

ENHANCE EMPOWER ENRICH

Sunway Holdings Berhad (“Sunway”) continues to transcend boundaries by enhancing and empowering its human capital, which in turn, enriches the business. The human figures represent its people, who are important assets to the organisation, whilst the hand symbolises Sunway’s investment in them. Advancement of the skills, knowledge and expertise of its human capital contributes to the continued growth of Sunway.

ENRICH EMPOWER

ENHANCE EMPOWER ENRICH

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POWER ENLIGHTEN
ENHANCE EMPOWER ENRICH

ENRICH

ENHANCE EMPOWER ENRICH

FINANCIAL CALENDAR

ANNOUNCEMENT OF QUARTERLY RESULTS

27 **NOVEMBER 2008**
Announcement of the unaudited consolidated results for the quarter ended 30 September 2008

26 **FEBRUARY 2009**
Announcement of the unaudited consolidated results for the quarter ended 31 December 2008

26 **MAY 2009**
Announcement of the unaudited consolidated results for the quarter ended 31 March 2009

25 **AUGUST 2009**
Announcement of the unaudited consolidated results for the quarter ended 30 June 2009

24 **NOVEMBER 2009**
Announcement of the unaudited consolidated results for the quarter ended 30 September 2009

24 **FEBRUARY 2010**
Announcement of the unaudited consolidated results for the quarter ended 31 December 2009

INTERIM DIVIDEND

24 **FEBRUARY 2010**
Announcement of the notice of entitlement and payment of 2.25 sen tax exempt Interim Dividend for the financial period ended 31 December 2009

22 **APRIL 2010**
Date of entitlement to 2.25 sen tax exempt Interim Dividend for the financial period ended 31 December 2009

21 **MAY 2010**
Date of payment of 2.25 sen tax exempt Interim Dividend for the financial period ended 31 December 2009

ANNUAL REPORT AND ANNUAL GENERAL MEETINGS

07 **JUNE 2010**
Date of notice of the 31st and 32nd Annual General Meetings and date of issuance of the Annual Report 2009


29 **JUNE 2010**
Date of the 31st and 32nd Annual General Meetings

A person wearing a plaid shirt is shown in profile, looking out towards a bright horizon over the ocean. The sky is filled with soft, white clouds. The overall mood is contemplative and aspirational.

VISION

MISSION

CORE
VALUES

A hand holding a glowing star against a cloudy sky. The hand is positioned on the left side of the frame, with the fingers curled around a bright, multi-pointed star. The sky is filled with soft, white clouds, and the overall color palette is dominated by warm, golden-brown and orange tones. The hand is wearing a dark, textured sleeve.

To be a leading conglomerate providing world-class and competitive products and services that enhance stakeholders' value.

To provide innovative quality products and services that exceed customers' expectation.

To continuously attract, retain and develop human capital.

To achieve market leadership and operating excellence in every business segment.

EXCELLENCE

We will have only one standard - excellence!

CUSTOMERS

We will strive to exceed customers' expectations.

MOTIVATING LEADERSHIP

We will lead by example.

TEAMWORK

We share one Vision, we work as one Team.

INNOVATION

We will encourage and reward innovation, especially breakthrough ideas.

INTEGRITY

We will conduct ourselves professionally and ethically.

STRATEGY STATEMENT

With its unwavering commitment towards long-term value creation, Sunway strives to strengthen its presence in the rapidly globalising world by capitalising on opportunities and building on its successes.



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CORPORATE SUNWAY

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PERFORMANCE REVIEW

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EXEMPLARY LEADERSHIP

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CORE SOLUTIONS

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CORPORATE RESPONSIBILITY

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WITH INTEGRITY

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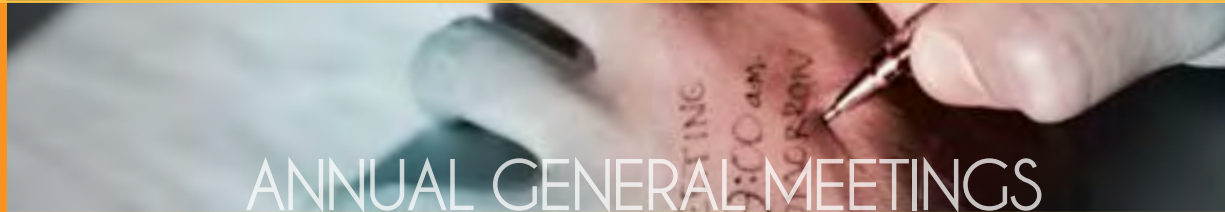
FINANCIALS

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SHAREHOLDINGS' INFORMATION

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ANNUAL GENERAL MEETINGS

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CALENDAR OF SIGNIFICANT EVENTS

22

AWARDS AND RECOGNITION

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Chairman, Non-Independent Executive Director

Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling, AO

President, Non-Independent Executive Director

Dato' Chew Chee Kin

Managing Director, Non-Independent Executive Director

Yau Kok Seng

Non-Independent Non-Executive Directors

Dato' Tan Kia Loke

Kwan Foh Kwai

Senior Independent Non-Executive Director

Wong Chin Mun

Independent Non-Executive Directors

Datuk Low Seng Kuan

Datuk Abdul Malek Bin Abdul Aziz

AUDIT COMMITTEE

Wong Chin Mun (Chairman)

Datuk Low Seng Kuan

Datuk Abdul Malek Bin Abdul Aziz

MANAGEMENT COMMITTEE

Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling, AO
(Chairman)

Dato' Chew Chee Kin

Dato' Tan Kia Loke

Yau Kok Seng

Puan Sri Datin Seri (Dr) Susan Cheah Seok Cheng

Ng Lai Ping

NOMINATION COMMITTEE

Datuk Abdul Malek Bin Abdul Aziz (Chairman)

Datuk Low Seng Kuan

Wong Chin Mun

REMUNERATION COMMITTEE

Datuk Low Seng Kuan (Chairman)

Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling, AO

Wong Chin Mun

EMPLOYEES' SHARE OPTION SCHEME COMMITTEE

Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling, AO
(Chairman)

Dato' Chew Chee Kin

Dato' Tan Kia Loke

Yau Kok Seng

RISK MANAGEMENT COMMITTEE

Yau Kok Seng (Chairman)

Kwan Foh Kwai

Wong Fook Chai

Ng Boon Liang

Leong Kai Hong

Yap Chin Leong

Teh Quen Chang

Khoo Poh Chye

Ng Eng Lee

Ng Lai Ping

STRATEGIC DIRECTION COMMITTEE

Dato' Chew Chee Kin (Chairman)

Dato' Tan Kia Loke

Yau Kok Seng

Kwan Foh Kwai

Wong Fook Chai

Ng Boon Liang

Leong Kai Hong

Yap Chin Leong

Teh Quen Chang

Khoo Poh Chye

Ng Lai Ping

COMPANY SECRETARIES

Puan Sri Datin Seri (Dr) Susan Cheah Seok Cheng
(MIA 5601)

Tan Kim Aun (MAICSA 7002988)

Lee Suan Choo (MAICSA 7017562)

REGISTERED OFFICE

Level 16, Menara Sunway, Jalan Lagoon Timur

Bandar Sunway, 46150 Petaling Jaya

Selangor Darul Ehsan, Malaysia

Tel No : (603) 5639 8889

Fax No : (603) 5639 9507

SHARE REGISTRAR

Sunway Management Sdn Bhd (50661-X)

Level 16, Menara Sunway, Jalan Lagoon Timur

Bandar Sunway, 46150 Petaling Jaya

Selangor Darul Ehsan, Malaysia

Tel No : (603) 5639 8889

Fax No : (603) 5639 9507

AUDITORS

Ernst & Young

Chartered Accountants

SOLICITORS

David Lingam & Co.

Mah-Kamariyah & Philip Koh

PRINCIPAL BANKERS

HSBC Bank Malaysia Berhad

Malayan Banking Berhad

RHB Bank Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

WEBSITE ADDRESS

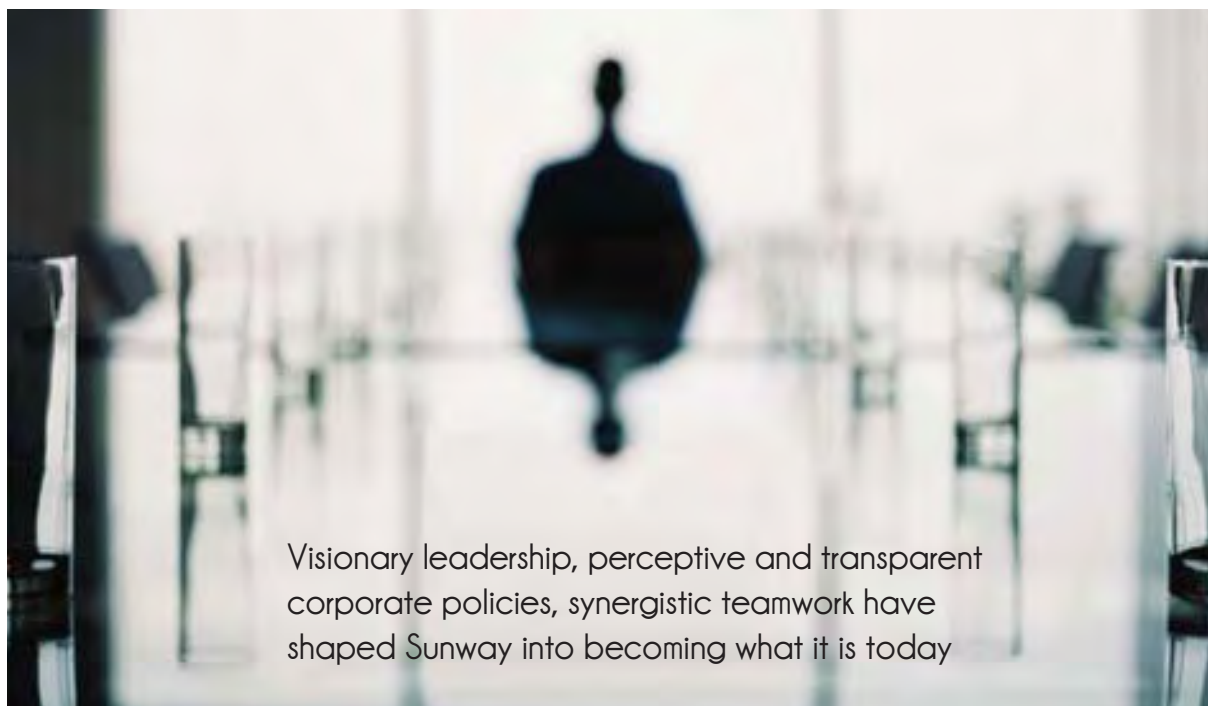
www.sunway.com.my

INVESTOR RELATIONS

Email : irsunway@sunway.com.my

Tel No : (603) 5639 8663

CORPORATE PROFILE



Visionary leadership, perceptive and transparent corporate policies, synergistic teamwork have shaped Sunway into becoming what it is today

Sunway was incorporated on 26 January 1978 as an investment operations arm of one of Malaysia's most prominent and well-diversified conglomerate, the Sunway Group. Listed on the Main Market of Bursa Malaysia Securities Berhad since 1984, Sunway started humbly as a local tin-mining and quarrying company.

Today, Sunway's core businesses include construction, property development, quarrying, trading and manufacturing, and building materials with growing presence in various countries around the world.

Each of Sunway's subsidiaries has synergistic alliances within the Group, strengthening its operations and providing a strong platform upon which the Group can expand its presence over a multitude of geographical areas. With this, Sunway is well positioned for long-term growth on the international business arena.

Be it transforming wasteland into thriving townships, pioneering innovative construction methods or realising the aspirations of a fast developing nation and establishing its connection with the rest of the world, Sunway is all about : "Turning Vision into Reality".

SUNWAY'S GLOBAL PRESENCE

	Construction	Property Development	Quarry	Trading and Manufacturing	Building Materials
Malaysia	R	R	R	R	R
China	R	R		R	R
Singapore	R	R		R	R
Indonesia	R			R	
Vietnam			R		R
India	R			R	
Thailand				R	
United Arab Emirates	R				
Trinidad and Tobago	R		R		
Australia				R	

GROUP CORPORATE STRUCTURE



CONSTRUCTION

- Sunway Construction Sdn Bhd
- Sunway Engineering Sdn Bhd
— Sunway Engineering branch in Abu Dhabi
- Sunway Machinery Sdn Bhd
- Sunway Construction India Pte Ltd #
- Sunway Construction Caribbean Ltd #
- Sunway Builders Sdn Bhd
— Sunway Builders branch in Abu Dhabi
- Sunway Innopave Sdn Bhd
— Sunway Innopave branch in Abu Dhabi
- Sunway Concrete Products (S) Pte Ltd #
- Sunway Geotechnics (M) Sdn Bhd
- Sunway Creative Stones Sdn Bhd
— Sunway Creative Stones branch in Abu Dhabi
- Sunway Creative Stones (Xiamen) Co. Ltd #
- Sunway Geotechnics (S) Pte Ltd #
- Sunway GD Foundation Engineering Co. Ltd #
- Shanghai Xinhetai Construction Ltd #
- Shanghai Sunway Geotechnics Engineering Co. Ltd #
- PT Sunway Construction Engineering #
- Sunway GD Foundation Engineering Technical Advisory (Shanghai) Co. Ltd #
- Splendid Era Sdn Bhd

PROPERTY DEVELOPMENT

- SunwayMas Sdn Bhd
- Sunway Termuning Sdn Bhd
- Sunway Greenview Sdn Bhd
- Sunway Rawang Heights Sdn Bhd
- Sunway Kanching Heights Sdn Bhd
- Sunway Bangi Sdn Bhd
- Muhibbah Permai Sdn Bhd
- Sunway Real Estate (China) Limited *#
- Sunway Developments Pte Ltd #
- Hoi Hup Sunway Development Pte Ltd *#
- Hoi Hup Sunway J.V. Pte Ltd *#
- Hoi Hup Sunway Property Pte Ltd *#

QUARRY

- Sunway Quarry Industries Sdn Bhd
- Sunway Hatay Construction & Building Materials J.V. Co. Ltd #
- Sungei Way Ocean Joint Venture Ltd #
- Kualiti Klasik Sdn Bhd
- Ansa Teknik (Melaka) Sdn Bhd
- Sunway Quarry Industries (Caribbean) Limited #
- Taiping Kuari Sdn Bhd



TRADING AND MANUFACTURING

- Sunway Marketing Sdn Bhd
- Sunway Marketing (S) Pte Ltd #
- Sunway Enterprise (1988) Sdn Bhd
- Sunway Hydraulic Industries Sdn Bhd
- Sunway Xin Long (Anhui) Hydraulic Co. Ltd #
- Sunway Trading (Shanghai) Pte Ltd #
- Sunway Daechang Forging (Anhui) Co. Ltd #
- Sunway Marketing (Shanghai) Pte Ltd #
- PT Sunway Trek Masindo #
- Sunway Marketing (Thailand) Ltd #
- Totalrubber Limited #
- Pacific Flow Technology Pty Ltd #
- Total Rubber Services Franchising Pty Ltd #
- Sunway Marketing (East Malaysia) Sdn Bhd
- Sunway Hose Centre Sdn Bhd
- Buildtrend B.S.G. (M) Sdn Bhd *

BUILDING MATERIALS

- Sunway Paving Solutions Sdn Bhd
- Sunway Keramo Sdn Bhd
- Sunway Pipeplus Technology Sdn Bhd
- Sunway Building Materials (Shanghai) Co. Ltd #
- Sunway Building Materials (Dongguan) Co. Ltd #
- Sunway Spun Pile (Zhuhai) Co. Ltd #
- Sunway Cavity Wall Panel Sdn Bhd
- Sunway Cavity Wall Panel (S) Pte Ltd #

INVESTMENT HOLDING AND OTHERS

- Sunway Holdings (Vietnam) Sdn Bhd
- Sunway Global Limited #
- Sunway Management Sdn Bhd
- Sunway Hotel Hanoi Liability Limited Co. #
- Sunway Shared Services Centre Sdn Bhd
- Sunway BPO Sdn Bhd
- Sunway Supply Chain Enterprise 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 Integrated Outsourcing Sdn Bhd
- Sunway Captive Insurance Ltd
- Gopeng Berhad ^*

Notes:

This Group Corporate Structure excludes dormant and non-operating companies

^ Public listed company

Overseas company

* Associated company / Jointly controlled entity



**Tan Sri Dato' Seri Dr Jeffrey
Cheah Fook Ling, AO**
Executive Chairman

Dear Shareholders,
It is with pleasure that
I present to you the
performance of Sunway
Holdings Berhad ("Sunway")
for the financial period ended
("FPE") 31 December 2009.

CHAIRMAN'S STATEMENT

A SIMPLE REFLECTION

2009 has been both an extraordinary and tumultuous year amidst one of the most hostile global economic conditions since the 1930s. The major tribulations in the US housing market jolted the entire financial services industry, which also led to the anemic global economy. The Group weathered through the challenging economic and financial environment with business strategies of high resilience, evidenced by the commendable performance in FPE2009.

The financial statements for the current financial period were drawn up for a period of 18 months ended 31 December 2009 following the change of the financial year end. During this period the Group's revenue surpassed the two-billion mark, amassing RM2.6 billion (for the 18 month FPE2009) which translates into an annualised amount of RM1.76 billion for FPE2009. The Group achieved a net profit of RM110 million (for the 18 month FPE2009) which comes up to RM73 million on an annualised basis.

OUR SUCCESS STORY - ABROAD

With almost 80% of earnings coming from abroad during the FPE2009, the Group's overseas expansion strategy has proven to be effective and successful.

Contributions to the Group's earnings on the foreign front mainly derived from our construction, property development, and trading and manufacturing divisions. The Rihan Heights construction project in Abu Dhabi is progressing well and is about 30% completed, making a substantial contribution to our construction division's earnings. The progress in our maiden public housing project in Singapore (City View @ Boon Keng) gave us a boost in property earnings. In addition, earnings from the delivery of precast concrete products as well as our trading and manufacturing operations in Singapore and China notably enhanced the Group's profit in the period under review.

ENRICH ENHANCE EMPOWER

Apart from a clear business strategy complemented by a resilient business model, the Group's laudable achievements can be largely attributed to its rigorous human resource management policies. Each business unit is managed by experienced and dedicated professionals. Our long-serving management team provides continuity and stability to the businesses and enables the development of forward-looking strategies.

In addition, the Group implements a holistic human capital development approach which encompasses the identification, development and retention of its human capital. This approach is delivered through the Group's recruitment strategy, global talent recruitment, performance management process, talent management, succession planning and, learning and development. There is also an array of established programs to develop strong leadership.

It is clear that our strategic initiatives can only be executed with a highly skilled and dedicated work force. We place enormous attention into attracting and retaining the best people. Our people are a source of pride – loyal, experienced, empowered and most of all, united by a shared corporate vision.

FUTURE GROWTH

Year 2009 brought us a fair amount of challenges locally and abroad. However, we can now see some gradual ameliorating effects on the overall market conditions thanks to concerted efforts by global monetary authorities and stimulus initiatives undertaken by various governments towards embarking on a super-charged global recovery plan. In Malaysia, from an economic contraction of 1.7%* in 2009, our government has forecasts a 4.5% to 5.5%* economic growth for 2010 in anticipation of the global market recovery. This should herald the beginning of better things ahead.

** Forecast by Bank Negara Malaysia*

CHAIRMAN'S STATEMENT



30 years Long Service Award recipients during the Sunway Group Annual Dinner 2009

As the global economy recovers, we find ourselves in a considerably fortunate and strategic position. Our RM3 billion construction order book will keep us busy for the next two years. Locked-in property sales and upcoming launches will bring in strong profits 2010 onwards. Our other operations including quarry, building materials, and trading and manufacturing divisions are performing well both locally and internationally. Our quarry in Trinidad and Tobago have commenced operations and has contributed to the Group's results, and will provide recurring income for successive years.

The overseas operations will continue to contribute a significant portion of earnings to the Group. Our ability to secure construction contracts in the international arena has further substantiated our competitiveness. Having built our reputation internationally, we leverage on our experience and track records to further enhance our geographical footprint in our business activities. The stimulus packages rolled out in countries we operate in will certainly augur well for the Group's operations abroad.

CORPORATE GOVERNANCE

The Board of Directors of the Group is responsible for the corporate governance of the Group and its subsidiaries. This is undertaken with due regard to all of the Group's stakeholders. The Board is committed to high standards of corporate governance as it is rooted in the Group's culture and is weaved into its daily business practices.

To further augment operating efficiency and investors' confidence, the Group is resolutely committed to the application of international best practices such as the comprehensive investor relations programme and investment appraisal measures to fortify corporate governance and transparency. With greater importance placed on internal controls and enterprise risk management, the Group has integrated the comprehensive risk management mechanisms into our operations.

CORPORATE RESPONSIBILITY

Diligent corporate behaviour means to also move beyond purely profit driven or legal and regulatory considerations when conducting business. We remain committed to serving the society through a multitude of widely regarded Corporate Responsibility programmes, and continue to comply with the highest levels of business ethics. Corporate Responsibility is very much amalgamated with the daily business activities of our employees.

It is our strong belief that Sunway will contribute to the betterment of society by fulfilling its role as a responsible corporate citizen. This is demonstrated by our unflagging efforts in supporting, providing and endorsing education, environmental conservation and addressing social inequities. We continue to participate in various activities where we could help make a difference in people's lives.



Sunway Managers' Conference 2009

DIVIDENDS

The Directors are pleased to declare a tax exempt interim dividend of 2.25 sen per ordinary share for the FPE2009.

ACKNOWLEDGEMENT

Special thanks to our colleagues, whose unflinching hardwork and commitment allowed us to remain competitive in the ever-changing and challenging business environment. My heartiest appreciation to the Board of Directors for their continued contribution and dedication, and to our valued customers, bankers and business associates for their unwavering support.

Lastly, I would like to express my thanks to you, our shareholders, for the trust and confidence you have placed in us. Together we will continue on our growth course and set sight for a triumphant future.

FUTURE PROSPECTS

Given the strong fundamentals of the Group and a coterie of talents, coupled with sharpened strategic direction, I am confident of Sunway's growth prospects going forward.

Yours sincerely,

Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling, AO
Executive Chairman

CALENDAR OF SIGNIFICANT EVENTS

23 SEPTEMBER 2008



6 NOVEMBER 2008



10 NOVEMBER 2008



19 JANUARY 2009



23 SEPTEMBER 2008

Letter of Award for AED1.875 billion (equivalent to approximately RM1.8 billion) from Mubadala Capitaland Real Estate LLC

A RM1.8 billion contract was awarded to a Joint Venture between Sunway Innopave Sdn Bhd, a subsidiary of Sunway Construction Sdn Bhd and Silver Coast Construction & Boring LLC for construction works at Rihan Heights in Abu Dhabi, United Arab Emirates. The contract involved the construction of 5 residential towers, a 3-level podium, 14 townhouses, a club house and 1,208 car parking lots. Sunway Innopave Sdn Bhd holds a 60% stake in the Joint Venture.

- (iii) Design, fabricate, supply and delivery of precast concrete components for the Design, Build and Sell Scheme (DBSS) project at Toa Payoh comprising 5 blocks residential flats with 1 block of multi-storey car park.

10 NOVEMBER 2008

Medical Camp at SMK Bandar Sunway

A Sunway Medical Camp was held to provide healthcare checks and medical advice free of charge to Bandar Sunway residents. 500 residents benefited from this day-long camp.

6 NOVEMBER 2008

Letters of Award totaling S\$171.68 million from Straits Construction Co. (Pte) Ltd.

Sunway Concrete Products (S) Pte Ltd, a wholly-owned subsidiary of Sunway Construction, which in turn is a wholly-owned subsidiary of Sunway, accepted the letters of award totaling S\$171.68 million (equivalent to approximately RM408.10 million) from Straits Construction Co. (Pte) Ltd for the following contracts:

- (i) Supply and delivery of precast concrete components for building works at Punggol East;
- (ii) Supply and delivery of precast concrete components for building works at Clementi Neighbourhood 4; and

19 JANUARY 2009

RM1 million sponsorship to upgrade Sekolah Kebangsaan Convent Klang

The Sunway Group sponsored the restoration and repair works of SK Convent Klang. The RM1 million project was implemented to ensure that the convent, which was built in 1924, remains safe and conducive for studying.

20 JANUARY 2009



7 APRIL 2009



24 MAY 2009



29 SEPTEMBER 2009

**20 JANUARY 2009****Sunway Construction bags ICT Award**

Sunway Construction was awarded the Malaysian Construction Industry Excellence Award (MCIEA) 2008 under the Information and Communication Technology (ICT) category. Sunway Construction won the ICT award for demonstrating commendable utilisation of ICT in its project implementation.

Mr Kwan Foh Kwai, Managing Director of Sunway Construction, received the award from Tan Sri Dato' Ir Jamilus Hussein, Chairman of the Construction Industry Development Board (CIDB) at the ceremony.

7 APRIL 2009**Sunway wins Brand Laureate Awards 2009**

The Sunway Group won the coveted Brand Laureate Awards 2008-09 for the second consecutive year. The recognition was awarded to the Group under the Conglomerate category and it was among the top three awards presented at the gala ceremony. The Brand Laureate Awards is an annual exercise to honour the country's most notable brands. It is aimed at recognising the impact and thought leadership of these brand leaders across various industries.

24 MAY 2009**Letter of Award for AED343 million from Silver Coast - Sunway Innopave Joint Venture**

Sunway Engineering Sdn Bhd (Abu Dhabi Branch), a 75.1%-owned subsidiary of Sunway Construction accepted the letter of award for a sub-contract worth AED343 million (equivalent to approximately RM326 million) from Silver Coast - Sunway Innopave Joint Venture for the supply, delivery, installation, testing and commissioning of mechanical, electrical and plumbing works for Rihan Heights in Abu Dhabi.

29 SEPTEMBER 2009**Letter of Award for RM147.36 million from Putrajaya Holdings Sdn Bhd**

Sunway Construction accepted the letter of award for a contract worth RM147.36 million from Putrajaya Holdings Sdn Bhd for the proposed design, construction and completion of 1 block of 16-storey 3-star hotel with 3-storey podium and 2 levels of basement car parks; and 1 block of 11-storey office tower with 2 levels of basement car parks.

CALENDAR OF SIGNIFICANT EVENTS

30 OCTOBER 2009



30 OCTOBER 2009



3 NOVEMBER 2009



12 NOVEMBER 2009



1 DECEMBER 2009



30 OCTOBER 2009

Launch of Sunway Rydgetway

SunwayMas Sdn Bhd ("SunwayMas"), a wholly-owned subsidiary of Sunway, launched its latest project, the RM165 million Sunway Rydgetway in Melawati with style. The 13.8 acres development, with 30 semi detached homes and 40 bungalows, is surrounded by lush emerald hills and directly overlooking the million-year natural phenomenon, the Klang Gates Quartz Ridge.

30 OCTOBER 2009

Malaysia's 100 Leading Graduate Employers 2009 Award

The Sunway Group ranked 34th in the 2009 Malaysia's 100 Leading Graduate Employers Awards, up 2 places from 36th in 2008. This award, voted by students and graduates, recognises the industry leaders in the Malaysian graduate recruitment market. The award aims to identify the top 100 employers that students and graduates would want to work for most upon completing their studies.

3 NOVEMBER 2009

Best International Partner for Concrete Pumping Equipment 2009

Sunway Enterprise Sdn Bhd, a wholly-owned subsidiary of Sunway was accorded the "Best International Partner for Concrete Pumping Equipment 2009" at Sany Group's Annual Concrete Pump Summit held in Beijing. Sany is

the biggest concrete machinery manufacturer as well as the top 50 construction equipment manufacturer in the world. Sunway Enterprise has been Sany's exclusive distributor for Sany concreting equipment in Malaysia since 2007.

12 NOVEMBER 2009

5th Global Emerging Knowledge Organisation Award 2009

Mr Cheah Kok Hoong, Director of Sunway Shared Services Centre, was named Senior Fellow of the Global Innovative Knowledge Exchange Network (GIKEN) for providing visionary knowledge leadership to pioneer, sustain and innovate the Practice of Knowledge Management. Two other senior managers of the Sunway Group were named Fellow of the GIKEN at the same award ceremony.

1 DECEMBER 2009

National Annual Corporate Report Awards (NACRA) 2009

Sunway Holdings received the Certificate of Merit for its 2008 annual report at the NACRA 2009 ceremony. The key objective of this award is to acknowledge and recognise high quality corporate reporting.

8 DECEMBER 2009



17 DECEMBER 2009



19 JANUARY 2010



22 JANUARY 2010



18 MARCH 2010

Jeffrey Cheah
Foundation
Nurturing the seeds of wisdom



8 DECEMBER 2009

National Award for Management Accounting (NAfMA) 2009

Sunway Construction was presented the Merit Award at the NAfMA 2009 ceremony for its efficient use of management accounting in assisting top management to make informed and strategic decisions. The key objective of this award is to recognise organisations that adopt best practices in management accounting and creating values that lead to business excellence.

17 DECEMBER 2009

Malaysian Construction Industry Excellence Award (MCIEA) 2009 – G7 Contractor Award

Sunway Construction was bestowed the Contractor Award, Grade G7 at the MCIEA 2009 ceremony. The Contractor Award is an accolade awarded by the Malaysian Construction Industry Development Board (CIDB) to locally-registered contractors from Grade G1 to Grade G7 that have demonstrated overall excellence in business performance, financial, technical, management, project and procurement capabilities, best practices and past projects performance. Grade G7 is the highest contractor category in Malaysia where a contractor is capable of tendering for projects with no limits in terms of contract value.

19 JANUARY 2010

Signing Ceremony between SunwayMas and Templer Forest Resort Sdn Bhd

SunwayMas signed a share sale agreement with Templer Forest Resort Sdn Bhd for the proposed acquisition of 60% equity interest in Spanland Sdn Bhd ("Spanland")

for a cash consideration of RM13.8 million. Spanland has development rights to a 98-acre plot of prime land in the vicinity of Templers, Gombak. It is proposed for a project comprising 163 low-density residential units of exclusive lifestyle bungalows with an expected gross development value of approximately RM500 million.

22 JANUARY 2010

Sunway Construction continuing journey towards Total Quality Management (TQM) in conjunction with topping up ceremony

This date marked another significant milestone for Sunway Construction as it launched its journey towards achieving TQM. The event was held at Putrajaya in conjunction with the topping up ceremony of 4G10, a 40-storey for Ministry of Housing and Local Authority and 4G11, a 41-storey building for Ministry of Women, Family and Community Development, witnessed by YBhg Tan Sri Dato' Seri Dr Jeffrey Cheah.

18 MARCH 2010

Jeffrey Cheah Foundation Launch

The Jeffrey Cheah Foundation for Education was converted from the Sunway Education Trust Fund. The ownership and equity rights of all four learning institutions have been officially and legally transferred to the Foundation for future safe governance by a Board of Trustees. This not-for-profit entity will be held for perpetuity and will continue to benefit deserving and needy students.

AWARDS AND RECOGNITION



2009

Malaysian Construction Industry Excellence Award (MCIEA) 2009
- G7 Contractor Award
- Sunway Construction Sdn Bhd

Sunway Construction was bestowed the Contractor Award, Grade G7 at the MCIEA 2009 ceremony. The Contractor Award is an accolade awarded by the Malaysian Construction Industry Development Board (CIDB) to locally-registered contractors from Grade G1 to Grade G7 that have demonstrated overall excellence in business performance, financial, technical, management, project and procurement capabilities, best practices and past projects performance. Grade G7 is the highest contractor category in Malaysia where a contractor is capable of tendering for projects with no limits in terms of contract value.



2009

Malaysia's 100 Leading Graduate Employer 2009
- The Sunway Group

Sunway Group was ranked 34th in the 2009 Malaysia's 100 Leading Graduate Employer Awards, up 2 places from 36th in 2008. The Malaysia's 100 leading graduate employer awards recognises the industry leaders in the Malaysian graduate recruitment market. Its aim is to identify the Top 100 employers which students and graduates would most want to work for upon completing their studies.



2009

International Construction Award (New Millennium Award)
- Sunway Engineering Sdn Bhd

Sunway Engineering Sdn Bhd received the International Construction Award (New Millennium Award) granted by The Trade Leaders' Club and Editorial Office. This award is in recognition of the company's trajectory and business excellence.



2009

The Brand Laureate Awards 2008-2009
- The Sunway Group

The Sunway Group won the coveted Brand Laureate Awards 2008-09 for the second consecutive year. The recognition was awarded to the Group under the Conglomerate category and it was among the top three awards presented at the gala ceremony. The Brand Laureate Awards is an annual exercise to honour the country's most notable brands.



2009

Singapore 1000 (S1000)
- Sunway Concrete Products (S) Pte Ltd

Sunway Concrete Products was recognised and ranked as one of Singapore's Top Corporations by annual financial performance in the Singapore 1000 ranking.



2009
Enterprise 50
- Sunway Creative Stones Sdn Bhd

Enterprise 50 is an annual award programme organised by the Small and Medium Industries Development Corporation (SMIDEC) and Deloitte Malaysia, to celebrate and highlight the achievements of enterprising homegrown companies that are well positioned for the future. Sunway Creative Stones was ranked 14th among the winners selected.



2009
National Annual Corporate Report Awards (NACRA) 2009
- Certificate of Merit
- Sunway Holdings Berhad

Sunway Holdings received the Certificate of Merit for its 2008 annual report at the NACRA 2009 ceremony. The key objective of NACRA is to promote excellence in corporate reporting, and the award serves to acknowledge and recognise high quality corporate reporting.



2009
National Award for Management Accounting (NAfMA) 2009
- Certificate of Merit
- Sunway Construction Sdn Bhd

Sunway Construction was presented the Merit Award at the NAfMA 2009 ceremony for its efficient use of management accounting in assisting top management to make informed and strategic decisions. The key objective of this award is to recognise organisations that adopt best practices in management accounting and creating values that lead to business excellence.



2009
5th Global Emerging Knowledge Organisation (GEKO) Award 2009

Mr Cheah Kok Hoong, Director of Sunway Shared Services Centre, was named Senior Fellow of the Global Innovative Knowledge Exchange Network (GIKEN) for providing visionary knowledge leadership to pioneer, sustain and innovate the Practice of Knowledge Management. Two other senior managers of the Sunway Group were named Fellow of the GIKEN at the same award ceremony.



2009
Best International Partner for Concrete Pumping Equipment 2009
- Sunway Enterprise Sdn Bhd

Sunway Enterprise Sdn Bhd was accorded the "Best International Partner for Concrete Pumping Equipment 2009" by Sany Group, the biggest concrete machinery manufacturer as well as the top 50 construction equipment manufacturer in the world.



2008
Malaysian Construction Industry Excellence Awards (MCIEA) 2008
- Information and Communication Technology (ICT) category
- Sunway Construction Sdn Bhd

Sunway Construction was awarded the MCIEA 2008 under the ICT category. Sunway Construction won the ICT award for demonstrating commendable utilisation of ICT in its project implementation.



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Yau Kok Seng

Managing Director

The Group remained resilient in a tougher economic environment. Its strategy of international expansion has shown great success as the Group's operations in a larger and more diversified market significantly reduced the risks associated with any one market. Whilst economic activities in Malaysia slowed down, the Group's overseas ventures performed well, thus successfully bolstering the adverse effects of the economic downturn.

MANAGING DIRECTOR'S REVIEW

The Group undertakes a multi-pronged growth strategy of overseas expansion, focusing on core competencies and leveraging on strategic alliances. As these strategies gain momentum, we are well-positioned to capitalise on opportunities encountered as the global economy recovers.

Construction - Strength in a RM3.0 billion outstanding order book

Our construction division ended the year on a high note with an outstanding order book of RM3 billion. As much as 75% of the order book was derived from overseas contracts. We believe that this division will continue to be the main driver for the Group's earnings.

For FPE2009, the construction division completed several projects which include the Spirit Aerosystems factory for aircraft components in Subang, expansion of Sunway Medical Centre, infrastructure works for Universiti Teknologi Mara as well as the construction of high-end bungalows in Mont Kiara. The construction division also completed the rehabilitation and upgrading works of highways in Rajasthan which is part of the India East West Corridor project. Our major on-going construction projects include 2 Government Buildings in Precinct 4 and a 3-star hotel and office tower in Precinct 3, Putrajaya and Rihan Heights in Abu Dhabi. The Rihan Heights project, being our single largest project, is well on schedule, progressing into typical floors and architectural works.

During the current financial period, we were also accorded the Contractor Award, Grade G7 in the Malaysian Construction Industry Excellence Award 2009. This accolade, awarded by the Malaysian Construction Industry Development Board (CIDB) was in recognition of the construction division's overall excellence in business performance, financial, technical, management, project and procurement capabilities, best practises and past project performance.

The capacity of our precast concrete products plant in Singapore was doubled during the period with the expansion of its plant to an adjacent land in Tampines. Being one of the top 3 concrete products players in the Singapore market, the Group's precast division was also recognised and ranked as one of Singapore's top corporations by annual financial performance in the Singapore 1,000 2009 ranking. With a healthy level of outstanding precast order book and the potential new contracts from the expected roll-out of 12,000 units of public housing by the Housing Development Board, the precast division in Singapore is well positioned for further growth moving forward.

The Group is currently bidding for more construction jobs both in the domestic and foreign front. Given our impeccable track record, we are confident of securing several sizeable contracts in the near future to replenish our order book. Our ability to win overseas contracts demonstrates the Group's capabilities and expertise in the construction sector as these international contracts are based on open tender and are very competitive. On the local construction scene, there is a noticeable upward trend in construction activity with the recent implementation of projects from the stimulus packages and we foresee that this will continue with the expected roll-out of the upcoming 10th Malaysia Plan. This will augur well for the Group.

Property Development - Contributions from achievements at home and abroad

Another significant contributor to our performance this year is the property development division.

We were very encouraged by the Group's first public housing project in Singapore i.e. City View @ Boon Keng, which recorded brisk sales and healthy margins. This Design Build and Sell Scheme (DBSS) project was jointly developed with our Singaporean joint venture partner. The project, which was launched in 2008, is fully sold and is about 80% complete to date. Our second DBSS project in Singapore known as The Peak @ Toa Payoh, also developed through the 30%-owned joint venture, was launched in mid-2009 and has achieved a take-up rate of 85%.

With the success of the first two launches in Singapore, the Group has secured a third piece of freehold land measuring 4.75 acres for the purpose of private housing development. The land is strategically located in District 14 and is easily accessible via the Pan Island Expressway. The proposed development will have a minimum gross development value of SGD400 million and is expected to be launched in mid-2010.

Locally, the Group's property development arm is continuing with its strategy to position itself in the medium to high-end niche commercial and residential development market. During the year, the Group launched Sunway Rydgeway, a residential development located in the affluent neighbourhood of Taman Melawati, Kuala Lumpur, consisting 40 units of 2½ storey bungalows and 30 units of semi-detached houses. The semi-detached houses were fully sold even before the official launch.

This division is well-positioned to record further growth from new launches that are already in the pipeline, which

MANAGING DIRECTOR'S REVIEW



Construction - Sunway Medical Centre extension



Property Development - Sunway Rydgeway



include local developments in Taman Melawati, Bangi, Sungai Long, Templer, Puncak Jalil and Equine Park - all located in strategic locations in the Klang Valley, as well as the development projects overseas in Singapore and China. It is our intention to expand our landbank and are currently in discussions with owners who own land in strategic locations. The Group looks forward to greater contributions from this division in the near future.

Quarry - Positive performance ahead

The contraction of the construction sector has affected demand for quarry products both in Malaysia and Vietnam. During this time, the Division strived to re-focus and placed greater attention on improving efficiency of its plants.

Our quarry in Trinidad and Tobago commenced operations in end-2008. It has started its supply of quarry stones to the Government of Trinidad and Tobago and will provide the Group with recurring income over the tenure of the contract (5 years ending end-2013, with an option for renewal of another 5 years).

We expect the Group's quarry division to return better performance in 2010 as the construction activities increase on the back of the economic recovery. The quarry sector is expected to be among the first industries to benefit from the increased construction activities resulting from the stimulus packages. With its aspiration to re-emerge as the market leader in Malaysia, the Group plans to further expand its quarry operations to other strategic locations in particular the East Coast and Johor.

Trading and Manufacturing - Gearing for expansion

Our trading and manufacturing division continues to contribute strongly to the Group's performance.

Having earned its place as a major regional player with established presence in South East Asia, China and Australia, the Group expects to further expand the division. A key advantage of our trading and manufacturing division is its excellent business model which is supported by strong information technology system. This allows the division to replicate its business model, by opening new branches in new cities and countries.

In China, the division has recorded sustainable revenue with a large customer base spread over several major cities. It is planning to further expand its branches to Guangzhou, Chengdu and Tianjin to sell hoses, fittings and heavy equipment parts. Our venture upstream into the manufacturing of industrial and undercarriage parts will also provide the Group with greater synergistic benefits.

The division's heavy equipment trading arm was recently recognised as the 'Best International Partner for Concrete Pumping Equipment' by Sany International, the largest concrete machinery manufacturer as well as the top 50 construction equipment manufacturers in the world.

Building Materials - Positioned for increased contributions

The Group's pavers division in China was a major supplier of pavers for the Shanghai Expo 2010. It is now targeting several large projects including the Guangzhou 2010 Asian Games. The Group's spun pile operations in China, with an annual capacity of 400,000 tons, commenced operations in October 2009. A collaboration agreement signed with CCCC Second Harbour of China in August 2009 bodes well for the Group as it positions us to be amongst their preferred suppliers of spun piles for their numerous construction projects.



Quarry - Local operations



Trading and Manufacturing - "Furukawa" Hydraulic Crawler Drill



Building Materials - Blink Eurotiles

The Pavers and Wall Panel system, some of our major products, has been officially certified as a Green Label Product by the Singapore Environmental Council. On the local front, the Pavers division was given the Green Building Index (GBI) acknowledgement, whereas the Wall Panel system was given the Industrialised Building Systems (IBS) certification. This will allow us to market our products to projects seeking Green certifications.

With an improving operating landscape, the Group's Building Materials division expects to increase its contribution to the Group's bottom line in 2010 onwards.

Strategic Management

As the Group's footprint overseas becomes more established, the Group continues to refine its investment appraisal guidelines, including the determination of hurdle rates and the use of risk and foreign currency management to address business risks.

The coming year will be an exciting year for the Group. The construction division expects to record excellent results, maintaining its place as the main contributor to the Group's results. This is firmly backed by the outstanding order book of RM3 billion. More contracts are expected in both the domestic and foreign front. The Group's property division, with unbilled sales of RM670 million as of December 2009, is well-positioned to record further growth. Recurring income from the quarry contract in Trinidad and the increasing demand in the local quarry market will contribute to the coming year's profitability. The replication of trading businesses to other countries and cities is also expected to boost growth for the Group.

One of the Group's prevailing strengths is that it is dependent on not one, single source of growth, but remains diverse in markets and geography. This makes the Group resilient in current economic times as well as in the longer term. The Group also continues on its key strategy of focusing on core competencies and leveraging on strategic partnerships as it enables the Group to compete effectively and efficiently in the international market.

Human Capital

We take pride in our people and continue to acknowledge that it is our people who have enabled the Group to withstand the challenges and grow in this difficult environment. We continue to invest heavily in staff development and retention programs as we recognize the importance of succession planning in the interest of giving our stakeholders sustainable value. To further sustain our competitive advantage in the international arena, we leverage on global talent recruitment. The Group also strives to inculcate a culture of excellence amongst our people.

Moving Forward

The Group's dynamism in spite of the contraction in the business cycle becomes the foundation for our optimistic view for the future. Lessons learnt in the past have made us a stronger and leaner. We are moving into 2010 with much confidence. We continue to be greatly focused in enhancing shareholders' value and believe that the coming year will bring us to greater heights.

Yau Kok Seng
Managing Director

5-YEAR FINANCIAL HIGHLIGHTS

	*FPE2009	FYE2008	FYE2007	*FPE2006	FYE2004
	(restated)	(restated)	(restated)	(restated)	(restated)
	RM'000	RM'000	RM'000	RM'000	RM'000
OPERATING RESULTS					
Revenue	2,639,152	1,825,203	1,896,541	2,057,266	1,497,519
Profit from ordinary activities before taxation	153,162	128,522	17,678	28,090	55,849
Tax expense	(32,951)	(26,305)	(21,510)	(29,604)	1,874
Profit/(loss) after tax	120,211	102,217	(3,832)	(1,514)	57,723
Minority interest	(10,362)	(2,062)	(5,551)	(10,477)	(18,424)
Net profit/(loss) for the financial year/period	109,849	100,155	(9,383)	(11,991)	39,299
KEY BALANCE SHEET DATA					
Property, plant and equipment	386,149	328,511	281,201	265,497	208,760
Investment properties	3,665	3,876	3,876	3,876	3,876
Rock reserves	10,249	1,789	1,810	-	-
Prepaid land lease payments	16,141	16,427	13,251	-	-
Investments in associates and jointly controlled entities	296,611	139,746	116,880	52,865	108,567
Other investments	1,692	11,080	1,619	2,232	9,514
Receivables	16,843	11,468	7,757	10,366	38,473
Land held for property development	82,247	68,988	52,757	66,935	70,943
Goodwill	128,728	125,991	116,011	114,100	77,104
Deferred tax assets	14,611	14,853	15,019	12,600	11,010
Current assets	1,349,947	1,299,616	1,434,626	1,383,260	1,224,891
Total assets	2,306,883	2,022,345	2,044,807	1,911,731	1,753,138
Current liabilities	1,018,077	906,381	1,296,391	852,339	1,043,668
Non-current borrowings	411,478	455,576	93,357	407,964	49,009
Deferred tax liabilities	18,139	15,204	15,427	17,546	15,074
ABS Senior Notes	-	-	90,846	89,873	89,805
Total liabilities	1,447,694	1,377,161	1,496,021	1,367,722	1,197,556
Total net assets	859,189	645,184	548,786	544,009	555,582
Minority interests	88,229	46,747	40,053	27,579	17,012
Shareholders' equity	770,960	598,437	508,733	516,430	538,570
FINANCIAL RATIOS					
Profit from ordinary activities before tax to revenue (%)	5.80%	7.04%	0.93%	1.37%	3.73%
Basic earnings/(loss) per share (sen)	20.50	18.53	(1.74)	(2.22)	8.08
Dividends (sen)	2.25	2.83	-	-	5.00
Share price (RM)	1.27	1.16	1.48	0.48	1.39
Price-earning ratio (times)	6.20	6.26	(85.06)	(21.62)	17.20
Return on capital employed (ROCE) (%)	18.77%	23.90%	8.76%	11.85%	14.94%
Net gearing ratio (times)	0.65	0.95	1.02	0.94	0.85
Net tangible assets per share (sen)	105.19	85.89	72.19	74.45	85.61
Total assets turnover (no. of times)	1.14	0.90	0.93	1.08	0.85
Share capital ('000)	600,808	547,959	541,507	540,367	539,029

* 18 months

SEGMENTAL PERFORMANCE

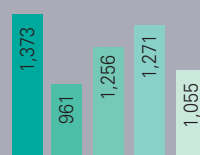
CONSTRUCTION



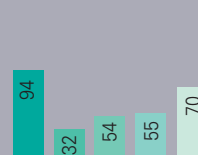
Revenue
RM
1,373 mil

Operating Profit
RM
94 mil

(5 years revenue
performance)
RM million



(5 years operating
profit performance)
RM million

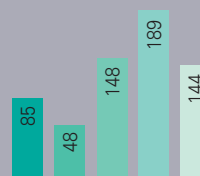


PROPERTY DEVELOPMENT



Revenue
RM
85 mil

Operating Profit
RM
39 mil

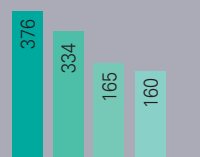


QUARRY



Revenue
RM
376 mil

Operating Profit
RM
37 mil

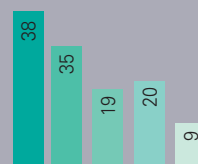
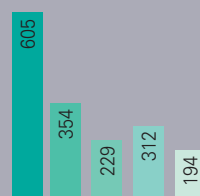


TRADING AND MANUFACTURING



Revenue
RM
605 mil

Operating Profit
RM
38 mil

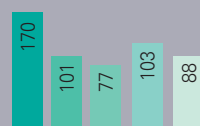


BUILDING MATERIALS



Revenue
RM
170 mil

Operating Profit
RM
1 mil



* FPE2009 FYE2008 FYE2007 * FPE2006 FYE2004

^ Certain segments had been restated to better reflect the nature of the business operations and to conform to the current year's presentation.

* 18 months.



Ng Lai Ping

Chief Financial Officer

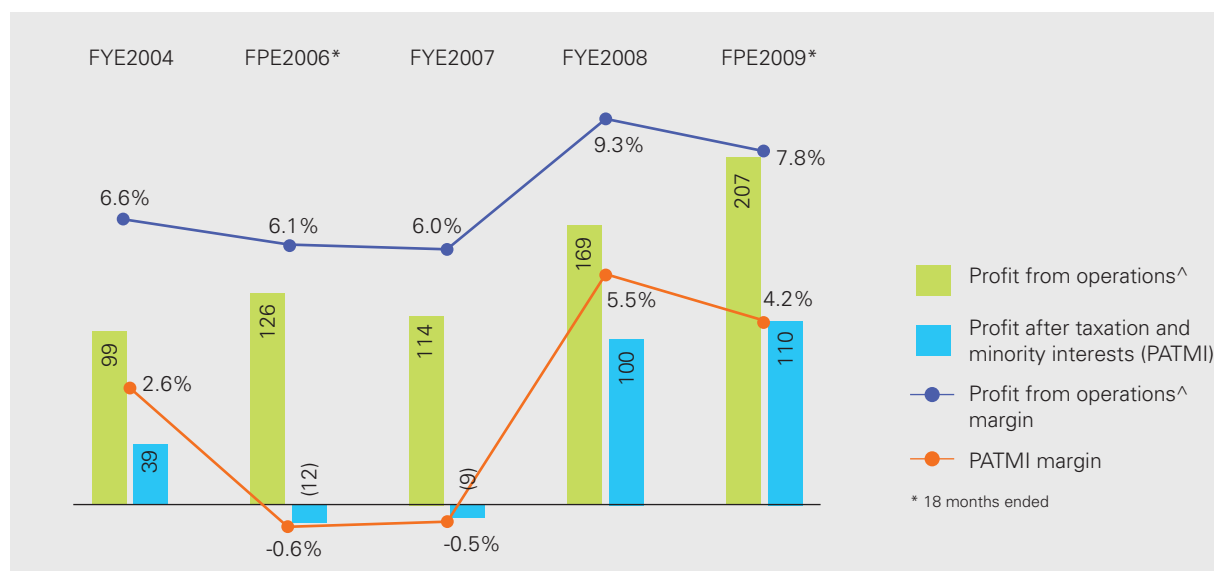
The financial period ended 31 December 2009 turned out to be a pleasant surprise. It started with news of world financial markets tumbling and its contagion reached the real economy which saw many of the world's major economies experiencing sharp contractions in growth. By the first quarter of 2009, 'green shoots of recovery' were seen and as 2009 drew to an end, the global economy and financial markets were on the road to recovery, thanks to the low interest rates and the trillion of dollars that were pumped in by governments across the globe to boost growth.

Amidst all these, the Group has done respectably well and achieved several milestones during the financial period.

CHIEF FINANCIAL OFFICER'S REVIEW

AT A GLANCE

5-Year Profit and Margin Trend



Financial Performance

All in RM'million	FPE2009 (18 months)	FYE2008
Revenue	2,639	1,825
Profit from operations^	207	169
Profit before taxation (PBT)	153	129
PATMI	110	100
Profit from operations^	8%	9%
PBT margin	6%	7%
PATMI margin	4%	5%
Basic earnings per share (sen)	20.50	18.53

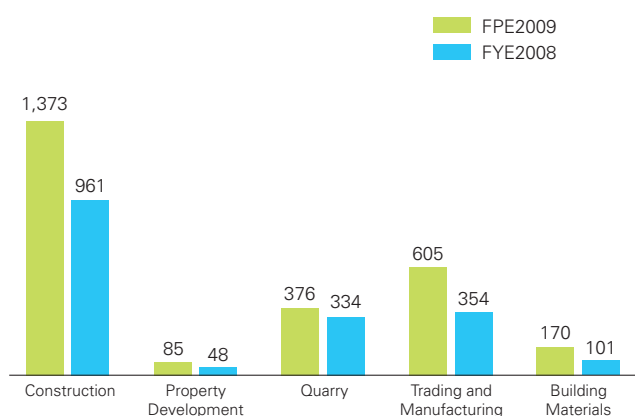
^ Includes share of results in jointly controlled entities and associates

FINANCIAL RESILIENCE AMIDST CHALLENGES

Sunway recorded a revenue of RM2.64 billion with net profit of RM110 million for the 18-month period ended 31 December 2009. The financial period under review is for a period of 18 months due to the change of financial year end from 30 June to 31 December. The Group's earnings were mainly driven by the construction division, followed by the property development, quarry as well as the trading and manufacturing divisions.

CHIEF FINANCIAL OFFICER'S REVIEW

Segmental Revenue

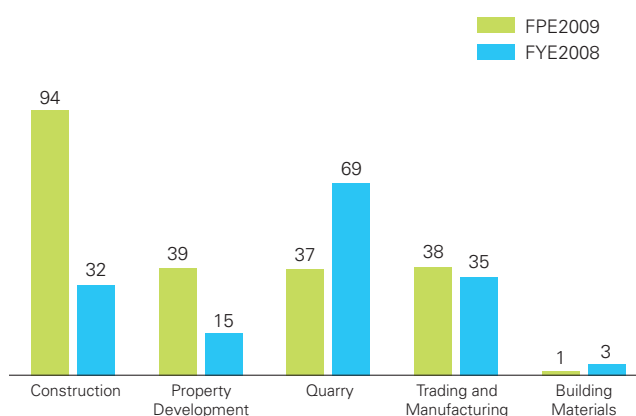


The Construction Division, being the key driver to the Group's profitability, continued to achieve healthy results in FPE2009. The early venture of the Construction Division into the international market has proven to be beneficial to the Group especially in a year when the local construction sector experienced a slowdown in the awarding of major construction projects. As a result, there was considerable recognition of profits from its construction project in Abu Dhabi as well as from the supply of precast concrete products in Singapore. With an outstanding order book of RM3.0 billion as at end of 2009 and the promising outlook of order book replenishment in 2010, the Division will continue to be the key earnings driver to the Group in the coming year.

Efforts to re-position the Property Development Division into a mid to high-end developer demonstrated great success. Together with the division's venture into the Singapore property market, the contribution of this Division to the Group's results has achieved a significant growth. The prospects of the Division remain on an upward trend with contributions from its second and third Singapore housing project in Toa Payoh and Jalan Senang respectively, as well as from its up-coming launches in Malaysia.

Having a strong correlation with the construction sector, the quarry sector in Malaysia and Vietnam similarly experienced a slowdown in demand during the financial period. In addition to the softened

Segmental Profit from Operations



demand, the Quarry Division's export contract to supply stones to Singapore came to an end in the early part of FPE2009. However, the Division's quarry in Trinidad and Tobago, where it has a 5-year contract to supply a total of 5 million tons of stones to the local government during the tenure, commenced operations in late-2008. Supply had picked up during the last quarter of the financial period.

Despite the tough operating environment which resulted in lower demand and increased price competition, the Group's Trading and Manufacturing Division was able to sustain its profitability level, again largely attributed to the success of its overseas market penetration strategy which includes countries like Singapore, Indonesia, China and Australia. Despite the global crisis, the number of branches has increased from 26 branches at beginning of FPE 2009 to 37 branches by end of the financial period with most of the branches contributing positively to the bottomline.

The Group's Building Materials Division recorded losses in FPE2009 arising mainly from its spun-pile and cavity wall operations, which were at its infancy stage.

Financial Liquidity and Position

All in RM'million	FPE2009 (18 months)	FYE2008
Cash from operations	310	205
Taxation (net)	(29)	(39)
Interests received	3	4
Net cash flow from operating activities	284	170
Net cash flow from investing activities	(200)	(156)
Net cash flow from financing activities	(17)	(54)
Decrease in cash and cash equivalents	68	(40)
Closing balance	183	117
	FPE2009 (18 months)	FYE2008
Net Assets Per Share (RM)	1.28	1.09
Net Gearing (Times)	0.65	0.95

A STRONGER LIQUIDITY POSITION

The Group generated net cash flow from operations of RM284 million during the financial period which were utilised in investing and financing activities. The net cash outflow from investing activities was primarily due to capital expenditure incurred for the expansion of the China businesses as well as investments for the property development in Singapore. The RM76 million proceeds from the private placement of 52 million shares at RM1.455 per share during the period were utilised for working capital as well as for repayment of bank borrowings of the Group. We continue to place high importance in treasury management to ensure that financial commitments are met as they fall due.

With the continuous efforts placed on strengthening the Group's financial position, the Group's net gearing position improved to 0.65 times from a high of 0.95 times in the last financial year.

CORPORATE INITIATIVES

The Group completed the issuance of 246.6 million warrants during the financial period. This will provide the Group with new capital in the future when the warrants are exercised. In its efforts to divest non-core

assets, the Group has entered into a share sale and purchase agreement with SunCity Vietnam Sdn. Bhd. (formerly known as Mega Methods Sdn. Bhd.) for the disposal of its entire shareholdings in Sunway Hotel Hanoi. The completion of the sale is pending fulfilment of certain conditions precedent.

FOCUS ON FUNDAMENTALS AND TRANSPARENCY

The Group has a strong risk management culture, and commits itself to the principles of good corporate governance. The above, along with prudent cash management and sound financial discipline, will ensure that the Group is well-positioned to manage the challenging business environment in 2010 and beyond.



Ng Lai Ping
Chief Financial Officer

VALUE ADDED STATEMENT

	*FPE2009 RM'000	FYE2008 RM'000
Value Added		
Total revenue	2,639,152	1,825,203
Purchases of goods and services	(2,180,997)	(1,478,234)
Value Added by the Group	458,155	346,969
Share of profits of associates	20,766	10,625
Share of profits of jointly controlled entities	51,175	9,974
Total Value Added	530,096	367,568

Reconciliation:		
Profit for the year	109,849	100,155
Add: Depreciation and amortisation	65,346	42,453
Finance costs	59,474	46,658
Staff costs	253,561	149,580
Taxation	31,504	26,660
Minority interests	10,362	2,062
Total Value Added	530,096	367,568

Value Distributed

Employees

Salaries and other staff costs	253,561	149,580
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Government

Corporate taxation	31,504	26,660
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Providers of capital

Dividends	11,773	-
Finance costs	59,474	46,658
Minority interests	10,362	2,062

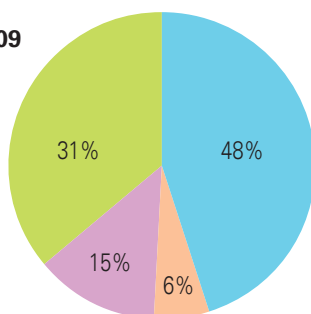
Reinvestment and growth

Depreciation and amortisation	65,346	42,453
Income retained by the Group	98,076	100,155

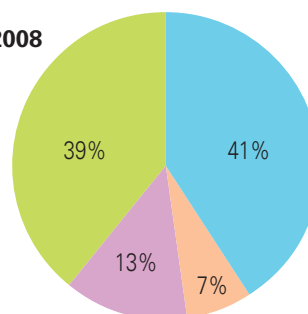
Total Distributed	530,096	367,568
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Value Distributed

*FPE2009



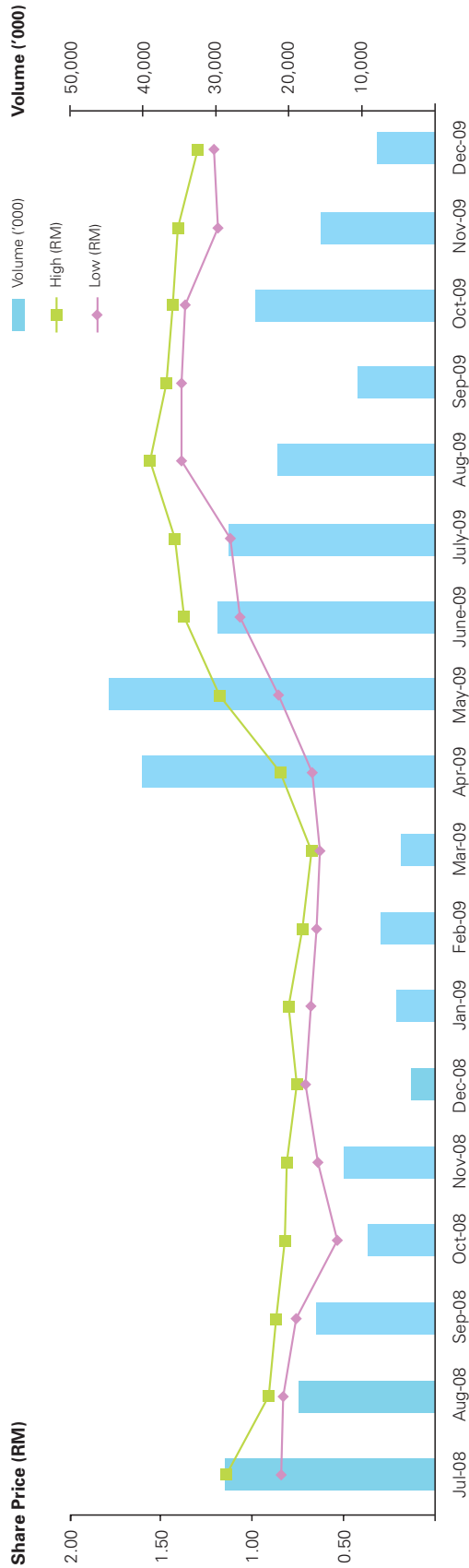
FYE2008



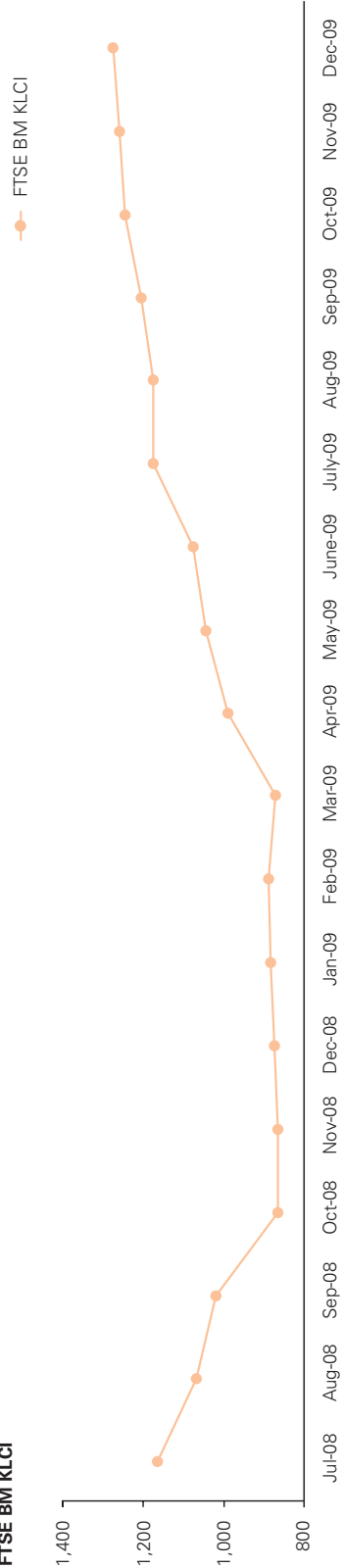
Reinvestment and growth Providers of capital Government Employees

* 18 months

SHARE PERFORMANCE



FTSE BM KLCI



	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09
High (RM)	1.14	0.91	0.88	0.82	0.83	0.76	0.81	0.73	0.68	0.68	0.85	1.18	1.38	1.43	1.56	1.47	1.44	1.30
Low (RM)	0.84	0.83	0.76	0.54	0.54	0.64	0.71	0.68	0.65	0.63	0.68	0.86	1.07	1.12	1.39	1.39	1.37	1.21
Volume ('000)	28,940	18,610	16,050	9,370	12,590	3,350	5,120	7,480	4,700	40,220	44,900	29,870	28,290	21,670	10,760	24,680	15,760	7,930
FTSE BM KLCI*	1,163	1,101	1,019	864	866	877	884	891	873	991	1,044	1,075	1,175	1,174	1,202	1,243	1,259	1,273

* Financial Times Stock Exchange Bursa Malaysia Kuala Lumpur Composite Index



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A portrait of Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling, AO. He is a middle-aged man with short dark hair and glasses, wearing a dark suit, white shirt, and dark tie. He is seated at a desk with his hands clasped in front of him, resting on a stack of papers. The background is a blurred office setting with wooden paneling.

TAN SRI DATO' SERI DR JEFFREY CHEAH FOOK LING, AO
Executive Chairman,
Non-Independent Executive Director
Malaysian

PROFILE OF BOARD OF DIRECTORS

Aged 65, is the visionary Founder and Executive Chairman of Sunway Group which encompasses 2 public listed companies namely Sunway and Sunway City Berhad ("SunCity").

An Accountant by profession and has been conferred 8 honorary Doctorates by leading universities worldwide. Is also among the 4 leading givers in the country who made Forbes Asia's Hero of Philanthropy 2009.

In 2008, was appointed Officer of the Order of Australia (AO) by the Prime Minister of Australia, Kevin Rudd. The AO is one of Australia's most prestigious and highly respected awards conferred to a non-citizen of Australia.

In 2007, the prestigious Monash University School of Medicine and Health Sciences was named after him in appreciation of his immense contribution to Monash University Sunway Campus.

In 2006, His Royal Highness Sultan of Selangor installed him as Foundation Chancellor of Sunway University College.

Was appointed Chairman of the Malaysia Crime Prevention Foundation's Selangor Chapter by the Minister of Unity, Culture, Arts & Heritage in 2008. Is also the Chairman and Co-founder of Asian Strategy & Leadership Institute (ASLI).

Is the Deputy President of National Kidney Foundation of Malaysia; Founding Trustee of Malaysian Liver Foundation since 1999; President of Malaysian Hakka Association 1997-2004; and the first non-Malay Honorary Member of Kuala Lumpur Malay Chamber of Commerce since 2002.

In recognition of his contribution to education, in 1996, was appointed by the Minister of Education to the Higher Education Council of Malaysia. The Minister of Trade appointed him as Director of National Productivity Centre in 1990.

In 1996, the Prime Minister of Malaysia honoured him with the Chairmanship of Malaysian Industry-Government Group for High Technology (MIGHT) for Construction and Housing.

Was also an EXCO member of the Malaysian Tourism Action Council, an appointment by the Minister of Tourism Malaysia in 1996. The following year, the Minister of Finance appointed him a Council Member of the Financial Reporting Foundation.

Other awards bestowed upon him include the Paul Harris Fellow Award, Property Man of the Year (Malaysia) in 1993, CEO of the Year (Malaysia) in 1996 and Asia's Most Innovative Chinese Entrepreneur Award 2005.

Appointed to the Board of Sunway on 29 December 1979 and also serves as Chairman of the Management and Employees' Share Option Scheme Committees as well as a Member of the Remuneration Committee.

Current directorships in other public companies include SunCity and Sunway Medical Centre Berhad.

Attended all of the 10 Board Meetings held in the financial period.

PROFILE OF BOARD OF DIRECTORS



DATO' CHEW CHEE KIN
President,
Non-Independent Executive Director
Malaysian

Aged 64 and graduated with a Bachelor of Economics (Honours) Degree from University of Malaya. Attended the Program in Management Development (PMD) at the Harvard Business School in 1980.

Joined Sunway Group in 1981 as Group General Manager (Operations) and was promoted to Deputy Group Managing Director (Operations) in 1989. In 1995, was promoted to Group Managing Director and to Group President in 1999. Prior to joining Sunway, was the General Manager of UMW (Malaya) Sdn Bhd where he had first joined as a Trainee Executive. Has more than 20 years' experience in general management, quarrying, construction, building materials, trading and manufacturing businesses.

Appointed to the Board of Sunway on 14 July 1983 and also serves as Chairman of the Strategic Direction Committee as well as a Member of the Management and Employees' Share Option Scheme Committees.

Current directorship in other public company includes Gopeng Berhad.

Attended all of the 10 Board Meetings held in the financial period.



YAU KOK SENG
Managing Director,
Non-Independent Executive Director
Malaysian

Aged 50 and a Chartered Accountant with more than 25 years of experience in auditing, corporate finance and general management. Was with Ernst & Young, Kuala Lumpur and London offices from 1980 to 1992.

Joined Sunway Group as Head of Corporate Finance in 1992 and was subsequently promoted as Group Finance Director in 1995. In April 2001, was promoted as Managing Director of Sunway.

Appointed to the Board of Sunway on 1 September 1995 and also serves as Chairman of the Risk Management Committee as well as a Member of the Management, Employees' Share Option Scheme and Strategic Direction Committees.

Current directorships in other public companies include Gopeng Berhad and Federation of Public Listed Companies Berhad where he serves as an EXCO member.

Attended all of the 10 Board Meetings held in the financial period.



DATO' TAN KIA LOKE
Non-Independent
Non-Executive Director
Malaysian

Aged 59 and attained a Bachelor of Science (Honours) Degree in Civil Engineering from University of Strathclyde, United Kingdom in 1977. A Registered Professional Engineer with the Board of Engineers, Malaysia, a Fellow of the Institute of Engineers, Malaysia and Honorary Advisor of the Master Builders Association of Malaysia (MBAM). Was awarded CEO of the Year 2006 by the Malaysian Construction Industry Excellence Awards.

Joined Sunway Construction Sdn Bhd in 1981 as Project Manager to spearhead the formation of the construction arm within the Sunway Group and has now more than 30 years' experience in the construction industry.

Appointed to the Board of Sunway on 15 February 1993 and also serves as a Member of the Management, Employees' Share Option Scheme and Strategic Direction Committees.

Current directorship in other public company includes Malaysian South-South Corporation Berhad.

Attended all of the 10 Board Meetings held in the financial period.



KWAN FOH KWAI, JMN
Non-Independent
Non-Executive Director
Malaysian

Aged 58 and holds a Bachelor of Engineering (Civil) (Honours) Degree from University Malaya in 1977. Is the Deputy President of the Master Builders Association of Malaysia (MBAM) for 2008-2010.

Began his career as a contract engineer in 1977 with the Department of Public Works, Ministry of Works for 3 years and was attached to the East-West Highway project. He then moved to Promet Construction Sdn Bhd as a Site Manager. Following this, he joined Alam Baru Sdn Bhd, a Class "A" Contractor as General Manager. Joined Taisei Corporation of Japan in 1986 and his last position was General Manager of Taisei (Malaysia) Sdn Bhd.

On 1 October 1996, joined Sunway Construction Berhad as an Executive Director. In June 2001, was promoted to Managing Director of Sunway Construction Berhad, which has now been delisted from Bursa Malaysia Securities Berhad and converted to a private limited company.

Appointed to the Board of Sunway on 8 January 2004 and also serves as a Member of the Risk Management and Strategic Direction Committees.

Has no directorships in other public companies.

Attended all of the 10 Board Meetings held in the financial period.

PROFILE OF BOARD OF DIRECTORS



WONG CHIN MUN
Senior Independent
Non-Executive Director
Malaysian



DATUK LOW SENG KUAN
Independent Non-Executive Director
Malaysian

Aged 65 and graduated with Bachelor of Business (Accounting) Degree and Bachelor of Business (Secretarial Administration) Degree from Curtin University, Australia in 1972. A Fellow of the Australian Society of Certified Practising Accountants and Chartered Secretaries and Administrators (UK). Also a Member of the Malaysian Institute of Accountants. Attended the Senior Executives Program at International Management Imede Development (IMD) at Lausanne, Switzerland in 1982. Also attended JUSE International Program for TQC for Top Management in Tokyo by Japanese Union of Scientists and Engineers in 1993.

Joined Nylex (Malaysia) Berhad ("Nylex") as the Financial Controller/Company Secretary in January 1976 and became the first local General Manager/Director of Nylex in 1980. Was promoted to the position of Managing Director in 1985 and left Nylex at the end of June 1994 to found TEC Asia Centre, an international organisation which aims to help Chief Executive Officers manage change and grow their businesses. Had served on the Board of Trustees of the Malaysian Rubber Export Promotion Council from 2000 to 2002. Currently, a Member of the National Branding Taskforce appointed by the Ministry of International Trade and Industry in November 2006 as well as an EXCO member of the Transparency International Malaysia, an independent, non-governmental and non-partisan organisation committed to fight against corruption.

Appointed to the Board of Sunway on 8 September 1994 and also serves as Chairman of the Audit Committee as well as a Member of the Nomination and Remuneration Committees. Appointed as the Senior Independent Non-Executive Director on 6 August 2001.

Has no directorships in other public companies.

Attended 8 out of the 10 Board Meetings held in the financial period.

Aged 63 and a Chartered Accountant by profession. A Member of the professional accountants' organisation, Malaysian Institute of Accountants and has more than 30 years' experience in the manufacturing industry. Graduated from Footscray Institute of Technology (Victoria University) in Business Studies (Accountancy) and Royal Melbourne Institute of Technology (RMIT) in Industrial Accountancy.

Currently, the Adviser of Malaysian Sheet Glass Sdn Bhd and the President of the Transparency International Malaysia, an independent, non-governmental and non-partisan organisation committed to fight against corruption.

Former President of the Federation of Malaysian Manufacturers (FMM) and is currently the Vice-President. In the past, had served as a Member of the National Economic Action Council (NEAC), National Economic Consultative Council II (NECC II) and Malaysian Industrial Development Authority (MIDA).

Appointed to the Board of Sunway on 12 April 2001 and also serves as Chairman of the Remuneration Committee as well as a Member of the Audit and Nomination Committees.

Current directorship in other public company includes Pos Malaysia Berhad.

Attended 9 out of the 10 Board Meetings held in the financial period.



DATUK ABDUL MALEK BIN ABDUL AZIZ
Independent Non-Executive Director
Malaysian

Aged 73 and graduated with a LLB (Honours) Degree from University of Singapore. Retired as a Superscale "A" Senior Deputy Secretary-General in the Prime Minister's Department in the year 1991 and the Chairman of Konsortium ABASS Sdn Bhd.

Appointed to the Board of Sunway on 13 March 2006 and also serves as Chairman of the Nomination Committee as well as a Member of the Audit Committee.

Current directorship in other public company includes NCB Holdings Berhad.

Attended all of the 10 Board Meetings held in the financial period.

NOTES:

1. Family Relationship with Director and/or Major Shareholder

None of the Directors has any family relationship with any director and/or major shareholder of Sunway.

2. Conflict of Interest

- (a) Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling is a Director and Major Shareholder of SunCity Group, whose principal activities include property development. He has deemed interest in SunwayMas Sdn Bhd and its subsidiaries via Sunway, which are involved in the similar business as SunCity Group (i.e. property development).
- (b) Dato' Chew Chee Kin is a Director and shareholder of Sunway. He is also a Director and shareholder of Sunway Global Limited, a 74.26% owned subsidiary of Sunway, whose principal activities are investment holding and provision of management services.
- (c) Yau Kok Seng is a Director of Sunway. He is also a Director and shareholder of Sunway Global Limited, a 74.26% owned subsidiary of Sunway, whose principal activities are investment holding and provision of management services.

Save as disclosed, none of the other Directors has any conflict of interest with Sunway Group.

3. Conviction for Offences

None of the Directors has been convicted for offences within the past 10 years other than traffic offences, if any.

4. Attendance of Board Meetings

The attendance of the Directors at Board of Directors' Meetings is disclosed in the Corporate Governance Statement.

PROFILE OF SENIOR MANAGEMENT



NG LAI PING

Chief Financial Officer

Certified Accountant, FCCA, MIA

Ms Ng Lai Ping is a Fellow member of the Association of Chartered Certified Accountants and a member of the Malaysian Institute of Accountants. She has more than 10 years of experience in auditing and accounting. Prior to joining the Sunway Group, she was the Senior Manager in the Assurance and Advisory Business Services of Ernst & Young, providing advisory, accounting and audit services for Malaysian and International clients principally involved in trading, manufacturing, property development and hospitality services. She joined Sunway Infrastructure Berhad (SIB) in 2004 as Group Financial Controller. SIB's principal activity was investment holding and its subsidiary company held a concession to build, operate and collect toll for a period of 36 years. She subsequently assumed the role of Chief Financial Officer of Sunway Construction Sdn Bhd after the divestment of SIB by Sunway. She was promoted as Chief Financial Officer of Sunway in 2009.



LARRY YAP CHIN LEONG

Executive Director -

**Shared Services Centre and
Group Human Resources**

*Bachelor of Science in Mechanical
Engineering, University of Leeds
Masters in Management, Imperial
College, London*

Mr Larry Yap has more than 21 years of experience with the Group covering the areas of Corporate Planning, Finance, Information Technology and Human Resources. Prior to his current position, he was the Profit Centre Manager for the concrete, quarry and piling businesses of the Group. During his tenure, he also served as Chairman of the National Ready-mixed Concrete Association of Malaysia and Sun-Mix Concrete Sdn Bhd, which became the first in the ready-mixed industry to obtain ISO 9002 certification. His vast experience enabled him to lead a strategic Human Resources function for the Sunway Group, which earned 6th place for the Asia Pacific Region Top Companies for Leaders 2007 global survey (conducted by Hewitt Associates in collaboration with Fortune magazine and RBL Group). He has been invited to speak at various conferences and seminars on topics relating to human resource, talent management and development and succession planning.



TEH QUEN CHANG

**Executive Director -
Quarry Division**

*Bachelor of Science in Agribusiness, UPM
Masters in Business Administration,
University of Bath, UK*

Mr Teh Quen Chang has more than 21 years of experience in the quarrying industry. Prior to this, he was the Senior General Manager (Central Region) for Sunway Pioneer Quarry Group and was in charge of 5 quarries and 7 asphalt manufacturing plants with annual sales turnover of over RM150 million. He first joined Sungei Way Quarry Industries Sdn Bhd in 1990 as the Marketing Manager and last served as General Manager (Operations), taking charge of 8 quarries and 9 asphalt manufacturing plants in the Central and Northern Region of Peninsular Malaysia before the Group divested its quarrying operations to Pioneer International Limited in 1999. He is also currently the Deputy President of the Malaysia Quarry Association.



WONG FOOK CHAI
Executive Director -
Trading and Manufacturing
Division

*Bachelor of Engineering (Honours),
 University of Malaya*

Having more than 26 years of service with the Sunway Group, Mr Wong Fook Chai started his career in UMW, a major distributor of heavy equipment in Malaysia. In 1983, he joined Hong Leong Industries Berhad and later the Sunway Group as a Product Manager in Sunway Enterprise (1988) Sdn Bhd. In 1985, he was re-assigned to the newly formed subsidiary Sunway Marketing Sdn Bhd (then known as Kanto Trading Sdn Bhd). He was promoted to General Manager in 1990 and assumed the responsibility of the management of Sunway Marketing (S) Pte Ltd. He was promoted to Senior General Manager in 1997, assuming greater responsibilities as Head of the Sunway Trading Group of Companies, before attaining his current position in 2004. He was instrumental in expanding the business to many overseas countries including Singapore, Thailand, Indonesia, China, and Australia and also establishing manufacturing companies for some of the products.



DANNY NG BOON LIANG
Executive Director -
Building Materials Division

*Bachelor of Economics
 (Business Administration),
 University of Malaya*

Mr Danny Ng has over 21 years of working experience, including 15 years in quarry operations and road construction for the Quarry Division of the Sunway Group. He currently oversees the Building Materials division which includes the Interlocking Concrete Pavers for Malaysia and China, Reinforced Concrete Pipes and Precast Concrete related products and Vitriified Clay Pipes divisions. Prior to this appointment, he was the Senior General Manager 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 the Sunway Group.



ANDY KHOO POH CHYE
Executive Director -
SunwayMas Sdn Bhd

*Masters in Business Administration
 (Marketing), Heriot-Watt University,
 Edinburgh, Scotland*

Mr Andy Khoo joined SunwayMas Sdn Bhd as its Executive Director in October 2007. His 18 years of professional experience includes a 7-year stint at the Malaysia's National Asset Management Agency (Danaharta). He was also the Managing Director for the Tower REIT, a real estate investment trust listed on Bursa Malaysia, managed by the Hong Leong Group, Malaysia. His experience includes various aspects of property development such as product planning, project feasibility, marketing and sales, real estate value enhancement and investment in commercial properties.



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BUILDING MATERIALS

CONSTRUCTION

Revenue

RM1,373 million



Rihan Heights, Abu Dhabi - in progress



Spirit Aerosystems Airplane facility

Sunway's Construction division is an integrated solution provider in the construction industry which offers turnkey, design and build capabilities with award-winning recognition in the fields of building construction, civil engineering, infrastructure, mechanical and electrical engineering, machinery and site equipment rental, precast, foundation and piling, and stone materials.

The division's expertise in both civil and building construction was further recognised with the G7 contractor award garnered in the recent Malaysian Construction Industry Excellence Award 2009.

Building on established market presence globally as well as its niche in the design and build sector, the construction division is set to meet the growth targets for the year and more importantly, to secure the foundations for continued growth.

DOMESTIC PRESENCE

On the local front, the Putrajaya projects which include the design and construction of government buildings at Precinct 4 are on schedule nearing the halfway mark of completion. Main drain works and canal de-silting works at Precinct 17 and infrastructure works in Precinct 11, Putrajaya are approaching the final stages.

Construction of Section 1B of the South Klang Valley Expressway is steadily progressing.

The order book experienced further expansion through extension works for As-Syakirin Mosque at KLCC Park which was completed in 2009 and the design and build of 3-Star hotel and office tower at Precinct 1, Putrajaya.

Major completed projects during the financial period under review include:

- Spirit Aerosystems Airplane facility in Subang (RM119 million).

- Expansion and renovation of Sunway Medical Centre (RM85 million).
- Earthworks and infrastructure works for Universiti Teknologi Mara (UiTM) (RM181 million).
- 83 Units 2½ storey bungalows in Kiara Hills, Mont' Kiara, Kuala Lumpur (RM166 million).

OVERSEAS PRESENCE

Abu Dhabi

Works on the Rihan Heights project in Abu Dhabi is approximately 30% completed. This project involves the construction of 5 residential towers, a 3-level podium, 14 townhouses, a clubhouse and 1,208 car park lots which was awarded to the Joint Venture between Sunway Innopave Sdn Bhd and Silver Coast Construction & Boring LLC.

Singapore

The division's precast concrete products plant was established in Singapore since the year 1999. The plant, located in Tampines, doubled its capacity to 120,000 m³ per annum during the period. An approved precaster by the Housing and Development Board (HDB) Singapore for public housing projects, the expansion coincides with the growing demand for HDB houses. Its outstanding order book of over RM300 million as at December 2009 includes the supply of precast concrete products to public housing projects by HDB as well as for own development projects.

India

The East West Corridor project to rehabilitate and upgrade the National Highway-76 from Km 406.000 to Km 449.150 in the state of Rajasthan - amounting to RM242 million was completed during the period. The construction works of the other 2 projects in India which are Uttar Pradesh 4 and Cochin have been progressing steadily. The 2 projects are expected to be completed in the coming year.

PROPERTY DEVELOPMENT

Revenue

RM85 million



Sunway Rydgement - interior shot



City View @ Boon Keng

Sunway's Property Development division continues to build upon its reputation as a boutique property developer which emphasises quality real estate offerings and facilitates community interactions.

DOMESTIC PRESENCE

Ongoing projects within the Klang Valley include Sunway PJ@51a in Petaling Jaya and Paragon Point in Bangi. These strategically located projects are under construction and progress has been healthy. Works on the division's first high-end residential development in Melawati Heights, called Sunway Rydgement has also commenced.

Sunway PJ@51a

The integrated commercial park located along the Federal Highway comprises 88 office suites, 11 retail outlets and 6 showrooms. Good frontage and excellent accessibility are the added advantages of Sunway PJ@51a. It has a total Gross Development Value ("GDV") of RM97 million.

Bangi Integrated Commercial Centre

The Bangi Integrated Commercial Centre is the first of its kind commercial development in Bangi New Town spanning 30 acres. The latest launch called Paragon Point, offers 82 units of 4-storey shop offices, is expected to be fully completed in June 2010. Paragon Point has a total GDV of RM33 million.

Sunway Rydgement

This flagship development comprising 40 zero lot bungalows and 30 semi-detached homes was officially launched in October 2009. Sunway Rydgement is the first stratified landed development in Melawati, and is also among the lowest density at only 5 units per acre. Sunway Rydgement is scheduled to be completed in 2011 and has a GDV of RM165 million.

OVERSEAS PRESENCE

Singapore

Both public housing projects, City View @ Boon Keng and The Peak @ Toa Payoh maintained steady progress throughout the financial period. City View @ Boon Keng is Sunway's maiden property development venture in Singapore, followed by The Peak @ Toa Payoh, both secured through a joint venture with a Singapore based contractor. These projects are under the design, build and sell scheme, which are residential units strategically located near MRT stations in Singapore.

The above-mentioned joint venture successfully secured Sunway's first private property development venture in Singapore in 2009. This parcel of freehold land, which is viable for private residential development, is located just off Sims Avenue in District 14, a well established residential area in Singapore which could be easily accessed via the Pan Island Expressway. 500 residential units will be built with expected launch in mid 2010.



QUARRY
Revenue

RM376 million



Local and foreign quarry operations

Sunway's Quarry division is one of the leading producers and suppliers of crushed rock aggregates and asphalts in Malaysia.

The division provides a comprehensive range of aggregates to meet demands of building and construction industries as well as manufactures a vast range of asphalts.

DOMESTIC PRESENCE

The division is one of the leading quarry operators in Malaysia which provides a comprehensive range of aggregates and asphalts. With 8 quarries and 8 asphalt plants strategically located throughout peninsular Malaysia, Sunway has an edge over its competitors with its established presence and wealth of experience.

OVERSEAS PRESENCE

Trinidad and Tobago

The division's venture into Trinidad and Tobago was inked in 2008 with the National Quarries Company Limited. The division contracted to produce and supply quarry products for government projects within the country at a fixed price, thus ensuring stable recurring income throughout the contract period.

Vietnam

The division owns two quarries in Vietnam, one each in Hatay and Ho Chi Minh City. The division has also been in Vietnam since late 1990s to manufacture ready-mixed concrete for use in the region. The Vietnam quarries supply high quality basalt aggregates suitable for all strengths of concrete and all components of road construction.

TRADING AND MANUFACTURING

Revenue

RM605 million



Sany Concrete Pump



Undercarriage Parts

Sunway's Trading and Manufacturing division's vast distribution network covering over 6 countries in the ASEAN region, China and Australia, is the main driver of its sustained performance. The division is driven by its passion in providing the best value product from the best manufacturer via global sourcing to continue expanding its 7,600 customer base in 36 countries.

The replicable nature of its business model enables penetration and expansion to new locations. The division uses Information Technology as an enabler to make it a cohesive division.

Strong brand recognition through its own brand "Sunflex" for hoses and fittings, and "Suntrak" for heavy equipment parts, together with being the distributor for global brand names such as TREK and FP Diesel for heavy equipment parts, Furukawa, Airman and Sany for its heavy equipment division have stamped the division's position as a preferred market partner.

DOMESTIC PRESENCE

With 11 branches, the division has been around since 1987 with long standing customers and a strong brand name. The division has recently ventured into shipbuilding industry with the supply of Sany products to Mset Shipbuilding Corporation Sdn Bhd.

OVERSEAS PRESENCE

Singapore

Actively operating since 1987, Singapore is the central distribution point for the hoses and fittings segment of this division. This allows the division to stamp its mark in Singapore as a key distribution location for the region.

Thailand

Sunway Marketing (Thailand) Ltd was incorporated as far back as 1990 for the import, export and sales of hoses and fittings. Its main branch in Thailand has recently moved to a bigger premise in Bangkok.

Indonesia

The division expanded into the Indonesian market through PT Trek Masindo in 2001. There are currently 7 branches servicing customers.

China

The China venture began in 2003 with its primary focus in Shanghai. The opening of 2 new offices in Guangzhou and Chengdu recently strengthened its position in China. The commencement of operations for Sunway Daechang Forging Manufacturing Co. Ltd in China, a joint venture with Daechang Forging Co. Ltd of Korea, is also a notable milestone which is in line with the division's strategy to go upstream in the supply chain. The division also manufactures hydraulic couplings through a joint venture company named Sunway Xin Long (Anhui) Hydraulic Co. Ltd. in Anhui.

Australia

Subsequent to the successful acquisition of Total Rubber Limited, an Australian-based importer and distributor of industrial rubber and plastic products, in 2008, business broke even in the financial period under review. The division has 7 branches located within Australia to reach out to its customers.

India

The division added its footprint in South Asia, through the joint venture with India Opus to supply building materials to Sunway City India projects.

BUILDING MATERIALS

Revenue

RM170 million



Grano Eurotiles



Vitrified Clay Pipes

Sunway's Pavers division boasts market presence of almost 30 years, while the pipes division have 20 years market experience under its brand name. Wall panels are a fairly new technology which have been actively promoted in Malaysia and Singapore since 2008. Continuous research and development are carried out to lower the production cost apart from ensuring environmental friendly approach to water and waste management of the manufacturing process.

DOMESTIC PRESENCE

The division is a market leader for pavement and flooring solutions with manufacturing plants in Batang Kali, Senai and Nibong Tebal. It seeks to be the industry's preferred choice in the enhancement and beautification of the environment. Its product range include Interlocking Concrete Pavers (ICP), Eurotiles and Concrete Imprint (Sun-Crete).

It also owns approximately half of the local piping market share, where Glazed Vitrified Clay Pipes, Vertical Cast Jacking Pipes and Vertical Cast Reinforced Concrete Pipes of high quality are supplied. Its vertical cast reinforced concrete pipes are manufactured using patented vertical cast technology from USA, a method that employs specialized high-tech machinery to produce superior strength pipes to precise dimensions and consistency of quality.

Sunway's Cavity Wall Panel division strives to revolutionize the wall market with Sunway "CAVITE" drywall system, a system which provides the best non-load bearing wall solutions through continuous improvement and innovation. This product has received the Green Label Certification from Singapore and Industrialized Building Systems certification status in Malaysia which will further promote this product as a preferred building material.

OVERSEAS PRESENCE

China

The pavers division has successfully ventured into China by setting up two manufacturing plants, one each in Shanghai and Dongguan in the year 2006. Notable achievements for the pavers division include the securing of its first major port project in Tai-chang Port and the Shanghai EXPO.

The division has also recently commenced its Spun Piles manufacturing operations in Zhuhai.



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CORPORATE RESPONSIBILITY

Corporate Responsibility (CR) is both a fundamental obligation, and a full-time commitment - and the Group accords it the same goals and accountabilities as our other businesses. The Sunway Group has taken this corporate philosophy a step further by infusing the best practices into its CR programmes.

The 4 main focal areas of Bursa Malaysia's Corporate Social Responsibility Framework - Marketplace, Workplace, Environment and Community - are the foundation pillars that support the Group's CR program.

MARKETPLACE	WORKPLACE	ENVIRONMENT	COMMUNITY
			
<i>Presentation to analysts</i>	<i>Team building</i>	<i>"Green" efforts</i>	<i>Charity events</i>
<ul style="list-style-type: none"> • Corporate Governance • Stakeholder Engagement • Procurement Policy • Quality Certification • Green Products 	<ul style="list-style-type: none"> • Health and Safety • Human Capital Development • Work Life Balance 	<ul style="list-style-type: none"> • Environmental Management System • Environment and Waste Management • Green IT • Recycling Programme 	<ul style="list-style-type: none"> • Education • External Environment • Healthcare • Charity Events

1.0 MARKETPLACE

1.1 Corporate Governance

The Group commits to abide by the Malaysian Code on Corporate Governance released by the Securities Commission of Malaysia. The Group further strengthens its Corporate Governance framework with the Enterprise Risk Management structure in place. This structure is viewed as a process established by the Board of Directors and senior management for planning, organizing, leading and controlling the activities of the Group. The board committees are also guided by clear terms of reference which lays the foundation for operational excellence.

This is elaborated further under the Corporate Governance Statement and the Enterprise Risk Management sections.

1.2 Stakeholder Engagement

The Group endeavors to maintain its transparent culture through many channels of communication with stakeholders.

Customers

The Group's construction division carries out annual customer satisfaction surveys. This survey provides an avenue for clients and consultants to provide feedbacks on products and services. During the last survey 2008-2009, 86% of clients and consultants responded with 92% of the respondents acknowledging that they were satisfied with products and services provided by the division.

Targets such as customer satisfaction, zero defect, superior quality, competitive prices and timely delivery are being reviewed regularly through customer feedback to gauge and continuously improve the company's quality performance.

Suppliers

The Group's construction division in Malaysia conducts annual supplier feedback survey to gain a better understanding of supplier needs and concerns. As an organization, proper supplier engagement is crucial for ensuring harmonious business relationship. In the 2008-2009 survey, 93% of suppliers responded with an overall score of 85% satisfaction. Through constant feedback and communication with suppliers, best practices and processes can be implemented to sustain the supply chain management for win-win results.

Investors

The group ensures regular investor management is in place through its proactive Investor Relations unit and its all-rounded Investor Relations program. The Investor Relations representatives of the Group strives to provide updated information of the Group's activities and happenings in a timely manner through the various communication channels with analysts, investors and shareholders such as group meetings, one to one updates, road shows as well as conferences with analyst, investors and shareholders.

This is further elaborated in the Investor Relations section.

1.3 Procurement Policy

The Group's procurement process is efficiently managed to ensure materials or services purchased meet the requirements of clients and specifications of the established contracts.

The process is facilitated by the Group's in-house procurement function, which was established to support and to meet the Group's long term profitability objectives, synergising expertise from various functions of the business units.

With the strong management of supplier base enabled by the Group's e-procurement system, the Group is able to obtain materials or services from the most reliable sources in terms of quality, pricing and timeliness of delivery.

Best practices in sourcing are adopted to improve supplier management, build knowledge and improve savings. This is accomplished through the implementation of formal procedures, solicitation of quotations and negotiation of agreements.

The globalization of the Group's businesses against an increasingly competitive operating environment necessitates the continuous reassessment and redefinition of procurement's role within the Group.

1.4 Quality Certification



The Certification

Total Quality Management (TQM) is adopted Group wide. With constant focus on total customer satisfaction, solutions are continually developed to meet and exceed clients' needs.

The Group's construction division was one of the first construction groups in Malaysia to receive the accreditation for MS ISO 9002:1994 quality standards by SIRIM back in the year 1997. This certification has since been upgraded to adhere to the new requirements adopted in the ISO 9001:2008.

To date, the following companies within the construction division have been certified with ISO 9001:

- i. Sunway Construction Sdn Bhd
 - ii. Sunway Engineering Sdn Bhd
 - iii. Sunway Builders Sdn Bhd
 - iv. Sunway Innopave Sdn Bhd
 - v. Sunway Concrete Products (S) Pte. Ltd
- Sunway Geotechnics Sdn Bhd is in the process of obtaining certification.

The Group's property development division under SunwayMas Sdn Bhd was ISO 9001:2000 certified in year 2000. A scheduled migration audit of ISO 9001:2008 which will be conducted by Certification International (CI), a UK-based certification body will take place in the near future. The division enforces its Quality Policy with management's total co-operation and support to comply with the requirements of the Quality Management System.

CORPORATE RESPONSIBILITY

All 3 manufacturing plants of Sunway Paving Solutions Sdn Bhd were ISO 9001:2000 certified in 2003. These plants located in Penang, Selangor and Johor are involved in the manufacturing of interlocking concrete pavers and compressed concrete paving slabs. The headquarters in Menara Sunway is also ISO 9001:2000 certified for its sales and marketing and provision of quality management support services.

The Group's trading division had been ISO 9001:2008 certified since 2001 for the manufacture of hydraulic couplings under its own brand name - SunFlex.

The Culture

The Group's construction division was the first Malaysian construction conglomerate to implement the Japanese concept of "kaizen" enterprise-wide. Continuous quality improvement initiatives implemented has resulted in waste reduction and significant workforce productivity enhancement. These initiatives include:

Kaizen Initiative

A. Kaizen Site Walk

This activity is led by the senior management to carry out scheduled visit to project sites to monitor the status of quality implementation of selected trades. The participation of senior management as a role model leading by example has accelerated knowledge sharing in continual improvement. Through this effective sharing platform, participants would exchange views and share respective experiences in handling quality and project management issues.

B. Small Group Activity

Small Group Activity is formed with the objectives to improve customer satisfaction, reduce client complaints as well as reduce time and material wastage. Members from cross-functional areas are grouped to study, analyze and brainstorm the root causes of quality problems of the relevant trades and propose preventive actions to prevent occurrences. Small Group Activity is guided and carried out by the application of the plan-do-check-act approach.



Small group activity

1.5 Green Products

Three of the products supplied by the Group's building materials division - interlocking concrete pavers, compressed concrete paving slabs and cavite light weight concrete panel was conferred the Green Label Certification by The Singapore Environment Council in 2009. This recognises the division's efforts in producing environmentally friendly products with a minimum usage of 20% recycled content.



*Interlocking Concrete Pavers'
Singapore Green Label Certification*

2.0 WORKPLACE

The belief in nurturing human capital is deeply embedded within the organisational fabric of the Sunway Group, where all employees are treated as the Group's biggest source of success, resilience, growth and inspiration.



2.1 Health and Safety

The Group places paramount emphasis on the health and safety in its workplace. Its 4 level Occupational Health and Safety Management System (OHSAS) which is of comprehensive coverage and implementation applies to all employees of the Group. In 2001, the construction division obtained the OHSAS 18001:1999 accreditation in 2001 which was subsequently upgraded to OHSAS 18001:2007.

Specific to the Group's construction division in Malaysia, 3 Occupational Safety and Health (OSH) company-wide objectives have been set up, guided by the Quality Environment Safety and Health policy which includes:

- To achieve 2.5 million man-hours without loss time accident company wide
- To achieve a monthly inspection score of 70% and above
- To strive towards a zero life loss at all work sites

The Group's construction division in Malaysia during the period under review has successfully recorded a total of 8.6 million man-hours without loss time accidents and an average inspection score of 86%.

Initiatives to promote Environment, Safety and Health (ESH) awareness include:

ESH Training and Awareness

ESH training and development programmes are constantly carried out to raise the level of ESH awareness and knowledge of employees and

subcontractors. This forms the foundation of creating a ESH culture in the Group. Examples of programmes are the Site Safety Supervisors (SSS) Training, Scaffold Awareness Training, First Aid Training and Environmental Awareness Training.

Standardisation of Safety Features

One of the key investments to continuously improve current practices is the standardisation of jobsite safety features at all of the construction project sites. Among the standardised safety features that were implemented include edge protection, climbing safety enclosures, canopy walkways and safety signboards. These are efforts at hazard controls to prevent falls and falling objects at jobsites.

2.2 Human Capital Development

The Group has implemented a holistic human capital development approach which encompasses the identification (external and internal), development and retention of its competent human capital. Strong leadership in the organisation is pivotal to drive the human capital development approach. This approach is delivered through the Group's recruitment strategy, performance management process, talent management, succession planning, and learning and development.

Recruitment Strategy

The Group's recruitment strategy is two-fold i.e. by external recruitment and simultaneously by providing career opportunities to existing employees via internal sourcing i.e. promotions, transfers, etc. The Group's participation in career fairs, internship programmes and job shadowing

CORPORATE RESPONSIBILITY



Sunway Annual Managers' Conference

initiatives are amongst the various avenues to promote the brand externally. From within, rigorous process of identifying and developing potential existing employees creates the pool of internal candidates to fill vacancies across the Group.

The Group adopts a more focused effort to bring in young talents through its Institute of Chartered Accountants in England & Wales (ICAEW) and Association of Chartered Certified Accountants (ACCA) trainee programmes. The Group's management/graduate trainee programme i.e. Sunway Managerial Advancement for Recruited Talents (SMART) recruits, trains and retains young graduates of excellent academic results and track record of leadership capabilities into the organisation. The Group was appointed as an Approved Training Organisation and accorded the Authorised Training Employer (ATE) status by ICAEW. With this, the Group offers a rewarding career to aspiring accountants and finance professionals.

Managing for Excellence (MFE)

One of the Group's core values is "excellence". The MFE process i.e. a homegrown performance management process sets the platform for driving excellence in performance of all employees. Using MFE, performance expectations are agreed and the managers are responsible to move the performance bar continuously, thereby ensuring standards are raised to move the Group forward. Managers are trained to provide coaching and feedback to engage employees to deliver their best. The performance management derives performance rating that is used for reward and

recognition, promotion, talent development, succession planning, etc.

Talent Management and Succession Planning

By reviewing employees' leadership and performance contribution, the Group has a more focused approach in managing the different types of talent in the organisation. The Annual Talent Review assists the Group to have a better perspective of its bench strength by individual business units, functional areas, etc. There is a structured process in place for succession planning across the Group which is conducted along with the annual talent review.

Learning and Development

Sizeable investments are put in to develop employees in areas of technical, soft and leadership skills. Development of human capital is not done just through training but through a blended learning approach which include learning by doing, reading, coaching, mentoring, etc. In line with the nation call to cultivate a reading habit, the Group Human Resource (GHR) Resource Center aims to do the same by offering books, CDs, DVDs and magazines of various subjects to employees.

A total of 23,008 training hours was invested from July 2008 to Dec 2009. Every employee has an average of 16 training hours per year.



Employees' team building



Sunway Family Day

One new initiative during the period was to partner with Sunway University College and its highly reputable partner, Lancaster University Management School, to design and deliver locally a high-class management programme to managers to hone their management skills.

The Mentoring Programme is targeted at high potential and identified successors to develop them further through transfer of tacit knowledge and experience by more experienced senior management team members.

Coaching Culture and Communication

The Group espouses strongly the importance of coaching to communicate and engage with our workforce. All Sunway managers are required to coach and engage with their employees be it to give direction, feedback of good and bad or to praise and recognise. Managers and executives with direct reports are trained with coaching skills to embrace a coaching leadership style with their direct reports.

Whilst coaching takes on a more direct engagement and communication with employees, other means of communication are also essential to feed the information channel within the Group. The Group's array of established and proven communication platforms and tools include Town-hall meetings, Managers' Conferences, e-bulletins, Sunway Portal, plasma insertions, short messaging services (SMS), Hang Loose Nites, etc.

2.3 Work Life Balance

The Group believes that sports and social activities foster closer ties amongst employees thus enabling better rapport and work quality. This led to the formation of the Group's sports club, "Kelab Sukan Sunway".

Activities made possible through Kelab Sukan Sunway include informative events like lunch talks featuring health and social topics, recreational programmes that allows employees to let their hair down such as sports tournaments, local and overseas vacation trips, car treasure hunts, informal get togethers through the company's Family Day, Annual Dinner and Dance nights and festive charity events.

CORPORATE RESPONSIBILITY

3.0 ENVIRONMENT

The Group is committed to being a sustainable organisation, balancing economic, social and environmental goals while also protecting the needs of future generations.

3.1 Environmental Management System

The Group's construction division has documented an Environmental Management System which provides foundation elements for effective management and implementation of environmental practices. Trainings for various levels of staff and subcontractors were carried out throughout the year to educate and create further awareness on environmental responsibilities.

A key milestone in 2009 is the achievement of ISO 14001 Environmental Management System for Sunway Construction Sdn Bhd. This is an internationally recognised standard for the establishment of an organisation's environmental management system. This accreditation further emphasises its commitment to environment in its business.

Since then, the construction division has also become the pioneer builder in Malaysia to have the Building and Construction Authority of Singapore (BCA) Green Mark Managers and Leadership in Energy and Environment Design (LEED) accredited professionals as part of its team. LEED is the internationally accepted benchmark for construction companies to use in the design, construction and operation of high performance green buildings.

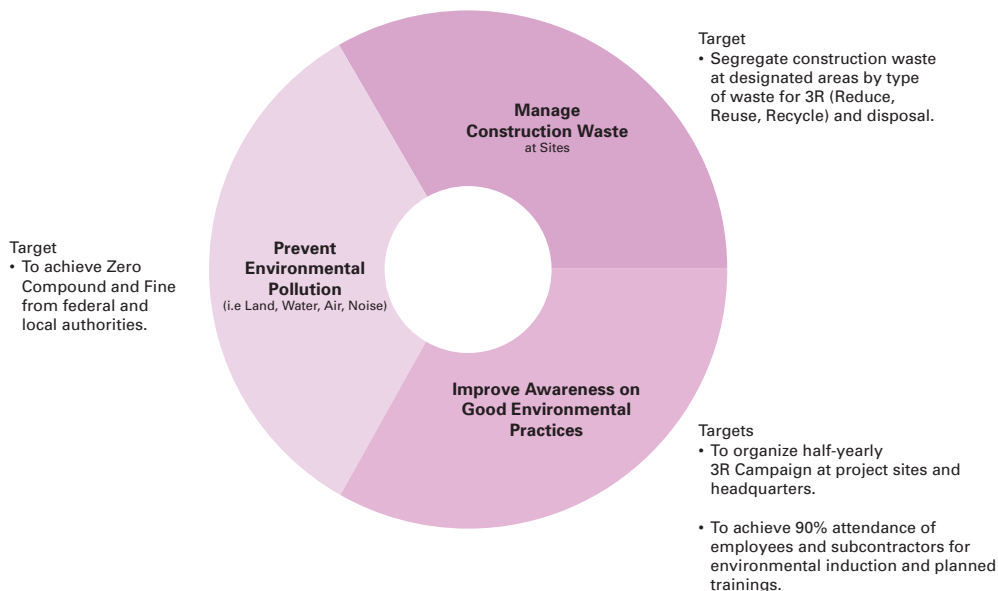


*Sunway Construction's
ISO 14001 certification*

3.2 Environment and Waste Management

Initiatives were identified and embarked on to achieve 3 core objectives towards better environmental management under the construction division.

Environmental Management Objectives and Targets



Construction Waste Management

REDUCE



REUSE



RECYCLE



Use of system formwork



Re-use of steel mould



Excess concrete cast as counter-weight

3.3 Green IT

As the world's accelerating concerns over climate change and the sustainability of Planet Earth has placed a spotlight on businesses and social circles to reduce carbon footprints, the Group aims to make all IT aspects (operational, services and systems configurations) support low energy consumption and a paper-less environment.

In mid 2008, the Group undertook an exercise to identify and streamline current practices and energy usage to embark upon a green savvy journey with objectives stated below:

3.4 Recycling Programme

The Sunway Group is dedicated in promoting a sustainable green environment for our future generations of human capital. Its recycling programme have been a big hit with both Sunway staff and various community stakeholders since it started in 2003. Temporary recycling facilities and centres are set up on a monthly basis, which now collects up to 350,000 kg of recyclable waste a year, a sizeable achievement to date, relative to the collection of 56,056 kg in its first year of operation.

	Objective	Initiatives	Potential savings
1	Reduce paper consumption	<ul style="list-style-type: none"> • Usage of e-forms to replace physical forms • Use of e-Fax, electronically approved purchase orders are automatically faxed to suppliers • Replacement of traditional printers with duplex printers 	<ul style="list-style-type: none"> • Paperless operations • Reduce 4000 papers per month • Reduce paper usage with double sided printing
2	Reduce power usage	<ul style="list-style-type: none"> • Replace "tube" monitors with LCD Monitors • Reduction in number of servers through virtualization • Set Power save mode for desktops and notebooks • Adoption of web conferencing solutions through audio and video conferencing • Purchase energy saving equipment 	<ul style="list-style-type: none"> • 56% reduction in power usage • Reduce from 8 servers to 1 server • Reduce unnecessary power usage • Reduce the need to travel regularly

CORPORATE RESPONSIBILITY



Award to a Scholarship recipient



Convent Klang restoration

4.0 COMMUNITY

It has always been the Group's philosophy to continuously support the local communities wherever it operates. The Group has since the early days of its operations been giving back to the society by reaching out to the needy.

Sunway Group's unwavering endeavour to contribute its profits to benefit the community as a whole was further acknowledged when the Brand Laureate Societe Award for Philanthropy and Humanitarian efforts was awarded to the Group in 2009.

4.1 Education

Jeffrey Cheah Foundation for Education

The Sunway Education Trust Fund has been converted into the Jeffrey Cheah Foundation for Education in March 2010. The ownership and equity rights of four of its learning institutions - Sunway University College, Monash University Sunway Campus, Jeffrey Cheah School of Medicine and Sunway International School has been officially and legally transferred to the Foundation for future safe governance by a Board of Trustees.

It will deploy funds solely for the benefit of students through reinvestment into expansion of facilities, enhancement of research capabilities, and most notably, fund scholarship to deserving and needy students.

Public School Adoption Programme

The Group has contributed RM11 million to public schools to date. Notable restorations and donations in 2009 include:

[Sekolah Kebangsaan Convent Klang](#)

SK Convent Klang underwent major restoration and repair works thanks to resources sponsored by the Sunway Group. The project, costing RM1 million, was implemented to ensure that the convent, which was built in 1924, remains a safe and conducive studying environment for present and future students.

[Sekolah Menengah Kebangsaan Bandar Sunway](#)

The Group has been continuously assisting the school since 1995. In 2009, the Group undertook upgrading and restoration work for the school hall, compound, etc.



Medical check-up during the Medical Camp



Charity Event at Lost World of Tambun, Perak

Job Placement Programme

Recognising that every person deserves a chance to feel a sense of belonging and purpose in society, the Sunway Group also runs a Job Placement Programme endorsed by the Ministry of Education, Malaysia. Special needs students from the Sunway-sponsored SMK Bandar Sunway are trained on basic work-related skills and ethics. Upon graduation, these students are presented with certificates of accomplishment to seek employment, where they are able to progress as independent members of the society's workforce.

4.2 External Environment

Sunway Group launched the first Selangor Tourist Police Service Centre at Sunway Pyramid as one of its continuous efforts to step up crime prevention in the city. This serves as a one-stop centre to provide quick advice and solutions for tourists visiting Bandar Sunway. Furthermore, the Police Service Centre also ensures that all tourists are safeguarded at all times. The centre is opened from 10 am to 2 am and is equipped with the latest Police Reporting System (PRS) to enable swift response to reports of crime as well as providing assistance when required.

4.3 Healthcare

Medical Camp at SMK Bandar Sunway

Organised in collaboration with Sunway Medical Centre and Pfizer, the Sunway Medical Camp benefited 500 Bandar Sunway residents. The Medical Camp provided basic healthcare checks and medical advice, free of charge.

The event was fully manned by volunteers, ranging from medical officers, nurses, lab technologists, Sunway Group employees to students from SMK Bandar Sunway. Free basic medical services such as blood pressure checks, cholesterol and diabetes examinations, as well as general counsel from volunteer doctors and dieticians were provided.

4.4 Charity Events

Sunway organises charity events annually to reach out to the underprivileged and unfortunate ones. In 2009, Sunway held a charity event in conjunction with Malaysia's Merdeka Celebration at the Lost World of Tambun, Perak that benefited 200 children from 5 orphanages within the region of Perak and 3 rural schools in Penang. 200 volunteers from the Sunway Group up north, central to down south made the event possible. All the children were treated to fun games and facilities within the theme park plus a special goodie bag.



WITH INTEGRITY

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CORPORATE GOVERNANCE STATEMENT

The Board is committed to ensure that good corporate governance is practised throughout the Group with the ultimate objective of protecting and enhancing shareholders' value and the financial performance of the Company and of the Group.

The Board is committed to implementing the Malaysian Code on Corporate Governance ("the Code") wherever applicable in the best interest of the shareholders of the Company.

A. DIRECTORS

THE BOARD AND ITS RESPONSIBILITIES

The Board leads and controls the Group. It regularly meets to perform its main functions, amongst others, as follows:-

- Setting the objectives, goals and strategic plans for the Group with a view to maximising shareholders' value.
- Adopting and monitoring progress of the Company's strategies, budgets, plans and policies.
- Overseeing the conduct of the Group's businesses to evaluate whether the businesses are properly managed.
- Identifying principal risks of the Group and ensuring the implementation of appropriate systems to mitigate and manage these risks. The Board through the Risk Management Committee, sets, where appropriate, objectives, performance targets and policies to manage the key risks faced by the Group.
- Considering Management's recommendations on key issues including acquisitions, divestments, restructuring, funding and significant capital expenditure.
- Human resources planning and development.
- Reviewing the adequacy and integrity of the Company's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.
- The Board through the Strategic Direction Committee, decides on the appropriate strategic direction for the Group, particularly to manage the Group from a strategy driven perspective, with clear objectives and targets for proactive decision-making.

The Board delegates certain responsibilities to the Board Committees, all of which operate within defined terms of reference.

BOARD COMPOSITION

During the period under review, the Board consists of 8 members, 3 or 1/3 are Independent Non-Executive Directors. On 30 October 2009, Koong Wai Seng had resigned as the Finance Director. The Board composition reflects a balance of Executive and Non-Executive Directors with a mix of suitably qualified and experienced professionals in the fields of accountancy, economics, finance, civil engineering, legal and real estate development. This combination of different professions and skills working together enables the Board to effectively lead and control the Company. The Board composition also fairly reflects the investment in the Company by shareholders other than the significant shareholder.

There is clear segregation of responsibilities between the Executive Chairman and the Managing Director to ensure a balance of power and authority. The Managing Director is subject to the control of the Board of Directors. He is responsible for the day-to-day management of the business in accordance with the objectives and strategies established by the Board.

Wong Chin Mun is the Senior Independent Non-Executive Director, to whom concerns relating to the affairs of the Group may be conveyed.

A brief profile of each Director is presented on pages 40 to 45 of the Annual Report.

MEETINGS AND SUPPLY OF INFORMATION

Unless there are urgent matters, the Board normally meets quarterly to review financial, operational and business performances. Notices and agenda of meetings duly endorsed by the Executive Chairman together with the relevant board papers are normally given at least 1 week prior to the meetings for the Directors to study and evaluate the matters to be discussed.

The board papers provided include inter alia, financial results, business plan and budget, progress report on the Company's developments, minutes of meetings of Board Committees, regulatory/statutory updates and other operational and financial issues for the Board's information and/or approval.

All Directors are entitled to information pertaining to the Company. In addition, all Directors have direct access to the advice and services of the Company Secretaries. They are also permitted to seek independent advice whenever deemed necessary, at the Company's expense.

There is a formal procedure approved by the Board for all Directors, whether as a full Board or in their individual capacity, to obtain independent professional advice, when necessary, at the Company's expense.

The Board met 10 times during the financial period ended 31 December 2009 and the details of attendance of the Directors are as follows:-

Name of Directors	Number of Meetings Attended	Percentage of Attendance (%)
Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling, AO	10/10	100
Dato' Chew Chee Kin	10/10	100
Yau Kok Seng	10/10	100
Koong Wai Seng	9/9*	100
Dato' Tan Kia Loke	10/10	100
Kwan Foh Kwai	10/10	100
Wong Chin Mun	8/10	80
Datuk Low Seng Kuan	9/10	90
Datuk Abdul Malek Bin Abdul Aziz	10/10	100

* Reflects the number of Board Meetings attended during the time the Director held office.

DIRECTORS' TRAINING

During the financial period, all the Directors had attended various training programmes and seminars organised by the relevant regulatory authorities and professional bodies to broaden their knowledge and to keep abreast with the relevant changes in law, regulations and the business environment.

The training programmes, seminars and workshops attended by the Directors during the financial period were, inter alia, on areas relating to corporate leadership and governance, financial management, capital markets development, manufacturing, property and international construction industries.

Training Programmes, Seminars and Workshops attended by Directors

Name of Directors	Course Title / Organiser	Date
Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling, AO	Sunway Managers' Conference 2008/2009 - "Sustainable Leadership: Lessons from General Electric" (Sunway Group)	7 February 2009
Dato' Chew Chee Kin	Sunway Managers' Conference 2008/2009 - "Sustainable Leadership: Lessons from General Electric" (Sunway Group)"	7 February 2009
	The Economic Crisis of 2008/2009: Precipitator, Impact and Response (Harvard Club of Malaysia and Sunway University College)	16 February 2009
Yau Kok Seng	Sunway Managers' Conference 2008/2009 - "Sustainable Leadership: Lessons from General Electric" (Sunway Group)	7 February 2009
	The Economic Crisis of 2008/2009: Precipitator, Impact and Response (Harvard Club of Malaysia and Sunway University College)	16 February 2009
Dato' Tan Kia Loke	Sunway Managers' Conference 2008/2009 - "Sustainable Leadership: Lessons from General Electric" (Sunway Group)	7 February 2009

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Name of Directors	Course Title / Organiser	Date
Kwan Foh Kwai	International Construction Conference 2008 - Challenges of Global Mega Projects* (Master Builders Association Malaysia, Chartered Institute of Building Malaysia and University Teknologi Mara)	27 - 29 August 2008
	Sunway Managers' Conference 2008/2009 - "Sustainable Leadership: Lessons from General Electric" (Sunway Group)	7 February 2009
Wong Chin Mun	Innovation and Opportunity (Vistage Malaysia Sdn Bhd and La Salle Matrix Thinking)	13 November 2008
	Sunway Managers' Conference 2008/2009 - "Sustainable Leadership: Lessons from General Electric" (Sunway Group)	7 February 2009
	FutureRadar 2009-2019 by Dr Pero Micic (Vistage Malaysia Sdn Bhd)	25 & 26 August 2008
Datuk Low Seng Kuan	14th Corporate Economic Briefing (Malaysian Institute of Economic Research)	15 April 2009
	FMM 4th International Conference on Excellence in Manufacturing** (Federation of Malaysian Manufacturers)	2 June 2009
	Integrity Conference 2009 - "Integrity as Development" (Penang State Secretary Office)	5 December 2009
Datuk Abdul Malek Bin Abdul Aziz	5th Asia Pacific Audit and Governance Summit 2009 (Columbus Circle)	2 & 3 June 2009

* Attendance as a Moderator at the Conference held.

** Attendance as a Speaker at the Conference held.

All Directors were also constantly updated by the Company Secretary on changes to the relevant guidelines on the regulatory and statutory requirements.

RE-APPOINTMENT, RETIREMENT BY ROTATION AND RE-ELECTION

The Company's Articles of Association provides that 1/3 of the Board is subject to retirement by rotation at each Annual General Meeting. Each Director shall retire at least once every 3 years but shall be eligible for re-election. The Directors to retire in each year are those who have been longest in office since their last election or appointment.

Pursuant to Section 129(2) of the Companies Act, 1965, Directors who are of or over the age of 70 years shall retire at every Annual General Meeting of the Company and subject to approval being obtained from the shareholders, may offer themselves for re-appointment to hold office until the next Annual General Meeting in accordance with Section 129(6) of the Companies Act, 1965. Datuk Abdul Malek Bin Abdul Aziz is subject to such retirement and is eligible for re-appointment at the forthcoming Annual General Meeting of the Company.

To assist the shareholders in their decision, sufficient information such as personal profile, attendance of meetings and the shareholdings of each Director standing for re-election and re-appointment are disclosed in this Annual Report.

BOARD COMMITTEES

The Board has set up the following Committees and will periodically review their terms of reference and operating procedures. The Committees are required to report to the Board on all their deliberations and recommendations and such reports are incorporated in the minutes of the Board Meetings.

1. Audit Committee

The Audit Committee comprising Wong Chin Mun as Chairman, Datuk Low Seng Kuan and Datuk Abdul Malek Bin Abdul Aziz, is set up to play an active role in assisting the Board in discharging its governance responsibilities. The composition of the Audit Committee, its terms of reference, attendance of meetings and a summary of its activities are set out on pages 88 to 92 of the Annual Report.

2. Management Committee

The Management Committee comprises Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling as Chairman, Dato' Chew Chee Kin, Dato' Tan Kia Loke, Yau Kok Seng, Puan Sri Datin Seri (Dr) Susan Cheah Seok Cheng and Ng Lai Ping. Its primary role is to assist the Board in overseeing and dealing with operational matters of the Group. The terms of reference of the Management Committee are set out on page 81 of the Annual Report.

3. Nomination Committee

The Nomination Committee comprises 3 wholly Independent Non-Executive Directors. The Chairman of this Committee is Datuk Abdul Malek Bin Abdul Aziz. The other members of the Committee are Datuk Low Seng Kuan and Wong Chin Mun.

The Nomination Committee is responsible for identifying and making recommendations for any appointments and re-election of Board members. The Committee also assesses the effectiveness of the Board as a whole as well as the performance of each Director. The terms of reference of the Nomination Committee are set out on page 82 of the Annual Report.

During the financial period, 2 meetings were held for the following purposes:-

- (a) to endorse the re-election of Directors retiring by rotation at the Company's Annual General Meeting, subject to the approval of shareholders;
- (b) to endorse the re-appointment of Datuk Abdul Malek Bin Abdul Aziz who is over the age of 70 years, as a Director of the Company pursuant to Section 129 of the Companies Act, 1965 subject to the approval of shareholders at the Company's Annual General Meeting and at the Nomination Committee Meeting, Datuk Abdul Malek Bin Abdul Aziz abstained from deliberating and voting on his re-appointment; and
- (c) to consider the appointment of Ng Lai Ping as a member of the Risk Management, Strategic Direction and Management Committees in place of Koong Wai Seng.

4. Remuneration Committee

The Remuneration Committee comprises mainly Non-Executive Directors namely Datuk Low Seng Kuan as Chairman and Wong Chin Mun. The other member of the Committee is Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling.

The Remuneration Committee recommends to the Board the proposed remuneration for Directors and the renewal of the terms of Employment Contracts for Executive Directors, with the aim of ensuring that the Company attracts and retains the Directors needed to run the Group successfully. The terms of reference of the Remuneration Committee are set out on page 83 of the Annual Report.

During the financial period, 7 meetings were held for the following purposes:-

- (a) to evaluate the performance of the Executive Directors and to endorse their annual increments and bonuses;
- (b) to consider the renewal of Employment Contract for the President; and
- (c) to consider the proposed incentive plan for the Executive Directors.

The Executive Director and Senior Manager of Group Human Resources attended the said meetings on the invitation of the Committee.

5. Employees' Share Option Scheme ("ESOS") Committee

The ESOS Committee comprising Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling as Chairman, Dato' Chew Chee Kin, Dato' Tan Kia Loke and Yau Kok Seng, is responsible for implementing, allocating and administering the ESOS in accordance with such powers and duties conferred upon it under the Bylaws of the ESOS. The terms of reference of the ESOS Committee are set out on pages 84 and 85 of the Annual Report.

During the financial period, 2 meetings were held to consider and approve the applications made by employees to continue holding their options upon attaining retirement and due to transfer to a company which is outside the Group.

6. Risk Management Committee ("RMC")

The RMC comprises Yau Kok Seng as Chairman, Kwan Foh Kwai, Wong Fook Chai, Ng Boon Liang, Leong Kai Hong, Yap Chin Leong, Teh Quen Chang, Khoo Poh Chye, Ng Eng Lee and Ng Lai Ping.

The RMC is tasked with the responsibility to oversee the risk management activities of the Group, approving appropriate risk management procedures and measurement methodologies across the organisation as well as identification and management of strategic business risks of the Group. The terms of reference of the RMC are set out on page 86 of the Annual Report.

CORPORATE GOVERNANCE STATEMENT

During the financial period, 6 meetings were held for the following purposes:-

- (a) to identify and evaluate new and existing strategic risks;
- (b) to review the status of implementation of management action plan;
- (c) to review the effectiveness of overall risk management at enterprise level;
- (d) to deliberate on key enterprise-wide risks and the Governance Scorecard; and
- (e) to consider and evaluate new overseas investment proposals.

The RMC reports directly to the Board on a quarterly basis on its deliberations and recommendations.

7. Strategic Direction Committee ("SDC")

The SDC comprises Dato' Chew Chee Kin as Chairman, Dato' Tan Kia Loke, Yau Kok Seng, Kwan Foh Kwai, Wong Fook Chai, Ng Boon Liang, Leong Kai Hong, Yap Chin Leong, Teh Quen Chang, Khoo Poh Chye and Ng Lai Ping.

The SDC has the overall responsibility for charting the appropriate strategic direction for the Group, particularly to manage the Group's businesses from a strategy driven perspective, with clear objectives and targets for proactive decision-making. This is to promote transparency, accountability and set a formal platform for communicating the Group's strategic direction in line with enhancing Corporate Governance within the Group. The terms of reference of the SDC are set out on page 87 of the Annual Report.

During the financial period, 6 meetings were held for the following purposes:-

- (a) to review the industry trends for each division in the Group;
- (b) to review the Group's investments and portfolio management;
- (c) to deliberate on the actions needed to be taken during uncertain economic environment;
- (d) to deliberate on the Group's gearing ratio;
- (e) to review the performance tracking and investor relations of the Group;
- (f) to discuss on the Group's synergy; and
- (g) to review the Group's business model and manpower.

B. DIRECTORS' REMUNERATION

Information prepared by independent consultants and survey data on the remuneration practices of comparable companies are taken into consideration in determining the remuneration packages for Executive and Non-Executive Directors. The remuneration of the Executive Directors is structured on the basis of linking rewards to corporate and individual performance. For Non-Executive Directors, the level of remuneration reflects the experience and level of responsibilities.

The Board as a whole resolves on the fees for the Non-Executive Directors with individual Directors abstaining from decisions in respect of their individual remuneration. The fees payable to the Non-Executive Directors are subject to the approval of shareholders.

The details of the Directors' remuneration during the financial period are as follows:-

	Executive Directors RM	Non-Executive Directors RM	Total RM
Fees	-	162,000.00	162,000.00
Other Emoluments	-	48,500.00	48,500.00
Salaries and other Remuneration	4,127,799.38	2,163,474.00	6,291,273.38
Bonus	2,055,840.00	828,456.00	2,884,296.00
Benefits-in-kind	199,269.45	129,239.43	328,508.88
Total:	6,382,908.83	3,331,669.43	9,714,578.26

The number of Directors whose remuneration falls under the following bands is as follows:-

Range of Remuneration	Executive Directors	Non-Executive Directors	Total
Below RM100,000	-	3	3
RM600,001 to RM650,000	1	-	1
RM1,300,001 to RM1,350,000	1	1	2
RM1,500,001 to RM1,550,000	1	-	1
RM1,800,001 to RM1,850,000	-	1	1
RM2,700,001 to RM2,750,000	1	-	1
Total:	4	5*	9^

* Include Directors' Remuneration in respect of 2 Non-Executive Directors who are the Executive Directors of a major subsidiary of the Company.

^ Include Director's Remuneration paid to the Finance Director who had resigned on 30 October 2009.

[Note: The details of Directors' Remuneration of individual directors are not shown for security and confidentiality reasons.]

The details of the Directors' options over ordinary shares pursuant to the Company's ESOS for the financial period ended 31 December 2009 are set out on page 106 of the Annual Report.

C. SHAREHOLDERS

DIALOGUE BETWEEN THE COMPANY AND INVESTORS

The Board values constant dialogue and is committed to clear communication with its shareholders and investors. In this respect, as part of the Group's active investor relations programme, discussions and dialogues are held with fund managers, financial analysts, shareholders and the media to convey information about the Group's performance, corporate strategy and other matters affecting shareholders' interests.

During the financial period, the Company had conducted several briefings and meetings with investors and research analysts. The Company had also participated in domestic and overseas investor conferences in the region.

In addition to published Annual Report and Quarterly Reports announced to Bursa Malaysia Securities Berhad, the Group has established a website at **www.sunway.com.my** from which investors and shareholders can access for information.

The Company also provides a separate executive summary together with its Annual Report, highlighting key financial information to facilitate shareholders' easy access to such key information.

While the Company endeavours to provide as much information as possible to its shareholders and stakeholders, it is mindful of the legal and regulatory

framework governing the release of material and price-sensitive information. To achieve this, the Board had approved and adopted a Corporate Disclosure Policy which outlines the Company's approach toward the determination and dissemination of material information, the circumstances under which the confidentiality of information will be maintained, response to market rumours and restrictions on insider trading. This Policy also provides guidance and structure in disseminating corporate information to, and in dealing with investors, analysts, media and the investing public.

INVESTOR RELATIONS SERVICE

The Group's website has a section dedicated to investor relations which provides detailed information on the Group's businesses and latest developments. Any enquiries on investor related matters may be directed to this email address, **irsunway@sunway.com.my** or may also be conveyed to the following persons:-

1. Mr Lee Yu Ban
Senior General Manager - Corporate Finance
Tel No : (603) 5639 8656
Fax No : (603) 5639 9566
Email : leeyb@sunway.com.my
2. Ms Trixy Chua
Senior Manager - Group Finance
Tel No : (603) 5639 8663
Fax No : (603) 5639 9566
Email : trixyc@sunway.com.my

CORPORATE GOVERNANCE STATEMENT

ANNUAL GENERAL MEETING

The Annual General Meeting of the Company provides the principal forum for dialogue and interaction between the Board and the shareholders. The participation of shareholders, both individuals and institutional at general meetings on clarifications of pertinent and relevant information is encouraged.

D. ACCOUNTABILITY AND AUDIT

FINANCIAL REPORTING

In presenting the annual financial statements, annual report and quarterly announcement of results to shareholders, the Board aims to provide a balanced and understandable assessment of the Group's financial position, performance and prospects. The Board is assisted by the Audit Committee to oversee the Group's financial reporting processes and the quality of its financial reporting.

INTERNAL CONTROL

The Statement on Internal Control set out on pages 93 and 94 of the Annual Report provides an overview of the state of internal controls within the Group.

RELATIONSHIP WITH EXTERNAL AUDITORS

The Board maintains, via the Audit Committee, an active, transparent and professional relationship with the External Auditors. The role of the Audit Committee in relation to the External Auditors is disclosed in the Audit Committee Report set out on pages 88 to 92 of the Annual Report.

In addition, the External Auditors are invited to attend the Company's Annual General Meeting and are available to answer any questions from shareholders on the Annual Audited Financial Statements.

E. DIRECTORS' RESPONSIBILITY STATEMENT ON ANNUAL AUDITED FINANCIAL STATEMENTS

The Directors are responsible in the preparation of the Annual Audited Financial Statements to give a true and fair view of the state of affairs, results and cash flows of the Company and of the Group at the end of the financial period.

In preparing the financial statements, the Directors will ensure that suitable accounting policies have been applied consistently, and that reasonable and prudent judgments and estimates have been made. All applicable approved accounting standards and provisions of the Companies Act, 1965 have been complied with.

The Directors are also responsible for ensuring that proper accounting and other records are kept which disclose with reasonable accuracy, the financial position of the Company and of the Group and which enables them to ensure that the financial statements comply with the relevant statutory requirements.

F. COMPLIANCE WITH THE CODE

The Group has complied substantially with the principles and best practices outlined in the Code.

This Corporate Governance Statement was approved by the Board of Directors on 24 February 2010.



Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling, AO
Executive Chairman

TERMS OF REFERENCE OF MANAGEMENT COMMITTEE

1. COMPOSITION

- 1.1 The Management Committee shall be established by the Board of Directors pursuant to Article 110 of the Company's Articles of Association and shall consist of not less than 3 members.
- 1.2 The members of the Management Committee shall elect a Chairman from amongst their number.
- 1.3 If a member of the Management Committee resigns, dies or for any reason ceases to be a member with the result that the number of members is reduced below 3, the Board shall appoint such number of new members as may be required to make up the minimum of 3 members.

2. OBJECTIVE

To assist the Board in the day-to-day operations of the Group.

3. MEETINGS

- 3.1 The quorum for the Management Committee shall be at least 2 members.
- 3.2 The Management Committee shall meet as and when it thinks necessary and expedient for the despatch of its terms of reference.
- 3.3 The Secretary to the Management Committee shall be the Company Secretary and shall be responsible, with the concurrence of the Chairman, for drawing up and circulating the agenda and the notice of meeting together with the supporting explanatory documentation to members prior to each meeting.
- 3.4 The Secretary of the Management Committee shall be entrusted to record all proceedings and minutes of all meetings of the Committee.
- 3.5 In addition to the availability of detailed minutes of the Management Committee meetings to all Board members, the Committee at each Board Meeting will report a summary of significant matters and resolutions.

4. FUNCTIONS AND DUTIES

The Management Committee shall be responsible for overseeing and dealing with operational matters from time to time. Such matters to include:-

4.1 Investments

To deliberate and make recommendations to the Board on all transactions and matters relating to the Group's core business or existing investments.

4.2 Financial Arrangement

- (a) Approve financial arrangements with banks and other financial institutions including the signing of such documents for facilities negotiated up to RM5 million. Any such approvals are to be reported to the Board at the subsequent quarterly Board of Directors' Meeting.

- (b) Approve the creation of any mortgage, charge or other encumbrance over the Company or Group's property or assets for amounts not exceeding RM5 million. Any such approvals are to be reported to the Board at the subsequent quarterly Board of Directors' Meeting.
- (c) Approve the issuing or providing or permitting the Company or any of its subsidiaries to issue or provide any form of guarantees or indemnities or other financial or non-financial support provided it is made in the ordinary course of business.
- (d) Authorises changes in signatories in respect of accounts maintained by the Company with banks and other financial institutions.

4.3 Approval of Capital Expenditure, Commitments, Investment Contracts pursuant to the Group Credit Policies approved by the Board

To approve capital expenditure, commitments and any investment contract (or series of contracts) or any amendment to an existing contract involving cumulative payments up to RM5 million (or its equivalent in another currency), except as provided in the budget or business plan of the Company.

4.4 Adoption of any Significant Changes in Accounting Treatment or Policies

Approve the adoption of or any significant change in the accounting treatment or policies of each Company within the Group, other than as required by law or accounting policies generally accepted in Malaysia from time to time.

4.5 Human Resource

Approval of manpower plan including succession planning, appointing, training and fixing the compensation of senior management (excluding Executive Directors).

4.6 Investors' Relation Programme

Developing and implementing an investor relations programme including shareholder communications policy.

4.7 Other Matters

To undertake such functions and all matters as may be approved or delegated by the Board.

5. CIRCULAR RESOLUTION IN WRITING

A circular resolution in writing signed by majority of the members of the Management Committee shall be considered valid and effectual as a resolution duly passed at a meeting of the Management Committee.

TERMS OF REFERENCE OF NOMINATION COMMITTEE

1. MEMBERSHIP

- (a) The Nomination Committee shall be appointed by the Board from among their number and shall comprise not fewer than 3 in number.
- (b) The majority of the members of the Committee shall be independent non-executive Directors.
- (c) The members of the Committee shall elect a Chairman from among their number who is not an Executive Director of the Company.
- (d) In the event of any vacancy in the Committee resulting in the number of members being reduced to below 3, the Board shall, within 3 months fill the vacancy.

2. AUTHORITY

- (a) The Nomination Committee is entrusted with the task of proposing new nominees for the Board and for assessing existing Directors on an on-going basis.
- (b) The ultimate decision as to who shall be nominated should be the responsibility of the full Board after considering the recommendations of such a Committee.

3. FUNCTIONS

- (a) To determine the core competencies and skills required of Board members to best serve the business and operations of the Group as a whole and the optimum size of the Board to reflect the desired skills and competencies.
- (b) To review the size of Non-Executive participation, Board balance and determine if additional Board members are required and also to ensure that at least 1/3 of the Board is independent.
- (c) To recommend to the Board on the appropriate number of Directors to comprise the Board which should fairly reflect the investments of the minority shareholders in the Company, and whether the current Board representation satisfies this requirement.

- (d) To recommend to the Board, candidates for all directorships to be filled by the shareholders or the Board.
- (e) To consider in making its recommendations, candidates for directorships proposed by the Chief Executive Officer and, within the bounds of practicability, by any other senior executive or any Director or shareholder.
- (f) To recommend to the Board, Directors or officers of the Company to fill the seats on Board Committees.
- (g) To undertake an annual review of the required mix of skills and experience and other qualities of Directors, including core competencies which Non-Executive Directors should bring to the Board and to disclose this in the Annual Report.
- (h) To assist the Board to implement a procedure to be carried out by the Nomination Committee annually for assessing the effectiveness of the Board as a whole, the Committees of the Board and for assessing the contributions and performance of Directors and Board of Committee members.
- (i) To introduce such regulations or guidelines, procedures to function effectively and fulfill the Committee's objective.

4. MEETINGS

- (a) The Committee shall meet at least once a year. However, additional meetings may be called at any time at the Nomination Committee Chairman's discretion.
- (b) The quorum for the meeting shall be 2 members.

5. REPORTING

The Chairman of the Committee shall report on each meeting to the Board.

6. SECRETARY

The Secretary to the Committee shall be the Company Secretary.

TERMS OF REFERENCE OF REMUNERATION COMMITTEE

1. OBJECTIVES

The Remuneration Committee shall:-

- (a) Ensure that the Company's Executive Directors are fairly rewarded for their individual contributions to the Company's overall performance and the levels of remuneration should be sufficient to attract and retain Directors to run the Company successfully.
- (b) Demonstrate to all stakeholders in the business that the remuneration of the Executive Directors of the Company is set by a Committee of Board members who have no personal interest in the outcome of their decisions and who will give due regard to the interests of the stakeholders and to the financial and commercial health of the Company.
- (i) Basic salary
- (ii) Profit sharing schemes (if any)
- (iii) Share Options
- (iv) Any other benefits
- (v) Compensation for early termination
- (c) Ensure that a fair differential between the remuneration of Board members and other levels of management is maintained.
- (d) Conduct continued assessment of individual Executive Directors to ensure that remuneration is directly related to corporate and individual performance.
- (e) Obtain the advice and information from external source, if necessary, to compare the remuneration currently earned by the Executive Directors and those paid to Executive Directors of other companies of a similar size in a comparable industry sector.

2. MEMBERSHIP

- (a) The Committee shall be appointed by the Board from among their number and shall be composed of not fewer than 3 in number.
- (b) The majority of the members comprising the Committee shall be:-
 - (i) Non-Executive Directors of the Company; or
 - (ii) any person not having a relationship which, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the functions of the Remuneration Committee.
- (c) The members of the Committee shall elect a Chairman from among their number who is not an Executive Director of the Company.
- (d) In the event of any vacancy in the Committee resulting in the number of members being reduced to below 3, the Board shall, within 3 months fill the vacancy.
- (f) To ensure that the base salary element is competitive but fair.
- (g) To advise on and monitor, a suitable performance related formula ie. whether the formula is based on individual performance, company profit performance, earnings per share, etc.
- (h) To provide an objective and independent assessment of the benefits granted to Executive Directors.
- (i) To introduce any policy or guidelines which would enable the smooth administration and effective discharge of the Committee's duties and responsibilities.
- (j) To furnish a report to the Board of any findings of the Committee.

3. FUNCTIONS

- (a) To recommend to the Board the remuneration of the Executive Chairman, Chief Executive Officer and Executive Directors.
- (b) Assume responsibility for all elements of Executive Directors' remuneration eg:

4. MEETINGS

- (a) The Committee shall meet at least once per year. However, additional meetings may be called at any time at the Remuneration Committee Chairman's discretion.
- (b) The quorum of each meeting shall be 2 members.

5. SECRETARY

The Secretary to the Committee shall be the Company Secretary or Senior General Manager of Human Resource.

TERMS OF REFERENCE OF EMPLOYEES' SHARE OPTION SCHEME COMMITTEE

1. MEMBERSHIP

- (a) The Committee shall be appointed by the Board from among their number and shall be composed of not fewer than 4 in number.
- (b) The members of the Committee shall elect a Chairman from among their number.
- (c) In the event of any vacancy in the Committee resulting in the number of members being reduced to below 4, the Board shall, within 3 months fill the vacancy.
- (d) The Board shall have the discretion as it deems fit to rescind and/or revoke the appointment of any person(s) in the Committee.

2. FUNCTIONS

Pursuant to Bylaw 21, the Committee shall administer the Employees' Share Option Scheme ("ESOS") in such manner as it shall in its discretion deem fit and with such powers and duties as are conferred upon it by the Board including the powers:-

- (a) Subject to the provisions of the ESOS, to construe and interpret the ESOS and option(s) granted under it, to define the terms therein and to recommend to the Board to establish, amend and revoke rules and regulations relating to the ESOS and its administration. The Committee in the exercise of this power may correct any defect, supply any omission or reconcile any inconsistency in the ESOS or in any agreement providing for an option(s) in a manner and to the extent it shall deem necessary to expedite and make the ESOS fully effective.
- (b) To determine all questions of policy and expediency that may arise in the administration of the ESOS and generally exercise such powers and perform such acts as are deemed necessary or expedient to promote the best interests of the Company.

3. POWERS AND AUTHORITY

- 3.1 Pursuant to Bylaw 4.1, the Committee has the discretion to offer such number of options to eligible employees in accordance with the ESOS after taking into consideration the contribution, performance, number of years of service and the potential worth of the employees to the continued success of the Group.
- 3.2 Pursuant to Bylaw 8.6, the Committee shall have the right at its discretion by notice in writing to that effect:-
 - (a) to suspend the right of any Option Holder who is found to have contravened the written policies and guidelines of the Group and/or the terms and conditions of the Option Holder's employment (whether or not such contravention may give rise to a disciplinary proceeding being instituted) to exercise his option(s). In addition to this right of suspension, the Committee may impose such terms and conditions as the Committee shall deem appropriate in its discretion, on the right of exercise of his option(s) having regard to the nature of the contravention PROVIDED ALWAYS that in the event such contravention would result in the dismissal or termination of service of such Option Holder, the option(s) shall immediately cease without notice, upon pronouncement of the dismissal or termination of service of such Option Holder; OR
 - (b) to suspend the right of any Option Holder who is being subjected to disciplinary proceedings (whether or not such disciplinary proceedings may give rise to a dismissal or termination of service of such Option Holder) to exercise his option(s) pending the outcome of such disciplinary proceedings. In addition to this right of suspension, the Committee may impose such terms and conditions as the Committee shall deem appropriate in its discretion, on the right of exercise of his option(s) having regard to the nature of the charges made or brought against such Option Holder, PROVIDED ALWAYS that:-

- (i) in the event such Option Holder is found not guilty of the charges which gave rise to such disciplinary proceedings, the Committee shall reinstate the right of such Option Holder to exercise his option(s); or
- (ii) in the event such Option Holder is found guilty resulting in the dismissal or termination of service of such Option Holder, the option(s) shall immediately cease without notice, upon pronouncement of the dismissal or termination of service of such Option Holder; or
- (iii) in the event such Option Holder is found guilty but not dismissed or termination of service is recommended, the Committee shall have the right to determine at its discretion whether or not the Option Holder may continue to exercise his option(s) and if so, to impose such terms and conditions as it deems appropriate, on such exercise.

3.3 Bylaw 20.1 stipulates that the Committee may at any time and from time to time recommend to the Board, any additions or amendments to and/or deletions of the Bylaws as it shall in its absolute discretion think fit and the Board shall have the power by resolution to add to, amend and/or delete all or any of the Bylaws upon such recommendation, subject to the approval of all relevant authorities and all applicable laws, regulations, directives and guidelines (if required) PROVIDED THAT no such amendment and/or modification shall be made which would either:-

- (a) prejudice the rights then accrued to any Option Holder who has accepted an option without his prior consent; or
- (b) without the prior approval of the shareholders of the Company in general meeting alter the Bylaws to the advantage of any Option Holder or group of Option Holders or all Option Holders.

3.4 Such other authorities as governed by the Bylaws and/or are conferred upon the Committee by the Board from time to time.

4. MEETINGS

- (a) Meetings of the Committee may be called at any time by the Committee Chairman.
- (b) The quorum for the meeting shall be 3 members.
- (c) Where necessary and appropriate, any decision of the Committee can be made by a majority of the members via a Circular Resolution.

5. REPORTING

The Chairman of the Committee shall report the proceedings of each Committee Meeting to the Board.

6. SECRETARY

The Secretary to the Committee shall be the Company Secretary.

TERMS OF REFERENCE OF RISK MANAGEMENT COMMITTEE

1. MEMBERSHIP

- (a) The Risk Management Committee ("RMC") shall be appointed by the Board and shall comprise not fewer than 5 in number.
- (b) The members of the RMC shall elect a Chairman from among their number.
- (c) In the event of any vacancy in the RMC resulting in the number of members being reduced to below 5, the Board shall, within 3 months fill the vacancy.
- (d) The Board shall have the discretion as it deems fit to rescind and/or revoke the appointment of any person(s) in the RMC.

2. ROLES AND FUNCTIONS

The RMC has the overall responsibility for overseeing the risk management activities of the Group, approving appropriate risk management procedures and measurement methodologies across the organisation as well as identification and management of strategic business risks of the Group. Its primary roles include the following:-

- (a) To champion and promote the Enterprise Risk Management (i.e. risk awareness and training) and to ensure that the risk management process and culture are embedded throughout the Group.
- (b) To ensure the implementation of the objectives outlined in the Risk Management Policy and compliance with them.
- (c) To provide routine quarterly reporting and update the Board on key risks together with their mitigation plan as well as ad hoc reporting and evaluation on investment proposals.
- (d) To work with the Group Financial Controller and Group Internal Audit Department in the preparation of the Statement on Internal Control for inclusion in the Company's Annual Report and to recommend the same for the approvals of the Audit Committee and Board.

The Risk Working Committee ("RWC") and the Group Risk Management Division will assist the RMC by identifying and managing operational risks within the organisation.

The RWC provides updates on key risks together with their mitigation plan to the RMC through quarterly reporting.

2.1 Routine Roles and Responsibilities

- (a) Review the effectiveness of overall risk management at the enterprise level.
- (b) Evaluate new risks identified by the RWC on the divisional level.
- (c) Follow-up on management action plans based on the status of implementation compiled by the RWC.
- (d) Identify new strategic risks including corporate matters e.g. regulatory, business development, etc.
- (e) Review the enterprise risk scorecard and determine the risks to be escalated to the Board on a quarterly basis.

2.2 Ad Hoc Roles and Responsibilities

- (a) Propose to the Board, the monetary threshold and nature of proposed investments that require the RMC's evaluation and endorsement before submission to the Board.
- (b) Review proposals/feasibility studies prepared by project sponsor which meet the requisite threshold before recommending to the Board for final decision.

3. MEETINGS

- (a) The RMC shall meet at least quarterly in a year. However, additional meetings may be called at any time at the RMC Chairman's discretion.
- (b) The quorum for the meeting shall be 3 members.

4. REPORTING

The Chairman of the RMC shall report the proceedings of each Committee Meeting to the Board.

5. SECRETARY

The Secretary to the RMC shall be the Company Secretary.

TERMS OF REFERENCE OF STRATEGIC DIRECTION COMMITTEE

1. MEMBERSHIP

- (a) The Sunway Strategic Direction Committee ("SSDC") shall be appointed by the Board and shall comprise not fewer than 4 in number.
- (b) The members of the SSDC shall elect a Chairman from among their number.
- (c) In the event of any vacancy in the SSDC resulting in the number of members being reduced to below 4, the Board shall, within 3 months fill the vacancy.
- (d) The Board shall have the discretion as it deems fit to rescind and/or revoke the appointment of any person(s) in the SSDC.

2. ROLES AND FUNCTIONS

The SSDC has the overall responsibility for deciding on appropriate strategic direction for Sunway Group, particularly to manage the Group from a strategy driven perspective, with clear objectives and targets for proactive decision-making.

This is to promote transparency, accountability and set a formal platform for communicating the Group's strategic direction in line with enhancing Corporate Governance within the Group.

Its primary roles include the following:-

- (a) To assess and deliberate on all possible local and foreign business ventures proposed by its Business Units and to decide on viability of business ventures so as to ensure that it is in line with the Group's strategic objectives.

- (b) To ensure all acquisitions are in line with the strategic direction of the Group and would positively enhance shareholders' value.
- (c) To ensure all divestments' decisions are thoroughly deliberated and would positively enhance shareholders' value.
- (d) To ensure utilisation of all resources within the Group are appropriate to meet the strategic objectives of the Group.

3. MEETINGS

- (a) The SSDC shall meet at least quarterly or half yearly in a year. However, additional meetings may be called at any time at the SSDC Chairman's discretion.
- (b) The quorum for the meeting shall be 2 members.

4. REPORTING

The Chairman of the SSDC shall report the proceedings of each Committee Meeting to the Board.

5. SECRETARY

The Secretary to the SSDC shall be the Company Secretary.

AUDIT COMMITTEE REPORT

FORMATION

The Audit Committee was formed by the Board of Directors at its meeting held on 7 March 1994.

The objective of the Audit Committee is to assist the Board of Directors in fulfilling its fiduciary responsibilities relating to internal controls, financial and accounting records and policies as well as financial reporting practices of the Company and its subsidiaries ("the Group").

COMPOSITION

The members of the Audit Committee during the financial period ended 31 December 2009 were as follows:-

1. Wong Chin Mun - Chairman
(Senior Independent Non-Executive Director)
2. Datuk Low Seng Kuan
(Independent Non-Executive Director)
3. Datuk Abdul Malek Bin Abdul Aziz
(Independent Non-Executive Director)

MEETINGS AND ATTENDANCE

The Audit Committee held 8 meetings during the financial period and the details of attendance of the Committee Members are as follows:-

Name of Committee Member	Number of Meetings Attended
Wong Chin Mun	8/8
Datuk Low Seng Kuan	5/8
Datuk Abdul Malek Bin Abdul Aziz	8/8

The Finance Director (who had resigned on 30 October 2009), Chief Financial Officer, Internal Auditors and External Auditors were invited to all the meetings held.

TERMS OF REFERENCE

1. Membership

- 1.1 The Committee shall be appointed by the Board of Directors from amongst the Directors of the Company and shall consist of not less than 3 members.
- 1.2 All members of the Committee must be non-executive Directors, a majority of whom are Independent Directors as defined in Chapter 1 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

1.3 The members of the Committee should be financially literate and shall include at least 1 person:-

- (a) who is a member of the Malaysian Institute of Accountants; or
- (b) who must have at least 3 years' working experience and:-
 - (i) have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act, 1967; or
 - (ii) is a member of one of the Associations of Accountants specified in Part II of the 1st Schedule of the Accountants Act, 1967; or
- (c) who must have at least 3 years' post qualification experience in accounting or finance and:-
 - (i) has a degree/masters/doctorate in accounting or finance; or
 - (ii) is a member of one of the professional accountancy organisations which has been admitted as a full member of the International Federation of Accountants; or
- (d) who must have at least 7 years' experience being a chief financial officer of a corporation or having the function of being primarily responsible for the management of the financial affairs of a corporation.

1.4 No Alternate Director shall be appointed as a member of the Committee.

1.5 The members of the Committee shall elect a Chairman from amongst their number, who shall be an Independent Director.

1.6 If a member of the Committee resigns, dies or for any reason ceases to be a member resulting in the non-compliance of paragraphs 1.1, 1.2 or 1.3 above, the Board must fill the vacancy within 3 months.

1.7 The terms of office and performance of the Committee and each of its members shall be reviewed by the Board no less than once every 3 years. However, the appointment terminates when a member ceases to be a Director.

2. Meetings

- 2.1 The quorum for a Committee Meeting shall be at least 2 members, the majority present must be Independent Directors.
- 2.2 The Committee shall meet at least 4 times a year and such additional meetings as the Chairman shall decide.
- 2.3 Notwithstanding paragraph 2.2 above, upon the request of any member of the Committee, non-member Directors, the Internal or External Auditors, the Chairman shall convene a meeting of the Committee to consider the matters brought to its attention.
- 2.4 The External Auditors have the right to appear and be heard at any meeting of the Committee and shall appear before the Committee when required to do so.
- 2.5 The non-member Directors and employees of the Company and of the Group shall normally attend the meetings at the Committee's invitation, to assist in its deliberations and resolutions of matters raised. However, at least twice a year, the Committee should meet with the External Auditors without the presence of the executive board members.
- 2.6 The Internal Auditors shall be in attendance at all meetings to present and discuss the audit reports and other related matters as well as the recommendations relating thereto and to follow-up on all relevant decisions made.
- 2.7 The Company Secretary shall act as Secretary of the Committee and shall be responsible, with the concurrence of the Chairman, for drawing up and circulating the agenda and the notice of meetings together with the supporting explanatory documentation to members prior to each meeting.
- 2.8 The Secretary of the Committee shall be entrusted to record all proceedings and minutes of all meetings of the Committee.
- 2.9 In addition to the availability of detailed minutes of the Committee Meetings to all Board members, the Committee at each Board Meeting, will report a summary of significant matters and resolutions.

3. Rights and Authority

The Committee is authorised to:-

- 3.1 Investigate any matter within its terms of reference.

- 3.2 Have adequate resources required to perform its duties.
- 3.3 Have full and unrestricted access to information, records and documents relevant to its activities.
- 3.4 Have direct communication channels with the External and Internal Auditors.
- 3.5 Engage, consult and obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise it considers necessary.
- 3.6 Convene meetings with the External Auditors, Internal Auditors or both, excluding the attendance of other Directors and employees of the Company, whenever deemed necessary.

4. Functions and Duties

- 4.1 To review and recommend for the Board's approval, the Internal Audit Charter which defines the independent purpose, authority, scope and responsibility of the internal audit function in the Company and the Group.
- 4.2 To review the following and report to the Board:-
 - (a) With the External Auditors:-
 - (i) the audit plan and audit report and the extent of assistance rendered by employees of the Auditee;
 - (ii) their evaluation of the system of internal controls;
 - (iii) the audit fee and on matter concerning their suitability for nomination, appointment and re-appointment and the underlying reasons for resignation or dismissal as Auditors;
 - (iv) the management letter and management's response; and
 - (v) issues and reservations arising from audits.
 - (b) With the Internal Audit Department:-
 - (i) the adequacy and relevance of the scope, functions, competency and resources of Internal Audit and the necessary authority to carry out its work;

AUDIT COMMITTEE REPORT

- (ii) the audit plan of work programme and results of internal audit processes including recommendations and actions taken;
 - (iii) the extent of cooperation and assistance rendered by employees of Auditee; and
 - (iv) the appraisal of the performance of the internal audit including that of the senior staff and any matter concerning their appointment and termination.
 - (c) The quarterly results and year end financial statements prior to the approval by the Board, focusing particularly on:-
 - (i) changes and implementation of major accounting policies and practices;
 - (ii) significant and unusual issues;
 - (iii) going concern assumption; and
 - (iv) compliance with accounting standards, regulatory and other legal requirements.
 - (d) The major findings of investigations and management response.
 - (e) The propriety of any related party transaction and conflict of interest situation that may arise within the Company or the Group including any transaction, procedure or course of conduct that raises questions of management integrity.
- 4.3 To report any breaches of the Listing Requirements which have not been satisfactorily resolved, to Bursa Securities.
- 4.4 To prepare the Audit Committee Report for inclusion in the Company's Annual Report covering:-
- (a) the composition of the Committee including the name, designation and directorship of the members;
 - (b) the terms of reference of the Committee;
 - (c) the number of meetings held and details of attendance of each member;
 - (d) a summary of the activities of the Committee in the discharge of its functions and duties; and
 - (e) a summary of the activities of the internal audit function.

4.5 To review the following for publication in the Company's Annual Report:-

- (a) the disclosure statement of the Board on:-
 - (i) the Company's applications of the principles set out in Part I of the Malaysian Code on Corporate Governance; and
 - (ii) the extent of compliance with the best practices set out in Part II of the Malaysian Code on Corporate Governance, specifying reasons for any area of non-compliance and the alternative measures adopted in such areas.
- (b) the statement on the Board's responsibility for the preparation of the annual audited financial statements.
- (c) the disclosure statement on the state of the internal controls system of the Company and of the Group.
- (d) the statement by the Audit Committee on the verification of allocation of share options to the Group's eligible employees in compliance with the criteria set out in the Bylaws of the Company's Employees' Share Option Scheme, at the end of each financial year.
- (e) other disclosures forming the contents of annual report spelt out in Part A of Appendix 9C of the Listing Requirements of Bursa Securities.

The above functions and duties are in addition to such other functions as may be agreed to from time to time by the Committee and the Board.

5. Internal Audit Department

- 5.1 The Head of the Internal Audit Department shall have unrestricted access to the Committee Members and report to the Committee whose scope of responsibility includes overseeing the development and the establishment of the internal audit function.
- 5.2 In respect of routine administrative matters, the Head of Internal Audit Department shall report to the Group Executive Chairman or his designate.

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

The activities of the Audit Committee for the financial period ended 31 December 2009 included the following:-

- (a) Reviewed the adequacy and relevance of the scope, functions, resources, risk based internal audit plan and results of the internal audit processes with the Internal Audit Department.
- (b) Reviewed the audit activities carried out by the Internal Audit Department and the audit reports to ensure corrective actions were taken in addressing the risk issues reported.
- (c) Reviewed with the assistance of the Internal Audit Department and management, the adequacy, appropriateness and compliance of the procedures established to monitor recurrent related party transactions.
- (d) Reviewed with the External Auditors, the audit plan of the Company and of the Group for the period (inclusive of risk and audit approach, system evaluation, audit fees, issues raised and management responses) prior to the commencement of the annual audit.
- (e) Reviewed the extent of assistance rendered by management and issues and reservations arising from audits with the External Auditors without the presence of management staff and the executive board member.
- (f) Reviewed the financial statements, the audit report, issues and reservations arising from statutory audit with the External Auditors.
- (g) Reviewed and discussed the Management Accounts with management.
- (h) Reviewed the quarterly results and financial statements with management and the External Auditors for recommendation to the Board of Directors for approval and release to Bursa Securities.
- (i) Reviewed all recurrent related party transactions entered into by the Company and the Group at the Committee's quarterly meetings to ensure that the transactions entered into were at arm's length basis and on normal commercial terms.
- (j) Reviewed and approved the Circular to Shareholders in respect of the proposed shareholders' mandate for recurrent related party transactions and the proposed authority for the purchase of own shares by the Company as well as the statements by the Audit Committee in respect of the proposed shareholders' mandate for recurrent related party transactions.
- (k) Reviewed any conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity.
- (l) Discussed the implications of any latest changes and pronouncements on the Company and the Group, issued by the statutory and regulatory bodies.
- (m) Reported to the Board on significant issues and concerns discussed during the Committee's meetings together with applicable recommendations. Minutes of meetings were tabled, discussed and noted by all Board members.
- (n) Reviewed and approved the Audit Committee Report for inclusion in the Company's 2008 Annual Report.
- (o) Reviewed the disclosure statements on compliance of the Malaysian Code on Corporate Governance and the state on internal controls as well as the Directors' Responsibility Statement on the annual audited financial statements for inclusion in the Company's 2008 Annual Report.
- (p) Reviewed the Internal Audit Charter in compliance with the revised Malaysian Code on Corporate Governance issued by the Securities Commission on 1 October 2007.
- (q) Reviewed and approved the Investment Appraisal process.
- (r) Reviewed and approved the Whistle Blowing Policy to be introduced in the Group.
- (s) Reviewed the reporting structure of business units' Head of Finance.
- (t) Reviewed and approved the establishment of an Integrity Pact into the business processes within the Group.
- (u) Reviewed and approved the implementation of Compliance Interview in addition to the declaration of conflict of interest conducted annually.
- (v) Approved and recommended the change of auditors from Messrs PricewaterhouseCoopers to Messrs Ernst & Young subject to the approval of the Company's shareholders.

AUDIT COMMITTEE REPORT

AUDIT COMMITTEE'S TRAINING

The details of training programmes and seminars attended by each Committee Member during the financial period ended 31 December 2009 are set out in the Corporate Governance Statement under "Directors' Training".

INTERNAL AUDIT FUNCTION AND SUMMARY OF ACTIVITIES

The internal audit function is performed in-house and undertaken by the Group's Internal Audit Department. During the financial period ended 31 December 2009, the Internal Audit Department carried out the following activities:-

- (a) Prepared the annual audit plan for the approval of the Audit Committee.
- (b) Regularly performed risk based audits on strategic business units of the Company and of the Group, which covered reviews of the internal control system, accounting and management information system and risk management.
- (c) Issued audit reports to the Committee and management identifying weaknesses and issues as well as highlighting recommendations for improvements.

- (d) Acted on suggestions made by the Committee and/or senior management on concerns over operations or controls and significant issues pertinent to the Company and of the Group.
- (e) Followed up on management corrective actions on audit issues raised by the External Auditors.
- (f) Reported to the Committee on review of the adequacy, appropriateness and compliance with the procedures established to monitor recurrent related party transactions.
- (g) Reviewed on the appropriateness of the disclosure statements in regard to compliance with the Malaysian Code on Corporate Governance and the state on internal controls as well as the Audit Committee Report.
- (h) Attended the Committee's meetings to table and discuss the audit reports and followed up on matters raised.
- (i) Performed independent evaluation on the operation of risk management framework focusing primarily on the adequacy and effectiveness of the said framework.

The costs incurred for the internal audit function in respect of the financial period ended 31 December 2009 amounted to RM1,320,208.

STATEMENT ON INTERNAL CONTROL

INTRODUCTION

The Malaysian Code on Corporate Governance stipulates that the Board of Directors of public listed companies should maintain a sound system of internal control to safeguard shareholders' investment and Group assets. Set out below is the Board of Directors ("the Board") of Sunway's ("the Group") Statement on Internal Control ("the Statement") as a Group, made in compliance with Paragraph 15.26 of the Listing Requirements of Bursa Malaysia Securities Berhad and the Statement on Internal Control: Guidance for Directors of Public Listed Companies.

THE BOARD'S RESPONSIBILITY

The Board places importance on, and is committed to maintaining a sound system of internal control and effective risk management practices in the Group to ensure good corporate governance. The Board affirms its responsibility for reviewing the adequacy and integrity of the Group's system of internal control and management information systems, including systems for compliance with applicable laws, rules, directives, guidelines and risk management practices.

Notwithstanding, as with any internal control system, the Group's system of internal control is designed to manage rather than eliminate the risk of failure to achieve business objectives. It follows, therefore, that the system of internal control can only provide reasonable but not absolute assurance against material misstatement or loss.

The Group has in place an on-going process of identifying, evaluating, monitoring and managing the key risks affecting the achievement of its business objectives throughout the period. The Board reviews this process on a quarterly basis.

In the case of associates and jointly controlled entities, the management of those companies manages the systems of internal controls. The Statement therefore does not cover these associates and jointly controlled entities.

THE GROUP'S SYSTEM OF INTERNAL CONTROL

Monitoring Mechanisms and Management Style

Scheduled quarterly meetings of the Board, Board Committees and management represent the main platform by which the Group's performance and conduct are monitored. The daily running of the business is entrusted to the President, Managing Director ("MD") and their respective management teams. Under the purview of the President and MD, the respective heads of each operating subsidiary and department of the Group are empowered with the responsibility of managing their respective operations.

The Board is responsible for setting the business direction and for overseeing the conduct of the Group's operations through its various Board Committees and management reporting mechanisms. Through these mechanisms, the Board is informed of all major control issues pertaining to internal controls, regulatory compliance and risk taking.

Enterprise Risk Management

In dealing with its stewardship responsibilities, the Board recognises that effective risk management is part of good business management practice. The Board acknowledges that all areas of the Group's activities involve some degree of risk and is committed to ensuring that the Group has an effective risk management framework which will allow the Group to be able to identify, evaluate and manage risks that affect the achievement of the Group's business objectives within defined risk parameters in a timely and effective manner.

The details on Enterprise Risk Management are set out on pages 95 to 97 of the Annual Report.

STATEMENT ON INTERNAL CONTROL

Key Elements of the Group's System of Internal Control

The current system of internal control in the Group has within it, the following key elements:-

- Clear Group vision, mission, corporate philosophy and strategic direction which are communicated to employees at all levels.
- The Board which retains control over the Group with appropriate management reporting mechanisms which enable the Board to review the Group's progress.
- Board approved annual budgets and management plans prepared by each operating subsidiary during the Business Plan exercise to consider the relevant strengths, weaknesses, opportunities and threats including competitor, market and broader environmental analysis.
- Relevant Board Committees with formal terms of references clearly outlining their functions and duties delegated by the Board.
- Management meetings involving discussion on operational issues at the respective subsidiary levels.
- Comprehensive policies and procedures manuals that provide guidelines on, and authority limits over various operating, financial, human resources and health and safety matters.
- A systematic performance appraisal system for all levels of staff.
- Relevant training provided to personnel across all functions to maintain a high level of competency and capability.
- Continuous quality improvement initiatives to obtain accreditation for all operating subsidiaries such as ISO and OHSAS certification.
- An internal audit function which carries out internal audits based on an annual risk-based audit plan approved by the Audit Committee ("AC").

Assurance Mechanisms

The AC is tasked by the Board with the duty of reviewing and monitoring the effectiveness of the Group's system of internal control. In carrying out its responsibilities, the AC relies significantly on the support of the Group Internal Audit Department ("GIAD") which carries out internal audits on various operating units within the Group based on a risk-based audit plan approved annually by the AC.

Based on these audits, the GIAD provides the AC with periodic reports highlighting observations, recommendations and management action plans to improve the system of internal control. In addition, the AC also 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. There were no major internal control weaknesses identified during the financial period.

Additionally for subsidiaries which are accredited with ISO or OHSAS certification, scheduled audits are conducted internally as well as by SIRIM auditors. Results of the audits are reported to the Quality Management Committee and Occupational Safety and Health Committee respectively.

The AC Report is set out on pages 88 to 92 of the Annual Report.

THE BOARD'S COMMITMENT

The Board recognises that the Group operates in a dynamic business environment in which the internal control system must be responsive in order to be able to support its business objectives. To this end, the Board remains committed towards maintaining a sound system of internal control and believes that a balanced achievement of its business objectives and operational efficiency can be attained.

This Statement on Internal Control was approved by the Board of Directors on 24 February 2010.



Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling, AO
Executive Chairman

ENTERPRISE RISK MANAGEMENT

Strong risk management forms an integral part of all the businesses within the Sunway Group. Risk management, being an essential component in maintaining a high quality and sustainable business for Sunway's shareholders, helps to effectively and efficiently deliver the core purposes and strategies of the Group.

Systematically identifying and dealing with significant threats to which a company is exposed, has been a part of good corporate governance in Sunway and this has helped to prevent any significant negative impact, especially in times when the current economic scenario has a destabilising effect on corporate strategies and performances globally. The destabilised market conditions during the last 12 months have provided a strong test on the robustness of the Group's risk management processes.

The Enterprise Risk Management ("ERM") at Sunway is:-

Integrated:

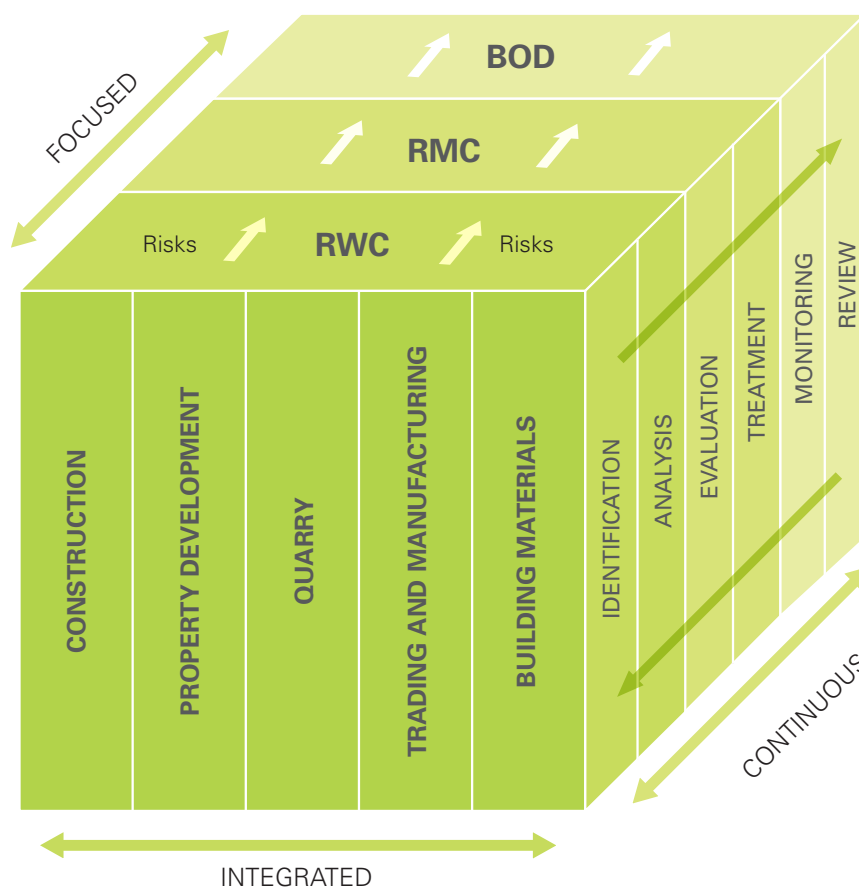
The ERM process has been integrated into the culture of Sunway and also into the policies and procedures implemented within the Group. This integrated approach allows a holistic view of the Group's risks and enables an alignment of risks of various businesses to the strategic objectives of the Group.

Focused:

The focus of ERM within the Group is to deal with operational risks at the Business Unit level and strategic risks at the Board of Directors level. Focusing on the various levels of risks helps in early identification and mitigation of the risks before they create a catastrophic effect on the operations of the Group.

Continuous:

ERM is a continuous process of identifying, analysing, evaluating, mitigating, monitoring and reviewing the risks surrounding the organisation's activities.



ENTERPRISE RISK MANAGEMENT

RISK MANAGEMENT FRAMEWORK AND PROCESS

The approach to risk management is to identify, monitor and evaluate risks throughout the Group and to move from the concept of a short-term risk management view ("Protect Value") to a long-term view of managing risks to ensure sustainability and growth of the Group ("Stabilise Value").

There are 3 major focus areas of the risk management process:-

1. Risk Framework:

The framework helps to maintain consistency and transparency across the organisation. It basically:-

- Establishes clear functional responsibilities and accountabilities within committee structures for the management of risk.
- Sets risk policies and limits consistent with the risk appetite and risk tolerance of the Group.
- Ensures appropriate skills and resources are applied to risk management.

2. Risk Appetite:

The risk appetite sets the overall tolerance for a risk-related loss in terms of quantitative and qualitative measures.

3. Risk Management Process:

This basically involves:-

- Assessing the potential impact of internal and external factors which may affect the Group directly or indirectly.
- Using quantitative and qualitative aspects to assess the potential impact and likelihood of the identified risks.
- Systematically monitoring and reporting the risks, the mitigation plans along with the effectiveness of the mitigation plans.

RISK MANAGEMENT STRUCTURE

The risk management structure represents the hierarchy which will be used to oversee and manage the risks for the Group.

Risk Working Committee ("RWC")

At Sunway, the key management staff and heads of department are delegated the responsibility to identify and manage risks within defined parameters and standards through the RWC.

The RWC identifies the risks which fall into its areas of responsibility and the possible impacts these may have. The RWC is also responsible to ensure performance indicators and mitigation plans are identified which would allow them to monitor and reduce the impact of these risks on their key businesses and financial activities.

The RWC meets on a quarterly basis. The key risks identified within its areas of operation are then escalated to the Risk Management Committee.

Risk Management Committee ("RMC")

The RMC takes the lead on behalf of the Board of Directors in considering risk management issues and in providing advice and feedback to the Board of Directors as appropriate.

The RMC's responsibilities can be summarised in 3 areas:-

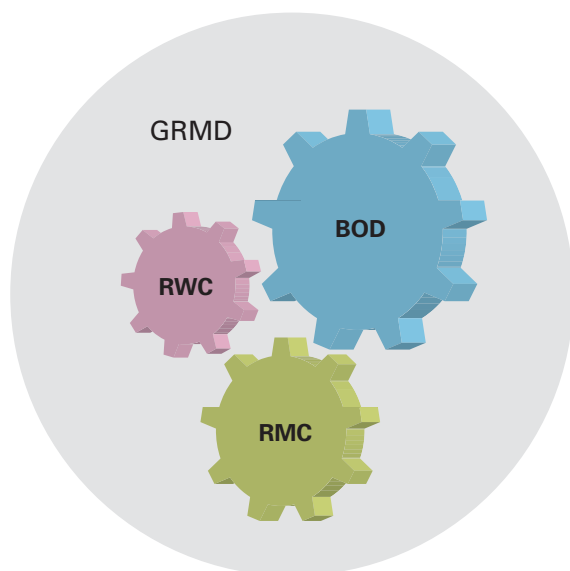
- Risk framework oversight - ensuring that the risk framework is fit for the purpose and operates effectively.
- Enterprise-wide risk profiling - ensuring that the enterprise-wide risk profile is managed within the Group's risk appetite. This includes the responsibility for reviewing the mitigation plans for key enterprise-wide risk.
- Risk reporting - ensuring that the key risks are reported to the Board of Directors. Significant risks are reported along with their mitigation plans.

Board of Directors ("BOD")

The BOD of Sunway provides important oversight to the ERM and ensures that the risk management processes designed and implemented within the Group are aligned to the BOD's corporate strategy and are functioning as directed. The BOD also ensures that necessary steps are taken to foster a culture of risk-adjusted decision-making throughout the organisation.

Group Risk Management Division ("GRMD")

The key role of GRMD is to ensure that the business risks, which may be strategic, operational, financial, environmental or concerning the Group's reputation, are understood and visible to all concerned. The GRMD continues to seek improvement in the management of risks by sharing best practices throughout the organisation.



KEY RISK FACTORS

Risk management within the Group encompasses an on-going risk identification process wherein all Business Units identify and register their respective risks in the risk registers which are then compiled in the Corporate Risk Scorecard. Management of each Business Unit takes a top-down, strategic approach in risk management. There are processes and systems to track and mitigate existing as well as new risks faced by the Group's businesses.

The risks in the Group are divided into 10 broad categories although there can be an overlap between these:-

- External
- Regulatory
- Legal
- Corporate Governance
- Financial
- Customers
- Products and Services
- Suppliers
- Human Capital
- Operations

Key Risks during the Financial Period ended 31 December 2009

During the last financial period, the key risks faced by the Group are summarised below:-

1. Strategic Risks

Strategic risks are often risks that organisations may have to take in order to expand and for the long-term continuity and sustainability of the organisation. The current economic crisis has caused complex challenges to all businesses. The Group is also faced with various strategic risks because of the expansions and projects undertaken globally. However, management has taken all necessary efforts to analyse new markets and has also worked closely with local business partners to manage these business complexities.

2. Country Risks

With geographical presence in many countries, the Group's businesses faced different degrees of country exposures. The Group maintained close working relationships with local business partners and authorities to keep abreast of political and economical developments, country risks as well as changes to laws and regulations.

3. Financial Risks

The main financial risks faced by the organisation are in relation to interest rates, foreign currency, liquidity and credit. Financial risk management seeks to ensure that there is a reduction in cash outflow and increase in cash inflow for the development of the Group's businesses. At the same time, it takes into consideration the impact of currency fluctuation risk, interest rate risk, and the other risks related to the external financial market.

ADDITIONAL COMPLIANCE INFORMATION

The information set out below is disclosed in compliance with the Listing Requirements of Bursa Malaysia Securities Berhad:-

1. STATUS OF UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

- (a) On 5 March 2009, the Company had issued a total of 246,655,262 new warrants as follows:-
- (i) 174,421,031 new warrants arising from the Renounceable Rights Issue at an issue price of RM0.02 per new warrant on the basis of 1 new warrant for every 3 ordinary shares of RM1.00 each held;
 - (ii) 8,300,627 new warrants arising from the Restricted Issue to the holders of options over ordinary shares granted under the Company's Employees' Share Option Scheme ("ESOS") at an issue price of RM0.02 per new warrant on the basis of 1 new warrant for every 3 existing options over ordinary shares held; and
 - (iii) 63,933,604 new warrants arising from the Restricted Issue to the holders of unexercised 2004/2008 Warrants as at 17 October 2008, being the expiry date of the 2004/2008 Warrants at an issue price of RM0.02 per new warrant on the basis of 1 new warrant for every 3 2004/2008 Warrants held.

The proceeds raised from the issuance of warrants were utilised to defray the expenses incurred and for working capital requirements.

- (b) On 24 August 2009, the Company had placed out a total of 52,340,000 ordinary shares of RM1.00 each at an issue price of RM1.455 per share.

The proceeds raised from the private placement were utilised to defray the expenses incurred and for repayment of bank borrowings as well as working capital requirements.

2. OPTIONS OVER ORDINARY SHARES, WARRANTS OR CONVERTIBLE SECURITIES EXERCISED

During the financial period ended 31 December 2009, a total of 503,700 options over ordinary shares were exercised pursuant to the Company's ESOS and a total of 5,233 warrants were exercised pursuant to the Company's Warrants 2004/2008.

3. AMERICAN DEPOSITORY RECEIPT ("ADR") OR GLOBAL DEPOSITORY RECEIPT ("GDR") PROGRAMME

The Company did not sponsor any ADR or GDR programme during the financial period ended 31 December 2009.

4. SANCTIONS AND/OR PENALTIES

There were no public sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or Management by the relevant regulatory bodies during the financial period ended 31 December 2009.

5. NON-AUDIT FEES

The non-audit fees paid/payable to the External Auditors of the Company and its subsidiaries for the financial period ended 31 December 2009 amounted to RM457,376.

6. VARIATION IN RESULTS

There was no variance of 10% or more between the audited results for the financial period ended 31 December 2009 and the unaudited results previously announced by the Company. The Company did not release any profit estimate, forecast or projection for the financial period.

7. PROFIT GUARANTEE

There was no profit guarantee given by the Company during the financial period ended 31 December 2009.

8. MATERIAL CONTRACTS INVOLVING DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

Save as disclosed below, there were no material contracts (not being contracts entered into in the ordinary course of business) entered into by the Company and/or its subsidiaries involving directors' and major shareholders' interests during the financial period ended 31 December 2009:-

- (a) Subscription Agreement dated 11 July 2008 between SunwayMas Sdn Bhd ("SunwayMas"), a wholly-owned subsidiary of the Company and Sunway City Berhad ("SunCity") with Sunway Real Estate (China) Limited ("Sunway Real Estate") for the subscription of 9,995 new ordinary shares of HK\$1.00 each and 148,000,000 new redeemable preference shares ("RPS") of HK\$0.01 each at an issue price of HK\$1.00 each in Sunway Real Estate.

- (b) Share Sale and Purchase Agreement dated 9 June 2009 between Sunway Holdings (Vietnam) Sdn Bhd ("Sunway Holdings Vietnam") and Sunway Property (China) Limited ("Sunway Property"), being subsidiaries of the Company with Mega Methods Sdn Bhd (now known as SunCity Vietnam Sdn Bhd ("SunCity Vietnam"), a wholly-owned subsidiary of SunCity for the disposal of the entire issued and paid-up share capital of Hochimex Nominee Company Limited ("Hochimex") and its subsidiary, Sunway Hotel Hanoi Liability Limited Company with One Member ("SHHLLC") for a total cash consideration of USD17 million (equivalent to approximately RM59.33 million) [hereinafter referred to as "Disposal of Sunway Hotel Hanoi"]. SHHLLC is a wholly-owned subsidiary of Hochimex and the operator of a hotel in Hanoi, Vietnam known as "Sunway Hotel Hanoi".
- (c) Supplemental Agreement dated 27 August 2009 to the Subscription Agreement dated 11 July 2008 between SunwayMas and SunCity with Sunway Real Estate to extend the conditions fulfillment period to 31 August 2009 and to change the total number of RPS to be subscribed by SunwayMas and SunCity in Sunway Real Estate as follows:-
- (i) SunwayMas will subscribe for 60,675,949 RPS instead of 59,200,000 RPS; and
 - (ii) SunCity will subscribe for 89,659,158 RPS instead of 88,800,000 RPS.
- (d) Supplemental Agreement dated 8 December 2009 between Sunway Holdings Vietnam and Sunway Property with SunCity Vietnam to extend the Conditions Fulfillment Period (as defined in the Company's announcement dated 10 June 2009) of the Disposal of Sunway Hotel Hanoi for another 6 months to expire on 9 June 2010 or such other period as the parties may mutually agree.

Relationship of Related Party for items (a) and (c) above

Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling is a Director and Major Shareholder of the Company and SunCity. He has deemed interest in SunwayMas via the Company.

Relationship of Related Parties for items (b) and (d) above

Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling is a Director and Major Shareholder of the Company and SunCity. He has deemed interests in Sunway Holdings Vietnam and Sunway Property via the Company. He also has deemed interest in SunCity Vietnam via SunCity.

Puan Sri Datin Seri (Dr) Susan Cheah Seok Cheng and Sarena Cheah Yean Tih, being the spouse and child of Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling respectively, are Major Shareholders of the Company and SunCity. They have deemed interests in Sunway Holdings Vietnam and Sunway Property via the Company. They also have deemed interest in SunCity Vietnam via SunCity.

Evan Cheah Yean Shin, being the child of Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling, is a Major Shareholder of the Company. He has deemed interests in Sunway Holdings Vietnam and Sunway Property via the Company.

Sungei Way Corporation Sdn Bhd, Timah Dunia Dredging Sdn Bhd and Active Equity Sdn Bhd are Major Shareholders of the Company and SunCity. They have deemed interests in Sunway Holdings Vietnam and Sunway Property via the Company. They also have deemed interest in SunCity Vietnam via SunCity.

9. REVALUATION POLICY ON LANDED PROPERTIES

The Company has not adopted a revaluation policy on its landed properties.

10. STATEMENT BY AUDIT COMMITTEE IN RELATION TO ALLOCATION OF OPTIONS OVER ORDINARY SHARES PURSUANT TO THE COMPANY'S ESOS

There was no new allocation of options over ordinary shares pursuant to the Company's ESOS during the financial period ended 31 December 2009.

11. SHARE BUY-BACK

During the financial period ended 31 December 2009, a total of 3,402,600 ordinary shares of RM1.00 each were purchased by the Company and retained as treasury shares. None of the treasury shares held were resold or cancelled during the financial period.

Monthly Breakdown	No. of Shares Purchased and Retained as Treasury Shares	Purchase Price Per Share (RM)		Average Cost Per Share (RM)	Total Cost* (RM)
		Lowest	Highest		
July 2008	2,321,500	0.94	1.16	1.05	2,443,743.51
August 2008	1,081,100	0.86	0.90	0.89	961,289.41
Total:	3,402,600			1.00	3,405,032.92

* Inclusive of transaction cost

INVESTOR RELATIONS

TRANSPARENCY AND ACCOUNTABILITY

Sunway strives to ensure the highest standard of transparency and accountability in disclosing pertinent information to assist its investors in making informed investment decisions of the Company. This has become a very significant move especially during times of the financial downturn where market conditions are volatile.

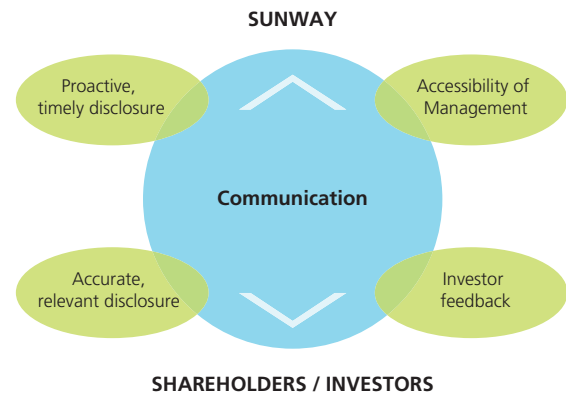
INVESTOR RELATIONS PROGRAMME

Communication channels employed by Sunway include:

Electronic Media

Sunway has kept its investors, analysts and fund managers informed through timely announcements and disclosures made to Bursa Malaysia Securities Berhad, inclusive of the quarterly announcements of financial results.

Sunway has also enhanced its Investor Relations website, linked to its corporate website, **www.sunway.com.my**, in line with International Best Practices of Investor Relations. This further enhances the effective communication and dissemination of clear and comprehensive information to both retail and institutional investors.



Printed Materials

The Annual Report is also a key source of information to ensure that investors are informed of the Company's performance for the year.

Oral Communication

During the financial period, Sunway conducted several meetings with local and foreign investors. In addition to that, Sunway also participated in several forums and road-shows both locally and abroad.



Analysts listening attentively



Presentation to analysts

INVESTOR RELATIONS CALENDAR

Event	Venue	Date
DBS Vickers - Pulse of Asia	Singapore	July 2008
Maybank Investment Roadshow	Kuala Lumpur	July 2009
RHB Investment Roadshow	Kuala Lumpur / Singapore / Hong Kong	July / August 2009
OSK DMG Malaysia Corporate Day	Singapore	January 2010
Maybank Roadshow	Malaysia	January 2010
Sunway Group Corporate Presentation - RHB Investment	Malaysia	February 2010
KAF Corporate Day	Malaysia	March 2010
Credit Suisse Asian Investment Conference 2010	Hong Kong	March 2010
Invest Malaysia 2010	Malaysia	March 2010

SUNWAY ANALYST COVERAGE

Research institutions covering Sunway include:

- HwangDBS Vickers Research
- Affin Investment Bank
- ECM Libra
- RHB Research Institute
- Maybank Investment Bank
- Standard & Poor's
- UOB KayHian
- * Initiated coverage in FPE 2009
- Credit Suisse
- * Initiated coverage in FPE 2009

The Company continues to dedicate significant level of resources in terms of time and human capital to the investor relations function in order to remain at the forefront of its shareholders and the investment community.



Meeting with investors

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RECURRENT RELATED PARTY TRANSACTIONS

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 period ended 31 December 2009.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of management services. The principal activities of the Group consist of turnkey, construction related design and build, civil engineering, building works, manufacturing and trading of building materials, trading and distribution of construction related products and pharmaceutical products, quarrying and property development.

There have been no significant changes in the nature of these principal activities during the financial period.

CHANGE OF FINANCIAL YEAR END

The Company changed its financial year end from 30 June to 31 December. The current period under review is from 1 July 2008 to 31 December 2009.

RESULTS

	Group RM'000	Company RM'000
Profit for the period	120,211	14,516
Attributable to:		
Equity holders of the Company	109,849	14,516
Minority interests	10,362	-
	120,211	14,516

There were no material transfers to or from reserves or provisions during the financial period other than as disclosed in the financial statements.

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial period were not substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

The dividends paid by the Company since 30 June 2008 were as follows:

	RM'000
In respect of financial year ended 30 June 2008:	
Final dividend of 2.3382% less 25% income tax, on 523,276,258 ordinary shares of RM1.00 each, paid on 26 February 2009	9,176
Tax exempt final dividend of 0.4963%, on 523,276,258 ordinary shares of RM1.00 each, paid on 26 February 2009	2,597
	11,773

DIRECTORS' REPORT (contd.)

DIVIDENDS (contd.)

The Board of Directors has declared a tax exempt interim dividend of 2.25 sen per ordinary share of RM1.00 each, in respect of the financial period ended 31 December 2009, on 24 February 2010 and payable on 21 May 2010. The financial statements for the current financial period do not reflect this interim dividend. Such dividend will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 December 2010. The Board of Directors is not proposing any final dividend for the financial period ended 31 December 2009.

DIRECTORS

The names of the directors of the Company in office since the date of the last report and at the date of this report are:

Tan Sri Dato' Seri Dr. Jeffrey Cheah Fook Ling, AO
Dato' Chew Chee Kin
Yau Kok Seng
Dato' Tan Kia Loke
Kwan Foh Kwai
Wong Chin Mun
Datuk Low Seng Kuan
Datuk Abdul Malek Bin Abdul Aziz
Koong Wai Seng (resigned on 30 October 2009)

In accordance with Article 114 of the Company's Articles of Association, Dato' Chew Chee Kin, Wong Chin Mun and Datuk Low Seng Kuan, retire by rotation at the forthcoming Annual General Meeting of the Company and, being eligible, offer themselves for re-election.

Datuk Abdul Malek Bin Abdul Aziz, who is over the age of seventy years, retires at the forthcoming Annual General Meeting in accordance with Section 129 of the Companies Act, 1965 ("the Act") and seek for re-appointment in accordance with Section 129(6) of the Act to hold office until the conclusion of the next Annual General Meeting.

DIRECTORS' BENEFITS

Neither at the end of the financial period, nor at any time during that period, 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 share options to be granted under the Employees' Share Option Scheme.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full-time employee of the Company as shown in Note 8 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 he is a member, or with a company in which he has a substantial financial interest, except as disclosed in Note 36 to the financial statements.

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial period in ordinary shares, options over ordinary shares and warrants in the Company and its related corporations during the financial period were as follows:

DIRECTORS' REPORT (contd.)

DIRECTORS' INTERESTS (contd.)

	Number of ordinary shares of RM1 each			
	1.7.2008	Acquired	Sold	31.12.2009
The Company				
Direct interest:				
Tan Sri Dato' Seri Dr. Jeffrey Cheah Fook Ling, AO	16,002,094	12,510,900	-	28,512,994
Dato' Chew Chee Kin	892,700	180,000	-	1,072,700
Yau Kok Seng	690,000	310,000	(1,000,000)	-
Dato' Tan Kia Loke	275,000	-	-	275,000
Kwan Foh Kwai	660,000	-	-	660,000
Wong Chin Mun	10,000	-	-	10,000
Datuk Abdul Malek Bin Abdul Aziz	3,000	10,000	-	13,000
Deemed interest:				
Tan Sri Dato' Seri Dr. Jeffrey Cheah Fook Ling, AO ¹	221,278,677	9,132,700	-	230,411,377
Kwan Foh Kwai ²	410,000	-	-	410,000
Datuk Low Seng Kuan ²	200,000	-	(200,000)	-
Options over ordinary shares of RM1 each				
	1.7.2008	Granted	Exercised	31.12.2009
Tan Sri Dato' Seri Dr. Jeffrey Cheah Fook Ling, AO	2,500,000	-	-	2,500,000
Dato' Chew Chee Kin	1,000,000	-	-	1,000,000
Yau Kok Seng	1,000,000	-	-	1,000,000
Dato' Tan Kia Loke	1,000,000	-	-	1,000,000
Wong Chin Mun	50,000	-	-	50,000
Datuk Low Seng Kuan	50,000	-	-	50,000
Datuk Abdul Malek Bin Abdul Aziz	50,000	-	-	50,000
Number of Warrants 2004/2008				
	1.7.2008	Acquired	Exercised/ expired on 17.10.2008	31.12.2009
Direct interest:				
Tan Sri Dato' Seri Dr. Jeffrey Cheah Fook Ling, AO	2,870,732	-	(2,870,732)	-
Dato' Chew Chee Kin	1,260,000	-	(1,260,000)	-
Dato' Tan Kia Loke	446,455	-	(446,455)	-
Wong Chin Mun	3,500	-	(3,500)	-
Datuk Abdul Malek Bin Abdul Aziz	1,050	-	(1,050)	-
Deemed interest:				
Tan Sri Dato' Seri Dr. Jeffrey Cheah Fook Ling, AO ³	91,937,807	-	(91,937,807)	-
Kwan Foh Kwai ²	150,000	-	(150,000)	-

DIRECTORS' REPORT (contd.)

DIRECTORS' INTERESTS (contd.)

	Number of Warrants 2009/2014			
	Issued on 5.3.2009	Acquired	Sold	31.12.2009
Direct interest:				
Tan Sri Dato' Seri Dr. Jeffrey Cheah Fook Ling, AO	10,825,029	-	-	10,825,029
Dato' Chew Chee Kin	1,113,433	-	-	1,113,433
Yau Kok Seng	672,133	-	(672,133)	-
Dato' Tan Kia Loke	592,351	-	-	592,351
Kwan Foh Kwai	220,000	-	-	220,000
Wong Chin Mun	21,165	-	-	21,165
Datuk Low Seng Kuan	16,666	-	(16,600)	66
Datuk Abdul Malek Bin Abdul Aziz	1,350	-	-	1,350
Deemed interest:				
Tan Sri Dato' Seri Dr. Jeffrey Cheah Fook Ling, AO ¹	105,504,817	-	(20,000)	105,484,817
Kwan Foh Kwai ²	205,000	-	(50,000)	155,000
Datuk Low Seng Kuan ²	66,666	-	(66,600)	66
Number of ordinary shares of HKD1 each				
	1.7.2008	Acquired	Sold	31.12.2009
Related corporation				
Sunway Global Limited				
Direct interest:				
Dato' Chew Chee Kin	869,684	773,160	(773,160)	869,684
Yau Kok Seng	820,456	723,932	(723,932)	820,456
Options over ordinary shares of HKD1 each				
	Issued on 1.1.2009	Granted	Exercised	31.12.2009
Dato' Chew Chee Kin	10,668,192	3,547,578	-	14,215,770
Yau Kok Seng	10,064,325	3,346,768	-	13,411,093

¹ Deemed interest by virtue of Section 6A of the Companies Act, 1965 held through his substantial shareholdings in Active Equity Sdn. Bhd., Timah Dunia Dredging Sdn. Bhd. and Sungei Way Corporation Sdn. Bhd. pursuant to Section 6A of the Companies Act, 1965 and him being associated to his spouse and children.

² Deemed interest by virtue of him being associated to his spouse.

³ Deemed interest by virtue of Section 6A of the Companies Act, 1965 held through his substantial shareholdings in Active Equity Sdn. Bhd., Timah Dunia Dredging Sdn. Bhd. and Sungei Way Corporation Sdn. Bhd. pursuant to Section 6A of the Companies Act, 1965 and him being associated to his children.

By virtue of Tan Sri Dato' Seri Dr. Jeffrey Cheah Fook Ling's interests in the Company as shown above, he is deemed to have interest in the shares of the subsidiaries and associates to the extent that those shares are held by the Company.

DIRECTORS' REPORT (contd.)

ISSUE OF SHARES

During the financial period, the Company increased its issued and paid-up ordinary share capital from RM547,959,325 to RM600,808,258 by way of the issuance of:

- (i) 5,233 new ordinary shares of RM1.00 each pursuant to the exercise of Warrants 2004/2008 at an exercise price of RM1.30 per ordinary share for cash;
- (ii) 489,700 and 14,000 new ordinary shares of RM1.00 each pursuant to the Employees' Share Option Scheme at an exercise price of RM1.00 and RM1.21 per ordinary share respectively for cash; and
- (iii) 52,340,000 new ordinary shares of RM1.00 each pursuant to a private placement at an issue price of RM1.455 per ordinary share for cash.

The new ordinary shares issued during the financial period rank *pari passu* in all respects with the existing ordinary shares of the Company.

TREASURY SHARES

During the financial period, the Company repurchased 3,402,600 of its issued ordinary shares from the open market at prices ranging from RM0.86 to RM1.16 per share. The total consideration paid for the repurchases including transaction costs was RM3.4 million and was financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

As at 31 December 2009, the Company held a total of 24,688,300 ordinary shares as treasury shares out of its total issued and paid up share capital of 600,808,258 ordinary shares. Such treasury shares are held at a carrying amount of RM32,145,538.

WARRANTS

The subscription rights of Warrants 2004/2008 had expired on 17 October 2008 and the said warrants were removed from the official list of Bursa Malaysia Securities Berhad on 20 October 2008.

On 5 March 2009, the Company issued 246,655,262 new warrants (Warrants 2009/2014) at an issue price of RM0.02 per warrant for cash on the basis of:

- (i) one (1) new warrant for every three (3) ordinary shares of RM1.00 each held in the Company;
- (ii) one (1) new warrant for every three (3) options granted under the Company's Employees' Share Option Scheme; and
- (iii) one (1) new warrant for every three (3) Warrants 2004/2008 held on 17 October 2008.

The new Warrants entitle the registered holder, at any time within a period of 5 years commencing on and including the issue date and expiring on 4 March 2014, to subscribe for one (1) new ordinary share of RM1.00 each in the Company at an exercise price of RM1.30 per ordinary share for every warrant held.

EMPLOYEES' SHARE OPTION SCHEME

On 7 November 2002, the Company implemented an Employees' Share Option Scheme ("ESOS") to the eligible employees (including Executive Directors) of the Company and its subsidiaries. The ESOS is governed by the by-laws which were approved by the shareholders on 3 October 2002.

Details of the ESOS are set out in Note 26(c) to the financial statements.

DIRECTORS' REPORT (contd.)

EMPLOYEES' SHARE OPTION SCHEME (contd.)

The Company has been granted exemption from the Companies Commission of Malaysia from having to disclose the list of option holders and their holdings except for those holders who have options of 600,000 and above, which are as follows:

Name of employees	Options over ordinary shares of RM1 each			
	1.7.2008	Granted	Exercised	31.12.2009
Wong Fook Chai	610,000	-	-	610,000
Yap Chin Leong	600,000	-	-	600,000
Ng Boon Liang	600,000	-	-	600,000
Phang Koon Tuck	600,000	-	-	600,000
Mok Sew Wah	600,000	-	-	600,000

Details of options granted to Directors are disclosed in the Directors' Interests in this report.

OTHER STATUTORY INFORMATION

- (a) Before the income statements and balance sheets 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 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 which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors are not aware of any circumstances which would render:
- (i) the amount 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 substantial extent; and
 - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the directors are not aware of any circumstances 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) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
- (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial period which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial period.

DIRECTORS' REPORT (contd.)

OTHER STATUTORY INFORMATION (contd.)

(f) In the opinion of the directors:

- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial period which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial period and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial period in which this report is made.

SIGNIFICANT EVENTS DURING THE FINANCIAL PERIOD

Significant events during the financial period are disclosed in Note 39 to the financial statements.

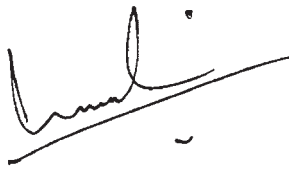
SIGNIFICANT EVENTS SUBSEQUENT TO BALANCE SHEET DATE

Significant events subsequent to balance sheet date are disclosed in Note 40 to the financial statements.

AUDITORS

The auditors, Ernst & Young, have expressed their willingness to accept re-appointment.

Signed on behalf of the Board in accordance with a resolution of the directors dated 22 April 2010.



Dato' Chew Chee Kin



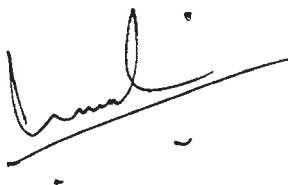
Yau Kok Seng

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965

We, Dato' Chew Chee Kin and Yau Kok Seng, being two of the directors of Sunway Holdings Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 114 to 258 are drawn up in accordance with the provisions of the Companies Act, 1965 and Financial Reporting Standards 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 2009 and of the results and the cash flows of the Group and of the Company for the period then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 22 April 2010.



Dato' Chew Chee Kin



Yau Kok Seng

STATUTORY DECLARATION

PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT, 1965

I, Ng Lai Ping, being the Officer primarily responsible for the financial management of Sunway Holdings Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 114 to 258 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 Ng Lai Ping
at Petaling Jaya in the State of Selangor
Darul Ehsan on 22 April 2010.



Ng Lai Ping

Before me,



No. 10-1, Jalan PJS 11/28A,
Sunway Metro, 47150 Petaling Jaya,
Selangor Darul Ehsan.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SUNWAY HOLDINGS BERHAD

(INCORPORATED IN MALAYSIA)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Sunway Holdings Berhad, which comprise the balance sheets as at 31 December 2009 of the Group and of the Company, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the period then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 114 to 258.

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements 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 the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 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 2009 and of the financial performance and cash flows of the Group and of the Company for the period then ended.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

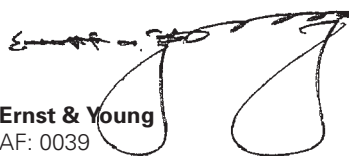
In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- (b) We have considered the financial statements and the auditors' reports of all subsidiaries of which we have not acted as auditors, which are indicated in Note 16 to the financial statements.
- (c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.
- (d) The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification material to the consolidated financial statements and did not include any comment required to be made under Section 174(3) of the Act.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF SUNWAY HOLDINGS BERHAD (contd.)
(INCORPORATED IN MALAYSIA)

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.



Ernst & Young
AF: 0039
Chartered Accountants



Yong Voon Kar
No. 1769/04/12 (J/PH)
Chartered Accountant

Kuching, Malaysia
22 April 2010

INCOME STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2009

	Note	Group		Company	
		1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000
Revenue	3	2,639,152	1,825,203	81,016	41,021
Cost of sales	4	(2,154,975)	(1,479,061)	(27,972)	(17,720)
Gross profit		484,177	346,142	53,044	23,301
Other operating income	5	54,131	44,840	5,860	49,722
Distribution costs		(93,873)	(39,842)	-	-
Administrative expenses		(273,498)	(181,212)	(4,049)	(7,869)
Other operating expenses	5	(36,232)	(21,405)	(2,025)	(3,599)
Operating profit		134,705	148,523	52,830	61,555
Finance income	6	5,990	6,058	4,196	3,741
Finance costs	6	(59,474)	(46,658)	(42,012)	(26,389)
Share of results in jointly controlled entities	19	51,175	9,974	-	-
Share of results of associates	17	20,766	10,625	-	-
Profit before tax	7	153,162	128,522	15,014	38,907
Income tax (expense)/benefit	9	(32,951)	(26,305)	(498)	348
Profit for the period		120,211	102,217	14,516	39,255
Attributable to:					
Equity holders of the Company		109,849	100,155	14,516	39,255
Minority interests		10,362	2,062	-	-
		120,211	102,217	14,516	39,255
Earnings per share attributable to equity holders of the Company (sen):					
Basic	10	20.50	18.53		
Diluted	10	20.46	16.97		

The accompanying notes form an integral part of the financial statements.

BALANCE SHEETS

AS AT 31 DECEMBER 2009

		Group		Company	
	Note	31.12.2009 RM'000	30.6.2008 RM'000	31.12.2009 RM'000	30.6.2008 RM'000
Assets					
Non-current assets					
Property, plant and equipment	12	386,149	328,511	67	99
Investment properties	13	3,665	3,876	-	-
Rock reserves	14	10,249	1,789	-	-
Prepaid land lease payments	15	16,141	16,427	-	-
Investments in subsidiaries	16	-	-	818,104	703,904
Loan to a subsidiary	16	-	-	-	20,029
Interest in associates	17	69,262	49,185	-	-
Other investments	18	1,692	11,080	143	10,149
Interest in jointly controlled entities	19	227,349	90,561	-	-
Land held for property development	20	82,247	68,988	-	-
Receivables	21	16,843	11,468	-	-
Goodwill	22	128,728	125,991	-	-
Deferred tax assets	30	14,611	14,853	-	-
		956,936	722,729	818,314	734,181
Current assets					
Property development costs	20	95,095	61,260	-	-
Inventories	23	304,888	292,132	-	-
Receivables	21	696,445	775,916	55,728	42,556
Tax recoverable		27,179	27,863	8,602	15,005
Cash and bank balances	24	204,448	142,445	11,916	13,958
		1,328,055	1,299,616	76,246	71,519
Assets of disposal group classified as held for sale	25	21,892	-	-	-
		1,349,947	1,299,616	76,246	71,519
Total assets		2,306,883	2,022,345	894,560	805,700

BALANCE SHEETS AS AT 31 DECEMBER 2009 (contd.)

		Group		Company	
	Note	31.12.2009 RM'000	30.6.2008 RM'000	31.12.2009 RM'000	30.6.2008 RM'000
Equity and liabilities					
Equity attributable to equity holders of the Company					
Share capital	26	600,808	547,959	600,808	547,959
Warrants	27	3,810	8,777	3,810	8,777
Treasury shares	26	(32,146)	(28,742)	(32,146)	(28,742)
Share premium		217,605	195,493	217,605	195,493
Capital reserves		34,137	34,137	-	-
Capital redemption reserve		50	-	-	-
Merger relief reserve		49,615	49,615	49,615	49,615
Foreign currency reserve		(3,029)	(920)	-	-
Share option reserve		2,611	1,676	1,422	1,676
Accumulated losses		(102,501)	(209,558)	(452,024)	(463,550)
		770,960	598,437	389,090	311,228
Minority interests		88,229	46,747	-	-
Total equity		859,189	645,184	389,090	311,228
Non-current liabilities					
Borrowings	28	411,478	455,576	259,232	320,013
Deferred tax liabilities	30	18,139	15,204	-	-
		429,617	470,780	259,232	320,013
Current liabilities					
Payables	31	702,319	637,398	191,717	132,738
Borrowings	28	281,472	255,849	54,521	41,721
Cumulative redeemable preference shares	29	15,000	-	-	-
Tax payable		15,610	13,134	-	-
		1,014,401	906,381	246,238	174,459
Liabilities directly associated with disposal group classified as held for sale	25	3,676	-	-	-
		1,018,077	906,381	246,238	174,459
Total liabilities		1,447,694	1,377,161	505,470	494,472
Total equity and liabilities		2,306,883	2,022,345	894,560	805,700

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 DECEMBER 2009

Attributable to equity holders of the Company

Non-distributable

Group	Share capital RM'000	Treasury shares RM'000	Warrants RM'000	Share premium RM'000	* Capital reserves RM'000	** Merger relief reserve RM'000	Foreign currency reserve RM'000	Share option reserve RM'000	Accumulated losses RM'000	Total RM'000	Minority interests RM'000	Total equity RM'000
At 1.7.2007	541,507	(54)	8,777	195,123	34,137	49,615	(10,659)	-	(309,713)	508,733	40,053	548,786
Income recognised directly in equity	-	-	-	-	-	-	9,739	-	-	9,739	1,923	11,662
Profit for the year	-	-	-	-	-	-	-	-	100,155	100,155	2,062	102,217
Total recognised income and expense for the year	-	-	-	-	-	-	9,739	-	100,155	109,894	3,985	113,879
Additional shares acquired from minority shareholders	-	-	-	-	-	-	-	-	-	-	(6,011)	(6,011)
Additional shares acquired by minority shareholders	-	-	-	-	-	-	-	-	-	-	11,580	11,580
Acquisition of new subsidiaries	-	-	-	-	-	-	-	-	-	-	1,393	1,393
Disposal of a subsidiary	-	-	-	-	-	-	-	-	-	-	(1,914)	(1,914)
Dividend attributable to minority shareholders	-	-	-	-	-	-	-	-	-	-	(2,339)	(2,339)
New ESOS granted	-	-	-	-	-	-	-	1,685	-	1,685	-	1,685
Issue of shares:												
- exercise of options over ordinary shares	6,444	-	-	367	-	-	-	(9)	-	6,802	-	6,802
- exercise of warrants	8	-	-	3	-	-	-	-	-	11	-	11
Repurchase of shares	-	(28,688)	-	-	-	-	-	-	-	(28,688)	-	(28,688)
At 30.6.2008	547,959	(28,742)	8,777	195,493	34,137	49,615	(920)	1,676	(209,558)	598,437	46,747	645,184

STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2009 (contd.)

Attributable to equity holders of the Company

Non-distributable

	Share capital RM'000	Treasury shares RM'000	Warrants RM'000	Share premium RM'000	* Capital reserves RM'000	** Merger relief reserve RM'000	*** Capital redemption reserve RM'000	Foreign currency reserve RM'000	Share option reserve RM'000	Accumulated losses RM'000	Total RM'000	Minority interests RM'000	Total equity RM'000
Group (contd.)													
At 1.7.2008	547,959	(28,742)	8,777	195,493	34,137	49,615	-	(920)	1,676	(209,558)	598,437	46,747	645,184
Expense recognised directly in equity	-	-	-	-	-	-	-	(2,109)	-	-	(2,109)	632	(1,477)
Profit for the period	-	-	-	-	-	-	-	-	-	109,849	109,849	10,362	120,211
Total recognised income and expense for the period	-	-	-	-	-	-	-	(2,109)	-	109,849	107,740	10,994	118,734
Additional shares acquired by minority shareholders	-	-	-	-	-	-	-	-	-	-	-	31,012	31,012
Acquisition of new subsidiaries	-	-	-	-	-	-	-	-	-	-	-	821	821
Liquidation of a subsidiary held by minority interest	-	-	-	-	-	-	-	-	-	-	-	(71)	(71)
Dividend attributable to minority shareholders	-	-	-	-	-	-	-	-	-	-	-	(1,274)	(1,274)
Cancellation of ESOS	-	-	-	-	-	-	-	-	(254)	254	-	-	-
New ESOS granted	-	-	-	-	-	-	-	-	1,189	-	1,189	-	1,189
Issue of shares:													
- exercise of options over ordinary shares	504	-	-	2	-	-	-	-	-	-	506	-	506
- exercise of warrants	5	-	-	2	-	-	-	-	-	-	7	-	7
- private placement	52,340	-	-	23,815	-	-	-	-	-	-	76,155	-	76,155
- share issue cost	-	-	-	(1,707)	-	-	-	-	-	-	(1,707)	-	(1,707)
Repurchase of shares	-	(3,404)	-	-	-	-	-	-	-	-	(3,404)	-	(3,404)
Expiration of warrants	-	-	(8,777)	-	-	-	-	-	-	8,777	-	-	-
Issue of warrants:													
- renounceable rights issue	-	-	3,488	-	-	-	-	-	-	-	3,488	-	3,488
- restricted issue	-	-	1,445	-	-	-	-	-	-	-	1,445	-	1,445
- warrants issue cost	-	-	(1,123)	-	-	-	-	-	-	-	(1,123)	-	(1,123)
Redemption of CRPS (Note 29)	-	-	-	-	-	-	50	-	-	(50)	-	-	-
Dividends for the financial year ended 30.6.2008	-	-	-	-	-	-	-	-	-	(11,773)	(11,773)	-	(11,773)
At 31.12.2009	600,808	(32,146)	3,810	217,605	34,137	49,615	50	(3,029)	2,611	(102,501)	770,960	88,229	859,189

* Capital reserves represents Group's share of post acquisition capital reserves in associates and accretion in the value of investments in subsidiaries arising from internal restructuring.

** Merger relief reserve represents premium on the issue of shares for the acquisition of the remaining shares in Sunway Construction Sdn. Bhd. ("SunCon") in accordance with Section 60(4) of Companies Act, 1965.

*** Capital redemption reserve arises from the redemption of cumulative redeemable preference shares in accordance with Section 61(5) of Companies Act, 1965.

STATEMENTS OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 DECEMBER 2009 (contd.)

Non-Distributable								
Company	Share capital RM'000	Treasury shares RM'000	Warrants RM'000	Share premium RM'000	Share option reserve RM'000	** Merger relief reserve RM'000	Accumulated losses RM'000	Total RM'000
At 1.7.2007	541,507	(54)	8,777	195,123	-	49,615	(502,805)	292,163
Profit for the year	-	-	-	-	-	-	39,255	39,255
New ESOS granted	-	-	-	-	1,685	-	-	1,685
Issue of shares:								
- exercise of options over ordinary shares	6,444	-	-	367	(9)	-	-	6,802
- exercise of warrants	8	-	-	3	-	-	-	11
Repurchase of shares	-	(28,688)	-	-	-	-	-	(28,688)
At 30.6.2008	547,959	(28,742)	8,777	195,493	1,676	49,615	(463,550)	311,228
Profit for the period	-	-	-	-	-	-	14,516	14,516
Cancellation of ESOS	-	-	-	-	(254)	-	6	(248)
Issue of shares:								
- exercise of options over ordinary shares	504	-	-	2	-	-	-	506
- exercise of warrants	5	-	-	2	-	-	-	7
- private placement	52,340	-	-	23,815	-	-	-	76,155
- share issue cost	-	-	-	(1,707)	-	-	-	(1,707)
Repurchase of shares	-	(3,404)	-	-	-	-	-	(3,404)
Expiration of warrants	-	-	(8,777)	-	-	-	8,777	-
Issue of warrants:								
- renounceable rights issue	-	-	3,488	-	-	-	-	3,488
- restricted issue	-	-	1,445	-	-	-	-	1,445
- warrants issue cost	-	-	(1,123)	-	-	-	-	(1,123)
Dividends for the financial year ended 30.6.2008	-	-	-	-	-	-	(11,773)	(11,773)
At 31.12.2009	600,808	(32,146)	3,810	217,605	1,422	49,615	(452,024)	389,090

* Merger relief reserve represents premium on the issue of shares for the acquisition of the remaining shares in Sunway Construction Sdn. Bhd. ("SunCon") in accordance with Section 60(4) of Companies Act, 1965.

The accompanying notes form an integral part of the financial statements.

CASH FLOW STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2009

	Group		Company	
	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000
Cash flows from operating activities				
Receipts from customers	2,921,510	2,212,516	20,267	17,898
Payment to suppliers and contractors	(2,611,265)	(2,007,682)	(35,238)	(22,419)
Cash generated from/(used in) operations	310,245	204,834	(14,971)	(4,521)
Taxes paid	(47,396)	(40,252)	-	-
Taxes refunded	18,569	1,109	15,037	-
Interest received	3,428	4,385	-	-
Dividends received from subsidiaries	-	-	31,115	17,020
Net cash generated from operating activities	284,846	170,076	31,181	12,499
Cash flows from investing activities				
Proceeds from disposal of warrants in an associated company	-	1,188	-	1,188
Proceeds from disposal of other investments	1,556	1,458	1,407	2,402
Proceeds from disposal of property, plant and equipment	5,044	3,144	-	-
Proceeds from disposal of investment property	474	-	-	-
Proceeds from redemption of redeemable preference shares	-	-	1,270	-
Purchase of property, plant and equipment (Note a)	(112,539)	(78,054)	(21)	(86)
Payment for prepaid land lease	-	(3,585)	-	-
Purchase of additional shares in subsidiaries	-	(9,332)	(47,030)	(6,377)
Acquisition of subsidiaries	(11,810)	(15,076)	-	(9,682)
Payment of remaining purchase consideration for previously acquired subsidiaries	-	(5,108)	-	-
Purchase of other investments	(44)	(5)	-	-
Investment in jointly controlled entities	(29,204)	-	-	-

CASH FLOW STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2009 (contd.)

	Group		Company	
	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000
Cash flows from investing activities (contd.)				
Advances to subsidiaries	-	-	(38,545)	(58,462)
Repayment of advances from subsidiaries	-	-	(177,640)	(112,360)
Advances to jointly controlled entities	(55,155)	-	-	-
Advances from minority shareholder of a subsidiary	-	662	-	-
Advances from subsidiaries	-	-	193,897	144,326
Repayment of advances to subsidiaries	-	-	46,572	42,945
Dividends received from associates	2,080	1,040	-	-
Net cash flow from disposal of a subsidiary	-	(2,489)	-	-
Settlement of financial liability	-	(50,000)	-	(50,000)
Net cash used in investing activities	(199,598)	(156,157)	(20,090)	(46,106)

Cash flows from financing activities

Repayment of hire purchase and lease	(3,284)	(1,081)	-	-
Hire purchase and lease obtained	3,736	412	-	-
Proceeds from issue of preference shares by a subsidiary	20,000	-	-	-
Redemption of preference shares by a subsidiary	(5,000)	-	-	-
Proceeds from issue of shares:				
- exercise of options over ordinary shares	506	6,802	506	6,802
- exercise of warrants	7	11	7	11
- private placement	76,155	-	76,155	-
Proceeds from issue of warrants:				
- renounceable rights issue	3,488	-	3,488	-
- restricted issue	1,445	-	1,445	-
Subscription of shares by minority interest	4	10,265	-	-
Dividends paid to minority interest	(1,274)	(2,339)	-	-
Dividends paid to shareholders	(11,773)	-	(11,773)	-
Bank borrowings drawdown	728,522	603,886	21,000	198,921
Repayment of bank borrowings	(767,177)	(511,852)	(70,000)	(133,700)

CASH FLOW STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2009 (contd.)

	Group		Company	
	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000
Cash flows from financing activities (contd.)				
Repayment of ABS Senior Notes	-	(93,520)	-	-
Repurchase of shares	(3,404)	(28,688)	(3,404)	(28,688)
Interest received	5,482	4,006	1,327	4,981
Interest paid	(64,308)	(41,555)	(31,884)	(20,581)
Net cash (used in)/generated from financing activities	(16,875)	(53,653)	(13,133)	27,746
Net increase/(decrease) in cash and cash equivalents	68,373	(39,734)	(2,042)	(5,861)
Effects of foreign exchange rates changes	(2,527)	(1,182)	-	-
Cash and cash equivalents at beginning of period	117,494	158,410	13,958	19,819
Cash and cash equivalents at end of period (Note 24)	183,340	117,494	11,916	13,958

Note:

- (a) Additions of property, plant and equipment (Note 12) during the financial period were acquired by way of:

	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000
Cash	112,539	78,054	21	86
Hire purchase and finance lease arrangements	12,988	5,701	-	-
Movement in property, plant and equipment creditor	18,849	269	(16)	16
Acquisition of subsidiaries				
- non-hire purchase	3,490	9,088	-	-
- hire purchase	931	-	-	-
- quarry development expenditure	-	1,570	-	-
	148,797	94,682	5	102

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2009

1. CORPORATE INFORMATION

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 is located at Level 16, Menara Sunway, Jalan Lagoon Timur, Bandar Sunway, 46150 Petaling Jaya, Selangor Darul Ehsan.

The principal activities of the Company are investment holding and provision of management services. The principal activities of the Group consist of turnkey, construction related design and build, civil engineering, building works, manufacturing and trading of building materials, trading and distribution of construction related products and pharmaceutical products, quarrying and property development.

There have been no significant changes in the nature of the principal activities during the financial period.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 22 April 2010.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The financial statements comply with the provisions of the Companies Act, 1965 and Financial Reporting Standards ("FRS") in Malaysia.

The financial statements of the Group and of the Company have been prepared on a historical basis, unless otherwise indicated in the summary of significant accounting policies below.

The financial statements are presented in Ringgit Malaysia (RM) and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated.

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Subsidiaries and basis of consolidation

(i) Subsidiaries

Subsidiaries are entities over which the Group has the ability to control the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has such power over another entity.

In the Company's separate financial statements, investments in subsidiaries are stated at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

(ii) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the balance sheet date. The financial statements of the subsidiaries are prepared for the same reporting date as the Company.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. In preparing the consolidated financial statements, intragroup balances, transactions and unrealised gains or losses are eliminated in full. Uniform accounting policies are adopted in the consolidated financial statements for like transactions and events in similar circumstances.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

2. SIGNIFICANT ACCOUNTING POLICIES (contd.)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (contd.)

(a) Subsidiaries and basis of consolidation (contd.)

(ii) Basis of consolidation (contd.)

Acquisitions of subsidiaries are accounted for using the purchase method. The purchase method of accounting involves allocating the cost of the acquisition to the fair value of the assets acquired and liabilities and contingent liabilities assumed at the date of acquisition. The cost of an acquisition is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued, plus any costs directly attributable to the acquisition.

Any excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities represents goodwill. Any excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is recognised immediately in profit or loss.

Minority interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group. It is measured at the minorities' share of the fair value of the subsidiaries' identifiable assets and liabilities at the acquisition date and the minorities' share of changes in the subsidiaries' equity since then.

(b) Associates

Associates are entities in which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not in control or joint control over those policies.

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting. Under the equity method, the investment in associate is carried in the consolidated balance sheet at cost adjusted for post-acquisition changes in the Group's share of net assets of the associate. The Group's share of the net profit or loss of the associate is recognised in the consolidated profit or loss. Where there has been a change recognised directly in the equity of the associate, the Group recognises its share of such changes. In applying the equity method, unrealised gains and losses on transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate. After application of the equity method, the Group determines whether it is necessary to recognise any additional impairment loss with respect to the Group's net investment in the associate. The associate is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

Goodwill relating to an associate is included in the carrying amount of the investment and is not amortised. Any excess of the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associate's profit or loss in the period in which the investment is acquired.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any long-term interests that, in substance, form part of the Group's net investment in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The most recent available audited financial statements of the associates are used by the Group in applying the equity method. Where the dates of the audited financial statements used are not coterminous with those of the Group, the share of results is arrived at from the last audited financial statements available and management financial statements to the end of the accounting period. Uniform accounting policies are adopted for like transactions and events in similar circumstances.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

2. SIGNIFICANT ACCOUNTING POLICIES (contd.)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (contd.)

(b) Associates (contd.)

In the Company's separate financial statements, investments in associates are stated at cost less impairment losses.

On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

(c) Jointly controlled entities

Jointly controlled entities are corporations, partnerships or other entities over which there is contractually agreed sharing of control by the Group with one or more parties where the strategic financial and operating decisions relating to the entities require unanimous consent of the parties sharing control.

Investments in jointly controlled entities are accounted for in the consolidated financial statements using the equity method of accounting as described in Note 2.2(b).

In the Company's separate financial statements, investments in jointly controlled entities are stated at cost less impairment losses.

On disposal of such investment, the difference between net disposal proceeds and its carrying amount is included in profit or loss.

Where necessary, adjustments have been made to the financial statements of jointly controlled entities to ensure consistency of accounting policies with those at the Group.

(d) Intangible assets

(i) Goodwill

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Following the initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(ii) Rock reserves

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.

(e) Property, plant and equipment and depreciation

All items of property, plant and equipment are initially recorded at cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Subsequent to recognition, property, plant and equipment, other than freehold land, are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is stated at cost less any accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

2. SIGNIFICANT ACCOUNTING POLICIES (contd.)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (contd.)

(e) Property, plant and equipment and depreciation (contd.)

Freehold land has an unlimited useful life and therefore is not depreciated. Capital work-in-progress are also not depreciated as these assets are not available for use. Depreciation of other property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

Buildings	2% to 33%
Plant and machinery	6.25% to 20%
Motor vehicles	10% to 20%
Office equipment, furniture and fittings	5% to 33%

Quarry development expenditure is amortised over the extractable rock reserves period.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any and the net carrying amount is recognised in profit or loss.

(f) Construction contracts

Where the outcome of a construction contract can be reliably estimated, contract revenue and contract costs are recognised as revenue and expenses respectively by using the stage of completion method. The stage of completion is measured by reference to the proportion of contract costs incurred for work performed to date to the estimated total contract costs or by reference to the physical completion of the contract.

Where the outcome of a construction contract cannot be reliably estimated, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When the total of costs incurred on construction contracts plus, recognised profits (less recognised losses), exceeds progress billings, the balance is classified as amount due from customers on contracts. When progress billings exceed costs incurred plus, recognised profits (less recognised losses), the balance is classified as amount due to customers on contracts.

(g) Investment properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less any accumulated impairment losses.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year in which they arise.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

2. SIGNIFICANT ACCOUNTING POLICIES (contd.)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (contd.)

(h) Land held for property development and property development costs

(i) Land held for property development

Land held for property development consists of land where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets and is stated at cost less any accumulated impairment losses.

Land held for property development is reclassified as property development costs at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

(ii) Property development costs

Property development costs comprise all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

When the financial outcome of a development activity can be reliably estimated, property development revenue and expenses are recognised in the income statement by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

Where the financial outcome of a development activity cannot be reliably estimated, property development revenue is recognised only to the extent of property development costs incurred that is probable will be recoverable, and property development costs on properties sold are recognised as an expense in the period in which they are incurred.

Any expected loss on a development project, including costs to be incurred over the defects liability period, is recognised as an expense immediately.

Property development costs not recognised as an expense are recognised as an asset, which is measured at the lower of cost and net realisable value.

The excess of revenue recognised in the income statement over billings to purchasers is classified as accrued billings within receivables and the excess of billings to purchasers over revenue recognised in the income statement is classified as progress billings within payables.

(i) Impairment of non-financial assets

The carrying amounts of assets, other than investment property, property development costs, inventories, deferred tax assets and non-current assets held for sale are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss.

For goodwill, the recoverable amount is estimated at each balance sheet date or more frequently when indicators of impairment are identified.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs to. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's CGUs, or groups of CGUs, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

2. SIGNIFICANT ACCOUNTING POLICIES (contd.)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (contd.)

(i) Impairment of non-financial assets (contd.)

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

An impairment loss is recognised in profit or loss in the period in which it arises.

Impairment loss on goodwill is not reversed in a subsequent period. An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

(j) Inventories

Inventories are stated at lower of cost and net realisable value.

Cost is determined using the weighted average method. The costs of finished goods and work-in-progress comprise costs of raw materials, direct labour, other direct costs and appropriate proportions of manufacturing overheads based on normal operating capacity. Costs for trading inventories and consumables comprise costs of purchase.

Completed development properties are stated at the lower of cost and net realisable value. Cost comprises cost associated with the acquisition of land, direct costs and appropriate proportions of common costs.

Properties held for sale are stated at the lower of cost and net realisable value. Cost is determined on the specific identification basis and includes cost of land, construction and appropriate development overheads.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(k) Financial instruments

Financial instruments are recognised in the balance sheet when the Group has become a party to the contractual provisions of the instrument.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument classified as a liability are reported as expense or income. Distributions to holders of financial instruments classified as equity are recognised directly in equity. Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

(i) Cash and cash equivalents

For the purposes of the cash flow statements, cash and cash equivalents include cash on hand and at bank, deposit at call and short term highly liquid investments which have an insignificant risk of changes in value, net of outstanding bank overdrafts.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

2. SIGNIFICANT ACCOUNTING POLICIES (contd.)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (contd.)

(k) Financial instruments (contd.)

(ii) Other non-current investments

Non-current investments other than investments in subsidiaries, associates, jointly controlled entities and investment properties are stated at cost less impairment losses. Impairment losses are recognised for all declines in value other than temporary. On disposal of an investment, the difference between net disposal proceeds and its carrying amount is recognised in the profit or loss.

(iii) Receivables

Receivables are carried at anticipated realisable values. Bad debts are written off when identified. An estimate is made for doubtful debts based on a review of all outstanding amounts as at the balance sheet date.

(iv) Payables

Payables are stated at the fair value of the consideration to be paid in the future for goods and services received.

(v) Interest bearing loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

(vi) Equity instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

The transaction costs of an equity transaction are accounted for as a deduction from equity, net of tax. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

The consideration paid, including attributable transaction costs on repurchased ordinary shares of the Company that have not been cancelled, are classified as treasury shares and presented as a deduction from equity. No gain or loss is recognised in profit or loss on the sale, re-issuance and cancellation of treasury shares. When treasury shares are reissued by resale, the difference between the sale consideration and the carrying amount is recognised in equity.

Preference shares are classified as equity if there is no fixed term for redemption and dividends are at option of the issuer. Dividends on equity instruments are recognised in equity in the period in which they are declared.

Preference shares are classified as liability if it is redeemable on a specific date or at the option of the shareholders and confer on the shareholders the right to a cumulative preference dividends. The corresponding dividends on those shares are recognised as interest expense as and when they are incurred in the income statement.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

2. SIGNIFICANT ACCOUNTING POLICIES (contd.)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (contd.)

(k) Financial instruments (contd.)

(vii) Warrants

Warrants are classified as equity.

The issue of ordinary shares upon exercise of the warrants are treated as new subscriptions of ordinary shares for the consideration equivalent to the warrants exercise price.

(l) Leases

(i) Classification

A lease is recognised as a finance lease if it transfers substantially to the Group all the risks and rewards incident to ownership. Leases of land and buildings are classified as operating or finance lease in the same way as leases of other assets and the land and buildings elements of a lease of land and buildings are considered separately for the purpose of lease classification. All other leases are classified as operating leases.

(ii) Finance leases - the Group as Lessee

Assets acquired by way of hire purchase or finance leases are stated at an amount equal to the lower of their fair values and the present value of the minimum lease payments at the inception of the leases, less accumulated depreciation and any accumulated impairment losses. The corresponding liability is included in the balance sheet as borrowings. In calculating the present value of the minimum lease payments, the discount factor used is the interest rate implicit in the lease, when it is practicable to determine; otherwise, the Company's incremental borrowing rate is used. Any initial direct costs are also added to the carrying amount of such assets.

Lease payments are apportioned between the finance costs and the reduction of the outstanding liability. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are recognised as an expense in the profit and loss over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

The depreciation policy for leased assets is in accordance with that for depreciable property, plant and equipment as described in Note 2.2(e).

(iii) Finance leases - the Group as Lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method so as to reflect a constant periodic rate of interest on the balance outstanding. When assets are leased out under an operating lease, the asset is included in the balance sheet based on the nature of the asset. Lease income is recognised over the term of the lease on a straight line basis.

(iv) Operating leases - the Group as Lessee

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

2. SIGNIFICANT ACCOUNTING POLICIES (contd.)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (contd.)

(l) Leases (contd.)

(iv) Operating leases - the Group as Lessee (contd.)

In the case of a lease of land and buildings, the minimum lease payments or the up-front payments made are allocated, whenever necessary, between the land and the buildings elements in proportion to the relative fair values for leasehold interests in the land element and buildings element of the lease at the inception of the lease. The up-front payment represents prepaid lease payments and are amortised on a straight-line basis over the lease term.

(v) Operating leases - the Group as Lessor

Assets leased out under operating leases are presented on the balance sheets according to the nature of the assets. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

(m) Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(n) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the balance sheet date.

Deferred tax is provided for, using the liability method. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or negative goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is recognised as income or an expense and included in the profit or loss for the period, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also recognised directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or the amount of any excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the combination.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

2. SIGNIFICANT ACCOUNTING POLICIES (contd.)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (contd.)

(o) Provisions for liabilities

Provisions are recognised when the Group has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

(p) Employee benefits

(i) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in the profit or loss as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund ("EPF"). Some of the Group's foreign subsidiaries also make contributions to their respective countries' statutory pension schemes.

(iii) Share-based compensation

The Sunway Holdings Berhad Employees' Share Option Scheme ("ESOS"), an equity-settled, share-based compensation plan, allows the Group's employees to acquire ordinary shares of the Company.

The total fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in the share option reserve within equity over the vesting period and taking into account the probability that the options will vest. The fair value of share options is measured at grant date, taking into account, if any, the market vesting conditions upon which the options were granted but excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable on vesting date.

At each balance sheet date, the Group revises its estimates of the number of options that are expected to become exercisable on vesting date. It recognises the impact of the revision of original estimates, if any, in the profit or loss, and a corresponding adjustment to equity over the remaining vesting period. The equity amount is recognised in the share option reserve until the option is exercised, upon which it will be transferred to share premium, or until the option expires, upon which it will be transferred directly to retained earnings.

The proceeds received net of any directly attributable transaction costs are credited to equity when the options are exercised.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

2. SIGNIFICANT ACCOUNTING POLICIES (contd.)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (contd.)

(q) Foreign currencies

(i) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia (RM), which is also the Company's functional currency.

(ii) Foreign currency transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are translated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in profit or loss for the year except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operation. Exchange differences arising on monetary items that form part of the Group's net investment in foreign operation are taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in profit or loss. Exchange differences arising on monetary items that form part of the Company's net investment in foreign operation, regardless of the currency of the monetary item, are recognised in profit or loss in the Company's financial statements or the individual financial statements of the foreign operation, as appropriate.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the year.

(iii) Foreign operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency (RM) of the consolidated financial statements are translated into RM as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate prevailing at the balance sheet date;
- Income and expenses for each income statement are translated at average exchange rates for the year, which approximates the exchange rates at the dates of the transactions; and
- All resulting exchange differences are taken to the foreign currency translation reserve within equity.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate of the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

2. SIGNIFICANT ACCOUNTING POLICIES (contd.)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (contd.)

(r) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Sales of properties under development, land and property inventories

Revenue from sale of properties is accounted for by the stage of completion method as described in Note 2.2(h)(ii).

Revenue from sale of land and property inventories is recognised net of discount and upon transfer of significant risks and rewards of ownership to the purchasers. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or possible return of property inventories.

(ii) Rental income

Rental income including those from investment properties, is recognised on the accrual basis unless recoverability is in doubt, in which case, it is recognised on receipt basis.

(iii) Investment income

Dividend income is recognised when the Group's right to receive payment is established.

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.

(iv) Construction contracts

Revenue from construction contracts is accounted for by the stage of completion method as described in Note 2.2(f).

(v) Sale of goods

Revenue is recognised net of sales taxes and upon transfer of significant risks and rewards of ownership to the buyer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

(vi) Management fees

Management fees are recognised when services are rendered.

(vii) Revenue from services

Revenue from services recognised is net of service taxes and discounts as and when the services are performed.

(viii) Interest on lease and hire purchase

Interest on lease and hire purchase are recognised as income on the 'Rule of 78' basis.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

2. SIGNIFICANT ACCOUNTING POLICIES (contd.)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (contd.)

(s) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary.

Immediately before classification as held for sale, the measurement of the non-current assets is brought up-to-date in accordance with applicable FRSs. Then, on initial classification as held for sale, non-current assets (other than investment properties, deferred tax assets, employee benefits assets, financial assets and inventories) are measured in accordance with FRS 5 that is at the lower of carrying amount and fair value less costs to sell. Any differences are included in profit or loss.

2.3 CHANGES IN ACCOUNTING POLICIES AND EFFECTS ARISING FROM ADOPTION OF NEW AND REVISED FRSs

There are no new accounting standard, amendments to published standards and interpretations to existing standards which are effective and applicable to the Group and the Company for the financial period ended 31 December 2009.

2.4 STANDARDS ISSUED BUT NOT YET EFFECTIVE

At the date of authorisation of these financial statements, the following new FRS, Amendments to FRS and Interpretations were issued but not yet effective and have not been applied by the Group and the Company:

Effective for financial periods beginning on or after 1 July 2009:

FRS 8	Operating Segments
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Effective for financial periods beginning on or after 1 January 2010:

FRS 4	Insurance Contracts
FRS 7	Financial Instruments: Disclosures
FRS 101	Presentation of Financial Statements (as revised in 2009)
FRS 123	Borrowing Costs
FRS 139	Financial Instruments: Recognition and Measurement
Amendment to FRS 2	Share-based Payment: Vesting Conditions and Cancellations
Amendments to FRS 1 and FRS 127	First-time Adoption of Financial Reporting Standards and Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 139, FRS 7 and IC Interpretation 9	Financial Instruments: Recognition and Measurement, Disclosures and Reassessment of Embedded Derivatives
Improvement to FRSs	Improvement to FRSs (2009)
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2 - Group and Treasury Share Transactions
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

2. SIGNIFICANT ACCOUNTING POLICIES (contd.)

2.4 STANDARDS ISSUED BUT NOT YET EFFECTIVE (contd.)

Effective for financial periods beginning on or after 1 July 2010:

FRS 1	FRS 1 First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations
FRS 127	Consolidated and Separate Financial Statements
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 15	Agreements for the Construction of Real Estate
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
Amendments to FRS 2	Share-based Payment
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 138	Intangible Assets
Amendments to FRS 139	Financial Instruments: Recognition and Measurement
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives

Effective for financial periods beginning on or after 1 January 2011:

Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-Time Adopters
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 132	Financial Instruments: Presentation

The above new FRSs, Amendments to FRSs and Interpretations are expected to have no significant impact on the financial statements of the Group and the Company upon their initial application except for the changes arising from the adoption of IFRIC 15, FRS 101, FRS 7 and FRS 139.

The adoption of IFRIC 15 will result in a change in accounting policy for revenue recognition from property development activities. The Group is required to revisit its arrangements with the buyer to determine its accounting policy on revenue recognition. The impact of IFRIC 15 cannot be reasonably estimated, due to the uncertainties surrounding the expectation of future sales and fluctuation of development cost.

The revised FRS 101 separates owner and non-owner changes in equity. Therefore, the consolidated statement of changes in equity will now include only details of transactions with owners. All non-owner changes in equity are presented as a single line labelled as total comprehensive income. The Standard also introduces the statement of comprehensive income: presenting all items of income and expense recognised in the income statement, together with all other items of recognised income and expense, either in one single statement, or in two linked statements. The Group is currently evaluating the format to adopt. In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the reclassification of items in the financial statements. This revised FRS does not have any impact on the financial position and results of the Group and of the Company.

The Group and the Company are exempted from disclosing the possible impact to the financial statements upon the initial application of FRS 7 and FRS 139.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

2. SIGNIFICANT ACCOUNTING POLICIES (contd.)

2.5 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgments used in preparing the financial statements are continually evaluated by the directors and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant effect on the carrying amounts of assets and liabilities are outlined below.

(i) Construction contracts

The Group recognises construction contract revenue and expenses in the income statement by using the stage of completion method. The stage of completion is determined by the proportion that construction costs incurred for work performed to date bear to the estimated total construction costs.

Significant judgement is required in determining the stage of completion, the extent of the construction costs incurred, the estimated total construction revenue and costs, as well as the recoverability of the construction projects. In making the judgement, the Group evaluates based on experience and by relying on the work of specialists.

(ii) Property development

The Group recognises property development revenue and expenses in the income statement by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

Significant judgement is required in determining the stage of completion, the extent of the property development costs incurred, the estimated total property development revenue and costs, as well as the recoverability of the development projects. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists.

(iii) Income taxes

Significant estimation is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(iv) Deferred taxation

Deferred tax assets are recognised for all unutilised tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the losses, capital allowances and other deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Further details are contained in Note 30.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

2. SIGNIFICANT ACCOUNTING POLICIES (contd.)

2.5 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (contd.)

(v) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash-generating units ("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. The carrying amount of goodwill in respect of acquisition of subsidiaries as at 31 December 2009 was RM128,728,000 (30.6.2008: RM125,991,000). Further details are disclosed in Note 22.

(vi) Impairment of investment in associates

The Group tests investment in associates for impairment annually in accordance with its accounting policy. (See accounting policy Note 2.2(i) on impairment of non-financial assets). More regular reviews are performed if events indicate that this is necessary.

Significant judgment is required in the estimation of the present value of future cash flows generated by the associates, which involve uncertainties and are significantly affected by assumptions used and judgement made regarding estimates of future cash flows and discount rates. Changes in assumptions could significantly affect the results of the Group's tests for impairment of investment in associates. Further details are disclosed in Note 17.

3. REVENUE

	Group		Company	
	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000
Construction contracts	1,373,173	961,201	-	-
Sale of goods and properties	1,151,280	790,775	-	-
Property development	84,506	39,066	-	-
Lease and hire purchase	3,629	4,501	-	-
Dividend income (gross) from subsidiaries	-	-	56,248	23,000
Rendering of services and others	26,564	29,660	24,768	18,021
	2,639,152	1,825,203	81,016	41,021

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

4. COST OF SALES

	Group		Company	
	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000
Construction contracts	1,056,558	718,605	-	-
Cost of goods and properties sold	995,809	717,464	-	-
Property development cost	56,384	11,865	-	-
Lease and hire purchase	3,207	1,493	-	-
Cost of services rendered and others	43,017	29,634	27,972	17,720
	2,154,975	1,479,061	27,972	17,720

5. OTHER OPERATING INCOME AND EXPENSES

	Group		Company	
	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000
The following amounts have been included in other operating income:				
Reversal of impairment losses in respect of:				
Other investments:				
- Unquoted investments, net	308	236	349	236
Associates:				
- Unquoted shares	-	10,000	-	10,000
- Quoted warrants	-	1,188	-	1,188
	308	11,424	349	11,424

The following amount has been included in other operating expense:

Impairment losses in respect of:

Property, plant and equipment	3,698	47	-	-
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In the prior financial year, the Company wrote back impairment of its investments in SILK Holdings Berhad (formerly known as Sunway Infrastructure Berhad) ("SunInfra") redeemable preference shares of RM10 million.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

6. FINANCE INCOME AND COSTS

	Group		Company	
	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000
Finance income				
Interest income from:				
Advances to subsidiaries	-	-	3,640	3,145
Deposits with licensed bank	3,148	4,143	553	443
Customer late payment	1,067	747	-	-
Advances to subcontractors	70	-	-	-
Compulsory land acquisition	-	265	-	-
Others	1,705	903	3	153
	5,990	6,058	4,196	3,741
Interest expense on:				
Bank borrowings	(56,209)	(36,478)	(28,194)	(18,181)
Advances from subsidiaries	-	-	(12,800)	(7,113)
ABS Senior Notes	-	(6,717)	-	-
Advances from external parties	(425)	(726)	-	-
Others	(2,840)	(2,737)	(1,018)	(1,095)
	(59,474)	(46,658)	(42,012)	(26,389)
Net finance cost	(53,484)	(40,600)	(37,816)	(22,648)

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

7. PROFIT BEFORE TAX

	Group		Company	
	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000
The following amounts have been charged in arriving at profit before tax:				
Auditors' remuneration:				
- statutory audits				
- Company's auditors	1,400	-	225	-
- other auditors	1,319	1,411	-	190
- other services				
- Company's auditors	185	-	78	-
- other auditors	272	632	-	84
- overprovision in prior year	(28)	-	-	-
Allowance for doubtful debts:				
- trade and non trade	10,530	4,764	-	-
Allowance for inventory obsolescence	3,862	1,186	-	-
Bad debts written off:				
- trade	1,059	427	-	-
Directors' fees	162	54	162	54
Exchange losses:				
- unrealised	7,366	4,918	-	1,343
- realised	4,460	40	480	4
Hire of plant and machinery	7,225	3,729	-	-
Loss on disposal of a subsidiary	-	1,468	143	-
Loss on disposal of other investments	1,000	-	1,000	-
Inventories written off	266	399	-	-
Property, plant and equipment:				
- depreciation	64,436	42,078	37	3
- amortisation of quarry development expenditure	910	375	-	-
- written off	687	2,297	-	-
- loss on disposal	353	654	-	-
Amortisation of rock reserves	36	21	-	-
Amortisation of prepaid land lease payments	1,003	409	-	-
Rental of land and buildings	25,004	12,063	-	-
Travelling and transport	27,803	19,188	332	615
Related costs of syndicated term loan and shares buyback	-	3,933	-	3,933

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

7. PROFIT BEFORE TAX (contd.)

	Group		Company	
	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000

The following amounts have been
charged in arriving at profit before tax: (contd.)

Debt repayment for a previously disposed subsidiary	6	2,246	6	2,246
Waiver of debt to subsidiaries	-	-	396	-
Staff costs (including Directors' Remuneration (Note 8)):				
- wages, salaries and bonuses	218,705	122,308	19,425	12,011
- national defined contribution plan	16,028	9,172	2,253	1,497
- social security fund	2,073	1,486	82	50
- ESOS (Note 26(c))	1,189	1,685	-	53
- other employee benefits	15,566	14,929	652	513

The following amounts have been
credited in arriving at profit before tax:

Bad debts recovered				
- trade	396	585	-	-
- amount due from a subsidiary	-	-	-	33,750
Exchange gain:				
- unrealised	2,495	4,046	2,375	-
- realised	9,039	4,955	-	-
Gain on disposal of other investments	5	484	-	-
Gain on disposal of property, plant and equipment	2,388	1,560	-	-
Gain on redemption of ABS Senior Notes	-	-	-	98
Gain on disposal of investment property	263	-	-	-
Negative goodwill arising from additional investment in a subsidiary	-	856	-	-
Rental income from land and buildings	12,898	2,491	-	-
Write back of allowance for doubtful debts:				
- trade	2,833	2,766	-	-
- amount due from a subsidiary	-	-	-	2,449
Waiver of debt by subsidiaries	-	-	3,120	141
Corporate advisory fee	-	1,500	-	1,500

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

8. DIRECTORS' REMUNERATION

	Group		Company	
	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000
Executive directors:				
Salaries and bonuses	5,398	3,252	5,398	3,252
Estimated money value of benefits-in-kind	199	139	199	139
National defined contribution plan	663	404	663	404
Other benefits	123	111	123	111
	6,383	3,906	6,383	3,906
Non-executive directors*:				
Salaries and bonuses	2,561	1,389	-	-
Estimated money value of benefits-in-kind	129	86	-	-
National defined contribution plan	321	175	-	-
ESOS	-	53	-	53
Other benefits	110	68	-	-
	3,121	1,771	-	53
Non-executive directors:				
Fees	162	54	162	54
Other emoluments	48	34	48	34
	210	88	210	88
Total directors' remuneration	9,714	5,765	6,593	4,047

* Directors' remuneration in respect of certain Non-executive Directors who are Executive Directors of a subsidiary of the Company.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

8. DIRECTORS' REMUNERATION (contd.)

The number of directors of the Company whose total remuneration during the financial period fell within the following bands is analysed below:

	Number of directors	
	1.7.2008 to 31.12.2009	1.7.2007 to 30.6.2008
Executive directors:		
Below RM100,000	-	1
RM500,001 - RM550,000	-	1
RM600,001 - RM650,000	1	-
RM750,001 - RM800,000	-	1
RM900,001 - RM950,000	-	1
RM1,300,001 - RM1,350,000	1	-
RM1,500,001 - RM1,550,000	1	-
RM1,600,001 - RM1,650,000	-	1
RM2,700,001 - RM2,750,000	1	-
Non-executive directors:		
Below RM100,000	3	3
RM800,001 - RM850,000	-	1
RM850,001 - RM900,000	-	1
RM1,300,001 - RM1,350,000	1	-
RM1,800,001 - RM1,850,000	1	-

9. INCOME TAX EXPENSE/(BENEFIT)

	Group		Company	
	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000
Current income tax:				
Malaysian income tax	20,581	16,418	530	45
Foreign tax	11,629	12,320	-	-
	32,210	28,738	530	45
Overprovision in prior year:				
Malaysian income tax	(1,162)	(2,083)	(32)	(393)
Foreign tax	456	5	-	-
	31,504	26,660	498	(348)

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

9. INCOME TAX EXPENSE/(BENEFIT) (contd.)

	Group		Company	
	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000
Deferred tax (Note 30):				
Relating to origination and reversal of temporary differences	850	(453)	-	-
Underprovision in prior years	597	98	-	-
	1,447	(355)	-	-
Total income tax expense/(benefit)	32,951	26,305	498	(348)

Current income tax is calculated at the statutory tax rate of 25% (30.6.2008: 26%) on estimated assessable profit for the period. In the previous financial year, certain subsidiaries which are Malaysian residents and with paid-up capital of RM2.5 million or less qualified for the preferential tax rates under Paragraph 2A, Schedule 1 of the Income Tax Act, 1967 as follows:

On the first RM500,000 of chargeable income: 20%
On excess of RM500,000 of chargeable income: 26%

However, pursuant to Paragraph 2B, Schedule 1 of the Income Tax Act, 1967 that was introduced with effect from the year of assessment 2009, these subsidiaries no longer qualify for the above preferential tax rates.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

9. INCOME TAX EXPENSE/(BENEFIT) (contd.)

A reconciliation of income tax expense / (benefit) 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	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000
Profit before tax	153,162	128,522
Taxation at Malaysian statutory tax rate of 25% (30.6.2008: 26%)	38,291	33,416
Effect of income subject to tax rate of 20% (30.6.2008: 20%)	-	(454)
Different tax rates in other countries	(391)	(1,428)
Deferred tax recognised at different tax rates	-	204
Income not subject to tax	(28,577)	(8,285)
Expenses not deductible for tax purposes	20,555	8,401
Utilisation of previously unrecognised tax losses, unabsorbed capital allowances and other deductible temporary differences	(1,285)	(2,090)
Deferred tax assets not recognised in respect of current period's tax losses, unabsorbed capital allowances and other deductible temporary differences	4,776	139
Deferred tax assets recognised on previously unrecognised tax losses, unabsorbed capital allowances and other deductible temporary differences	(309)	(1,618)
Overprovision of income tax in prior years	(706)	(2,078)
Underprovision of deferred tax in prior year	597	98
Income tax expense for the period	32,951	26,305
Company		
Profit before tax	15,014	38,907
Taxation at Malaysian statutory tax rate of 25% (30.6.2008: 26%)	3,754	10,116
Income not subject to tax	(6,640)	(13,172)
Expenses not deductible for tax purposes	2,424	3,077
Deferred tax assets not recognised in respect of current period	992	24
Overprovision of income tax in prior year	(32)	(393)
Income tax expense/(benefit) for the period	498	(348)

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

9. INCOME TAX EXPENSE/(BENEFIT) (contd.)

Tax savings during the financial period arising from:

	Group		Company	
	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000
Tax savings from the utilisation of tax losses brought forward from previous years for which the related credit is recognised during the financial period	1,285	2,090	-	-

10. EARNINGS PER SHARE

(a) Basic

Basic earnings per share amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial period, excluding treasury shares held by the Company.

	1.7.2008 to 31.12.2009	1.7.2007 to 30.6.2008
Profit attributable to ordinary equity holders of the Company (RM'000)	109,849	100,155
Weighted average number of ordinary shares in issue ('000)	535,791	540,390
Basic earnings per share (sen)	20.50	18.53

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

10. EARNINGS PER SHARE (contd.)

(b) Diluted

For the diluted earnings per share calculation, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. The Group has two categories of dilutive potential ordinary shares: options over ordinary shares granted to employees and warrants. The terms of the options over ordinary shares and unexercised warrants are set out in Note 26(c) and Note 27 to the financial statements respectively.

For the purpose of calculating diluted earnings per share, the profit for the period attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares in issue during the financial period have been adjusted for the dilutive effects of all potential ordinary shares, arising from share options granted to employees and warrants.

	1.7.2008 to 31.12.2009	1.7.2007 to 30.6.2008
Profit attributable to ordinary equity holders of the Company (RM '000)	109,849	100,155
Weighted average number of ordinary shares in issue ('000)	535,791	540,390
Effect of dilution of share options and warrants ('000)	1,148	49,702
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	536,939	590,092
Diluted earnings per share (sen)	20.46	16.97

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

11. DIVIDENDS

	Dividends in respect of period		Dividends recognised in period	
	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000
Recognised during the period:				
Final dividend for 2008:				
Franked dividend of 2.3382% less 25% taxation (1.7536 sen per share) and tax exempt dividend of 0.4963% (0.4963 sen per share)	-	11,773	11,773	-
	-	11,773	11,773	-

The Board of Directors has declared a tax exempt interim dividend of 2.25 sen per ordinary share of RM1.00 each, in respect of the financial period ended 31 December 2009, on 24 February 2010 and payable on 21 May 2010. The financial statements for the current financial period do not reflect this interim dividend. Such dividend will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 December 2010. The Board of Directors is not proposing any final dividend for the financial period ended 31 December 2009.

Under the single-tier tax system which came into effect from the year of assessment 2008, companies are not required to have tax credits under Section 108 of the Income Tax Act, 1967 for dividend payment purposes. Dividends paid under this system are tax exempt in the hands of shareholders.

Companies with Section 108 tax credits as at 31 December 2007 may continue to pay franked dividends until the Section 108 tax credits are exhausted or 31 December 2013 whichever is earlier unless they opt to disregard the Section 108 tax credits to pay single tier dividends under the special transitional provisions of the Finance Act, 2007.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

12. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Office equipment, furniture and fittings RM'000	Quarry development expenditure RM'000	Capital work-in-progress RM'000	Total RM'000
At 31.12.2009								
Cost								
Purchased assets								
At 1.7.2008	25,714	121,802	353,641	45,862	38,834	3,321	42,484	631,658
Additions	9,972	33,326	58,993	2,340	6,576	3,660	16,521	131,388
Exchange differences	60	(6,584)	(4,237)	(2,608)	(812)	-	1,945	(12,236)
Acquisition of subsidiaries	-	-	3,164	-	326	-	-	3,490
Transfers/reclassifications	(13,605)	(30,900)	37,627	(3,352)	(3,214)	15,895	(16,461)	(14,010)
Written off	-	-	(5,934)	(83)	(1,567)	-	-	(7,584)
Disposals	-	(49)	(7,431)	(3,763)	(535)	-	-	(11,778)
At 31.12.2009	22,141	117,595	435,823	38,396	39,608	22,876	44,489	720,928
Assets acquired under finance lease and hire purchase agreements								
At 1.7.2008	-	-	37,847	6,000	7,192	-	-	51,039
Additions	-	-	11,397	1,148	443	-	-	12,988
Exchange differences	-	-	143	3	-	-	-	146
Acquisition of subsidiaries	-	-	-	931	-	-	-	931
Transfers/reclassifications	-	-	(12,365)	(1,467)	(122)	-	-	(13,954)
Disposals	-	-	-	(1,029)	-	-	-	(1,029)
At 31.12.2009	-	-	37,022	5,586	7,513	-	-	50,121
	22,141	117,595	472,845	43,982	47,121	22,876	44,489	771,049

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

12. PROPERTY, PLANT AND EQUIPMENT (contd.)

Group	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Office equipment, furniture and fittings RM'000	Quarry development expenditure RM'000	Capital work-in-progress RM'000	Total RM'000
At 31.12.2009								
Accumulated depreciation								
Purchased assets								
At 1.7.2008	-	37,727	223,006	36,686	29,330	617	118	327,484
Depreciation charge for the period	-	6,507	41,966	3,302	4,873	910	-	57,558
Exchange differences	-	(3,144)	(3,940)	(1,734)	(654)	-	-	(9,472)
Transfers/reclassifications	-	(13,324)	11,117	908	(1,841)	2,376	(118)	(882)
Written off	-	-	(5,715)	(81)	(1,101)	-	-	(6,897)
Disposals	-	(16)	(5,394)	(3,285)	(458)	-	-	(9,153)
At 31.12.2009	-	27,750	261,040	35,796	30,149	3,903	-	358,638
Assets acquired under finance lease and hire purchase agreements								
At 1.7.2008	-	-	10,695	2,985	6,969	-	-	20,649
Depreciation charge for the period	-	-	5,934	1,534	320	-	-	7,788
Exchange differences	-	-	13	(5)	-	-	-	8
Transfers/reclassifications	-	-	(10,028)	(1,188)	(73)	-	-	(11,289)
Disposals	-	-	-	(645)	-	-	-	(645)
At 31.12.2009	-	-	6,614	2,681	7,216	-	-	16,511
	-	27,750	267,654	38,477	37,365	3,903	-	375,149

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

12. PROPERTY, PLANT AND EQUIPMENT (contd.)

Group	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Office equipment, furniture and fittings RM'000	Quarry development expenditure RM'000	Capital work-in- progress RM'000	Total RM'000
At 31.12.2009								
Accumulated impairment losses								
At 1.7.2008	-	-	5,172	-	36	-	845	6,053
Additions	-	4,958	-	-	-	-	-	4,958
Written back	-	-	(1,253)	-	(7)	-	-	(1,260)
At 31.12.2009	-	4,958	3,919	-	29	-	845	9,751
Net carrying amount								
Purchased assets	22,141	84,887	170,864	2,600	9,430	18,973	43,644	352,539
Assets acquired under finance lease and hire purchase agreements	-	-	30,408	2,905	297	-	-	33,610
	22,141	84,887	201,272	5,505	9,727	18,973	43,644	386,149

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

12. PROPERTY, PLANT AND EQUIPMENT (contd.)

Group	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Office equipment, furniture and fittings RM'000	Quarry development expenditure RM'000	Capital work-in-progress RM'000	Total RM'000
At 30.6.2008								
Cost								
Purchased assets								
At 1.7.2007	25,714	117,723	323,187	42,261	38,927	1,319	15,983	565,114
Additions	-	4,341	40,306	2,758	4,202	432	26,284	78,323
Exchange differences	-	(340)	(233)	(737)	(108)	-	615	(803)
Acquisition of subsidiaries	-	615	2,749	5,028	696	1,570	-	10,658
Transfers/reclassifications	-	(227)	1,277	129	158	-	(398)	939
Written off	-	(14)	(8,112)	(2,368)	(3,317)	-	-	(13,811)
Disposals	-	(296)	(5,533)	(1,209)	(1,724)	-	-	(8,762)
At 30.6.2008	25,714	121,802	353,641	45,862	38,834	3,321	42,484	631,658
Assets acquired under finance lease and hire purchase agreements								
At 1.7.2007	-	-	33,846	5,545	7,185	-	-	46,576
Additions	-	-	4,921	680	100	-	-	5,701
Exchange differences	-	-	167	12	6	-	-	185
Transfers/reclassifications	-	-	(1,039)	(116)	(99)	-	-	(1,254)
Written off	-	-	(48)	(95)	-	-	-	(143)
Disposals	-	-	-	(26)	-	-	-	(26)
At 30.6.2008	-	-	37,847	6,000	7,192	-	-	51,039
	25,714	121,802	391,488	51,862	46,026	3,321	42,484	682,697

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

12. PROPERTY, PLANT AND EQUIPMENT (contd.)

Group	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Office equipment, furniture and fittings RM'000	Quarry development expenditure RM'000	Capital work-in-progress RM'000	Total RM'000
At 30.6.2008								
Accumulated depreciation								
Purchased assets								
At 1.7.2007	-	34,445	205,295	37,669	31,313	242	-	308,964
Depreciation charge for the year	-	3,937	27,516	2,253	2,940	375	-	37,021
Exchange differences	-	(412)	317	(392)	(113)	-	118	(482)
Transfers/reclassifications	-	(1)	(468)	184	404	-	-	119
Written off	-	(8)	(6,649)	(1,820)	(3,137)	-	-	(11,614)
Disposals	-	(234)	(3,005)	(1,208)	(2,077)	-	-	(6,524)
At 30.6.2008	-	37,727	223,006	36,686	29,330	617	118	327,484
Assets acquired under finance lease and hire purchase agreements								
At 1.7.2007	-	-	6,415	2,691	6,410	-	-	15,516
Depreciation charge for the year	-	-	4,295	576	561	-	-	5,432
Exchange differences	-	-	25	8	-	-	-	33
Transfers/reclassifications	-	-	(34)	(227)	(2)	-	-	(263)
Written off	-	-	(6)	(37)	-	-	-	(43)
Disposals	-	-	-	(26)	-	-	-	(26)
At 30.6.2008	-	-	10,695	2,985	6,969	-	-	20,649
	-	37,727	233,701	39,671	36,299	617	118	348,133

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

12. PROPERTY, PLANT AND EQUIPMENT (contd.)

Group	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Office equipment, furniture and fittings RM'000	Quarry development expenditure RM'000	Capital work-in-progress RM'000	Total RM'000
At 30.6.2008								
Accumulated impairment losses								
At 1.7.2007	-	-	5,164	-	-	-	845	6,009
Additions	-	-	8	-	36	-	-	44
At 30.6.2008	-	-	5,172	-	36	-	845	6,053
Net carrying amount								
Purchased assets	25,714	84,075	125,463	9,176	9,468	2,704	41,521	298,121
Assets acquired under finance lease and hire purchase agreements	-	-	27,152	3,015	223	-	-	30,390
	25,714	84,075	152,615	12,191	9,691	2,704	41,521	328,511

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

12. PROPERTY, PLANT AND EQUIPMENT (contd.)

Freehold land with carrying value of RM31,115,000 (30.6.2008: RM21,451,000) at the end of the financial period are pledged as security for term loan facilities.

Buildings with carrying value of RM25,713,000 (30.6.2008: RM13,854,000) at the end of the financial period are pledged as security for term loan facilities.

Plant and machinery with carrying value of RM17,164,000 (30.6.2008: RM4,585,000) at the end of the financial period are pledged as security for term loan facilities.

	Office equipment, furniture and fittings RM'000	Motor vehicles RM'000	Total RM'000
Company			
At 31.12.2009			
Cost			
At 1.7.2008	21	84	105
Additions	5	-	5
Written off	(3)	-	(3)
At 31.12.2009	23	84	107
Accumulated depreciation			
At 1.7.2008	3	3	6
Depreciation charge for the period	12	25	37
Written off	(3)	-	(3)
At 31.12.2009	12	28	40
Net carrying amount	11	56	67
At 30.6.2008			
Cost			
At 1.7.2007	3	-	3
Additions	18	84	102
At 30.6.2008	21	84	105
Accumulated depreciation			
At 1.7.2007	3	-	3
Depreciation charge for the period	-	3	3
At 30.6.2008	3	3	6
Net carrying amount	18	81	99

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

13. INVESTMENT PROPERTIES

	Group	
	31.12.2009 RM'000	30.6.2008 RM'000
Investment properties, at cost		
At beginning of financial period	3,876	3,876
Less: Disposals during the financial period	(211)	-
At end of financial period	3,665	3,876

Investment properties comprise 3 pieces of freehold quarry land located in Penang. The total fair values of these properties were estimated at RM4.79 million (30.6.2008: RM4.96 million) using discounted cash flow projections based on a pre-tax discount rate of 5.24% (30.6.2008: 6.60%).

14. ROCK RESERVES

	Group	
	31.12.2009 RM'000	30.6.2008 RM'000
At beginning of financial period	1,789	1,810
Additions during the financial period	8,496	-
Amortisation for the financial period	(36)	(21)
At end of financial period	10,249	1,789

Additions during the financial period arose from the finalisation of the purchase price allocation for subsidiaries acquired during the previous financial period, Ansa Teknik Holdings Sdn. Bhd. and Taiping Kuari Sdn. Bhd.

15. PREPAID LAND LEASE PAYMENTS

	Group	
	31.12.2009 RM'000	30.6.2008 RM'000
At beginning of financial period	16,427	13,251
Additions during the financial period	717	3,585
Amortisation for the financial period	(1,003)	(409)
At end of financial period	16,141	16,427

Leasehold land with net book value of RM3,763,000 (30.6.2008: RM3,932,000) are pledged as security for term loan facilities.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

16. INVESTMENTS IN SUBSIDIARIES

	Company	
	31.12.2009 RM'000	30.6.2008 RM'000
Unquoted shares, at cost		
At beginning of financial period	773,581	755,984
Additions during the financial period	116,015	16,058
Liquidated and disposed off	(377)	-
Redemption of investment in redeemable preference shares	(1,270)	-
Effect of share based payment	(248)	1,539
At end of financial period	887,701	773,581
Less: Accumulated impairment losses	(69,597)	(69,677)
	818,104	703,904
Loan to a subsidiary	-	23,564
Net carrying amount at end of financial period	818,104	727,468
	30.6.2008	
	Carrying amount RM'000	Fair value RM'000
Loan to a subsidiary:		
Current (Note 21)	3,535	3,535
Non-current	20,029	19,362
	23,564	22,897

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

16. INVESTMENTS IN SUBSIDIARIES (contd.)

Details of the subsidiaries are as follows:

Name	Country of incorporation	Effective interest		Principal activities
		31.12.2009	30.6.2008	
		%	%	
Sunway Construction Sdn. Bhd.	Malaysia	100.00	100.00	Turnkey, construction related design and build, civil engineering and building works
SunwayMas Sdn. Bhd.	Malaysia	100.00	100.00	Property and housing development
Sunway Keramo Sdn. Bhd.	Malaysia	100.00	100.00	Marketing, manufacturing and sale of glazed vitrified clay pipes and other similar related clay products
Sunway Marketing Sdn. Bhd.	Malaysia	100.00	100.00	Marketing, distribution and sale of construction related products and industrial products
Sunway Marketing (S) Pte. Ltd. *	Singapore	100.00	100.00	Trading in hose and fittings and hose assembly
Sunway Leasing Sdn. Bhd.	Malaysia	100.00	100.00	Provision of finance through leasing, hire purchase, money lending and share financing
Sunway Risk Management Sdn. Bhd.	Malaysia	100.00	100.00	General and life insurance agency providing insurance underwriting and consultancy services
Sunway Management Sdn. Bhd.	Malaysia	100.00	100.00	Share registration and secretarial services

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

16. INVESTMENTS IN SUBSIDIARIES (contd.)

Name	Country of incorporation	Effective interest		Principal activities
		31.12.2009	30.6.2008	
		%	%	
Sunway Land Sdn. Bhd.	Malaysia	100.00	100.00	Investment holding
Sunway Holdings (Vietnam) Sdn. Bhd.	Malaysia	100.00	100.00	Investment holding
Reptolink Sdn. Bhd.	Malaysia	100.00	100.00	Investment holding
Sunway Property (China) Limited *	Hong Kong	100.00	100.00	Investment holding
Shahawan (M) Sdn. Bhd.	Malaysia	100.00	100.00	Property investment
Galaxy Avenue Sdn. Bhd.	Malaysia	100.00	100.00	Dormant
Sunway Orient Sdn. Bhd.	Malaysia	100.00	100.00	Dormant
Sunway BPO Sdn. Bhd.	Malaysia	100.00	100.00	Provision of financial, accounting and information technology services
Sunway Shared Services Centre Sdn. Bhd.	Malaysia	100.00	100.00	Provision of financial, accounting and information technology services
Sunway Supply Chain Enterprise Sdn. Bhd.	Malaysia	100.00	100.00	General traders dealing in timber, plywood, metal products, information and communication technology equipment, general plant and machineries and other general merchandise

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

16. INVESTMENTS IN SUBSIDIARIES (contd.)

Name	Country of incorporation	Effective interest		Principal activities
		31.12.2009	30.6.2008	
		%	%	
Synergy Quarry and Asphalt Industries Sdn. Bhd. * @	Malaysia	-	70.00	Dormant
Sunway Juarasama Sdn. Bhd.	Malaysia	100.00	100.00	Dormant
ABS Land & Properties Berhad	Malaysia	100.00	100.00	Implementation of securitisation transactions
Sunway Quarry Industries Sdn. Bhd.	Malaysia	100.00	100.00	Manufacturing and supplying of premix, quarry operations to carry out contract works for civil projects
Sunway Pipeplus Technology Sdn. Bhd.	Malaysia	100.00	100.00	Production of concrete pipes
Sunway Paving Solutions Sdn. Bhd.	Malaysia	100.00	100.00	Manufacturing and marketing of concrete pavers, hollow concrete blocks and eurotiles, undertake contracts for paving works and the hiring of heavy machinery
Kualiti Klasik Sdn. Bhd.	Malaysia	100.00	100.00	To sell or otherwise deal in stones, aggregates, premix or other construction related products
Ansa Teknik Holdings Sdn. Bhd. *	Malaysia	100.00	100.00	Investment holding

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

16. INVESTMENTS IN SUBSIDIARIES (contd.)

Name	Country of incorporation	Effective interest		Principal activities
		31.12.2009	30.6.2008	
		%	%	
Sunway Quarry Industries (Caribbean) Limited *	Trinidad and Tobago	100.00	100.00	Manufacturing and supplying of premix, quarry operations to carry out contract works for civil projects
Sunway Integrated Outsourcing Sdn. Bhd. (formerly known as Amona Sunway Construction Consortium Sdn. Bhd.)	Malaysia	100.00	100.00	Provision of business process outsourcing, knowledge process outsourcing and information technology outsourcing services
Myanmar Sungei Way Holdings Limited *^	Myanmar	99.90	99.90	Dormant
PT Sunway Quarry Indonesia *	Indonesia	95.00	-	Dormant
Amalan Insaf (M) Sdn. Bhd. *	Malaysia	82.50	82.50	Investment holding
Sunway Global Limited *	Hong Kong	74.26	60.00	Investment holding and provision of management services

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

16. INVESTMENTS IN SUBSIDIARIES (contd.)

Name	Country of incorporation	Effective interest		Principal activities
		31.12.2009	30.6.2008	
		%	%	
Subsidiaries of Sunway Construction Sdn. Bhd.:				
Sunway Innopave Sdn. Bhd.	Malaysia	100.00	100.00	Construction of civil and building works and provision of project management
Sunway M&E Sdn. Bhd.	Malaysia	100.00	100.00	Dormant
Sunway Machinery Sdn. Bhd.	Malaysia	100.00	100.00	Renting of machinery and site equipment and undertaking sub-contract work
Binajelata (M) Sdn. Bhd.	Malaysia	100.00	100.00	Dormant
Identiti Jelata (M) Sdn. Bhd.	Malaysia	100.00	100.00	Dormant
Sunway Engineering Sdn. Bhd.	Malaysia	75.10	74.70	Provision of mechanical and engineering works
Sunway Builders Sdn. Bhd.	Malaysia	100.00	100.00	Construction of building and civil works
Sunway Geotechnics (M) Sdn. Bhd.	Malaysia	100.00	100.00	Manufacturing and sales of precast micro injection piles and reinforced concrete piles; undertaking of piling contracts and hire of heavy machineries
Sunspan Sdn. Bhd.	Malaysia	100.00	100.00	Dormant

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

16. INVESTMENTS IN SUBSIDIARIES (contd.)

Name	Country of incorporation	Effective interest		Principal activities
		31.12.2009	30.6.2008	
		%	%	
Subsidiaries of Sunway Construction Sdn. Bhd.: (contd.)				
Muhibbah Permai Sdn. Bhd.	Malaysia	80.00	80.00	Property development
Target Beam (M) Sdn. Bhd.	Malaysia	100.00	100.00	Dormant
Baramatics Sdn. Bhd.	Malaysia	100.00	100.00	Dormant
Classvest Realty Sdn. Bhd.	Malaysia	100.00	100.00	Dormant
Crosside Realty Sdn. Bhd.	Malaysia	100.00	100.00	Dormant
Sunway Industrial Products Sdn. Bhd.	Malaysia	100.00	100.00	Investment holding
Sunway Machineries Services Sdn. Bhd.	Malaysia	100.00	100.00	Investment holding
Sunway Construction India Pte. Ltd. *	India	100.00	100.00	Construction of civil and building works
Sunway Creative Stones Sdn. Bhd.	Malaysia	70.00	70.00	Trading of construction materials and general contract work
Sunway GD Piling Sdn. Bhd.	Malaysia	100.00	100.00	Piling and foundation works
Sunway Construction Caribbean Limited *	Trinidad and Tobago	100.00	100.00	Construction of civil and building works

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

16. INVESTMENTS IN SUBSIDIARIES (contd.)

Name	Country of incorporation	Effective interest		Principal activities
		31.12.2009	30.6.2008	
		%	%	
Subsidiaries of Sunway Construction Sdn. Bhd.: (contd.)				
Sunway Precast Industries Sdn. Bhd.	Malaysia	100.00	100.00	Manufacturing precast concrete building components, undertaking of precast concrete building contracts and renting of machineries
Sun-Block (Batang Kali) Sdn. Bhd.	Malaysia	100.00	100.00	Dormant
Sunway IBS Sdn. Bhd.	Malaysia	70.00	70.00	Dormant
Sunway-LCL Interiors Sdn. Bhd. (formerly known as Best Expertise Sdn. Bhd.)	Malaysia	60.00	-	Dormant
Subsidiary of Sunway Industrial Products Sdn. Bhd.:				
Sunway Concrete Products (S) Pte. Ltd. *	Singapore	100.00	100.00	Manufacturing and sale of precast concrete building components
Subsidiary of Sunway Concrete Products (S) Pte. Ltd.:				
Sunway Developments Pte. Ltd. *	Singapore	100.00	100.00	Other investment holding companies and general contractors (building construction including major upgrading works)

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

16. INVESTMENTS IN SUBSIDIARIES (contd.)

Name	Country of incorporation	Effective interest		Principal activities
		31.12.2009	30.6.2008	
		%	%	
Subsidiaries of Sunway Creative Stones Sdn. Bhd.:				
Sunway Dimension Stones Sdn. Bhd.	Malaysia	70.00	70.00	Cutting, profiling and other value-added works on granites, marbles and related natural stones materials
Sunway Creative Stones (Xiamen) Co. Ltd. *	China	70.00	70.00	Trading of construction materials and general contract works
Subsidiary of Sunway GD Piling Sdn. Bhd.:				
Sunway GD Piling (Caribbean) Limited *	Trinidad and Tobago	100.00	100.00	Dormant
Subsidiaries of Sunway Machineries Services Sdn. Bhd.:				
Sunway PMI-Pile Construction Sdn. Bhd.	Malaysia	99.42	99.42	Dormant
Sunway SK Sdn. Bhd.	Malaysia	100.00	100.00	Construction of building and civil works
Subsidiary of Sunway Engineering Sdn. Bhd.:				
Sunway Smartek Sdn. Bhd.	Malaysia	75.10	74.70	Dormant

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

16. INVESTMENTS IN SUBSIDIARIES (contd.)

Name	Country of incorporation	Effective interest		Principal activities
		31.12.2009	30.6.2008	
		%	%	
Subsidiary of				
Sunway Smartek Sdn. Bhd.:				
Sunway Smartek Marketing Sdn. Bhd.	Malaysia	38.30	38.10	Dormant
Subsidiary of				
Sunway Geotechnics (M) Sdn. Bhd.:				
Sunway Geotechnics (S) Pte. Ltd. *	Singapore	100.00	-	Piling and foundation works
Subsidiaries of				
SunwayMas Sdn. Bhd.:				
Sunway Bangi Sdn. Bhd.	Malaysia	100.00	100.00	Property development
Mujurmas Sdn. Bhd.	Malaysia	100.00	100.00	Property development
Pembangunan Risjaya Sdn. Bhd.	Malaysia	100.00	100.00	Property development
Sunway Rawang Heights Sdn. Bhd.	Malaysia	100.00	100.00	Property development
Sunway Kanching Heights Sdn. Bhd.	Malaysia	100.00	100.00	Property development
Eaglefield Sdn. Bhd.	Malaysia	100.00	100.00	Property development
Sunway Greenview Sdn. Bhd.	Malaysia	80.00	80.00	Property and housing development
Sunway Termuning Sdn. Bhd.	Malaysia	80.00	80.00	Property and housing development

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

16. INVESTMENTS IN SUBSIDIARIES (contd.)

Name	Country of incorporation	Effective interest		Principal activities
		31.12.2009	30.6.2008	
		%	%	
Subsidiaries of SunwayMas Sdn. Bhd.: (contd.)				
Virgo Rhythm Sdn. Bhd.	Malaysia	100.00	100.00	Property and housing development
Sunway Land (China) Limited *	Hong Kong	100.00	-	Investment holding
Analisa Kekal Sdn. Bhd.	Malaysia	100.00	-	Dormant
Subsidiary of Sunway Quarry Industries Sdn. Bhd.:				
Taiping Kuari Sdn. Bhd. *	Malaysia	100.00	100.00	To undertake quarry operation, manufacturer or supplier of processed or unprocessed stones, rock materials and other similar products for construction and building works
Subsidiaries of Sunway Marketing Sdn. Bhd.:				
Sunway Marketing (East Malaysia) Sdn. Bhd.	Malaysia	85.00	85.00	Trading in hose and fittings and industrial products
Sunway Hose Centre Sdn. Bhd.	Malaysia	85.00	85.00	Trading in hose and fittings and hose assembly
Sunway Architectural Products Sdn. Bhd.	Malaysia	85.00	85.00	Dormant

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

16. INVESTMENTS IN SUBSIDIARIES (contd.)

Name	Country of incorporation	Effective interest		Principal activities
		31.12.2009	30.6.2008	
		%	%	
Subsidiaries of Sunway Marketing Sdn. Bhd.: (contd.)				
Sun Pharmaceutical Sdn. Bhd. *	Malaysia	60.00	60.00	Importation and distribution of pharmaceutical products
Subsidiaries of Sunway Marketing (S) Pte. Ltd.:				
PT Sunway Marketing Indonesia *	Indonesia	100.00	100.00	Dormant
Sunway Marketing (Shanghai) Pte. Ltd. *	China	100.00	100.00	Trading in hose and fittings, hose assembly and heavy equipment parts
PT Sunway Trek Masindo *	Indonesia	100.00	100.00	Trading in hose and fittings, hose assembly and heavy equipment parts
Sunway Marketing (Thailand) Ltd. *	Thailand	100.00	100.00	Trading in hose and fittings, hose assembly and heavy equipment parts
Totalrubber Ltd. *	Australia	100.00	-	Trading in hose and fittings and hose assembly
Subsidiaries of Sun Pharmaceutical Sdn. Bhd.:				
Sun Pharmaceutical Pte. Ltd. *	Singapore	60.00	60.00	Dormant
Sunway Pharma Sdn. Bhd *	Malaysia	60.00	60.00	Ceased operation

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

16. INVESTMENTS IN SUBSIDIARIES (contd.)

Name	Country of incorporation	Effective interest		Principal activities
		31.12.2009	30.6.2008	
		%	%	
Subsidiaries of Sunway Leasing Sdn. Bhd.:				
SWL Nominees (Tempatan) Sdn. Bhd.	Malaysia	100.00	100.00	Provision of shares nominee services
Sunway Elite Sdn. Bhd.	Malaysia	100.00	100.00	To coordinate and provide administration of employees’ health care benefits and insurance services
Sunway Credit Sdn. Bhd.	Malaysia	100.00	100.00	Provision of finance through leasing and hire purchase
Subsidiaries of Sunway Land Sdn. Bhd.:				
Sungei Way Resources Sdn. Bhd.	Malaysia	100.00	100.00	Investment holding
Fortuna Gembira Enterpris Sdn. Bhd.	Malaysia	100.00	100.00	Investment holding
Subsidiaries of Reptolink Sdn. Bhd.:				
Sunway Enterprise (1988) Sdn. Bhd.	Malaysia	100.00	100.00	Trading and hiring of heavy machinery and spares
Sunway Hydraulic Industries Sdn. Bhd.	Malaysia	100.00	100.00	Manufacturing of couplings and assembly of hydraulic hoses

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

16. INVESTMENTS IN SUBSIDIARIES (contd.)

Name	Country of incorporation	Effective interest		Principal activities
		31.12.2009	30.6.2008	
		%	%	
Subsidiaries of Sunway Holdings (Vietnam) Sdn. Bhd.:				
Sunway Hatay Construction & Building Materials JV Co. Ltd. *	Vietnam	86.00	86.00	Quarrying and manufacturing of ready-mixed concrete
Hochimex Nominee Company Limited *	Hong Kong	100.00	100.00	Investment holding
Sungei Way Ocean Joint Venture Ltd. *	Vietnam	70.00	70.00	Quarrying and production of building stones
Realty Investments (HB) Inc. *	Panama	100.00	100.00	Investment holding
Subsidiary of Hochimex Nominee Company Limited:				
Sunway Hotel Hanoi Liability Limited Co. with One Member *	Vietnam	100.00	100.00	Hotel operations
Subsidiary of Realty Investments (HB) Inc.:				
Hang Bai Office Complex JVC *	Vietnam	74.00	74.00	Dormant
Subsidiary of Amalan Insaf (M) Sdn. Bhd.:				
Sunway Property Sdn. Bhd. * #	Malaysia	82.50	82.50	Dormant

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

16. INVESTMENTS IN SUBSIDIARIES (contd.)

Name	Country of incorporation	Effective interest		Principal activities
		31.12.2009	30.6.2008	
		%	%	
Subsidiary of Sunway Keramo Sdn. Bhd.:				
Sunway Pipe Inspection and Repair Services Centre Sdn. Bhd.	Malaysia	100.00	100.00	Dormant
Subsidiaries of Sunway Paving Solutions Sdn. Bhd.:				
Sun-Block (Senai) Sdn. Bhd.	Malaysia	100.00	100.00	Dormant
Sun-Block (Beranang) Sdn. Bhd.	Malaysia	100.00	100.00	Dormant
Sunway Cavity Wall Panel Sdn. Bhd.	Malaysia	100.00	100.00	Manufacturing and marketing of cavity wall panel
Sunway Cavity Wall Panel (S) Pte. Ltd. *	Singapore	100.00	100.00	Manufacturing and marketing of cavity wall panel
Subsidiary of Ansa Teknik Holdings Sdn. Bhd.:				
Ansa Teknik (Melaka) Sdn. Bhd. *	Malaysia	100.00	100.00	Granite quarrying

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

16. INVESTMENTS IN SUBSIDIARIES (contd.)

Name	Country of incorporation	Effective interest		Principal activities
		31.12.2009	30.6.2008	
		%	%	
Subsidiary of ABS Land & Properties Berhad:				
Coral-White Sdn. Bhd.	Malaysia	100.00	100.00	Property investment and investment holding
Subsidiaries of Sunway Global Limited:				
Sunway Building Materials (Shanghai) Co. Ltd. *	China	74.26	60.00	Manufacturing, sale and marketing of interlocking pavers
Sunway Building Materials (Dongguan) Co. Ltd. *	China	74.26	60.00	Manufacturing, sale and marketing of interlocking pavers
Sunway Spun Pile (Zhuhai) Co. Ltd. *	China	59.41	48.00	Design, manufacture and sale of pretensioned spun concrete piles
Sunway GD Foundation Engineering Co. Ltd. *	Macau	44.56	36.00	To carry out foundation and construction works
Sunway Xin Long (Anhui) Hydraulic Co. Ltd. *	China	57.92	46.80	Production and sale of automotive parts, hydraulic pipes, coupling and adapter, production, sale and marketing of building materials, import and export trading
Sunway Trading (Shanghai) Pte. Ltd. *	China	74.26	60.00	Trading and distribution of hose and couplings, machineries, spare parts and related items

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

16. INVESTMENTS IN SUBSIDIARIES (contd.)

Name	Country of incorporation	Effective interest		Principal activities
		31.12.2009	30.6.2008	
		%	%	
Subsidiaries of Sunway Global Limited: (contd.)				
Sunway Daechang Forging (Anhui) Co. Ltd. *	China	44.56	28.08	Manufacturing and assembling of undercarriage components, trading, providing design, consultancy services, repair and maintenance
Subsidiaries of Sunway Enterprise (1988) Sdn. Bhd.:				
Heng Ngai Knitting Manufacturer Sdn. Bhd.	Malaysia	100.00	100.00	Dormant
Sungei Way Enterprise (1988) Singapore Pte. Ltd. * (In liquidation)	Singapore	100.00	100.00	Dormant
Subsidiaries of Sunway GD Foundation Engineering Co Ltd.:				
Shanghai Xinhetai Construction Ltd. *	China	31.19	25.20	To undertake the business of foundation engineering
Splendid Era Sdn. Bhd. *	Malaysia	44.56	100.00	To carry out foundation and construction works

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

16. INVESTMENTS IN SUBSIDIARIES (contd.)

Name	Country of incorporation	Effective interest		Principal activities
		31.12.2009	30.6.2008	
		%	%	
Subsidiaries of Sunway GD Foundation Engineering Co Ltd.: (contd.)				
Sunway GD Foundation Engineering Technical Advisory (Shanghai) Co. Ltd. *	China	44.56	-	Providing technical and consultancy advisory for engineering works and to undertake engineering works through contracting construction projects
PT Sunway Construction Engineering *	Indonesia	24.51	-	To carry out foundation and construction works
Subsidiary of Shanghai Xinhetai Construction Ltd.:				
Shanghai Sunway Geotechnics Engineering Co. Ltd. *	China	31.19	25.20	Undertake geotechnical and foundation engineering through contracting construction projects, installation, leasing and renting of machineries and equipment, marketing and distribution of building materials related products
Subsidiaries of Totalrubber Ltd.:				
Total Rubber Services Franchising Pty. Ltd. *	Australia	100.00	-	Franchisor for TOTALRUBBER franchising business
Pacific Flow Technology Pty. Ltd. *	Australia	80.00	-	Manufacturing and sales of rubber hose products

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

16. INVESTMENTS IN SUBSIDIARIES (contd.)

Name	Country of incorporation	Effective interest		Principal activities
		31.12.2009	30.6.2008	
		%	%	
Subsidiary of				
Sunway Risk				
Management Sdn Bhd:				
Sunway Captive Insurance Ltd. (Held in trust by General Captive International Ltd)	Malaysia	100.00	-	To carry on business as an offshore rent-a-captive insurer

* Not audited by Ernst & Young.

^ Myanmar Sungei Way Holdings Limited ("MSHL") has been placed under members' voluntary liquidation on 28 June 2001 by a special resolution passed at the Extraordinary General Meeting of MSHL held in June 2001. MSHL was incorporated in Myanmar to carry out general trading but has remained dormant since its inception. The voluntary liquidation of MSHL is undertaken as there is no immediate and foreseeable investment plans in Myanmar in the future.

In the midst of striking off pursuant to Section 308 of the Companies Act, 1965.

@ Dissolved on 2 September 2008.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

17. INTEREST IN ASSOCIATES

	Group		Company	
	31.12.2009 RM'000	30.6.2008 RM'000	31.12.2009 RM'000	30.6.2008 RM'000
Quoted:				
At cost				
- shares	190,367	190,367	-	-
Share of post-acquisition profits/(losses)	5,098	(2,811)	-	-
Share of non-distributable reserves	(829)	(829)	-	-
	194,636	186,727	-	-
Less:				
Accumulated impairment losses				
- shares	(143,692)	(143,692)	-	-
	50,944	43,035	-	-
Unquoted:				
Shares at cost	4,759	4,759	3,406	3,406
Share of post-acquisition profits	17,395	5,227	-	-
	22,154	9,986	3,406	3,406
Less: Accumulated impairment losses	(3,836)	(3,836)	(3,406)	(3,406)
	18,318	6,150	-	-
	69,262	49,185	-	-
Market values of quoted investments:				
- shares	23,917	25,477	-	-

Group's share of revenue, profit, assets and liabilities of associates are as follows:

	Group	
	31.12.2009 RM'000	30.6.2008 RM'000
Revenue	243,449	109,402
Profit after tax	20,766	10,625
Non-current assets	64,484	47,645
Current assets	88,410	57,263
Current liabilities	(82,336)	(54,951)
Non-current liabilities	(1,296)	(772)
Net assets	69,262	49,185

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

17. INTEREST IN ASSOCIATES (contd.)

The Group's share of losses in certain associates has been recognised to the extent of the carrying amount of the investments. The cumulative and current period's unrecognised share of losses of associates amounted to RM27,737,000 (30.6.2008: RM27,737,000) and RM Nil (30.6.2008: RM Nil) respectively.

As at 31 December 2009, the carrying value of the Group's investment in quoted shares of an associate was RM50.9 million (30.6.2008: RM43.0 million) whilst its market value was RM23.9 million (30.6.2008: RM25.5 million), which indicates potential impairment.

The market value of the Group's investment in quoted shares of the associate was computed based on the prevailing market share price as at 31 December 2009. However, based on the value in use computation, the recoverable amount was RM54.7 million (30.6.2008: RM45.2 million) and accordingly, the Directors concluded that no impairment loss was required as at 31 December 2009.

The pre-tax cash flow projections used in the value in use computation were based on financial budgets estimated by management, covering a five-year financial period using an estimated growth rate of 10% (30.6.2008: 5%) and are discounted using the asset's specific weighted average cost of capital of 10% (30.6.2008: 15%).

If the above cash flow projections had been lower by 7% (30.6.2008: 1%) from management's estimate, an impairment loss would have been recognised.

Details of the associates are as follows:

Name	Country of incorporation	Effective interest		Principal activities
		31.12.2009	30.6.2008	
		%	%	
Sungei Way-Saigon-Pilecon Engineering Company *	Vietnam	42.30	42.30	Dormant
Associate of Fortuna Gembira Enterpris Sdn. Bhd.:				
Gopeng Berhad *	Malaysia	19.33	19.33	Cultivation of oil palm, investment holding and property development

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

17. INTEREST IN ASSOCIATES (contd.)

Name	Country of incorporation	Effective interest		Principal activities
		31.12.2009	30.6.2008	
		%	%	
Associate of Sunway Juarasama Sdn. Bhd.:				
Sungei Way Construction (S) Pte. Ltd. *	Singapore	50.00	50.00	Dormant
Associate of SunwayMas Sdn. Bhd.:				
Varich Industries Sdn. Bhd. *	Malaysia	50.00	50.00	Dormant
Associate of Sunway Marketing Sdn. Bhd.:				
Buildtrend B.S.G. (M) Sdn. Bhd. *	Malaysia	30.00	30.00	Distribution of architectural building products and sanitary wares
Associate of Sunway Builders Sdn. Bhd.:				
ISZL Consortium *	Unincorporated	25.00	25.00	Construction

* Not audited by Ernst & Young.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

18. OTHER INVESTMENTS

	Group		Company	
	31.12.2009 RM'000	30.6.2008 RM'000	31.12.2009 RM'000	30.6.2008 RM'000
Other investments:				
- unquoted investments	3,374	13,364	1,823	12,178
- quoted investments	-	496	-	-
	3,374	13,860	1,823	12,178
Less:				
Accumulated impairment losses				
- unquoted investments	(1,682)	(2,483)	(1,680)	(2,029)
- quoted investments	-	(297)	-	-
	1,692	11,080	143	10,149
Market value of quoted investments:				
shares	-	62	-	-

19. INTEREST IN JOINTLY CONTROLLED ENTITIES

	Group	
	31.12.2009 RM'000	30.6.2008 RM'000
Unquoted:		
Shares at cost	29,882	678
Premium on acquisition	5	5
Share of post-acquisition profits	61,149	9,974
Share of assets	44,597	44,597
	135,633	55,254
Loan to jointly controlled entities	91,716	35,307
	227,349	90,561

The loan to jointly controlled entities is unsecured, interest-free and has no fixed terms of repayment.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

19. INTEREST IN JOINTLY CONTROLLED ENTITIES (contd.)

The Group's share of income and expenses, assets and liabilities of the jointly controlled entities are as follows:

	Group	
	31.12.2009 RM'000	30.6.2008 RM'000
Income	207,682	77,594
Expenses	(156,507)	(67,620)
Profit after tax	51,175	9,974
Non-current assets	75,933	32
Current assets	650,350	206,302
Current liabilities	(283,736)	(40,789)
Non-current liabilities	(306,914)	(110,291)
Net assets	135,633	55,254

Details of the jointly controlled entities are as follows:

Name	Country of incorporation	Effective interest		Principal activities
		31.12.2009 %	30.6.2008 %	
Hoi Hup Sunway Development Pte. Ltd. *	Singapore	30.00	30.00	Real estate development
SunCity SunCon Joint Venture	Unincorporated	50.00	50.00	Property development
Sunway Real Estate (China) Limited *	Hong Kong	40.00	40.00	Real estate and property development
Hoi Hup Sunway J.V. Pte. Ltd. *	Singapore	30.00	-	Real estate development
Hoi Hup Sunway Property Pte. Ltd. *	Singapore	30.00	-	Real estate activities with own or leased property

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

19. INTEREST IN JOINTLY CONTROLLED ENTITIES (contd.)

Name	Country of incorporation	Effective interest		Principal activities
		31.12.2009	30.6.2008	
		%	%	
Sunway Daechang Forging Investment Limited *	Hong Kong	50.00	-	Investment holding
Silver Coast-Sunway Innopave J.V. *	Unincorporated	60.00	-	Construction works

* Not audited by Ernst & Young.

20. PROPERTY DEVELOPMENT ACTIVITIES

(a) Land held for property development

	Group	
	31.12.2009 RM'000	30.6.2008 RM'000
At cost		
- freehold land	44,727	45,512
- leasehold land	11,695	4,628
Development expenditure	25,825	18,848
	82,247	68,988
At beginning of financial period	68,988	52,757
At cost		
- additions of freehold land	-	52,845
- additions of leasehold land	3,942	-
Development expenditure incurred during the financial period	413	7,051
Transfer of land from/(to) property development costs		
- freehold land	(785)	(34,903)
- leasehold land	3,125	-
Transfer of development expenditure from/(to) property development costs	6,564	(8,120)
Disposal of leasehold land, at cost	-	(642)
Compulsory acquisition of land	-	-
At end of financial period	82,247	68,988

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

20. PROPERTY DEVELOPMENT ACTIVITIES (contd.)

(b) Property development costs

	Group	
	31.12.2009 RM'000	30.6.2008 RM'000
At beginning of financial period:		
- land	43,576	17,423
- development costs	88,424	132,561
- accumulated cost charged to income statement	(70,740)	(144,233)
	61,260	5,751
Costs incurred during the financial period:		
- Transfer of land (to)/from land held for property development		
- freehold land	785	34,903
- leasehold land	(3,125)	-
- Transfer of development expenditure (to)/from land held for property development	(6,564)	8,120
- Acquisition of land held for property development	7,876	3,355
- Development costs	91,247	25,857
	90,219	72,235
Costs charged to income statement	(56,384)	(11,865)
Transferred to inventories	-	(4,861)
	(56,384)	(16,726)
Reversal of completed projects:		
- land	(567)	(12,105)
- development costs	(36,190)	(78,114)
- accumulated cost charged to income statement	36,757	90,219
	-	-
At end of financial period:		
- land	48,545	43,576
- development costs	136,917	88,424
- accumulated cost charged to income statement	(90,367)	(70,740)
	95,095	61,260

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

21. RECEIVABLES

	Group		Company	
	31.12.2009 RM'000	30.6.2008 RM'000	31.12.2009 RM'000	30.6.2008 RM'000
Non-current assets:				
Finance lease debtors	11,967	5,578	-	-
Hire purchase debtors	4,876	5,890	-	-
	16,843	11,468	-	-
Current assets:				
Trade receivables	410,210	494,354	14,313	2,550
Retention sums (Note 32)	90,936	80,848	-	-
	501,146	575,202	14,313	2,550
Finance lease debtors	6,831	3,629	-	-
Hire purchase debtors	3,911	3,050	-	-
Amounts due from customers on contracts (Note 32)	44,887	95,627	-	-
Deposits	8,978	13,215	31	46
Other receivables	102,083	62,639	8,008	63
Prepayments	27,812	22,471	49	-
Accrued billings in respect of property development costs	714	-	-	-
Amounts due from subsidiaries	-	-	33,244	36,279
Loan to a subsidiary (Note 16)	-	-	-	3,535
Amount due from an associate	83	83	83	83
	696,445	775,916	55,728	42,556

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

21. RECEIVABLES (contd.)

The fair values of non-current receivables at balance sheet date were as follows:

	Group		Company	
	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
31.12.2009				
Finance lease debtors	11,967	11,372	-	-
Hire purchase debtors	4,876	4,672	-	-
30.6.2008				
Finance lease debtors	5,578	5,277	-	-
Hire purchase debtors	5,890	5,488	-	-

Non-current receivables are denominated in Ringgit Malaysia and are due within 5 years from balance sheet date. The carrying amounts of non-current receivables were not reduced to their estimated fair values as the Directors are of the opinion that the amounts will be repaid in full on the due date.

	Group		Company	
	31.12.2009 RM'000	30.6.2008 RM'000	31.12.2009 RM'000	30.6.2008 RM'000
The currency exposure profile of trade receivables is as follows:				
- Ringgit Malaysia (RM)	251,749	341,771	14,313	2,550
- Singapore Dollar (SGD)	42,980	76,631	-	-
- Vietnam Dong (VND)	9,638	23,106	-	-
- Indonesian Rupiah (INR)	5,464	5,316	-	-
- US Dollar (USD)	1,618	-	-	-
- Renminbi (RMB)	21,948	15,862	-	-
- Trinidad and Tobago Dollar (TTD)	10,113	15,586	-	-
- Thai Baht (THB)	2,848	3,851	-	-
- India Rupee (IR)	47,930	12,231	-	-
- Euro (EURO)	1,013	-	-	-
- Macau Pataca (MOP)	4,292	-	-	-
- Australia Dollar (AUD)	10,617	-	-	-
	410,210	494,354	14,313	2,550

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

21. RECEIVABLES (contd.)

	Group		Company	
	31.12.2009 RM'000	30.6.2008 RM'000	31.12.2009 RM'000	30.6.2008 RM'000
The currency exposure profile of retention sums is as follows:				
- Ringgit Malaysia (RM)	70,328	66,946	-	-
- Singapore Dollar (SGD)	8,665	2,023	-	-
- Trinidad and Tobago Dollar (TTD)	8,598	8,715	-	-
- Renminbi (RMB)	3,345	3,164	-	-
	90,936	80,848	-	-
The currency exposure profile of amounts due from customers on contracts is as follows:				
- Ringgit Malaysia (RM)	25,831	47,729	-	-
- India Rupee (IR)	9,041	33,336	-	-
- Trinidad and Tobago Dollar (TTD)	10,015	14,562	-	-
	44,887	95,627	-	-
The currency exposure profile of deposits is as follows:				
- Ringgit Malaysia (RM)	6,147	10,896	31	46
- Singapore Dollar (SGD)	1,588	706	-	-
- US Dollar (USD)	-	54	-	-
- Vietnam Dong (VND)	158	377	-	-
- Indonesian Rupiah (INR)	68	-	-	-
- India Rupee (IR)	74	-	-	-
- Trinidad and Tobago Dollar (TTD)	18	294	-	-
- Renminbi (RMB)	697	802	-	-
- Thai Baht (THB)	66	44	-	-
- Macau Pataca (MOP)	-	42	-	-
- Australia Dollar (AUD)	162	-	-	-
	8,978	13,215	31	46

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

21. RECEIVABLES (contd.)

	Group		Company	
	31.12.2009 RM'000	30.6.2008 RM'000	31.12.2009 RM'000	30.6.2008 RM'000
The currency exposure profile of other receivables is as follows:				
- Ringgit Malaysia (RM)	61,038	32,631	8,008	63
- Singapore Dollar (SGD)	43	687	-	-
- US Dollar (USD)	-	1,131	-	-
- Vietnam Dong (VND)	3,259	1,822	-	-
- Indonesian Rupiah (INR)	724	-	-	-
- India Rupee (IR)	24,647	14,850	-	-
- Trinidad and Tobago Dollar (TTD)	4,552	2,324	-	-
- Renminbi (RMB)	6,442	5,288	-	-
- Hong Kong Dollar (HKD)	1,054	849	-	-
- Macau Pataca (MOP)	14	2,852	-	-
- Thai Baht (THB)	193	205	-	-
- Australia Dollar (AUD)	117	-	-	-
	102,083	62,639	8,008	63

The currency exposure profile of prepayments is as follows:

- Ringgit Malaysia (RM)	17,840	13,391	49	-
- Singapore Dollar (SGD)	963	379	-	-
- Vietnam Dong (VND)	3,600	547	-	-
- Indonesian Rupiah (INR)	1,902	1,029	-	-
- Trinidad and Tobago Dollar (TTD)	503	3,602	-	-
- Renminbi (RMB)	2,756	3,523	-	-
- Australia Dollar (AUD)	248	-	-	-
	27,812	22,471	49	-

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

21. RECEIVABLES (contd.)

	Group	
	31.12.2009 RM'000	30.6.2008 RM'000
Finance lease debtors:		
Not later than 1 year	7,976	4,216
Later than 1 year and not later than 5 years	13,342	6,132
	21,318	10,348
Less: Unearned interest	(2,520)	(1,141)
	18,798	9,207
Representing finance lease debtors:		
Not later than 1 year	6,831	3,629
Later than 1 year and not later than 5 years	11,967	5,578
	18,798	9,207
Hire purchase debtors:		
Not later than 1 year	4,381	3,554
Later than 1 year and not later than 5 years	5,299	6,450
	9,680	10,004
Less: Unearned interest	(893)	(1,064)
	8,787	8,940
Representing hire purchase debtors:		
Not later than 1 year	3,911	3,050
Later than 1 year and not later than 5 years	4,876	5,890
	8,787	8,940

Amounts due from subsidiaries (non-trade) are denominated in Ringgit Malaysia, unsecured and have no fixed terms of repayment. The weighted average interest rate that was effective as at balance sheet date was 4.18% (30.6.2008: 2.99%) per annum.

Amounts due from associates (trade and non-trade) are denominated in Ringgit Malaysia, unsecured, have no fixed terms of repayment and bear no interest.

Credit terms of trade receivables range from 10 days to 120 days (30.6.2008: 10 days to 120 days).

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

22. GOODWILL

	Group	
	31.12.2009 RM'000	30.6.2008 RM'000
At beginning of financial period	125,991	116,011
Acquisition of subsidiaries	9,119	9,980
Liquidation of a subsidiary	(10)	-
Reclassification to rock reserves	(6,372)	-
At end of financial period	128,728	125,991

During the financial period, additional goodwill mainly arose from the acquisition of Totalrubber Ltd. as disclosed in Note 34.

The carrying amounts of goodwill allocated to the Group's cash-generating units (CGUs) are as follows:

	Group	
	31.12.2009 RM'000	30.6.2008 RM'000
Quarry	40,647	47,029
Construction	77,104	77,104
Building materials	1,411	1,327
Trading	9,559	527
Property development	7	4
	128,728	125,991

The recoverable amount of a CGU is determined based on value in use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by the Directors covering a five-year period using estimated growth rates which are based on past performance and their expectations of market developments and are discounted at the pre-tax discount rate of 8% (30.6.2008: 10%).

The terminal value is calculated based on the projected net assets of the CGUs at the end of the five years. The net assets of the CGUs at the end of the five years are derived using profits attributable to the equity shareholders after minority interest for the five years.

Cash flows beyond the five-year period have an estimated growth rate of nil.

No impairment loss is expected should the discounted cash flows decline by 5%.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

23. INVENTORIES

	Group	
	31.12.2009 RM'000	30.6.2008 RM'000
Completed development properties	7,977	30,985
Raw materials	12,321	16,479
Spare parts	7,910	7,314
Finished goods	102,100	76,037
Work in progress	6,517	3,957
Trading inventories	93,558	91,240
Assets held for resale	74,505	66,120
	304,888	292,132

24. CASH AND CASH EQUIVALENTS

	Group		Company	
	31.12.2009 RM'000	30.6.2008 RM'000	31.12.2009 RM'000	30.6.2008 RM'000
Deposits with:				
Licensed banks	80,178	41,343	11,151	10,729
Other financial institutions	8,165	14,322	-	3,000
Cash at bank and cash in hand	116,105	86,780	765	229
Total cash and bank balances	204,448	142,445	11,916	13,958
Bank overdrafts	(25,327)	(24,951)	-	-
Cash and bank balances classified as held for sale (Note 25)	4,219	-	-	-
Cash and cash equivalents	183,340	117,494	11,916	13,958

Deposits with licensed banks amounting to RM11,151,000 (30.6.2008: RM10,729,000) are to be deposited into a Debt Service Reserve Account as 6 months interest throughout the tenor of the syndicated term loan of RM313,753,000.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

24. CASH AND CASH EQUIVALENTS (contd.)

	Group		Company	
	31.12.2009 RM'000	30.6.2008 RM'000	31.12.2009 RM'000	30.6.2008 RM'000
The currency exposure profile of deposits, bank and cash balances is as follows:				
- Ringgit Malaysia (RM)	82,818	78,702	11,882	13,935
- Singapore Dollar (SGD)	21,794	14,668	-	-
- US Dollar (USD)	4,562	5,862	24	14
- Indonesian Rupiah (INR)	796	453	-	-
- Vietnam Dong (VND)	3,378	4,430	-	-
- Renminbi (RMB)	30,050	15,519	10	9
- India Rupee (IR)	14,740	5,898	-	-
- Euro (EURO)	1,130	364	-	-
- Hong Kong Dollar (HKD)	-	3,945	-	-
- Japanese Yen (JPY)	88	-	-	-
- Trinidad and Tobago Dollar (TTD)	13,245	6,536	-	-
- Thai Baht (THB)	6,282	3,702	-	-
- Macau Pataca (MOP)	-	2,366	-	-
- Australian Dollar (AUD)	29,784	-	-	-
	208,667	142,445	11,916	13,958

The currency exposure profile of bank overdrafts are as follows:

- Ringgit Malaysia (RM)	(15,705)	(7,232)	-	-
- Singapore Dollar (SGD)	(6,824)	(12,945)	-	-
- India Rupee (IR)	-	(32)	-	-
- US Dollar (USD)	-	(4,742)	-	-
- Australian Dollar (AUD)	(2,798)	-	-	-
	(25,327)	(24,951)	-	-

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

24. CASH AND CASH EQUIVALENTS (contd.)

The weighted average interest rates per annum of deposits and bank overdrafts that were effective as at balance sheet date were as follows:

	Group		Company	
	31.12.2009 %	30.6.2008 %	31.12.2009 %	30.6.2008 %
Deposits with licensed banks	2.66	2.83	2.05	3.50
Deposits with other financial institutions	1.95	1.59	-	3.25
Bank overdrafts	6.87	5.55	-	-

Bank balances are deposits held at call with banks and are non-interest bearing.

Deposits, bank and cash balances of the Group at the balance sheet date include bank balances held under Housing Development Accounts (opened and maintained under Section 7A of the Housing Development (Control and Licensing) Act, 1966) of RM739,977 (30.6.2008: RM6,640,870) that may only be used in accordance with the said Act.

Deposits of the Group and of the Company have an average maturity of 76 days (30.6.2008: 52 days) and 56 days (30.6.2008: 24 days) respectively.

25. DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

The major classes of assets and liabilities classified as held for sale on the consolidated balance sheet as at 31 December 2009 are as follows:

	Carrying amounts immediately before classification RM'000	Allocation of remeasurement RM'000	Carrying amounts as at 31.12.2009 RM'000
Assets			
Property, plant and equipment	15,793	-	15,793
Other investments	52	-	52
Inventories	75	-	75
Receivables	1,753	-	1,753
Cash and bank balances	4,219	-	4,219
	21,892	-	21,892

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

25. DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (contd.)

	Carrying amounts immediately before classification RM'000	Allocation of remeasurement RM'000	Carrying amounts as at 31.12.2009 RM'000
Liabilities			
Payables	3,676	-	3,676

Disposal group classified as held for sale is in relation to the proposed disposal of subsidiaries as disclosed in Note 39.

26. SHARE CAPITAL

	Group/Company Number of shares of RM1 each		Group/Company Amount	
	31.12.2009 RM'000	30.6.2008 RM'000	31.12.2009 RM'000	30.6.2008 RM'000
Authorised:				
Ordinary shares of RM1 each	1,000,000	1,000,000	1,000,000	1,000,000
Issued and fully paid:				
Ordinary shares of RM1 each:				
At beginning of period	547,959	541,507	547,959	541,507
Issued during the period				
pursuant to ESOS	504	6,444	504	6,444
Issued during the period				
pursuant to exercise of warrants	5	8	5	8
Issued during the period				
pursuant to private placement	52,340	-	52,340	-
At end of period	600,808	547,959	600,808	547,959

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

26. SHARE CAPITAL (contd.)

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) During the financial period, the Company increased its issued and paid-up ordinary share capital from RM547,959,325 to RM600,808,258 by way of the issuance of:
- (i) 5,233 new ordinary shares of RM1 each pursuant to the exercise of Warrants 2004/2008 at an exercise price of RM1.30 per ordinary share for cash;
 - (ii) 489,700 and 14,000 new ordinary shares of RM1 each pursuant to the Employees' Share Option Scheme at an exercise price of RM1.00 and RM1.21 per ordinary share respectively for cash; and
 - (iii) 52,340,000 new ordinary shares of RM1 each pursuant to the private placement at an issue price of RM1.455 per ordinary share for cash, for additional working capital purposes.

The new ordinary shares issued during the financial period rank *pari passu* in all respects with the existing ordinary shares of the Company.

- (b) During the financial period, the Company repurchased 3,402,600 of its issued ordinary shares from the open market at prices ranging from RM0.86 to RM1.16 per share. The total consideration paid for the repurchase including transaction costs was RM3.4 million. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

As at 31 December 2009, the Company held as treasury shares a total of 24,688,300 of its 600,808,258 issued ordinary shares. Such treasury shares are held at a carrying amount of RM32,145,538.

- (c) On 7 November 2002, the Company implemented an Employees' Share Option Scheme ("ESOS") to the eligible employees (including Executive Directors) of the Company and its subsidiaries. The ESOS is governed by the by-laws which were approved by the shareholders on 3 October 2002.

The main features of the ESOS are:

- (i) The total number of ordinary shares to be issued by the Company under the ESOS shall not exceed 10% of the total issued and paid-up ordinary share capital of the Company at any point in time during the duration of the ESOS;

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

26. SHARE CAPITAL (contd.)

- (c) (ii) Eligible employees are those who have been in the service of the Group on a full time basis for a continuous period of at least one year (including any full time executive director of any company in the Group) or such categories and of such criteria that the ESOS Committee may from time to time decide;
- (iii) The ESOS shall continue to be in force for a period of ten years from 7 November 2002;
- (iv) The options over ordinary shares can be exercised by notice in writing on any working day for the duration of the option period;
- (v) The price at which the employees are entitled to take up shares under the ESOS will be based on the five (5) day weighted average market price of the underlying shares at time of the option is granted, with a discount of not more than ten percent (10%) if deemed appropriate or the par value of the Company's shares, whichever is higher;
- (vi) Options over ordinary shares granted under the ESOS carry no dividend or voting rights. Upon exercise of the options over ordinary shares, shares issued rank pari passu in all respects with existing ordinary shares of the Company.

Set out below are details of options over the ordinary shares of the Company granted under the ESOS:

	Number of options over ordinary shares				At end of financial period '000
	At beginning of financial period '000	Granted '000	Exercised '000	Cancelled '000	
At 31.12.2009					
First offer	15,959	-	(404)	(226)	15,329
Second offer	2,093	-	(14)	(287)	1,792
Third offer	1,225	-	-	-	1,225
Fourth offer	1,957	-	-	(180)	1,777
Fifth offer	1,099	-	(86)	(68)	945
Sixth offer	4,213	-	-	(679)	3,534
Seventh offer	150	-	-	-	150
Eighth offer	171	-	-	-	171
	26,867	-	(504)	(1,440)	24,923

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

26. SHARE CAPITAL (contd.)

- (c) Set out below are details of options over the ordinary shares of the Company granted under the ESOS: (contd.)

	Number of options over ordinary shares				At end of financial period '000
	At beginning of financial period '000	Granted '000	Exercised '000	Cancelled '000	
At 30.6.2008					
First offer	20,305	-	(4,191)	(155)	15,959
Second offer	3,259	-	(959)	(207)	2,093
Third offer	1,225	-	-	-	1,225
Fourth offer	2,257	-	(182)	(118)	1,957
Fifth offer	2,262	-	(1,089)	(74)	1,099
Sixth offer	-	4,395	(23)	(159)	4,213
Seventh offer	-	150	-	-	150
Eighth offer	-	171	-	-	171
	29,308	4,716	(6,444)	(713)	26,867
				31.12.2009 RM'000	30.6.2008 RM'000
Number of options over ordinary shares vested at balance sheet date				24,923	26,867

Details of share options outstanding at the end of the period:

	Exercise Price RM/share	Exercise Period
31.12.2009/ 30.6.2008		
First offer	1.00	07.11.2002 to 06.11.2012
Second offer	1.21	09.09.2004 to 06.11.2012
Third offer	1.58	31.01.2004 to 06.11.2012
Fourth offer	1.75	13.03.2004 to 06.11.2012
Fifth offer	1.00	07.10.2005 to 06.11.2012
Sixth offer	1.88	16.10.2007 to 06.11.2012
Seventh offer	1.87	07.12.2007 to 06.11.2012
Eighth offer	1.48	05.05.2008 to 06.11.2012

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

26. SHARE CAPITAL (contd.)

(d) Details relating to options over ordinary shares exercised during the financial period are as follows:

Exercise date	Fair value of shares at share issue date RM/share	Exercise price RM/share	Number of options over ordinary shares issued	
			31.12.2009 '000	30.6.2008 '000
02.07.2007	1.46	1.00	-	134
02.07.2007	1.46	1.21	-	15
06.07.2007	1.47	1.00	-	95
16.07.2007	1.43	1.00	-	168
16.07.2007	1.43	1.21	-	15
20.07.2007	1.44	1.00	-	40
27.07.2007	1.83	1.00	-	366
27.07.2007	1.83	1.21	-	22
06.08.2007	1.50	1.00	-	388
06.08.2007	1.50	1.21	-	73
10.08.2007	1.50	1.00	-	58
20.08.2007	1.38	1.00	-	90
20.08.2007	1.38	1.21	-	44
04.09.2007	1.54	1.00	-	45
07.09.2007	1.56	1.00	-	25
07.09.2007	1.56	1.21	-	5
14.09.2007	1.50	1.00	-	100
14.09.2007	1.50	1.21	-	300
01.10.2007	1.69	1.00	-	32
05.10.2007	1.93	1.00	-	302
05.10.2007	1.93	1.21	-	35
12.10.2007	1.87	1.00	-	854
12.10.2007	1.87	1.21	-	49
12.10.2007	1.87	1.75	-	2
22.10.2007	1.87	1.00	-	299
22.10.2007	1.87	1.21	-	38
26.10.2007	2.04	1.00	-	135
26.10.2007	2.04	1.21	-	65
02.11.2007	2.09	1.00	-	1,135
02.11.2007	2.09	1.21	-	127
02.11.2007	2.09	1.75	-	50
02.11.2007	2.09	1.88	-	16
12.11.2007	1.89	1.00	-	175
12.11.2007	1.89	1.21	-	32

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

26. SHARE CAPITAL (contd.)

(d) Details relating to options over ordinary shares exercised during the financial period are as follows: (contd.)

Exercise date	Fair value of shares at share issue date RM/share	Exercise price RM/share	Number of options over ordinary shares issued	
			31.12.2009 '000	30.6.2008 '000
12.11.2007	1.89	1.75	-	10
12.11.2007	1.89	1.88	-	3
16.11.2007	1.90	1.00	-	73
16.11.2007	1.90	1.21	-	40
23.11.2007	1.81	1.00	-	173
23.11.2007	1.81	1.21	-	14
23.11.2007	1.81	1.88	-	4
30.11.2007	1.83	1.00	-	28
30.11.2007	1.83	1.21	-	15
07.12.2007	1.90	1.00	-	55
07.12.2007	1.90	1.21	-	5
07.12.2007	1.90	1.75	-	100
17.12.2007	1.90	1.00	-	5
27.12.2007	1.85	1.00	-	110
27.12.2007	1.85	1.21	-	50
04.01.2008	1.94	1.00	-	60
14.01.2008	1.94	1.00	-	52
14.01.2008	1.94	1.75	-	20
22.01.2008	1.47	1.00	-	37
22.01.2008	1.47	1.21	-	10
28.03.2008	1.38	1.00	-	20
18.04.2008	1.40	1.00	-	50
24.04.2008	1.48	1.00	-	10
05.05.2008	1.46	1.00	-	90
05.05.2008	1.46	1.21	-	5
16.05.2008	1.53	1.00	-	26
26.05.2008	1.43	1.00	-	50
19.06.2009	1.18	1.00	79	-
03.08.2009	1.39	1.00	5	-
14.08.2009	1.52	1.00	52	-
20.08.2009	1.44	1.00	270	-
05.10.2009	1.38	1.00	25	-
05.10.2009	1.38	1.21	14	-
23.10.2009	1.44	1.00	33	-
19.11.2009	1.37	1.00	26	-
			504	6,444

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

26. SHARE CAPITAL (contd.)

(d) Details relating to options over ordinary shares exercised during the financial period are as follows: (contd.)

	31.12.2009 RM'000	30.6.2008 RM'000
Ordinary share capital - at par	504	6,444
Share premium	2	358
Transfer from share option reserves to share premium	-	9
	506	6,811
Proceeds received on exercise of options over ordinary shares	505	6,802
Market value at exercise date of shares issued	704	11,628

The price of shares issued on the exercise of options over ordinary shares is the closing market price at which the Company's share were traded on the Bursa Malaysia Securities Berhad ("Bursa Malaysia") on the day the options over ordinary shares were exercised.

- (e) On 1 January 2009, Sunway Global Limited ("Sunway Global"), a 74.26%-owned subsidiary of the Company, implemented an Employees' Share Option Scheme ("Sunway Global ESOS") to the eligible employees (including Executive Directors) of the Company, Sunway Global and its subsidiaries. The Sunway Global ESOS is governed by the by-laws which were approved by Sunway Global's shareholders on 1 January 2009.

The main features of the Sunway Global ESOS are:

- (i) The total number of ordinary shares to be issued by Sunway Global under the Sunway Global ESOS shall not exceed 20% of the total issued and paid-up ordinary share capital of Sunway Global at any point in time during the duration of the Sunway Global ESOS;
- (ii) The basis of eligibility for the grant of Sunway Global ESOS shall be determined by the Sunway Global Board of Directors from time to time on the basis of their contribution to the development and growth of Sunway Global and its subsidiaries;
- (iii) The Sunway Global ESOS shall continue to be in force for a period of five years from 1 January 2009;
- (iv) The holding period for the Sunway Global ESOS shall be for a period of three (3) years from 1 January 2009 to 31 December 2011 ("Holding Period");
- (v) The options over ordinary shares can be exercised by notice in writing on any working day after the expiration of the Holding Period;

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

26. SHARE CAPITAL (contd.)

- (e) (vi) The price at which the employees are entitled to take up shares under the Sunway Global ESOS will be based on the par value of the Sunway Global's shares; and
- (vii) Options over ordinary shares granted under the Sunway Global ESOS carry no dividend or voting rights. Upon exercise of the options over ordinary shares, shares issued rank pari passu in all respects with existing ordinary shares of Sunway Global.

Set out below are details of options over the ordinary shares of Sunway Global granted under the Sunway Global ESOS:

	Number of options over ordinary shares				At end of financial period '000
	At beginning of financial period '000	Granted '000	Exercised '000	Cancelled '000	
At 31.12.2009					
First offer	-	43,786	-	-	43,786
Second offer	-	7,280	-	-	7,280
Third offer	-	7,280	-	-	7,280
	-	58,346	-	-	58,346
					31.12.2009 '000
Number of options over ordinary shares vested at balance sheet date					58,346

Details of share options outstanding at the end of the financial period:

	Exercise Price HKD/share	Grant date	Exercise Period
At 31.12.2009			
First offer	1.00	01.01.2009	01.01.2012 to 31.12.2013
Second offer	1.00	06.10.2009	01.01.2012 to 31.12.2013
Third offer	1.00	06.10.2009	01.01.2012 to 31.12.2013

The fair value of share options granted during the financial period was estimated using a binomial model, taking into account the terms and conditions upon which the options were granted.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

26. SHARE CAPITAL (contd.)

(e) The fair value of share options measured at grant date and the assumptions are as follows:

	First offer	Second and Third offer
Share price at grant date	HKD0.39	HKD0.69
Exercise price	HKD1.00	HKD1.00
Contractual life	5 years	4.25 years
Expected volatility	58.59%	65.71%
Risk-free interest rate	1.22%	1.49%

The volatility assumption, measured at the standard deviation of expected share price returns, is based on a statistical analysis of daily share prices of comparable listed stocks.

27. WARRANTS

The subscription rights of Warrants 2004/2008 expired on 17 October 2008 and the said warrants were removed from the official list of Bursa Malaysia Securities Berhad on 20 October 2008.

On 5 March 2009, the Company issued 246,655,262 new warrants (Warrants 2009/2014) at an issue price of RM0.02 per warrant for cash on the basis of:

- i) one (1) new warrant for every three (3) ordinary shares of RM1.00 each held in the Company;
- ii) one (1) new warrant for every three (3) options granted under the Company's Employees' Share Option Scheme; and
- iii) one (1) new warrant for every three (3) Warrants 2004/2008 held on 17 October 2008.

The new warrants entitle the registered holder, at any time within a period of 5 years commencing on and including the issue date and expiring on 4 March 2014, to subscribe for one (1) new ordinary share of RM1.00 each in the Company at an exercise price of RM1.30 per ordinary share for every warrant held.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

27. WARRANTS (contd.)

During the financial period, the movements in the Company's warrants are as follows:

	Group/Company Number of Warrants 2004/2008		Group/Company Amount	
	31.12.2009 '000	30.6.2008 '000	31.12.2009 RM'000	30.6.2008 RM'000
At beginning of period	196,981	196,989	8,777	8,777
Exercised during the period	(5)	(8)	-	-
Expired during the period	(196,976)	-	(8,777)	-
At end of period	-	196,981	-	8,777

	Group/Company Number of Warrants 2009/2014		Group/Company Amount	
	31.12.2009 '000	30.6.2008 '000	31.12.2009 RM'000	30.6.2008 RM'000
At beginning of period	-	-	-	-
Issued during the period	246,655	-	3,810	-
At end of period	246,655	-	3,810	-

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

28. BORROWINGS

	Group		Company	
	31.12.2009 RM'000	30.6.2008 RM'000	31.12.2009 RM'000	30.6.2008 RM'000
Current				
Secured				
Bank overdrafts	3,548	11,820	-	-
Term loans	36,920	46,099	-	-
Finance lease and hire purchase obligations	1,761	1,288	-	-
Bankers' acceptances	4,054	16,513	-	-
Revolving credits	48,048	465	-	-
	94,331	76,185	-	-
Unsecured				
Bank overdrafts	21,779	13,131	-	-
Term loans	78,036	54,908	54,521	34,121
Bankers' acceptances	48,541	49,584	-	-
Revolving credits	26,897	51,490	-	7,600
Export credit financing	1,495	1,495	-	-
Block discount creditors	10,393	9,056	-	-
	187,141	179,664	54,521	41,721
	281,472	255,849	54,521	41,721
Non-current				
Secured				
Term loans	83,590	72,139	-	-
Finance lease and hire purchase obligations	2,522	1,106	-	-
	86,112	73,245	-	-
Unsecured				
Term loans	305,259	361,310	259,232	320,013
Revolving credits	-	1,400	-	-
Block discount creditors	20,107	19,621	-	-
	325,366	382,331	259,232	320,013
	411,478	455,576	259,232	320,013
Total borrowings	692,950	711,425	313,753	361,734

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

28. BORROWINGS (contd.)

Secured bank borrowings of the Group are secured by freehold and leasehold land, buildings, plant and machinery of the Group as disclosed in Note 12 and Note 15.

The remaining outstanding balance of RM360 million syndicated term loan of the Group and Company was repaid during the previous financial year and refinanced with a RM380 million syndicated term loan, which has been fully drawn down. At the balance sheet date, RM314 million remains outstanding. The syndicated term loan contains covenants which require the Group and the Company to maintain minimum net gearing ratio, net debt to earnings before interest, tax, depreciation and amortisation and debt service cover ratio.

The weighted average interest rates per annum of borrowings that was effective as at balance sheet date were as follows:

	Group		Company	
	31.12.2009 %	30.6.2008 %	31.12.2009 %	30.6.2008 %
Term loans	4.77	5.55	4.30	5.60
Finance lease and hire purchase obligations	4.47	4.12	-	-
Revolving credits	3.98	5.22	-	5.50
Bankers' acceptances	3.02	4.51	-	-
Export credit refinancing	3.30	4.75	-	-
Block discount creditors	5.28	6.96	-	-

The Company has entered into interest rate swap contracts to hedge the floating rate interest payable on its long term borrowings. The contracts entitle the Company 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 Company 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.

The floating rates of the Company's interest rate swap contracts are linked to the Kuala Lumpur Inter Bank Offer Rate ("KLIBOR"). The weighted average effective interest rate of the Company floating rate borrowings during the financial period is 3.09% (30.6.2008: 5.36%) per annum. After the interest rate swaps, the Company's weighted average effective rate during the financial period is 5.06% (30.6.2008: 5.94%) per annum.

The fair values of the outstanding interest rate swap contracts of the Company at balance sheet date amount to a loss of RM1.35 million.

Fair value losses are computed using the difference between the floating rates and fixed rates applied to the principal amounts over the duration of swap expiring subsequent to year end, discounted to present value.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

28. BORROWINGS (contd.)

	Group		Company	
	31.12.2009 RM'000	30.6.2008 RM'000	31.12.2009 RM'000	30.6.2008 RM'000
The currency exposure profile of borrowings is as follows:				
Ringgit Malaysia (RM)	547,493	586,893	313,753	361,734
Singapore Dollar (SGD)	36,590	28,315	-	-
Vietnam Dong (VND)	650	465	-	-
Renminbi (RMB)	65,702	14,956	-	-
Macau Pataca (MOP)	-	2,890	-	-
US Dollar (USD)	17,217	32,635	-	-
Hong Kong Dollar (HKD)	-	40,497	-	-
Indian Rupee (IR)	-	32	-	-
Trinidad and Tobago Dollar (TTD)	19,171	4,742	-	-
Euro (EURO)	2,226	-	-	-
Australia Dollar (AUD)	3,901	-	-	-
	692,950	711,425	313,753	361,734

The carrying amounts of borrowings of the Group and Company at the balance sheet date approximated their fair values except as set out below:

	31.12.2009		30.6.2008	
	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
Group				
Finance lease and hire purchase obligations	4,283	4,236	2,394	2,620
Block discount creditors	30,500	29,870	28,677	28,023

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

28. BORROWINGS (contd.)

	Group	
	31.12.2009 RM'000	30.6.2008 RM'000
Finance lease and hire purchase obligations are repayable in the following periods:		
Not later than 1 year	1,953	1,344
Later than 1 year and not later than 5 years	2,783	1,288
	4,736	2,632
Less: Future finance charges	(453)	(238)
	4,283	2,394
Representing finance lease and hire purchase obligations:		
Not later than 1 year	1,761	1,288
Later than 1 year and not later than 5 years	2,522	1,106
	4,283	2,394

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

28. BORROWINGS (contd.)

Functional currency	Effective interest rate as at 31.12.2009	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total carrying amount
Group	% p.a.	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 31.12.2009								
Secured								
Term loans:								
Floating rate								
RM	3.70	1,000	1,000	1,000	667	-	-	3,667
RM	4.05	2,140	1,694	800	123	-	-	4,757
RM	4.20	750	1,000	1,250	1,250	1,000	-	5,250
RM	5.08	10,485	5,240	-	-	-	-	15,725
RM	6.80	1,600	1,600	175	-	-	-	3,375
SGD	5.08	464	464	464	464	464	3,400	5,720
Fixed rate								
RM	4.05	579	579	579	579	579	2,620	5,515
RM	5.96	1,583	1,583	1,583	1,583	1,583	1,080	8,995
RM	6.55	798	798	776	-	-	-	2,372
RMB	6.25	12,160	12,182	12,145	8,172	1,304	-	45,963
TTD	9.00	5,361	5,361	5,361	3,088	-	-	19,171
		36,920	31,501	24,133	15,926	4,930	7,100	120,510

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

28. BORROWINGS (contd.)

Functional currency	Effective interest rate as at 31.12.2009	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total carrying amount
Group (contd.)	% p.a.	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 31.12.2009								
Secured (contd.)								
Bank overdrafts:								
Floating rate								
SGD	6.00							
IR	15.50							
Fixed rate								
RM	7.05	750	-	-	-	-	-	750
AUD	10.70	2,798	-	-	-	-	-	2,798
		3,548	-	-	-	-	-	3,548

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

28. BORROWINGS (contd.)

Functional currency	Effective interest rate as at 31.12.2009	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total carrying amount
Group (contd.)	% p.a.	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 31.12.2009								
Secured (contd.)								
Finance lease and hire purchase obligations:								
Fixed rate								
RM	2.30	12	-	-	-	-	-	12
RM	2.60	63	-	-	-	-	-	63
RM	4.83	22	18	-	-	-	-	40
RM	2.42	19	-	-	-	-	-	19
RM	2.43	16	-	-	-	-	-	16
RM	3.59	-	23	-	-	-	-	23
RMB	4.25	241	-	-	-	-	-	241
SGD	2.88	806	806	694	-	-	-	2,306
SGD	3.00	88	88	47	-	-	-	223
SGD	3.25	85	85	66	-	-	-	236
AUD	8.70	409	190	296	209	-	-	1,104
		1,761	1,210	1,103	209	-	-	4,283

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

28. BORROWINGS (contd.)

Functional currency	Effective interest rate as at 31.12.2009	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total carrying amount
Group (contd.)	% p.a.	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 31.12.2009								
Secured (contd.)								
Bankers' acceptance:								
Floating rate								
RM	3.21	1,394	-	-	-	-	-	1,394
Fixed rate								
RM	3.22	2,660	-	-	-	-	-	2,660
		4,054	-	-	-	-	-	4,054
Revolving credits:								
Floating rate								
RM	3.61	47,398	-	-	-	-	-	47,398
VND	17.00	650	-	-	-	-	-	650
		48,048	-	-	-	-	-	48,048

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

28. BORROWINGS (contd.)

Functional currency	Effective interest rate as at 31.12.2009	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total carrying amount
Group (contd.)	% p.a.	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 31.12.2009								
Unsecured								
Term loans:								
Floating rate								
RM	4.15	17,504	17,504	17,504	17,504	17,504	13,210	100,730
RM	4.25	7,174	7,174	7,174	7,174	7,174	5,414	41,284
RM	4.32	8,322	8,322	8,322	8,322	8,322	6,280	47,890
RM	4.35	14,348	14,348	14,348	14,348	14,348	10,828	82,568
RM	4.60	11,374	11,374	11,374	11,374	8,631	5,414	59,541
RM	5.08	-	14,000	-	-	-	-	14,000
RMB	6.25	2,754	293	293	293	293	11,556	15,482
SGD	3.06	2,197	2,197	2,197	427	-	-	7,018
SGD	6.00	678	419	-	-	-	-	1,097
USD	6.59	13,685	-	-	-	-	-	13,685
		78,036	75,631	61,212	59,442	56,272	52,702	383,295

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

28. BORROWINGS (contd.)

Functional currency	Effective interest rate as at 31.12.2009	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total carrying amount
Group (contd.)	% p.a.	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 31.12.2009								
Unsecured								
(contd.)								
Bank overdrafts:								
Floating rate								
RM	6.55	489	-	-	-	-	-	489
RM	6.83	13,722	-	-	-	-	-	13,722
SGD	6.00	4,386	-	-	-	-	-	4,386
Fixed rate								
RM	7.30	75	-	-	-	-	-	75
RM	7.55	649	-	-	-	-	-	649
RM	7.75	21	-	-	-	-	-	21
SGD	6.00	2,437	-	-	-	-	-	2,437
		21,779	-	-	-	-	-	21,779

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

28. BORROWINGS (contd.)

Functional currency	Effective interest rate as at 31.12.2009	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total carrying amount
Group (contd.)	% p.a.	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 31.12.2009								
Unsecured								
(contd.)								
Revolving credits:								
Floating rate								
RM	3.42	3,000	-	-	-	-	-	3,000
RM	4.04	11,400	-	-	-	-	-	11,400
Fixed rate								
RM	4.05	1,600	-	-	-	-	-	1,600
RM	5.27	2,000	-	-	-	-	-	2,000
RMB	4.86	4,015	-	-	-	-	-	4,015
SGD	4.20	4,882	-	-	-	-	-	4,882
		26,897	-	-	-	-	-	26,897

At 31.12.2009**Unsecured**
(contd.)**Bankers' acceptance:****Floating rate**

SGD	2.54	5,797	-	-	-	-	-	5,797
SGD	3.20	8,250	-	-	-	-	-	8,250

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

28. BORROWINGS (contd.)

Functional currency	Effective interest rate as at 31.12.2009	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total carrying amount
Group (contd.)	% p.a.	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 31.12.2009								
Unsecured								
(contd.)								
Bankers' acceptance:								
(contd.)								
Fixed rate								
RM	2.22	758	-	-	-	-	-	758
RM	2.67	532	-	-	-	-	-	532
RM	2.69	611	-	-	-	-	-	611
RM	2.71	2,190	-	-	-	-	-	2,190
RM	2.72	536	-	-	-	-	-	536
RM	2.73	1,644	-	-	-	-	-	1,644
RM	2.74	1,572	-	-	-	-	-	1,572
RM	2.75	1,168	-	-	-	-	-	1,168
RM	2.76	1,398	-	-	-	-	-	1,398
RM	2.78	860	-	-	-	-	-	860
RM	2.79	780	-	-	-	-	-	780
RM	2.80	1,533	-	-	-	-	-	1,533
RM	2.81	3,338	-	-	-	-	-	3,338
RM	3.19	572	-	-	-	-	-	572
RM	3.20	4,061	-	-	-	-	-	4,061
RM	3.21	4,259	-	-	-	-	-	4,259
RM	3.22	1,297	-	-	-	-	-	1,297
RM	3.23	855	-	-	-	-	-	855
RM	3.24	618	-	-	-	-	-	618
RM	3.45	1,215	-	-	-	-	-	1,215
RM	3.46	1,176	-	-	-	-	-	1,176
RM	3.47	1,881	-	-	-	-	-	1,881
RM	3.48	1,640	-	-	-	-	-	1,640
		48,541	-	-	-	-	-	48,541

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

28. BORROWINGS (contd.)

Functional currency	Effective interest rate as at 31.12.2009	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total carrying amount
Group (contd.)	% p.a.	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 31.12.2009								
Unsecured								
(contd.)								
Block discount creditors:								
Fixed rate								
RM	5.02	1,130	1,200	1,271	1,922	-	-	5,523
RM	5.06	1,214	1,289	1,364	1,369	252	-	5,488
RM	5.07	373	395	418	349	-	-	1,535
RM	5.08	275	291	308	216	-	-	1,090
RM	5.11	96	102	108	66	-	-	372
RM	5.14	770	716	757	328	-	-	2,571
RM	5.20	1,194	1,266	1,338	-	-	-	3,798
RM	5.30	34	36	38	16	-	-	124
RM	5.31	114	119	115	94	-	-	442
RM	5.32	439	467	495	330	-	-	1,731
RM	5.35	207	53	-	-	-	-	260
RM	5.40	144	125	87	-	-	-	356
RM	5.43	5	6	6	3	-	-	20
RM	5.48	92	-	-	-	-	-	92
RM	5.49	205	192	203	-	-	-	600
RM	5.51	21	6	1	-	-	-	28
RM	5.52	187	-	-	-	-	-	187
RM	5.58	73	70	18	-	-	-	161
RM	5.61	258	274	-	-	-	-	532
RM	5.63	28	-	-	-	-	-	28
RM	5.67	72	74	-	-	-	-	146
RM	5.68	40	22	-	-	-	-	62
RM	5.73	170	63	50	4	-	-	287
RM	5.74	962	83	-	-	-	-	1,045

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

28. BORROWINGS (contd.)

Functional currency	Effective interest rate as at 31.12.2009	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total carrying amount
Group (contd.)	% p.a.	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 31.12.2009								
Unsecured								
(contd.)								
Block discount creditors:								
(contd.)								
Fixed rate								
RM	5.87	188	164	86	-	-	-	438
RM	5.93	37	-	-	-	-	-	37
RM	5.94	57	-	-	-	-	-	57
RM	5.96	1,440	1,270	-	-	-	-	2,710
RM	5.98	141	7	-	-	-	-	148
RM	6.03	224	117	-	-	-	-	341
RM	6.18	54	58	30	-	-	-	142
RM	6.26	27	-	-	-	-	-	27
RM	6.31	122	-	-	-	-	-	122
		10,393	8,465	6,693	4,697	252	-	30,500
Unsecured								
(contd.)								
Export credit refinancing:								
Fixed rate								
RM	3.30	1,495	-	-	-	-	-	1,495

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

28. BORROWINGS (contd.)

Functional currency	Effective interest rate as at 30.6.2008	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total carrying amount
Group (contd.)	% p.a.	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 30.6.2008								
Secured								
Term loans:								
Floating rate								
RM	5.09	-	7,584	3,791	-	-	-	11,375
RM	5.25	20,000	10,000	-	-	-	-	30,000
RM	5.53	2,740	2,740	2,532	1,024	523	-	9,559
SGD	3.15	458	458	458	458	458	4,045	6,335
SGD	6.00	294	294	294	43	-	-	925
USD	6.59	13,052	13,052	6,531	-	-	-	32,635
Fixed rate								
RM	5.69	1,583	1,583	1,583	1,583	1,583	2,416	10,331
RM	6.75	1,200	1,000	-	-	-	-	2,200
RM	8.00	2,000	500	-	-	-	-	2,500
RMB	6.57	3,808	-	-	-	-	-	3,808
RMB	7.74	964	1,928	2,464	2,571	643	-	8,570
		46,099	39,139	17,653	5,679	3,207	6,461	118,238
Bank overdrafts:								
Floating rate								
SGD	6.00	5,855	-	-	-	-	-	5,855
IR	15.50	32	-	-	-	-	-	32
Fixed rate								
RM	8.25	490	-	-	-	-	-	490
RM	8.38	207	-	-	-	-	-	207
RM	8.50	494	-	-	-	-	-	494
TTD	8.75	4,742	-	-	-	-	-	4,742
		11,820	-	-	-	-	-	11,820

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

28. BORROWINGS (contd.)

Functional currency	Effective interest rate as at 30.6.2008	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total carrying amount
Group (contd.)	% p.a.	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 30.6.2008								
Secured (contd.)								
Finance lease and hire purchase obligations:								
Fixed rate								
RM	2.35	30	14	-	-	-	-	44
RM	3.00	93	55	6	-	-	-	154
RM	3.71	483	191	19	-	-	-	693
RMB	1.02	595	555	-	-	-	-	1,150
SGD	3.00	87	87	87	92	-	-	353
		1,288	902	112	92	-	-	2,394
Bankers' acceptance:								
Floating rate								
RM	4.22	1,000	-	-	-	-	-	1,000
RM	4.30	1,000	-	-	-	-	-	1,000
RM	4.35	1,000	-	-	-	-	-	1,000
RM	4.67	5,820	-	-	-	-	-	5,820
SGD	6.00	2,251	-	-	-	-	-	2,251
Fixed rate								
RM	3.62	2,114	-	-	-	-	-	2,114
RM	3.76	937	-	-	-	-	-	937
RM	3.86	82	-	-	-	-	-	82
RM	4.44	2,309	-	-	-	-	-	2,309
		16,513	-	-	-	-	-	16,513

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

28. BORROWINGS (contd.)

Functional currency	Effective interest rate as at 30.6.2008	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total carrying amount
Group (contd.)	% p.a.	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 30.6.2008								
Secured (contd.)								
Revolving credits:								
Floating rate								
VND	17.00	465	-	-	-	-	-	465
Unsecured								
Term loans:								
Floating rate								
RM	5.50	13,468	21,521	21,521	21,521	21,521	40,235	139,787
RM	5.53	10,955	17,504	17,504	17,504	17,504	32,724	113,695
RM	5.54	5,208	8,322	8,322	8,322	8,322	15,557	54,053
RM	6.15	4,490	7,174	7,174	7,174	7,174	13,412	46,598
SGD	6.00	321	321	321	159	-	-	1,122
Fixed rate								
HKD	4.00	-	1,515	2,526	3,031	12,245	-	19,317
HKD	6.00	-	1,662	2,769	3,323	13,426	-	21,180
RM	5.90	19,038	-	-	-	-	-	19,038
RMB	7.13	1,428	-	-	-	-	-	1,428
		54,908	58,019	60,137	61,034	80,192	101,928	416,218

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

28. BORROWINGS (contd.)

Functional currency	Effective interest rate as at 30.6.2008	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total carrying amount
Group (contd.)	% p.a.	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 30.6.2008								
Unsecured								
(contd.)								
Bank overdrafts:								
Floating rate								
RM	0.50	236	-	-	-	-	-	236
RM	1.50	1,392	-	-	-	-	-	1,392
RM	8.00	1,985	-	-	-	-	-	1,985
SGD	6.20	7,090	-	-	-	-	-	7,090
Fixed rate								
RM	7.75	321	-	-	-	-	-	321
RM	8.50	1,504	-	-	-	-	-	1,504
RM	8.75	603	-	-	-	-	-	603
		13,131	-	-	-	-	-	13,131
Revolving credits:								
Floating rate								
RM	5.03	30,900	-	-	-	-	-	30,900
RM	5.50	7,600	-	-	-	-	-	7,600
Fixed rate								
MOP	4.31	2,890	-	-	-	-	-	2,890
RM	5.05	800	-	-	-	-	-	800
RM	5.27	2,000	-	-	-	-	-	2,000
RM	5.52	7,300	1,400	-	-	-	-	8,700
		51,490	1,400	-	-	-	-	52,890

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

28. BORROWINGS (contd.)

Functional currency	Effective interest rate as at 30.6.2008	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total carrying amount
Group (contd.)	% p.a.	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 30.6.2008								
Unsecured								
(contd.)								
Bankers' acceptance:								
Floating rate								
RM		3.72	479	-	-	-	-	479
RM		4.08	577	-	-	-	-	577
RM		4.09	3,469	-	-	-	-	3,469
RM		4.10	1,372	-	-	-	-	1,372
RM		4.11	3,183	-	-	-	-	3,183
RM		4.13	369	-	-	-	-	369
RM		4.14	598	-	-	-	-	598
RM		4.18	1,854	-	-	-	-	1,854
RM		4.20	634	-	-	-	-	634
RM		4.22	1,136	-	-	-	-	1,136
RM		4.23	432	-	-	-	-	432
RM		4.24	770	-	-	-	-	770
RM		4.25	3,402	-	-	-	-	3,402
RM		4.26	6,296	-	-	-	-	6,296
RM		4.27	1,362	-	-	-	-	1,362
RM		4.28	570	-	-	-	-	570
RM		4.29	748	-	-	-	-	748
RM		4.30	1,313	-	-	-	-	1,313
RM		4.32	1,759	-	-	-	-	1,759
RM		4.45	702	-	-	-	-	702
RM		4.61	1,684	-	-	-	-	1,684
RM		4.62	3,847	-	-	-	-	3,847

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

28. BORROWINGS (contd.)

Functional currency	Effective interest rate as at 30.6.2008	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total carrying amount
Group (contd.)	% p.a.	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 30.6.2008								
Unsecured								
(contd.)								
Bankers' acceptance:								
(contd.)								
Floating rate								
RM	4.63	1,033	-	-	-	-	-	1,033
RM	4.65	1,535	-	-	-	-	-	1,535
RM	4.66	665	-	-	-	-	-	665
RM	4.67	1,332	-	-	-	-	-	1,332
RM	4.68	500	-	-	-	-	-	500
RM	4.69	531	-	-	-	-	-	531
RM	5.13	1,056	-	-	-	-	-	1,056
SGD	5.45	1,002	-	-	-	-	-	1,002
SGD	6.00	1,654	-	-	-	-	-	1,654
SGD	6.50	1,728	-	-	-	-	-	1,728
Fixed rate								
RM	3.62	400	-	-	-	-	-	400
RM	3.66	212	-	-	-	-	-	212
RM	3.80	215	-	-	-	-	-	215
RM	3.85	190	-	-	-	-	-	190
RM	4.63	120	-	-	-	-	-	120
RM	4.66	118	-	-	-	-	-	118
RM	4.71	505	-	-	-	-	-	505
RM	4.91	76	-	-	-	-	-	76
RM	5.10	156	-	-	-	-	-	156
		49,584	-	-	-	-	-	49,584

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

28. BORROWINGS (contd.)

Functional currency	Effective interest rate as at 30.6.2008	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total carrying amount
Group (contd.)	% p.a.	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 30.6.2008								
Unsecured								
(contd.)								
Block discount creditors:								
Floating rate								
RM	5.58	91	87	67	53	-	-	298
RM	5.61	234	250	266	139	-	-	889
RM	5.68	91	39	39	3	-	-	172
RM	5.79	8	2	-	-	-	-	10
RM	5.83	2	-	-	-	-	-	2
RM	5.87	149	112	-	-	-	-	261
RM	5.90	141	131	7	-	-	-	279
RM	5.96	1,299	1,392	1,485	516	-	-	4,692
RM	5.98	164	175	59	-	-	-	398
RM	6.03	448	217	230	-	-	-	895
RM	6.07	57	137	24	-	-	-	218
RM	6.20	189	201	158	-	-	-	548
RM	6.24	92	-	-	-	-	-	92
RM	6.29	288	89	-	-	-	-	377
RM	6.31	68	-	-	-	-	-	68
RM	6.36	164	56	-	-	-	-	220
RM	6.37	271	142	-	-	-	-	413
RM	6.38	26	-	-	-	-	-	26
RM	6.39	609	496	3	-	-	-	1,108
RM	6.61	55	-	-	-	-	-	55
RM	6.66	93	57	-	-	-	-	150
RM	6.68	876	933	571	-	-	-	2,380

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

28. BORROWINGS (contd.)

Functional currency	Effective interest rate as at 30.6.2008	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total carrying amount
Group (contd.)	% p.a.	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 30.6.2008								
Unsecured								
(contd.)								
Block discount creditors:								
(contd.)								
Floating rate								
RM	6.97	31	33	35	71	-	-	170
RM	7.12	191	204	135	77	-	-	607
RM	7.53	614	655	696	1,436	-	-	3,401
RM	7.55	12	12	-	-	-	-	24
RM	7.57	455	485	515	828	-	-	2,283
RM	7.59	293	311	56	-	-	-	660
RM	7.62	262	194	128	151	-	-	735
RM	7.67	632	674	715	1,150	-	-	3,171
RM	7.70	227	242	257	537	-	-	1,263
RM	7.74	66	70	75	36	-	-	247
RM	7.92	209	223	186	299	-	-	917
RM	8.01	39	41	10	8	-	-	98
RM	8.15	239	115	-	-	-	-	354
RM	8.25	56	52	56	61	-	-	225
RM	8.27	177	177	-	-	-	-	354
RM	8.85	138	148	159	172	-	-	617
		9,056	8,152	5,932	5,537	-	-	28,677
Export credit refinancing								
Fixed rate								
RM	4.75	1,495	-	-	-	-	-	1,495

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

29. CUMULATIVE REDEEMABLE PREFERENCE SHARES

	Group			
	Number of CRPS of RM0.01 each		Amount	
	31.12.2009 '000	30.6.2008 '000	31.12.2009 RM'000	30.6.2008 RM'000
Cumulative Redeemable Preference Shares ("CRPS") issued by a subsidiary:				
Authorised				
At beginning of the period	-	-	-	-
Created during the period	100,000	-	1,000	-
At end of the period	100,000	-	1,000	-
Issued and fully paid				
Nominal value				
At beginning of the period	-	-	-	-
Issued during the period	20,000	-	200	-
Redeemed during the period	(5,000)	-	(50)	-
At end of the period	15,000	-	150	-
Share premium				
At beginning of the period			-	-
Issued during the period			19,800	-
Redeemed during the period			(4,950)	-
At end of the period			14,850	-
			15,000	-

During the financial period, a subsidiary increased its authorised share capital through the creation of 100,000,000 Cumulative Redeemable Preference Shares ("CRPS") of RM0.01 each.

Subsequently, the subsidiary issued 20,000,000 CRPS of RM0.01 each at an issue price of RM1.00 each for cash for additional working capital purposes.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

29. CUMULATIVE REDEEMABLE PREFERENCE SHARES (contd.)

The salient features of the CRPS are as follows:

- (a) The CRPS holders have the right to a fixed cumulative dividend of 3.5% per annum on the issue price;
- (b) The CRPS holders have the right, on a winding up or repayment of capital, to payment prior to all other shares in the subsidiary;
- (c) The CRPS holders do not carry any right to vote at any general meeting of the subsidiary except on resolution to amend the CRPS holders' rights, resolution on the reduction of capital, resolution on the winding up of the company, or any dividend on the CRPS which has been declared but remains unpaid for twelve months; and
- (d) There is no fixed maturity period for the CRPS. The CRPS holders may at any time during the tenure of the CRPS, give not less than one month notice to the subsidiary to redeem such number of CRPS not exceeding 5,000,000 CRPS at any one time, at the redemption price of RM1.00 per share.

During the financial period, the subsidiary has redeemed 5,000,000 CRPS at the redemption price of RM1.00 per CRPS.

30. DEFERRED TAX

	Group		Company	
	31.12.2009 RM'000	30.6.2008 RM'000	31.12.2009 RM'000	30.6.2008 RM'000
Deferred tax assets	14,611	14,853	-	-
Deferred tax liabilities	(18,139)	(15,204)	-	-
	(3,528)	(351)	-	-

The movement in deferred tax is shown as follows:

At beginning of the period	(351)	(408)	-	-
(charged)/credited to income statement:				
- property, plant and equipment	(1,021)	(196)	-	-
- rock reserves	(2,031)	-	-	-
- debtors and inventories	74	(1,383)	-	-
- lease rental receivables	(1,374)	1,120	-	-
- tax losses	2,185	321	-	-
- others	720	493	-	-
Arising from rock reserves	(2,124)	-	-	-
Acquisition of subsidiaries	394	(298)	-	-
At end of the period	(3,528)	(351)	-	-

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

30. DEFERRED TAX (contd.)

The components of deferred tax assets and liabilities during the financial period are as follows:

Deferred tax assets:

	Group		Company	
	31.12.2009 RM'000	30.6.2008 RM'000	31.12.2009 RM'000	30.6.2008 RM'000
Property, plant and equipment	8,699	8,170	-	-
Debtors and inventories	2,728	3,785	-	-
Tax losses	7,781	4,666	-	-
Others	5,832	2,543	-	-
Deferred tax assets (before offsetting)	25,040	19,164	-	-
Offsetting	(10,429)	(4,311)	-	-
Deferred tax assets (after offsetting)	14,611	14,853	-	-

Deferred tax liabilities:

Property, plant and equipment	(12,293)	(9,587)	-	-
Rock reserves	(4,155)	-	-	-
Lease rental receivables	(3,853)	(2,478)	-	-
Others	(8,267)	(7,450)	-	-
Deferred tax liabilities (before offsetting)	(28,568)	(19,515)	-	-
Offsetting	10,429	4,311	-	-
Deferred tax liabilities (after offsetting)	(18,139)	(15,204)	-	-

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

31. PAYABLES

	Group		Company	
	31.12.2009 RM'000	30.6.2008 RM'000	31.12.2009 RM'000	30.6.2008 RM'000
Trade payables	446,817	457,699	-	-
Accruals	76,899	63,845	6,621	5,720
Other payables	80,885	49,193	244	1,266
Amounts due to customers on contracts (Note 32)	88,325	58,976	-	-
Progress billings in respect of property development	7,970	-	-	-
Amounts due to				
- subsidiaries (non-trade)	-	-	184,852	125,752
- associates (trade)	621	2,780	-	-
Advance from minority shareholder of a subsidiary	802	4,905	-	-
	702,319	637,398	191,717	132,738

The currency exposure profile of trade payables is as follows:

- Ringgit Malaysia (RM)	318,615	369,746	-	-
- Singapore Dollar (SGD)	26,416	26,161	-	-
- US Dollar (USD)	3,394	2,574	-	-
- Vietnam Dong (VND)	3,828	11,473	-	-
- Euro (EURO)	1,568	2,634	-	-
- Indonesian Rupiah (INR)	636	47	-	-
- Sterling Pound (GBP)	-	92	-	-
- Thai Baht (THB)	117	105	-	-
- Japanese Yen (JPY)	-	140	-	-
- India Rupee (IR)	31,126	23,877	-	-
- Trinidad and Tobago Dollar (TTD)	5,331	13,801	-	-
- Hong Kong Dollar (HKD)	81	77	-	-
- Renminbi (RMB)	13,244	6,972	-	-
- Australia Dollar (AUD)	5,921	-	-	-
- Arab Emirates Dirham (AED)	36,540	-	-	-
	446,817	457,699	-	-

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

31. PAYABLES (contd.)

	Group		Company	
	31.12.2009 RM'000	30.6.2008 RM'000	31.12.2009 RM'000	30.6.2008 RM'000
The currency exposure profile of accruals is as follows:				
- Ringgit Malaysia (RM)	44,735	42,484	6,621	5,720
- Singapore Dollar (SGD)	20,852	4,842	-	-
- US Dollar (USD)	200	75	-	-
- Vietnam Dong (VND)	1,901	1,138	-	-
- Indonesian Rupiah (INR)	103	196	-	-
- Thai Baht (THB)	249	240	-	-
- India Rupee (IR)	354	5,717	-	-
- Trinidad and Tobago Dollar (TTD)	1,568	2,937	-	-
- Renminbi (RMB)	2,228	1,494	-	-
- Macau Pataca (MOP)	976	796	-	-
- Hong Kong Dollar (HKD)	1,353	3,926	-	-
- Australia Dollar (AUD)	607	-	-	-
- Arab Emirates Dirham (AED)	1,773	-	-	-
	76,899	63,845	6,621	5,720

The currency exposure profile of other payables is as follows:

- Ringgit Malaysia (RM)	31,615	32,536	244	1,266
- Singapore Dollar (SGD)	6,694	1,338	-	-
- US Dollar (USD)	604	1,320	-	-
- Vietnam Dong (VND)	1,036	2,943	-	-
- Indonesian Rupiah (INR)	1,993	1,016	-	-
- Thai Baht (THB)	155	156	-	-
- India Rupee (IR)	14,830	6,414	-	-
- Trinidad and Tobago Dollar (TTD)	12,580	1,386	-	-
- Renminbi (RMB)	7,266	1,779	-	-
- Hong Kong Dollar (HKD)	63	2	-	-
- Macau Pataca (MOP)	13	303	-	-
- Australia Dollar (AUD)	3,669	-	-	-
- Arab Emirates Dirham (AED)	367	-	-	-
	80,885	49,193	244	1,266

The currency exposure profile of amount due to customers on contracts is as follows:

- Ringgit Malaysia (RM)	88,325	58,976	-	-
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NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

31. PAYABLES (contd.)

Included in trade and other payables of the Group are amounts due to companies connected to certain Directors amounting to RM1,030,000 (30.6.2008: RM1,200,000) and RM7,228,000 (30.6.2008: RM1,710,000) respectively.

Amounts due to subsidiaries are denominated in Ringgit Malaysia, unsecured and have no fixed terms of repayment. The weighted average interest rate that was effective as at balance sheet date was 4.85% (30.6.2008: 4.91%) per annum.

Amounts due to associates are denominated in Ringgit Malaysia, unsecured, interest free and have no fixed terms of repayment.

The shareholder advance from the minority shareholder of Sunway GD Foundation Engineering Co. Ltd. which amounts to RM801,759 (30.6.2008: RM4,904,558) is denominated in Chinese Renminbi, unsecured, interest free and have no fixed terms of repayment.

Credit terms of trade payables granted to the Group range from 30 days to 180 days (30.6.2008: 30 days to 180 days).

32. CONSTRUCTION CONTRACTS

	Group	
	31.12.2009 RM'000	30.6.2008 RM'000
Costs incurred to date	4,654,992	3,996,558
Accrued profits to date	532,761	517,245
Recognised losses to date	(629)	(1,572)
Total costs and accrued profits (less losses) to date	5,187,124	4,512,231
Progress billings to date	(5,230,562)	(4,475,580)
	(43,438)	36,651
Amounts due from customers on contracts (Note 21)	(44,887)	(95,627)
Amounts due to customers on contracts (Note 31)	88,325	58,976
	-	-
Retention sums (Note 21)	90,936	80,848

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

33. COMMITMENTS

(a) Capital commitments

	Group	
	31.12.2009 RM'000	30.6.2008 RM'000
Capital expenditure		
Approved and contracted for:		
Property, plant and equipment	4,313	38,523
Approved but not contracted for:		
Property, plant and equipment	29,176	82,118
	33,489	120,641

(b) Non-cancellable operating lease commitments

	Group		Company	
	31.12.2009 RM'000	30.6.2008 RM'000	31.12.2009 RM'000	30.6.2008 RM'000
Future minimum lease payments:				
Not later than 1 year	29,658	11,500	122	122
Later than 1 year and not later than 5 years	57,609	25,512	523	505
Later than 5 years	30,202	29,756	137	338
	117,469	66,768	782	965

Future minimum sublease receipts:

Not later than 1 year	551	789	-	-
Later than 1 year and not later than 5 years	295	1,072	-	-
	846	1,861	-	-

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

34. ACQUISITION, LIQUIDATION AND DISPOSAL OF SUBSIDIARIES

31.12.2009

(a) Acquisition of subsidiaries

- (i) The Group had on 29 July 2008 entered into a Share Sale Agreement ("SSA") to acquire 90% equity interest in Totalrubber Ltd. ("Totalrubber") for a total cash consideration of AUD4.5 million (equivalent to approximately RM13.2 million). Upon the completion of the said acquisition, the purchase consideration was reduced by AUD300,000 to AUD4.2 million (approximately RM12.7 million) as the vendors were unable to fulfil certain conditions of the SSA.

The Group had on 23 December 2009 exercised the call option pursuant to the SSA to acquire the remaining 10% equity interest in Totalrubber for a total cash consideration of AUD104,606 (equivalent to approximately RM0.3 million). Upon the completion of the said acquisition, Totalrubber has become a wholly-owned subsidiary of the Group.

The assets and liabilities arising from the acquisition of 90% equity interest are as follows:

	Fair value recognised on acquisition RM'000	Acquiree's carrying amount RM'000
Property, plant and equipment	2,628	2,628
Deferred tax assets	202	202
Inventories	17,392	17,392
Receivables	8,856	8,856
Cash and bank balances	813	813
	29,891	29,891
Payables	14,868	14,868
Borrowings	10,535	10,535
Tax payables	119	119
	25,522	25,522
Fair value of net assets	4,369	
Less: Minority interest	(437)	
Group's share of net assets	3,932	
Goodwill on acquisition	8,788	
Total cost of acquisition	12,720	

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

34. ACQUISITION, LIQUIDATION AND DISPOSAL OF SUBSIDIARIES (contd.)

31.12.2009

(a) Acquisition of subsidiaries (contd.)

- (i) The assets and liabilities arising from the acquisition of 10% equity interest are as follows:

	Fair value recognised on acquisition RM'000	Acquiree's carrying amount RM'000
Property, plant and equipment	2,899	2,899
Deferred tax assets	202	202
Inventories	14,949	14,949
Receivables	4,652	4,652
Cash and bank balances	175	175
	22,877	22,877
Payables	17,827	17,827
Borrowings	3,495	3,495
Tax payables	123	123
	21,445	21,445
Fair value of net assets	1,432	
Less: Existing Group's share of net assets	(1,289)	
Additional net assets acquired	143	
Goodwill on acquisition	216	
Total cost of acquisition	359	

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

34. ACQUISITION, LIQUIDATION AND DISPOSAL OF SUBSIDIARIES (contd.)

31.12.2009

(a) Acquisition of subsidiaries (contd.)

- (ii) The Group had on 28 August 2009 acquired 55% equity interest in PT Sunway Construction Engineering for a total cash consideration of IR1.65 billion (equivalent to approximately RM587,000).

	Fair value recognised on acquisition RM'000	Acquiree's carrying amount RM'000
Property, plant and equipment	1,793	1,793
Receivables	1,664	1,664
Cash and bank balances	1,043	1,043
	4,500	4,500
Payables	3,433	3,433
	3,433	3,433
Fair value of net assets	1,067	
Less: Minority interest	(480)	
Group's share of net assets	587	
Goodwill on acquisition	-	
Total cost of acquisition	587	

- (iii) The Company had on 31 December 2008 entered into a Subscription Agreement with its 60% owned subsidiary, Sunway Global Limited and Goldman Sachs Strategic Investments (Asia) LLC ("Goldman Sachs") for the subscription of 78,693,293 and 57,621,983 ordinary shares of HKD1.00 each in Sunway Global Limited by the Company and Goldman Sachs respectively by way of capitalisation of amounts owing by Sunway Global Limited to the Company and Goldman Sachs. The capitalisation was deemed completed as at 31 December 2008.

During the financial period, the Company further subscribed for 97,360,996 ordinary shares of HKD1.00 each in Sunway Global Limited by way of cash.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

34. ACQUISITION, LIQUIDATION AND DISPOSAL OF SUBSIDIARIES (contd.)**31.12.2009****(a) Acquisition of subsidiaries** (contd.)

Details of the cash flow arising from the acquisitions are as follows:

	31.12.2009 RM'000
Purchase consideration satisfied by cash	13,666
Less: Cash and cash equivalent of subsidiaries acquired	(1,856)
Cash outflow of the Group on acquisitions	11,810

The acquired subsidiaries have contributed the following results to the Group:

	31.12.2009 RM'000
Revenue	73,042
Loss for the period	(1,728)

If the acquisition had occurred on 1 July 2008, the contribution to the Group's revenue and loss for the period would have been RM87,678,000 and RM2,043,000 respectively.

(b) Liquidation of a subsidiary

The Group had on 2 September 2008 liquidated its 70% equity interest in Synergy Quarry and Asphalt Industries Sdn. Bhd. with a loss on liquidation of RM16,000.

(c) Disposal of a subsidiary

The Company had on 11 July 2008 disposed of its entire equity interest in a wholly owned subsidiary, Splendid Era Sdn. Bhd., to another subsidiary, Sunway Global Limited, for a total cash consideration of RM2. The disposal resulted in a loss of RM143,000 to the Company. However, it has no financial effects to the Group.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

34. ACQUISITION, LIQUIDATION AND DISPOSAL OF SUBSIDIARIES (contd.)

30.6.2008

(a) Acquisition of subsidiaries

- (i) On 4 December 2007, the company acquired 70% equity interest in Sunway IBS Sdn. Bhd., a property development company incorporated in Malaysia. The purchase consideration of RM80,000 was settled in cash.

Details of net assets acquired and goodwill are as follows:

	RM'000
Purchase consideration:	
- cash consideration	80
Fair value of net assets acquired	76
Goodwill	4

Details of net assets acquired are as follows:

	Fair value recognised on acquisition RM'000	Acquiree's carrying amount RM'000
Land and development expenditure	6,740	6,715
Cash and bank balances	28	28
Amount due to related companies	(6,667)	(6,667)
Deferred tax liabilities	(6)	-
Minority interests	(19)	(15)
Net assets acquired at 31.7.2007	76	61

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

34. ACQUISITION, LIQUIDATION AND DISPOSAL OF SUBSIDIARIES (contd.)

30.6.2008

(a) Acquisition of subsidiaries (contd.)

- (ii) On 5 December 2007, a subsidiary of the Group acquired the entire equity interest in Taiping Kuari Sdn. Bhd. ("TK") comprising 400,000 ordinary shares of RM1.00 each for a total cash consideration of RM3.9 million.

	RM'000
Purchase consideration:	
- cash consideration	3,911
Fair value of net assets acquired	1,901
Goodwill determined provisionally	2,010

Details of net assets acquired determined provisionally are as follows:

	RM'000
Property, plant and equipment	2,024
Inventories	28
Receivables, deposits and prepayments	53
Cash and bank balances	172
Payables	(106)
Deferred tax liabilities	(270)
Net assets acquired at 5.12.2007	1,901

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

34. ACQUISITION, LIQUIDATION AND DISPOSAL OF SUBSIDIARIES (contd.)

30.6.2008

(a) Acquisition of subsidiaries (contd.)

- (iii) On 8 January 2008, the Company acquired the entire equity interest in Ansa Teknik Holdings Sdn. Bhd. ("AT") comprising 6,720,000 ordinary shares of RM1.00 each for a total cash consideration of RM9.7 million.

	RM'000
Purchase consideration:	
- cash consideration	9,682
Fair value of net assets acquired	3,570
Goodwill determined provisionally	6,112

Details of net assets acquired determined provisionally are as follows:

	RM'000
Property, plant and equipment	284
Inventories	588
Receivables, deposits and prepayments	4,041
Cash and bank balances	426
Payables	(1,762)
Deferred tax liabilities	(7)
Net assets acquired at 8.1.2008	3,570

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

34. ACQUISITION, LIQUIDATION AND DISPOSAL OF SUBSIDIARIES (contd.)

30.6.2008

(a) Acquisition of subsidiaries (contd.)

- (iv) On 27 May 2008, a subsidiary of the Group acquired a 60% equity interest in Sun Pharmaceutical Sdn. Bhd. ("SP") comprising 60,000 ordinary shares of RM1.00 each for a total cash consideration of RM2.5 million.

	RM'000
Purchase consideration:	
- cash consideration	2,520
Fair value of net assets acquired	1,993
Goodwill determined provisionally	527

Details of net assets acquired determined provisionally are as follows:

	RM'000
Property, plant and equipment	728
Inventories	1,338
Receivables, deposits and prepayments	2,196
Cash and bank balances	411
Payables	(1,237)
Current tax liabilities	(99)
Deferred tax liabilities	(15)
Minority interests	(1,329)
Net assets acquired at 27.5.2008	1,993

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

34. ACQUISITION, LIQUIDATION AND DISPOSAL OF SUBSIDIARIES (contd.)**30.6.2008****(a) Acquisition of subsidiaries** (contd.)

Details of the cash flow arising from the acquisitions are as follows:

	RM'000
Purchase consideration settled in cash	16,193
Less: Purchase consideration paid in the previous financial year	(80)
Less: Cash and cash equivalents of subsidiaries acquired	(1,037)
Cash outflow of the Group on acquisitions	15,076
Cash outflow of the Company on acquisitions	9,682

The acquired businesses contributed revenue of RM4.6 million and loss of RM0.5 million to the Group for the period from the date of acquisition to 30 June 2008. Had the acquisitions took effect at the beginning of the period, the revenue and profit contributed to the Group would have been RM14.6 million and RM1.1 million respectively. These amounts have been calculated using the Group's accounting policies and by adjusting the results of the subsidiaries to reflect the additional depreciation and amortisation that would have been charged assuming the fair value adjustments to property, plant and equipment and rock reserve had applied from 1 July 2007, together with the consequential tax effects.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

34. ACQUISITION, LIQUIDATION AND DISPOSAL OF SUBSIDIARIES (contd.)

30.6.2008

(b) Disposal of a subsidiary

On 30 October 2007, a subsidiary of the Group disposed of its 65% equity interest in PT Sunway-Yasa PMI Pile ("PT Yasa") for a total cash consideration of RM1.7 million.

Details of the disposal are as follows:

	At date of disposal RM'000
Property, plant and equipment	1,396
Inventories	1,218
Receivables, deposits and prepayments	748
Cash and bank balances	2,723
Payables	(868)
Current tax liabilities	(1,895)
Minority interests	(1,914)
Share of net assets	1,408
Net disposal proceeds	(1,700)
Realisation of foreign currency reserves	(1,176)
Loss on disposal before and after tax	(1,468)
The net cashflow on disposal was determined as follows:	
Total proceeds from disposal - cash consideration	1,700
Cash and cash equivalents of subsidiary disposed off	(4,189)
Net cash outflow on disposal	(2,489)

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

35. CONTINGENT LIABILITIES

	Group		Company	
	31.12.2009 RM'000	30.6.2008 RM'000	31.12.2009 RM'000	30.6.2008 RM'000
Guarantees given to bankers for facilities obtained and utilised by:				
- subsidiaries	-	-	352,702	345,530
Guarantees given to third parties in respect of contract and trade performance of:				
- Group	1,699,736	1,112,835	-	-
- subsidiaries	-	-	1,401,964	822,235
	1,699,736	1,112,835	1,754,666	1,167,765

Guarantees to third parties in respect of contracts and trade performance include certain contracts entered into by a subsidiary of the Group where there is no specific indication of the total liability in the event of default.

Material outstanding litigations

- (i) A suit was filed by Affin Bank Berhad ("Affin") against, inter alia, Yap Yee Ping and Ng Kam Hung ("Plaintiffs") for payment of an amount of RM27.7 million and/or any other amount to Affin. The Plaintiffs are seeking, inter alia, certain declarations and also an order that SunwayMas Sdn. Bhd. ("SunwayMas"), a wholly owned subsidiary of the Group, indemnifies the Plaintiffs for all claims brought against them by Affin in relation to a tripartite agreement executed amongst Cindai Unggul Sdn. Bhd. ("Employer"), SunwayMas and BSN Commercial Bank Bhd. (Now vested in Affin) on 2 May 2000. SunwayMas was appointed as a Project Manager to revive, manage and coordinate the development and construction of the Employer on a piece of land in the Mukim of Pulai, District of Johor Bahru, Johor.

Arising from this suit, the Plaintiffs have filed a counterclaim action against Affin and SunwayMas as the second defendant on 9 May 2008. Thereafter, the Plaintiffs have served a Statement of Defence and Counterclaim ("Counterclaim") on SunwayMas. SunwayMas intends to defend this Counterclaim and at the advice of their solicitors, an order to strike out the case has been submitted, followed by a statement of defense on 4 December 2008. The hearing for case management which was fixed on 27 July 2009, was adjourned to 30 September 2009. On the said date, the hearing for case management was fixed on 4 February 2010 and it has been struck out with costs. The employer filed and appealed against the decision on 2 March 2010. The hearing date for the appeal is yet to be fixed by the Court.

SunwayMas's solicitors are of the opinion that the chances of success of the Plaintiffs' claim against SunwayMas are negligible.

The Directors are of the opinion, after taking appropriate legal advice, that no provision for the abovementioned claims is necessary.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

35. CONTINGENT LIABILITIES (contd.)

Material outstanding litigations (contd.)

- (ii) 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"). The Statement of Claim was received by SunCon's office in Malaysia on 8 September 2008.

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 between the parties. The Supreme Court had appointed a sole arbitrator and two preliminary sittings have been held to date. The Claimant then filed its Statement of Claim on 4 September 2008.

The Statement of Claim was raised in respect of various claims (including claiming the refund of the amount cashed on the Bank Guarantees) and the total amount claimed is Rs89,14,55,058.00 (approximately equivalent to RM70 million).

At the hearing on 2 February 2009, the arbitrator recorded SunCon's filing of the Statement of Defence and Counterclaim. In the counterclaim, SunCon is seeking for Rs78,13,94,628.61 (approximately equivalent to RM60 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 5 February 2010, the hearing was devoted to the Claimant's letter of 2 February 2010. The Arbitrator felt that the controversy raised by the Claimant regarding the proper compliance of the Order dated 23 November 2009 should be brought to an end at the soonest and amicably. After some arguments, the arbitrator dictated an order basically stating that:

- (a) SunCon should put on affidavit the information it has already supplied; and
- (b) SunCon will need to get verifiable status or details in relation to the existing Bank Guarantees.

The first direction was complied on 24 February 2010.

On 1 April 2010, the Claimant's lawyer concluded his arguments on SunCon's Section 16 Application. SunCon's lawyer barely started on its Rejoinder when the hearing concluded for the day. SunCon's solicitors submitted the rejoinder to the reply of the Claimant to the Application of SunCon under Section 17 of the Arbitration & Conciliation Act, 1996.

On 21 April 2010, SunCon's lawyers concluded arguments on the Section 16 Application. Parties have been asked to make a synopsis of written arguments by 3 May 2010. The matter is listed on 12 May 2010 for orders and other procedural matters. The Arbitrator has indicated that he would like to give a decision on the Section 16 Application first, before proceeding with other matters.

The Directors are of the opinion, after taking appropriate legal advice, that no provision for the abovementioned claims is necessary.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

36. SIGNIFICANT RELATED PARTY TRANSACTIONS

- (a) During the period, the Group transacted with certain related parties. The transactions are principally payable to/receivable from the related parties in respect of:

	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000
Group		
Contract revenue from:		
Companies connected to a major shareholder/common director (Sunway City Berhad and its subsidiaries):		
Sunway City Berhad	15,488	20,296
Sunway D'Mont Kiara Sdn. Bhd.	28,558	62,727
Sunway Pyramid Sdn. Bhd.	16,255	85,849
Sunway Carnival Sdn. Bhd.	4,915	13,099
Sunway South Quay Sdn. Bhd.	18,801	8,809
Sunway Medical Centre Berhad	30,971	43,973
Sunway Resort Hotel Sdn. Bhd.	1,341	2,290
Sunway City Properties Sdn. Bhd.	1	736
Sunway Bukit Gambier Sdn. Bhd.	-	676
Rental of office space from:		
Companies connected to a major shareholder/common directors (Sunway City Berhad and its subsidiaries):		
Menara Sunway Sdn. Bhd.	7,123	3,786
Sunway City Berhad	822	227
Lease and hire purchase Interest income from:		
Company connected to a major shareholder/common directors (Sunway City Berhad and its subsidiaries):		
Sunway Medical Centre Berhad	605	-
Management fees to:		
Company connected to a major shareholder/common directors (Sunway City Berhad and its subsidiaries):		
Allson International Management Limited	1,034	1,328

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

36. SIGNIFICANT RELATED PARTY TRANSACTIONS (contd.)

- (a) During the period, the Group transacted with certain related parties. The transactions are principally payable to/receivable from the related parties in respect of: (contd.)

	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000
Group (contd.)		
Purchase of travel services from:		
Company connected to a major shareholder/common directors (Sunway City Berhad and its subsidiaries):		
Sunway Travel Sdn. Bhd.	3,175	2,354
Purchase of advertising services from:		
Company connected to a major shareholder:		
Adasia (M) Sdn. Bhd.	824	364
Purchase of maintenance services from:		
Companies connected to a major shareholder/common director (Sunway City Berhad and its subsidiaries):		
Menara Sunway Sdn. Bhd.	1,310	422
Sunway IFM Sdn. Bhd.	602	266
Company		
Rental of office space from:		
Company connected to a major shareholder/common directors (Sunway City Berhad and its subsidiaries):		
Menara Sunway Sdn. Bhd.	1,871	1,151
Purchase of travel services from:		
Company connected to a major shareholder/common directors (Sunway City Berhad and its subsidiaries):		
Sunway Travel Sdn. Bhd.	75	60
Purchase of advertising services from:		
Company connected to a major shareholder:		
Adasia (M) Sdn. Bhd.	454	233

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

36. SIGNIFICANT RELATED PARTY TRANSACTIONS (contd.)

- (a) During the period, the Group transacted with certain related parties. The transactions are principally payable to/receivable from the related parties in respect of: (contd.)

	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000
Company (contd.)		
Interest income from:		
Subsidiaries:		
Sunway Global Limited	944	1,506
SunwayMas Sdn. Bhd.	899	230
Sunway Juarasama Sdn. Bhd.	337	338
Pembangunan Risjaya Sdn. Bhd.	345	230
Sunway Pipeplus Technology Sdn. Bhd.	308	169
Management fees from:		
Subsidiaries:		
Sunway Construction Sdn. Bhd.	16,667	12,161
Sunway Keramo Sdn. Bhd.	2,850	1,745
SunwayMas Sdn. Bhd.	1,982	1,213
Sunway Marketing Sdn. Bhd.	1,190	728
Sunway BPO Sdn. Bhd.	-	630
Sunway Quarry Industries Sdn. Bhd.	827	506
Sunway Leasing Sdn. Bhd.	501	276
Dividend income from:		
Subsidiaries:		
Reptolink Sdn. Bhd.	1,067	600
Sunway Construction Sdn. Bhd.	26,667	-
Sunway Keramo Sdn. Bhd.	400	450
Sunway Leasing Sdn. Bhd.	1,333	3,400
Sunway Management Sdn. Bhd.	-	2,550
Sunway Marketing (S) Pte. Ltd.	717	-
Sunway Marketing Sdn. Bhd.	2,930	2,500
Sunway Paving Solutions Sdn. Bhd.	3,600	-
Sunway Quarry Industries Sdn. Bhd.	11,667	-
Sunway Risk Management Sdn. Bhd.	1,667	1,000
SunwayMas Sdn. Bhd.	6,200	12,500

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

36. SIGNIFICANT RELATED PARTY TRANSACTIONS (contd.)

- (a) During the period, the Group transacted with certain related parties. The transactions are principally payable to/receivable from the related parties in respect of: (contd.)

	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000
Company (contd.)		
Interest expense to:		
Subsidiaries:		
Reptolink Sdn. Bhd.	1,569	254
Sunway Construction Sdn. Bhd.	4,891	2,818
Sunway Keramo Sdn. Bhd.	1,697	1,095
SunwayMas Sdn. Bhd.	1,388	959
Sunway Bangi Sdn. Bhd.	1,250	770
Sunway Leasing Sdn. Bhd.	638	188
Sunway Marketing Sdn. Bhd.	657	592

- (b) Remuneration of key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel of the Group include all the Directors of the Group who make certain critical decisions in relation to the strategic direction of the Group.

	Group		Company	
	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000	1.7.2008 to 31.12.2009 RM'000	1.7.2007 to 30.6.2008 RM'000
Salaries and bonuses	8,629	5,076	5,560	3,306
Estimated money value of benefits-in-kind	422	281	199	139
National defined contribution plan	1,034	612	663	404
ESOS	-	53	-	53
Other benefits	298	230	171	145
	10,383	6,252	6,593	4,047
Included in the total key management personnel are:				
Directors' remuneration	9,714	5,765	6,593	4,047

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

37. FINANCIAL INSTRUMENTS

(a) 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 and credit risk. It is, and has been throughout the year under review, the Group's policy that no trading in derivative financial instruments shall be undertaken. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

(b) Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that value of a financial instrument will fluctuate due to changes in market interest rates. As the Group has no significant interest-bearing financial assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group's interest-bearing financial assets are mainly short term in nature and have been mostly placed in fixed deposits.

The Group's interest rate risk arises primarily from interest-bearing borrowings. Borrowings at floating rates expose the Group to cash flow interest rate risk. Borrowings obtained at fixed rates expose the Group to fair value interest rate risk. 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 to hedge the floating rate interest payable on its long term borrowings.

The information on maturity dates and effective interest rates of financial assets and liabilities are disclosed in their respective notes.

(c) Foreign currency risk

The Group is not significantly exposed to foreign currency risk as majority of the Group's transactions, assets and liabilities are denominated in Ringgit Malaysia except for foreign currency risk arising from countries in which certain foreign subsidiaries operate. The currencies giving rise to this risk are primarily United States Dollar, Australian Dollar, Hong Kong Dollar, Singapore Dollar and Indian Rupees. Foreign currency exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

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 future revenue stream to be generated from its investments.

Material foreign currency transaction exposures are hedged, mainly with derivative financial instruments such as forward foreign exchange contracts.

(d) Liquidity risk

The Group manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements. 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.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

37. FINANCIAL INSTRUMENTS (contd.)

(e) Credit risk

The Group's credit risk is primarily attributable to trade receivables. 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 and the Group's exposure to bad debts is not significant. Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral.

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents and tax recoverable, arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets.

The Group does not have any significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risk related to any financial assets.

(f) Fair values

The carrying amounts of cash and cash equivalents, trade and other receivables, trade and other payables, tax recoverable and payable and other short term borrowings approximate fair values due to the relatively short term nature of these financial instruments.

It is not practical to determine the fair values of:

- (i) non-current unquoted shares because of the lack of quoted market prices and the inability to estimate fair value without incurring excessive costs.
- (ii) amounts due from/(to) subsidiaries, associates and jointly controlled entity, amounts due to contractors and consultants and advances by minority shareholders of subsidiaries due principally to a lack of fixed repayment terms entered by the parties involved and without incurring excessive costs. However, the Group and the Company do not anticipate the carrying amounts recorded at the balance sheet date to be significantly different from the values that would eventually be received or settled.
- (iii) cumulative redeemable preference shares issued by a subsidiary because of a lack of available market information in respect of similar financing arrangement and the inability to estimate fair value without incurring excessive costs.

The forward foreign currency contracts of the Group do not have any carrying value in the balance sheet. However, the fair values of the outstanding forward foreign currency contracts of the Group at balance sheet date amount to a gain of RM0.71 million.

38. SEGMENT INFORMATION

(a) Reporting format

The primary segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the products and services produced. Secondary information is reported geographically. The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

(b) Business segments

The Group is organised into seven main business segments:

- (i) Construction - Construction of building and civil works and provision of mechanical, electrical and piling works.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

38. SEGMENT INFORMATION (contd.)

(b) Business segments (contd.)

- (ii) Property development - Development of housing and commercial properties and leasing, managing, tenancing, licensing, occupation or disposal of such properties.
- (iii) Trading and manufacturing - Trading and manufacturing of construction and industrial products, building materials and importing and distribution of pharmaceutical products.
- (iv) Building materials - Manufacturing of vitrified clay pipes, concrete pipes, interlocking pavers, pretensioned spun concrete piles, precast micro injection piles, reinforced concrete piles, eurotiles, blocks and concrete products.
- (v) Quarry - Quarrying, manufacturing and supplying of premix, manufacturing of ready-mixed concrete and production of building stones.
- (vi) Financial services - Lease and hire purchase financing.
- (vii) Investment holding - Investment in properties, management and letting of properties as well as holding of investment in the shares of subsidiaries, associates and other investments.
- (viii) Others - Provision of secretarial and share registration services, provision of management services, hotel operations, underwriting of insurance, and implementation of securitisation transaction.

(c) Geographical segments

The Group's geographical segments are based on the location of the Group's assets. Sales to external customers disclosed in geographical segments are based on the geographical location of its customers. The Group's business segments operate in seven main geographical areas:

- (i) Malaysia - construction, property development, trading and manufacturing, building materials, quarry, financial services and investment holdings.
- (ii) Singapore - construction, trading and manufacturing, building materials and quarry.
- (iii) Vietnam - hotel operations, quarry and investment holding.
- (iv) China - construction, trading and manufacturing, building materials and investment holding.
- (v) India - construction.
- (vi) Trinidad and Tobago - construction and quarry.
- (vii) Australia - trading and manufacturing.
- (viii) Other countries - construction, investment holding and trading and manufacturing.

(d) Allocation basis and transfer pricing

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 mainly corporate assets, liabilities and expenses.

Transfer prices between business segments are set in a manner similar to transactions with third parties. Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

38. SEGMENT INFORMATION (contd.)

Business segments

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segment:

	Construction RM'000	Property development RM'000	Trading and manufacturing RM'000	Building materials RM'000	Quarry RM'000	Financial services RM'000	Investment holding RM'000	Others RM'000	Total RM'000
31.12.2009									
Revenue									
Segment revenue	1,373,173	84,502	668,178	176,228	432,230	6,724	15,242	38,518	2,794,795
Inter-segment revenue	-	-	(63,110)	(6,376)	(55,869)	(3,095)	(14,297)	(12,896)	(155,643)
Total revenue	1,373,173	84,502	605,068	169,852	376,361	3,629	945	25,622	2,639,152
Results									
Operating profit/(loss)	56,804	12,855	38,468	636	37,226	984	(16,790)	4,522	134,705
Finance income									5,990
Finance costs									(59,474)
Share of results in jointly controlled entities	25,019	26,156	-	-	-	-	-	-	51,175
Share of results of associates	12,286	-	(119)	-	-	-	-	8,599	20,766
Profit before tax									153,162
Income tax expense									(32,951)
Profit for the period									120,211

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

38. SEGMENT INFORMATION (contd.)**Business segments** (contd.)

	Construction RM'000	Property development RM'000	Trading and manufacturing RM'000	Building materials RM'000	Quarry RM'000	Financial services RM'000	Investment holding RM'000	Others RM'000	Total RM'000
31.12.2009 (contd.)									
Assets									
Segment assets	550,278	114,649	228,131	175,269	127,220	24,615	732,653	15,667	1,968,482
Interests in associates and jointly controlled entities	218,166	27,215	280	-	-	-	-	50,950	296,611
Unallocated assets									41,790
Total assets									2,306,883
Liabilities									
Segment liabilities	600,507	110,731	150,794	70,701	78,284	57,668	338,771	6,489	1,413,945
Unallocated liabilities									33,749
Total liabilities									1,447,694
Other segment information									
Capital expenditure	66,492	114	15,767	48,960	16,342	204	9	909	148,797
Depreciation and amortisation	19,988	277	4,560	11,144	20,039	76	7,613	2,688	66,385
Impairment losses/ (reversal of impairment losses)	5,004	-	(1,251)	-	(9)	-	(354)	-	3,390

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

38. SEGMENT INFORMATION (contd.)

Business segments (contd.)

	Construction RM'000	Property development RM'000	Trading and manufacturing RM'000	Building materials RM'000	Quarry RM'000	Financial services RM'000	Investment holding RM'000	Others RM'000	Total RM'000
30.6.2008									
Revenue									
Segment revenue	961,780	48,030	427,262	107,011	345,812	6,355	28,325	31,219	1,955,794
Inter-segment revenue	(579)	-	(73,460)	(5,872)	(11,674)	(1,854)	(27,826)	(9,326)	(130,591)
Total revenue	961,201	48,030	353,802	101,139	334,138	4,501	499	21,893	1,825,203
Results									
Operating profit/(loss)	16,674	15,293	35,335	2,579	69,173	3,249	7,529	(1,309)	148,523
Finance income									6,058
Finance costs									(46,658)
Share of results in jointly controlled entities	9,974	-	-	-	-	-	-	-	9,974
Share of results of associates	5,744	-	(6)	-	-	-	-	4,887	10,625
Profit before tax									128,522
Income tax expense									(26,305)
Profit for the period									102,217

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

38. SEGMENT INFORMATION (contd.)

Business segments (contd.)

	Construction RM'000	Property development RM'000	Trading and manufacturing RM'000	Building materials RM'000	Quarry RM'000	Financial services RM'000	Investment holding RM'000	Others RM'000	Total RM'000
30.6.2008 (contd.)									
Assets									
Segment assets	490,489	101,732	196,223	136,641	149,520	19,882	717,388	28,008	1,839,883
Interests in associates and jointly controlled entities	96,305	-	399	-	-	-	-	43,042	139,746
Unallocated assets									42,716
Total assets									2,022,345
Liabilities									
Segment liabilities	539,797	57,182	120,096	37,770	95,199	33,588	457,943	7,248	1,348,823
Unallocated liabilities									28,338
Total liabilities									1,377,161
Other segment information									
Capital expenditure	33,427	985	7,044	19,709	32,101	14	4	1,398	94,682
Depreciation and amortisation	17,128	243	2,464	8,447	8,046	49	2,920	3,156	42,453
Impairment losses/ (reversal of impairment losses)	-	-	-	-	47	-	(11,424)	-	(11,377)

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

38. SEGMENT INFORMATION (contd.)

Geographical segments

The following table provides an analysis of the Group's revenue, assets and capital expenditure by geographical segment:

	Revenue		Segment Assets		Capital Expenditure	
	31.12.2009 RM'000	30.6.2008 RM'000	31.12.2009 RM'000	30.6.2008 RM'000	31.12.2009 RM'000	30.6.2008 RM'000
Malaysia	1,633,703	1,133,700	1,355,250	1,333,386	50,764	47,638
Singapore	384,252	260,360	249,067	180,653	11,659	1,744
Vietnam	70,160	74,514	1,799	28,975	1,585	3,308
China	112,824	44,253	162,323	129,631	73,893	18,721
India	274,357	216,845	139,583	106,630	26	-
Trinidad and Tobago	51,551	56,002	57,547	80,823	5,834	22,498
Australia	62,131	-	17,238	-	4,013	-
Other countries	50,174	39,529	27,465	22,501	1,023	773
	2,639,152	1,825,203	2,010,272	1,882,599	148,797	94,682
Jointly controlled entities and associates			296,611	139,746		
Total assets			2,306,883	2,022,345		

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

39. SIGNIFICANT EVENTS DURING THE FINANCIAL PERIOD

Completed events

- (a) On 29 July 2008, the Group entered into a Share Sale Agreement ("SSA") to acquire 90% equity interest in Totalrubber Ltd. ("Totalrubber") for a total cash consideration of AUD4.5 million (equivalent to approximately RM13.2 million). Upon the completion of the said acquisition, the purchase consideration was reduced by AUD300,000 to AUD4.2 million (approximately RM12.7 million) as the vendors were unable to fulfill certain conditions of the SSA. Subsequently on 23 December 2009, the Group exercised the call option pursuant to the SSA to acquire the remaining 10% equity interest in Totalrubber for a total cash consideration of AUD104,606 (equivalent to approximately RM321,961). Upon the completion of the said acquisition, Totalrubber has become a wholly-owned subsidiary of the Group.
- (b) On 5 September 2008, the Group entered into a Joint Venture Agreement ("JVA") with Hoi Hup Realty Pte. Ltd. and Hoi Hup J.V. Development Pte. Ltd. to set up a joint venture company known as Hoi Hup Sunway J.V. Pte. Ltd. ("Hoi Hup Sunway JV") for the execution and performance of the design, construction, completion and development of a Public Housing Development project at Lorong 1A Toa Payoh in Singapore under the Design, Build and Sell Scheme. Under the JVA, the Group would have 30% interest in Hoi Hup Sunway JV.
- (c) On 23 September 2008, the Group accepted the letter of award for a contract amounting to AED1.875 billion (equivalent to approximately RM1.80 billion) from Mubadala CapitaLand Real Estate LLC for the proposed Arzanah Development – Rihaan Heights, first phase Main Building Works. Sunway Innopave Sdn. Bhd., a wholly-owned subsidiary of the Group, had on 23 March 2008, formed an unincorporated joint venture with Silver Coast Construction & Boring LLC ("Silver Coast"), known as "Silver Coast – Sunway Innopave Joint Venture" and signed a Joint Venture Agreement ("JVA") with Silver Coast. Under the JVA, the Group would have 60% interest in the Project.
- (d) On 31 December 2008, the Company entered into a Subscription Agreement with its then 60% owned subsidiary, Sunway Global Ltd. ("Sunway Global") and Goldman Sachs Strategic Investments (Asia) LLC ("Goldman Sachs") for the subscription of 78,693,293 and 57,621,983 ordinary shares of HKD1.00 each in Sunway Global by the Company and Goldman Sachs respectively by way of capitalisation of amounts owing by Sunway Global to the Company and Goldman Sachs. The capitalisation was deemed completed on even date.
- (e) During the period, RHB Investment Bank had on the Company's behalf, announced the following corporate exercises:
 - (i) renounceable rights issue of up to 191,523,677 New Warrants at an issue price of RM0.02 per New Warrant on the basis of 1 New Warrant for every 3 Sunway Shares held at a date to be determined ("Entitlement Date");
 - (ii) restricted issue of up to 8,868,825 New Warrants at an issue price of RM0.02 per New Warrant to the ESOS holders on the basis of 1 New Warrant for every 3 existing ESOS Options held on the Entitlement Date; and
 - (iii) restricted issue of up to 65,658,313 New Warrants at an issue price of RM0.02 per New Warrant to the Entitled Warrants Holders of unexercised 2004/2008 warrants on 17 October 2008, being the expiry date of the 2004/2008 warrants on the basis of 1 New Warrant for every 3 Unexercised Warrants.

The Prospectus for New Warrants dated 4 February 2009 was despatched to entitled shareholders on 6 February 2009, with the last date for application and payment on 23 February 2009.

On 5 March 2009, the Company issued 246,655,262 new warrants (Warrants 2009/2014). The new warrants entitle the registered holder, at any time within a period of 5 years commencing on and including the issue date and expiring on 4 March 2014, to subscribe for one (1) new ordinary share of RM1.00 each in the Company at an exercise price of RM1.30 per ordinary share for every warrant held.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

39. SIGNIFICANT EVENTS DURING THE FINANCIAL PERIOD (contd.)

Completed events (contd.)

- (f) On 29 June 2009, the Company announced a proposal to undertake a private placement of up to 82,036,555 new ordinary shares of RM1.00 each ("Proposed Placement").

The Securities Commission had vide its letter dated 13 July 2009 approved the Proposed Placement. Bursa Malaysia Securities Berhad had vide its letter dated 28 July 2009 granted its approval-in-principle for the additional listing of and quotation for up to 82,036,555 new ordinary shares of RM1.00 each to be issued under the Proposed Placement on the Bursa Securities.

On 24 August 2009, the Company had placed out a total of 52,340,000 Placement Shares at RM1.455 per share, raising total proceeds of RM76,154,700. The 52,340,000 Placement Shares were listed on the Main Market of Bursa Malaysia Securities Berhad on 27 August 2009.

- (g) On 7 December 2009, the Group subscribed for 300,000 ordinary shares of S\$1/- each or a 30% equity stake in Hoi Hup Sunway Property Pte. Ltd. ("HHSP") to undertake a property development project on a parcel of freehold land at Jalan Senang, District 14 in Singapore. The Group subsequently entered into a Joint Venture Agreement with Hoi Hup Realty Pte. Ltd. on setting up of HHSP and to regulate their relationship as shareholders of HHSP.

Event pending completion

On 10 June 2009, the Company announced that its subsidiaries, Sunway Holdings (Vietnam) Sdn. Bhd. and Sunway Property (China) Limited, had on 9 June 2009, entered into a share sale and purchase agreement with Suncity Vietnam Sdn. Bhd. (formerly known as Mega Methods Sdn. Bhd.) for the proposed disposal of the entire equity interest of Hochimex Nominee Company Limited and its subsidiary, Sunway Hotel Hanoi Liability Limited Co. with One Member for a total cash consideration of USD17 million (equivalent to approximately RM59.33 million) ("Proposed Disposal").

The Proposed Disposal had been approved by the shareholders of the Company at an Extraordinary General Meeting held on 10 July 2009.

On 8 December 2009, both parties entered into a Supplemental Agreement to extend the Conditions Fulfillment Period of the Proposed Disposal for another 6 months to expire on 9 June 2010 or such other period as the parties may mutually agree.

40. SIGNIFICANT EVENTS SUBSEQUENT TO BALANCE SHEET DATE

- (a) On 19 January 2010, the Company announced that SunwayMas Sdn. Bhd. ("SunwayMas"), its wholly-owned subsidiary had entered into a Share Sale Agreement and Shareholders Agreement with Templer Forest Resort Sdn. Bhd. ("Templer Forest").

Pursuant to the Share Sale Agreement, SunwayMas shall acquire 60% equity interest, comprising 1,980,000 ordinary shares of RM1.00 each in Spanland Sdn. Bhd. ("Spanland") from Templer Forest for a total purchase consideration of RM13,800,000 ("Proposed Acquisition"). The Shareholders Agreement outlines the joint venture arrangement of SunwayMas and Templer Forest and their mutual rights and obligations as shareholders of Spanland as well as to jointly undertake a property development project on parcels of leasehold land measuring approximately 98.43 acres located at Mukim Rawang, District of Gombak, Selangor.

Upon completion of the Proposed Acquisition, Spanland shall become a 60% owned subsidiary of SunwayMas. The Shareholders Agreement will come into effect on the completion of the Proposed Acquisition.

The Proposed Acquisition is expected to be completed within 21 business days after the fulfillment of all conditions precedent or such other date as may be agreed between the parties.

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2009 (contd.)

40. SIGNIFICANT EVENTS SUBSEQUENT TO BALANCE SHEET DATE (contd.)

- (b) On 9 April 2010, the Company announced that SunwayMas entered into a Joint Venture Agreement ("JVA") with Monty Properties Sdn. Bhd. ("Monty Properties") to undertake a property development project known as "Puncak Jalil" on the three parcels of land (hereinafter referred to as "the Proposed Joint Venture") through a joint venture company, Geneba Dua Sdn. Bhd. ("Geneba Dua"). SunwayMas and Monty Properties have entered into the JVA to undertake the Proposed Joint Venture as well as to record their joint venture arrangement and their rights and obligations as shareholders in Geneba Dua.

Pursuant to the JVA, the paid-up share capital of Geneba Dua will be increased from RM2 to RM6,000,000. SunwayMas and Monty Properties shall subscribe to an amount of RM3,900,000 and RM2,100,000 respectively within 7 business days after the day upon which all conditions have been fulfilled or obtained in accordance with the JVA.

41. COMPARATIVES

The current financial statements cover a period of 18 months as the year end of the Company was changed from 30 June to 31 December. As such, comparative amounts for the income statements, statement of changes in equity, cash flow statements and the related notes are not comparable.

LIST OF PROPERTIES

AS AT 31 DECEMBER 2009

Location / Address	Description	Tenure	Site / Floor Area	Existing Use	Approximate Age of Building (Years)	Net Book Value as at 31.12.2009 RM'000	Date of Acquisition
Wisma Masalam, Lot 1, Jalan Tengku Ampuan Zabedah C 9/C, Section 9, 40100 Shah Alam, Selangor Darul Ehsan	20 storey office building	99 years leasehold expiring 29 Aug 2094	158,008 sq. ft.	Rented out/ vacant	13	44,600	2.9.1995
Subang Square, Commercial Complex, Jalan SS 15/4G, Subang Jaya, Selangor Darul Ehsan	Commercial building	Freehold	92,016 sq. ft.	Rented out	10	27,211	N/A
Lot 2396, Title No. 10140, Mukim of Batang Kali, Daerah Ulu Selangor	Industrial land and building	Freehold	44 acres	Manufacturing of concrete products	12	25,038	9.7.1996
Lot 1316, 1351-1352, 1355, 1683-1684 Lot 1401-1406, 1408-1410, 1412-1413 Mukim Cheras, District of Hulu Langat, Selangor Darul Ehsan	Land for development	Freehold	111.42 acres	Future property development	-	17,833	26.11.2007
Lot 1217-1218, Lot 1225-1227, Mukim Ulu Kelang, District of Gombak, Kuala Lumpur	Land for development	Freehold	13.80 acres	Future property development	-	17,070	27.6.2007
19, Pham Dinh Ho, Hai Ba Trung District, Hanoi, Vietnam	Hotel - 10 floors 2 basement (No. of rooms: 143)	30 years leasehold expiring 14 Sep 2027	9,840 sq. mtr.	Hotel operation	11	14,808	3.1.1998

LIST OF PROPERTIES AS AT 31 DECEMBER 2009 (contd.)

Location / Address	Description	Tenure	Site / Floor Area	Existing Use	Approximate Age of Building (Years)	Net Book Value as at 31.12.2009 RM'000	Date of Acquisition
Geran No. 28698, Lot 1858, Mukim Serendah, District of Hulu Selangor, Selangor Darul Ehsan	Land for development	Freehold	100 acres	Future property development	-	11,750	25.1.1996
Subang Square, Commercial Complex, Jalan SS15/4G, Subang Jaya, Selangor Darul Ehsan	Car park	Freehold	98,181 sq. ft.	Car park	10	10,341	N/A
19, Senoko South Road, Singapore 758708	Industrial building	60 years leasehold expiring 30 Nov 2053	7,923 sq. mtr.	Warehouse	15	9,449	N/A
HSD No. 25423 PT No. 11894, HSD No. 26690 PT No. 12139, No. Pendaftaran 7363, Lot 14256, Section 19, Mukim of Rawang, District of Gombak, Selangor Darul Ehsan	Land for development	99 years leasehold expiring 16 Jul 2094	156 acres	Future property development	-	7,610	5.3.1997

RECURRENT RELATED PARTY TRANSACTIONS

Pursuant to Chapter 10, Paragraph 10.09(2)(b) and Practice Note 12 of the Listing Requirements of Bursa Malaysia Securities Berhad, the details of the Recurrent Related Party Transactions of a revenue or trading nature conducted pursuant to the Shareholders' Mandate during the financial period ended 31 December 2009 are as follows:-

Mandated Related Party	Nature of Transactions	Sales RM'000
Sunway City Berhad ("SunCity") Group	Construction and related services* and/or mechanical engineering and related services.	116,842

Note:

* Include inter alia, construction of civil & building works, contracting in mechanical, electrical & engineering works, prefabricated construction of building & civil works, precast concrete building contracts and piling contracts

Relationship of Related Parties with Sunway Group

SunCity Group

- (a) Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling is a Director of Sunway and SunCity as well as a Major Shareholder of Sunway Group and SunCity Group.
- (b) Puan Sri Datin Seri (Dr) Susan Cheah Seok Cheng, the spouse of Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling, who is a Director of Sunway Management Sdn Bhd (a wholly-owned subsidiary of Sunway) and a Major Shareholder of Sunway Group, is also a Director of Sunway Lagoon Club Berhad (a 84% owned subsidiary of SunCity) and a Major Shareholder of SunCity Group.
- (c) Sarena Cheah Yean Tih, the child of Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling, is a Director and Alternate Director in several subsidiaries of SunCity as well as a Major Shareholder of Sunway Group and SunCity Group.
- (d) Evan Cheah Yean Shin, the child of Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling, who is a Director and Alternate Director in several subsidiaries of Sunway as well as a Major Shareholder of Sunway Group, is also the Alternate Director to Puan Sri Datin Seri (Dr) Susan Cheah Seok Cheng in Sunway Lagoon Club Berhad.

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DIRECTORS' INTERESTS IN SHARES, OPTIONS OVER ORDINARY SHARES AND WARRANTS AS AT 28 APRIL 2010

DIRECTORS' INTERESTS IN THE COMPANY

Direct Interest	Ordinary Shares of RM1.00 each	
	No.	%
Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling	28,512,994	4.94
Dato' Chew Chee Kin	1,072,700	0.18
Dato' Tan Kia Loke	275,000	0.05
Kwan Foh Kwai	660,000	0.11
Wong Chin Mun	10,000	#
Datuk Abdul Malek Bin Abdul Aziz	20,000	#
Deemed Interest		
Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling ¹	230,411,377	39.93
Kwan Foh Kwai ²	410,000	0.07
Datuk Low Seng Kuan ²	200,000	0.03

Options over Ordinary Shares of RM1.00 each

Direct Interest	No.
Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling	2,500,000
Dato' Chew Chee Kin	1,000,000
Yau Kok Seng	1,000,000
Dato' Tan Kia Loke	1,000,000
Wong Chin Mun	50,000
Datuk Low Seng Kuan	50,000
Datuk Abdul Malek Bin Abdul Aziz	50,000

Warrants 2009/2014

Direct Interest	No.	%
Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling	10,825,029	4.39
Dato' Chew Chee Kin	1,113,433	0.45
Dato' Tan Kia Loke	894,351	0.36
Kwan Foh Kwai	220,000	0.09
Wong Chin Mun	21,165	#
Datuk Low Seng Kuan	66	#
Datuk Abdul Malek Bin Abdul Aziz	1,350	#
Deemed Interest		
Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling ¹	105,484,817	42.77
Kwan Foh Kwai ²	155,000	0.06
Datuk Low Seng Kuan ²	66	#

By virtue of Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling's substantial interest in the shares of Sunway, he is also deemed to have an interest in the shares of all the subsidiaries of Sunway to the extent Sunway has an interest.

NOTES:

¹ Deemed interest by virtue of Section 6A of the Companies Act, 1965 held through Active Equity Sdn Bhd, Timah Dunia Dredging Sdn Bhd, Sungei Way Corporation Sdn Bhd, spouse and children

² Deemed interest by virtue of Section 6A of the Companies Act, 1965 held through spouse

Negligible

DIRECTORS' INTERESTS IN THE COMPANY'S SUBSIDIARY SUNWAY GLOBAL LIMITED

Ordinary Shares of HK\$1.00 each

Direct Interest	No.	%
Dato' Chew Chee Kin	869,684	0.34
Yau Kok Seng	820,456	0.32

Options over Ordinary Shares of HK\$1.00 each

Direct Interest	No.
Dato' Chew Chee Kin	14,215,770
Yau Kok Seng	13,411,093

ANALYSIS OF SHAREHOLDINGS

AS AT 28 APRIL 2010

Authorised Share Capital	-	RM1,000,000,000
Issued and Paid-up Share Capital	-	RM601,739,905
Class of Shares	-	Ordinary Shares of RM1.00 each
Voting Rights	-	One vote per share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shareholdings
Less than 100	271	2.34	11,932	0.01
100 - 1,000	3,396	29.27	3,282,489	0.55
1,001 - 10,000	6,109	52.64	27,519,400	4.57
10,001 - 100,000	1,554	13.39	46,535,721	7.73
100,001 - 30,086,994 (Less than 5% of issued shares)	272	2.34	300,524,170	49.94
30,086,995 (5%) and above	2	0.02	223,866,193	37.20
	11,604	100.00	601,739,905	100.00

THIRTY LARGEST SHAREHOLDERS AS PER RECORD OF DEPOSITORS

	Name of Shareholders	Name of Beneficial Owners	No. of Shares	%
1	Sungei Way Corporation Sdn Bhd	-	163,866,193	27.23
2	ABB Nominee (Tempatan) Sdn Bhd	Sungei Way Corporation Sdn Bhd	60,000,000	9.97
3	Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling	-	26,075,406	4.33
4	Oriental Dragon Enterprises Inc.	-	24,899,000	4.14
5	Sunway Holdings Berhad (Share Buy Back Account)	-	23,155,700	3.85
6	Dato' Lim Say Chong	-	22,125,800	3.68
7	HSBC Nominees (Tempatan) Sdn Bhd - Nomura Asset Mgmt Malaysia	Employees Provident Fund	14,141,600	2.35
8	Teng Yew Huat	-	13,544,200	2.25
9	Permodalan Nasional Berhad	-	9,280,200	1.54
10	Teng Yew Huat	-	8,435,816	1.40
11	Amanahraya Trustees Berhad	Sekim Amanah Saham Nasional	8,000,000	1.33
12	Citigroup Nominees (Tempatan) Sdn Bhd - Exempt AN	American International Assurance Berhad	5,978,000	0.99
13	Citigroup Nominees (Tempatan) Sdn Bhd - Exempt AN	Prudential Fund Management Berhad	5,654,000	0.94
14	RHB Capital Nominees (Tempatan) Sdn Bhd	Choong Foong Ming	5,000,500	0.83
15	Citigroup Nominees (Asing) Sdn Bhd - CBNY	Dimensional Emerging Markets Value Fund	4,319,400	0.72
16	Amanahraya Trustees Berhad	Public Islamic Select Treasures Fund	4,118,000	0.68
17	Lim Suan	-	3,496,600	0.58
18	Strategic Alpha Ventures Sdn Bhd	-	3,434,700	0.57
19	Amsec Nominees (Tempatan) Sdn Bhd - AmTrustee Berhad	Pacific Pearl Fund	3,220,700	0.54

THIRTY LARGEST SHAREHOLDERS AS PER RECORD OF DEPOSITORS (contd.)

	Name of Shareholders	Name of Beneficial Owners	No. of Shares	%
20	Amanahraya Trustees Berhad	Public Islamic Opportunities Fund	3,200,900	0.53
21	Public Invest Nominees (Asing) Sdn Bhd - Public Securities Limited	Jefferson Agencies Limited	3,200,000	0.53
22	HSBC Nominees (Tempatan) Sdn Bhd - HSBC (M) Trustee Bhd	Singular Asia Flexible Fund	3,080,000	0.51
23	RHB Capital Nominees (Tempatan) Sdn Bhd	Oh Kim Sun	2,713,200	0.45
24	Aneka Lancar Sdn Bhd	-	2,697,200	0.45
25	Sungei Way Corporation Sdn Bhd	-	2,630,900	0.44
26	Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling	-	2,427,588	0.40
27	Malaysian Assurance Alliance Berhad	-	2,000,000	0.33
28	HSBC Nominees (Tempatan) Sdn Bhd	Sungei Way Corporation Sdn Bhd	2,000,000	0.33
29	Amanahraya Trustees Berhad	Skim Amanah Saham Bumiputera	2,000,000	0.33
30	Ke-Zan Nominees (Asing) Sdn Bhd - Kim Eng Securities Pte Ltd	Exquisite Holdings Limited	1,847,000	0.31

SUBSTANTIAL SHAREHOLDERS

	Name of Shareholders	No. of Shares	%
1	Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling		
	• Direct interest	28,512,994	4.94
	• Deemed interest ^{#a}	230,411,377	39.93
2	Puan Sri Datin Seri (Dr) Susan Cheah Seok Cheng		
	• Direct interest	1,332,284	0.23
	• Deemed interest ^{#b}	257,592,087	44.64
3	Sarena Cheah Yean Tih		
	• Direct interest	5,000	*
	• Deemed interest ^{#c}	258,853,371	44.86
4	Evan Cheah Yean Shin		
	• Direct interest	66,000	0.01
	• Deemed interest ^{#c}	258,853,371	44.86
5	Sungei Way Corporation Sdn Bhd	229,008,093	39.69
6	Timah Dunia Dredging Sdn Bhd ^{#d}	229,008,093	39.69
7	Active Equity Sdn Bhd ^{#e}	229,008,093	39.69

NOTES:

^{#a} Deemed interest by virtue of Section 6A of the Companies Act, 1965 held through Active Equity Sdn Bhd, Timah Dunia Dredging Sdn Bhd, Sungei Way Corporation Sdn Bhd, spouse and children

^{#b} Deemed interest by virtue of Section 6A of the Companies Act, 1965 held through Sungei Way Corporation Sdn Bhd, spouse and children

^{#c} Deemed interest by virtue of Section 6A of the Companies Act, 1965 held through Active Equity Sdn Bhd, Timah Dunia Dredging Sdn Bhd, Sungei Way Corporation Sdn Bhd and parents

^{#d} Deemed interest by virtue of Section 6A of the Companies Act, 1965 held through Sungei Way Corporation Sdn Bhd

^{#e} Deemed interest by virtue of Section 6A of the Companies Act, 1965 held through Timah Dunia Dredging Sdn Bhd and Sungei Way Corporation Sdn Bhd

* Negligible

ANALYSIS OF WARRANTHOLDINGS

AS AT 28 APRIL 2010

DISTRIBUTION OF WARRANTHOLDINGS

Size of Warrantholdings	No. of Warrantholders	% of Warrantholders	No. of Warrants Held	% of Warrantholdings
Less than 100	221	6.45	10,216	0.00
100 - 1,000	630	18.38	393,837	0.16
1,001 - 10,000	1,582	46.16	7,071,721	2.87
10,001 - 100,000	822	23.99	30,038,356	12.18
100,001 - 12,331,080 (Less than 5% of warrants in issue)	169	4.93	94,635,726	38.37
12,331,081 (5%) and above	3	0.09	114,471,759	46.42
	3,427	100.00	246,621,615	100.00

THIRTY LARGEST WARRANTHOLDERS AS PER RECORD OF DEPOSITORS

	Name of Warrantholders	Name of Beneficial Owners	No. of Warrants	%
1	Sungei Way Corporation Sdn Bhd	-	82,049,459	33.27
2	ABB Nominee (Tempatan) Sdn Bhd	Sungei Way Corporation Sdn Bhd	20,000,000	8.11
3	Oriental Dragon Enterprises Inc.	-	12,422,300	5.04
4	Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling	-	9,436,449	3.83
5	Dato' Lim Say Chong	-	7,928,000	3.21
6	Teng Yew Huat	-	4,258,300	1.73
7	Teng Yew Huat	-	3,682,640	1.49
8	Wong Poi Kien	-	3,063,833	1.24
9	HSBC Nominees (Tempatan) Sdn Bhd - HSBC (M) Trustee Bhd	Singular Asia Flexible Fund	2,200,000	0.89
10	Tee See Kim	-	1,980,000	0.80
11	Sungei Way Corporation Sdn Bhd	-	1,851,294	0.75
12	Dushyanthi Perera	-	1,800,000	0.73
13	Cimsec Nominees (Tempatan) Sdn Bhd - CIMB	Lee Chee Wai	1,790,953	0.73
14	Ow Chee Cheoon	-	1,530,000	0.62
15	Chong Cheng Sing	-	1,389,399	0.56
16	HSBC Nominees (Tempatan) Sdn Bhd - HSBC (M) Trustee Bhd	Singular Value Fund	1,300,000	0.53
17	Wong Wai Lee	-	1,284,966	0.52
18	Lee Chee Wai	-	1,265,333	0.51
19	Public Invest Nominees (Asing) Sdn Bhd - Public Securities Limited	Jefferson Agencies Limited	1,215,000	0.49
20	Dato' Chew Chee Kin	-	1,113,433	0.45

THIRTY LARGEST WARRANTHOLDERS AS PER RECORD OF DEPOSITORS (contd.)

	Name of Warrantholders	Name of Beneficial Owners	No. of Warrants	%
21	Lim Peck Hoon	-	1,107,333	0.45
22	Tan Soo Eng	-	1,100,000	0.45
23	Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling	-	1,092,414	0.44
24	Tee See Kim	-	1,000,000	0.41
25	Mak Ngia Ngia @ Mak Yoke Lum	-	919,700	0.37
26	Aneka Lancar Sdn Bhd	-	899,182	0.36
27	Ng Kit Heng	-	869,400	0.35
28	Sim Beng Moe	-	859,000	0.35
29	Mak Ngia Ngia @ Mak Yoke Lum	-	826,900	0.34
30	Lim Suan	-	823,500	0.33



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NOTICE OF 32ND ANNUAL GENERAL MEETING

FORM OF PROXY FOR 31ST ANNUAL GENERAL MEETING

FORM OF PROXY FOR 32ND ANNUAL GENERAL MEETING

NOTICE OF 31ST ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 31st Annual General Meeting of SUNWAY HOLDINGS BERHAD (37465-A) will be held at Grand Caymans, Level 10, Sunway Resort Hotel & Spa, Persiaran Lagoon, Bandar Sunway, 46150 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 29 June 2010 at 3.30 p.m. for the following purposes:-

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial period ended 31 December 2009 together with the Directors' and Auditors' Reports thereon. (Ordinary Resolution 1)
2. To approve the increase in Directors' fees for each Independent Non-Executive Director from RM18,000 to RM36,000 per annum and to approve the payment of Directors' fees totalling RM162,000 for the financial period ended 31 December 2009. (Ordinary Resolution 2)
3. To re-elect the following Directors:-
 - 3.1 Dato' Chew Chee Kin retires by rotation pursuant to Article 114 of the Company's Articles of Association and being eligible, offers himself for re-election. (Ordinary Resolution 3)
 - 3.2 Wong Chin Mun retires by rotation pursuant to Article 114 of the Company's Articles of Association and being eligible, offers himself for re-election. (Ordinary Resolution 4)
 - 3.3 Datuk Low Seng Kuan retires by rotation pursuant to Article 114 of the Company's Articles of Association and being eligible, offers himself for re-election. (Ordinary Resolution 5)
4. To consider and if thought fit, to pass the following resolution in accordance with Section 129 of the Companies Act, 1965:-

"THAT pursuant to Section 129 of the Companies Act, 1965, Datuk Abdul Malek Bin Abdul Aziz who is over the age of 70 years, be and is hereby re-appointed as a Director of the Company to hold office until the conclusion of the next Annual General Meeting of the Company."

(Ordinary Resolution 6)
5. To re-appoint Messrs Ernst & Young as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. (Ordinary Resolution 7)

By Order of the Board

PUAN SRI DATIN SERI (DR) SUSAN CHEAH SEOK CHENG (MIA 5601)
TAN KIM AUN (MAICSA 7002988)
LEE SUAN CHOO (MAICSA 7017562)
Company Secretaries

Petaling Jaya
7 June 2010

NOTES:

1. **The Company has changed its financial year end from 30 June to 31 December and an announcement has been made to Bursa Malaysia Securities Berhad on 10 December 2008 on the change of financial year end. Section 143(1) of the Companies Act, 1965 states that an Annual General Meeting ("AGM") must be held once in every calendar year. The Companies Commission of Malaysia had granted its approval for an extension of time until 30 June 2010 for the Company to hold its AGM in respect of the calendar year 2009. The Company did not hold any AGM in the calendar year 2009. Hence, the forthcoming 31st AGM will be held to table the 18-month Audited Financial Statements made up from 1 July 2008 to 31 December 2009 as well as other ordinary businesses, and this AGM shall be deemed to be held for the calendar year 2009.**
2. A member of the Company entitled to attend and vote, is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy need not be a member of the Company.
3. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing, or if the appointer is a corporation, either under the corporation's seal, or under the hand of an officer or attorney duly authorised.
4. If a member appoints 2 proxies, the appointment will be invalid unless he states the percentage of his shareholding to be represented by each proxy.
5. Where a member is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least 1 proxy but not more than 2 proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
6. The instrument appointing a proxy must be deposited at the Registered Office of the Company at Level 16, Menara Sunway, Jalan Lagoon Timur, Bandar Sunway, 46150 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof, either by hand, post, electronic mail or fax to (603) 5639 9507. In the case where the member is a corporation and the proxy form is delivered by fax or electronic mail, the original form shall also be deposited at the Registered Office, either by hand or post not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

NOTICE OF 32ND ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 32nd Annual General Meeting of SUNWAY HOLDINGS BERHAD (37465-A) will be held at Grand Caymans, Level 10, Sunway Resort Hotel & Spa, Persiaran Lagoon, Bandar Sunway, 46150 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 29 June 2010 immediately following the conclusion or adjournment (as the case may be) of the 31st Annual General Meeting which will be held at 3.30 p.m. on the same day and at the same venue, for the following purposes:-

AS ORDINARY BUSINESS

1. To re-elect the following Directors:-

1.1 Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling retires by rotation pursuant to Article 114 of the Company's Articles of Association and being eligible, offers himself for re-election.

(Ordinary Resolution 1)

1.2 Kwan Foh Kwai retires by rotation pursuant to Article 114 of the Company's Articles of Association and being eligible, offers himself for re-election.

(Ordinary Resolution 2)

2. To consider and if thought fit, to pass the following resolution in accordance with Section 129 of the Companies Act, 1965:-

"THAT pursuant to Section 129 of the Companies Act, 1965, Datuk Abdul Malek Bin Abdul Aziz who is over the age of 70 years, be and is hereby re-appointed as a Director of the Company to hold office until the conclusion of the next Annual General Meeting of the Company."

(Ordinary Resolution 3)

3. To re-appoint Messrs Ernst & Young as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.

(Ordinary Resolution 4)

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following Resolutions:-

4. **ORDINARY RESOLUTION:**

Authority to Issue Shares pursuant to Section 132D of the Companies Act, 1965

"THAT subject always to the Companies Act, 1965, the Company's Articles of Association and the approvals of the relevant government and/or regulatory authorities, the Directors be and are hereby empowered pursuant to Section 132D of the Companies Act, 1965 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 issued pursuant to this resolution does not exceed 10% of the total issued share capital 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 5)

5. **ORDINARY RESOLUTION:
Proposed 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 7 June 2010 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 Listing Requirements of Bursa Malaysia Securities Berhad, Companies Act, 1965 ("the Act"), the Company's Memorandum and Articles of Association 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 143(1) of the Act (but must not extend to such extension as may be allowed pursuant to Section 143(2) 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 6)

6. **ORDINARY RESOLUTION:
Proposed Authority for the Purchase of Own Shares by the Company**

"THAT subject to the Companies Act, 1965 ("the Act"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Memorandum and Articles of Association, the 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 ordinary shares of RM1.00 each 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 ordinary shares of RM1.00 each in the Company ("Sunway Shares") which may be purchased and/or held by the Company shall not exceed 10% of the issued and paid-up share capital of the Company at any point of time, subject to a restriction that the issued and paid-up share capital of the Company does not fall below the applicable minimum share capital requirements of the 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 audited retained profits and/or share premium account at any point of time;

NOTICE OF 32ND ANNUAL GENERAL MEETING (contd.)

- (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 distributed as dividends to shareholders and/or resold on Bursa Securities and/or subsequently cancelled), 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 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 7)

7. SPECIAL RESOLUTION:

Proposed Amendment to Article 135 of the Company's Articles of Association on Electronic Dividend Payment (eDividend)

"THAT the Company's Articles of Association be hereby amended by deleting the existing Article 135 in its entirety and substituting the following new Article 135:-

Existing Article 135

Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or to such person and to such address as the holder or may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

New Article 135

Any dividend, interest or other monies payable in cash in respect of shares or other securities may be paid by cheque or warrant sent through the post directed to the registered address of the Member or person entitled thereto as it appears in the Register, or paid via electronic transfer or remittance to the bank account provided by the Member or person entitled thereto who is named in the Register and/or Record of Depositors, or if several persons registered as joint holders of the shares or securities are entitled thereto, to the registered address or via electronic transfer or remittance to the bank account provided by the joint holder first named on the Register or to the extent permissible under the Central Depositories Act and the Rules, in the Record of Depositors or to such person and to such address or bank account as the holder or first named joint holder may in writing direct, or if several persons are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons and to such address or bank account as such persons may in writing direct. Every such cheque or warrant or electronic transfer or remittance shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the shares or securities in consequence of the death or bankruptcy of the holder may direct. The payment of any such cheque or warrant or electronic transfer or remittance shall operate as a good discharge to the Company in respect of the dividend represented thereby, notwithstanding that it may subsequently appear that the same has been stolen or that the endorsement thereon or the instruction for the electronic transfer or remittance has been forged, or regardless of any discrepancy in the details of bank account given by the Member. Every such cheque or warrant or electronic transfer or remittance shall be sent at the risk of the person entitled to the money thereby represented and the Company shall have no responsibility for any sums lost or delayed in the course of any transfer or where the Company has acted on any such instructions."

(Special Resolution 1)

By Order of the Board

PUAN SRI DATIN SERI (DR) SUSAN CHEAH SEOK CHENG (MIA 5601)

TAN KIM AUN (MAICSA 7002988)

LEE SUAN CHOO (MAICSA 7017562)

Company Secretaries

Petaling Jaya

7 June 2010

NOTES:

1. **Section 143(1) of the Companies Act, 1965 states that an Annual General Meeting ("AGM") must be held once in every calendar year. Therefore, the forthcoming 32nd AGM of the Company will be held in respect of the calendar year 2010. There will be no Audited Financial Statements tabled at this AGM. The 18-month Audited Financial Statements for the financial period ended 31 December 2009 will be tabled at the 31st AGM.**
2. A member of the Company entitled to attend and vote, is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy need not be a member of the Company.
3. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing, or if the appointer is a corporation, either under the corporation's seal, or under the hand of an officer or attorney duly authorised.
4. If a member appoints 2 proxies, the appointment will be invalid unless he states the percentage of his shareholding to be represented by each proxy.
5. Where a member is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least 1 proxy but not more than 2 proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
6. The instrument appointing a proxy must be deposited at the Registered Office of the Company at Level 16, Menara Sunway, Jalan Lagoon Timur, Bandar Sunway, 46150 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof, either by hand, post, electronic mail or fax to (603) 5639 9507. In the case where the member is a corporation and the proxy form is delivered by fax or electronic mail, the original form shall also be deposited at the Registered Office, either by hand or post not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

EXPLANATORY NOTES ON SPECIAL BUSINESS:

1. Ordinary Resolution 5 - Authority to Issue Shares pursuant to Section 132D of the Companies Act, 1965

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 issued capital.

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 issued share capital of the Company at any time, for such purpose. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting 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 future investments, working capital and/or any acquisition.

Pursuant to the mandate granted at the last Annual General Meeting held on 10 December 2008, the Company had placed out a total of 52,340,000 ordinary shares on 24 August 2009. The proceeds raised totalling RM76,154,700 were utilised for working capital requirements of the Company and its subsidiaries and for repayment of bank borrowings as well as to defray expenses relating to the placement of shares.

2. Ordinary Resolution 6 - Proposed Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The details on the proposed shareholders' mandate for recurrent related party transactions of a revenue or trading nature are set out in the Circular to Shareholders dated 7 June 2010.

3. Ordinary Resolution 7 - Proposed Authority for the Purchase of Own Shares by the Company

The details on the proposed authority for the purchase of own shares by the Company are set out in the Circular to Shareholders dated 7 June 2010.

4. Special Resolution 1 - Proposed Amendment to Article 135 of the Company's Articles of Association on Electronic Dividend Payment (eDividend)

The proposed amendment to Article 135 will facilitate the payment of cash dividend entitlements via electronic transfer directly into the bank accounts of shareholders (eDividend). eDividend provides the shareholders faster access to cash dividends, eliminates the inconvenience of having to deposit the dividend cheques and problems such as misplaced, lost or expired cheques and unauthorised deposit of dividend cheques.

FORM OF PROXY

31st Annual General Meeting

Number of share(s) held	
CDS Account No.	



SUNWAY HOLDINGS BERHAD (37465-A)
(Incorporated in Malaysia)
Registered Office:
Level 16, Menara Sunway, Jalan Lagoon Timur
Bandar Sunway, 46150 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Tel : (603) 5639 8889 / 5639 8845
Fax : (603) 5639 9507

PROXY "A"

I/We *NRIC No./Passport No./Company No.
(Please use Block Letters)

Tel./Mobile No of

being a member of SUNWAY HOLDINGS BERHAD and entitled to vote hereby appoint
(Please use Block Letters)

*NRIC No./Passport No. Tel./Mobile No.

of
or failing him/her, the Chairman of the Meeting as my/our 1st proxy to attend and vote for me/us on my/our behalf at the 31st Annual General Meeting of the Company to be held at Grand Caymans, Level 10, Sunway Resort Hotel & Spa, Persiaran Lagoon, Bandar Sunway, 46150 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 29 June 2010 at 3.30 p.m. and at any adjournment thereof.

WHERE THE MEMBER DESIRES TO APPOINT A 2nd PROXY, THIS SECTION MUST ALSO BE COMPLETED, OTHERWISE IT SHOULD BE DELETED.

PROXY "B"

I/We *NRIC No./Passport No./Company No.
(Please use Block Letters)

Tel./Mobile No of

being a member of SUNWAY HOLDINGS BERHAD and entitled to vote hereby appoint
(Please use Block Letters)

*NRIC No./Passport No. Tel./Mobile No.

of
or failing him/her, the Chairman of the Meeting as my/our 2nd proxy to attend and vote for me/us on my/our behalf at the 31st Annual General Meeting of the Company to be held at Grand Caymans, Level 10, Sunway Resort Hotel & Spa, Persiaran Lagoon, Bandar Sunway, 46150 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 29 June 2010 at 3.30 p.m. and at any adjournment thereof.

The proportions of my/our holding to be represented by my/our proxies are as follows:-

1st Proxy "A" - % (to be completed)
2nd Proxy "B" - % (to be completed)

Total : 100 %

In case of a vote taken by a show of hands, *1st Proxy "A" / *2nd Proxy "B" shall vote on my/our behalf.

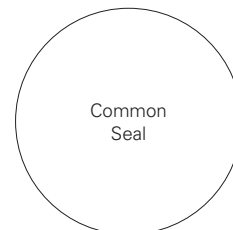
* Delete if inapplicable

My/our proxy/proxies shall vote as follows:-

(Please indicate with an "X" in the space below how you wish your votes to be cast. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting on the resolutions at his/their discretion)

NO.	ORDINARY RESOLUTIONS	1ST PROXY "A"		2ND PROXY "B"	
		FOR	AGAINST	FOR	AGAINST
1.	To receive the Audited Financial Statements for the financial period ended 31 December 2009 together with the Directors' and Auditors' Reports thereon				
2.	To approve the increase in Directors' fees and the payment thereof				
3.	To re-elect the following Directors:- Dato' Chew Chee Kin				
4.	Wong Chin Mun				
5.	Datuk Low Seng Kuan				
6.	To approve the re-appointment of Datuk Abdul Malek Bin Abdul Aziz as Director				
7.	To re-appoint Messrs Ernst & Young as Auditors and to authorise the Directors to fix their remuneration				

Dated this day of 2010



Signature of Member

NOTES:

- A member of the Company entitled to attend and vote, is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing, or if the appointer is a corporation, either under the corporation's seal, or under the hand of an officer or attorney duly authorised.
- If a member appoints 2 proxies, the appointment will be invalid unless he states the percentage of his shareholding to be represented by each proxy.
- Where a member is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least 1 proxy but not more than 2 proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
- The instrument appointing a proxy must be deposited at the Registered Office of the Company at Level 16, Menara Sunway, Jalan Lagoon Timur, Bandar Sunway, 46150 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof, either by hand, post, electronic mail or fax to (603) 5639 9507. In the case where the member is a corporation and the proxy form is delivered by fax or electronic mail, the original form shall also be deposited at the Registered Office, either by hand or post not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

PLEASE FOLD HERE

STAMP

THE COMPANY SECRETARY
SUNWAY HOLDINGS BERHAD (37465-A)
LEVEL 16, MENARA SUNWAY
JALAN LAGOON TIMUR
BANDAR SUNWAY
46150 PETALING JAYA
SELANGOR DARUL EHSAN
MALAYSIA

PLEASE FOLD HERE

FORM OF PROXY

32nd Annual General Meeting

Number of share(s) held	
CDS Account No.	



SUNWAY HOLDINGS BERHAD (37465-A)
(Incorporated in Malaysia)
Registered Office:
Level 16, Menara Sunway, Jalan Lagoon Timur
Bandar Sunway, 46150 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Tel : (603) 5639 8889 / 5639 8845
Fax : (603) 5639 9507

PROXY "A"

I/We *NRIC No./Passport No./Company No.
(Please use Block Letters)

Tel./Mobile No of

being a member of SUNWAY HOLDINGS BERHAD and entitled to vote hereby appoint
(Please use Block Letters)

*NRIC No./Passport No. Tel./Mobile No.

of
or failing him/her, the Chairman of the Meeting as my/our 1st proxy to attend and vote for me/us on my/our behalf at the 32nd Annual General Meeting of the Company to be held at Grand Caymans, Level 10, Sunway Resort Hotel & Spa, Persiaran Lagoon, Bandar Sunway, 46150 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 29 June 2010 immediately following the conclusion or adjournment (as the case may be) of the 31st Annual General Meeting which will be held at 3.30 p.m. on the same day and at the same venue.

WHERE THE MEMBER DESIRES TO APPOINT A 2nd PROXY, THIS SECTION MUST ALSO BE COMPLETED, OTHERWISE IT SHOULD BE DELETED.

PROXY "B"

I/We *NRIC No./Passport No./Company No.
(Please use Block Letters)

Tel./Mobile No of

being a member of SUNWAY HOLDINGS BERHAD and entitled to vote hereby appoint
(Please use Block Letters)

*NRIC No./Passport No. Tel./Mobile No.

of
or failing him/her, the Chairman of the Meeting as my/our 2nd proxy to attend and vote for me/us on my/our behalf at the 32nd Annual General Meeting of the Company to be held at Grand Caymans, Level 10, Sunway Resort Hotel & Spa, Persiaran Lagoon, Bandar Sunway, 46150 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 29 June 2010 immediately following the conclusion or adjournment (as the case may be) of the 31st Annual General Meeting which will be held at 3.30 p.m. on the same day and at the same venue.

The proportions of my/our holding to be represented by my/our proxies are as follows:-

1st Proxy "A" - % (to be completed)

2nd Proxy "B" - % (to be completed)

Total : 100 %

In case of a vote taken by a show of hands, *1st Proxy "A" / *2nd Proxy "B" shall vote on my/our behalf.

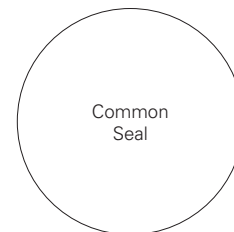
* Delete if inapplicable

My/our proxy/proxies shall vote as follows:-

(Please indicate with an "X" in the space below how you wish your votes to be cast. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting on the resolutions at his/their discretion)

NO.	ORDINARY RESOLUTIONS	1ST PROXY "A"		2ND PROXY "B"	
		FOR	AGAINST	FOR	AGAINST
1.	To re-elect the following Directors:- Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling, AO				
2.	Kwan Foh Kwai				
3.	To approve the re-appointment of Datuk Abdul Malek Bin Abdul Aziz as Director				
4.	To re-appoint Messrs Ernst & Young as Auditors and to authorise the Directors to fix their remuneration				
5.	To authorise the issue of shares pursuant to Section 132D of the Companies Act, 1965				
6.	To approve the Proposed Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature				
7.	To authorise the purchase of own shares by the Company				
NO.	SPECIAL RESOLUTION				
1.	To approve the Proposed Amendment to Article 135 of the Company's Articles of Association				

Dated this day of 2010



Signature of Member

NOTES:

- A member of the Company entitled to attend and vote, is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing, or if the appointer is a corporation, either under the corporation's seal, or under the hand of an officer or attorney duly authorised.
- If a member appoints 2 proxies, the appointment will be invalid unless he states the percentage of his shareholding to be represented by each proxy.
- Where a member is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least 1 proxy but not more than 2 proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
- The instrument appointing a proxy must be deposited at the Registered Office of the Company at Level 16, Menara Sunway, Jalan Lagoon Timur, Bandar Sunway, 46150 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof, either by hand, post, electronic mail or fax to (603) 5639 9507. In the case where the member is a corporation and the proxy form is delivered by fax or electronic mail, the original form shall also be deposited at the Registered Office, either by hand or post not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

PLEASE FOLD HERE

STAMP

THE COMPANY SECRETARY
SUNWAY HOLDINGS BERHAD (37465-A)
LEVEL 16, MENARA SUNWAY
JALAN LAGOON TIMUR
BANDAR SUNWAY
46150 PETALING JAYA
SELANGOR DARUL EHSAN
MALAYSIA

PLEASE FOLD HERE

CORPORATE DIRECTORY

BUILDING MATERIALS DIVISION

SUNWAY KERAMO SDN BHD

(Manufacturer of Vitrified Clay Pipes)
Lot 6489 & 6490, Off 6th Mile, Jalan Kapar
42100 Klang, Selangor Darul Ehsan, Malaysia
Tel: (603) 3291 5288 Fax: (603) 3291 5388
Website: www.sunway.com.my/sunwaykeramo/

SUNWAY PIPEPLUS TECHNOLOGY SDN BHD*

(Manufacturer of Reinforced Concrete Pipes)
#3.2, Level 3
Tel: (603) 5639 8282 Fax: (603) 5639 9600

Factory:

Batang Kali: Lot No. 10071, Mukim Batang Kali,
44300 Daerah Ulu Selangor,
Selangor Darul Ehsan.
Tel: (603) 6057 4902 Fax: (603) 6057 2301

SUNWAY PAVING SOLUTIONS SDN BHD*

(Manufacturer of Eurotiles and Interlocking Concrete Pavers)
#3.2, Level 3

KL Sales Office: Tel: (603) 5639 8282
Fax: (603) 5639 9600

Penang Sales Office: Tel: (604) 593 8697/8 Fax: (604) 593 8695

Johor Sales Office: Tel: (607) 599 5553 Fax: (607) 599 3827

Factory:

Batang Kali: Lot No. 10071, Mukim Batang Kali,
44300 Daerah Ulu Selangor,
Selangor Darul Ehsan.
Tel: (603) 6057 2407 Fax: (603) 6057 2423

Nibong Tebal: Lot 2788 & 2796, Lorong Industri 3
Kawasan Perindustrian Bukit Panchor Mk 7
14300 Nibong Tebal, Seberang Prai 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

SUNWAY CAVITY WALL PANEL SDN BHD*

#3.2, Level 3

SUNWAY CAVITY WALL PANEL (S) PTE LTD

19, Senoko South Road, Singapore 758078
Tel: (65) 6759 4995 Fax: (65) 6759 3114

Factory:

PLO 6, Jalan Lapangan Terbang, Fasa 1
Kawasan Perindustrian Senai, 81400 Senai
Johor Darul Takzim, Malaysia
Tel: (607) 599 6055 Fax: (607) 598 1373

SUNWAY BUILDING MATERIALS (SHANGHAI) CO. LTD

No. 105, Hangtoug Road, Damaiwan Industrial Park Hangtoug
Nanhui, Shanghai, China Zip: 201316
Tel: (8621) 6822 1118 Fax: (8621) 6822 1113

SUNWAY BUILDING MATERIALS (DONGGUAN) CO. LTD

Chajiao Industrial Park, Yuanzhou District, Zhongtang Town
Dongguan City, Guangdong, China Zip: 523231
Tel: (86769) 88112266 Fax: (86769) 88116330

SUNWAY SPUN PILE (ZHUHAI) CO. LTD

Office & Factory: Xin Gang Zone, Bai Jiao Science Technology
Industrial Park, Doumen District, ZhuHai City
Guangdong Province, 519180 China

QUARRYING DIVISION

SUNWAY QUARRY INDUSTRIES SDN BHD

KUALITI KLASIK SDN BHD
ANSA TEKNIK (MELAKA) SDN BHD
TAIPING KUARI SDN BHD
No. 7, Jalan PJS 9/5, Bandar Sunway
46150 Petaling Jaya, Selangor Darul Ehsan, Malaysia
Tel: (603) 5621 5035 Fax: (603) 5621 4596

Kajang:

Lot 7990, Off Jalan Sg. Jelok
Mukim Semenyih, 43000 Kajang
Selangor Darul Ehsan, Malaysia
Tel: (603) 8210 9888/89 Fax: (603) 8210 9889

Rawang:

PT 11894, 12139, 12054
Mukim Rawang, Daerah Gombak
Selangor Darul Ehsan, Malaysia
Tel: (603) 6733 9888 Fax: (603) 6733 9888

Cheras:

Kompartmen 11, Hutan Simpan Sungai Lalang
& Hutan Simpan Hulu Langat
Mukim Ulu Langat, District of Ulu Langat
Selangor Darul Ehsan, Malaysia
Tel: (603) 9520 9888/89 Fax: (603) 9520 9888

Bukit Mertajam:

No. 769, Berapit Road, 14000 Bukit Mertajam
Seberang Prai Tengah, Malaysia
Tel: (6019) 225 1311 Fax: (604) 530 4388

Melaka:

19th Miles, Lesong Batu
Alor Gajah, 78000 Melaka, Malaysia
P.O. Box 66, Alor Gajah, 78000 Melaka, Malaysia
Tel: (606) 556 8255 Fax: (606) 556 1482

Kuala Kangsar: Lot 1979, Jalan Lenggong
33020 Kati, Kuala Kangsar
Perak Darul Ridzuan, Malaysia
Tel: (605) 751 1832 Fax: (605) 751 2833

Paka:

Lot 2511, Mukim Kuala Paka, 23100 Dungun
Terengganu Darul Iman, Malaysia
Tel: (609) 835 8888/89 Fax: (609) 835 8888

Taipung:

Batu 6, Jalan Batu Kurau
34600 Kamunting, Perak Darul Ridzuan, Malaysia
Tel: (605) 810 9888 Fax: (605) 810 9889

SUNWAY QUARRY INDUSTRIES (CARIBBEAN) LIMITED

Scotts Quarry, Verdant Vale, Blanchisseuse Road, Arima
Trinidad and Tobago

Office:

214, The Crossings, Santa Rosa West
Tempuna Road, Arima, Trinidad and Tobago, W.I.
Tel: +1868 2222 041

SUNGEI WAY OCEAN JOINT-VENTURE LTD

Nui Dinh Quarter, Kim Dinh Ward, Ba Ria Town
Ba Ria Vung Tau Province, Vietnam
Tax code : 3500 100 417
Tel: (84-64) 382 8079 Fax: (84-64) 382 7889

SUNWAY HATAY CONSTRUCTION & BUILDING MATERIALS CO. LTD

(Quarrying and Manufacturer of Ready Mixed Concrete)

Head Office: No. 32, Group 42, Collective Quarter of the
University of Public Security Trung Hoa Ward
Cau Giay District, Hanoi, Vietnam
Tel: (84) 4 3553 9173 Fax: (84) 4 3553 9174

Quarry:

Xuan Mai, Hanoi, Vietnam
Tel: (84-34) 676 498 Fax: (84-34) 676 499

DESIGN AND BUILD, TURNKEY, CIVIL ENGINEERING AND BUILDING CONSTRUCTION

SUNWAY CONSTRUCTION SDN BHD*

Level 8
Tel: (603) 5639 9333 Fax: (603) 5639 9533
Website: sunway.com.my/suncon

SUNWAY CONSTRUCTION INDIA PVT. LTD

C-1/22 Ground Floor, Safdarjung Development Area
Hauz Khas, New Delhi 110016, India
Tel: (0091) 11 4607 2732 Fax: (0091) 11 4607 2733
Email: info@sunwayindia.com

SUNWAY CONSTRUCTION CARIBBEAN LTD

33, St. Clair Avenue, St. Clair, Port of Spain Trinidad, W.I.
Tel: (868) 622 1193 Fax: (868) 622 1652
Email: admin@sunwaycaribbean.com

MECHANICAL AND ELECTRICAL ENGINEERING AND SMARTHOMES

SUNWAY ENGINEERING SDN BHD*

Level 9
Tel: (603) 5639 9999 Fax: (603) 5639 9531
Website: www.sunway.com.my/engineering

SUNWAY SMARTER SDN BHD*

SUNWAY SMARTER MARKETING SDN BHD*
Level 9
Tel: (603) 5639 9999 Fax: (603) 5639 9531

SUNWAY ENGINEERING SDN BHD - Abu Dhabi Branch

P.O. Box 131139, Abu Dhabi, UAE

MACHINERY / EQUIPMENT RENTAL

SUNWAY MACHINERY SDN BHD

Jalan Subang 1, Off Persiaran Subang
47500 Petaling Jaya, Selangor Darul Ehsan, Malaysia
Tel: (603) 5633 6499 Fax: (603) 5631 2387

CIVIL ENGINEERING AND BUILDING CONSTRUCTION

SUNWAY BUILDERS SDN BHD*

Level 9
Tel: (603) 5639 9333 Fax: (603) 5639 9526

SUNWAY INNOPAVE SDN BHD*

Level 8
Tel: (603) 5639 9333 Fax: (603) 5639 9533

SUNWAY BUILDERS SDN BHD - Abu Dhabi Branch

P.O. Box 127421, Abu Dhabi, UAE

SUNWAY INNOPAVE SDN BHD - Abu Dhabi Branch

P.O. Box 127806, Abu Dhabi, UAE

GEOTECHNICAL ENGINEERING

SUNWAY GEOTECHNICS (M) SDN BHD*

(Formerly known as Sunway Piling Sdn Bhd)
Level 8
Tel: (603) 5639 9333 Fax: (603) 5639 9533

Factory:

Lot 2396, Seksyen 5, Mukim Batang Kali
Daerah Hulu Selangor, Selangor Darul Ehsan
Malaysia
Tel: (603) 6057 1302 Fax: (603) 6057 1303

SUNWAY GD FOUNDATION ENGINEERING CO. LTD

Alameda Dr. Carlos D'Assumpcao
No. 180, 10 Andar, 110 Edif. Centro Com. Tong Nam Ah, Macau
Tel: (853) 723428 Fax: (853) 723429

PT SUNWAYA GEOTECHNICS

Jln. Taman Lebuk Bulus II
No. 16, Lebak Lestari Indah
Jakarta 12440
Indonesia

SUNWAY GEOTECHNICS (S) PTE LTD (2009207332)

No. 4, Tampines Industrial Street 62
Singapore 528817

SHANGHAI XINHETAI CONSTRUCTION LTD

SHANGHAI SUNWAY FOUNDATION ENGINEERING CO. LTD
SHANGHAI SUNWAY GEOTECHNICS ENGINEERING CO. LTD
Shanghai City, Song Hu Road, No. 161, Zhong Huan Guo Ji Da Sha
Room 1501, 200433 China
Tel: (86) 21 65113585 Fax: (86) 21 65113250

SPLENDID ERA SDN BHD*

Level 16
Tel: (603) 5639 8889 Fax: (603) 5639 9507

PRECAST PRODUCTS AND INDUSTRIALISED SYSTEMS

SUNWAY PRECAST INDUSTRIES SDN BHD*

Level 8
Tel: (603) 5639 9333 Fax: (603) 5639 9529

Factory:

Lot 2396, Mukim Batang Kali, Ulu Selangor
44300 Batang Kali, Selangor Darul Ehsan, Malaysia
Tel: (603) 6057 2462 Fax: (603) 6057 2472

SUNWAY CONCRETE PRODUCTS (S) PTE LTD

4, Tampines Industrial Street 62, Singapore 528817
Tel: (02) 6582 8089 Fax: (02) 6581 0482

MARBLE AND GRANITE

SUNWAY CREATIVE STONES SDN BHD

SUNWAY DIMENSION STONES SDN BHD
Lot 9, Jalan TUDM, Subang New Village,
40150 Shah Alam, Selangor Darul Ehsan, Malaysia
Tel: (603) 7846 7662 Fax: (603) 7846 7708

SUNWAY CREATIVE STONES (XIAMEN) CO. LTD

12 D, Xiangyu Building, Free Trade Zone, Xiamen, China 361006
Tel: (0086) 592 6016230/31/32 Fax: (0086) 592 601626

SUNWAY CREATIVE STONES SDN BHD - Abu Dhabi Branch

P.O. Box 127806, Abu Dhabi, UAE

HEALTHCARE

SUN PHARMACEUTICAL SDN BHD*

Level 11

KL Branch:

No. 512, Block E, Phileo Damansara 1, Jalan 16/11
46350 Petaling Jaya, Selangor Darul Ehsan, Malaysia
Tel: (603) 7954 3728 Fax: (603) 7956 5718
E-mail: sun@sunway.com.my

HOSPITALITY

SUNWAY HOTEL HANOI, VIETNAM

19, Pham Dinh Ho Street, Hai Ba Trung District, Hanoi, Vietnam
Tel: (844) 3971 3888 Fax: (844) 3971 3555
E-mail: enquiryshh@sunwayhotels.com
Website: www.sunwayhotels.com

PROPERTY DEVELOPMENT AND INVESTMENT

SHAHAWAN (M) SDN BHD*

SUNGEI WAY RESOURCES SDN BHD*

Level 16
Tel: (603) 5639 8889 Fax: (603) 5639 9507

SUNWAYMAS SDN BHD* (130027-K)

Head Office:

Level 5, Menara Sunway, Jalan Lagoon Timur,
Bandar Sunway, 46150 Petaling Jaya,
Selangor Darul Ehsan.
Tel: (603) 5639 9998 Fax: (603) 5639 9552
Email: sunwaymaseng@sunway.com.my
Website: www.sunwaymas.com.my

SUNWAY PJ@51A

Sales Gallery:
Jalan SS19A/14, SS9, 47300 Petaling Jaya, Selangor.
Tel: (603) 7877 2633 Fax: (603) 7877 2533

SUNWAY BANGI SDN BHD* (215920-W)

Sales Gallery:
33-G-1, Jalan Medan PB1A,
43650 Bandar Baru Bangi, Selangor.
Tel: (603) 8925 3998 Fax: (603) 8925 7998

SUNWAY GREENVIEW SDN BHD* (771561-H)

Sales Gallery:
332 Lorong Serawak Melawati Urban 1,
53100 Kuala Lumpur.
Tel: (603) 4147 5722 Fax: (603) 4147 5752

SUNWAY TERMUNING SDN BHD* (649129-D)
SUNWAY RAWANG HEIGHTS SDN BHD* (157501-K)
SUNWAY KANCHING HEIGHTS SDN BHD* (76395-P)
PEMBANGUNAN RISJAYA SDN BHD* (258922-A)
MUJURMAS SDN BHD* (206849-D)
EAGLEFIELD SDN BHD* (187153-V)
Level 5, Menara Sunway, Jalan Lagoon Timur,
Bandar Sunway, 46150 Petaling Jaya,
Selangor Darul Ehsan.
Tel: (603) 5639 9998 Fax: (603) 5639 9552

SUNWAY DEVELOPMENTS PTE LTD
4, Tampines Industrial Street 62, Singapore 528817
Tel: (02) 6582 8089 Fax: (02) 6581 0482

TRADING AND MANUFACTURING

SUNWAY MARKETING SDN BHD*
SUNWAY HOSE CENTRE SDN BHD*
BUILDTREND B.S.C (M) SDN BHD*
Level 11
Tel: (603) 5639 9997 Fax: (603) 5639 9522

Warehouse:
Lot PT 1490, No. 1, Jalan PJS 11/1, Bandar Sunway
46150 Petaling Jaya, Selangor Darul Ehsan, Malaysia
Tel: (603) 5637 9049/8376/8109/5636 7870
Fax: (603) 5637 8046

Branches:
Ipoh: 2-1A, Tingkat Taman Ipoh 6
Ipoh Garden South, 31400 Ipoh
Perak Darul Ridzuan, Malaysia
Tel: (605) 547 6597 Fax: (605) 547 6596

Johor Bahru: PLO 6, Jalan Lapangan Terbang
Fasa 1, Kawasan Perindustrian Senai
81400 Senai, Johor Darul Takzim, Malaysia
Tel: (607) 598 5633 Fax: (607) 598 2318

Penang: 3rd Floor, No.1-3-35, Ideal Avenue
Medan Kampung Relau 1
11900 Bayan Lepas Penang, Malaysia
Tel: (04) 641 0533 Fax: (04) 640 0633

Kuantan: B248, 1st Floor, Jalan Air Putih, 25300
Kuantan, Pahang Darul Makmur, Malaysia

Melaka: No. 7, Jalan Abadi 2, Taman Malim Jaya
75250 Melaka, Malaysia
Tel: (606) 336 6862 Fax: (606) 337 2862

SUNWAY MARKETING (EAST MALAYSIA) SDN BHD
Email: ipsales@sunway.com.my

Bintulu: S/Lot 15, Lot 294, Sibiyu Industrial Estate
Jalan Bintulu-Tatau, 97000 Bintulu
Sarawak, Malaysia
Tel: (6086) 313 778/313 779
Fax: (6086) 313 772

Sibu: No. 13, Lorong 6, Jalan Ding Lik Kwong
96000 Sibu, Sarawak, Malaysia
Tel: (6084) 333 759/325 759/328 759
Fax: (6084) 312 759

Miri: Lot 1993, Jalan Piasau Utara 4
SEDIC Industrial Estate,
98000 Miri, Sarawak, Malaysia
Tel: (6085) 656 364/656 292/659 197
Fax: (6085) 656 431

Tawau: Lot 4, Building No. 7774, Mile 3.5
Jalan Sungai Tajong, 91000 Tawau
Sabah, Malaysia
Tel: (6089) 920 437/922 134/715 070
Fax: (6089) 715 881

Kuching: Kuching: Lot 496, SL 5, Jalan Muara Tuang
(Opp Hai Ming), 7.5 miles,
93450 Kuching, Sarawak, Malaysia
Tel: (6082) 381 673 Fax: (6082) 381 715

Lahad Datu: Lot No.123, Phase 3, Jalan Silan
91000 Lahad Datu, Sabah, Malaysia
Tel: (089) 867 924

SUNWAY ARCHITECTURAL PRODUCTS SDN BHD*
Level 11
Tel: (603) 5639 9997 Fax: (603) 5639 9522

SUNWAY HYDRAULIC INDUSTRIES SDN BHD
Factory: No. 8, Jalan SR 4/19, Serdang Raya
43300 Seri Kembangan
Selangor Darul Ehsan, Malaysia
Tel: (603) 8948 2622 Fax: (603) 8948 2637
Website: www.sunway.com.my/sunflex
Email: sunflex@sunway.com.my

SUNWAY MARKETING (S) PTE LTD
19 Senoko South Road, Singapore 758078
Tel: (65) 6758 5454 Fax: (65) 6257 8759
Website: www.sunflex.com.sg
E-mail: smsgen@sunflex.com.sg

SUNWAY MARKETING (THAILAND) LTD
199/1 Soi Prayasurane 35, Prayasurane Road,
Bangchan, Klongsamwa, Bangkok 10510, Thailand
Tel: (662) 907 3955 Fax: (662) 907 3933
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PT SUNWAY TREK MASINDO - Samarinda Branch
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PT SUNWAY TREK MASINDO - Sorong Branch
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SUNWAY MARKETING (SHANGHAI) PTE LTD
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Lot 656, Jalan Subang 1, Off Persiaran Subang,
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Penang Branch: No. 16 & 18, Jalan Perusahaan Ringan Juru
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Tel: (604) 5073 830 Fax: (604) 5073 930

Kota Kinabalu Branch: Lot 11, Ground Floor, Taman Jaya Usaha,
Jalan Bakau, Off Mile 5 1/2, Jalan Tuaran,
88450 Kota Kinabalu, Sabah, Malaysia.
Tel: (6088) 430 988 Fax: (6088) 431 908

SUNWAY XIN LONG (ANHUI) HYDRAULIC CO. LTD
No. 1 Xu Zhen Industrial Area, Wuhu, Anhui
Zip: 241306, China
Tel: (0086) 553 627 7999/627 7066
Fax: (0086) 553 627 9666

SUNWAY DAECHANG FORGING (ANHUI) CO. LTD
No.1 Xu Zhen Industrial Area, Wuhu, Anhui
Zip: 241306, China
Tel: (0086) 553 627 1155 Fax: (0086) 553 627 1100

TOTALRUBBER LTD
Tel: 1300 720 655 Fax: 1300 720 677
Website: www.totalrubber.com.au

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Tel: (613) 9702 3331 Fax: (613) 9703 1355
National Distribution Warehouse:
11 Siddons Way, Hallam VIC 3803, Australia
Tel: (613) 8795 7761 Fax: (613) 9703 1355

Branches:
Hallam: 6-8 Siddons Way, Hallam, VIC 3803, Australia
Tel: (613) 9702 3331 Fax: (613) 9703 1355
Email: victoria@totalrubber.com.au

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Email: chris.gillam@totalrubber.com.au

Sydney: 245 Rawson Street, Auburn
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Tel: (612) 9748 4533 Fax: (612) 9748 4354
Email: sydney@totalrubber.com.au

Newcastle: 38 Munibung Road, Cardiff
Newcastle, NSW 2285, Australia
Tel: (612) 4953 6444 Fax: (612) 4953 6544
Email: newcastle@totalrubber.com.au

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Tel: (618) 9353 6999 Fax: (618) 9353 6555
Email: perth@totalrubber.com.au

Brisbane: 43 Dulacca Street, Acacia Ridge
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Tel: (617) 3711 3009 Fax: (617) 3711 3010
Email: brisbane@totalrubber.com.au

Adelaide: 3/40 Birralee Road, Regency Park
SA 5010, Australia
Tel: (618) 8268 5110 Fax: (618) 8268 5226
Email: brinkworth@totalrubber.com.au

Workshop: 11 Siddons Way, Hallam
VIC 3803, Australia
Tel: (613) 9702 3331 Fax: (613) 9703 1355

TOTAL RUBBER SERVICES FRANCHISING PTY LTD
Main Office: 6-8 Siddons Way, Hallam
VIC 3803, Australia
Tel: (613) 9702 3331 Fax: (613) 9703 1355

Franchises:
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Tel: (613) 6344 3322 Fax: (613) 6344 3233
Email: chris.gillam@totalrubber.com.au

Townsville: 54 Pilkington Street, Garbutt
QLD 4814, Australia
Tel: (617) 4775 5366 Fax: (617) 4775 3922
Email: townsville@totalrubber.com.au

PACIFIC FLOW TECHNOLOGY PTY LTD
9 Elsum Avenue, Bayswater, VIC 3153, Australia
Tel: (613) 9729 1225 Fax: (613) 9729 0221
Email: kerry@pacfloitech.com.au

FINANCIAL AND INSURANCE SERVICES

SUNWAY LEASING SDN BHD*
SWL NOMINEES (TEMPATAN) SDN BHD*
SUNWAY CREDIT SDN BHD*
(Formerly known as SWL Factoring Sdn Bhd)
Level 15
Tel: (603) 5639 8899 Fax: (603) 5639 9608

SUNWAY RISK MANAGEMENT SDN BHD*
Level 15
Tel: (603) 5639 9988 Fax: (603) 5639 9609
Email: financialdivision@sunway.com.my

SECRETARIAL, SHARE REGISTRATION AND MANAGEMENT SERVICES

SUNWAY MANAGEMENT SDN BHD*
Level 16
Tel: (603) 5639 8889 Fax: (603) 5639 9507

SHARED SERVICES CENTRE

SUNWAY SHARED SERVICES CENTRE SDN BHD*
SUNCITY SSC SDN BHD*
SUNWAY BPO SDN BHD*
Level 4.3
Email: sbpo@sunway.com.my
Website: www.sunway.com.my/sunwaybpo

Finance SSC: Level 10
Tel: (603) 5639 9889 Fax: (603) 5639 9524

Level 2.5, Annexe
Tel: (603) 5639 8989
Fax: (603) 5639 9586/5639 8687

IT SSC: Level 4.1 & Level 4.3
Tel: (603) 5639 8822 Fax: (603) 5639 9293

Client Services and Support Management:
Level 4.3
Tel: (603) 5639 8822 Fax: (603) 5639 9293

NOTE: Companies marked with asterisk (*) are located at Menara Sunway, Jalan Lagoan Timur, Bandar Sunway, 46150 Petaling Jaya, Selangor Darul Ehsan, Malaysia

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