating profit margins, as well as determining appropriate pre-tax discount rates and growth rates.

The market values of the Group's investment in Sunway REIT, Gopeng and Elite REIT (collectively known as "Listed Associates") are below the carrying amounts of the Group's interest in the Listed Associates as at 31 December 2021. Nevertheless, the carrying amounts are supported by the net assets of these associates as well as future cash flows to be generated by these associates. Management has determined that the recoverable amounts of these investments in associates exceed their carrying amounts and with the relatively resilient fundamentals of these associates, the Group is of the view that the carrying amounts of the investments in associates are recoverable and should not be impacted by the fluctuation of the share price of these associates, therefore no further impairment loss is required at this juncture. The average pre-tax discount rates applied on the cash flow projections in determining the recoverable amounts range from 7.0% to 7.5% (2020: 3.9% to 6.2%).

(g) During the financial year, the Group completed the following acquisitions and subscription of shares/units:

(i) On 22 January 2021, Sunway City Sdn. Bhd. ("SunCity"), a wholly-owned subsidiary of the Company had subscribed for 53,265 redeemable preference shares ("RPS") and 44 ordinary shares in the share capital of Superseed II Ventures (Malaysia) Sdn. Bhd. (formerly known as Gobi Superseed II Sdn. Bhd.), for a total cash consideration of RM533,000. SunCity further subscribed for additional 305,108 RPS from 16 February 2021 to 17 September 2021 for a total cash consideration of RM3,051,000;

(ii) On 27 May 2021, SunCity had injected RM2,084,000 into Orbit Malaysia Fund; and

(iii) On 12 August 2021, Sunway RE Capital Pte. Ltd., a wholly-owned subsidiary of SunCity, had acquired additional 75,000 units in Elite REIT as consideration for the repayment of shareholder loan by Elite REIT Manager for cash consideration of GBP50,250 (equivalent to RM278,000). On 10 November 2021, Sunway RE Capital Pte. Ltd. had further acquired 124,572 units for cash consideration of GBP83,463 (equivalent to RM472,000).

(h) The details of the Group's proportionate share of contingent liability in relation to a material litigation of Sunway REIT are disclosed in Note 49(b) to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

(i) Summarised financial information in respect of each of the material associates of the Group is set out below. The summarised financial information represents the amounts in the financial statements of the associates and not share of the Group of those amounts.

(ii) Summarised statements of financial position

	Sunway REIT			Elite REIT			Gopeng			Total		
	2021	2020		2021	2020		2021	2020		2021	2020	
	RM'000	RM'000		RM'000	RM'000		RM'000	RM'000		RM'000	RM'000	
Non-current assets	8,750,686	8,574,068		2,832,821	1,717,042		231,110	222,228		11,814,617	10,513,338	
Current assets	399,787	557,707		177,859	115,811		77,731	91,992		655,377	765,510	
Total assets	9,150,473	9,131,775		3,010,680	1,832,853		308,841	314,220		12,469,994	11,278,848	
Non-current liabilities	1,881,024	2,288,517		1,254,760	593,679		29,782	29,710		3,165,566	2,911,906	
Current liabilities	1,804,239	1,404,465		124,493	43,524		1,859	5,120		1,930,591	1,453,109	
Total liabilities	3,685,263	3,692,982		1,379,253	637,203		31,641	34,830		5,096,157	4,365,015	
Net assets	5,465,210	5,438,793		1,631,427	1,195,650		277,200	279,390		7,373,837	6,913,833	

(ii) Summarised statements of profit or loss and other comprehensive income

	Sunway REIT		Elite REIT		Gopeng		Total	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Revenue	472,345	448,938	198,901	113,467	10,762	6,170	682,008	568,575
Profit/(Loss) before tax	126,740	119,175	(19,305)	142,560	(6,073)	(2,264)	101,362	259,471
Profit/(Loss) for the year	127,590	120,075	(27,152)	115,720	(6,073)	(2,338)	94,365	233,457
Total comprehensive income/(loss)	128,610	120,093	(13,955)	133,308	3,189	(2,338)	117,844	251,063

21. INVESTMENTS IN ASSOCIATES (CONTD.)

(i) (contd.)

(iii) Reconciliation of the summarised financial information presented above to the carrying amount of the interest in associates of the Group

	Sunway REIT		Elite REIT		Gopeng		Total	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Net assets at 1 January	5,438,793	4,801,274	1,195,650	561,496	279,390	288,453	6,913,833	5,651,223
Capital injection	-	706,123	542,485	699,013	-	-	542,485	1,405,136
Capital reduction	(86)	-	-	(99,816)	-	-	(86)	(99,816)
Comprehensive income/(loss) for the year	128,610	120,093	(13,955)	133,308	3,189	(2,338)	117,844	251,063
Dividend paid during the year	(82,195)	(168,753)	(92,753)	(98,351)	(5,379)	(6,725)	(180,327)	(273,829)
Distribution to perpetual note holders	(19,912)	(19,944)	-	-	-	-	(19,912)	(19,944)
Net assets at 31 December	5,465,210	5,438,793	1,631,427	1,195,650	277,200	279,390	7,373,837	6,913,833
Remeasurement gain*	352,960	352,960	-	-	-	-	352,960	352,960
Net assets after remeasurement gain at 31 December	5,818,170	5,791,753	1,631,427	1,195,650	277,200	279,390	7,726,797	7,266,793
Interest in associates as at year end	40.89%	40.89%	5.76%	8.14%	19.33%	19.33%	-	-
Elimination of gain on disposal of assets to an associate	2,379,050	2,368,248	93,970	97,326	53,583	54,006	2,526,603	2,519,580
Goodwill	(77,761)	(77,761)	-	-	-	-	(77,761)	(77,761)
Effects arising from perpetual note financing and related distribution	524	524	9,955	9,955	-	-	10,479	10,479
Impairment loss	201,103	201,103	-	-	-	-	201,103	201,103
Effect arising from change of shareholding	-	-	-	-	(1,898)	-	(1,898)	-
Carrying value of Group's interest in associates	28,325	28,325	(5)	555	-	-	28,320	28,880
Market value of quoted shares	2,531,241	2,520,439	103,920	107,836	51,685	54,006	2,686,846	2,682,281
	1,974,416*	2,100,442*	102,873	98,864	31,976	34,575	2,109,265	2,233,881

* *Effects of remeasurement gain on the retained interest of the Group in the associate as at the date of the former subsidiary becoming an associate.*

^A Excludes the Group's investment in perpetual note of the associate.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

22. INVESTMENTS IN JOINT VENTURES

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
		(Restated)		
Unquoted shares at cost	4,969,102*	915,626	800	800
Medium term notes	299,000	-	-	-
Premium on acquisition	10,748	10,748	-	-
Equity contribution				
- in respect of land held for property development	5,898	5,898	-	-
Quasi-equity loan	846,916	577,245	-	-
Less: Impairment loss	(1,696)	(848)	-	-
	845,220	576,397	-	-
Share of post-acquisition reserves	30,146	129,329	-	-
Share of non-distributable reserves	66,287	49,153	-	-
Unrealised profit arising from construction project in joint ventures	(13,238)	(9,177)	-	-
	6,213,163	1,677,974	800	800
Less: Accumulated impairment losses	(21,180)	(21,180)	-	-
	6,191,983	1,656,794	800	800
Dividend received	110,275	101,194	16,400	19,840

* Included the fair value of the remaining 84% equity interest in SHH Group arising from the partial divestment of 16% equity interest of RM3,956,348,000 as disclosed in Note 13 to the financial statements.

- (a) Investments in joint ventures are stated at cost in the separate financial statements. The Group recognises its interests in joint ventures as investments and accounts for that investments using the equity method.
- (b) The Group has determined that all of its joint arrangements structured through separate vehicles provide rights to the net assets and are therefore, classified as joint ventures, except as disclosed in Note 52 to the financial statements.
- (c) Quasi-equity loan are unsecured, interest-free and the settlements are neither planned nor likely to occur in the foreseeable future.
- (d) Impairment for quasi-equity loan are recognised based on the general approach within MFRS 9 using the forward looking expected credit loss ("ECL") model as disclosed in Note 26(d) to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

22. INVESTMENTS IN JOINT VENTURES (CONTD.)

(d) (contd.)

The reconciliation of movements in allowance for impairment accounts of quasi-equity loan is as follows:

	Group	
	12 months ECL	
	2021	2020
	RM'000	RM'000
At beginning of financial year	848	921
Charge for the year	838	-
Reversal of impairment losses	-	(76)
Exchange differences	10	3
At end of financial year	1,696	848

(e) Details of the joint ventures are as follows:

Name of joint ventures	Principal place of business/ Country of incorporation	Principal activities	Effective interest in equity	
			2021	2020
			%	%
Joint venture with Sunway Berhad				
Sunway REIT Management Sdn. Bhd.^	Malaysia	Managing and administering real estate investment trust	80	80
Joint ventures with Sunway City Sdn. Bhd. Group				
Sunway SPK Homes Sdn. Bhd.	Malaysia	Property development	50	50
Sunway Opus International Private Limited #	India	Property development	50	50
SunCity Medallion J.V.	Unincorporated Malaysia	Property development	50	50
Eastern Creek Stage 3 #	Unincorporated Australia	Property development	50	50
Tianjin Eco-City Sunway Property Development Co. Ltd. ("Tianjin Eco-City") ^	China	Property development	60	60
Sunway Iskandar Sdn. Bhd.^	Malaysia	Property development	60	60
Sunway Iskandar Development Sdn. Bhd.^	Malaysia	Property development	60	60
Sunway Artessa Sdn. Bhd.^	Malaysia	Property development	55	55
Sunway Velocity Two Sdn. Bhd.^	Malaysia	Property development	60	50
Sunway Velocity Mall Sdn. Bhd.^	Malaysia	Letting, management of shopping complex and car park operator	59	59
Sunway Velocity Hotel Sdn. Bhd.^	Malaysia	Hotel operations	59	59

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

22. INVESTMENTS IN JOINT VENTURES (CONTD.)

(e) Details of the joint ventures are as follows: (contd.)

	Principal place of business/ Country of incorporation		Effective interest in equity	
Name of joint ventures		Principal activities	2021 %	2020 %
Joint ventures with Sunway City Sdn. Bhd. Group (contd.)				
Sunway Pristine Laundry Sdn. Bhd.^	Malaysia	Provision of laundry services	70	70
Sunway Healthcare Holdings Sdn. Bhd.^*	Malaysia	Investment holding	84	-
Subsidiaries of Sunway Healthcare Holdings Sdn. Bhd.				
Paradigm Fairview Sdn. Bhd.^	Malaysia	Dormant	84	-
Platinum Greenway Sdn. Bhd.^	Malaysia	Dormant	84	-
Sunway Iskandar Medical Centre Sdn. Bhd.^	Malaysia	Dormant	84	-
Sunway Medical Centre (Singapore) Pte. Ltd.^	Singapore	Provision of medical consultation services and facilities services	84	-
Sunway Medical Centre Ipoh Sdn. Bhd.^	Malaysia	Dormant	84	-
Sunway Medical Centre Kota Bharu Sdn. Bhd.^	Malaysia	Dormant	84	-
Sunway Medical Centre Sdn. Bhd.^	Malaysia	Operation of a medical centre	84	-
Sunway Specialist Centre Sdn. Bhd.^	Malaysia	Provision of outpatient care services including diagnosis, observation, consultation, treatment, surgery, intervention and rehabilitation services on a day care basis	84	-
SunMed Velocity Sdn. Bhd.^	Malaysia	Operation of a medical centre	84	-
Sunway Senior Living Sdn. Bhd.^	Malaysia	Provision of a wide range of facilities and services for persons in need of senior living care and assistance	84	-
Alliance Parade Sdn. Bhd.^	Malaysia	Dormant	84	-
Sunway Healthcare Treasury Sdn. Bhd.^ (Formerly known as Frontier Acres Sdn. Bhd.)	Malaysia	Provision of financial and treasury services to its related companies	84	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

22. INVESTMENTS IN JOINT VENTURES (CONTD.)

(e) Details of the joint ventures are as follows: (contd.)

Name of joint ventures	Principal place of business/ Country of incorporation	Principal activities	Effective interest in equity	
			2021 %	2020 %
Subsidiaries of Sunway Medical Centre Sdn. Bhd.				
SunMed@Home Sdn. Bhd.^	Malaysia	Provision of nursing care and operation of traditional and complementary medicine centre	84	-
SunMed Clinics Sdn. Bhd.^	Malaysia	Provision of medical consultation services and facility services	84	-
Joint ventures with Sunway Holdings Sdn. Bhd. Group				
Hoi Hup Sunway Development Pte. Ltd.^@	Singapore	Real estate development	-	30
Hoi Hup Sunway J.V. Pte. Ltd.^@	Singapore	Real estate development	30	30
Hoi Hup Sunway Property Pte. Ltd.^@	Singapore	Real estate activities with own or leased property	30	30
Hoi Hup Sunway Miltonia Pte. Ltd.^@	Singapore	Real estate developer	30	30
Hoi Hup Sunway Pasir Ris Pte. Ltd.^@	Singapore	Real estate developer	30	30
Hoi Hup Sunway Tampines Pte. Ltd.^@	Singapore	Real estate developer	30	30
Hoi Hup Sunway Yuan Ching Pte. Ltd.^@	Singapore	Real estate developer	30	30
Hoi Hup Sunway Mount Sophia Pte. Ltd.^@	Singapore	Real estate developer	30	30
Hoi Hup Sunway Sengkang Pte. Ltd.^@	Singapore	Real estate developer	30	30
Hoi Hup Sunway Clementi Pte. Ltd.^@	Singapore	Real estate developer	30	30
Hoi Hup Sunway Canberra Pte. Ltd.^@	Singapore	Real estate developer	35	35

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

22. INVESTMENTS IN JOINT VENTURES (CONTD.)

(e) Details of the joint ventures are as follows: (contd.)

Name of joint ventures	Principal place of business/ Country of incorporation	Principal activities	Effective interest in equity	
			2021 %	2020 %
Joint ventures with Sunway Holdings Sdn. Bhd. Group (contd.)				
Hoi Hup Sunway Tampines J.V. Pte. Ltd. ^{#@}	Singapore	Real estate developer	35	35
Hoi Hup Sunway Katong Pte. Ltd. ^{#@}	Singapore	Real estate developer	30	-
Hoi Hup Sunway Kent Ridge Pte. Ltd. ^{#@}	Singapore	Real estate developer	30	-
Daksina Harta Sdn. Bhd. [^]	Malaysia	Property development and property investment	60	60
Blacktop Lanchang Sdn. Bhd.	Malaysia	Premix plant operator and marketing of bituminous premix	50	50
Joint venture of Sunway Marketing Sdn. Bhd.				
Sunway MKH Marketing Sdn. Bhd. [^]	Malaysia	Trading and supply of building materials	51	-
Joint venture of Sunway Resort Hotel Sdn. Bhd.				
Sunway Resort Clinic Sdn. Bhd.	Malaysia	Dormant	50	-
Joint ventures of Sunway Construction Sdn. Bhd.				
IJM Sunway Sdn. Bhd. ^{#^}	Malaysia	Investment holding	27.28	27.28
HL - Sunway JV Pte. Ltd. ^{#^}	Singapore	Manufacturing and sale of precast concrete components	26.73	26.73
GME - SE Joint Venture (STW) ^{#^}	Unincorporated Malaysia	Provision of mechanical and engineering works	27.28	27.28
Sunway Aneka Pertama Geotechnics (PH) Inc. ^{#^}	Philippines	Construction	23.46	23.46

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

22. INVESTMENTS IN JOINT VENTURES (CONTD.)

(e) Details of the joint ventures are as follows: (contd.)

Name of joint ventures	Principal place of business/ Country of incorporation	Principal activities	Effective interest in equity	
			2021 %	2020 %
Subsidiaries of Sunway Iskandar Sdn. Bhd.				
Sunway Marketplace Sdn. Bhd.^	Malaysia	Property development	60	60
Sunway Parkview Sdn. Bhd.^	Malaysia	Property development	60	60
Sunway Seafront Sdn. Bhd.^	Malaysia	Property development	60	60
Sunway Nursery and Landscape Sdn. Bhd.^	Malaysia	Nursery and landscaping	30	30
Sunway Big Box Sdn. Bhd.^	Malaysia	Letting, management of shopping complex and car park operator	60	60
Sunway BigBox Hotel Sdn. Bhd.^	Malaysia	Operation of business of hotel, restaurant, ballroom bar and all other related activities in relation to the operation of a hotel	60	60
Subsidiary of Sunway Iskandar Development Sdn. Bhd.				
Sunway Supercar Resort Sdn. Bhd.^	Malaysia	Multipurpose sport activities centre	60	-
Associate of Sunway Iskandar Sdn. Bhd.				
Daiwa Sunway Development Sdn.Bhd.^a	Malaysia	Property development	18	18

[#] Audited by firms of auditors other than BDO in Malaysia and BDO Member Firms.

[@] These group of entities are collectively known as Hoi Hup Group and are considered joint ventures as the Group and the venturers have joint control and have rights to the net assets of the arrangements.

[^] These entities are considered joint ventures as the Group and the venturers have joint control and have rights to the net assets of the arrangements.

^{*} This relates to the remaining 84% equity interest held after the partial divestment of 16% equity interest as disclosed in Note 13 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

22. INVESTMENTS IN JOINT VENTURES (CONTD.)

(f) Summarised information of joint ventures that are material to the Group is set out below. The summarised information represents the amounts in the financial statements of the joint ventures (translated to Ringgit Malaysia, where applicable, based on exchange rates as at the end of the reporting period) and not share of the Group of those amounts. The other joint ventures are not material to the Group.

(i) Summarised statements of financial position

At 31 December 2021	Hoi Hup Group RM'000	Sunway Iskandar Sdn. Bhd. RM'000	Tianjin Eco-City RM'000	Sunway Iskandar Development Sdn. Bhd. RM'000	Sunway REIT Management Sdn. Bhd. RM'000	Sunway Healthcare Holdings Sdn. Bhd. RM'000	Total RM'000
Non-current assets	40,886	1,298,887	253	655,137	678	1,569,967	3,565,808
Cash and cash equivalents	484,124	117,706	93,843	48	102	261,092	956,915
Other current assets	4,232,843	705,217	484,008	1,746	7,695	297,737	5,729,246
Current assets	4,716,967	822,923	577,851	1,794	7,797	558,829	6,686,161
Total assets	4,757,853	2,121,810	578,104	656,931	8,475	2,128,796	10,251,969
Current liabilities (excluding trade and other payables and provisions)	51,410	4,943	-	55	2,711	82,267	141,386
Trade and other payables and provisions	128,572	587,150	84,953	2,379	1,938	296,869	1,101,861
Total current liabilities	179,982	592,093	84,953	2,434	4,649	379,136	1,243,247
Non-current liabilities	4,485,361	993,789	-	471,361	267	303,792	6,254,570
Total liabilities	4,665,343	1,585,882	84,953	473,795	4,916	682,928	7,497,817
Non-controlling interests	-	1,016	-	-	-	-	1,016
Net assets	92,510	534,912	493,151	183,136	3,559	1,445,868	2,753,136

22. INVESTMENTS IN JOINT VENTURES (CONTD.)

(f) (contd.)

(i) Summarised statements of financial position (contd.)

At 31 December 2020	Hoi Hup Group RM'000	Sunway Iskandar Sdn. Bhd. RM'000 (Restated)	Tianjin Eco-City RM'000	Sunway Iskandar Development Sdn. Bhd. RM'000	Sunway REIT Management Sdn. Bhd. RM'000	Total RM'000 (Restated)
Non-current assets	22,998	1,159,806	387	626,632	925	1,810,748
Cash and cash equivalents	240,177	90,230	139,285	158	207	470,057
Other current assets	4,795,379	695,867	481,004	3,140	6,121	5,981,511
Current assets	5,035,556	786,097	620,289	3,298	6,328	6,451,568
Total assets	5,058,554	1,945,903	620,676	629,930	7,253	8,262,316
Current liabilities (excluding trade and other payables and provisions)	52,820	102,795	-	1,050	2,996	159,661
Trade and other payables and provisions	66,973	67,797	159,757	659	967	296,153
Total current liabilities	119,793	170,592	159,757	1,709	3,963	455,814
Non-current liabilities	4,599,918	1,199,104	-	443,780	434	6,243,236
Total liabilities	4,719,711	1,369,696	159,757	445,489	4,397	6,699,050
Non-controlling interests	-	1,048	-	-	-	1,048
Net assets	338,843	575,159	460,919	184,441	2,856	1,562,218

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22. INVESTMENTS IN JOINT VENTURES (CONTD.)

(f) (contd.)

(ii) Summarised statements of profit or loss and other comprehensive income

At 31 December 2021	Hoi Hup Group RM'000	Sunway Iskandar Sdn. Bhd. RM'000	Tianjin Eco-City RM'000	Sunway Iskandar Development Sdn. Bhd. RM'000	Sunway REIT Management Sdn. Bhd. RM'000	Sunway Healthcare Holdings Sdn. Bhd. RM'000	Total RM'000
Revenue	33,752	136,510	35,637	-	36,631	815,114	1,057,644
Depreciation and amortisation	-	(5,413)	(84)	(44)	(324)	(85,694)	(91,559)
Interest income	25	7,043	3,175	-	116	12,939	23,298
Interest expense	-	(28,418)	-	(6)	(30)	(22,476)	(50,930)
Profit/(Loss) before tax	6,553	(39,593)	5,902	(1,305)	27,919	102,273	101,749
Income tax expense	(406)	(690)	(1,458)	-	(6,716)	2,097	(7,173)
Profit/(Loss) after tax	6,147	(40,283)	4,444	(1,305)	21,203	104,370	94,576
Other comprehensive income	4,638	-	27,788	-	-	-	32,426
Total comprehensive income/(loss)	10,785	(40,283)	32,232	(1,305)	21,203	104,370	127,002
Dividend received from joint venture during the year	82,700	-	-	-	16,400	-	99,100
Profit/(Loss) after tax attributable to:							
Joint venturers	6,147	(40,247)	4,444	(1,305)	21,203	104,370	94,612
Non-controlling interests	-	(36)	-	-	-	-	(36)
Total comprehensive income/(loss) attributable to:							
Joint venturers	10,785	(40,247)	32,232	(1,305)	21,203	104,370	127,038
Non-controlling interests	-	(36)	-	-	-	-	(36)
	10,785	(40,283)	32,232	(1,305)	21,203	104,370	127,002

22. INVESTMENTS IN JOINT VENTURES (CONTD.)

(f) (contd.)

(ii) Summarised statements of profit or loss and other comprehensive income (contd.)

At 31 December 2020	Hoi Hup Group RM'000	Sunway Iskandar Sdn. Bhd. RM'000 (Restated)	Tianjin Eco-City RM'000	Sunway Iskandar Development Sdn. Bhd. RM'000	Sunway REIT Management Sdn. Bhd. RM'000	Total RM'000 (Restated)
Revenue	1,978,887	127,262	247,264	-	39,064	2,392,477
Depreciation and amortisation	(15)	(2,655)	(92)	(28)	(317)	(3,107)
Interest income	5,094	1,313	4,970	-	208	11,585
Interest expense	(4,970)	(17,153)	-	(5)	(23)	(22,151)
Profit/(Loss) before tax	602,597	(46,192)	16,564	(1,298)	32,723	604,394
Income tax expense	(109,238)	(404)	1,191	-	(7,536)	(115,987)
Profit/(Loss) after tax	493,359	(46,596)	17,755	(1,298)	25,187	488,407
Other comprehensive income/(loss)	(186)	-	22,011	-	-	21,825
Total comprehensive income/(loss)	493,173	(46,596)	39,766	(1,298)	25,187	510,232
Dividend received from joint venture during the year	68,804	-	-	-	19,840	88,644
Profit/(Loss) after tax attributable to:						
Joint venturers	493,359	(46,528)	17,755	(1,298)	25,187	488,475
Non-controlling interests	-	(68)	-	-	-	(68)
Total comprehensive income/(loss) attributable to:						
Joint venturers	493,173	(46,528)	39,766	(1,298)	25,187	510,300
Non-controlling interests	-	(68)	-	-	-	(68)
	493,173	(46,596)	39,766	(1,298)	25,187	510,232

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22. INVESTMENTS IN JOINT VENTURES (CONTD.)

(f) (contd.)

(iii) Reconciliation of the summarised financial information presented above to the carrying amount of interest in joint ventures of the Group

At 31 December 2021	Hoi Hup Group RM'000	Sunway Iskandar Sdn. Bhd. RM'000	Tianjin Eco-City RM'000	Sunway Iskandar Development Sdn. Bhd. RM'000	Sunway REIT Management Sdn. Bhd. RM'000	Sunway Healthcare Holdings Sdn. Bhd. RM'000	Total RM'000
Net assets at 1 January (as previously stated)	338,843	577,209	460,919	184,441	2,856	-	1,564,268
Effect on adoption of IFRIC Agenda Decision	-	(2,050)	-	-	-	-	(2,050)
Net assets at 1 January (restated)	338,843	575,159	460,919	184,441	2,856	-	1,562,218
Capital injection	21,654	-	-	-	-	-	21,654
Effect of former subsidiaries becoming joint ventures	-	-	-	-	-	1,445,868	1,445,868
Total comprehensive income/(loss) attributable to joint ventures	10,785	(40,247)	32,232	(1,305)	21,203	-	22,668
Capital reduction	(3,106)	-	-	-	-	-	(3,106)
Dividend paid during the year	(275,666)	-	-	-	(20,500)	-	(296,166)
Net assets at 31 December	92,510	534,912	493,151	183,136	3,559	1,445,868	2,753,136
Interest in joint ventures as at year end	30% - 35%	60%	60%	60%	80%	84%	
	28,949	320,947	295,891	109,882	2,847	1,214,529	1,973,045
Effect arising from change of shareholding	-	1,628	(483)	-	-	-	1,145
Unrealised profit arising from construction project to a joint venture	-	(8,494)	-	(273)	-	-	(8,767)
Goodwill	-	8,556	-	-	-	-	8,556
Remeasurement gain	-	-	-	-	108,370	2,741,819	2,850,189
Quasi-equity loan	769,469	-	-	-	-	-	769,469
Impairment loss	(1,155)	-	-	-	-	-	(1,155)
Carrying value of Group's interest in joint ventures	797,263	322,637	295,408	109,609	111,217	3,956,348	5,592,482

22. INVESTMENTS IN JOINT VENTURES (CONTD.)

(f) (contd.)

(iii) Reconciliation of the summarised financial information presented above to the carrying amount of interest in joint ventures of the Group (contd.)

At 31 December 2020	Hoi Hup Group RM'000	Sunway Iskandar Sdn. Bhd. RM'000 (Restated)	Tianjin Eco-City RM'000	Sunway Iskandar Development Sdn. Bhd. RM'000	Sunway REIT Management Sdn. Bhd. RM'000	Total RM'000 (Restated)
Net assets at 1 January	75,018	621,687	421,153	185,739	2,469	1,306,066
Total comprehensive income/(loss) attributable to joint ventures	493,173	(46,528)	39,766	(1,298)	25,187	510,300
Dividend paid during the year	(229,348)	-	-	-	(24,800)	(254,148)
Net assets at 31 December	338,843	575,159	460,919	184,441	2,856	1,562,218
Interest in joint ventures as at year end	30% - 35%	60%	60%	60%	80%	
	102,834	345,095	276,551	110,665	2,285	837,430
Effect arising from change of shareholding	-	1,628	(483)	-	-	1,145
Unrealised profit arising from construction project to a joint venture	-	(8,274)	-	(273)	-	(8,547)
Goodwill	-	8,556	-	-	-	8,556
Remeasurement gain	-	-	-	-	108,370	108,370
Quasi-equity loan	577,245	-	-	-	-	577,245
Impairment loss	(848)	-	-	-	-	(848)
Carrying value of Group's interest in joint ventures	679,231	347,005	276,068	110,392	110,655	1,523,351

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22. INVESTMENTS IN JOINT VENTURES (CONTD.)

- (g) The details of goodwill included within the Group's carrying amount of investments in joint ventures are as follows:

	2021 RM'000	2020 RM'000
Cost		
Arising from investment in a joint venture and as at 31 December	10,748	10,748

- (h) During the financial year, the Group completed the following subscription, acquisition, establishments, disposal of joint ventures and reclassification from a subsidiary to a joint venture:

- (i) On 3 February 2021, Sunway Marketing Sdn. Bhd., a wholly-owned subsidiary of Sunway Holdings Sdn. Bhd., which in turn is wholly-owned by the Company, had established a new joint venture known as Sunway MKH Marketing Sdn. Bhd. via its share subscription of RM51 comprising 51 ordinary shares. On 25 October 2021, Sunway Marketing Sdn. Bhd. had further subscribed for 50,949 ordinary shares in the share capital of Sunway MKH Marketing Sdn. Bhd. for a cash consideration of RM50,949;
- (ii) On 9 February 2021, the Company had subscribed medium term notes of RM299,000,000 under the Medium Term Notes Programme of Sunway Parkview Sdn. Bhd.. On 20 August 2021, the Company had disposed of the medium term notes to Area Star Sdn. Bhd., a wholly-owned subsidiary of Sunway City Sdn. Bhd. ("SunCity"), which in turn is wholly-owned by the Company for a cash consideration of RM299,000,000;
- (iii) On 9 March 2021, SunCity, a wholly-owned subsidiary of the Company, had acquired an additional 100,000 ordinary shares, representing 10% equity interest in the share capital of Sunway Velocity Two Sdn. Bhd. for a cash consideration of RM91,350,000;
- (iv) On 11 June 2021, Sunway Iskandar Development Sdn. Bhd. had incorporated a new subsidiary known as Sunway Supercar Resort Sdn. Bhd. with paid-up share capital of RM1 comprising 1 ordinary share;
- (v) On 11 June 2021, Sunway Resort Hotel Sdn. Bhd., a wholly-owned subsidiary of SunCity, which in turn is a wholly-owned subsidiary of the Company, had established a new joint venture known as Sunway Resort Clinic Sdn. Bhd. via its share subscription of RM1 comprising 1 ordinary share;
- (vi) On 15 September 2021, Sunway Development Pte. Ltd., a wholly-owned subsidiary of Sunway Holdings Sdn. Bhd., which in turn is a wholly-owned subsidiary of the Company, had established a new joint venture known as Hoi Hup Sunway Kent Ridge Pte. Ltd. with 30% equity interest comprising of 900,000 ordinary shares for a cash consideration of SGD900,000 (equivalent to RM2,788,000);
- (vii) On 8 November 2021, Sunway Holdings Sdn. Bhd. had disposed its entire 300,000 ordinary shares representing 30% equity interest in Hoi Hup Sunway Development Pte. Ltd. for a cash consideration of approximately RM902,000 and had subsequently recognised a gain from the disposal of approximately RM124,000 in the financial statements;
- (viii) On 19 November 2021, Sunway Development Pte. Ltd., a wholly-owned subsidiary of Sunway Holdings Sdn. Bhd., which in turn is a wholly-owned subsidiary of the Company, had established a new joint venture known as Hoi Hup Sunway Katong Pte. Ltd. with 30% equity interest comprising of 1,200,000 ordinary shares for a cash consideration of SGD1,200,000 (equivalent to RM3,717,000); and
- (ix) On 23 December 2021, Sunway Healthcare Holdings Sdn. Bhd., a wholly-owned subsidiary of SunCity, which in turn is a wholly-owned subsidiary of the Company, had been reclassified from a subsidiary to investment in a joint venture following the partial divestment as disclosed in Note 13 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

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23. GOODWILL

	Group 2021 RM'000	2020 RM'000
Cost		
At beginning of financial year	352,236	334,984
Acquisition of subsidiaries	58,455	17,275
Loss of control of subsidiaries	(8,374)	(23)
At end of financial year	402,317	352,236
Accumulated impairment losses		
At beginning of financial year	(26,801)	(23,176)
Impairment loss for the year	-	(3,643)
Loss of control of subsidiaries	709	18
At end of financial year	(26,092)	(26,801)
Net carrying amount	376,225	325,435

Allocation of goodwill

Goodwill has been allocated to the cash-generating units ("CGU") of the Group, according to business segments as follows:

	2021 RM'000	2020 RM'000
Property investment*	185,301	185,301
Construction	70,437	70,437
Quarry	50,075	50,075
Property development	250	250
Others [#]	70,162	19,372
	376,225	325,435

* The property investment segment includes property investment, leisure and hospitality.

[#] The others segment includes pharmaceutical.

For the purpose of impairment testing, goodwill is allocated to the operating divisions of the Group, which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes.

In the previous financial year, an impairment loss on goodwill amounting to RM3,643,000 had been recognised due to declining business operation of a subsidiary.

Key assumptions used in value-in-use calculations

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the CGU to which goodwill is allocated. Estimating a value-in-use amount requires management to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

NOTES TO THE FINANCIAL STATEMENTS

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23. GOODWILL (CONTD.)

Key assumptions used in value-in-use calculations (contd.)

The recoverable amount of a CGU is determined based on value-in-use calculations using cash flow projections based on financial budgets approved by management covering a three-year period, with a terminal value thereafter. The key assumptions used for value-in-use calculations for the major business segments are:

	Quarry %	Construction %	Property investment %	Others - pharmaceutical %
At 31 December 2021				
Gross margin	10.5	9.7	42.7	9.6
Growth rate	6.4	-	10.5	13.7
Discount rate	8.7	9.3	8.7	8.7
At 31 December 2020				
Gross margin	12.3	6.4	42.1	-
Growth rate	11.4	2.9	57.9	-
Discount rate	7.2	6.5	7.2	-

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill, including taking into consideration the effects of COVID-19 pandemic:

(i) Budgeted gross margin

The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budgeted year adjusted for expected efficiency improvements or deficiency.

(ii) Growth rate

The growth rate used is based on anticipated growth rates of the respective CGU obtained from financial budgets approved by management. The financial budgets cover a period of three years with no terminal growth rate thereafter.

(iii) Discount rate

The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

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23. GOODWILL (CONTD.)

Key assumptions used in value-in-use calculations (contd.)

Due to the inherent uncertainties arising from the COVID-19 pandemic, the Group has adopted the Expected Cash Flow approach in performing its impairment assessment of goodwill on consolidation during the current financial year. The cash flow projections used in determining the value-in-use calculations were probability weighted based on the following scenarios:

Scenario	Weighting	Assumptions
Base Case	75%	Based on the key assumptions above.
Best Case	10%	Revenue and cost of sales annual growth rates are forecasted to be 105% and 95% of base case respectively for a period of three (3) years.
Worst Case	15%	Revenue and cost of sales annual growth rates are forecasted to be 95% and 105% of base case respectively for a period of three (3) years.

The above key assumptions are determined based on management's assessment of future trends in the respective business segments, which are, among others, dependent on forecasted economic conditions affected by COVID-19 pandemic. Any differences in expectations from the original estimates might impact the impairment losses amount in respect of the goodwill of the Group.

Sensitivity to changes in assumptions

With regard to the assessment of value-in-use of each of the major business segments, management believes that no reasonably possible change in any of the above key assumptions would cause the carrying amount of the CGU to materially exceed their recoverable amounts.

24. DEFERRED TAX

	Group 2021 RM'000	2020 RM'000 (Restated)
At beginning of financial year (as previously stated)	62,900	63,582
Effects of adoption of IFRIC Agenda Decision (Note 55)	(1,176)	(1,852)
At beginning of financial year (restated)	61,724	61,730
Recognised in profit or loss (Notes 12, 13)	(10,086)	936
Acquisition of a subsidiary	-	167
Loss of control of subsidiaries (Note 13)	9,847	(1,178)
Exchange differences	77	69
At end of financial year	61,562	61,724
Presented after appropriate offsetting as follows:		
Deferred tax assets, net*	(47,405)	(60,765)
Deferred tax liabilities, net*	108,967	122,489
	61,562	61,724

* The amount of set-off between deferred tax assets and deferred tax liabilities was RM134,676,000 (2020: RM138,328,000) for the Group.

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24. DEFERRED TAX (CONTD.)

(a) The components and movements of deferred tax assets and liabilities during the financial year are as follows:

Deferred tax assets of the Group:

	Unused tax losses and unabsorbed capital allowances RM'000	Property development cost and construction contracts RM'000	Provisions for liabilities RM'000	Other payables RM'000	Property, plant and equipment RM'000	Others RM'000	Total RM'000
At 1 January 2020							
At 1 January 2020 (as previously stated)	(83,438)	(36,627)	(20,227)	(21,090)	(1,258)	(23,319)	(185,959)
Effects of adoption of IFRIC Agenda Decision (Note 55)	-	-	-	-	-	(1,852)	(1,852)
At 1 January 2020 (restated)	(83,438)	(36,627)	(20,227)	(21,090)	(1,258)	(25,171)	(187,811)
Recognised in profit or loss	(8,105)	935	8,201	3,651	(3,913)	(12,051)	(11,282)
At 31 December 2020 (restated)	(91,543)	(35,692)	(12,026)	(17,439)	(5,171)	(37,222)	(199,093)
Recognised in profit or loss	(2,094)	3,557	2,986	861	478	1,377	7,165
Loss of control of subsidiaries	-	9,847	-	-	-	-	9,847
At 31 December 2021	(93,637)	(22,288)	(9,040)	(16,578)	(4,693)	(35,845)	(182,081)

Deferred tax liabilities of the Group:

	Property, plant and equipment RM'000	Investment properties RM'000	Others RM'000	Total RM'000
At 1 January 2020				
At 1 January 2020	123,190	116,030	10,321	249,541
Recognised in profit or loss	13,894	(1,720)	44	12,218
Loss of control of a subsidiary	(1,149)	-	(29)	(1,178)
Acquisition of a subsidiary	167	-	-	167
Exchange differences	-	-	69	69
At 31 December 2020	136,102	114,310	10,405	260,817
Recognised in profit or loss	3,854	(21,049)	(56)	(17,251)
Exchange differences	-	-	77	77
At 31 December 2021	139,956	93,261	10,426	243,643

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24. DEFERRED TAX (CONTD.)

(b) Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Unused tax losses				
- Expires by 31 December 2028	113,298	145,666	-	-
- Expires by 31 December 2029	10,837	20,786	-	-
- Expires by 31 December 2030	24,002	50,056	-	-
- Expires by 31 December 2031	93,506	-	-	-
- No expiry period	197,576	126,138	-	-
Unabsorbed capital allowances	108,390	82,990	159	-
Unused investment tax allowances	316,079	302,325	-	-
Other deductible temporary differences	116,925	136,516	208	3,078
	980,613	864,477	367	3,078

The Group and the Company have assessed the likelihood of sufficient future profits available to recover the amounts of deductible temporary differences, including taking into consideration the effects of COVID-19 pandemic. Deferred tax assets have not been recognised in respect of these items as they have arisen in companies that have a recent history of losses or in companies where future taxable profits may be insufficient to trigger the utilisation of these items.

The amount and availability of these items to be carried forward up to the periods as disclosed above are subject to the agreement of the respective local tax authorities.

25. TRADE RECEIVABLES

	Group	
	2021 RM'000	2020 RM'000
Non-current		
Hire purchase receivables	2,776	2,298
Loans and advances	203,457	179,241
	206,233	181,539
Less: Allowance for impairment	(2,035)	(1,826)
	204,198	179,713
Current		
Third parties	919,096	1,283,662
Retention sums	215,092	230,630
Finance lease receivables	1,075	1,087
Hire purchase receivables	1,550	1,809
Loans and advances	83,893	29,628
	1,220,706	1,546,816
Less: Allowance for impairment	(97,273)	(94,870)
	1,123,433	1,451,946
Total trade receivables	1,327,631	1,631,659

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25. TRADE RECEIVABLES (CONTD.)

- (a) Included in trade receivables is the following amount due from a related party:

	Group	
	2021	2020
	RM'000	RM'000
Active Equity Sdn. Bhd. Group	1,465	1,631

The amount due from a related party is unsecured, non-interest bearing and the credit period is generally for a period of 30 days to 90 days (2020: 30 days to 90 days). The relationship with the related party is as disclosed in Note 50 to the financial statements.

- (b) Total trade receivables are classified as financial assets measured at amortised cost.
- (c) The Group's primary exposure to credit risk arises through its trade receivables. The Group's trading terms with its customers are mainly on credit. The credit period is generally for a period of 30 days to 120 days (2020: 30 days to 120 days). Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest bearing except as stated in Note 25(k) to the financial statements.
- (d) The repayment terms of finance lease receivables, hire purchase receivables and loan and advances are as follows:

	Group	
	2021	2020
	RM'000	RM'000
Finance lease receivables:		
Less than one (1) year	1,087	1,099
Less: Unearned interest	(12)	(12)
	1,075	1,087
Representing finance lease receivables:		
Less than one (1) year	1,075	1,087
Hire purchase receivables:		
Less than one (1) year	1,759	1,997
One (1) to two (2) years	1,180	1,095
Two (2) to three (3) years	887	606
Three (3) to four (4) years	555	444
Four (4) to five (5) years	186	353
More than five (5) years	237	-
	4,804	4,495
Less: Unearned interest	(478)	(388)
	4,326	4,107

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

25. TRADE RECEIVABLES (CONTD.)

- (d) The repayment terms of finance lease receivables, hire purchase receivables and loan and advances are as follows: (contd.)

	Group	
	2021	2020
	RM'000	RM'000
Hire purchase receivables: (contd.)		
Representing hire purchase receivables:		
Less than one (1) year	1,550	1,809
One (1) to two (2) years	1,048	991
Two (2) to three (3) years	813	550
Three (3) to four (4) years	519	413
Four (4) to five (5) years	168	344
More than five (5) years	228	-
	4,326	4,107

Loans and advances:

Less than one (1) year	83,893	29,628
One (1) to two (2) years	32,063	21,925
Two (2) to three (3) years	26,244	29,727
Three (3) to four (4) years	20,676	25,007
Four (4) to five (5) years	20,529	19,932
More than five (5) years	103,945	82,650
	287,350	208,869

- (e) The reconciliation of movements in the carrying amounts of finance lease receivables and hire purchase receivables is as follows:

	Group	
	2021	2020
	RM'000	RM'000
Finance lease receivables:		
At beginning of financial year	1,087	1,102
Interest income	-	2
Lease payments received	(12)	(17)
At end of financial year	1,075	1,087
Hire purchase receivables:		
At beginning of financial year	4,107	3,073
Additions	2,247	2,187
Interest income	223	158
Lease payments received	(2,097)	(1,311)
Others	(154)	-
At end of financial year	4,326	4,107

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

25. TRADE RECEIVABLES (CONTD.)

- (f) The finance lease receivables and hire purchase receivables are mainly in relation to equipment and machinery that are leased to third parties. There are no variable lease income that are not included in the measurement of the finance lease receivables and hire purchase receivables.
- (g) Impairment for trade receivables and contract assets that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

The Group considers credit loss experience and observable data such as current changes and future forecasts in economic conditions by market segment of the Group as identified in Note 3 to the financial statements to estimate the amount of expected impairment loss. The methodology and assumptions including any forecasts of future economic conditions are reviewed regularly.

During this process, the probability of non-payment by the trade receivables is adjusted by forward looking information and multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. The Group has identified the Gross Domestic Product, unemployment rate, inflation rate, labour force participation rate and consumer price index as the key macroeconomic factors of the forward looking information. For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised within the statements of profit or loss. On confirmation that the trade receivable would not be collectable, the gross carrying value of the asset would be written off against the associated impairment.

Individual assessment of impairment of trade receivables are separately assessed when it is probable that cash due will not be received in full.

It requires management to exercise significant judgement in determining the probability of default by trade receivables and appropriate forward looking information, after taking into consideration the effects of COVID-19 pandemic.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

25. TRADE RECEIVABLES (CONTD.)

- (g) (contd.)

The reconciliation of movements in allowance for impairment accounts in trade receivables is as follows:

	Group		
	Lifetime ECL		
	Not credit impaired RM'000	Credit impaired RM'000	Total allowance RM'000
At 31 December 2021			
At beginning of financial year	12,458	84,238	96,696
Charge for the year	5,243	30,267	35,510
Reversal of impairment losses	(4,985)	(6,721)	(11,706)
Written off	(1)	(4,753)	(4,754)
Exchange differences	(2)	46	44
Acquisition of subsidiaries	176	403	579
Loss of control of subsidiaries	(154)	(16,907)	(17,061)
At end of financial year	12,735	86,573	99,308
At 31 December 2020			
At beginning of financial year	7,771	79,350	87,121
Charge for the year	5,895	18,066	23,961
Reversal of impairment losses	(1,477)	(6,504)	(7,981)
Written off	(681)	(5,118)	(5,799)
Exchange differences	6	(4)	2
Reclassification	1,065	(1,065)	-
Acquisition of subsidiaries	-	496	496
Loss of control of a subsidiary	(121)	(983)	(1,104)
At end of financial year	12,458	84,238	96,696

Credit impaired refers to individually determined debtors who are in significant financial difficulties as at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

25. TRADE RECEIVABLES (CONTD.)

(g) (contd.)

As at the end of each reporting period, the credit risks exposures relating to trade receivables of the Group are summarised in the table below:

	Group	
	2021	2020
	RM'000	RM'000
Maximum exposure	1,327,631	1,631,659
Collateral obtained	(481,245)	(616,556)
Net exposure to credit risk	846,386	1,015,103

The above collaterals are letters of undertaking from financial institutions for properties sold, deposits received from customers and other collaterals for finance lease receivables.

(h) Aging analysis of the trade receivables is as follows:

	Gross	2021	Total
	RM'000	Impaired	RM'000
		RM'000	
Group			
Current	986,700	(1,261)	985,439
1 to 30 days past due	110,337	(339)	109,998
31 to 60 days past due	68,146	(165)	67,981
61 to 90 days past due	29,190	(106)	29,084
91 to 120 days past due	20,910	(405)	20,505
More than 120 days past due	211,656	(97,032)	114,624
	440,239	(98,047)	342,192
	1,426,939	(99,308)	1,327,631

	Gross	2020	Total
	RM'000	Impaired	RM'000
		RM'000	
Group			
Current	1,273,747	(6,716)	1,267,031
1 to 30 days past due	169,557	(1,164)	168,393
31 to 60 days past due	72,343	(611)	71,732
61 to 90 days past due	43,094	(1,255)	41,839
91 to 120 days past due	21,399	(282)	21,117
More than 120 days past due	148,215	(86,668)	61,547
	454,608	(89,980)	364,628
	1,728,355	(96,696)	1,631,659

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

25. TRADE RECEIVABLES (CONTD.)

(i) The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's gross amount of total trade receivables at the end of the reporting period is as follows:

	2021		2020	
	RM'000	% of total	RM'000	% of total
Group				
By country:				
Malaysia	1,297,123	90.90%	1,589,718	91.99%
Singapore	73,447	5.15%	67,640	3.91%
China	17,858	1.25%	47,187	2.73%
India	13,907	0.97%	-	0.00%
Australia	4,892	0.34%	4,568	0.26%
Thailand	5,707	0.40%	6,628	0.38%
Vietnam	543	0.04%	601	0.03%
Others	13,462	0.94%	12,013	0.70%
	1,426,939	100.00%	1,728,355	100.00%
By segment:				
Property development	160,748	11.27%	195,038	11.28%
Property investment	23,308	1.63%	12,307	0.71%
Construction	558,360	39.13%	795,994	46.06%
Trading and manufacturing	204,047	14.30%	227,316	13.15%
Quarry	124,147	8.70%	109,226	6.32%
Healthcare	-	0.00%	93,645	5.42%
Others	356,329	24.97%	294,829	17.06%
	1,426,939	100.00%	1,728,355	100.00%

(j) Exposure to credit risk

Concentration of credit risk relating to trade receivables is limited due to the Group's many varied customers. These customers are internationally dispersed, engage in a wide spectrum of activities, and sell in a variety of end markets. The Group's historical experience in the collection of accounts receivable falls within the recorded allowances. Due to these factors, management believes that no additional credit risk beyond amounts provided for collection losses is inherent in the Group's trade receivables.

(k) At the end of the reporting period, the interest rate profile of the interest-bearing trade receivables was:

	Group	
	2021	2020
	RM'000	RM'000
Fixed rate	292,751	214,063

Sensitivity analysis for fixed rate trade receivables at the end of the reporting period is not presented as it is not affected by changes in interest rates.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

25. TRADE RECEIVABLES (CONTD.)

- (l) The carrying amounts of trade receivables of the Group as at the end of the reporting period that do not approximate their fair values are:

	Group Carrying amount RM'000	Fair value RM'000
At 31 December 2021		
Hire purchase receivables (Non-current)	2,776	2,381
Loans and advances (Non-current)	201,422	166,429
At 31 December 2020		
Hire purchase receivables (Non-current)	2,298	1,972
Loans and advances (Non-current)	177,415	145,797

- (m) The fair values of hire purchase receivables and loans and advances are categorised as Level 2 in the fair value hierarchy, which are estimated based on expected future cash flows discounted at the market rate of interest as at the end of the reporting period. There is no transfer between levels in the fair value hierarchy during the financial year.

26. OTHER RECEIVABLES

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Non-current				
Receivables	6,319	6,276	-	-
Current				
Deposits	273,326	89,322	105	105
Prepayments	69,639	82,954	1,220	875
Receivables	196,768	171,692	9,064	14,351
	539,733	343,968	10,389	15,331
Less: Allowance for impairment	(32,961)	(32,614)	-	-
	506,772	311,354	10,389	15,331
Total other receivables	513,091	317,630	10,389	15,331

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

26. OTHER RECEIVABLES (CONTD.)

- (a) Included in other receivables is the following amount due from a related party:

	Group 2021 RM'000	2020 RM'000	Company 2021 RM'000	2020 RM'000
Active Equity Sdn. Bhd. Group	384	77	51	38

The amount due from a related party is unsecured, non-interest bearing and the credit period is generally for a period of 30 days to 90 days (2020: 30 days to 90 days). The relationship with the related party is as disclosed in Note 50 to the financial statements.

- (b) Total other receivables, net of prepayments are classified as financial assets measured at amortised cost.
- (c) Included in deposits of the Group is a deposit paid for the acquisition of land held for property development of RM228,390,000.
- (d) Impairment for quasi-equity loans, other receivables, amounts due from subsidiaries, associates and joint ventures are recognised based on the general approach within MFRS 9 using the forward looking expected credit loss model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. At the end of the reporting period, the Group and the Company assess whether there has been a significant increase in credit risk for financial assets by comparing the risk of default occurring over the expected life with the risk of default since initial recognition. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve-month expected credit losses along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while twelve-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the twelve months after the end of the reporting period. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

The Group defined significant increase in credit risk based on operating performance of the receivables, changes to contractual terms, payment trends and past due information.

The probability of non-payment by quasi-equity loans, other receivables, amounts due from subsidiaries, associates and joint ventures is adjusted by forward looking information and multiplied by the amount of the expected loss arising from default to determine the twelve month or lifetime expected credit loss for the quasi-equity loan, other receivables, amounts due from subsidiaries, associates and joint ventures. The Group has identified the Gross Domestic Product, unemployment rate, inflation rate, labour force participation rate and consumer price index as the key macroeconomic factors of the forward looking information.

It requires management to exercise significant judgement in determining the probability of default by quasi-equity loan, other receivables, amounts due from subsidiaries, associates and joint ventures, appropriate forward looking information and significant increase in credit risk, after taking into consideration the effects of COVID-19 pandemic.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

26. OTHER RECEIVABLES (CONTD.)

(d) (contd.)

The reconciliation of movements in allowance for impairment accounts in other receivables is as follows:

	12 months ECL RM'000	Group Lifetime ECL - Credit impaired RM'000	Total RM'000
At 31 December 2021			
At beginning of financial year	295	32,319	32,614
Charge for the year	57	563	620
Reversal of impairment losses	(67)	(195)	(262)
Written off	-	(7)	(7)
Loss of control of subsidiaries	(4)	-	(4)
At end of financial year	281	32,680	32,961
At 31 December 2020			
At beginning of financial year	447	32,375	32,822
Charge for the year	65	2,323	2,388
Reversal of impairment losses	(213)	(2,309)	(2,522)
Written off	(4)	(70)	(74)
At end of financial year	295	32,319	32,614

Credit impaired refers to individually determined debtors who are in significant financial difficulties as at the financial year end.

(e) The non-current other receivables of the Group are unsecured, bear interest at rates ranging from 1.27% to 1.60% (2020: 1.27% to 1.99%) per annum and not expected to be repayable within the next twelve months in cash and cash equivalents.

(f) At the end of the reporting period, the interest rate profile of the other receivables was:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Variable rate	6,319	6,276	-	-

A change of 25 basis points in interest rates, assuming all other variables remained constant, at the end of the reporting period would result in the profit net of tax of the Group to be higher/(lower) by RM12,000 (2020: RM12,000).

(g) The Group and the Company have no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

27. DERIVATIVES

Group	Note	Contract/ Notional amount RM'000	Assets RM'000	Liabilities RM'000
As at 31 December 2021				
Non-current				
Forward currency contracts	(b)(ii)	696	-	(6)
Cross currency swap	(b)(iii)	989,152	7,540	(3,212)
Derivative liabilities on exit clauses in relation to the partial divestment of SHH Group	(b)(iv)	-	-	(185,739)
		989,848	7,540	(188,957)
Current				
Interest rate swap	(b)(i)	61,016	-	(786)
Forward currency contracts	(b)(ii)	20,408	69	(114)
Cross currency swap	(b)(iii)	319,413	2,396	(4,202)
Derivative liabilities on exit clauses in relation to the partial divestment of SHH Group	(b)(iv)	-	-	(38,625)
		400,837	2,465	(43,727)
Total derivatives		1,390,685	10,005	(232,684)
As at 31 December 2020				
Non-current				
Interest rate swap	(b)(i)	61,016	-	(1,644)
Forward currency contracts	(b)(ii)	1,601	-	(21)
		62,617	-	(1,665)
Current				
Forward currency contracts	(b)(ii)	6,932	-	(132)
Cross currency swap	(b)(iii)	1,271,594	31,532	(72,237)
		1,278,526	31,532	(72,369)
Total derivatives		1,341,143	31,532	(74,034)

(a) Derivatives are classified as at fair value through profit or loss, and subsequently remeasured to fair value with changes in fair value being recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

27. DERIVATIVES (CONTD.)

(b) The Group entered into derivatives as follows:

(i) Interest rate swap

An interest rate swap is a derivative in which one party exchanges a stream of interest payments for another party's stream of cash flow. During the financial year, the Group had entered into interest rate swap to exchange floating interest rate for fixed interest rate in order to minimise the exposure from fluctuation of interest rate. This interest rate swap received floating interest rate equals to Singapore Swap Offer Rate (“SOR”) per annum and paid fixed rate of interest of 1.49% and 1.58% (2020: 1.49% and 1.58%) per annum.

The fair values of the interest rate swap contracts are determined by using the mark to market values at the end of the reporting period and changes in the fair value is recognised in the profit or loss.

Interest rate swap contracts are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties and interest rate curves.

(ii) Foreign currency forward contracts

The Group entered into foreign currency forward contracts to manage some of the transaction exposure. These contracts are entered into for periods consistent with currency transaction exposure and fair value changes exposure. The Group also uses foreign currency forward contracts as derivatives to hedge future changes in currency exposure of cash flows from foreign operations.

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

(iii) Cross currency swap contracts

The Group entered into cross currency swap contracts to manage its exposure in foreign currency risk arising from foreign currency borrowings, which was entered into to minimise the interest cost. The Group uses cash flow hedges to mitigate the risk of variability of future cash flows attributable to foreign currency and interest rate fluctuations over the hedging period on the foreign currency borrowings. Where a cash flow hedge qualifies for hedge accounting, the effective portion of gains or losses on remeasuring the fair value of the hedging instrument are recognised directly in other comprehensive income until such time as the hedged item affects profit or loss, then the gains or losses are transferred to the profit or loss. Gains or losses on any portion of the hedge determined to be ineffective are recognised immediately in the profit or loss.

Cross currency swap contracts are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties and interest rate curves.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

27. DERIVATIVES (CONTD.)

(b) The Group entered into derivatives as follows: (contd.)

(iv) Derivative liabilities on exit clauses in relation to the partial divestment of SHH Group

Derivative liabilities on exit clauses in relation to the partial divestment of SHH Group represent the exit clauses attached to the SHA and SSA entered between the Company, SunCity, SHH and Greenwood following the partial divestment of 16% equity interest in SHH to Greenwood by SunCity as disclosed in Note 13 to the financial statements. The Company, SunCity, SHH and Greenwood had entered into a SHA to define the rights and obligations of the shareholders of SHH.

In accordance with the SHA, Greenwood has the right but not the obligation to initiate the Joint Sale or the Put Exit if the Proposed Initial Public Offer ("IPO") has not occurred on or before the eighth (8th) anniversary of Initial Closing or such extended period up to 180 days from the 8th anniversary of the Initial Closing (“Proposed IPO Delay Event”). Accordingly, Greenwood was granted a put option, whereby it shall have the right to require SunCity to acquire all its securities held for the Put Consideration. The “Put Consideration” shall be an amount equal to the amount that will enable Greenwood to achieve the USD IRR of no less than 18.5% upon completion of the Put Option.

Furthermore, SunCity has agreed to offer Greenwood a valuation adjustment in the event its targeted Ringgit Malaysia (“RM”) denominated internal rate of return of 12.5% is not met by the Proposed IPO. This valuation adjustment will consist of SunCity either transferring additional SHH Shares to Greenwood on or prior to the completion of the Proposed IPO (“Proposed IPO Transfer Shares”) or the proceeds obtained from the sale of its SHH Shares pursuant to the Proposed IPO (“Proposed IPO Cash Transfer”) followed by a cash top up (“Proposed IPO Cash Top Up”), if required. As long as the Proposed IPO is completed by 31 January 2028, the Proposed IPO Transfer Shares and Proposed IPO Cash Transfer are collectively capped at 4.5% of the enlarged issued SHH Shares (on a fully converted basis) with the Proposed IPO Cash Top Up capped at United States Dollar (“USD”) 10.0 million. If SHH does not complete the Proposed IPO by 31 January 2028, it will have an additional time period until the 8th anniversary of the Initial Closing, to complete the same. However, the Proposed IPO Transfer Shares, Proposed IPO Cash Transfer and Proposed IPO Cash Top Up ceilings will progressively increase during this period with the Proposed IPO Transfer Shares and Proposed IPO Cash Transfer collectively capped at 11.5% of the enlarged issued SHH Shares (on a fully converted basis) with the Proposed IPO Cash Top Up capped at USD50.0 million.

The key assumptions used in estimating the fair value of the derivative liabilities on exit clauses in relation to the partial divestment of SHH Group include the probabilities of occurrence of the Proposed IPO, probabilities of achieving the desired Proposed IPO valuation, timing of the occurrence of Proposed IPO and discount rate of 9%, which require significant judgements and estimates made by management.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

27. DERIVATIVES (CONTD.)

- (c) The maturity profile of the Group's derivative liabilities at the end of the reporting period based on contractual undiscounted repayment obligations is summarised in the table below:

	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
Group				
As at 31 December 2021				
Derivatives - settled net	43,727	188,957	-	232,684
As at 31 December 2020				
Derivatives - settled net	72,369	1,665	-	74,034

- (d) Derivatives are categorised as Level 2 in the fair value hierarchy. There is no transfer between levels in the fair value hierarchy during the financial year.

28. ROCK RESERVES

	Group	
	2021 RM'000	2020 RM'000
At beginning of financial year	5,342	5,605
Amortisation during the financial year	(260)	(263)
At end of financial year	5,082	5,342

Rock reserves are stated at cost less amortisation and any accumulated impairment losses. Rock reserves are amortised based on annual extraction rates over the estimated life of the reserves, with the maximum period of amortisation capped at 80 years.

29. OTHER INVESTMENTS

		Group		Company	
	Note	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Non-current					
Equity securities:					
- Quoted ordinary shares	(b)	278,297	316,417	-	-
- Unquoted ordinary shares	(c)	13,861	13,583	-	-
- Unquoted preference shares	(c)	4,930	579	-	-
Investments in funds	(c)	50,936	51,942	-	-
Corporate memberships	(d)	421	467	78	78
Loan stocks	(d)	41,515	-	-	-
Unquoted corporate bonds	(d)	476,621	481,165	-	-
		866,581	864,153	78	78
Current					
Unquoted corporate bonds	(d)	98,778	100,285	-	-

29. OTHER INVESTMENTS (CONTD.)

- (a) The equity securities are classified as financial assets at fair value through other comprehensive income pursuant to MFRS 9 *Financial Instruments*.

Equity securities, which are not held for trading for which the Group has irrevocably elected at initial recognition to recognise at fair value through other comprehensive income. These are strategic investments for which the Group considers this classification to be appropriate and relevant.

- (b) Fair value of quoted ordinary shares in Malaysia was determined by reference to the exchange quoted market prices at the close of the business on the reporting date. The fair value of quoted ordinary shares of the Group was categorised as Level 1 in the fair value hierarchy.

- (c) The investments in funds are classified as financial assets at fair value through profit or loss pursuant to MFRS 9 *Financial Instruments*. Unquoted ordinary shares, unquoted preference shares and investments in funds of the Group are categorised as Level 3 in the fair value hierarchy. Fair value of unquoted ordinary shares, unquoted preference shares and investments in funds of the Group are estimated based on adjusted transacted price. The movement in other investments categorised as Level 3 during the financial year consists of additions amounted to RM3,623,000 (2020: RM61,732,000).

The key input to the valuation of the other investments is the adjusted transaction price paid. Significant increase/(decrease) in estimated adjusted transaction price paid in isolation would result in a significant higher/(lower) fair value of the other investments.

- (d) The corporate memberships, unquoted loan stocks and unquoted corporate bonds are classified as financial assets at fair value through profit or loss pursuant to MFRS 9 *Financial Instruments*. The fair value of corporate memberships, unquoted loan stocks and unquoted corporate bonds of the Group and of the Company is categorised as Level 2 in the fair value hierarchy. The fair value measurements of unquoted corporate bonds are based on indicative prices from an accredited bond pricing agency while the fair value measurements of corporate memberships and unquoted loan stocks are based on market prices of similar instruments.

- (e) Sensitivity analysis of quoted ordinary shares

A change of 5% in stock indices, assuming all other variables constant, at the end of the reporting period would result in the fair value reserve in equity of the Group to be higher/(lower) by RM13,915,000 (2020: RM15,821,000), arising as a result of higher/lower fair value gains on quoted equity securities classified at fair value through other comprehensive income.

- (f) There is no transfer between levels in the fair value hierarchy during the financial year.

30. BIOLOGICAL ASSETS

All items of biological assets are initially recorded at cost. Subsequent to recognition, biological assets are stated at cost less accumulated depreciation and any accumulated impairment losses.

Biological assets consist of animals in petting zoos operated by subsidiaries.

Depreciation of biological assets is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated biological life, at an annual rate of 20%. Depreciation charge of biological assets recognised during the current financial year amounted to RM37,000 (2020: RM77,000).

A write off of biological assets of RM11,000 was made during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

31. CONTRACT ASSETS/LIABILITIES

	Group 2021 RM'000	2020 RM'000
Aggregate pre-contract costs incurred to date	877,508	771,263
Less: Impairment losses	(102)	(78)
Add: Attributable profits	303,079	232,674
	1,180,485	1,003,859
Less: Progress billings	(1,080,992)	(987,166)
	99,493	16,693
Represented by:		
Property development contracts:		
Contract assets	112,076	91,303
Contract liabilities	(12,583)	(74,610)
	99,493	16,693

(a) Property development contracts

Property development contracts represent the timing differences in revenue recognition and the milestone billings. The milestone billings are structured and/or negotiated with customers to reflect physical completion of the contracts.

Contract assets are transferred to receivables when the rights to economic benefits become unconditional. This usually occurs when the Group issues billing to the customer. Contract liabilities are recognised as revenue when performance obligations are satisfied.

(b) The amount of RM18,328,000 (2020: RM32,318,000) recognised in contract liabilities at the beginning of the financial year has been recognised as revenue for the financial year ended 31 December 2021.

(c) Contract value yet to be recognised as revenue

Revenue expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) at the end of the reporting period, are as follows:

	Group 2021 RM'000	2020 RM'000
Within 1 year	443,058	378,978
Between 1 and 4 years	424,003	202,083
	867,061	581,061

(d) Impairment for contract assets that does not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses as disclosed in Note 25 (g) to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

31. CONTRACT ASSETS/LIABILITIES (CONTD.)

(d) (contd.)

The reconciliation of movements in allowance for impairment accounts in contract assets is as follows:

	Group Lifetime ECL 2021 RM'000	2020 RM'000
At beginning of financial year	78	11
Charge for the year	29	67
Reversal of impairment losses	(5)	-
At the end of financial year	102	78

32. CASH AND BANK BALANCES

	Group 2021 RM'000	2020 RM'000	Company 2021 RM'000	2020 RM'000
Cash and bank balances				
Cash at banks and on hand	639,644	455,186	8,182	8,996
Deposits with:				
Licensed banks	17,123	20,849	20	40
Other financial institutions	2,153,496	1,762,380	-	1,095
Total cash and bank balances	2,810,263	2,238,415	8,202	10,131

(a) Included in cash at banks of the Group are amounts of RM197,996,000 (2020: RM84,787,000) held pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966 and are restricted from use in other operations.

(b) The weighted average effective interest rates are as follows:

	Group 2021 %	2020 %	Company 2021 %	2020 %
Deposits with licensed banks	2.13	2.02	1.60	1.73
Deposits with other financial institutions	1.67	2.37	-	1.10

(c) The weighted average effective average maturity days are as follows:

	Group 2021	2020	Company 2021	2020
Deposits with licensed banks	205	76	181	184
Deposits with other financial institutions	10	9	-	1

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

32. CASH AND BANK BALANCES (CONTD.)

- (d) For the purpose of the statements of cash flows, cash and cash equivalents comprise the following as at the end of the reporting period:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Cash and bank balances	2,810,263	2,238,415	8,202	10,131
Bank overdrafts (Note 36)	(77,486)	(52,962)	-	-
Deposits with licensed banks and other financial institutions with maturity of over 3 months	(535)	(2,608)	(20)	(40)
Total cash and cash equivalents	2,732,242	2,182,845	8,182	10,091

- (e) At the end of the reporting period, the interest rate profile of the cash and bank balances was:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Fixed rate	16,492	15,081	20	40
Variable rate	2,154,127	1,768,148	-	1,095

Sensitivity analysis for fixed rate cash and bank balances at the end of the reporting period is not presented as it is not affected by changes in interest rates.

A change of 25 basis points in interest rates, assuming all other variables remained constant, at the end of the reporting period would result in the profit net of tax of the Group and of the Company to be higher/(lower) by RM4,093,000 (2020: RM3,359,000) and Nil (2020: RM2,000) respectively.

- (f) Cash and bank balances are classified as financial assets measured at amortised cost.
- (g) No ECL is recognised arising from cash at banks, deposits with licensed banks and other financial institutions because the probability of default by these financial institutions is negligible.

33. AMOUNTS DUE FROM/(TO) SUBSIDIARIES

	Company	
	2021 RM'000	2020 RM'000
Current assets		
Interest bearing amounts	803,034	2,791,835
Non-interest bearing amounts	39,572	53,529
Total amounts due from subsidiaries	842,606	2,845,364
Less: Accumulated impairment losses	(85)	(2,479)
Total amounts due from subsidiaries	842,521	2,842,885
Current liabilities		
Non-interest bearing amounts	(8,400)	(6,206)
Total amounts due to subsidiaries	(8,400)	(6,206)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

33. AMOUNTS DUE FROM/(TO) SUBSIDIARIES (CONTD.)

- (a) The amounts due from subsidiaries are unsecured, payable within next twelve months in cash and cash equivalents and non-interest bearing except for interest bearing amounts, which bear interest at rates ranging from 1.75% to 6.00% (2020: 1.75% to 7.50%) per annum.
- (b) The amounts due to subsidiaries are unsecured, interest-free and payable within next twelve months in cash and cash equivalents.
- (c) Interest bearing amounts due from subsidiaries are at fixed rates. Sensitivity analysis at the end of the reporting period is not presented as it is not affected by changes in interest rates.
- (d) Impairment for amounts due from subsidiaries are recognised based on the general approach within MFRS 9 using the forward looking expected credit loss model as disclosed in Note 26(d) to the financial statements.

The reconciliation of movements in allowance for impairment accounts of amounts due from subsidiaries is as follows:

	Company 12 months ECL	
	2021 RM'000	2020 RM'000
At beginning of financial year	2,479	383
Charge for the year	-	2,096
Reversal of impairment losses	(2,394)	-
At end of financial year	85	2,479

- (e) Amounts due from subsidiaries are classified as financial assets measured at amortised cost while amounts due to subsidiaries are classified as financial liabilities measured at amortised cost.
- (f) The maturity profile of amounts due to subsidiaries of the Company at the end of the reporting period based on contractual undiscounted repayment obligations is repayable on demand or within the next twelve months.

34. AMOUNTS DUE FROM/(TO) ASSOCIATES

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Non-current				
Amount due from an associate	1,380	457	-	-
Current				
Amounts due from associates	53,034	49,540	61	52
Less: Allowance for impairment	(2)	(132)	-	-
	53,032	49,408	61	52
Total amounts due from associates	54,412	49,865	61	52
Current				
Amounts due to associates	(5,908)	(6,680)	(72)	(51)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

34. AMOUNTS DUE FROM/(TO) ASSOCIATES (CONTD.)

- (a) The non-current amount due from an associate of the Group is unsecured, non-interest bearing and not expected to be repayable within the next twelve months. The carrying amount of non-current amount due from an associate approximates its fair value.

The current amounts due from/(to) associates of the Group and of the Company are unsecured, non-interest bearing and repayable within the next twelve months in cash and cash equivalents.

- (b) Impairment for amounts due from associates are recognised based on the general approach within MFRS 9 using the forward looking expected credit loss model as disclosed in Note 26(d) to the financial statements.
- (c) The reconciliation of movements in allowance for impairment accounts of amounts due from associates is as follows:

	12 months ECL	
	2021 RM'000	2020 RM'000
Group		
At beginning of financial year	132	201
Reversal of impairment losses	(133)	(72)
Exchange differences	3	3
At end of financial year	2	132

- (d) Amounts due from associates are classified as financial assets measured at amortised cost while amounts due to associates are classified as financial liabilities measured at amortised cost.
- (e) The maturity profile of amounts due to associates of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligations is repayable within the next twelve months.

35. AMOUNTS DUE FROM/(TO) JOINT VENTURES

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Non-current				
Amounts due from joint ventures	1,493,498	1,789,498	-	-
Less: Allowance for impairment	(1,048)	(1,599)	-	-
	1,492,450	1,787,899	-	-
Current				
Amounts due from joint ventures	853,495	672,506	2,992	3,783
Less: Allowance for impairment	(51,947)	(52,013)	-	-
	801,548	620,493	2,992	3,783
Total amounts due from joint ventures	2,293,998	2,408,392	2,992	3,783
Non-current				
Amounts due to joint ventures	(504)	(12,405)	-	-
Current				
Amounts due to joint ventures	(185,783)	(42,807)	(2)	-
Total amounts due to joint ventures	(186,287)	(55,212)	(2)	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

35. AMOUNTS DUE FROM/(TO) JOINT VENTURES (CONTD.)

- (a) Included in amounts due from joint ventures is an amount of RM2,117,615,000 (2020: RM2,337,948,000), which bears interest at rates ranging from 3.15% to 6.50% (2020: 3.15% to 6.50%) per annum. Of this amount, RM620,182,000 (2020: RM1,090,031,000) is secured by way of debentures over all the assets of the joint ventures.

Included in amounts due to joint ventures is an amount of RM24,314,000 (2020: RM37,347,000), which bears interest at rates ranging from 1.75% to 3.85% (2020: 1.75% to 4.35%) per annum.

The non-current amounts due from joint ventures are amounts, which are not expected to be repayable within the next twelve months, while the current amounts due from joint ventures are repayable within the next twelve months in cash and cash equivalents. The carrying amounts of non-current amounts due from joint ventures approximate their fair values as their interest rates are priced at reasonable approximation of the market interest rates as at the end of the reporting period.

- (b) Interest bearing amounts due from/(to) joint ventures are at fixed rates. Sensitivity analysis at the end of the reporting period is not presented as it is not affected by changes in interest rates.
- (c) Impairment for receivables from amounts due from joint ventures are recognised based on the general approach within MFRS 9 using the forward looking expected credit loss model as disclosed in Note 26(d) to the financial statements.
- (d) The reconciliation of movements in allowance for impairment accounts of amounts due from joint ventures is as follows:

Group	12 months ECL RM'000	Lifetime ECL - Credit impaired		Total RM'000
		RM'000	RM'000	
At 31 December 2021				
At beginning of financial year	2,153	51,459		53,612
Charge for the year	303	-		303
Reversal of impairment losses	(920)	-		(920)
At end of financial year	1,536	51,459		52,995

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

35. AMOUNTS DUE FROM/(TO) JOINT VENTURES (CONTD.)

- (d) The reconciliation of movements in allowance for impairment accounts of amounts due from joint ventures is as follows: (contd.)

	12 months ECL RM'000	Lifetime ECL - Credit impaired RM'000	Total RM'000
Group			
At 31 December 2020			
At beginning of financial year	222	46,289	46,511
Charge for the year	2,068	5,170	7,238
Reversal of impairment losses	(137)	-	(137)
At end of financial year	2,153	51,459	53,612
Company			
At 31 December 2020			
At beginning of financial year	1	-	1
Reversal of impairment losses	(1)	-	(1)
At end of financial year	-	-	-

Credit impaired refers to individually determined debtors who are in significant financial difficulties as at the financial year end.

- (e) The maturity profile of amounts due to joint ventures of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligations is repayable on demand or within the next twelve months.
- (f) Amounts due from joint ventures are classified as financial assets measured at amortised cost while amounts due to joint ventures are classified as financial liabilities measured at amortised cost.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

36. BORROWINGS

	Note	Group 2021 RM'000	2020 RM'000	Company 2021 RM'000	2020 RM'000
Current					
<u>Secured:</u>					
Bank overdrafts		77,486	52,962	-	-
Bankers' acceptances		955	1,714	-	-
Term loans		28,884	283,629	-	-
Revolving credits		782,815	1,455,154	-	-
Medium term notes		745,000	1,100,000	-	-
		1,635,140	2,893,459	-	-
Less: Unamortised transaction costs		(264)	(1,428)	-	-
		1,634,876	2,892,031	-	-
<u>Unsecured:</u>					
Bankers' acceptances		168,457	130,334	-	-
Term loans		514,128	590,902	-	-
Revolving credits		604,190	739,003	-	-
Commercial papers		871,000	801,000	-	81,000
Medium term notes		235,000	-	-	-
Bills discounting		65,525	107,345	-	-
		2,458,300	2,368,584	-	81,000
		4,093,176	5,260,615	-	81,000
Non-current					
<u>Secured:</u>					
Term loans		870,070	142,312	-	-
Revolving credits		797,106	-	-	-
Medium term notes		1,800,000	1,020,000	-	-
		3,467,176	1,162,312	-	-
Less: Unamortised transaction costs		(2,126)	(675)	-	-
		3,465,050	1,161,637	-	-
<u>Unsecured:</u>					
Term loans		111,363	-	-	-
Revolving credits		-	23,336	-	-
Medium term notes		445,000	465,000	-	-
		556,363	488,336	-	-
		4,021,413	1,649,973	-	-
Total borrowings					
Bank overdrafts	32	77,486	52,962	-	-
Term loans	(i)(i)	1,524,445	1,016,843	-	-
Revolving credits	(i)(ii)	2,184,111	2,217,493	-	-
Medium term notes	(i)(iii)	3,225,000	2,585,000	-	-
Commercial papers		871,000	801,000	-	81,000
Bankers' acceptances		169,412	132,048	-	-
Bills discounting		65,525	107,345	-	-
		8,116,979	6,912,691	-	81,000
Less: Unamortised transaction costs		(2,390)	(2,103)	-	-
		8,114,589	6,910,588	-	81,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

36. BORROWINGS (CONTD.)

- (a) Borrowings of the Group amounting to RM4,656,905,000 (2020: RM3,708,506,000) were Islamic financing facilities.
- (b) The Company provides financial guarantees to financial institutions for credit facilities amounting to RM8,154,251,000 (2020: RM6,906,867,000) obtained by its subsidiaries.
- (c) The weighted average interest rates per annum of borrowings that were effective as at the end of the reporting period were as follows:

	Group		Company	
	2021 %	2020 %	2021 %	2020 %
Bank overdrafts	5.05	5.38	-	-
Term loans	2.22	2.36	-	-
Revolving credits	2.61	3.00	-	-
Medium term notes	3.01	3.20	-	-
Commercial papers	2.40	3.04	-	2.90
Bankers' acceptances	2.24	2.80	-	-
Bills discounting	2.16	2.97	-	-

- (d) The Group has entered into interest rate swap contracts to hedge the floating rate interest payable on some of its borrowings. The contracts entitle the Group to pay interest at fixed rates on notional principal amounts and oblige it to receive interest at floating rates on the same amounts. Under the swaps, the Group agrees with the other parties to exchange, the difference between fixed rate and floating rate interest amounts calculated by reference to the agreed notional principal amounts.
- (e) The Group also entered into cross currency swap contracts to manage its exposure in foreign currency risk arising from foreign currency borrowings as well as to minimise the interest cost.
- (f) At the end of the reporting period, the interest rate profile of the borrowings was:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Fixed rate	4,519,357	4,470,740	-	81,000
Variable rate	3,595,232	2,439,848	-	-

Sensitivity analysis for fixed rate borrowings at the end of the reporting period is not presented as it is not affected by changes in interest rates.

A change of 25 basis points in interest rates, assuming all other variables remained constant, at the end of the reporting period would result in the profit net of tax of the Group to be lower/(higher) by RM6,831,000 (2020: RM4,636,000).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

36. BORROWINGS (CONTD.)

- (g) The impact of cross currency swap contracts to the Group's and the Company's borrowings are as follows:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Total borrowings	8,114,589	6,910,588	-	81,000
Add: Cross currency swap	(2,522)	40,705	-	-
Net borrowings after cross currency swap	8,112,067	6,951,293	-	81,000

At the end of the reporting period, the interest rate profile of the net borrowings after cross currency swap was:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Fixed rate	4,517,088	4,511,445	-	81,000
Variable rate	3,594,979	2,439,848	-	-

Sensitivity analysis for fixed rate borrowings at the end of the reporting period is not presented as it is not affected by changes in interest rates.

A change of 25 basis points in interest rates, assuming all other variables remained constant, at the end of the reporting period would result in the profit net of tax of the Group to be lower/(higher) by RM6,830,000 (2020: RM4,636,000).

- (h) The maturity profile of the Group's and the Company's borrowings at the end of the reporting period based on contractual undiscounted repayment obligations is summarised in the table below:

	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
Group				
As at 31 December 2021	4,130,983	3,730,196	394,888	8,256,067
As at 31 December 2020	5,349,610	1,677,275	13,295	7,040,180
Company				
As at 31 December 2020	81,000	-	-	81,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

36. BORROWINGS (CONTD.)

- (i) The following table sets out the carrying amounts as at the end of each reporting period and the remaining maturities of term loans, revolving credits and medium term notes of the Group and of the Company:

- (i) The maturity of the term loans is as follows:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Less than one (1) year	543,012	874,531	-	-
One (1) to two (2) years	573,968	27,530	-	-
Two (2) to three (3) years	318,643	62,288	-	-
Three (3) to four (4) years	35,787	19,612	-	-
Four (4) to five (5) years	53,035	19,612	-	-
More than five (5) years	-	13,270	-	-
	1,524,445	1,016,843	-	-

- (ii) The maturity of the revolving credits is as follows:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Less than one (1) year	1,387,005	2,194,157	-	-
One (1) to two (2) years	797,106	23,336	-	-
	2,184,111	2,217,493	-	-

- (iii) The maturity of the medium term notes is as follows:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Less than one (1) year	980,000	1,100,000	-	-
One (1) to two (2) years	1,020,000	940,000	-	-
Two (2) to three (3) years	675,000	545,000	-	-
Three (3) to four (4) years	425,000	-	-	-
Four (4) to five (5) years	125,000	-	-	-
	3,225,000	2,585,000	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

36. BORROWINGS (CONTD.)

- (j) The secured borrowings of the Group are secured by legal charges as follows:

	2021 RM'000	2020 RM'000
Property, plant and equipment	267,538	547,597
Investment properties	1,757,978	1,637,734
Investment properties under construction	157,252	190,542
Property development costs	1,298,002	1,217,401
Properties held for sale	52,529	52,529
	3,533,299	3,645,803

	Number of shares/units		At market value	
	2021 '000	2020 '000	2021 RM'000	2020 RM'000
Shares in Sunway Construction Group Berhad	487,000	531,900	759,720	999,972
Units in Sunway REIT	1,122,690	1,031,755	1,582,993	1,547,633
Shares in IJM Corporation Berhad	143,500	-	218,120	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

36. BORROWINGS (CONTD.)

(k) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group and the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group and the Company's statements of cash flows as cash flows from financing activities.

Group	1.1.2021 RM'000	Cash flows RM'000	Acquisition/ (Loss of control) of subsidiaries RM'000	Non-cash changes Foreign exchange movement RM'000	Hedging RM'000	31.12.2021 RM'000
Term loans	1,016,843	554,334	(97,394)	8,812	41,850	1,524,445
Revolving credits	2,217,493	314	(34,594)	898	-	2,184,111
Commercial papers	801,000	70,000	-	-	-	871,000
Medium term notes	2,585,000	640,000	-	-	-	3,225,000
Other bank borrowings #	239,393	25,775	(30,210)	(21)	-	234,937
Total borrowings #	6,859,729	1,290,423	(162,198)	9,689	41,850	8,039,493

Group	1.1.2020 RM'000	Cash flows RM'000	Acquisition/ (Loss of control) of subsidiaries RM'000	Non-cash changes Foreign exchange movement RM'000	Hedging RM'000	31.12.2020 RM'000
Term loans	1,876,812	(848,774)	2,614	8,768	(22,577)	1,016,843
Revolving credits	1,833,093	384,400	-	-	-	2,217,493
Commercial papers	1,469,000	(668,000)	-	-	-	801,000
Medium term notes	2,120,000	465,000	-	-	-	2,585,000
Other bank borrowings #	407,052	(165,059)	(2,600)	-	-	239,393
Total borrowings #	7,705,957	(832,433)	14	8,768	(22,577)	6,859,729

Other bank borrowings and total borrowings exclude bank overdrafts and unamortised transaction costs.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

36. BORROWINGS (CONTD.)

(k) Reconciliation of liabilities arising from financing activities (contd.)

Company	1.1.2021 RM'000	Cash flows RM'000	Non-cash changes RM'000	31.12.2021 RM'000
Commercial papers	81,000	(81,000)	-	-

	1.1.2020 RM'000	Cash flows RM'000	Non-cash changes RM'000	31.12.2020 RM'000
Commercial papers	186,000	(105,000)	-	81,000
Medium term notes	610,000	(610,000)	-	-
Total borrowings	796,000	(715,000)	-	81,000

(l) The carrying amounts of borrowings of the Group as at the end of the reporting period that do not approximate their fair values are:

	Group		Company	
	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
At 31 December 2021				
Revolving credits	2,184,111	2,211,957	-	-
Medium term notes	3,225,000	3,272,226	-	-
At 31 December 2020				
Revolving credits	2,217,493	2,225,947	-	-
Medium term notes	2,585,000	2,627,324	-	-

The fair value of borrowings obligations is categorised as Level 2 in the fair value hierarchy, which is estimated based on expected future cash flows discounted at the market rate of interest as at the end of the reporting period. There is no transfer between levels in the fair value hierarchy during the financial year.

Fair values of the borrowings are estimated by discounting future contracted cash flows at the current market interest rate available to the Group for similar financial instruments.

37. TRADE PAYABLES

Group	2021 RM'000	2020 RM'000
Third parties	1,372,466	1,439,813
Amounts due to contractors and consultants	28,755	27,716
Total trade payables	1,401,221	1,467,529

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

37. TRADE PAYABLES (CONTD.)

- (a) Included in trade payables is the following amount due to a related party:

Group	2021 RM'000	2020 RM'000
Active Equity Sdn. Bhd. Group	1,178	302

The amount due to a related party is unsecured, non-interest bearing and the normal trade credit terms granted to the Group range from 30 days to 90 days (2020: 30 days to 90 days). The relationship with the above related party is as disclosed in Note 50 to the financial statements.

- (b) The normal trade credit terms granted to the Group range from 30 days to 90 days (2020: 30 day to 90 days).
- (c) The maturity profile of the Group's trade payables at the end of the reporting period based on contractual undiscounted repayment obligations is repayable on demand or within the next twelve months.
- (d) Trade payables are classified as financial liabilities measured at amortised cost.

38. OTHER PAYABLES

	Note	Group		Company	
		2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Non-current					
Payables	(b)	243,418	119,796	-	-
Refundable deposits		260	293	-	-
		243,678	120,089	-	-
Current					
Payables	(a), (c)	329,576	396,651	12,260	439
Amounts due to contractors and consultants		7,131	36,320	-	-
Accruals		476,462	453,441	42,382	44,820
Refundable deposits		45,417	48,293	-	-
Deferred income	(d), 41	17,768	1,340	-	-
		876,354	936,045	54,642	45,259
Total other payables		1,120,032	1,056,134	54,642	45,259

- (a) Included in current payables is the following amount due to a related party:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Active Equity Sdn. Bhd. Group	1,108	2,672	2	14

The amount due to a related party is unsecured, non-interest bearing and payable based on credit terms granted to the Group. The relationship with the above related party is as disclosed in Note 50 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

38. OTHER PAYABLES (CONTD.)

- (b) Included in non-current payables of the Group is a total amount of RM176,073,000 (2020: RM117,184,000) pertaining to land entitlement payments, which will be paid upon completion of projects. The amount consists of RM47,582,000 (2020: RM43,697,000) due to Bukit Lenang Development Sdn. Bhd. by Sunway City (JB) Sdn. Bhd., RM41,043,000 (2020: RM43,851,000) due to Perbadanan Kemajuan Negeri Selangor by Sunway PKNS Sdn. Bhd., RM1,404,000 (2020: RM29,636,000) due to Bestgold Asia Sdn. Bhd. by Sunway Kiara Sdn. Bhd. and RM86,044,000 (2020: Nil) due to Meraki Land Sdn. Bhd. by Sterling Paradise Sdn. Bhd..
- (c) Included in current payables of the Group is an amount of RM115,785,000 (2020: RM115,785,000) due to Fawanis Sdn. Bhd., which is unsecured, non-interest bearing and term of repayment is in accordance to the progress billings of the launched project developments.
- (d) Deferred income of the Group represents deferred timeshare membership fees and rental received in advance.
- (e) The maturity profile of the Group's other payables (excluding deferred income) at the end of the reporting period based on contractual undiscounted repayment obligations is summarised in the table below:

	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
Group				
As at 31 December 2021				
Other payables	858,586	157,634	86,044	1,102,264
As at 31 December 2020				
Other payables	934,705	87,024	33,065	1,054,794
Company				
As at 31 December 2021				
Other payables	54,642	-	-	54,642
As at 31 December 2020				
Other payables	45,259	-	-	45,259

- (f) Other payables are classified as financial liabilities measured at amortised cost.

39. HIRE PURCHASE AND LEASE LIABILITIES

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Non-current liabilities				
Hire purchase with financial institutions	497	749	-	-
Lease liabilities	90,244	324,513	560	7,241
	90,741	325,262	560	7,241
Current liabilities				
Hire purchase with financial institutions	409	466	-	-
Lease liabilities	31,354	49,867	264	2,764
	31,763	50,333	264	2,764
Total hire purchase and lease liabilities	122,504	375,595	824	10,005

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

39. HIRE PURCHASE AND LEASE LIABILITIES (CONTD.)

- (a) The hire purchase and lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date.

After initial recognition, hire purchase and lease liabilities are measured by increasing the carrying amounts to reflect interest on the hire purchase and lease liabilities, reducing the carrying amounts to reflect the lease payments made and remeasuring the carrying amounts to reflect any reassessment or lease modifications.

The corresponding right-of-use assets of the hire purchase and lease liabilities are presented as property, plant and equipment as disclosed in Note 16 to the financial statements.

Variable lease payments, lease payments associated with short term leases and low value assets

Certain property leases of the Group as a lessee contain variable payment terms that are linked to sales or profits generated by the lessee in relation to the properties.

The Group recognises these variable lease payments when the condition that triggers those payments occur while lease payments associated with short term leases (leases with lease term of 12 months or less) and low value assets (leases for which the underlying asset is RM20,000 and below) are recognised on a straight-line basis over the lease terms. The variable lease payments and lease payments associated with short term leases and low value assets are recognised in profit or loss as rental expenses as disclosed in Note 9 to the financial statements.

Variable lease payments arising from COVID-19 related rent concessions recognised during the current financial year amounted to RM3,496,000 (2020: RM5,495,000).

Extension and termination options

Extension and termination options are included in certain property leases of the Group, which are negotiated for purposes such as providing operational flexibility to the Group. The extension and termination options are mainly exercisable by the Group and not by the respective lessors.

The Group determines the lease term of a lease as the non-cancellable period of the lease, together with periods covered by an option to extend or to terminate the lease if the Group is reasonably certain to exercise the relevant options. Management has considered the relevant facts and circumstances that create an economic incentive for the Group to either exercise the option to extend the lease, or to exercise the option to terminate the lease. Any differences in expectations from the original estimates would impact the carrying amounts of the lease liabilities of the Group.

During the current financial year, the Group and the Company had reassessed the lease terms of certain property leases in relation to the likelihood of exercising the extension options, taking into consideration the current relevant facts and circumstances. There were also modifications on the terms and conditions of certain property leases of the Group and of the Company during the current financial year.

The effects of the lease reassessments and modifications of the Group and of the Company during the current financial year was a decrease in recognised lease liabilities of RM10,662,000 (2020: RM402,189,000) and RM8,943,000 (2020: Nil), right-of-use assets of RM6,580,000 (2020: RM355,813,000) and RM6,921,000 (2020: Nil) as disclosed in Note 16 to the financial statements as well as a net gain on reassessments and modifications of leases recognised in profit or loss of RM4,082,000 (2020: RM46,376,000) and RM2,022,000 (2020: Nil) respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

39. HIRE PURCHASE AND LEASE LIABILITIES (CONTD.)

- (b) The maturity profile of the Group's and the Company's hire purchase and lease liabilities at the end of the reporting period is summarised in the table below:

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Less than one (1) year	41,019	72,227	297	3,054
One (1) to two (2) years	31,678	57,324	297	2,779
Two (2) to three (3) years	24,579	52,797	297	2,775
Three (3) to four (4) years	13,721	50,070	-	2,659
Four (4) to five (5) years	11,166	38,371	-	-
More than five (5) years	30,197	219,688	-	-
Total undiscounted lease payments	152,360	490,477	891	11,267
Less: Future finance charges	(29,856)	(114,882)	(67)	(1,262)
Present value of lease liabilities	122,504	375,595	824	10,005
Analysis of present value of hire purchase and lease liabilities:				
Less than one (1) year	31,763	50,333	264	2,764
One (1) to two (2) years	26,953	43,441	274	2,190
Two (2) to three (3) years	21,120	38,296	286	2,518
Three (3) to four (4) years	11,471	37,333	-	2,533
Four (4) to five (5) years	9,482	27,724	-	-
More than five (5) years	21,715	178,468	-	-
	122,504	375,595	824	10,005
Less: Amount due within 12 months	(31,763)	(50,333)	(264)	(2,764)
Amount due after 12 months	90,741	325,262	560	7,241

- (c) The hire purchase liabilities of the Group and of the Company attract interest at rates ranging from 2.33% to 4.70% (2020: 2.38% to 4.70%) per annum. Lease payments relating to other lease liabilities are discounted using the Group's and the Company's annual incremental borrowing rates of 3.86% to 5.98% (2020: 3.95% to 5.98%).
- (d) Hire purchase and lease liabilities are fixed rate instruments. Sensitivity analysis at the end of the reporting period is not presented as it is not affected by changes in interest rates.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

39. HIRE PURCHASE AND LEASE LIABILITIES (CONTD.)

(e) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's and the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's and the Company's statements of cash flows as cash flows from financing activities.

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Hire purchase and lease liabilities				
At beginning of financial year	375,595	837,954	10,005	12,056
Cash flows				
- Payments of lease liabilities	(51,298)	(64,632)	(238)	(2,651)
- Payments of lease interests	(20,721)	(22,104)	(43)	(628)
Non-cash flows changes				
- Additions	21,253	10,659	-	600
- Acquisition of subsidiaries	12,213	1,428	-	-
- Loss of control of subsidiaries	(221,101)	(2,130)	-	-
- Reassessments and modifications of leases	(10,662)	(402,189)	(8,943)	-
- Rent concessions	(3,496)	(5,495)	-	-
- Interest expense	20,721	22,104	43	628
At end of financial year	122,504	375,595	824	10,005

(f) At the end of the financial year, the Group and the Company had total cash outflow for leases of RM105,831,000 (2020: RM107,771,000) and RM281,000 (2020: RM3,549,000) respectively.

40. PERPETUAL SUKUK

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Perpetual sukuk	600,000	600,000	600,000	800,000

During the financial year, the Company redeemed RM200,000,000 (2020: RM750,000,000) of Sukuk Wakalah pursuant to the RM5.0 billion unrated perpetual sukuk programme ("Perpetual Sukuk").

In the previous financial year, the Group and the Company issued RM200,000,000 and RM400,000,000 of Sukuk Wakalah respectively.

Included in the Perpetual Sukuk of the Group and of the Company is an amount of RM600,000,000 (2020: RM600,000,000) held through authorised depository institutions for Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling, a major shareholder of the Group. The distributions paid in respect of these Perpetual Sukuk during the financial year were RM30,800,000 (2020: RM28,966,000).

The sums raised from the Perpetual Sukuk, which are moneys borrowed from the subscribers are used as loans given to the subsidiaries in the course of the Company's business for the purpose of producing of gross income.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

40. PERPETUAL SUKUK (CONTD.)

(i) This Perpetual Sukuk is a financial instrument, which has the following features:

- A perpetual non-call 5 years at profit rates of 4.40% to 5.50% (2020: 4.40% to 5.50%) per annum, payable semi-annually and are redeemable at the option of the Company subject to the terms of the Perpetual Sukuk;
- Direct, unsecured and subordinated obligations of the Company and shall rank pari passu without any preference amongst themselves and the Perpetual Sukuk will be issued with a perpetual tenure that does not have a fixed maturity date; and
- The Perpetual Sukuk is unrated and issued under the Shariah principle of Wakalah Bi Al-Istithmar and shall be transferable and tradable.

The Perpetual Sukuk is a fixed rate instrument. Sensitivity analysis at the end of the reporting period is not presented as it is not affected by changes in interest rates.

(ii) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's and the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's and the Company's statements of cash flows as cash flows from financing activities.

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Perpetual sukuk				
At beginning of financial year	600,000	400,000	800,000	1,150,000
Cash flows				
- Issuance of perpetual sukuk	-	200,000	-	400,000
- Redemption of perpetual sukuk	-	-	(202,980)	(768,970)
Non-cash flows changes				
- Loss on redemption of perpetual sukuk	-	-	2,980	18,970
At end of financial year	600,000	600,000	600,000	800,000

41. LONG TERM LIABILITIES

	Group	
	2021	2020
	RM'000	RM'000
Deferred income at end of financial year	19,318	3,559
To be recognised within 1 year (Note 38)	(17,768)	(1,340)
To be recognised after 1 year	1,550	2,219

Deferred income of the Group represents deferred timeshare membership fees, which are to be recognised over the membership period, and rental received in advance.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

42. SHARE CAPITAL

Note	Group/Company		Amount	
	Number of ordinary shares			
	2021 '000	2020 '000	2021 RM'000	2020 RM'000
Ordinary shares Issued and fully paid with no par value				
At beginning of financial year	4,933,932	4,933,931	5,393,667	5,393,666
Issued during the financial year:				
- pursuant to exercise of warrants (c)	142 [^]	1 [^]	222 [^]	1 [^]
At end of financial year	4,934,074	4,933,932	5,393,889	5,393,667
Irredeemable convertible preference shares Issued and fully paid				
At beginning of financial year	977,779	-	977,779	-
Issued during the financial year (b)	-	977,779	-	977,779
At end of financial year	977,779	977,779	977,779	977,779
Total share capital	5,911,853	5,911,711	6,371,668	6,371,446

[^] Represents 142,437 warrants amounting to RM222,202 (2020: 404 warrants amounting to RM695).

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

- (a) As at 31 December 2021, the Company held a total of 45,004,665 ordinary shares as treasury shares out of its total issued and paid up share capital of 4,934,074,204 ordinary shares. Such treasury shares are recorded at a carrying amount of RM74,335,169 (2020: RM74,335,169).
- (b) In the previous financial year, the Company issued 977,779,351 irredeemable convertible preference shares ("ICPS") pursuant to the renounceable rights issue of new ICPS at an issue price of RM1 per ICPS ("Issue Price") on the basis of 1 ICPS for every 5 existing ordinary shares held in the Company ("Rights Issue of ICPS").

The salient terms of the ICPS are as follows:

- (i) The tenure of the ICPS shall be 5 years commencing from and inclusive of the date of issuance of the ICPS ("Issue Date").
- (ii) The Company shall at the discretion of the Board pay an indicative preferential dividend on a semi-annual basis at the rate of 5.25% per annum calculated based on the Issue Price ("Preferential Dividend").
- (iii) No dividend shall be declared in respect of ordinary shares or other classes of preference shares of the Company until and unless the Company has declared the Preferential Dividend on the ICPS in the relevant financial year.

The Preferential Dividend shall not be payable to the ICPS holders if the Company has not declared such dividend and will also not be payable in the following circumstances:

- (a) upon the winding-up, liquidation or dissolution of the Company; and
- (b) upon the mandatory conversion of the ICPS to ordinary shares of the Company.

The ICPS shall not confer any further rights of participation in the profits of the Company.

42. SHARE CAPITAL (CONTD.)

(b) (contd.)

The salient terms of the ICPS are as follows: (contd.)

- (iv) The ICPS are unsecured, rank equally amongst themselves and shall rank in priority to any other class of ordinary shares in the capital of the Company but shall rank behind all secured and unsecured obligations of the Company, except that the ICPS:
- (a) will not be entitled to any rights, allotments and/or other distributions that may be declared by the Company for the ordinary shares; and
- (b) carries no right to vote at any general meeting of the Company save for the voting rights in respect of certain reserve matters.
- (v) The ICPS are convertible in the following manner:
- (a) 50% of the outstanding ICPS shall be mandatorily converted into new ordinary shares of the Company on the market day immediately preceding the 4th anniversary of the Issue Date of the ICPS at the conversion price of the ICPS; and
- (b) the remaining balance of the ICPS shall be mandatorily converted into new ordinary shares of the Company on the maturity date of the ICPS at the conversion price of the ICPS.

The new ordinary shares issued pursuant to the mandatory conversion of the ICPS ("Conversion Shares") shall rank equally in all respects with the then existing ordinary shares of the Company, save and except that the holders of such Conversion Shares shall not be entitled to participate in any dividends, rights, allotments and/or other distributions that may be declared, made or paid, the entitlement date of which is before the date of allotment and issuance of such Conversion Shares.

- (c) On 4 October 2017, the Company issued 629,970,466 free warrants pursuant to the bonus issue of warrants undertaken by the Company on the basis of 3 free warrants for every 10 ordinary shares held in the Company.

The warrants entitle the registered holder, at any time within a period of 7 years commencing on and including the date of issuance of the warrants and expiring on the close of business at 5.00 p.m. in Malaysia on the date immediately preceding the 7th anniversary of the date of issuance of the warrants, and if such date is not a market day, then on the preceding market day. In relation to this, the warrants were issued at an exercise price of RM1.86 each.

The exercise price of the warrant is subject to a fixed annual step-down of RM0.07 per year on each of the anniversary dates of the date of first issuance of the warrants. The exercise price, at any time during the tenure of the warrants, is further subjected to adjustments in accordance with the provisions of the Deed Poll for warrants dated 19 September 2017 ("Deed Poll") in the event of any alteration to the share capital of the Company.

During the financial year, the Company increased its issued and paid-up ordinary share capital by way of issuance of 142,437 ordinary shares pursuant to the exercise of Warrants 2017/2024 at an exercise price of RM1.56 per ordinary share for cash.

The new ordinary shares issued during the financial year rank pari passu in all respects with the existing ordinary shares of the Company. There were no other issues of shares during the financial year.

On 4 October 2021, the exercise price of the warrants had been adjusted from RM1.56 to RM1.49 each.

The number of Warrants 2017/2024 unexercised at the end of the reporting period comprises 669,371,156 warrants. The Warrants 2017/2024 will expire on 3 October 2024.

The Warrants were listed on Bursa Malaysia Securities Berhad on 6 October 2017.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

43. EQUITY CONTRIBUTION FROM A JOINT VENTURE

The equity contribution represents the Group's share of right to use the land granted by the joint venture of the Group, namely Sunway Velocity Mall Sdn. Bhd. ("SVMSB"), for a project development pursuant to an agreement entered into between the shareholders of SVMSB. Accordingly, this right has been classified and presented as equity.

44. MERGER RESERVE

The negative merger reserve arose as a result of the excess of the consideration paid over the share capital and capital reserves of both Sunway City Sdn. Bhd. and Sunway Holdings Sdn. Bhd. as at the acquisition date. Further details on the merger exercise are disclosed in Note 46 to the financial statements.

45. RESERVES

Note	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Non-distributable reserves:				
Capital reserve (a)	435,987	435,967	-	-
Statutory reserve (b)	2,715	2,265	-	-
Revaluation reserve (c)	7,322	7,322	-	-
Cash flow hedge reserve (d)	(17,376)	(19,040)	-	-
Fair value reserve (e)	(5,857)	31,361	-	-
Furniture, fittings and equipment reserve (f)	11,845	18,481	-	-
Foreign currency translation reserve (g)	204,845	166,022	-	-
Total non-distributable reserves	639,481	642,378	-	-
Distributable reserve:				
Retained earnings	6,233,951	3,714,092	1,109,659	1,141,416
	6,873,432	4,356,470	1,109,659	1,141,416

The movements in each category of reserves are disclosed in the statements of changes in equity.

The natures of each category of reserves are as follows:

(a) Capital reserve

Capital reserve represents the Group's accretion in the value of investments in subsidiaries arising from internal restructuring, which includes the redemption of cumulative redeemable preference shares.

45. RESERVES (CONTD.)

The natures of each category of reserves are as follows: (contd.)

(b) Statutory reserve

Statutory reserve represents the 10% of accumulated gains recognised in the People's Republic of China subsidiaries' income statement, which is not distributable.

According to the Articles of Association of the subsidiaries, when distributing net profit of each financial year, the subsidiaries shall set aside 10% of its after tax profits for the statutory common reserve fund (except where the fund has reached 50% of the subsidiaries' registered capital). These reserves cannot be used for purposes other than those for which they are created and are not distributable as cash dividends.

(c) Revaluation reserve

Revaluation reserve represents revaluation adjustment arising from transfer of owner-occupied property to investment property.

(d) Cash flow hedge reserve

Cash flow hedge reserve represents the net gains or losses, net of tax, on effective cash flow hedging instruments that will be recycled to the profit or loss when the hedged transaction affects profit or loss.

(e) Fair value reserve

The fair value reserve includes the cumulative net change in the fair value through other comprehensive income investment held until the investment is derecognised.

(f) Furniture, fittings and equipment reserve

In accordance with the Hotel Master Lease Agreement, the Group must set aside in the furniture, fittings and equipment ("FF&E") reserve during each financial year, an amount equivalent to 2.5% of the anticipated revenue. The FF&E reserve must be used and disbursed only in accordance with the agreed FF&E Plan.

(g) Foreign currency translation reserve

The foreign currency translation reserve is used to record foreign currency exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the presentation currency of the Group. It is also used to record the exchange differences arising from monetary items, which form part of the net investment of the Group in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

46. MERGER EXERCISE

On 18 August 2011, the Company acquired the entire businesses and undertakings, including all assets and liabilities of Sunway Holdings Sdn. Bhd. and Sunway City Sdn. Bhd. (collectively known as the "Merged Entities").

The consideration for the acquisition of the Merged Entities was satisfied via the payment of RM904.7 million cash and the issuance of 1,292.5 million new ordinary shares of RM1.00 each at an issue price of RM2.80 each together with 258.5 million free warrants.

The issuance of the new ordinary shares by the Company during the previous financial years to effect the above transaction has been reflected in the share capital of the Company as shown in Note 44 to the financial statements. As the Merged Entities were under common control before and after the merger, the Group and the Company applied the merger method of accounting. Accordingly, the consolidated financial statements have been accounted for as if the merger had occurred from the date when these entities were under common control.

47. OPERATING LEASE AGREEMENTS

The Group as lessor

The following table sets out a maturity analysis for operating lease payments, showing the undiscounted lease payments to be received after the reporting date.

	Group	
	2021 RM'000	2020 RM'000
Less than one (1) year	53,375	57,233
One (1) to two (2) years	53,033	57,688
Two (2) to three (3) years	55,361	54,922
Three (3) to four (4) years	55,299	55,713
Four (4) to five (5) years	57,767	55,347
More than five (5) years	57,624	115,440
	332,459	396,343

The Group entered into various non-cancellable operating lease agreements on properties with third parties. The commercial properties combined leases of land and buildings. At the inception of the lease, it was not possible to obtain a reliable estimate of the split of the fair values of the lease interest between the land and the buildings. Therefore, the Group evaluated based on terms and conditions of the arrangement, whether the land and the buildings were clearly operating leases or finance leases.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

48. CAPITAL COMMITMENTS

Group	2021 RM'000	2020 RM'000
Capital expenditure:		
Approved and contracted for property, plant and equipment and investment properties	156,035	280,400
Approved but not contracted for property, plant and equipment and investment properties	86,467	431,914
	242,502	712,314

The Group's share of capital commitments in an associate are as follows:

Group	2021 RM'000	2020 RM'000
Capital expenditure:		
Approved and contracted for property, plant and equipment and investment properties	126,789	230,717
Approved but not contracted for property, plant and equipment and investment properties	82,642	62,889
	209,431	293,606

The Group's share of capital commitments in joint ventures are as follows:

Group	2021 RM'000	2020 RM'000
Capital expenditure:		
Approved and contracted for property, plant and equipment and investment properties	892,914	6,174
Approved but not contracted for property, plant and equipment and investment properties	864,348	6,460
	1,757,262	12,634

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

49. CONTINGENT LIABILITIES

(a) Guarantees

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Unsecured:				
Guarantees given to third parties in respect of trade and contracts	735,425	841,053	134,904	131,800
Guarantees given to financial institutions for credit facilities obtained by:				
- subsidiaries	-	-	8,154,251	6,906,867
- joint ventures	1,717,480	1,833,202	1,717,480	1,833,202
	2,452,905	2,674,255	10,006,635	8,871,869

The Group designates guarantees given to third parties in respect of trade and contracts as well as to financial institutions for credit facilities granted to subsidiaries and joint ventures as insurance contracts as defined in MFRS 4 *Insurance Contracts*. The Group recognises these insurance contracts as recognised insurance liabilities when there is a present obligation, legal or constructive, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits would be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

At the end of the reporting period, the Group assesses whether its recognised insurance liabilities are adequate, using current estimates of future cash flows under its insurance contracts. If this assessment shows that the carrying amount of the insurance liabilities is inadequate, the entire deficiency shall be recognised in profit or loss.

Recognised insurance liabilities are only removed from the statement of financial position when, and only when, it is extinguished via a discharge, cancellation or expiration.

The determination of treatment of contingent liabilities is based on management's view of the expected outcome of the contingencies for matters in the ordinary course of the business.

The Directors are of the view that the chances of the third parties and financial institutions to call upon the guarantees are remote.

(b) Claim

	Group	
	2021	2020
	RM'000	RM'000
Claim by third party	164,378	-

NOTES TO THE FINANCIAL STATEMENTS

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49. CONTINGENT LIABILITIES (CONTD.)

(b) Claim (contd.)

Claim by third party represents proportionate share of contingent liability in relation to a material litigation of Sunway REIT, a 40.89% owned associate of the Group, with Metroplex Holdings Sdn. Bhd. ("Metroplex").

On 28 September 2015, Metroplex filed writ of summons and a statement of claim against Sunway REIT to claim, amongst others, damages for various chattels and movable items (e.g. furniture and office equipment, decorations, cutlery, kitchen equipment, bar equipment, concierge and reception tables, blinds and curtains), which were allegedly acquired and owned by Metroplex but not removed by Metroplex when Sunway REIT took possession of the hotel at Sunway Putra on 27 September 2011. Metroplex has in its statement of claim alleged that the various chattels and movable items were worth in excess of RM80 million as at September 2011. Sunway REIT entered into defence on 9 November 2015.

On 3 November 2017, the High Court allowed Metroplex's claim on liability in which the damages to be awarded to Metroplex shall be subject to allocator ("High Court's Decision").

Sunway REIT filed an appeal to the Court of Appeal against the High Court's Decision on 6 November 2017. The Court of Appeal allowed Sunway REIT's Appeal and the High Court's Decision was set aside on 22 January 2019 ("Court of Appeal's Decision").

On 20 February 2019, Metroplex filed motion for leave to appeal to the Federal Court against the Court of Appeal's Decision ("Motion"). The Motion was allowed on 25 November 2019. Subsequently, Metroplex filed notice of appeal to appeal against the Court of Appeal's Decision on 2 December 2019 ("Appeal"). The hearing for the Appeal was fixed on 31 March 2021.

On 31 March 2021, the Federal Court overturned the Court of Appeal's Decision in favour of the Sunway REIT and reinstated the High Court's Decision in favour of Metroplex. The parties had proceeded to the assessment of damages proceedings in the High Court. In Metroplex's claim, Metroplex is claiming for various chattels and movable items amounting to approximately RM402 million. However, Sunway REIT is strenuously objecting to the amount claimed as being overly excessive and will be appointing subject matter experts to dispute the quantum of claim. On 23 March 2022, the judge fixed the case management to be on 23 May 2022. The true financial impact can only be assessed upon the determination of the assessment proceedings subject to strict proof by Metroplex of their said claim.

In accordance with MFRS 137 *Provisions, Contingent Liabilities and Contingent Assets*, the Group discloses the share of associate's contingent liabilities relating to this legal case as there is a present obligation that arose from past event, although the amount of obligation could not be measured with sufficient reliability at this juncture.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

49. CONTINGENT LIABILITIES (CONTD.)

(c) Material outstanding litigations

- (i) 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.891.5 million (approximately equivalent to RM49.1 million) in addition to interest and cost.

In the counterclaim, SunCon is seeking for Rs.781.4 million (approximately equivalent to RM43.1 million) 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.128.4 million (approximately equivalent to RM7.1 million).

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.135.7 million (approximately equivalent to RM7.5 million) 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.67.3 million (approximately equivalent to RM3.7 million) from the deposited Award Amount.

On 27 August 2020, the Court directed the release of Rs.67.2 million (approximately equivalent to RM3.7 million) on the basis of a corporate guarantee to be 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 placed 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 by the Court until further notice.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

49. CONTINGENT LIABILITIES (CONTD.)

(c) Material outstanding litigations (contd.)

- (ii) 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 Honourable 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. 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 31 May 2021, the Court has allowed PNSB's application to amend the Statement of Claim to RM643,851,825.01.

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. On 28 July 2021, the Court has disallowed SunCon's application to include SULRT3 as co-defendant. On 27 January 2022, the Court allowed PNSB's request for extension of time for filing documents. On 4 April 2022, Prasarana, SunCon and SULRT3 had informed the Court that they had no objection to the Plaintiff's application to transfer the proceedings to Construction Court. The Court has fixed the next hearing to be on 18 April 2022.

The solicitors acting for SunCon, after taking into consideration the evidence available, a review of the Statement of Claim, documents with client and a review of the law, are of the considered opinion that the Plaintiff's claim for the sum of RM643.9 million is likely to be dismissed.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

50. SIGNIFICANT RELATED PARTY TRANSACTIONS

- (i) In addition to the transactions and balances detailed elsewhere in the financial statements, the Company had the following significant transactions with related parties during the financial year:

	Company	
	2021 RM'000	2020 RM'000
Redemption of perpetual sukuk payable to structured entities under the control of the Company	(202,980)	(768,970)
Distribution paid to Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling in respect of Perpetual Sukuk (Note 40)	(30,800)	(28,966)
Management services fee paid/payable to a subsidiary	(5,897)	-

- (ii) In addition to the transactions and balances detailed elsewhere in the financial statements, the Group had the following significant transactions with related parties during the financial year:

		Group	
		2021 RM'000	2020 RM'000
Name of companies	Nature of transactions		
(a) Active Equity Sdn. Bhd. Group	Information systems products and consultancy fees	(11,369)	(13,394)
	Sales of financial and IT related services	1,174	316
	Rental of office equipment, motor vehicles and other related services	89	1,848
	Distribution paid by wholesale funds	(923)	(1,472)
(b) Sunway Real Estate Investment Trust ("Sunway REIT") (RHB Trustees Bhd.)	Lease of Sunway Resort Hotel & Spa	(8,294)	(18,927)
	Lease of Sunway Hotel Seberang Jaya	-	(1,891)
	Lease of Sunway Putra Hotel	(9,690)	(10,810)
	Lease of Sunway Hotel Georgetown	(3,291)	(3,291)
	Lease of Sunway Plaza's ice rink	(392)	(1,584)
	Leasing/rental of properties in respect of:		
	Sunway Medical Center building	(25,643)	(24,816)
	Menara Sunway and accommodation for security staff	(7,505)	(6,509)
	Rental and management of car parks and related services	(17,034)	(19,696)
	Provision of property management and related services	4,225	1,334
	Sales of financial, human resources and IT related services	1,993	1,549
	Marketing, distribution and sale of construction related products and industrial products	2,230	1,676
	Construction, marketing, mechanical engineering, engineering related design and build, civil engineering, building works and related services	215,058	107,798
	Provision of loyalty card points	1,309	1,203
	Management services	11,090	10,063
	Distribution income from perpetual note	9,895	11,791

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

50. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTD.)

- (ii) In addition to the transactions and balances detailed elsewhere in the financial statements, the Group had the following significant transactions with related parties during the financial year: (contd.)

		Group	
		2021 RM'000	2020 RM'000
Name of companies	Nature of transactions		
(c) Jef-San Enterprise Sdn. Bhd.	Distribution paid by wholesale funds	(1,891)	(1,935)
	Construction, marketing, mechanical engineering, engineering related design and build, civil engineering, building works and related services	34,268	70,786
(d) Sunway Iskandar Sdn. Bhd. Group	Management services	6,022	7,813
	Provision of property management services	1,337	1,215
(e) Sunway Velocity Two Sdn. Bhd.	Construction, marketing, mechanical engineering, engineering related design and build, civil engineering, building works and related services	114,208	92,307
	Provision of property management services	11,436	6,752
(f) Sunway Velocity Mall Sdn. Bhd.	Construction, marketing, mechanical engineering, engineering related design and build, civil engineering, building works and related services	14	6,477
	Corporate guarantee commission fee	1,436	1,350
(g) PEMANDU Associate Sdn. Bhd.	Corporate social responsibility sponsorship towards creating the Global COVID-19 Index	-	300
	Strategic consultancy services to reduce operational cost	-	200
(h) GME - SE Joint Venture	Construction, marketing, mechanical engineering, engineering related design and build, civil engineering, building works and related services	39,834	-
(i) Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling	Distribution paid in respect of Perpetual Sukuk (Note 40)	(30,800)	(28,966)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

50. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTD.)

(iii) The above parties are deemed related to the Group as follows:

- (a) Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling, Sarena Cheah Yean Tih and Evan Cheah Yean Shin are Directors and major shareholders of Active Equity Sdn. Bhd. as well as Directors in several subsidiaries of Active Equity Sdn. Bhd.. Adrian Cheah Yean Sun is a major shareholder of Active Equity Sdn. Bhd.. Sarena Cheah Yean Tih, Evan Cheah Yean Shin and Adrian Cheah Yean Sun are the children of Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling.

Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling and Sarena Cheah Yean Tih are Directors and major shareholders of the Company as well as Directors in several subsidiaries of the Company. Evan Cheah Yean Shin and Adrian Cheah Yean Sun are Directors in several subsidiaries of the Company and major shareholders of the Company.

- (b) The wholly-owned subsidiary of the Group, Sunway REIT Holdings Sdn. Bhd., is a major unit holder of Sunway REIT. Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling, Puan Sri Datin Seri (Dr) Susan Cheah Seok Cheng, Sarena Cheah Yean Tih, Evan Cheah Yean Shin, Adrian Cheah Yean Sun, Sungei Way Corporation Sdn. Bhd. and Active Equity Sdn. Bhd., being major shareholders of the Company, also have deemed interests in Sunway REIT via Sunway REIT Holdings Sdn. Bhd..

Puan Sri Datin Seri (Dr) Susan Cheah Seok Cheng is the spouse of Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling.

- (c) Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling, Sarena Cheah Yean Tih and Evan Cheah Yean Shin are Directors and major shareholders of Jef-San Enterprise Sdn. Bhd.. Adrian Cheah Yean Sun is a major shareholder of Jef-San Enterprise Sdn. Bhd..

Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling and Sarena Cheah Yean Tih are Directors and major shareholders of the Company as well as Directors in several subsidiaries of the Company. Evan Cheah Yean Shin and Adrian Cheah Yean Sun are Directors in several subsidiaries of the Company and major shareholders of the Company.

- (d) Sunway Iskandar Sdn. Bhd., Sunway VelocityTwo Sdn. Bhd. and Sunway Velocity Mall Sdn. Bhd. are joint ventures of Sunway City Sdn. Bhd., a wholly-owned subsidiary of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

50. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTD.)

(iii) The above parties are deemed related to the Group as follows: (contd.)

- (e) GME - SE is a joint venture of Sunway Engineering Sdn. Bhd., a wholly-owned subsidiary of Sunway Construction Group Berhad, which in turn is a subsidiary of the Company.
- (f) Dato' Sri Idris Jala is the Independent Non-Executive Director of the Company. He is also the President and Chief Executive Officer as well as a substantial shareholder of PEMANDU Associates Sdn. Bhd..

The related party transactions described above were carried out on terms and conditions not materially different from those obtainable from transactions with unrelated parties.

Information regarding outstanding balances arising from related party transactions as at 31 December 2021 and 2020 is disclosed in Notes 25, 26, 37 and 38 to the financial statements.

- (iv) Key management personnel are the persons who have authorities and responsibilities for planning, directing and controlling the activities of the Group or the Company either directly or indirectly. This includes any Director, whether executive or otherwise, of the Group and the Company.

The remuneration of the Directors and other members of key management during the financial year are as follows:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Short term employee benefits	29,553	21,299	-	7,903
Post-employment benefits:	4,681	3,651	-	1,416
- Defined contribution plan	34,234	24,950	-	9,319

- (v) Included in the total key management personnel are:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Executive Directors remuneration (Note 11)	19,345	13,836	-	4,929

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES

Details of the subsidiaries are as follows:

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations						
(a) Subsidiaries of Sunway Berhad						
Sunway Holdings Sdn. Bhd.	Malaysia	Investment holding	100	100	-	-
Sunway City Sdn. Bhd.	Malaysia	Investment holding	100	100	-	-
Sunway Services Sdn. Bhd.	Malaysia	Provision of management services	100	100	-	-
Sunway Real Estate (China) Ltd. # (60% held by Sunway City Sdn. Bhd. and 40% held by SunwayMas Sdn. Bhd.)	Hong Kong	Investment holding	100	100	-	-
Suncity Suncon Joint Venture (50% held by Sunway City Sdn. Bhd. and 50% held by Sunway Construction Sdn. Bhd.	Unincorporated	Dormant	100	100	-	-
(b) Subsidiaries of Sunway Real Estate (China) Ltd.						
Sunway Guanghao Real Estate (Jiangyin) Co. Ltd. #	China	Property development	100	100	-	-
Zhuhai Sunway Consultancy Co., Ltd.#	China	Dormant	100	100	-	-
(c) Subsidiaries of Sunway Holdings Sdn. Bhd.						
Sunway Construction Group Berhad	Malaysia	Investment holding	54.56	54.56	45.44	45.44
Sunway Permai Sdn. Bhd.	Malaysia	Property development	80	80	20	20
SunwayTransit System Sdn. Bhd.	Malaysia	Car park management and rental of advertising space	100	100	-	-
Sunway Serene Sdn. Bhd.	Malaysia	Property development	100	100	-	-

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(c) Subsidiaries of Sunway Holdings Sdn. Bhd. (contd.)						
Sunway Developments Pte. Ltd. ®	Singapore	Other investment holding companies and general contractors (building construction including major upgrading works)	100	100	-	-
SunwayMas Sdn. Bhd.	Malaysia	Property and housing development, and investment holding	100	100	-	-
Sunway VCP Sdn. Bhd.	Malaysia	Marketing, manufacturing and sale of glazed vitrified clay pipes and other similar related clay products	100	100	-	-
Sunway Marketing Sdn. Bhd.	Malaysia	Marketing, distribution and sale of construction related products and industrial products, as well as trading in hoses and fittings and hose assembly	100	100	-	-
Sunway Marketing (S) Pte. Ltd. ®	Singapore	Trading in hose and fittings, sales, rent, service of industrial equipment and spares as well as mechanical engineering works, sales, rent and service of heavy equipment and spares	100	100	-	-
Sunway Leasing Sdn. Bhd.	Malaysia	Provision of finance through leasing, hire purchase, money lending and share financing	100	100	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(c) Subsidiaries of Sunway Holdings Sdn. Bhd. (contd.)						
Sunway Risk Management Sdn. Bhd.	Malaysia	General and life insurance agency providing insurance underwriting and consultancy services	100	100	-	-
Pasir Mas Holdings Sdn. Bhd.	Malaysia	Trading in petroleum products and related services	100	100	-	-
Sunway Management Sdn. Bhd.	Malaysia	Share registration and secretarial services	100	100	-	-
Sunway Holdings (Vietnam) Sdn. Bhd.	Malaysia	Investment holding	100	100	-	-
Shahawan (M) Sdn. Bhd. #	Malaysia	Property investment	100	100	-	-
Sunway HR Shared Services Sdn. Bhd.	Malaysia	Provision of human resources services	100	100	-	-
Sunway Shared Services Sdn. Bhd.	Malaysia	Provision of information technology services	100	100	-	-
Sunway Ventures Sdn. Bhd.	Malaysia	Provision of management and advisory services	100	100	-	-
Sunway Quantum Sdn. Bhd.	Malaysia	Provision of information technology services	100	100	-	-
Sunway Juarasama Sdn. Bhd. #	Malaysia	Property investment and property dealing	100	100	-	-
Sunway Quarry Industries Sdn. Bhd.	Malaysia	Manufacturing and supplying of premix, quarry operations and to carry out contract works for civil projects	100	100	-	-
Sunway iLabs Accelerator Sdn. Bhd.	Malaysia	Investment holding and provision of training services	100	100	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(c) Subsidiaries of Sunway Holdings Sdn. Bhd. (contd.)						
Sunway Spun Pile (M) Sdn. Bhd.	Malaysia	To carry on business of manufacturing and marketing of pretensioned high strength concrete piles, pretensioned concrete poles and other precast concrete products	100	100	-	-
Sunway Leadership Centre Sdn. Bhd.	Malaysia	Providing training services, training venue and other related activities to the Group	100	100	-	-
Sunway Paving Solutions Sdn. Bhd.	Malaysia	Manufacturing and marketing of concrete pavers, hollow concrete blocks and euro tiles, undertake contracts for paving works and the hiring of heavy machineries	100	100	-	-
Sunway Quarry (Kuala Kangsar) Sdn. Bhd.	Malaysia	To sell or otherwise deal in stones, aggregates, premix and other construction related products	100	100	-	-
Sunway Elite Sdn. Bhd.	Malaysia	To coordinate and provide administration of employees' health care benefits and insurance services	100	100	-	-
Sunway SCF Sdn. Bhd.	Malaysia	Provision of finance through hire purchase and factoring services	100	100	-	-
Fortuna Gembira Enterpris Sdn. Bhd. #	Malaysia	Investment holding	100	100	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(c) Subsidiaries of Sunway Holdings Sdn. Bhd. (contd.)						
Twinners (Malaysia) Sdn. Bhd. [#]	Malaysia	Quarry concession holder	60	60	40	40
Sun SEA Capital Sdn. Bhd.	Malaysia	Provision of fund management	100	100	-	-
Sunway Quarry Industries (Melaka) Sdn. Bhd. [#]	Malaysia	Granite quarrying	100	100	-	-
Sunway Captive Insurance Ltd. [#]	Malaysia	To carry on business as a captive insurer	100	100	-	-
Sunway Quarry Industries (Caribbean) Limited [#]	Trinidad and Tobago	Dormant	100	100	-	-
Myanmar Sungei Way Holdings Limited [^] (In Liquidation)	Myanmar	Dormant	99.90	99.90	0.10	0.10
Sunway Global Limited [®]	Hong Kong	Investment holding and provision of management services	98.99	98.99	1.01	1.01
Sunway Winstar Sdn. Bhd.	Malaysia	Trading in hardware and engineering products	98.85	79.42	1.15	20.58
Sunway PopBox Sdn. Bhd.	Malaysia	Business of electronic parcel locker operator and service provider	60	60	40	40
Sunway Brands Sdn. Bhd.	Malaysia	To apply for, purchase, acquire, sell, manage or license intellectual property and intellectual property rights	100	100	-	-
Sunway Pharma Sdn. Bhd.	Malaysia	Retailing of pharmaceutical, healthcare and personal care products	100	100	-	-
Sunway Money Sdn. Bhd.	Malaysia	Provision of remittance and money services	100	100	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(c) Subsidiaries of Sunway Holdings Sdn. Bhd. (contd.)						
Bidara Cahaya Resources Sdn. Bhd.	Malaysia	Investment properties	100	100	-	-
Sunway Paving Solutions (Sabah) Sdn. Bhd.	Malaysia	Manufacturing and marketing of concrete pavers, hollow concrete blocks, cement bricks and eurotiles	100	100	-	-
Sun Sea Ltd. ^ (Dissolved on 30 September 2021 and did not have material effect)	Cayman Islands	Dormant	-	100	-	-
Credit Bureau Malaysia Sdn. Bhd.	Malaysia	Provisions of credit reference services, credit rating and such others services related to a credit bureau	51	51	49	49
Blacktop Industries Sdn. Bhd.	Malaysia	Quarry and premix plant operators for the production and marketing of aggregates and bituminous premix, concrete plant operations for the production, marketing of ready-mixed concrete, roadwork contractors, property development, production of cement bricks, pavers and renting of mobile equipment	100	100	-	-
Prestamin Sdn. Bhd.	Malaysia	Trading and distribution of health products and food supplements	100	100	-	-
Aptstar Sdn. Bhd.	Malaysia	Dormant	100	100	-	-
Dolomite Granite Quarry Sdn. Bhd.	Malaysia	Quarrying and mining	100	100	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(c) Subsidiaries of Sunway Holdings Sdn. Bhd. (contd.)						
Sun Sea I Sdn. Bhd.	Malaysia	Management of investments and provision of consultancy services	100	100	-	-
Sunway XFarms Sdn. Bhd. (Transfer from Sunway City (Ipoh) Sdn. Bhd.)	Malaysia	Provision of Urban Farm project management and services, trading of farming products and provision of auxiliary and its related services	100	-	-	-
Sunway Innovation Sdn. Bhd.	Malaysia	Management services and investment holding	100	-	-	-
Multicare Health Pharmacy Sdn. Bhd.	Malaysia	Trading and retailing of pharmaceutical and healthcare products	96.40	-	3.60	-
Bnature Health Sdn. Bhd.	Malaysia	Trading and distribution of health products and food supplements	66.67	-	33.33	-
World Medicare Supplies Sdn. Bhd.	Malaysia	Trading of pharmaceutical products, trading of physiotherapy and occupational therapy service	100	-	-	-
(d) Subsidiaries of Multicare Health Pharmacy Sdn. Bhd.						
Ann-Care Pharmacy Sdn. Bhd.	Malaysia	Trading of pharmaceutical products	38.56	-	61.44	-
LKP Pharmacy Sdn. Bhd.	Malaysia	Trading of pharmaceutical products	49.16	-	50.84	-
Multicare (KS) Pharmacy Sdn. Bhd.	Malaysia	Trading of pharmaceutical products	49.16	-	50.84	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(d) Subsidiaries of Multicare Health Pharmacy Sdn. Bhd. (contd.)						
Multicare (LX) Pharmacy Sdn. Bhd.	Malaysia	Trading and retailing of healthcare products	67.48	-	32.52	-
Multicare (PJ17) Pharmacy Sdn. Bhd.	Malaysia	Trading of pharmaceutical medicines, equipments and others	96.40	-	3.60	-
Multicare (YMS) Pharmacy Sdn. Bhd.	Malaysia	Trading of pharmaceutical products	49.16	-	50.84	-
Multicare KD Pharmacy Sdn. Bhd.	Malaysia	Trading of pharmaceutical products	96.40	-	3.60	-
Multicare Palm Pharmacy Sdn. Bhd.	Malaysia	Trading of pharmaceutical products	77.12	-	22.88	-
Multicare Pharmacy (Bahau) Sdn. Bhd.	Malaysia	Trading of pharmaceutical products	38.56	-	61.44	-
Multicare Pharmacy (L&L) Sdn. Bhd.	Malaysia	Trading of pharmaceutical products	38.56	-	61.44	-
Multicare Pharmacy (Mantin) Sdn. Bhd.	Malaysia	Trading of pharmaceutical medicines, equipments and others	57.84	-	42.16	-
Multicare Pharmacy Sdn. Bhd.	Malaysia	Trading of pharmaceutical products	96.40	-	3.60	-
Multicare Wellness Pharmacy Sdn. Bhd.	Malaysia	Trading of pharmaceutical medicines, equipments and others	38.56	-	61.44	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(d) Subsidiaries of Multicare Health Pharmacy Sdn. Bhd. (contd.)						
Twinscare Pharmacy Sdn. Bhd.	Malaysia	Trading of pharmaceutical products	49.16	-	50.84	-
WKF Pharmacy Sdn. Bhd.	Malaysia	Trading of pharmaceutical medicines, equipments and others	49.16	-	50.84	-
Parkcity Resources Sdn. Bhd. *** Formerly known as Multicare (Parkcity) Pharmacy Sdn. Bhd.)	Malaysia	Dormant	96.40	-	3.60	-
(e) Subsidiaries of Multicare Pharmacy Sdn. Bhd.						
CSF Pharmacy Sdn. Bhd.	Malaysia	Trading of pharmaceutical products	49.16	-	50.84	-
HCY Pharmacy Sdn. Bhd.	Malaysia	Trading of pharmaceutical products	96.40	-	3.60	-
Jonhtks Pharmacy Sdn. Bhd.	Malaysia	Trading of pharmaceutical medicines, equipments and others	49.16	-	50.84	-
LSP Pharmacy Sdn. Bhd.	Malaysia	Trading of pharmaceutical products	49.16	-	50.84	-
Multicare (Banting) Pharmacy Sdn. Bhd.	Malaysia	Trading of pharmaceutical products	49.16	-	50.84	-
WYJ Pharmacy Sdn. Bhd.	Malaysia	Trading of pharmaceutical products	96.40	-	3.60	-
(f) Subsidiary of Sun Sea Capital Sdn. Bhd.						
Orbit Capital (Malaysia) Sdn. Bhd. ^{AA}	Malaysia	Provision of fund management	100	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(g) Subsidiaries of Blacktop Industries Sdn. Bhd.						
Can Technical Services Sdn. Bhd.*	Malaysia	Trading of spare parts for premix plant	50	50	50	50
TKM Sdn. Bhd.*	Malaysia	Provision of management and administrative services and to undertake management of business of all descriptions	49	49	51	51
(h) Subsidiary of Sunway Developments Pte. Ltd.						
Sunway Land Pte. Ltd. @	Singapore	Real estate developers and building contractor	100	100	-	-
(i) Subsidiary of Sunway Leasing Sdn. Bhd.						
SWL Nominees (Tempatan) Sdn. Bhd.	Malaysia	Provision of shares nominee services	100	100	-	-
(j) Subsidiary of Sunway Construction Group Berhad						
Sunway Construction Sdn. Bhd.	Malaysia	Turnkey, construction related design and build, civil engineering, building works and transportation agents	54.56	54.56	45.44	45.44
(k) Subsidiaries of Sunway Construction Sdn. Bhd.						
Sunspan Sdn. Bhd. #+	Malaysia	Dormant	54.56	54.56	45.44	45.44
Sunway Machinery Sdn. Bhd.	Malaysia	Renting of machinery and site equipment, undertaking of sub-contract work and transportation agent	54.56	54.56	45.44	45.44

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(k) Subsidiaries of Sunway Construction Sdn. Bhd. (contd.)						
Sunway Engineering Sdn. Bhd.	Malaysia	Provision of mechanical, engineering works and sustainable energy	54.56	54.56	45.44	45.44
Sunway Innopave Sdn. Bhd.	Malaysia	Dormant	54.56	54.56	45.44	45.44
Sunway Builders Sdn. Bhd.	Malaysia	Construction of building and civil works	54.56	54.56	45.44	45.44
Sunway Geotechnics (M) Sdn. Bhd.	Malaysia	Providing services and geotechnical related products and hire of heavy machineries	54.56	54.56	45.44	45.44
Sunway Industrial Products Sdn. Bhd.	Malaysia	Investment holding	54.56	54.56	45.44	45.44
Sunway Machineries Services Sdn. Bhd.	Malaysia	Dormant	54.56	54.56	45.44	45.44
Sunway Construction India Pte. Ltd. [#]	India	Construction of civil and building works	54.56	54.56	45.44	45.44
Sunway Creative Stones Sdn. Bhd. ^{^^} (In Liquidation)	Malaysia	Dormant	38.19	38.19	61.81	61.81
Sunway Construction Caribbean Limited [#] (In the midst of deregistration)	Trinidad and Tobago	Dormant	54.56	54.56	45.44	45.44
Sunway Precast Industries Sdn. Bhd.	Malaysia	Manufacturing of precast concrete building components, undertaking of precast concrete building contracts and construction activities, as well as acting as transportation agent	54.56	54.56	45.44	45.44

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(k) Subsidiaries of Sunway Construction Sdn. Bhd. (contd.)						
Sunway RNS TJ Private Limited ^^	India	Concessionaire	32.74	32.74	67.26	67.26
Sunway RNSIL MC Private Limited ^^	India	Concessionaire	32.74	32.74	67.26	67.26
Sunway Facade Network Sdn. Bhd.	Malaysia	Facade design, engineering, construction and consultancy services	32.73	32.73	67.27	67.27
Sunway Visioneering Sdn. Bhd.	Malaysia	Dormant	54.56	54.56	45.44	45.44
Sunway Concrete Products (M) Sdn. Bhd.	Malaysia	Manufacture of prefabricated structural and metal components for buildings or civil engineering of cement, concrete or artificial stones	54.56	54.56	45.44	45.44
Sunway Innopave (S) Pte. Ltd. ®	Singapore	Investment holding company and renting of construction and civil engineering machinery and equipment	54.56	54.56	45.44	45.44
Sunway SK Sdn. Bhd.	Malaysia	Construction of building and civil works	54.56	54.56	45.44	45.44
(l) Subsidiary of Sunway Industrial Products Sdn. Bhd						
Sunway Concrete Products (S) Pte. Ltd. ®	Singapore	Manufacturing and sale of precast concrete building components	54.56	54.56	45.44	45.44

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(m) Subsidiary of Sunway Innopave (S) Pte. Ltd.						
Sunway Builders (Myanmar) Company Limited # (In liquidation)	Myanmar	Project management in construction services	54.56	54.56	45.44	45.44
(n) Subsidiary of Sunway Engineering Sdn. Bhd.						
Sunway Pekat Solar Sdn. Bhd.	Malaysia	Installation of non-electric solar energy collectors	32.73	32.73	67.27	67.27
(o) Subsidiaries of SunwayMas Sdn. Bhd.						
Sunway Bangi Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Mujurmas Sdn. Bhd.	Malaysia	Dormant	100	100	-	-
Pembangunan Risjaya Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Sunway Rawang Heights Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Sunway Kanching Heights Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Eaglefield Sdn. Bhd.	Malaysia	Dormant	100	100	-	-
Sunway Rydgeway Sdn. Bhd.	Malaysia	Property and housing development	80	80	20	20
SunwayTermuning Sdn. Bhd.	Malaysia	Property and housing development	80	80	20	20
Virgo Rhythm Sdn. Bhd.	Malaysia	Dormant	100	100	-	-
Sunway Eastwood Sdn. Bhd.	Malaysia	Property and housing development	70	70	30	30

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(p) Subsidiary of Sunway Geotechnics (M) Sdn. Bhd.						
Sunway CT Geotechnics Pte. Ltd. [@]	Singapore	Dormant	30	30	70	70
(q) Subsidiary of Sunway Quarry Industries Sdn. Bhd.						
Sunway Quarry Industries (Taiping) Sdn. Bhd. [#]	Malaysia	Dormant	100	100	-	-
(r) Subsidiaries of Sunway Marketing Sdn. Bhd.						
Sunway Marketing (East Malaysia) Sdn. Bhd.	Malaysia	Trading in hoses and fittings and industrial products	100	100	-	-
Sunway Hose Centre Sdn. Bhd.	Malaysia	Trading in hoses and fittings and hoses assembly	100	100	-	-
Sunway Architectural Products Sdn. Bhd.	Malaysia	Trading in architectural and finishing products	85	85	15	15
Sunway Opus International Trading Private Limited [#]	India	Dormant	60	60	40	40
Sunway Enterprise (1988) Sdn. Bhd.	Malaysia	Trading and hiring of heavy machinery and spares parts	100	100	-	-
Sunway Hydraulic Industries Sdn. Bhd.	Malaysia	Importation and trading of hydraulic fittings	100	100	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(r) Subsidiaries of Sunway Marketing Sdn. Bhd. (contd.)						
Dongfeng Commercial Vehicle (Malaysia) Sdn. Bhd.	Malaysia	Importing completely built-up Dongfeng trucks, acting as sales agent for new Dongfeng trucks in completely built-up and completely knocked down form and provision of marketing, promotion, sales and after sales and engineering servicing of the entire civil range of Dongfeng	97	-	3	-
(s) Subsidiaries of Sunway Marketing (S) Pte. Ltd						
Sunway Marketing (Shanghai) Pte. Ltd. #	China	Dormant	100	100	-	-
PT SunwayTrek Masindo #	Indonesia	Trading in hoses and fittings, hoses assembly and heavy equipment parts	100	100	-	-
Sunway Marketing (Thailand) Ltd. #	Thailand	Trading in hoses and fittings, hoses assembly and heavy equipment parts	100	100	-	-
Sunway TotalRubber Ltd. #	Australia	Import and distribution of industrial rubber and plastics	100	100	-	-
Sunway Marketing (Vietnam) Co. Ltd. @	Vietnam	Trading in hoses and fittings and service and assembly of hoses and hoses fittings	100	100	-	-
PT Sunway Flowtech #	Indonesia	Trading in hoses and fittings, and hoses assembly	100	100	-	-
PT Sunway Pacific Flow #	Indonesia	Manufacturing of specialty hoses	100	100	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(t) Subsidiary of Sunway Holdings (Vietnam) Sdn. Bhd.						
Realty Investments (HB) Inc. #	Panama	Investment holding	100	100	-	-
(u) Subsidiary of Realty Investments (HB) Inc.						
Hang Bai Office Complex JVC #	Vietnam	Dormant	74	74	26	26
(v) Subsidiary of PT Sunway Trek Masindo						
PT Sunway Distribusi Indonesia #	Indonesia	Import and distribute construction equipment and related parts, industrial hardware and CBU mixer truck, truck mounted concrete pump, Inc parts and hardware, engine oils, lubricants and tyres	67	67	33	33
(w) Subsidiary of Sunway Serene Sdn. Bhd.						
Cleaver Fortune Sdn. Bhd.# (In Liquidation)	Malaysia	Dormant	100	100	-	-
(x) Subsidiaries of Sunway Global Limited						
Sunway Spun Pile (Zhuhai) Co. Ltd. #	China	Design, manufacture and sale of pretensioned spun concrete piles	94.73	94.73	5.27	5.27

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(x) Subsidiaries of Sunway Global Limited (contd.)						
Sunway Hydraulic Industries (Wuhu) Co. Ltd. [#]	China	Production and sale of automotive parts, hydraulic pipes, coupling and adapter, production, sale and marketing of building materials, import and export trading	98.99	98.99	1.01	1.01
SunwayTrading (Shanghai) Pte. Ltd. [#]	China	Trading and distribution of hoses and couplings machineries, spare parts and related items	98.99	98.99	1.01	1.01
Sunway Daechang Forging (Anhui) Co. Ltd. [#]	China	Manufacturing, repair and assembling of undercarriage components, trading, providing design, consultancy services, maintenance	59.39	59.39	40.61	40.61
(y) Subsidiary of Sunway Enterprise (1998) Sdn. Bhd.						
Sunway Material Handling Sdn. Bhd.	Malaysia	Engage in sales, services and renting of material handling equipment and all related activities	60	60	40	40
(z) Subsidiary of Sunway TotalRubber Ltd.						
Sunway TotalRubber Services Franchising Pty. Ltd. [#]	Australia	Franchisor for TotalRubber franchising business	100	100	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(aa) Subsidiaries of Sunway City Sdn. Bhd.						
Sunway Integrated Properties Sdn. Bhd.	Malaysia	Property development, property investment and provision of management services	100	100	-	-
Sunway Alishan Sdn. Bhd. (Formerly known as Sunway Kinrara Sdn. Bhd.)	Malaysia	Property development	100	100	-	-
Sunway Biz Hotel Sdn. Bhd.	Malaysia	Hotelier	100	100	-	-
Sunway City (Penang) Sdn. Bhd.	Malaysia	Property development, provision of property management services and investment holding	100	100	-	-
Konsep Objektif (M) Sdn. Bhd.	Malaysia	Investment holding	70	70	30	30
Sunway City Properties Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Sunway Lagoon Sdn. Bhd.	Malaysia	Operator of a theme park which includes restaurant, recreational, amusement and zoo activities establishments	100	100	-	-
Sunway Resort Hotel Sdn. Bhd.	Malaysia	Hotelier	100	100	-	-
Sunway Travel Sdn. Bhd.	Malaysia	Provision of operation of travel and tour businesses, transportation services motor insurance and retail products	100	100	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(aa) Subsidiaries of Sunway City Sdn. Bhd. (contd.)						
Emerald Tycoon Sdn. Bhd.	Malaysia	Letting and management of property	100	100	-	-
Sunway Grand Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Sunway FSSC Sdn. Bhd.	Malaysia	Provision of financial and accounting services and information services	100	100	-	-
Sunway City (Cambodia) Sdn. Bhd.	Malaysia	Investment holding	76	76	24	24
Sunway City (Ipoh) Sdn. Bhd.	Malaysia	Property development and investment holding	95.96	95.96	4.04	4.04
Sunway PKNS Sdn. Bhd.	Malaysia	Property development and investment holding	60	60	40	40
Sunway Leisure Sdn. Bhd.	Malaysia	Ice rink operator	100	100	-	-
Sunway Semenyih Sdn. Bhd.	Malaysia	Property development	70	70	30	30
SunwayTunas Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Area Star Sdn. Bhd. #	Malaysia	Investment holdings	100	100	-	-
Sunway City (S'pore) Pte. Ltd. @	Singapore	Promotion and marketing services and investment holding	100	100	-	-
Sunway Management Services Sdn. Bhd. #	Malaysia	Provision of share registration and secretarial services	100	100	-	-
Sunway Destiny Sdn. Bhd.	Malaysia	Management and letting out of properties	100	100	-	-
Sunway Facility Management Sdn. Bhd.	Malaysia	Building facilities management and provision of management services	100	100	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(aa) Subsidiaries of Sunway City Sdn. Bhd. (contd.)						
Sunway IFM Sdn. Bhd.	Malaysia	Building facilities management, consultancy services, provision of e-commerce platforms and act as marketplace operator	100	100	-	-
Sunway City (JB) Sdn. Bhd.	Malaysia	Property development	80	80	20	20
Sunway Melawati Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Sunway Bukit Gambier Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Sunway Property & Facility Management Sdn. Bhd.	Malaysia	Property and facility management	100	100	-	-
Sunway Living Space Sdn. Bhd.	Malaysia	Property investment, operation and management of short stay accommodation	100	100	-	-
Sunway MUSC Sdn. Bhd.	Malaysia	Property investment	100	100	-	-
Sunway Supply Chain Enterprise Sdn. Bhd. [#]	Malaysia	Property development and property investment	100	100	-	-
Sunway Healthy Lifestyle Sdn. Bhd.	Malaysia	Management of healthcare programmes	100	100	-	-
Sunway Residence Sdn. Bhd.	Malaysia	Property investment	100	100	-	-
Sunway Synergy Sdn. Bhd.	Malaysia	Provision of human resource services	100	100	-	-
Rich Worldclass Sdn. Bhd. [#]	Malaysia	Property investment	100	100	-	-
Sunway Tower 1 Sdn. Bhd. [#]	Malaysia	Property investment and car park management	100	100	-	-

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(aa) Subsidiaries of Sunway City Sdn. Bhd. (contd.)						
Sunway Symphony Sdn. Bhd. #	Malaysia	Property investment	100	100	-	-
Sunway City India Private Limited #	India	Property development and investment holding	100	100	-	-
Sunway REM Sdn. Bhd.	Malaysia	Building facilities management services	100	100	-	-
Sunway Ambience Sdn. Bhd. #	Malaysia	Property investment	100	100	-	-
Sunway Rahman Putra Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Sunway Pals Loyalty Sdn. Bhd.	Malaysia	Customer loyalty schemes	100	100	-	-
Sunway Pinnacle Sdn. Bhd.	Malaysia	Property investment	100	100	-	-
SunCity Vietnam Sdn. Bhd.	Malaysia	Investment holding	100	100	-	-
Sunway Labuan Investment Ltd.	Malaysia	Investment holding	100	100	-	-
Sunway Forum Hotel Sdn. Bhd.	Malaysia	Hotel operations	100	100	-	-
Sunway Kiara Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Sunway Century Sdn. Bhd. #	Malaysia	Property investment	100	100	-	-
Sunway Pyramid Development Sdn. Bhd.	Malaysia	Property investment	100	100	-	-
Sunway Power Sdn. Bhd.#	Malaysia	Dormant	100	100	-	-
Sunway Finpro Sdn. Bhd.	Malaysia	Provision of financial and accounting services	100	100	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(aa) Subsidiaries of Sunway City Sdn. Bhd. (contd.)						
Sunway Putra Hotel Sdn. Bhd.	Malaysia	Hotelier	100	100	-	-
Pena Enterprise Sdn. Bhd. **	Malaysia	Dormant	100	100	-	-
Sunway Parking Services Sdn. Bhd.	Malaysia	Dormant	100	100	-	-
Sunway Subang Sdn. Bhd.	Malaysia	Property development	80	80	20	20
Sunway D'Mont Kiara Sdn. Bhd. (70% held by Sunway City Sdn. Bhd. and 30% held by Sunway PKNS Sdn. Bhd.)	Malaysia	Property development	88	88	12	12
Sunway Southern Management Sdn. Bhd.	Malaysia	Provision of management services	100	100	-	-
Deco Style Sdn. Bhd.	Malaysia	Specialist contractor in renovation of commercial/ residential projects	100	100	-	-
Sunway Pendas Management Sdn. Bhd.	Malaysia	Provision of management services	100	100	-	-
Sunway GD Piling Sdn. Bhd.	Malaysia	Property development	70	70	30	30
Sunway Belfield Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Sunway (Tianjin) Management Consultancy Co. Ltd. #	China	Provision of management consultancy and advisory services	100	100	-	-
Sunway Sustainability Solutions Sdn. Bhd.	Malaysia	Property and facility management	100	100	-	-

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(aa) Subsidiaries of Sunway City Sdn. Bhd. (contd.)						
Galaxy Avenue Sdn. Bhd. #	Malaysia	Property investment	100	100	-	-
Reptolink Sdn. Bhd. #	Malaysia	Property investment	100	100	-	-
Sunway International Hotels & Resorts Sdn. Bhd.	Malaysia	Rendering of management, advisory, supervision and other related services for the operation and management of hotel	100	100	-	-
Commercial Parade Sdn. Bhd.	Malaysia	Provision of management services	100	100	-	-
Sunway Treasury Sdn. Bhd.	Malaysia	Provision of financial services to the Group	100	100	-	-
Sunway Lagoon Club Berhad	Malaysia	Recreational club facilities	84.08	84.08	15.92	15.92
Sunway REIT Holdings Sdn. Bhd.	Malaysia	Investment holding	100	100	-	-
Sunway Property Management Sdn. Bhd.	Malaysia	Provision of accommodation management services	100	100	-	-
Sunway RE Capital Pte. Ltd.®	Singapore	Real estate investment	100	100	-	-
Sunway Little Sunshine Child Care Centre Sdn. Bhd.	Malaysia	Provision of child care services	100	100	-	-
Sterling Paradise Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Allson International Hotels & Resorts (B.V.I.) Limited #	British Virgin Islands	Dormant	100	100	-	-
Peluang Klasik (M) Sdn. Bhd.	Malaysia	Dormant	100	100	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(ab) Subsidiaries of Sunway City (Penang) Sdn. Bhd.						
Fame Parade Sdn. Bhd.	Malaysia	Provision of management services, property investment and shopping mall owner and operator	100	100	-	-
Sunway Hotel (Seberang Jaya) Sdn. Bhd.	Malaysia	Hotelier	100	100	-	-
Sunway Carnival Sdn. Bhd. ^ (In Liquidation)	Malaysia	Dormant	100	100	-	-
Sunway Bintang Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Associated Circle Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Sunway Orient Sdn. Bhd.	Malaysia	Property investment	100	100	-	-
(ac) Subsidiary of Sunway Treasury Sdn. Bhd.						
SunwayTreasury Sukuk Sdn. Bhd.	Malaysia	Provision of financial services to the Group	100	100	-	-
(ad) Subsidiary of Konsep Objektif (M) Sdn. Bhd						
Sunway Hotel Phnom Penh Ltd. @	Cambodia	Hotel business	52.50	52.50	47.50	47.50
(ae) Subsidiaries of Sunway Lagoon Sdn. Bhd.						
Eastern Glory Enterprises Limited *	British Virgin Islands	Investment holding	45	45	55	55
SunwayTownhouse Sdn. Bhd. #	Malaysia	Property development and letting of property	100	100	-	-
Sunway South Quay Sdn. Bhd.	Malaysia	Property development	100	100	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(ae) Subsidiaries of Sunway Lagoon Sdn. Bhd. (contd.)						
Sunway Integrated Parking Sdn. Bhd.	Malaysia	Car park operator	100	100	-	-
(af) Subsidiaries of Sunway South Quay Sdn. Bhd.						
Sunway Monash-U Residence Sdn. Bhd.	Malaysia	Property investment	100	100	-	-
Prosper Revenue Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Sunway Geo Sdn. Bhd.	Malaysia	Property investment	100	100	-	-
(ag) Subsidiary of SunCity Vietnam Sdn. Bhd.						
Hochimex Nominee Company Limited #	Hong Kong	Investment holding	100	100	-	-
(ah) Subsidiary of Hochimex Nominee Company Limited						
Sunway Hotel Hanoi Liability Limited Company with One Member ®	Vietnam	Hotel business	100	100	-	-
(ai) Subsidiary of Sunway City (Cambodia) Sdn. Bhd.						
Sunway City Cambodia Limited #	Cambodia	Dormant	60.80	60.80	39.20	39.20
(aj) Subsidiaries of Sunway City (Ipoh) Sdn. Bhd.						
Kinta Sunway Resort Sdn. Bhd.	Malaysia	Property investment, hotel owner and operator and property development	95.96	95.96	4.04	4.04

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(aj) Subsidiaries of Sunway City (Ipoh) Sdn. Bhd. (contd.)						
Objektif Ekuiti (M) Sdn. Bhd.	Malaysia	Dormant	95.96	95.96	4.04	4.04
Sunway Lost World Water Park Sdn. Bhd.	Malaysia	Development and operation of a water theme park	95.96	95.96	4.04	4.04
Lagoon Fantasy Sdn. Bhd.	Malaysia	Dormant	95.96	95.96	4.04	4.04
Semangat Kancil (M) Sdn. Bhd.	Malaysia	Dormant	95.96	95.96	4.04	4.04
Sunway Organic Garden Sdn. Bhd.	Malaysia	Organic farming business	95.96	95.96	4.04	4.04
Sunway XFarms Sdn. Bhd (Transfer to Sunway Holdings Sdn. Bhd.).	Malaysia	Dormant	-	95.96	-	4.04
Sunway Lost World Hotel Sdn. Bhd.	Malaysia	Operation of a hotel	95.96	95.96	4.04	4.04
(ak) Subsidiary of Deco Style Sdn. Bhd.						
Sunway Design Sdn. Bhd.	Malaysia	Interiors decorator and contractors	80	80	20	20
(al) Subsidiaries of Sunway PKNS Sdn. Bhd.						
Imbasan Intisari Sdn. Bhd.	Malaysia	Property development	60	60	40	40
Tidal Elegance Sdn. Bhd.	Malaysia	Property development	60	60	40	40
Park Symphony Sdn. Bhd.	Malaysia	Property development	60	60	40	40
Sunway Nexis Parking Sdn. Bhd.	Malaysia	Car park operator	60	60	40	40
Laudable Generations Sdn. Bhd.	Malaysia	Dormant	60	60	40	40

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(al) Subsidiaries of Sunway PKNS Sdn. Bhd. (contd.)						
Sunway D Hill Sdn. Bhd. (Formerly known as Petikan Tropika Sdn. Bhd.)	Malaysia	Dormant	60	60	40	40
Sunway Giza Mall Sdn. Bhd.	Malaysia	Letting and management of a shopping complex	60	60	40	40
Sunway Giza Parking Sdn. Bhd.	Malaysia	Property investment	60	60	40	40
Contemporary Factor Sdn. Bhd.	Malaysia	Dormant	60	60	40	40
Sumber Dorongan Sdn. Bhd.	Malaysia	Property investment	60	60	40	40
Anggaran Salju Sdn. Bhd.	Malaysia	Dormant	60	60	40	40
Bisikan Seni Sdn. Bhd.	Malaysia	Property development	60	60	40	40
Emerald Freight Sdn. Bhd.	Malaysia	Property development	60	60	40	40
Sunway Monterez Sdn. Bhd.	Malaysia	Property development	60	60	40	40
(am) Subsidiaries of Eastern Glory Enterprises Limited						
Hartford Lane Pty. Ltd. #	Australia	Trustee	45	45	55	55
International Theme Park Pty. Ltd. #	Australia	Investment holding	45	45	55	55
(an) Subsidiary of International Theme Park Pty. Ltd.						
Sunway Australia Unit Trust #	Australia	Unit trust	45	45	55	55

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(ao) Subsidiaries of Sunway City (S'pore) Pte. Ltd.						
Sunway Investment Management Consultancy (Shanghai) Co. Ltd. #	China	Provision of management consultancy advisory services	100	100	-	-
Primary Selection Pte. Ltd. #	Singapore	Dormant	100	100	-	-
Sunway Property (Australia) Pty. Ltd. #	Australia	Dormant	100	100	-	-
Sunway Property Development (Zhuhai) Co. Ltd. #	China	Dormant	100	100	-	-
(ap) Subsidiaries of Sunway Winstar Sdn. Bhd.						
Winstar Enterprise Sdn. Bhd.	Malaysia	Dormant	98.85	79.42	1.15	20.58
Rising Star Marketing Sdn. Bhd.	Malaysia	Dormant	98.85	79.42	1.15	20.58
Sunway Saf-T-Quip Sdn. Bhd.	Malaysia	Sale of industrial safety products	98.85	79.42	1.15	20.58
Sunway United Star Sdn. Bhd.	Malaysia	Trading in hardware and engineering products	82.05	65.92	17.95	34.08
Sunway Hsing Yeat Sdn. Bhd.	Malaysia	Dormant	98.85	79.42	1.15	20.58
Jaya DIY Mart Sdn. Bhd.	Malaysia	Operator of a retail do-it-yourself (DIY) chain, selling hardware and household products	98.85	79.42	1.15	20.58

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(aq) Subsidiaries of Winstar Enterprise Sdn. Bhd.						
Multi Star Marketing Sdn. Bhd.	Malaysia	Dormant	64.25	51.62	35.75	48.38
Power Star Hardware Sdn. Bhd.	Malaysia	Dormant	89.57	71.96	10.43	28.04
(ar) Subsidiaries of Sunway Hsing Yeat Sdn. Bhd.						
Tactstar Sdn. Bhd.	Malaysia	Dormant	98.85	79.42	1.15	20.58
Star Bridge Hardware Sdn. Bhd.	Malaysia	Dormant	74.14	59.56	25.86	40.44
Power Star Machinery Sdn. Bhd.	Malaysia	Dormant	98.85	79.42	1.15	20.58
Sunway Coating Solutions Sdn. Bhd.	Malaysia	Manufacturing and selling of paints, chemicals and concrete	69.20	55.59	30.80	44.41
The Venue International Sdn. Bhd.	Malaysia	Dormant	59.31	47.65	40.69	52.35
(as) Subsidiaries of Sunway RE Capital Pte. Ltd.						
Sunway RE Capital Advisors (SG) Pte. Ltd. ®	Singapore	Fund management services	100	100	-	-
Sunway ResidenceTrust ® (Transfer to Sunway ResidenceTrust II)	Singapore	Generate returns to registered holders of units by investing principally in student accommodation located in United Kingdom	-	100	-	-
Sunway Residence Trust II ^^	Singapore	Generate returns to registered holders of units by investing principally in student accommodation located in United Kingdom	100	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Continuing operations (contd.)						
(at) Subsidiaries of Sunway RE Capital Advisors (SG) Pte. Ltd.						
Sunway RE Capital Advisors (UK) Limited [®]	United Kingdom	Fund management services	85	85	15	15
Sunway MBU RE Capital Advisors (UK) Limited ^{^^}	United Kingdom	Dormant	100	-	-	-
(au) Subsidiary of Sunway Residence Trust						
Sunway Residence (Guernsey) Limited [®]	Guernsey	Buying, selling, renting and other real estate activities	100	100	-	-
(av) Subsidiaries of Sunway Residence Trust II						
Sunway Residence (Singapore) Pte. Ltd. ^{^^}	Singapore	Investment holding company	100	-	-	-
Sunway Residence Trust [®] (Transfer from Sunway RE Capital Pte. Ltd.)	Singapore	Generate returns to registered holders of units by investing principally in student accommodation located in United Kingdom	100	-	-	-
(aw) Subsidiary of Sunway Residence (Singapore) Pte. Ltd.						
Sunway Residence (Guernsey) Holdings Limited ^{^^}	Guernsey	Investment holding company	100	-	-	-
(ax) Subsidiary of Sunway Residence (Guernsey) Holdings Limited						
Sunway Residence (Guernsey) 2 Limited ^{^^}	Guernsey	Dormant	100	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of structured entities	Principal activities	% of effective interest held by			
		Group		Non-controlling interest	
		2021	2020	2021	2020
		%	%	%	%
Continuing operations (contd.)					
(ay) Structured entities under the control of Sunway Berhad					
RHB Private Fund - Series 5 ^{#^A^A}	Investment in fixed income securities, money market investments and deposits	99	100	1	-
Kenanga Income Fund Series 1 ^{#^A^A}	Investment in fixed income securities, money market investments and deposits	100	100	-	-
Kenanga MoneyExtra Fund II ^{#^A^A}	Investment in short term money market instruments and fixed income securities	51	65	49	35
Maybank Shariah Institutional Income Fund ^{#^A^A}	Investment in shariah-compliant equities, Sukuk, Islamic deposits, Islamic money market instruments, Islamic collective investment schemes	100	100	-	-
Maybank Institutional Income Fund ^{#^A^A}	Investment in short term money market instruments and fixed income securities	-	100	-	-
RHB Islamic Fund ^{#^A^A}	Investment in Islamic fixed income securities and/or Islamic money market instruments	100	100	-	-

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021	2020	2021	2020
			%	%	%	%
Discontinued operations ^{**}						
(a) Subsidiaries of Sunway Healthcare Holdings Sdn. Bhd. ⁺⁺⁺						
SunMed@Home Sdn. Bhd. ^{##}	Malaysia	Provision of nursing care services and operation of traditional and complementary medicine centre	-	99.16	-	0.84
SunMed Clinics Sdn. Bhd. ^{##}	Malaysia	Provision of medical consultation services and facility services	-	99.16	-	0.84

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021	2020	2021	2020
			%	%	%	%
Discontinued operations ^{**} (contd.)						
(a) Subsidiaries of Sunway Healthcare Holdings Sdn. Bhd. ⁺⁺⁺ (contd.)						
SunMed Velocity Sdn. Bhd. ^{##}	Malaysia	Operation of a medical centre	-	100	-	-
Sunway Iskandar Medical Centre Sdn. Bhd. ^{##}	Malaysia	Dormant	-	100	-	-
Paradigm Fairview Sdn. Bhd. ^{##}	Malaysia	Dormant	-	100	-	-
Platinum Greenway Sdn. Bhd. ^{##}	Malaysia	Dormant	-	100	-	-
Sunway Medical Centre (Singapore) Pte. Ltd. ^{@##}	Singapore	Provision of medical consultation services and facilities services	-	100	-	-
Sunway Specialist Centre Sdn. Bhd. ^{##}	Malaysia	Provision of outpatient care services including diagnosis, observation, consultation, treatment, surgery, intervention and rehabilitation services on a day care basis	-	100	-	-
Sunway Medical Centre Ipoh Sdn. Bhd. ^{##}	Malaysia	Dormant	-	100	-	-
Sunway Medical Centre Kota Bharu Sdn. Bhd. ^{##}	Malaysia	Dormant	-	100	-	-
Sunway Medical Centre Sdn. Bhd. ^{##}	Malaysia	Operation of a medical centre	-	99.16	-	0.84
Sunway Senior Living Sdn. Bhd. ^{##}	Malaysia	Provision of a wide range of facilities and services of persons in need of senior living care and assistance	-	100	-	-
Alliance Parade Sdn. Bhd. ^{##}	Malaysia	Operation of a medical centre	-	100	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

51. SUBSIDIARIES (CONTD.)

Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of effective interest held by			
			Group		Non-controlling interest	
			2021 %	2020 %	2021 %	2020 %
Discontinued operations ** (contd.)						
(a) Subsidiaries of Sunway Healthcare Holdings Sdn. Bhd. *** (contd.)						
Sunway Healthcare Treasury Sdn. Bhd. ## (Formerly known as Frontier Acres Sdn. Bhd.)	Malaysia	Provision of financial and treasury services to the related companies	-	100	-	-

@ Audited by Member Firms of BDO International.

Audited by firms of auditors other than BDO in Malaysia and Member Firms of BDO International.

Disposed of by SunCity to SHH pursuant to the reorganisation exercise as disclosed in Note 53(a) to the financial statements.

* The Group controls the composition of the Board of Directors of the companies and hence has the power to govern the relevant activities of the companies.

** Dissolved on 23 February 2022 pursuant to Section 551(3) of the Companies Act 2016.

*** In the midst of striking off pursuant to Section 550 of the Companies Act 2016.

^ Subsidiaries are consolidated based on management accounts for the financial year ended 31 December 2021. The financial statements of these subsidiaries are not required to be audited as they had been placed under members' voluntary winding up during the financial year.

^^ Statutory audit not required as at 31 December 2021.

^^^ These wholesale funds are deemed subsidiaries of the Group and the Company as these wholesale funds are in substance, structured entities under the control of the Group and of the Company in accordance with MFRS 10 Consolidated Financial Statements as disclosed in Note 20(d) of the financial statements.

+ Placed under members' voluntary winding-up on 7 February 2022.

++ Divested during the financial year as disclosed in Note 13 to the financial statements.

+++ Incorporated on 5 January 2021 as a wholly-owned subsidiary of SunCity prior to the partial divestment of 16% equity interest in the entity to Greenwood by SunCity as disclosed in Note 13 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

52. JOINT OPERATION

Joint operation of Sunway Construction Sdn. Bhd.	Principal activities	Effective participating interest	
		2021 %	2020 %
Taisei-Sunway Joint Venture	Construction works	27.28	27.28

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group recognises its direct right and share of any jointly held assets, liabilities, revenues and expenses of the joint operation in accordance with the MFRS applicable to the respective assets, liabilities, revenues and expenses.

53. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD

(a) Reorganisation Exercise

On 5 May 2021, SunCity, a wholly-owned subsidiary of the Company, entered into a Share Purchase Agreement with SHH, a wholly-owned subsidiary of SunCity, which was incorporated on 5 January 2021 for the disposal of its entire equity interests in the companies referred below to SHH for a total consideration of RM683,362,834, to be fully satisfied by the allotment and issuance of 489,269,588 ordinary shares at an issue price of RM1.3967 per share in the share capital of SHH to SunCity.

The companies disposed of by SunCity to SHH are as follows:

- (i) Paradigm Fairview Sdn. Bhd.
- (ii) Platinum Greenway Sdn. Bhd.
- (iii) Sunway Iskandar Medical Centre Sdn. Bhd.
- (iv) Sunway Medical Centre (Singapore) Pte. Ltd.
- (v) Sunway Medical Centre Ipoh Sdn. Bhd.
- (vi) Sunway Medical Centre Kota Bharu Sdn. Bhd.
- (vii) Sunway Medical Centre Sdn. Bhd.
- (viii) Sunway Specialist Centre Sdn. Bhd.
- (ix) SunMed Velocity Sdn. Bhd.
- (x) Sunway Senior Living Sdn. Bhd.

(b) Acquisition of 22 plots of residential freehold land located at Thiam Siew Avenue, Tanjong Katong, Singapore

Hoi Hup Realty Pte. Ltd. ("Hoi Hup"), a company incorporated in Singapore and Sunway Developments Pte. Ltd. ("SDPL"), a wholly-owned subsidiary of Sunway Holdings Sdn. Bhd., had on 18 November 2021, entered into a Collective Sale and Purchase Agreement with the owners of 22 plots of residential freehold land at Thiam Siew Avenue to acquire the Property for a total consideration of S\$815.0 million (equivalent to approximately RM2.51 billion).

The completion of the agreement is subject to fulfillment of conditions precedent and authorities' approval.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

53. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD (CONTD.)

- (c) **Investment by Greenwood, an indirect wholly owned subsidiary of GIC (Ventures) Pte. Ltd., in SHH, a wholly owned subsidiary of SunCity, which in turn is a wholly owned subsidiary of the Group, for a total consideration of RM750 million in cash**

On 23 June 2021, the Company, SunCity, SHH and Greenwood entered into a share subscription agreement for the subscription of 100,000,000 ordinary shares in SHH, 10,000,000 irredeemable convertible preference shares in SHH ("ICPS") and 1 cumulative irredeemable dividend convertible preference share in SHH (collectively, "Subscription Shares") by Greenwood for a total subscription consideration of RM750 million in cash ("Subscription Amount").

The Subscription Amount will be paid over five (5) tranches subject to the satisfaction of the closing conditions of the respective tranches in accordance with the Share Subscription Agreement ("SSA") as follows:

- (i) RM33.88 upon the Initial Closing;
- (ii) the 1st tranche of RM199,999,994.32 on the later of the date falling 6 months after the date of the SSA and the date of the Initial Closing ("1st Closing");
- (iii) the 2nd tranche of RM100,000,000.00 on the date falling 18 months after the date of the SSA ("2nd Closing");
- (iv) the 3rd tranche of RM168,000,000.00 on the date falling 18 months after the date of the 2nd Closing ("3rd Closing"); and
- (v) the 4th tranche of RM281,999,971.80 on the date falling 6 months after the date of the 3rd Closing ("4th Closing").

As disclosed in the Note 13 to the financial statements, the Group had fulfilled the initial closing conditions on 23 December 2021 as stipulated in the SSA resulting in Greenwood becoming a shareholder of SHH.

Sunway, SunCity, SHH and Greenwood (collectively, "Parties") have on 23 December 2021 signed a supplemental letter to the SSA ("SSA Supplemental Letter") to vary, among others, the date of the 1st Closing. Pursuant to the SSA Supplemental Letter, the Parties agreed that the 1st Closing has been amended from the later of the date falling six (6) months after the date of the SSA or the Initial Closing Date to the date falling nine (9) months after the date of the SSA. Accordingly, the 1st Closing conditions have been fulfilled and that 1st Closing had occurred on 23 March 2022 with Greenwood having paid the 1st tranche of the Subscription Amount of RM199,999,994.32 to SHH.

In addition, the Parties have also signed a Shareholders' Agreement to regulate their relationship as shareholder of SHH as disclosed in Note 13 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

53. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD (CONTD.)

- (d) **Acceptance of Surety Bond Facility Granted by Berkshire Hathaway Specialty Insurance Company**

The Company has secured a Surety Bond Facility of SGD200 million (approximately RM616.66 million) in aggregate from Berkshire Hathaway Specialty Insurance Company, Singapore Branch ("Berkshire") for the following purposes:

- (i) Berkshire will issue a qualifying certificate bond of SGD37.1 million (approximately RM114.39 million) i.e. 10% of the land price of the land at Yew Siang Road, Singapore ("Land") acquired by Hoi Hup Sunway Kent Ridge Pte. Ltd. ("HHSKR"), a joint venture of the Group in favour of Singapore Land Authority ("LDAU") to guarantee the performance of HHSKR to complete the residential development on the Land within 5 years from date of purchase and to sell all residential units within 2 years after the issuance of temporary occupancy permit for the housing project. This is in accordance with the Residential Property Act of Singapore, which requires all foreign persons (including all companies) to seek the prior approval of LDAU to acquire and retain restricted residential properties in Singapore; and
- (ii) issuance of performance bond(s) of up to 10% of the land price in future application(s) to LDAU for future property development(s) of its joint venture company(ies) in Singapore in accordance with the requirements of LDAU.

- (e) **Changes in the composition of the Group**

On 18 February 2022, SunCity, a wholly-owned subsidiary of the Company, entered into a Supplemental Letter Agreement ("SLA") with Huatland Development Sdn. Bhd., and Sunway Artessa Sdn. Bhd. ("Sunway Artessa"), a joint venture of SunCity, to vary certain terms of the Subscription and Shareholders' Agreement dated 16 August 2017, which resulted in SunCity obtaining control of Sunway Artessa in accordance with MFRS 10, notwithstanding that SunCity holds a majority of the voting rights of Sunway Artessa.

On the same date, SunCity also entered into another SLA with Low Peng Kiat, CRSC Property Sdn. Bhd. and Sunway Velocity Two Sdn. Bhd. ("Sunway Velocity Two"), a joint venture of SunCity, to vary certain terms of the Subscription and Shareholders' Agreement dated 10 February 2017, which resulted in SunCity obtaining control of Sunway VelocityTwo in accordance with MFRS 10, notwithstanding that SunCity holds a majority of the voting rights of Sunway VelocityTwo.

Consequently, both Sunway Artessa and Sunway VelocityTwo became subsidiaries of SunCity on 18 February 2022.

- (f) **The Coronavirus disease "COVID-19" pandemic**

In 2020, the COVID-19 pandemic has resulted in a slowdown of the global economy including Malaysia. In relation to this, the Government of Malaysia had implemented various movement control orders throughout the year to contain the spread of the COVID-19 virus. The Group also activated its Business Continuity Plan and implemented various cost-saving measures in its business operations to mitigate the financial impact of the pandemic to its business performance, streamlined its business processes to improve productivity and at the same time, stepped up preventive measures to reduce the risks of spread and safeguard its employees and customers.

Most of the business operations of the Group were gradually recovering from the fallout of the COVID-19 pandemic towards the later part of 2020. However, the recovery was short-lived due to the resurgence of COVID-19 cases, which saw the reinstatement of movement control orders that continued into early 2021. The leisure and hospitality operations of the Group under the Property Investment segment continued to be adversely impacted since the start of the movement control orders in 2020, which called for the closure of the theme park operations and more stringent social distancing requirements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

53. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD (CONTD.)

(f) The Coronavirus disease "COVID-19" pandemic (contd.)

On 13 January 2021 until 7 June 2021, the Government of Malaysia had re-introduced the movement control order in Malaysia. Following a rise in COVID-19 cases in Malaysia, with daily cases exceeding 8,000 and with over 70,000 active cases, on 28 May 2021, a full movement control order, also known as 'total lockdown' was declared by the Government of Malaysia for a period of 14 days from 1 June to 14 June 2021, and further extended for 2 more weeks, until 28 June 2021. Throughout this duration, all economic sectors were not allowed to operate with the exception of essential economic and service sectors.

Further, on 15 June 2021, the Government of Malaysia unveiled the four-phase National Recovery Plan ("NRP") whereby movement control measures will be gradually eased as Malaysia moves from one phase to the next. The key threshold indicators for the four phases are the COVID-19 infection rate in the community, capacity of the public healthcare system, and vaccination rate.

The business operations of the Group were more prepared for the movement control orders and total lockdown in 2021 in view of the digital infrastructure improvements and operational efficiencies of business operations already put in place since 2020.

While most of the business operations of the Group were able to transition seamlessly to work remotely, the leisure and hospitality operations, which are more dependent on physical footfalls continued to be affected by the closure of their respective operations, interstate and international travel restrictions in most part of 2021.

The ramping up of the mass vaccination roll-out since May 2021 has helped Malaysia achieved over 80% vaccination rate among the adult population that allowed the transition of the NRP to phase 4 in October 2021.

Since entering into phase 4 of the NRP, the government has started to progressively allow more economic sectors to reopen in the latter part of the third quarter of 2021. On 8 March 2022, the Government of Malaysia announced that the country will begin its transition to endemic phase of COVID-19 from 1 April 2022 with the opening of its international borders and abolishment of certain COVID-19 restrictions. All the business divisions of the Group have seen encouraging recovery to their respective business operations with the resumption of the economic activities, especially the social and local tourism-related activities.

The Group has continuously assessed the impact of the COVID-19 pandemic across its business operations and undertook the necessary precautions and provisions where necessary. The Group will also continue to actively monitor and manage its funds and operations to minimise any further impact arising from the COVID-19 pandemic.

Based on the assessment of the Group, the judgements and assumptions used in the preparation of the financial statements for the financial year ended 31 December 2021 have not been impacted significantly by the COVID-19 pandemic other than as disclosed in Notes 16, 23, 25, 26 and 31 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

54. ADOPTION OF MFRSS AND AMENDMENTS TO MFRSS

(a) New MFRSs adopted during the financial year

The accounting policies adopted are consistent with those of the previous financial year except as follows:

During the financial year, the Group and the Company adopted the following Standards that are mandatory for annual financial periods beginning on or after 1 January 2021.

Title	Effective Date
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 - <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*

* *Early adopted by the Group and the Company.*

Adoption of the above Standards did not have any material effect on the financial performance or position of the Group and of the Company except for the adoption of Amendment to MFRS 16 *COVID-19-Related Rent Concessions beyond 30 June 2021* as described in the following sections.

Amendment to MFRS 16 *Covid-19-Related Rent Concessions beyond 30 June 2021*

The Group and the Company have early adopted Amendment to MFRS 16 *COVID-19-Related Rent Concessions beyond 30 June 2021* and elected to apply the extended practical expedient to all rent concessions relating to leases with similar characteristics and in similar circumstances. Consequently, the Group and the Company do not recognise changes in these lease payments as lease modifications and instead, recognise these as variable lease payments in profit or loss. The effects of early adoption are disclosed in Note 39 to the financial statements.

(b) New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2022

The Standards that are issued but not yet effective up to the date of issuance of financial statements of the Group and of the Company are disclosed below. The Group and the Company intend to adopt these Standards, if applicable, when they become effective.

Title	Effective Date
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
Amendments to MFRS 3 <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to MFRS 116 <i>Property, Plant and Equipment - Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137 <i>Onerous Contracts - Cost of Fulfilling a Contract</i>	1 January 2022
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 101 <i>Disclosures of accounting policies</i>	1 January 2023
Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendment to MFRS 17 <i>Initial Application of MFRS 17 and MFRS 9 - Comparative Information</i>	1 January 2023
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group is in the process of assessing the impact of implementing these Standards, since the effects would only be observable for the future financial years.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

55. FINANCIAL EFFECTS ON ADOPTION OF IFRIC AGENDA DECISION ON IAS 23 *BORROWING COSTS* ON OVER TIME TRANSFER OF CONSTRUCTED GOODS AND RE-PRESENTATION OF COMPARATIVES FOR DISCONTINUED OPERATIONS

Change in accounting policy

During the financial year, the Group adopted the IFRIC agenda decision on IAS 23 *Borrowing Costs* on over time transfer of constructed goods, which resulted in a change in accounting policy. The effects of the change in accounting policy are set out below.

Effects of applying IFRIC Agenda Decision on IAS 23 *Borrowing Costs* on over time transfer of constructed goods

In March 2019, the IFRIC published an agenda decision on borrowing costs confirming, receivables, contract assets and inventories for which revenue is recognised over time are non-qualifying assets. On 20 March 2019, the Malaysia Accounting Standard Board announced that an entity should apply the change in accounting policy as a result of this IFRIC Agenda Decision to financial statements of annual periods beginning on or after 1 July 2020.

In line with the IFRIC Agenda Decision, the Group has adopted the IFRIC Agenda Decision retrospectively as at 1 January 2020 to exclude properties under development where control is transferred to customers over time, as qualifying assets for the purposes of borrowing cost capitalisation. Consequently, all borrowings costs incurred cease to be capitalised when the properties under development are ready for their intended sale and are expensed to profit or loss when incurred. Previously, the Group considered all properties under development as qualifying assets. The change in accounting policy has been applied retrospectively where comparative information has been restated to reflect the new accounting policy.

Re-presentation of comparatives for discontinued operations

Pursuant to the corporate exercise as stated in Note 13 to the financial statements, the results of discontinued operations from 1 January 2021 to 31 December 2021 were presented on a single line in the statement of profit and loss of the Group for presentation purposes under MFRS 5 *Non-Current Assets Held for Sale and Discontinued Operations*. Accordingly, the statement of profit and loss of the Group for financial year ended 31 December 2020 have been re-presented.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

55. FINANCIAL EFFECTS ON ADOPTION OF IFRIC AGENDA DECISION ON IAS 23 *BORROWING COSTS* ON OVER TIME TRANSFER OF CONSTRUCTED GOODS AND RE-PRESENTATION OF COMPARATIVES FOR DISCONTINUED OPERATIONS (CONTD.)

Re-presentation of comparatives for discontinued operations (contd.)

An explanation on the effects arising from the adoption of IFRIC Agenda Decision on IAS 23 *Borrowing Costs* and re-presentation of discontinued operations on the financial position and financial performance of the Group is set out as follows:

- (i) Reconciliation of statements of profit or loss and other comprehensive income for the financial year ended 31 December 2020

Group	As previously reported RM'000	Effects of IFRIC Agenda Decision on IAS 23 RM'000	Results from discontinued operations RM'000	Restated RM'000
Continuing operations				
Revenue	3,829,061	-	(620,302)	3,208,759
Cost of sales	(2,635,408)	14,957	248,469	(2,371,982)
Gross profit	1,193,653	14,957	(371,833)	836,777
Other income	268,539	-	(22,139)	246,400
Administrative expenses	(687,608)	-	253,946	(433,662)
Net impairment losses on financial assets and contract assets	(22,866)	-	3,830	(19,036)
Selling and marketing expenses	(128,969)	-	6,921	(122,048)
Other expenses	(375,021)	-	97,622	(277,399)
Operating profit	247,728	14,957	(31,653)	231,032
Finance and other distribution income	171,886	-	(9,046)	162,840
Finance costs	(140,439)	(17,434)	23,300	(134,573)
Share of results of associates, net of tax	63,171	-	-	63,171
Share of results of joint ventures, net of tax	170,199	(2,545)	-	167,654
Profit before tax	512,545	(5,022)	(17,399)	490,124
Income tax expense	(101,971)	(676)	11	(102,636)
Profit for the financial year from continuing operations	410,574	(5,698)	(17,388)	387,488
Discontinued operations				
Profit from discontinued operations, net of tax	-	-	17,388	17,388
Profit for the financial year from discontinued operations, net of tax	-	-	17,388	17,388
Profit for the financial year	410,574	(5,698)	-	404,876

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

55. FINANCIAL EFFECTS ON ADOPTION OF IFRIC AGENDA DECISION ON IAS 23 *BORROWING COSTS* ON OVER TIME TRANSFER OF CONSTRUCTED GOODS AND RE-PRESENTATION OF COMPARATIVES FOR DISCONTINUED OPERATIONS (CONTD.)

- (i) Reconciliation of statements of profit or loss and other comprehensive income for the financial year ended 31 December 2020 (contd.)

Group	As previously reported RM'000	Effects of IFRIC Agenda Decision on IAS 23 RM'000	Results from discontinued operations RM'000	Restated RM'000
Attributable to owners of the parent				
From continuing operations	362,827	(5,573)	(16,990)	340,264
From discontinued operations	-	-	16,990	16,990
	362,827	(5,573)	-	357,254
Attributable to non-controlling interests				
From continuing operations	47,747	(125)	(398)	47,224
From discontinued operations	-	-	398	398
	47,747	(125)	-	47,622
	410,574	(5,698)	-	404,876
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss				
Foreign currency translations	41,171	-	-	41,171
Cash flow hedge reserve - fair value gain/(loss)				
- Fair value gain of derivatives	23,887	-	-	23,887
- Amounts recycled to profit or loss	(26,392)	-	-	(26,392)
Item that will not be reclassified subsequently to profit or loss				
Fair value gain on other investments at fair value through other comprehensive income	19,775	-	-	19,775
Other comprehensive income for the financial year, net of tax	58,441	-	-	58,441
Total comprehensive income for the financial year	469,015	(5,698)	-	463,317
Total comprehensive income attributable to:				
Owners of the parent	414,918	(5,573)	-	409,345
Non-controlling interests	54,097	(125)	-	53,972
	469,015	(5,698)	-	463,317

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

55. FINANCIAL EFFECTS ON ADOPTION OF IFRIC AGENDA DECISION ON IAS 23 *BORROWING COSTS* ON OVER TIME TRANSFER OF CONSTRUCTED GOODS AND RE-PRESENTATION OF COMPARATIVES FOR DISCONTINUED OPERATIONS (CONTD.)

- (ii) Reconciliation of statements of financial position: (contd.)

Group	As previously reported RM'000	Effects of IFRIC Agenda Decision on IAS 23 RM'000	Restated RM'000
1 January 2020			
Assets			
Non-current assets			
Property, plant and equipment	2,749,044	-	2,749,044
Intangible assets	19,833	-	19,833
Investment properties	2,327,617	-	2,327,617
Inventories	1,674,576	-	1,674,576
Investments in associates	2,458,048	-	2,458,048
Investments in joint ventures	1,627,026	161	1,627,187
Goodwill	311,808	-	311,808
Deferred tax assets	66,722	1,852	68,574
Trade receivables	140,071	-	140,071
Other receivables	6,099	-	6,099
Amounts due from joint ventures	1,332,623	-	1,332,623
Rock reserves	5,605	-	5,605
Other investments	569,856	-	569,856
Biological assets	121	-	121
	13,289,049	2,013	13,291,062
Current assets			
Inventories	2,102,056	(24,245)	2,077,811
Trade receivables	1,638,423	-	1,638,423
Other receivables	348,938	-	348,938
Contract assets	76,230	-	76,230
Derivatives	1,925	-	1,925
Amounts due from associates	35,145	-	35,145
Amounts due from joint ventures	992,429	-	992,429
Other investments	376,373	-	376,373
Tax recoverable	79,257	-	79,257
Cash and bank balances	2,554,746	-	2,554,746
	8,205,522	(24,245)	8,181,277
Total assets	21,494,571	(22,232)	21,472,339

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

55. FINANCIAL EFFECTS ON ADOPTION OF IFRIC AGENDA DECISION ON IAS 23 *BORROWING COSTS* ON OVER TIME TRANSFER OF CONSTRUCTED GOODS AND RE-PRESENTATION OF COMPARATIVES FOR DISCONTINUED OPERATIONS (CONTD.)

(ii) Reconciliation of statements of financial position: (contd.)

Group	As previously reported RM'000	Effects of IFRIC Agenda Decision on IAS 23 RM'000	Restated RM'000
1 January 2020 (contd.)			
Equity and liabilities			
Current liabilities			
Borrowings	7,022,907	-	7,022,907
Trade payables	1,344,269	-	1,344,269
Other payables	1,241,951	-	1,241,951
Contract liabilities	43,529	-	43,529
Amounts due to associates	11,950	-	11,950
Amounts due to joint ventures	72,774	-	72,774
Hire purchase and lease liabilities	69,750	-	69,750
Derivatives	17,730	-	17,730
Tax payable	5,480	-	5,480
	9,830,340	-	9,830,340
Non-current liabilities			
Borrowings	872,563	-	872,563
Perpetual sukuk	400,000	-	400,000
Deferred tax liabilities	130,304	-	130,304
Other payables	52,360	-	52,360
Amounts due to joint ventures	4,131	-	4,131
Long term liabilities	2,923	-	2,923
Hire purchase and lease liabilities	768,204	-	768,204
Derivatives	187	-	187
	2,230,672	-	2,230,672
Total liabilities	12,061,012	-	12,061,012
Equity attributable to owners of the parent			
Share capital	5,393,666	-	5,393,666
Treasury shares	(53,324)	-	(53,324)
Equity contribution from a joint venture	51,654	-	51,654
Merger reserve	(1,192,040)	-	(1,192,040)
Reserves	4,189,313	(21,902)	4,167,411
	8,389,269	(21,902)	8,367,367
Non-controlling interests	1,044,290	(330)	1,043,960
Total equity	9,433,559	(22,232)	9,411,327
Total equity and liabilities	21,494,571	(22,232)	21,472,339

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

55. FINANCIAL EFFECTS ON ADOPTION OF IFRIC AGENDA DECISION ON IAS 23 *BORROWING COSTS* ON OVER TIME TRANSFER OF CONSTRUCTED GOODS AND RE-PRESENTATION OF COMPARATIVES FOR DISCONTINUED OPERATIONS (CONTD.)

(ii) Reconciliation of statements of financial position: (contd.)

Group	As previously reported RM'000	Effects of IFRIC Agenda Decision on IAS 23 RM'000	Restated RM'000
31 December 2020			
Assets			
Non-current assets			
Property, plant and equipment	2,620,747	-	2,620,747
Intangible assets	25,233	-	25,233
Investment properties	2,033,400	-	2,033,400
Inventories	1,795,500	-	1,795,500
Investments in associates	2,693,171	-	2,693,171
Investments in joint ventures	1,659,178	(2,384)	1,656,794
Goodwill	325,435	-	325,435
Deferred tax assets	59,589	1,176	60,765
Trade receivables	179,713	-	179,713
Other receivables	6,276	-	6,276
Amount due from an associate	457	-	457
Amounts due from joint ventures	1,787,899	-	1,787,899
Rock reserves	5,342	-	5,342
Other investments	864,153	-	864,153
Biological assets	230	-	230
	14,056,323	(1,208)	14,055,115
Current assets			
Inventories	2,101,421	(26,722)*	2,074,699
Trade receivables	1,451,946	-	1,451,946
Other receivables	311,354	-	311,354
Contract assets	91,303	-	91,303
Derivatives	31,532	-	31,532
Amounts due to associates	49,408	-	49,408
Amounts due to joint ventures	620,493	-	620,493
Other investments	100,285	-	100,285
Tax recoverable	68,594	-	68,594
Cash and bank balances	2,238,415	-	2,238,415
	7,064,751	(26,722)	7,038,029
Total assets	21,121,074	(27,930)	21,093,144

* Comprise effects of IFRIC Agenda Decision on IAS 23 on properties held for sale and property development costs of RM1,379,000 and RM25,343,000 respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

55. FINANCIAL EFFECTS ON ADOPTION OF IFRIC AGENDA DECISION ON IAS 23 *BORROWING COSTS* ON OVER TIME TRANSFER OF CONSTRUCTED GOODS AND RE-PRESENTATION OF COMPARATIVES FOR DISCONTINUED OPERATIONS (CONTD.)

(ii) Reconciliation of statements of financial position: (contd.)

Group	As previously reported RM'000	Effects of IFRIC Agenda Decision on IAS 23 RM'000	Restated RM'000
31 December 2020 (contd.)			
Equity and liabilities			
Current liabilities			
Borrowings	5,260,615	-	5,260,615
Trade payables	1,467,529	-	1,467,529
Other payables	936,045	-	936,045
Contract liabilities	74,610	-	74,610
Amounts due to associates	6,680	-	6,680
Amounts due to joint ventures	42,807	-	42,807
Hire purchase and lease liabilities	50,333	-	50,333
Derivatives	72,369	-	72,369
Tax payable	37,477	-	37,477
	7,948,465	-	7,948,465
Non-current liabilities			
Borrowings	1,649,973	-	1,649,973
Perpetual sukuk	600,000	-	600,000
Deferred tax liabilities	122,489	-	122,489
Other payables	120,089	-	120,089
Amounts due to joint ventures	12,405	-	12,405
Long term liabilities	2,219	-	2,219
Hire purchase and lease liabilities	325,262	-	325,262
Derivatives	1,665	-	1,665
	2,834,102	-	2,834,102
Total liabilities	10,782,567	-	10,782,567

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTD.)

55. FINANCIAL EFFECTS ON ADOPTION OF IFRIC AGENDA DECISION ON IAS 23 *BORROWING COSTS* ON OVER TIME TRANSFER OF CONSTRUCTED GOODS AND RE-PRESENTATION OF COMPARATIVES FOR DISCONTINUED OPERATIONS (CONTD.)

(ii) Reconciliation of statements of financial position: (contd.)

Group	As previously reported RM'000	Effects of IFRIC Agenda Decision on IAS 23 RM'000	Restated RM'000
31 December 2020 (contd.)			
Equity and liabilities (contd.)			
Equity attributable to owners of the parent			
Share capital	5,393,667	-	5,393,667
Irredeemable convertible preference shares	977,779	-	977,779
Treasury shares	(74,335)	-	(74,335)
Equity contribution from a joint venture	51,654	-	51,654
Merger reserve	(1,192,040)	-	(1,192,040)
Reserves	4,383,945	(27,475)	4,356,470
	9,540,670	(27,475)	9,513,195
Non-controlling interests	797,837	(455)	797,382
Total equity	10,338,507	(27,930)	10,310,577
Total equity and liabilities	21,121,074	(27,930)	21,093,144

(iii) Reconciliation of statements of cash flows

Group	As previously reported RM'000	Effects of IFRIC Agenda Decision on IAS 23 RM'000	Restated RM'000
31 December 2020			
Net cash generated from/(used in):			
- operating activities	857,276	17,434	874,710
- investing activities	(798,484)	-	(798,484)
- financing activities	(242,264)	(17,434)	(259,698)
Net decrease in cash and cash equivalents	(183,472)	-	(183,472)
Effects of foreign exchange rates changes	7,305	-	7,305
Cash and cash equivalents at beginning of the year	2,359,012	-	2,359,012
Cash and cash equivalents at end of the year	2,182,845	-	2,182,845

LIST OF MATERIAL PROPERTIES
AS AT 31 DECEMBER 2021

No.	Location / Address	Land area (acres) / Built up area (sq ft)	Description / Existing use	Age of Building (Years)	Tenure	Net Book Value as at 31.12.2021 (RM'000)	Date of Acquisition (A) / Revaluation (R)	
1	PT 252 HS(D) 63419 PT 4974 HS(D) 79345 PT 5223 HS(D) 317132 PT 5224 HS(D) 317133 PT 193 HS(D) 238243 PT 215 HS(D) 240048 Mukim Damansara, Daerah Petaling, Selangor Darul Ehsan	21.39	Kelana Jaya land (Land under development and held for development)	-	Freehold & Leasehold expiring 03.07.2116 & 19.03.2106 & 12.08.2106	600,343	A A	May-15 Feb-16
2	GRN.81534 Lot 62644 & 62225 PT 895 HS(D) 238254 PT 923 HS(D) 238976 Bandar Sunway, Daerah Petaling, Selangor Darul Ehsan	7.85 / 623,010	Sunway Monash Residence (Phase 1 & 2)	10.5	Leasehold expiring 15.03.2106 & 02.04.2106	434,885	R	Dec-21
3	Lot 1385, 2102, 3224, 7629, 3223 & 7630 Mukim 13, Daerah Timur Laut, Pulau Pinang	24.92	Paya Terubong land (Land held for development)	-	Freehold	391,069	A	Dec-13
4	PT894 HSD(T) 238253 Lot 62630 PN 81526 (previously known as PT907) PN 81526 (previously known as HSD (T) 238960) Bandar Sunway, Daerah Petaling, Selangor Darul Ehsan	11.96	Monash University	15	Leasehold expiring 15.05.2106 & 02.04.2106	370,643	R	Dec-21
5	Lot 62637 - 62639, Lot 62654, Lot 62656 PT1352 HS(D) 297666 PT1353 HS(D) 297667 PT 1369 HSD 321457 PT 1370 HSD 321458 Bandar Sunway, Daerah Petaling, Selangor Darul Ehsan	48.02	Sunway South Quay (Land under development and held for development)	-	Leasehold expiring 15.05.2106 & 20.05.2113	298,861	A A A	May-04 Nov-05 Mar-06
6	PTD 218602, 231854, 231849, 231850, 231856, 231857, 239874-239902 Lot 211689 (GRN569700) (previously known as 231844) Mukim Plentong, District of Johor Bahru, Johor	48.20	Sunway Lenang Heights (Ph 1-6) (Land under development and held for development)	-	Freehold	257,537	A	Dec-10
7	Geran No. 78658, Lot No: 20010 Seksyen 69 Bandar Kuala Lumpur, Negeri Wilayah Persekutuan	4.53	Jalan Belfield land (Land held for development)	-	Freehold	249,988	A	Jul-17

LIST OF MATERIAL PROPERTIES
AS AT 31 DECEMBER 2021

No.	Location / Address	Land area (acres) / Built up area (sq ft)	Description / Existing use	Age of Building (Years)	Tenure	Net Book Value as at 31.12.2021 (RM'000)	Date of Acquisition (A) / Revaluation (R)	
8	Geran Mukim 85 Lot 526 Geran Mukim 84 Lot 527 Geran Mukim 83 Lot 528 Hakmilik Sementara PT36391 Geran Mukim 319 Lot 62506 Tempat Sungei Penaga, Mukim Damansara, Daerah Petaling, Negeri Selangor	14.80	USJ 1 Land (Land held for development)	-	Freehold	224,801	A	Apr-18
9	Phase 3 Lot No. 432, 443, 448, 451, 453-455, 457-458, 509, 564-565, 1092-1096, 1105, 10138 Phase 4 Lot No.449 & 426 Phase 5 Lot No. 510, 1107 & 10139 Phase 3A1 Lot No. 121 Section 1, Bandar Bukit Mertajam, Daerah Seberang Perai Tengah	125.06	Sunway Wellesley (Mixed Development)	-	Freehold	181,240	A A A A A A A	Jan-00 Jul-10 Feb/Mar-11 Dec-13 Dec-14 Jun-15 Apr-16 Jul-20
10	Lot 62637 & 62638 PN 81530 & 81531	262,390	Sunway GeoTower & Avenue (17 storey stratified office building with retail/office lots & 4 storey stratified retail space)	5	Leasehold expiring 01.05.2106	159,000	R	Dec-21

DIRECTORS' INTERESTS IN SHARES AND WARRANTS
BASED ON THE REGISTER OF DIRECTORS' SHAREHOLDINGS
AS AT 31 MARCH 2022

DIRECTORS' INTERESTS IN SUNWAY

Name of Directors	Ordinary Shares	
	No.	%
Direct interest		
Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling AO	115,206,913	2.36
Tan Sri Datuk Seri Razman M Hashim	3,613,524	0.07
Tan Sri Dato' (Dr.) Chew Chee Kin	21,038,466	0.43
Sarena Cheah Yean Tih	5,248,592	0.11
Tan Sri Dato' Dr. Lin See Yan	1,000,000	0.02
Deemed interest		
Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling AO ^(a)	2,984,002,520	61.03
Tan Sri Dato' (Dr.) Chew Chee Kin ^(b)	1,564,862	0.03
Sarena Cheah Yean Tih ^(c)	3,089,768,417	63.20

Name of Directors	Irredeemable Convertible Preference Shares	
	No.	%
Direct interest		
Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling AO	42,361,082	4.33
Tan Sri Dato' (Dr.) Chew Chee Kin	4,207,692	0.43
Sarena Cheah Yean Tih	1,049,718	0.11
Deemed interest		
Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling AO ^(a)	636,327,601	65.08
Tan Sri Dato' (Dr.) Chew Chee Kin ^(b)	312,972	0.03
Sarena Cheah Yean Tih ^(c)	676,809,926	69.22

Name of Directors	Warrants 2017/2024	
	No.	%
Direct interest		
Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling AO	34,611,993	5.17
Tan Sri Datuk Seri Razman M Hashim	484,042	0.07
Tan Sri Dato' (Dr.) Chew Chee Kin	2,818,169	0.42
Sarena Cheah Yean Tih	703,065	0.11
Deemed interest		
Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling AO ^(d)	435,046,372	64.99
Tan Sri Dato' (Dr.) Chew Chee Kin ^(b)	209,618	0.03
Sarena Cheah Yean Tih ^(e)	468,393,711	69.98

DIRECTORS' INTERESTS IN SHARES AND WARRANTS
BASED ON THE REGISTER OF DIRECTORS' SHAREHOLDINGS
AS AT 31 MARCH 2022

DIRECTORS' INTERESTS IN SUNWAY'S IMMEDIATE HOLDING COMPANY, SUNGEI WAY CORPORATION SDN BHD

Name of Directors	Ordinary Shares	
	No.	%
Deemed interest		
Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling AO ^(f)	10,000,000	100.00
Sarena Cheah Yean Tih ^(g)	10,000,000	100.00

	Non-Cumulative Convertible Redeemable Preference Shares	
	No.	%
Direct interest		
Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling AO	300,000,000	100.00
Deemed interest		
Sarena Cheah Yean Tih ^(h)	300,000,000	100.00

DIRECTORS' INTERESTS IN SUNWAY'S ULTIMATE HOLDING COMPANY, ACTIVE EQUITY SDN BHD

	Ordinary Shares	
	No.	%
Direct interest		
Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling AO	102,000	60.00
Sarena Cheah Yean Tih	25,500	15.00
Deemed interest		
Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling AO ⁽ⁱ⁾	68,000	40.00
Sarena Cheah Yean Tih ^(h)	102,000	60.00

DIRECTORS' INTERESTS IN SUNWAY'S RELATED COMPANY, SUNWAY GLOBAL LIMITED

	Ordinary Shares of HKD1.00 each	
	No.	%
Direct interest		
Tan Sri Dato' (Dr.) Chew Chee Kin	689,183	0.24

DIRECTORS' INTERESTS IN SHARES AND WARRANTS
BASED ON THE REGISTER OF DIRECTORS' SHAREHOLDINGS
AS AT 31 MARCH 2022

DIRECTORS' INTERESTS IN SUNWAY'S RELATED COMPANY, SUNWAY CONSTRUCTION GROUP BERHAD

	Ordinary Shares	
	No.	%
Direct interest		
Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling AO	7,923,892	0.61
Tan Sri Datuk Seri Razman M Hashim	106,864	0.01
Sarena Cheah Yean Tih	57,727	#
Deemed interest		
Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling AO ⁽ⁱ⁾	833,629,588	64.65
Sarena Cheah Yean Tih ^(k)	841,482,416	65.26

NOTES:

^(a) Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Active Equity Sdn Bhd, Sungei Way Corporation Sdn Bhd, Jef-San Enterprise Sdn Bhd and children.

^(b) Deemed interest by virtue of Section 59(11)(c) of the Companies Act 2016 held through spouse.

^(c) Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Active Equity Sdn Bhd, Sungei Way Corporation Sdn Bhd, Jef-San Enterprise Sdn Bhd, spouse and parent.

^(d) Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Active Equity Sdn Bhd, Sungei Way Corporation Sdn Bhd and children.

^(e) Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Active Equity Sdn Bhd, Sungei Way Corporation Sdn Bhd, spouse and parent.

^(f) Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Active Equity Sdn Bhd and children.

^(g) Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Active Equity Sdn Bhd and parent.

^(h) Deemed interest by virtue of Section 8 of the Companies Act 2016 held through parent.

⁽ⁱ⁾ Deemed interest by virtue of Section 8 of the Companies Act 2016 held through children.

^(j) Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Active Equity Sdn Bhd, Sungei Way Corporation Sdn Bhd, Sunway Berhad, Sunway Holdings Sdn Bhd and children.

^(k) Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Active Equity Sdn Bhd, Sungei Way Corporation Sdn Bhd, Sunway Berhad, Sunway Holdings Sdn Bhd, spouse and parent.

Negligible

ANALYSIS OF SHAREHOLDINGS
AS AT 31 MARCH 2022

Type of securities : Ordinary shares
Issued shares : 4,934,079,352
Treasury shares : 45,004,665
Voting Rights : One vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shares Held
Less than 100	3,718	15.64	130,019	#
100 - 1,000	3,452	14.52	1,742,326	0.04
1,001 - 10,000	11,448	48.15	47,431,276	0.97
10,001 - 100,000	4,467	18.78	118,923,318	2.43
100,001 - Less than 5% of issued shares	684	2.88	2,134,499,427	43.66
5% and above of issued shares	7	0.03	2,586,348,321	52.90
	23,776	100.00	4,889,074,687*	100.00

Note:
Less than 0.01%
* Exclude a total of 45,004,665 treasury shares retained by the Company as per record of depositors as at 31 March 2022.

THIRTY LARGEST SHAREHOLDERS AS PER RECORD OF DEPOSITORS
(Excluding 45,004,665 treasury shares)

	Name of Shareholders	No. of Shares	%
1	Sungei Way Corporation Sendirian Berhad	693,729,795	14.19
2	Public Nominees (Tempatan) Sdn Bhd - Pledged securities account for Sungei Way Corporation Sdn Bhd (BSY)	540,000,000	11.05
3	Citigroup Nominees (Tempatan) Sdn Bhd - UBS AG Singapore for Sungei Way Corporation Sdn Bhd	272,700,000	5.58
4	RHB Capital Nominees (Tempatan) Sdn Bhd - Pledged Securities account for Sungei Way Corporation Sendirian Berhad	271,656,029	5.56
5	Citigroup Nominees (Tempatan) Sdn Bhd - Employees Provident Fund Board	268,419,818	5.49
6	HSBC Nominees (Tempatan) Sdn Bhd - HBAP for Sungei Way Corporation Sendirian Behad (PB-SGDIV)	250,000,000	5.11
7	RHB Nominees (Tempatan) Sdn Bhd - RHB Asset Management Sdn Bhd for Sungei Way Corporation Sdn Bhd	250,000,000	5.11
8	Pacific Trustees Berhad for Sungei Way Corporation Sdn Bhd T2	188,000,000	3.85
9	Pacific Trustees Berhad for Sungei Way Corporation Sdn Bhd	140,000,000	2.86
10	HSBC Nominees (Tempatan) Sdn Bhd - Pledged securities account for Sungei Way Corporation Sdn Bhd (302-036306-089)	136,564,992	2.79

ANALYSIS OF SHAREHOLDINGS

AS AT 31 MARCH 2022

THIRTY LARGEST SHAREHOLDERS AS PER RECORD OF DEPOSITORS

(Excluding 45,004,665 treasury shares)

	Name of Shareholders	No. of Shares	%
11	Citigroup Nominees (Tempatan) Sdn Bhd - Exempt AN for AIA Bhd.	110,660,274	2.26
12	Citigroup Nominees (Tempatan) Sdn Bhd - UBS AG Singapore for Active Equity Sdn Bhd	100,000,000	2.05
13	HSBC Nominees (Tempatan) Sdn Bhd - Pledged securities account - HBAP SG for Cheah Fook Ling (PB-SGDIV)	91,809,000	1.88
14	Citigroup Nominees (Tempatan) Sdn Bhd - Employees Provident Fund Board (Nomura)	66,866,400	1.37
15	Amanahraya Trustees Berhad - Public Ittikal Sequel Fund	59,114,696	1.21
16	Citigroup Nominees (Asing) Sdn Bhd - Exempt AN For Citibank New York (Norges Bank 14)	57,072,934	1.17
17	Active Equity Sdn Bhd	56,550,000	1.16
18	Maybank Securities Nominees (Asing) Sdn Bhd - Exempt AN for Maybank Kim Eng Securities Pte Ltd (A/C 648617)	44,954,600	0.92
19	Lim Suan	39,850,585	0.82
20	Sungei Way Corporation Sendirian Berhad	39,842,679	0.81
21	Jef-San Enterprise Sdn Bhd	35,515,237	0.73
22	Citigroup Nominees (Tempatan) Sdn Bhd - Employees Provident Fund Board (AFFIN-HWG)	34,975,390	0.72
23	Citigroup Nominees (Tempatan) Sdn Bhd - Great Eastern Life Assurance (Malaysia) Berhad (PAR 1)	33,540,600	0.69
24	CIMB Group Nominees (Tempatan) Sdn Bhd - CIMB Commerce Trustee Berhad - Kenanga Growth Fund	24,771,168	0.51
25	Kumpulan Wang Persaraan (Diperbadankan)	23,958,512	0.49
26	Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling AO	22,835,696	0.47
27	HSBC Nominees (Asing) Sdn Bhd - JPMCB NA for Vanguard Emerging Markets Stock Index Fund	22,030,245	0.45
28	Maybank Nominees (Tempatan) Sdn Bhd - Maybank Trustees Berhad for Public Regular Savings Fund (N14011940100)	21,652,267	0.44
29	Cartaban Nominees (Tempatan) Sdn Bhd - PAMB for Prulink Equity Fund	21,387,891	0.44
30	HSBC Nominees (Asing) Sdn Bhd - JPMBL SA for Aviva Investors	20,966,982	0.43

ANALYSIS OF SHAREHOLDINGS

AS AT 31 MARCH 2022

SUBSTANTIAL SHAREHOLDERS BASED ON REGISTER OF SUBSTANTIAL SHAREHOLDERS

	Name of Shareholders	No. of Shares	%
1	Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling AO		
	• Direct interest	115,206,913	2.36
	• Deemed interest ^(a)	2,984,002,520	61.03
2	Puan Sri Datin Seri (Dr) Susan Cheah Seok Cheng		
	• Deemed interest ^(b)	3,099,209,433	63.39
3	Sarena Cheah Yean Tih		
	• Direct interest	5,248,592	0.11
	• Deemed interest ^(c)	3,089,768,417	63.20
4	Evan Cheah Yean Shin		
	• Direct interest	4,195,196	0.09
	• Deemed interest ^(d)	3,089,765,645	63.20
5	Adrian Cheah Yean Sun		
	• Deemed interest ^(d)	3,089,765,645	63.20
6	Sungei Way Corporation Sdn Bhd	2,782,493,495	56.91
7	Active Equity Sdn Bhd		
	• Direct interest	156,550,000	3.20
	• Deemed interest ^(e)	2,782,493,495	56.91
8	Employees Provident Fund Board	413,670,989	8.46

NOTES:

(a) Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Active Equity Sdn Bhd, Sungei Way Corporation Sdn Bhd, Jef-San Enterprise Sdn Bhd and children.

(b) Deemed interest by virtue of shareholdings held by spouse and children.

(c) Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Active Equity Sdn Bhd, Sungei Way Corporation Sdn Bhd, Jef-San Enterprise Sdn Bhd, spouse and parent.

(d) Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Active Equity Sdn Bhd, Sungei Way Corporation Sdn Bhd, Jef-San Enterprise Sdn Bhd and parent.

(e) Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Sungei Way Corporation Sdn Bhd.

ANALYSIS OF SHAREHOLDINGS
AS AT 31 MARCH 2022

ANALYSIS OF SHAREHOLDINGS
AS AT 31 MARCH 2022

Type of securities	: Irredeemable Convertible Preference Shares ("ICPS")
Issued ICPS	: 977,779,351
Voting Rights	: No voting rights
Issue Price	: RM1.00
Conversion price	: RM1.00
Maturity Date	: 2 December 2025 (50% mandatorily to be converted on 2 December 2024 and the balance on 2 December 2025)

DISTRIBUTION OF ICPS HOLDINGS

Size of ICPS Holdings	No. of ICPS Holders	% of ICPS Holders	No. of ICPS Held	% of ICPS Held
Less than 100	228	3.65	8,466	#
100 - 1,000	1,760	28.20	1,076,186	0.11
1,001 - 10,000	3,105	49.75	11,685,676	1.20
10,001 - 100,000	949	15.20	28,956,152	2.96
100,001 - less than 5% of issued ICPS	196	3.14	272,306,491	27.85
5% and above issued ICPS	4	0.06	663,746,380	67.88
	6,242	100.00	977,779,351	100.00

Note:
Less than 0.01%

THIRTY LARGEST ICPS HOLDERS AS PER RECORD OF DEPOSITORS

	Name of ICPS Holders	No. of ICPS	%
1	Pacific Trustees Berhad for Sungei Way Corporation Sdn Bhd	300,000,000	30.68
2	Pacific Trustees Berhad for Sungei Way Corporation Sdn Bhd T2	205,000,000	20.97
3	Sungei Way Corporation Sendirian Berhad	64,833,262	6.63
4	Citigroup Nominees (Tempatan) Sdn Bhd - Employees Provident Fund Board	63,720,583	6.52
5	Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling AO	42,248,639	4.32
6	Sunway Education Group Sdn Bhd	36,325,300	3.72
7	Active Equity Sdn Bhd	31,310,000	3.20
8	Sungei Way Corporation Sendirian Berhad	30,192,535	3.09
9	Siow Moon Yeow	10,259,900	1.05
10	Amanahraya Trustees Berhad - Public Ittikal Sequel Fund	10,126,019	1.04

	Name of ICPS Holders	No. of ICPS	%
11	Maybank Securities Nominees (Asing) Sdn Bhd - Exempt AN for Maybank Kim Eng Securities Pte Ltd (A/C 648617)	8,535,560	0.87
12	Khoo Chai Pek	6,260,600	0.64
13	Cartaban Nominees (Tempatan) Sdn Bhd - PAMB for Prulink Equity Fund	5,269,778	0.54
14	Cimsec Nominees (Tempatan) Sdn Bhd - CIMB for Khoo Loon Im (PB)	5,249,900	0.54
15	Hong Leong Assurance Berhad - AS Beneficial Owner (Life PAR)	4,044,346	0.41
16	HSBC Nominees (Asing) Sdn Bhd - JPMBL SA for Aviva Investors	3,854,196	0.39
17	Maybank Nominees (Tempatan) Sdn Bhd - Maybank Trustees Berhad for Public Regular Savings Fund (N14011940100)	3,355,400	0.34
18	Citigroup Nominees (Tempatan) Sdn Bhd - Exempt AN for AIA BHD.	3,235,646	0.33
19	Jef-San Enterprise Sdn Bhd	3,103,047	0.32
20	UOB Kay Hian Nominees (Tempatan) Sdn Bhd - Pledged securities account for Teo Kwee Hock	2,998,300	0.31
21	Permodalan Nasional Berhad	2,915,300	0.30
22	Tye Lim Huat	2,782,000	0.28
23	Tye Yong Pou	2,500,000	0.26
24	Citigroup Nominees (Tempatan) Sdn Bhd - UBS AG Singapore for Toh Hooi Hak	2,355,800	0.24
25	Alliancegroup Nominees (Tempatan) Sdn Bhd - Pledged securities account for Ng Yoke Yen (7002612)	2,345,000	0.24
26	Maybank Securities Nominees (Tempatan) Sdn Bhd - Pledged securities account for Mary Tan @ Tan Hui Ngoh (STF)	2,342,200	0.24
27	Dato' Tan Kia Loke	2,172,300	0.22
28	SWL Nominees (Tempatan) Sdn Bhd - Pledged securities account for Chew Chee Kin	2,147,565	0.22
29	HSBC Nominees (Tempatan) Sdn Bhd - HSBC (M) Trustee Bhd for Manulife Investment AL - Fauzan (5170)	2,081,024	0.21
30	Tan Sri Dato' (Dr.) Chew Chee Kin	2,060,127	0.21

ANALYSIS OF WARRANT HOLDINGS

AS AT 31 MARCH 2022

Type of securities : Warrants 2017/2024
Issue Date : 4 October 2017
Maturity Date : 3 October 2024

DISTRIBUTION OF WARRANT HOLDINGS

Size Of Warrant Holdings	No. of Warrant Holders	% of Warrant Holders	No. of Warrants Held	% of Warrant Held
Less than 100	3,273	24.41	88,787	0.01
100 - 1,000	5,724	42.69	2,790,177	0.42
1,001 - 10,000	3,266	24.35	10,485,661	1.57
10,001 - 100,000	879	6.55	27,280,612	4.07
100,001 - less than 5%	264	1.97	160,327,430	23.95
5% and above	4	0.03	468,393,341	69.98
	13,410	100.00	669,366,008	100.00

THIRTY LARGEST WARRANT HOLDERS AS PER RECORD OF DEPOSITORS

	Name of Warrant Holders	No. of Warrants	%
1	Sungei Way Corporation Sendirian Berhad	238,963,648	35.70
2	Sungei Way Corporation Sendirian Berhad	113,344,515	16.93
3	HSBC Nominees (Tempatan) Sdn Bhd - Pledged securities account for Sungei Way Corporation Sdn Bhd (302-036306-089)	45,083,976	6.74
4	RHB Capital Nominees (Tempatan) Sdn Bhd - Pledged securities account for Sungei Way Corporation Sendirian Berhad	36,389,209	5.44
5	Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling AO	34,536,683	5.16
6	Khoo Chai Pek	8,962,175	1.34
7	CGS-CIMB Nominees (Tempatan) Sdn Bhd - Pledged securities account for Khoo Chai Pek (MY1030)	7,882,921	1.18
8	RHB Nominees (Tempatan) Sdn Bhd - Pledged securities account for Wong Yee Hui	7,791,323	1.16
9	CGS-CIMB Nominees (Tempatan) Sdn Bhd - Pledged securities account for Ng Hok Long @ Ng Hock Leong (EMPIRE-CL)	6,442,568	0.96
10	Ng Kok Hin	5,735,126	0.86

ANALYSIS OF WARRANT HOLDINGS

AS AT 31 MARCH 2022

	Name of Warrant Holders	No. of Warrants	%
11	Maybank Securities Nominees (Asing) Sdn Bhd - Maybank Kim Eng Securities Pte Ltd for Lim Chuan Seng	5,340,040	0.80
12	Ng Hok Long @ Ng Hock Leong	4,885,826	0.73
13	CGS-CIMB Nominees (Tempatan) Sdn Bhd - Pledged securities account for Ng Kok Hin (KDMSR-CL)	4,115,987	0.61
14	Amanahraya Trustees Berhad - Public Ittikal Sequel Fund	3,878,919	0.58
15	Khoo Chai Heng	3,686,680	0.55
16	HSBC Nominees (Asing) Sdn Bhd - JPMCB NA for Vanguard Emerging Markets Stock Index Fund	3,473,743	0.52
17	Public Invest Nominees (Asing) Sdn Bhd - Exempt AN for Phillip Securities Pte Ltd (Clients)	3,290,113	0.49
18	Alliancegroup Nominees (Tempatan) Sdn Bhd - Pledged securities accout for Christina Loh Yoke Lin (8111756)	2,680,000	0.40
19	HSBC Nominees (Asing) Sdn Bhd - JPMCB NA for Vanguard Total International Stock Index Fund	2,251,901	0.34
20	Maybank Securities Nominees (Tempatan) Sdn Bhd - Pledged securities account for Mary Tan @ Tan Hui Ngoh (STF)	2,026,300	0.30
21	Susy Ding	1,828,499	0.27
22	Chang Tian Kwang	1,750,000	0.26
23	Tan Chon Seng	1,750,000	0.26
24	CIMB Group Nominees (Tempatan) Sdn Bhd - CIMB Commerce Trustee Berhad - Kenanga Malaysian Inc Fund	1,552,857	0.23
25	Wilfred Koh Seng Han	1,510,985	0.23
26	RHB Capital Nominees (Tempatan) Sdn Bhd - Pledged securities account for Susy Ding (CEB)	1,479,462	0.22
27	Ee Li Chen	1,469,533	0.22
28	Permodalan Nasional Berhad	1,462,071	0.22
29	SWL Nominees (Tempatan) Sdn Bhd - Pledged securities account for Chew Chee Kin	1,438,366	0.21
30	Tan Sri Dato' (Dr.) Chew Chee Kin	1,379,803	0.21

SUNWAY®**SUNWAY BERHAD**Registration No. 201001037627 (921551-D)
(Incorporated in Malaysia)**NOTICE OF 12TH ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN THAT the 12th Annual General Meeting ("AGM") of **SUNWAY BERHAD** ("**Sunway**" or the "**Company**") will be 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. for the following purposes:-

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2021 together with the Directors' and Auditors' Reports thereon.
(Please refer to Explanatory Note No. 1)
 2. To approve 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. (Ordinary Resolution 1)
 3. To approve the payment of benefits payable to the Non-Executive Directors of up to an amount of RM600,000.00 from 24 June 2022 until the conclusion of the next AGM of the Company. (Ordinary Resolution 2)
 4. To re-elect the following Directors:-
 - 4.1 Tan Sri Dato' (Dr.) Chew Chee Kin who retires by rotation pursuant to Clause 106(1) of the Company's Constitution and being eligible, offers himself for re-election. (Ordinary Resolution 3)
 - 4.2 Ms Sarena Cheah Yean Tih who retires by rotation pursuant to Clause 106(1) of the Company's Constitution and being eligible, offers herself for re-election. (Ordinary Resolution 4)
 - 4.3 Datuk Zaiton Mohd Hassan who retires pursuant to Clause 89 of the Company's Constitution and being eligible, offers herself for re-election. (Ordinary Resolution 5)
- Tan Sri Datuk Seri Razman M Hashim who also retires by rotation pursuant to Clause 106(1) of the Company's Constitution, has expressed his intention not to seek for re-election. Hence, he will retain office until the close of the 12th AGM.
5. To re-appoint Messrs BDO PLT as Auditors of the Company to hold office until the conclusion of the next AGM and to authorise the Directors to fix their remuneration. (Ordinary Resolution 6)

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following Resolutions:-

6. ORDINARY RESOLUTION:**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 and are 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 and are 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 7)

7. ORDINARY RESOLUTION:**Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

"**THAT** approval be and is 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 favourable 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.

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.

THAT authority be and is 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 8)

8. ORDINARY RESOLUTION:**Proposed Authority for the Company to Purchase its Own Shares**

"**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 and is 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;

NOTICE OF 12TH ANNUAL GENERAL MEETING

NOTICE OF 12TH ANNUAL GENERAL MEETING

- (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 and are 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.

AND THAT the Directors of the Company be and are 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 9)

9. ORDINARY RESOLUTION:

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

"**THAT** pursuant to the Dividend Reinvestment Scheme ("**DRS**") approved at the Extraordinary General Meeting held on 26 June 2014, approval be and is 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.

AND THAT the Directors and the Company Secretary be and are 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."

(Ordinary Resolution 10)

10. SPECIAL RESOLUTION

Proposed Amendments to the Company's Constitution ("Proposed Constitution Amendments")

"**THAT** approval be and is 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.

AND THAT the Directors and Company Secretary be and are 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."

(Special Resolution 1)

By Order of the Board

TAN KIM AUN (SSM PC NO. 202008001249) (MAICSA 7002988)
CHIN LEE CHIN (SSM PC NO. 202008001355) (MAICSA 7012347)
Company Secretaries

Bandar Sunway
29 April 2022

NOTES:

- (1) The 12th Annual General Meeting ("**AGM**") will be conducted virtually through live streaming and online remote voting using Digital Ballot Form ("**DBF**") provided by the appointed Poll Administrator for the AGM, Mega Corporate Services Sdn Bhd ("**Mega**"). The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the Meeting to be at the main venue of the AGM. No shareholders/proxies/corporate representatives from the public shall be physically present at the Broadcast Venue on the day of the AGM. Shareholders who wish to participate, speak (in the form of real-time submission of typed texts) and vote remotely at the AGM will have to register via the link at <https://vps.megacorp.com.my/U0O4M6>. Please refer to the Administrative Notes for the 12th AGM for further information. Only shareholders whose names appear on the Record of Depositors as at 16 June 2022 will be entitled to participate at this AGM or appoint a proxy to participate on his/her behalf.
- (2) A shareholder of the Company who is entitled to participate, speak and vote remotely at the AGM, may appoint more than 1 proxy to attend and vote instead of the shareholder at the AGM. A proxy needs not be a shareholder.
- (3) Where a shareholder is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least 1 proxy in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- (4) Where a shareholder is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in 1 securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- (5) Where a shareholder appoints more than 1 proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy. A proxy appointed to participate, speak and vote at the AGM shall have the same rights as the shareholder to speak at the AGM.
- (6) If a shareholder has appointed a proxy to attend a meeting and subsequently, the appointer decides to attend instead of the proxy, the appointer has to revoke the proxy appointment in writing/email which must reach Mega not later than 24 hours before the Meeting. The appointed proxy shall therefore be null and void.
- (7) The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorised in writing, or if such appointer is a corporation, either under its common seal or the hand of its officer or attorney duly authorised.
- (8) The instrument appointing a proxy must be deposited at the office of the Poll Administrator, **Mega Corporate Services Sdn Bhd at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur, Wilayah Persekutuan, Malaysia** not less than 24 hours before the time appointed for holding the meeting or any adjournment thereof, either by hand, post or electronic mail to AGM-support.Sunway@megacorp.com.my. You also have the option to register directly at <https://vps.megacorp.com.my/U0O4M6> to submit the appointment of proxy electronically no later than 22 June 2022 at 3.00 p.m.. For further information on the electronic submission of proxy form, please refer to the Administrative Notes for the 12th AGM.
- (9) Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.

NOTICE OF 12TH ANNUAL GENERAL MEETINGNOTICE OF 12TH ANNUAL GENERAL MEETING

EXPLANATORY NOTES ON:

(i) Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 December 2021 together with the Directors' and Auditors' Reports thereon

The Audited Financial Statements are for discussion only as they do not require shareholders' approval pursuant to the provisions of Section 340(1) of the Companies Act 2016 (the "**Act**"). As such, this agenda will not be put for voting.

2. Ordinary Resolutions 1 and 2

Section 230(1) of the Act provides amongst others, that fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting. Pursuant thereto, shareholders' approval is sought for the payment of fees and benefits payable to the Non-Executive Directors ("**NEDs**"), in two (2) separate resolutions as follows:

(a) Ordinary Resolution 1 - To approve the payment of the Directors' and Board Committees' fees amounting to RM1,054,342.47 to the NEDs for the financial year ended 31 December 2021

The proposed fees to be paid to the NEDs is based on the following fees structure as approved at the previous Annual General Meetings of the Company:

	Board (RM/annum)	Audit Committee (RM/annum)	NRC Committee (RM/annum)	Risk Committee (RM/annum)
Chairman	360,000	25,000	10,000	10,000
Member	120,000	15,000	5,000	5,000

There is no revision to the proposed fees.

(b) Ordinary Resolution 2 - To approve the payment of benefits payable to the NEDs from 24 June 2022 until the conclusion of the next AGM of the Company

The benefits payable to the NEDs of the Company comprises meeting allowance of RM1,000 per meeting for attending the Board and Board Committee Meetings.

The payment of the Directors' fees and Board Committees' fees for the financial year 2021 will be made upon the shareholders' approval. As for the benefits payable to the NEDs for the period commencing from 24 June 2022 until the next Annual General Meeting ("**AGM**"), they will be paid as and when they are incurred. The Board opined that the payments to the NEDs are just and equitable taking into account their roles and responsibilities towards the Company and the services that they have rendered to the Company.

NEDs who are shareholders of the Company will abstain from voting on the aforesaid resolutions at the 12th AGM.

3. Ordinary Resolutions 3 to 5 - To re-elect Tan Sri Dato' (Dr.) Chew Chee Kin, Sarena Cheah Yean Tih and Datuk Zaiton Mohd Hassan as Directors of the Company.

Clause 106(1) of the Company's Constitution provides that one-third or the number nearest to one-third of the Directors of the Company (including Managing Director) for the time being shall retire by rotation at each AGM of the Company. Each Director shall retire from office once at least in each three years but shall be eligible for re-election.

Tan Sri Dato' (Dr.) Chew Chee Kin and Ms Sarena Cheah Yean Tih being eligible, have offered themselves for re-election at the 12th AGM.

Clause 89 provides that any Director appointed shall hold office only until the next AGM and shall be eligible for re-election. Datuk Zaiton Mohd Hassan who was appointed on 8 March 2022, is standing for re-election as Director and being eligible, has offered herself for re-election.

The Nomination and Remuneration Committee ("**NRC**") has assessed the performance and contribution of the retiring Directors as well as the independence of the Independent Director seeking re-election at the 12th AGM.

Based on the findings of the Board and Directors Effectiveness Evaluation for the financial year 2021 conducted by the Institute of Corporate Directors Malaysia (ICDM), an external consultant engaged by the Board, the performance and contribution of the retiring Directors were found to be satisfactory i.e. Tan Sri Dato' (Dr.) Chew Chee Kin and Ms Sarena Cheah Yean Tih are competent and able to discharge their fiduciary duties as Directors of the Company.

Based on the above, the Board had endorsed the recommendation of the NRC to seek the shareholders' approval for the re-election of the retiring Directors.

All Directors standing for re-election have abstained from deliberations and decisions on their own eligibility to stand for re-election at the relevant NRC and Board Meetings. They will continue to abstain from voting on their own re-election at the 12th AGM.

The profiles of Directors seeking re-elections at the 12th AGM are set out in the Profile of the Board of Directors on pages 107, 108 and 114 of the Company's Integrated Annual Report 2021.

4. Ordinary Resolution 6 – To re-appoint Messrs BDO PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration

Based on the results of the External Auditors Evaluation for the financial year ended 31 December 2021 and the Audit Committee's recommendation, the Board had at its meeting held on 12 April 2022, approved the re-appointment of Messrs BDO PLT ("**BDO**") as Auditors of the Company on the basis that BDO had satisfactorily performed their audit and that BDO had discharged their professional responsibilities in accordance with its rules on professional conduct and ethics and the By-Laws (on Professional Ethics, Conducts and Practice) issued by the Malaysian Institute of Accountants.

The Board was also satisfied that the provisions of non-audit services by BDO to the Company for the financial year ended 31 December 2021 did not in any way impair their objectivity and independence as external auditors of the Company.

(ii) Special Business

5. Ordinary Resolution 7 - Authority to Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016

The Company is always on the look out for investment opportunities to enhance the earnings potential of the Company. If any investment opportunities involve the issue of new shares, the Directors, under present circumstances, would have to convene a general meeting to approve the issue of new shares even though the number involved may be less than 10% of the total number of issued shares of the Company.

In order to avoid any delay and costs involved in convening a general meeting to approve such issue of shares, it is thus considered appropriate that the Directors be empowered to issue new shares in the Company, up to an amount not exceeding in total 10% of the total number of issued shares of the Company at any time, for such purpose. This authority, unless revoked or varied at a general meeting, will expire at the next AGM of the Company.

The renewal of this mandate will provide flexibility to the Company for any potential fund raising activities, including but not limited to placement of shares, for purpose of funding current and/or future investments, working capital, acquisition, repayment of borrowings, operational expenditure and/or such other applications they may in their absolute discretion deem fit.

NOTICE OF 12TH ANNUAL GENERAL MEETING

At this juncture, there is no decision to issue new shares under this general mandate. Should there be a decision to issue new shares after the authorisation is sought, the Company will make an announcement of the actual purpose and utilisation of proceeds arising from such issuance of shares.

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.

6. Ordinary Resolution 8 - Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The details on the proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature are set out in the Circular to Shareholders dated 29 April 2022.

7. Ordinary Resolution 9 - Proposed Authority for the Company to Purchase its Own Shares

The details on the proposed authority for the Company to purchase its own shares are set out in the Circular to Shareholders dated 29 April 2022.

8. 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

This proposed Ordinary Resolution 10 will give authority to the Directors to allot and issue ordinary shares in the Company in respect of dividends to be declared, if any, under the Dividend Reinvestment Scheme, until the conclusion of the next AGM. A renewal of this authority will be sought at the subsequent AGM.

9. Special Resolution 1 - Proposed Amendments to the Company's Constitution

The proposed Amendments to the Company's Constitution are set out in the Circular to Shareholders dated 29 April 2022.

PERSONAL DATA PRIVACY

By lodging a completed Proxy Form of Sunway for appointing a proxy(ies) and/or representative(s) to participate and vote remotely at the 12th AGM and any adjournment thereof, a shareholder of the Company hereby:

- (i) consents to the processing of the shareholder's personal data by the Company (or its agents) for the 12th AGM and matters related thereto, including but not limited to: (a) for processing and administration of proxies and representatives appointed for the 12th AGM; (b) for preparation and compilation of the attendance lists, minutes and other documents relating to the 12th AGM (which includes any adjournments thereto); and (c) for the Company's (or its agents') compliance with any applicable laws, listing rules, regulations, codes and/or guidelines (collectively, the “Purposes”);
- (ii) warrants that where the shareholder discloses the personal data of the shareholder's proxy(ies) and/or representative(s) to Sunway (or its agents), the shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by Sunway (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes (“Warranty”); and
- (iii) agrees that the shareholder will fully indemnify Sunway for any penalties, liabilities, legal suits, claims, demands, losses and damages as a result of the shareholder's failure to provide accurate and correct information of the personal data or breach of the shareholder's undertaking and/or Warranty.

For the purposes of this paragraph, “personal data” and “processing” shall have the same meaning given in section 4 of the Personal Data Protection Act 2010.

PROXY FORM
12th Annual General Meeting

Number of share(s) held	
CDS Account No.	

*I/We (Full Name).....*NRIC/Passport/Registration No.

of (full address)

havingTel./Mobile No. and email address

being a member of SUNWAY BERHAD and entitled to vote, hereby appoint:-

Full Name	NRIC No./Passport No.	Proportion of shareholdings represented	
Mobile No.	Email Address:	No. of shares	%

and/or failing *him/her,

Full Name	NRIC No./Passport No.	Proportion of shareholdings represented	
Mobile No.	Email Address:	No. of shares	%

or failing *him/her, the Chairman of the Meeting as *my/our proxy to participate and vote for *me/us on *my/our behalf at the 12th Annual General Meeting of the Company to be held virtually from 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. and at any adjournment thereof. My/our proxy/proxies shall vote as follows:-

* Strike out whichever not applicable

NO.	ORDINARY RESOLUTIONS	FOR	AGAINST
1.	To approve the payment of Directors' and Board Committees' fees		
2.	To approve the payment of benefits payable to the Non-Executive Directors		
3.	To re-elect Tan Sri Dato' (Dr.) Chew Chee Kin as Director		
4.	To re-elect Ms Sarena Cheah Yean Tih as Director		
5.	To re-elect Datuk Zaiton Mohd Hassan as Director		
6.	To re-appoint Messrs. BDO PLT as Auditors and to authorise the Directors to fix their remuneration		
7.	To authorise the issuance of shares pursuant to Sections 75 and 76 of the Companies Act 2016		
8.	To approve the proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature		
9.	To approve the proposed authority for the Company to purchase its own shares		
10.	To approve the proposed renewal of the authority for Directors to allot and issue new ordinary shares in relation to the Dividend Reinvestment Scheme		
NO.	SPECIAL RESOLUTION	FOR	AGAINST
1.	To approve the proposed amendments to the Company's Constitution		

Please indicate with an “x” in the appropriate space how you wish your votes to be cast. If no specific direction as to voting is given, the proxy will vote or abstain from voting on the resolutions at his/her discretion.

Dated this..... day of 2022

Common Seal

Signature of Member.....

CORPORATE DIRECTORY

NOTES:

- (1)

The 12th Annual General Meeting (“AGM”) will be conducted virtually through live streaming and online remote voting using Digital Ballot Form (“DBF”) provided by the appointed Poll Administrator for the AGM, Mega Corporate Services Sdn Bhd (“Mega”). The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the Meeting to be at the main venue of the AGM. No shareholders/proxies/corporate representatives from the public shall be physically present at the Broadcast Venue on the day of the AGM. Shareholders who wish to participate, speak (in the form of real-time submission of typed texts) and vote remotely at the AGM will have to register via the link at <https://vps.megacorp.com.my/UO04M6>. Please refer to the Administrative Notes for the 12th AGM for further information. Only shareholders whose names appear on the Record of Depositors as at 16 June 2022 will be entitled to participate at this AGM or appoint a proxy to participate on his/her behalf.
- (2)

A shareholder of the Company who is entitled to participate, speak and vote remotely at the AGM, may appoint more than 1 proxy to attend and vote instead of the shareholder at the AGM. A proxy needs not be a shareholder.
- (3)

Where a shareholder is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least 1 proxy in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- (4)

Where a shareholder is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in 1 securities account (“**omnibus account**”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- (5)

Where a shareholder appoints more than 1 proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy. A proxy appointed to participate, speak and vote at the AGM shall have the same rights as the shareholder to speak at the AGM.
- (6)

If a shareholder has appointed a proxy to attend a meeting and subsequently, the appointer decides to attend instead of the proxy, the appointer has to revoke the appointment of proxy in writing/email which must reach Mega not later than 24 hours before the Meeting. The appointed proxy shall therefore be null and void.
- (7)

The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorised in writing, or if such appointer is a corporation, either under its common seal or the hand of its officer or attorney duly authorised.
- (8)

The instrument appointing a proxy must be deposited at the office of the Poll Administrator, *Mega Corporate Services Sdn Bhd at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur, Wilayah Persekutuan, Malaysia* not less than 24 hours before the time appointed for holding the meeting or any adjournment thereof, either by hand, post or electronic mail to AGM-support. Sunway@megacorp.com.my. You also have the option to register directly at <https://vps.megacorp.com.my/UO04M6> to submit the appointment of proxy electronically no later than 22 June 2022 at 3.00 p.m.. For further information on the electronic submission of proxy form, please refer to the Administrative Notes for the 12th AGM.
- (9)

Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.

Poll Administrator
SUNWAY BERHAD

Registration No. 201001037627 (921551-D)

c/o. Mega Corporate Services Sdn Bhd
Level 15-2, Bangunan Faber Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur , Wilayah Persekutuan
Malaysia

STAMP

PLEASE FOLD HERE

Personal Data Privacy:

By lodging a completed proxy form to the Company for appointing proxy(ies) and/or representative(s) to participate and vote in person at the 12th AGM of the Company and any adjournment thereof, the shareholder accepts and agrees to the use of such data for purposes of processing and administration by the Company (or its agents), and to comply with any laws, listing rules, regulations and/or guidelines. The shareholder agrees that he/she will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.

EMERALD FREIGHT SDN BHD*

199601012676 (385026-M)
IMBASAN INTISARI SDN BHD*
199601013870 (386220-U)
PARK SYMPHONY SDN BHD*
199601014875 (387225-D)
TIDAL ELEGANCE SDN BHD*
199601014872 (387222-K)

Head Office:
Lobby, Level 3 & 5, Menara Sunway
Tel : (603) 5639 8888
Website : www.sunwayproperty.com

SUNWAY SERENE SDN BHD*

200001008823 (511429-A)
Lobby, Level 3 & 5, Menara Sunway

Sales Gallery:
Lot No. 72241, Jalan SS8/2,
Kelana Jaya,
47501 Petaling Jaya,
Selangor Darul Ehsan
Tel : (603) 7865 9870
Website : www.sunwayproperty.com

SUNWAY CITY (IPOH) SDN BHD

199101009436 (219749-M)

LAGOON FANTASY SDN BHD

199001015536 (207205-K)

SEMANGAT KANCIL (M) SDN BHD

199501026783 (355988-A)

OBJEKTIF EKUITI (M) SDN BHD

199501017528 (346731-H)

Corporate Office:
No. 52, Jalan SCI 1/3
Dataran Sunway, Sunway City Ipoh
31150 Ipoh, Perak Darul Ridzuan, Malaysia
Tel : (605) 548 1998
Fax : (605) 548 6868
Email : suncityipoh@sunway.com.my

Sales Gallery:
Lost World Hotel, Ground Floor
No. 2, Persiaran Lagun Sunway 1
Sunway City Ipoh,
31150 Ipoh, Perak Darul Ridzuan, Malaysia
Tel : (605) 548 1998
Fax : (605) 548 6868
Website : www.sunwaycityipoh.com

SUNWAY CITY (PENANG) SDN BHD

198501008888 (141336-U)

SUNWAY GRAND SDN BHD

198101009607 (66715-X)

SUNWAY BUKIT GAMBIER SDN BHD

200301013996 (616416-W)

SUNWAY BINTANG SDN BHD

199201007071 (238575-M)

SUNWAY TUNAS SDN BHD

199501005223 (334419-X)

ASSOCIATED CIRCLE SDN BHD

199201006647 (238151-V)

FAME PARADE SDN BHD

199201006644 (238148-V)

SUNWAY ORIENT SDN BHD

199501016446 (345649-U)

28, Jalan Anson, 10400 George Town
Pulau Pinang
Tel : (604) 684 8080
Fax : (604) 684 8180

SUNWAYMAS SDN BHD*

198401017478 (130027-K)

SUNWAY EASTWOOD SDN BHD*

200701037298 (795327-T)

SUNWAY TERMUNING SDN BHD*

200401010626 (649129-D)

SUNWAY RAWANG HEIGHTS SDN BHD*

198601007860 (157051-K)

SUNWAY KANCHING HEIGHTS SDN BHD*

198101010270 (76395-P)

DAKSINA HARTA SDN BHD*

201001031346 (915269-T)

SUNWAY BANGI SDN BHD*

199101005610 (215920-W)

Head Office:
Lobby, Level 3 & 5, Menara Sunway
Tel : (603) 5639 8888
Website : www.sunwayproperty.com

SUNWAY ISKANDAR DEVELOPMENT SDN BHD

201201034987 (1019469-K)

SUNWAY ISKANDAR SDN BHD

201101036317 (964451-A)

SUNWAY MARKETPLACE SDN BHD

201501020965 (1146301-T)

SUNWAY PARKVIEW SDN BHD

201501021412 (1146740-W)

SUNWAY SEAFRONT SDN BHD

201501022024 (1147352-T)

Corporate Office:
Sunway Southern Region Office
Level 7, Hab Citrine
Sunway Citrine
Persiaran Medini 3
Bandar Sunway Iskandar Puteri
(Sunway City Iskandar Puteri)
79250 Iskandar Puteri
Johor Darul Takzim
Tel : (607) 509 8800
Fax : (607) 509 7211
Website : www.sunwayiskandar.com

Sales Gallery:
Lot G-01, Hab Citrine
Persiaran Medini 3, Bandar Sunway Iskandar Puteri (Sunway City Iskandar Puteri)
Medini Iskandar
79250 Iskandar Puteri, Johor Darul Takzim, Malaysia.
Tel : (607) 509 6575

SUNWAY CITY (JB) SDN BHD

201001011849 (896512-M)

Sales Gallery:
Persiaran Lenang Utama
Sunway Bukit Lenang
81100 Johor Bahru, Johor
Tel : (607) 289 2259

CHINA:
SUNWAY GUANGHAO

REAL ESTATE (JIANGYIN) CO. LTD

Office:
YiFangCheng Commercial Unit 399, Xiangjiang Road,
Lingang Street, Jiangyin
Jiangsu Province, 214400 China
Tel : +86 510 8688 0966

Sales Gallery:
YiFangCheng Commercial Unit 369, Xiangjiang Road,
Lingang Street, Jiangyin
Jiangsu Province, 214400 China
Tel : +86 510 8610 3333

SUNWAY (TIANJIN) MANAGEMENT

CONSULTANCY CO., LTD

Corporate Office:
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Eco-City, Tianjin 300467, China
Tel : +86 022 5895 0205
Fax : +86 022 5999 9590

TIANJIN ECO-CITY SUNWAY PROPERTY
DEVELOPMENT CO., LTD (56611336-2)
Project Office:
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Eco-Business Park

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Sino-Singapore Tianjin Eco-City, Tianjin 300467, China
Tel : +86 022 5999 9589
Fax : +86 022 5999 9590

SUNWAY REAL ESTATE (CHINA) LIMITED

(1244034)

Unit J, 21/F, COS Centre,

56 Tsun Yip Street, Kwun Tong,

Kowloon, Hong Kong.

Tel : (852) 3188 1607

Fax : (852) 2771 0143

INDIA:

SUNWAY OPUS INTERNATIONAL PVT LTD

(U70102AP2007PTC055084)

Sunway Opus Grand, Survey Nos. 162p & 164

Ameenpur, Off Miyapur - Bachupally Road

Hyderabad-502 032, Andhra Pradesh, India

Tel : (+91) 40 2303 8888

Fax : (+91) 40 2303 8008

SUNWAY MAK INTERNATIONAL PRIVATE LIMITED

(U45209AP2007PTC056739)

Survey Nos.162p & 164, Ameenpur

Off Miyapur - Bachupally Road

Hyderabad - 502 032

Andhra Pradesh, India

Tel : (+91) 40 2303 8888

Fax : (+91) 40 2303 8008

AUSTRALIA:

SUNWAY AUSTRALIA UNIT TRUST*

HARTFORD LANE PTY LTD*

(077261048)

Level 3, Menara Sunway

SINGAPORE:

SUNWAY DEVELOPMENTS PTE LTD

(200408542H)

65 Ubi Road 1, #01-62 Oxley Bizhub

408729 Singapore

Tel : (+65) 6582 8089

Fax : (+65) 6581 0482

PROPERTY MANAGEMENT & INVESTMENT

SUNWAY REIT MANAGEMENT SDN BHD*

200801005046 (806330-X)

(Manager for Sunway Real Estate Investment Trust)

Level 15, Menara Sunway

Tel : (603) 5639 8888

Fax : (603) 5639 8001

Website : www.sunwayreit.com

SUNWAY PYRAMID

Centre Management Office

Level CP6, Blue Atrium, Sunway Pyramid

No. 3 Jalan PJS 11/15, Bandar Sunway

47500 Subang Jaya, Selangor Darul Ehsan, Malaysia

Tel : (603) 7494 3000

Fax : (603) 7492 6333

Website : www.sunwaypyramid.com

CORPORATE DIRECTORY

SUNWAY PUTRA MALL
Centre Management Office
6-2, Sunway Putra Mall
No.100, Jalan Putra
50350 Kuala Lumpur, Malaysia
Tel : (603) 2786 9300
Fax : (603) 2786 9499
Website : www.sunwayputramall.com

SUNWAY CARNIVAL MALL
Centre Management Office
LG-68, Sunway Carnival Mall
3068, Jalan Todak, Pusat Bandar Seberang Jaya
13700 Seberang Jaya, Penang, Malaysia
Tel : (604) 397 9888
Fax : (604) 397 9883
Website : www.sunwaycarnival.com

SUNCITY (IPOH) HYPERMARKET
No. 2, Jalan SCI 2/2, Bandar Sunway Ipoh
31150 Ipoh, Perak Darul Ridzuan, Malaysia

**MENARA SUNWAY
SUNWAY PUTRA TOWER**
Management Office
Unit 4.5, Level 4, Menara Sunway Annexe
Jalan Lagoon Timur, Bandar Sunway,
47500 Subang Jaya
Selangor Darul Ehsan, Malaysia
Tel : (603) 5639 8888
Fax : (603) 5639 9595

SUNWAY TOWER
Management Office
Ground Floor, Sunway Tower, 86, Jln Ampang
50450 Kuala Lumpur, Malaysia
Tel : (603) 2032 4100
Fax : (603) 2070 4093

SUNWAY FACILITY MANAGEMENT SDN BHD
199701027530 (443028-K)
SUNWAY IFM SDN BHD
198401017677 (130231-P)
SUNWAY PARKING SERVICES SDN BHD
200401005322 (643925-X)
SUNWAY INTEGRATED PARKING SDN BHD
199201006678 (238182-V)
Centre Management Office
Level CP6, Blue Atrium, Sunway Pyramid
No. 3 Jalan PJS 11/15, Bandar Sunway
47500 Subang Jaya, Selangor Darul Ehsan, Malaysia
Tel : (603) 7494 3000
Fax : (603) 7492 6333

SUNWAY BIG BOX SDN BHD
199401032650 (318333-T)
Centre Management Office
FF-L-13B, Pusat Komersial Sunway Marketplace
Persiaran Medini 6, Bandar Sunway Iskandar Puteri
79250 Iskandar Puteri
Johor Darul Ta'zim, Malaysia
Tel : (607) 533 1333

SUNWAY DESTINY SDN BHD
199701028013 (443511-H)
SUNWAY MUSC SDN BHD
200101010201 (545957-T)
SUNWAY RESIDENCE SDN BHD
200101002885 (538641-W)
SUNWAY PINNACLE SDN BHD
201001010902 (895662-K)
SUNWAY PFM SDN BHD
199101008005 (218317-K)

SUNWAY PYRAMID DEVELOPMENT SDN BHD
201001042217 (926145-W)

SUNWAY CENTURY SDN BHD
200901040107 (883253-V)
SUNWAY REM SDN BHD
200101006314 (542070-M)

SUNWAY TRANSIT SYSTEM SDN BHD
200901021513 (864610-D)

SUNWAY SYMPHONY SDN BHD
200701011613 (769617-T)

SUNWAY AMBIENCE SDN BHD
200701009915 (767918-W)

SUNWAY TOWNHOUSE SDN BHD
199701029190 (444689-T)

SUNWAY GEO SDN BHD
201701036124 (1250295-A)

SUMBER DORONGAN SDN BHD
199601012527 (384876-P)

SUNWAY TOWER 1 SDN BHD
200101010179 (545935-D)

SUNWAY SUSTAINABILITY SOLUTIONS SDN BHD
201701028510 (1242676-U)

SUNWAY PERMAI SDN BHD
199101006678 (318333-T)

RICH WORLDCLASS SDN BHD
200901023459 (866558-X)

GALAXY AVENUE SDN BHD
199701018571 (434068-K)

REPTOLINK SDN BHD
199701017250 (432747-P)

Unit 4.5, Level 4 East Lobby, Menara Sunway Annexe
Jalan Lagoon Timur, Bandar Sunway
47500 Subang Jaya, Selangor Darul Ehsan, Malaysia
Tel : (603) 5639 8888
Fax : (603) 5639 9595

SUNWAY LEISURE SDN BHD
201001001709 (886286-M)
Centre Management Office
Level CP6, Blue Atrium, Sunway Pyramid
No. 3 Jalan PJS 11/15, Bandar Sunway
47500 Subang Jaya, Selangor Darul Ehsan, Malaysia
Tel : (603) 7494 3000
Fax : (603) 7492 6333

SUNWAY GIZA MALL SDN BHD
199601013648 (385998-X)
SUNWAY GIZA PARKING SDN BHD
199601006125 (378471-W)
Centre Management Office, LG Block D
Sunway Giza, No. 2, Jalan PJU 5
Kota Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan,
Malaysia
Tel : (603) 6148 1600
Fax : (603) 6148 1606
Website : www.sunwaygizamall.com

SUNWAY NEXIS PARKING SDN BHD
199601011407 (383756-D)
D-B1-02, Sunway Nexis, No. 1, Jalan PJU 5/1
Kota Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan,
Malaysia
Tel : (603) 6143 1039

SUNWAY VELOCITY MALL SDN BHD
200701009398 (767400-H)
Centre Management Office
5-02 Sunway Velocity Mall
Lingkaran SV, Sunway Velocity
55100 Kuala Lumpur, Malaysia
Tel : (603) 2786 3900
Fax : (603) 2786 3939

SHAHAWAN (M) SDN BHD*
199701038836 (454336-K)
Level 17, Menara Sunway
Tel : (603) 5639 8889
Fax : (603) 5639 9507

SUNWAY RE CAPITAL PTE LTD (201527053H)
SUNWAY RE CAPITAL ADVISORS (SG) PTE. LTD. (201734496G)
SUNWAY RESIDENCE (SINGAPORE) PTE. LTD. (202129033G)
101 Irrawaddy Road, #09-01,
Royal Square Medical Centre,
Singapore 329565
Tel : +65 6911 0691
Website : https://sunwayrecapital.com/

SUNWAY RE CAPITAL ADVISORS (UK) LIMITED (12280402)
1 Bartholomew Lane, London
United Kingdom, EC2N 2AX
Tel : +44 (0)20 7398 6300
Fax : +44 (0)20 7398 6325

SUNWAY RESIDENCE TRUST
8 Marina View #26-01 Asia Square Tower 1,
Singapore 018960

SUNWAY RESIDENCE TRUST II
8 Marina Boulevard #05-02 Marina Bay Financial Centre,
Singapore 018981

SUNWAY RESIDENCE (GUERNSEY) LIMITED (66926)
SUNWAY RESIDENCE (GUERNSEY) 2 LIMITED (69666)
SUNWAY RESIDENCE (GUERNSEY) HOLDINGS LIMITED (69663)
Martello Court, Admiral Park, St. Peter Port
Guernsey GY1 3HB
Tel : +44 (0)14 8121 1000
Fax : +44 (0)14 8121 1001

LEISURE

SUNWAY LAGOON SDN BHD
199101001001 (211311-A)
SUNWAY LAGOON
3 Jalan PJS 11/11, Bandar Sunway
47500 Subang Jaya, Selangor Darul Ehsan, Malaysia
Tel : (603) 5639 0000
Fax : (603) 5639 0050
Email : ask_lagoon@sunway.com.my
Website : www.sunwaylagoon.com

SUNWAY LOST WORLD WATER PARK SDN BHD
199201008839 (240342-P)
LOST WORLD OF TAMBUN
No. 1, Persiaran Lagun Sunway 1
Sunway City Ipoh, 31150 Ipoh
Perak Darul Ridzuan, Malaysia
Tel : (605) 542 8888
Fax : (605) 542 8899
Email : lostworldoftambun@sunway.com.my
Website : www.sunwaylostworldoftambun.com

SUNWAY LAGOON CLUB BERHAD
198901008175 (185477-W)
No. 3, Jalan Lagoon Timur, Bandar Sunway
47500 Subang Jaya, Selangor Darul Ehsan, Malaysia
Tel : (603) 5639 8600
Fax : (603) 5639 9588 / 9589 (Accounts Dept)
Website : www.sunway.com.my/club

PYRAMID BOWL SDN BHD
199601025047 (397399-M)
Lot F1.22 Level 1, Sunway Pyramid
No. 3, Jalan PJS 11/15, Bandar Sunway
47500 Subang Jaya, Selangor Darul Ehsan, Malaysia
Tel : (603) 7492 6307/8/9
Fax : (603) 7492 6310

SUNWAY LIVING SPACE SDN BHD
200401006082 (644585-X)
Lot No. 2, Ground Floor, Sunway Lagoon Club
No. 3, Jalan Lagoon Timur, Bandar Sunway
47500 Subang Jaya, Selangor Darul Ehsan, Malaysia
Tel : (603) 5639 9221
Fax : (603) 5639 9555
Email : slvc@sunway.com.my
Website : www.sunway.com.my/vacationclub

SUNWAY HEALTHY LIFESTYLE SDN BHD
200501012428 (689476-X)
Lot No. 2, Ground Floor, Sunway Lagoon Club
No. 3, Jalan Lagoon Timur, Bandar Sunway
47500 Subang Jaya, Selangor Darul Ehsan, Malaysia
Tel : (603) 5639 9993
Fax : (603) 5639 9555
Email : shl@sunway.com.my
Website : www.sunway.com.my/healthylifestyle

SUNWAY TRAVEL SDN BHD
198601009346 (158589-D) (KPL: 0210)
Unit 1.7, Level 1, West Lobby
Menara Sunway Annexe, Jalan Lagoon Timur
Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan,
Malaysia
Tel : (603) 5632 5622
Fax : (603) 5632 4781
Email : travel@sunway.com.my
Website : www.sunway.travel

HOSPITALITY

**SUNWAY INTERNATIONAL HOTELS
& RESORTS SDN BHD**
199701015157 (430654-V)
Sunway Resort Hotel & Spa, Level 9
Finance Department, Persiaran Lagoon,
Bandar Sunway
47500 Subang Jaya,
Selangor Darul Ehsan, Malaysia
Tel : (603) 7492 8000
Website : www.slhr.com

SUNWAY RESORT HOTEL SDN BHD
198901004890 (182198-M)
SUNWAY RESORT HOTEL & SPA
SUNWAY PYRAMID HOTEL
SUNWAY CLIO HOTEL
THE VILLAS
Persiaran Lagoon, Bandar Sunway
47500 Subang Jaya, Selangor Darul Ehsan, Malaysia
Tel : (603) 7492 8000
Fax : (603) 7492 8001
Email : srhs.enquiry@sunwayhotels.com
Website : www.sunwayhotels.com/sunway-resort

SUNWAY PUTRA HOTEL SDN BHD
201101010136 (938275-T)
Sunway Putra Place
100 Jalan Putra
50350 Kuala Lumpur, Malaysia
Tel : (603) 4042 9888
Fax : (603) 4043 0700
Email : enquirysph@sunwayhotels.com
Website : www.putra.sunwayhotels.com

SUNWAY VELOCITY HOTEL SDN BHD
199601041659 (414012-T)
Lingkaran Sunway Velocity
Sunway Velocity, Jalan Cheras
55100 Kuala Lumpur, Malaysia
Tel : (603) 2728 3889
Fax : (603) 2728 3989
Email : svkl.reservations@sunwayhotels.com
Website : www.velocity.sunwayhotels.com

SUNWAY BIZ HOTEL SDN BHD
198401017826 (130380-T)
33, New Lane (Off Macalister Road)
Georgetown, 10400 Penang, Malaysia
Tel : (604) 229 9988
Fax : (604) 228 8899
Email : enquiryshg@sunwayhotels.com
Website : www.georgetown.sunwayhotels.com

SUNWAY HOTEL (SEBERANG JAYA) SDN BHD
199201007102 (238606-A)
11, Lebuhtenggiri Dua, Pusat Bandar Seberang Jaya
13700 Prai Pulau Pinang, Malaysia
Tel : (604) 370 7788
Fax : (604) 370 0555
Email : enquiryshsj@sunwayhotels.com
Website : www.seberangjaya.sunwayhotels.com

SUNWAY BIGBOX HOTEL SDN BHD
199701011630 (427126-A)
Persiaran Medini 5
Bandar Sunway Iskandar Puteri
(Sunway City Iskandar Puteri)
79250 Iskandar Puteri
Johor Darul Ta'zim

SUNWAY HOTEL PHNOM PENH LTD (239/96E)
1, Street 92, Sangkat Wat Phnom, P.O. Box 633
Phnom Penh 12202, Kingdom of Cambodia
Tel : (855) 23 430 333
Fax : (855) 23 430 339
Email : enquiryshpp@sunwayhotels.com
Website : www.phnompenh.sunwayhotels.com

**SUNWAY HOTEL HANOI LIABILITY
LIMITED COMPANY WITH ONE MEMBER**
19, Pham Dinh Ho Street, Hai Ba Trung District
Hanoi, Vietnam
Tel : (844) 3 971 3888
Fax : (844) 3 971 3555
Email : enquiryshhn@sunwayhotels.com
Website : www.hanoi.sunwayhotels.com

KINTA SUNWAY RESORT SDN BHD
199501030734 (359940-K)
THE BANJARAN HOTSPRINGS RETREAT
No. 1, Persiaran Lagun Sunway 3, Sunway City Ipoh
31150 Ipoh, Perak Darul Ridzuan, Malaysia
Tel : (605) 210 7777
Fax : (605) 210 7778
Email : lbhr.info@sunwayhotels.com
Website : www.sunwayhotels.com/the-banjaran

SUNWAY LOST WORLD HOTEL SDN BHD
200901019480 (862578-V)
LOST WORLD HOTEL
No. 2, Persiaran Lagun Sunway 1, Sunway City Ipoh
31150 Ipoh, Perak Darul Ridzuan, Malaysia
Tel : (605) 540 8888
Fax : (605) 540 8899
Email : lostworldhotel@sunway.com.my
Website : www.sunwaylostworldoftambun.com

CONSTRUCTION DIVISION

**TURNKEY DESIGN & BUILD,
CIVIL ENGINEERING AND BUILDING CONSTRUCTION**

SUNWAY CONSTRUCTION SDN BHD*
197601001216 (27175-V)
SUNWAY BUILDERS SDN BHD*
199301030466 (285205-T)
SUNWAY INNOPAVE SDN BHD*
199601018066 (390417-A)
Head Office:
Level 8, Menara Sunway
Tel : (603) 5639 9696
Fax : (603) 5639 9601
Website : sunwayconstruction.com.my

Johor Office:
Zone F Plot F19 & F20
PTD 200695 & 200696
79250 Iskandar Puteri,
Johor Darul Ta'zim

Penang Office
No 6, 1st & 2nd Floor, Jalan Todak 1,
Pusat Bandar Seberang Jaya,
13700 Perai, Pulau Pinang

India Office
Naveen Complex, 7th Floor,
14 M G Goad Bangaluru,
Bangalore KA 560001, India

Sunway RNS TJ PRIVATE LIMITED
CIN NO: U45202KA2020FTC136307

SUNWAY RNSIL MC PRIVATE LIMITED
CIN NO: U45209KA2020FTC141025

SUNWAY CONSTRUCTION INDIA PTE LTD
No. 20, 2nd Floor, Uniworth Plaza,
Sankey Road Bangalore,
Karnataka, 560020 India

FOUNDATION AND GEOTECHNICAL ENGINEERING SERVICES

SUNWAY GEOTECHNICS (M) SDN BHD*
199601041661 (414014-W)
Level 7, Menara Sunway
Tel : (603) 5639 9696
Fax : (603) 5639 9533

MECHANICAL, ELECTRICAL & PLUMBING SERVICES

SUNWAY ENGINEERING SDN BHD*
199501012685 (341887-W)
Level 9, Menara Sunway
Tel : (603) 5639 9696
Fax : (603) 5639 9531

SUSTAINABLE ENERGY

SUNWAY PEKAT SOLAR SDN BHD*
201901022491 (1331820-M)
Level 9, Menara Sunway
Tel : (603) 5649 9696
Fax : (603) 5639 9531

MANUFACTURING AND SALE OF PRECAST CONCRETE PRODUCTS

SUNWAY PRECAST INDUSTRIES SDN BHD
199201000271 (231775-X)
SENAI, JOHOR:
18, Jalan Idaman 1/1,
Taman Perindustrian Senai,
81400 Senai, Johor Darul Takzim.
Tel : (607) 5955 222
Fax : (607) 5951 246

**ISKANDAR, JOHOR: SUNWAY CONCRETE
PRODUCTS (M) SDN BHD**
201601039388 (1210329-A)
Plot F5, Lot PTD 200685,
Medini Zone F,
Mukim Pulau, Daerah Johor Bahru,
81200 Johor Darul Takzim.

**SINGAPORE:
SUNWAY CONCRETE PRODUCTS (S) PTE LTD**
(199409213Z)
65 Ubi Road 1 #01-62 Oxley Bizhub
Singapore 408729
Tel : (02) 6582 8089
Fax : (02) 6581 0482

MACHINERY & LOGISTICS

SUNWAY MACHINERY SDN BHD
199601016902 (389253-P)
Sunway Enterprise Park, Jalan SEP 2,
Taman Putra Perdana,
47130 Puchong, Selangor Darul Ehsan
Tel : (603) 8322 3630
Fax : (603) 8325 1790

TRADING AND MANUFACTURING DIVISION

MALAYSIA OFFICES & BRANCHES
SUNWAY MARKETING SDN BHD*
198301014949 (110342-X)
SUNWAY HOSE CENTRE SDN BHD*
199501021414 (350617-H)
SUNWAY ARCHITECTURAL PRODUCTS SDN BHD*
198501014095 (146551-W)
SUNWAY HYDRAULIC INDUSTRIES SDN BHD*
198301008006 (103260-H)
SUNWAY MARKETING (EAST MALAYSIA) SDN BHD*
199501024044 (353248-U)
SUNWAY MKH MARKETING SDN BHD*
202101004198 (1404497-U)
Head Office:
Level 11, Menara Sunway
Tel : (603) 5639 9997
Fax : (603) 5639 9522
Website : www.sunwaymarketing.com.my

Warehouse:
Lot 526, Persiaran Subang Permai,
Sungai Penaga Industrial Park, USJ 1,
47600 Subang Jaya, Selangor, Malaysia.
Tel : (603) 8021 9228
Fax : (603) 8021 9223

SUNWAY MARKETING SDN BHD - JOHOR BAHRU BRANCH

No. 12, Jalan Selatan 3/4,
Lot 26107, Taman Perindustrian Ringan Pulau,
81300, Skudai Johor Bahru, Malaysia.
Tel : (607) 511 3638
Fax : (607) 511 3639

SUNWAY MARKETING SDN BHD - PENANG BRANCH

No. 28, Jalan Anson,
10400, Georgetown,
Pulau Pinang, Malaysia.
Tel : (604) 226 2522
Fax : (604) 226 3480

SUNWAY MARKETING SDN BHD - PENANG BRANCH

No. 8, Lorong IKS Simpang Ampat G,
Taman IKS, Simpang Ampat,
14100 Simpang Ampat, Penang, Malaysia.
Tel : (604) 502 6982
Fax : (604) 056 0560

SUNWAY MARKETING SDN BHD - Kuantan BRANCH

No. 51, Lorong 14/7 B.I.M Point,
Bandar Indera Mahkota,
25200 Kuantan, Pahang, Malaysia.
Tel : (609) 570 1313

SUNWAY MARKETING SDN BHD - BINTULU BRANCH

Lot 7522, 1 Jalan Bintulu - Miri,
Eastern Gateway Industrial Park,
97000 Bintulu, Sarawak, Malaysia.
Tel : (6086) 313 778 / 313 779
Fax : (6086) 313 772

SUNWAY MARKETING SDN BHD - SIBU BRANCH

No. 1B & 3A, Lorong 37,
Jalan Ding Lik Kong,
96000 Sibul, Sarawak, Malaysia.
Tel : (6084) 216 955 / 214 552 / 213 378
Fax : (6084) 219 950

SUNWAY MARKETING SDN BHD - MIRI BRANCH

Lot 3459, Block 6, Jalan Dato Permaisuri 1,
Permy Technology Park,
Kuala Baram Land District,
98000 Miri, Sarawak, Malaysia.
Tel : (6085) 656 354 / 656 292 / 659 197
Fax : (6085) 656 431

SUNWAY MARKETING SDN BHD - MIRI BRANCH

Lot 3346, Piasau Jaya Industrial, Jalan Piasau,
98000 Miri, Sarawak, Malaysia.
Tel : (6085) 647 937
Fax : (6085) 647 936

SUNWAY MARKETING SDN BHD - TAWAU BRANCH

Lot No. C37, Megah Industrial Park,
Jalan Ind Megah 2, Mile 4 ½, Jalan Tikau,
91000 Tawau, Sabah, Malaysia.
Tel : (6089) 918 068
Fax : (6089) 918 086

SUNWAY MARKETING SDN BHD - SANDAKAN BRANCH

Lot 2, Labuk Road Mile 9,
90000 Sandakan, Sabah, Malaysia.
Tel : (6089) 673 070 / 673 071
Fax : (6089) 673 077

SUNWAY MARKETING SDN BHD - SANDAKAN BRANCH

Lot 2, Labuk Road Mile 10 1/2,
90000 Sandakan, Sabah, Malaysia.
Tel : (6089) 531 833

SUNWAY MARKETING SDN BHD - KOTA KINABALU BRANCH

Lot 35-39, SEDCO Industrial Estate,
Jalan Kolombong, Off Mile 5.5, Jalan Tuaran,
88450 Kota Kinabalu, Sabah, Malaysia.
Tel : (088) 383822/ 389333
Fax : (088

CORPORATE DIRECTORY

SUNWAY COATING SOLUTIONS SDN BHD
200201024249 (591912-V)
No.17, Jalan TPP 6/11,
Taman Perindustrian Puchong,
Seksyen 6 Batu 12
47100 Puchong, Selangor, Malaysia.
Tel : (603) 8066 8610
Website : www.sunwaywinstar.com
Email : stevenlcc@sunway.com.my

JAYA DIY MART SDN BHD
200401035848 (674359-T)
Lot 526, Persiaran Subang Permai,
Sungai Penaga Industrial Park, USJ 1,
47600 Subang Jaya, Selangor, Malaysia.
Tel : (603) 8021 9238
Website : www.sunwaywinstar.com
Email : laicp@sunway.com.my

SUNWAY MATERIAL HANDLING SDN BHD
201001035448 (919372-X)
Lot 526, Persiaran Subang Permai,
Sungai Penaga Industrial Park, USJ 1,
47600 Subang Jaya, Selangor, Malaysia.
Tel : (603) 8021 9101
Fax : (603) 8021 9112
Website : www.sunwaymaterialhandling.com.my
Email : chenchk@sunway.com.my

DONGFENG COMMERCIAL VEHICLE (MALAYSIA) SDN BHD
200201016162 (583825-U)
Lot 526, Persiaran Subang Permai,
Sungai Penaga Industrial Park, USJ 1,
47600 Subang Jaya, Selangor, Malaysia.
Tel : (603) 8021 9068
Website : www.dongfeng.my
Email : tansoe@sunway.com.my

OVERSEAS OFFICES & BRANCHES:
SINGAPORE:
SUNWAY MARKETING (S) PTE LTD
(197501497R)
19 Senoko South Road, Singapore 758078.
Tel : (65) 6758 5454
Fax : (65) 6267 8759
Website : www.sunflex.com.sg
Email : smsgen@sunflex.com.sg

SUNWAY MARKETING (S) PTE LTD - GUL STREET BRANCH
11 Gul Street 4 Singapore 629240.
Tel : (65) 6631 9968
Fax : (65) 6257 8759

THAILAND:
SUNWAY MARKETING (THAILAND) LTD
(0105533107052)
199/1 Soi Prayasuane 35, Prayasuane Road,
Bangchan, Klongsamwa, Bangkok 10510, Thailand.
Tel : (662) 907 3955
Fax : (662) 907 3933
Website : www.sunflex.com.sg
Email : thanapong@sunway.com.my

SUNWAY MARKETING (THAILAND) LTD - RAYONG BRANCH
189-10 Highway No. 36 Road, Maikha,
Nikomattana, Rayong 21180, Thailand.
Tel : (663) 803 5346
Fax : (663) 803 5348

SUNWAY MARKETING (THAILAND) LTD - CHONBURI BRANCH
399/69 Moo 11 Nongkham, Sriracha,
Chonburi 20230, Thailand.
Tel : (663) 848 0365
Fax : (663) 848 0141

SUNWAY MARKETING (THAILAND) LTD - SARABURI BRANCH
13/4-5 Mittraphap Road, Kaengkoi,
Saraburi 18110, Thailand.
Tel : (663) 624 1370
Fax : (663) 624 1371

SUNWAY MARKETING (THAILAND) LTD
- NAKORN-RATCHASIMA BRANCH
442/241 Petchmatucala Road, Huathalae, Muang,
Nakornratchasima 30000, Thailand.
Tel : (664) 407 7853
Fax : (664) 407 7853

INDONESIA:
PT SUNWAY TREK MASINDO
(30.03.146.03941)
PT SUNWAY DISTRIBUSI INDONESIA
(82.258.519.5-418.000)
Jl. Kosambi Timur No. 47,
Kompleks Pergudangan Sentra Kosambi,
Blok H1 No. A, Kosambi Timur, Dadap – Tangerang,
Jakarta 15211, Indonesia.
Tel : (62) 21 5595 5445
Fax : (62) 21 5595 5447
Website : www.sunway.co.id

PT SUNWAY TREK MASINDO - BALIKPAPAN BRANCH
JL.AMD. Proyekl Km.5.5 RT.002.No.12,
Kelurahan Graha Indah,Kec.Balikpapan Utara,
Balikpapan 76125, Kalimantan Timur, Indonesia.
Tel : (62) 54 2758 8200
Fax : (62) 54 2758 8202

PT SUNWAY TREK MASINDO - PEKANBARU BRANCH
Komplek Pergudangan Avian 3 in 1,
Blok D-06, Jl. Arengka II Pekanbaru,
Riau 28292, Indonesia.
Tel : (62) 761 863 834 / 761 863 832
Fax : (62) 761 863 836

PT SUNWAY TREK MASINDO - BANJARMASIN BRANCH
Komplek Pergudangan Kalimantan Kencana,
21 A.Yani KM 20.8 Arah Pellaiahari,
Landasan Ulin Selatan Liangganggang,
Banjar Baru, Kalimantan Selatan, 70713 Indonesia.
Tel : (62) 51 1320 0033
Fax : (62) 51 1320 0032

PT SUNWAY TREK MASINDO - JAMBI BRANCH
Komplek Pergudangan Kastara Laksana Mandiri,
Jl. Lingkar Selatan RT 30 RW 06,
Kel. Paal Merah Kec. Jambi 36139 Indonesia.
Tel : (62) 741 573 988
Fax : (62) 741 591 8921

PT SUNWAY TREK MASINDO - SAMARINDA BRANCH
Jl. IR Sutami Pergudangan II, Blok U2, Samarinda,
75126, Kalimantan Timur, Indonesia.
Tel : (62) 0541 271 656 / 0541 270 585
Fax : (62) 0541 275 890

PT SUNWAY TREK MASINDO - BATAM BRANCH
PT SUNWAY PACIFIC FLOW (33.10.1.22.12193)
Complex Union Industrial Park, Block A, No.1 (Gate #3),
Batu Ampar, Batam - Kepulauan Riau - Indonesia.
Tel : (62) 778 413 989
Fax : (62) 778 413 787
Website : www.sunflex.com.sg
Email : sunfiowtech@sunflex.com.sg

CHINA:
SUNWAY TRADING (SHANGHAI) PTE LTD
(913101157914850741)
SUNWAY MARKETING (SHANGHAI) PTE LTD
(91310000754754885X)
No. 868, Kangqiao Road, Kangqiao Town,
Pudong New Area, Shanghai 201315, China.
Tel : (8621) 6806 6669 / 6806 6662
Fax : (8621) 6806 6981
Website : www.ssunflex.com
Email : huanyt@sunway.com.my

SUNWAY TRADING (SHANGHAI) PTE LTD - GUANGZHOU BRANCH
Room 418, Building B, TCL Cultural Industry Park,
No. 69 Guangpuxi Road, Science City,
Luogang District, Guangzhou, China.
Tel : (8620) 8232 6872
Fax : (8620) 8231 5217

SUNWAY HYDRAULIC INDUSTRIES (WUHU) CO. LTD
(91340200791881536N)
No. 1, Xu Zhen Industrial Area,
Wuhu, Anhui 241306, China.
Tel : (0086) 55 3237 0003
Fax : (0086) 55 3237 0006
Website : www.sunway.me

SUNWAY DAECHANG FORGING (ANHUI) CO. LTD
(91340200669452949D)
No. 1, Xu Zhen Industrial Area, Wuhu,
Anhui 241306, China.
Tel : (0086) 55 3239 5300
Fax : (0086) 55 3239 5301
Website : www.sunwaydfc.com

AUSTRALIA:
SUNWAY TOTALRUBBER LTD
(ABN 11 103 212 353)
Tel : 1300 720 655
Fax : 1300 720 677
Website : www.totalrubber.com.au

SUNWAY TOTALRUBBER - VICTORIA HEAD OFFICE
2 Jamieson Way, Dandenong South, Victoria 3175, Australia.
Tel : (613) 9799 2388
Fax : (613) 9799 2188
Email : victoria@totalrubber.com.au

SUNWAY TOTALRUBBER - NEW SOUTH WALES BRANCH
2/208 Walters Road, Arndell Park, NSW 2148, Australia.
Tel : (612) 9933 7500
Fax : (612) 9622 1733
Email : sydney@totalrubber.com.au

SUNWAY TOTALRUBBER - WESTERN AUSTRALIA BRANCH
2/57 Barley Place, Canning Vale 6155 WA, Australia
Tel : (618) 9353 6999
Fax : (618) 9353 6555
Email : perth@totalrubber.com.au

SUNWAY TOTALRUBBER - QUEENSLAND BRANCH
43 Dulacca Street, Acacia Ridge,
Queensland 4110, Australia.
Tel : (617) 3711 3009
Fax : (617) 3711 3010
Email : brisbane@totalrubber.com.au

SUNWAY TOTALRUBBER - SOUTH AUSTRALIA BRANCH
9 Islington Court, Dudley Park, SA 5008, Australia.
Tel : (618) 8268 5110
Fax : (618) 8268 5226
Email : adelaide@totalrubber.com.au

SUNWAY TOTALRUBBER SERVICES FRANCHISING PTY LTD
(ABN 31 007 254 248)
SUNWAY TOTALRUBBER
- TASMANIA KINGSMEADOWS FRANCHISEE
3 Merino Street, Kings Meadows, Tasmania 7249, Australia.
Tel : (613) 6344 3322
Fax : (613) 6344 3233
Email : launceston@totalrubber.com.au

SUNWAY TOTALRUBBER - TASMANIA MOONAH FRANCHISEE
467 Main Road, Glenorchy, Tasmania 7010, Australia.
Tel : (613) 6273 1155
Fax : (613) 6273 1188
Email : hobart@totalrubber.com.au

SUNWAY TOTALRUBBER - TASMANIA BURNIE FRANCHISEE
12 Hopkinson Street, Burnie, Tasmania 7320, Australia.
Tel : (613) 6431 6048
Fax : (613) 6431 6496
Email : burnie@totalrubber.com.au

VIETNAM:
SUNWAY MARKETING (VIETNAM) CO. LTD
(0315044226)
Warehouse 1, Lot Va. 12-10b,
Road 17 & 22 Industrial Park,
Tan Thuan Export Processing Zone,
Tan Thuan Dong Ward,
District 7, Ho Chi Minh City, Vietnam.
Tel : (84) 3636 3300
Email : sunwayvn@sunflex.com.sg

INDIA:
SUNWAY OPUS INTERNATIONAL TRADING PRIVATE LIMITED*
(U51909AP2010FTC069882)
Registered address:
1st Floor, Block "A" Palace View Estate,
8-2-120, Road No. 2, Banjara Hills,
Hyderabad, 500 034, Andhra Pradesh, India.

BUILDING MATERIALS DIVISION

SUNWAY PAVING SOLUTIONS SDN BHD*
198101011363 (77490-W)
3.2, Level 3, Menara Sunway
Website : www.sunwaypavingsolutions.com

Sales Office:
HQ
Tel : (603) 5639 9325
Fax : (603) 5639 9600

Nibong Tebal
Tel : (604) 593 8697/8
Fax : (604) 593 8695

Senai
Tel : (607) 599 5553
Fax : (607) 599 3827

Marang
Tel : (609) 617 3924 / 925
Fax : (609) 617 3923

Factory:
Batang Kali
Lot No. 10071, Mukim Batang Kali,
44300 Daerah Ulu Selangor,
Selangor Darul Ehsan, Malaysia.
Tel : (603) 6057 2407
Fax : (603) 6057 2423

Nibong Tebal
Lot No. 2788, 2796 & 2797, Lorong Industri 3,
Kawasan Perindustrian Bukit Panchor
Mukim 7, 14300 Nibong Tebal, Seberang Perai Selatan,
Penang, Malaysia.
Tel : (604) 593 8697/8
Fax : (604) 593 8695

Senai
PLO 6, Jalan Lapangan Terbang
Fasa 1, Kawasan Perindustrian Senai,
81400 Senai, Johor Darul Takzim, Malaysia.
Tel : (607) 599 6055
Fax : (607) 598 1373

Marang
No. Lot 61601, Kawasan Perindustrian Bukit Kor,
21600, Mukim Rusila, Marang, Terengganu Darul Iman.
Tel : (609) 617 3924 / 925
Fax : (609) 617 3923

SUNWAY PAVING SOLUTIONS (SABAH) SDN BHD*
199001000486 (192044-U)
3.2, Level 3, Menara Sunway
Tel : (603) 5639 8282 (General Line)
Fax : (603) 5639 9600

Sales Office:
Kota Kinabalu
Tel : (6088) 785 146
Fax : (6088) 787 169

Factory:
Kota Kinabalu
Mile 17½, Kampung Bakut, Jalan Tuaran,
89208 Tuaran, Sabah, Malaysia.
Tel : (6088) 785 146
Fax : (6088) 787 169

SUNWAY VCP SDN BHD*
199001014212 (205881-A)
3.2, Level 3, Menara Sunway
Tel : (603) 5639 8282 (General Line)
Fax : (603) 5639 9600
Website : www.sunway.com.my/sunwayvcp/

Sales Office:
Klang
Tel : (603) 3291 5288
Fax : (603) 3291 5388

Factory:
Klang
Lot 6489 & 6490, Off 6th Mile, Jalan Kapar
42100 Klang, Selangor Darul Ehsan, Malaysia.
Tel : (603) 3291 5288
Fax : (603) 3291 5388

SUNWAY SPUN PILE (M) SDN BHD*
199601039484 (411837-T)
3.2, Level 3, Menara Sunway
Tel : (603) 5639 8282 (General Line)
Fax : (603) 5639 9600

Sales Office:
Batang Kali
Tel : (603) 6057 3868
Fax : (603) 6057 9868

Factory:
Batang Kali
Lot No. 10071, Mukim Batang Kali,
44300 Daerah Ulu Selangor,
Selangor Darul Ehsan, Malaysia.
Tel : (603) 6057 3868
Fax : (603) 6057 9868

SUNWAY SPUN PILE (ZHUHAI) CO. LTD
Xin Gang Zone,
Bai Jiao Science Technology Industrial Park,
DouMen District, ZhuHai City, Guangdong Province, China. Zip:
519120
Tel : (86) 0756 523 2666
Fax : (86) 0756 523 2883 / 523 2028
Website : www.sunwayzh.com

QUARRYING DIVISION

SUNWAY QUARRY INDUSTRIES SDN BHD*
198301015008 (110401-A)
SUNWAY QUARRY (KUALA KANGSAR) SDN BHD*
199101011280 (221552-V)
SUNWAY QUARRY INDUSTRIES (MELAKA) SDN BHD*
196101000231 (4271-D)
TWINNERS (MALAYSIA) SDN BHD*
199301023884 (278622-A)
DOLOMITE GRANITE QUARRY SDN BHD*
201701020903 (1235069-M)
Level 6, Menara Sunway
Tel : (603) 5639 8887
Fax : (603) 5639 9839

Rawang
Lot 14257 (PT11894) & Lot 14256
Mukim Rawang, Daerah Gombak
Selangor Darul Ehsan, Malaysia
Tel : (6019) 347 7276

Sg. Buloh
Kompartmen 9,
Hutan Simpan Bukit Lagong
Kuang
48050 Rawang
Selangor Darul Ehsan
Tel : (6019) 2761622

Cheras (Quarry)
Kompartmen 11
Hutan Simpan Sungai Lalang &
Hutan Simpan Hulu Langat
Mukim Ulu Langat, District of Ulu Langat
Selangor Darul Ehsan, Malaysia
Tel : (6019) 347 7276

Hulu Langat (Dolomite)
Batu 11 3/4, Sungai Serai
43100 Hulu Langat
Selangor Darul Ehsan
Tel : (6019) 358 2337

Semenyih
Lot 7144, Mukim Semenyih
Daerah Hulu Langat
43500 Selangor Darul Ehsan, Malaysia
Tel : (6019) 320 3691

Bukit Perak
HSD13, PT1865
Mukim Padang Peliang
Daerah Pendang
Tempat Bukit Perak
06750 Kedah Darul Aman, Malaysia
Tel : (6019) 271 9750

Bukit Mertajam
No. 769, Berapit Road
14000 Bukit Mertajam
Seberang Prai Tengah,
Pulau Pinang, Malaysia
Tel : (604) 530 0839 / (6019) 225 1311

Sungai Bakap
Lot 20074 HSD 46027,
Mukim 12,
14200 Seberang Perai Selatan
Pulau Pinang, Malaysia
Tel : (604) 582 0226
Fax : (604) 582 1287

Kuala Kangsar
Lot 1979, Jalan Lenggong
33020 Kati, Kuala Kangsar
Perak Darul Ridzuan, Malaysia
Tel : (605) 7511 832
Fax : (605) 7512 833

Kampar
Lot 45154, Mukim Kampar
Daerah Kampar
Perak Darul Ridzuan, Malaysia
Tel : (6016) 234 6853

Kemaman
PT 8627, Mukim Teluk Kalung
24000, Kemaman
Terengganu Darul Iman, Malaysia
Tel : (6019) 271 5823

Melaka
19th Mile, Lesong Batu
Alor Gajah, 78000 Melaka, Malaysia
P.O. Box 66, Alor Gajah
78000 Melaka, Malaysia
Tel : (606) 5568 255
Fax : (606) 5561 482

Ulu Choh
No. 263, TJUP 12, Jalan Ulu Pulau
Bt. 22 2/4, Jalan Johor, Pekan Nanas
81500 Pontian, Johor Darul Takzim, Malaysia
Tel : (6019) 273 2876

Masai
Lot No. 80705 Mukim Plentong
Masai, Johor Darul Takzim, Malaysia
Tel : (6019) 262 3204

BLACKTOP INDUSTRIES SDN BHD*
198201004614 (84361-K)
BLACKTOP LANCHANG SDN BHD*
198501006021 (138463-T)
CAN TECHNICAL SERVICES SDN BHD*
200801025503 (826828-A)
TKIM SDN BHD*
197701001268 (32138-M)
Level 6, Menara Sunway
Tel : (603) 5639 8887
Fax : (603) 5639 9949

Rawang
P.T. NO. 597-B, Batu 16
48000 Rawang
Selangor Darul Ehsan
Tel : (603) 60915166 / (603) 60916166

Salak Tinggi
Lot 5868, Sg Labu, Mukim Tanjung 12
43900 Salak Tinggi
Sepang
Selangor Darul Ehsan
Tel : (6016) 2053190 / (6019) 6926926

Nilai
Lot 8595, Jalan Pajam, Kg. Gearbok
71700 Pajam
Negeri Sembilan Darul Khusus
Tel : (6012) 2101158

Bukit Mendi
Lot 28320 Triang
Pahang Darul Makmur
Tel : (609) 2562633 / (609) 2561050

Bukit Damar
Lot PT5872, Bukit Damar
28500 Lanchang
Pahang Darul Makmur
Tel : (6019) 3301398

Gambang
Lot 5546, KM20, Jalan Gambang-Kuantan
26070 Kuantan
Pahang Darul Makmur
Tel : (6019) 2641206

Gebeng
Lot 1450, Jalan Kuari, Kg. Selamat,
Pelabuhan Kuantan
26100 Kuantan
Pahang Darul Makmur
Tel : (6012) 2101159

Bukit Jerus
KM23, Jalan Kota Bahru Pasir Puteh
Mukim Jerus
Daerah Bukit Jawa
16800 Pasir Puteh
Kelantan Darul Naim
Tel : (6011) 39146075

HEALTHCARE DIVISION

SUNWAY MEDICAL CENTRE SDN BHD
199501012653 (341855-X)
No. 5, Jalan Lagoon Selatan, Bandar Sunway, 47500 Subang Jaya,
Selangor Darul Ehsan, Malaysia
Tel : (603) 7491 9191
Fax : (603) 7491 8181
Email : smc@sunway.com.my
Website : www.sunwaymedical.com

SUNMED@HOME SDN BHD
200301033046 (635467-K)
HOME-CARE SERVICES
F-02-11, Sunway Geo Avenue, Jalan Lagoon Selatan, Bandar
Sunway, 47500 Subang Jaya, Selangor Darul Ehsan, Malaysia
Tel : (603) 7491 1477
Fax : (603) 5632 4688
Email : stcm@sunway.com.my
Website : www.sunwaymedical.com/sunmedathome

SUNWAY TCM CENTRE
B1-02-01, Sunway GEO Avenue, Jalan Lagoon Selatan, Bandar
Sunway, 47500 Subang Jaya, Selangor Darul Ehsan, Malaysia
Tel : (603) 5886 1818
Email : stcm@sunway.com.my
Website : www.sunwaytcm.com

SUNWAY TCM CENTRE KUCHING
B-G-4, Lobby 2, Ground Floor, Unit 4, Block B, Canaan Square
Business Hub, Jalan Stutong Baru 93350 Kuching, Sarawak.
Tel : (6082) 463 791
Email : stcm@sunway.com.my
Website : www.sunwaytcm.com

SUNMED VELOCITY SDN BHD
199001018477 (210146-H)
SUNWAY MEDICAL CENTRE VELOCITY
Pusat Perubatan Sunway Velocity, Lingkaran SV, Sunway Velocity,
55100 Kuala Lumpur, Malaysia
Tel : (603) 9772 9191
Email : smcv-enquiry@sunway.com.my
Website : www.sunmedvelocity.com.my

ALLIANCE PARADE SDN BHD
199201006107 (237611-X)
SUNWAY MEDICAL CENTRE SEBERANG JAYA
No. 5, Jalan Lagoon Selatan, Bandar Sunway, 47500 Subang Jaya,
Selangor Darul Ehsan, Malaysia
Email : smc@sunway.com.my
Website : https://www.sunwaymedicalseberangjaya.com.my/en/

SUNWAY SPECIALIST CENTRE SDN BHD
201801013875 (1275891-D)
SUNWAY SPECIALIST CENTRE DAMANSARA
B-G-01, B-G-02, B-G-03, B-G-03A, B-G-05, B-G-06, Sunway Nexis

CORPORATE DIRECTORY

FINANCIAL & INSURANCE SERVICES

SUNWAY CREDIT SDN BHD* 198201001023 (80767-A)
SUNWAY LEASING SDN BHD* 197701004387 (35433-X)
SWL NOMINEES (TEMPATAN) SDN BHD* 199601016457 (388808-U)
SUNWAY RISK MANAGEMENT SDN BHD* 198401017657 (130211-V)
Level 5, Menara Sunway
Tel : (603) 5639 9299
Fax : (603) 5639 9608 / 9

SUNWAY CAPTIVE INSURANCE LTD (LL07119)
Lot 3, 2nd Floor
Lazenda Phase 3 Shophouse
Off Jalan OKK Abdullah, 87000 Labuan

SECRETARIAL, SHARE REGISTRATION
& MANAGEMENT SERVICES

SUNWAY MANAGEMENT SDN BHD* 197901006377 (50661-X)
SUNWAY MANAGEMENT SERVICES SDN BHD* 200701027524 (785546-K)
Level 16, Menara Sunway
Tel : (603) 5639 8889
Fax : (603) 5639 9507

SUNWAY SERVICES SDN BHD* 202001042386 (1398707-P)
Level 17, Menara Sunway
Tel : (603) 5639 8889
Fax : (603) 5639 9566

SHARED SERVICES CENTRE

SUNWAY SHARED SERVICES SDN BHD * 200301000606 (603026-A)
SUNWAY QUANTUM SDN BHD* 201601007242 (1178170-K)
Level 4.3, Menara Sunway
Tel : (603) 5639 8822
Fax : (603) 5639 9293
Website : www.sunway.com.my

SUNWAY HR SHARED SERVICES SDN BHD* 200101023273 (559031-P)
SUNWAY SYNERGY SDN BHD* 200101007501 (543257-K)
Level 5, Menara Sunway
Tel : (603) 5639 9693

SUNWAY FSSC SDN BHD* 200201034473 (602138-H)
Level 10, Menara Sunway
Tel : (603) 5639 8989
Fax : (603) 5639 9524

OTHERS

SUNWAY HEALTHCARE HOLDINGS' SDN BHD
202101000296 (1400594-U)
SUNWAY HEALTHCARE TREASURY SDN BHD
(formerly known as Frontier Acres Sdn Bhd)
200401006457 (644961-W)
No. 5, Jalan Lagoon Selatan, Bandar Sunway, 47500 Subang Jaya,
Selangor Darul Ehsan, Malaysia
Tel : (603) 7491 9191
Fax : (603) 7491 8181
Email : smc@sunway.com.my
Website : www.sunwaymedical.com

SUNWAY SUPPLY CHAIN ENTERPRISE SDN BHD*
199601023399 (395751-M)
Level 1, Menara Sunway
Tel : (603) 5639 8003
Fax : (603) 5639 9560

SUNWAY TREASURY SDN BHD* 199701018508 (434005-W)
SUNWAY TREASURY SUKUK SDN BHD* 201401012121 (1068200-V)
Level 17, Menara Sunway
Tel : (603) 5639 8889
Fax : (603) 5639 9566

SUNWAY PALS LOYALTY SDN BHD* 201001030080 (914000-K)
Level 12, Menara Sunway
Tel : (603) 5639 8889
Fax : (603) 5639 8233

DECO STYLE SDN BHD* 198101005159 (71273-V)
Level 5, Menara Sunway
Tel : (603) 5639 6007
Fax : (603) 5639 9539

SUNWAY MONEY SDN BHD* 201701006011 (1220176-V)
Level 14, Menara Sunway
Tel : (603) 5639 8889
Fax : (603) 5639 9566

SUNWAY SOUTHERN MANGEMENT SDN BHD* 201301006868 (1036708-K)
SUNWAY PENDAS MANAGEMENT SDN BHD* 201301036256 (1066086-A)
Level 3, Menara Sunway
Tel : (603) 5639 8888
Fax : (603) 5639 9992

SUNWAY DESIGN SDN BHD 198501012763 (145218-T)
Unit 2.5, Level 2, Menara Sunway Annexe
Jalan Lagoon Timur, Bandar Sunway,
47500 Subang Jaya
Selangor Darul Ehsan, Malaysia
Tel : (603) 5639 8868
Fax : (603) 5639 8838
Ilab

SUNWAY LEADERSHIP CENTRE SDN BHD* 201601013668 (1184599-V)
Unit 1.4, Level 1, Menara Sunway
Tel : (603) 5639 8831

PASIR MAS HOLDINGS SDN BHD 198901010603 (187905-H)
PT 9312, Bandar Sunway, 46150 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Tel : (603) 5611 6996/ (603) 5639 4439

SUNWAY VENTURES SDN BHD* 199901000325 (456451-P)
MONUMENTAL PRODUCTIONS SDN BHD* 201601031382 (1202323-K)
SUNWAY POPBOX SDN BHD* 200301020470 (622890-M)
SUN ILABS ACCELERATOR SDN BHD* 20190100671 (1316043-T)
SUNWAY INNOVATION SDN BHD* 202101020303 (1420603-K)
Level 1, Menara Sunway
Tel : (603) 5639 8888

SUNWAY PHARMA SDN BHD* 200801001199 (802483-M)
SUN SEA CAPITAL SDN BHD* 200801001856 (803140-W)
SUN SEA I SDN BHD* 20101038733 (966855-W)
ORBIT CAPITAL (MALAYSIA) SDN BHD 202101021786 (1422086T)
Level 14, Menara SunwayRE
Tel : (603) 5639 8888

CREDIT BUREAU MALAYSIA SDN BHD* 200801018741 (820050-T)
Level 10, Menara Sunway
Tel : (603) 5639 8586
Email : info@creditbureau.com.my
Website : www.creditbureau.com.my

SUNWAY ORGANIC GARDEN SDN BHD 199501018592 (347795-M)
No. 17, Jalan SCI 1/13, Dataran Sunway,
Sunway City Ipoh, 31150 Ipoh
Perak Darul Ridzuan, Malaysia
Tel : (605) 541 2961

SUNWAY LITTLE SUNSHINE CHILD CARE CENTRE SDN BHD
199601008801 (381149A)
F-01-03A, Sunway Geo Avenue
Jalan Lagoon Selatan, Bandar Sunway,
47500 Subang Jaya
Selangor Darul Ehsan, Malaysia
Tel : (603) 5611 8883
Email : sunwaylittlesunshine@sunway.com.my

SUNWAY XFARMS SDN BHD 199401039961(325648-P)
Sunway FutureX, Duplex
Jalan PJS 11/26
Bandar Sunway
47500 Subang Jaya
Selangor Darul Ehsan

MULTICARE HEALTH PHARMACY SDN BHD 200301018788(621208-T)
MULTICARE PHARMACY SDN BHD 200601004283(724031-H)
MULTICAREWELLNESS PHARMACY SDN BHD 2010101042433 (970553-U)
ANNE CARE PHARMACY SDN BHD 201101041000 (969122-H)
CSF PHARMACY SDN BHD 201201018847(988992-A)
HCY PHARMACY SDN BHD 201101041563(969686-T)
JOINTKS PHARMACY SDN BHD 201201043536(1028013-U)
LKP PHARMACY SDN BHD 201401014022(1090108-V)
LSP PHARMACY SDN BHD 201101041564(969687-X)
MULTICARE (KD) PHARMACY SDN BHD 201201031180(1015666-V)
MULTICARE (KS) PHARMACY SDN BHD 201501010499(1135834-X)
MULTICARE (LX) PHARMACY SDN BHD 201901011405(1320733-D)
MULTICARE (PJ17) PHARMACY SDN BHD 201401044030(1120217-X)
MULTICARE (YMS) PHARMACY SDN BHD 201401037772(1113917-K)
MULTICARE (BANTING) PHARMACY SDN BHD 201201016425 (1001936-H)
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