

**SUNWAY BERHAD ( Company No : 201001037627 (921551-D) )**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**  
**THE FIGURES HAVE NOT BEEN AUDITED**

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2024**

	NOTE	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
		CURRENT YEAR QUARTER 31/03/2024	PRECEDING YEAR CORRESPONDING QUARTER 31/03/2023	INCREASE/ (DECREASE) %	CURRENT YEAR TO DATE 31/03/2024	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2023	INCREASE/ (DECREASE) %
		RM'000	RM'000	%	RM'000	RM'000	%
REVENUE		1,418,954	1,263,738	12	1,418,954	1,263,738	12
OPERATING EXPENSES		(1,300,622)	(1,187,219)	10	(1,300,622)	(1,187,219)	10
OTHER OPERATING INCOME		41,801	38,375	9	41,801	38,375	9
NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS & CONTRACT ASSETS		(1,697)	(1,540)	10	(1,697)	(1,540)	10
PROFIT FROM OPERATIONS		<u>158,436</u>	<u>113,354</u>	40	<u>158,436</u>	<u>113,354</u>	40
FINANCE INCOME		59,287	58,357	2	59,287	58,357	2
FINANCE COSTS		(85,297)	(62,412)	37	(85,297)	(62,412)	37
SHARE OF PROFIT FROM ASSOCIATES		38,809	41,667	(7)	38,809	41,667	(7)
SHARE OF PROFIT FROM JOINT VENTURES		55,456	41,064	35	55,456	41,064	35
PROFIT BEFORE TAX	<b>B6</b>	<u>226,691</u>	<u>192,030</u>	18	<u>226,691</u>	<u>192,030</u>	18
INCOME TAX EXPENSE	<b>B5</b>	(35,745)	(33,265)	7	(35,745)	(33,265)	7
<b>PROFIT FOR THE PERIOD</b>		<u><u>190,946</u></u>	<u><u>158,765</u></u>	20	<u><u>190,946</u></u>	<u><u>158,765</u></u>	20
<b>ATTRIBUTABLE TO:</b>							
- OWNERS OF THE PARENT		172,227	141,639	22	172,227	141,639	22
- NON-CONTROLLING INTERESTS		18,719	17,126	9	18,719	17,126	9
		<u>190,946</u>	<u>158,765</u>	20	<u>190,946</u>	<u>158,765</u>	20
<b>EARNINGS PER SHARE</b>							
- BASIC (sen) <sup>(1)</sup>	<b>B13</b>	<u>2.27</u>	<u>1.98</u>	15	<u>2.27</u>	<u>1.98</u>	15
- DILUTED (sen) <sup>(1)</sup>	<b>B13</b>	<u>2.24</u>	<u>1.95</u>	15	<u>2.24</u>	<u>1.95</u>	15

<sup>(1)</sup> The calculation of earnings per share (basic and diluted) includes the ordinary shares that will be issued upon the mandatory conversion of Irredeemable Convertible Preference Shares ("ICPS").

(The Unaudited Condensed Consolidated Income Statements should be read in conjunction with the Annual Statutory Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.)

SUNWAY BERHAD ( Company No : 201001037627 (921551-D) )  
 QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024  
 THE FIGURES HAVE NOT BEEN AUDITED

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2024

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/03/2024	PRECEDING YEAR CORRESPONDING QUARTER 31/03/2023	CURRENT YEAR TO DATE 31/03/2024	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2023
	RM'000	RM'000	RM'000	RM'000
<b>PROFIT FOR THE PERIOD</b>	190,946	158,765	190,946	158,765
<b>OTHER COMPREHENSIVE INCOME/(LOSS) TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS</b>				
FOREIGN CURRENCY TRANSLATION DIFFERENCES FOR FOREIGN OPERATIONS	25,421	24,236	25,421	24,236
CASH FLOW HEDGE RESERVE - FAIR VALUE GAIN/(LOSS)				
- NET FAIR VALUE GAIN/(LOSS) OF DERIVATIVES	37,574	(15,852)	37,574	(15,852)
- AMOUNTS RECYCLED TO PROFIT OR LOSS	(46,740)	12,752	(46,740)	12,752
<b>OTHER COMPREHENSIVE INCOME/(LOSS) NOT TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS</b>				
FAIR VALUE GAIN/(LOSS) ON OTHER INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	58,927	(113)	58,927	(113)
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u>75,182</u>	<u>21,023</u>	<u>75,182</u>	<u>21,023</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u>266,128</u>	<u>179,788</u>	<u>266,128</u>	<u>179,788</u>
<b>ATTRIBUTABLE TO:</b>				
- OWNERS OF THE PARENT	241,959	162,154	241,959	162,154
- NON-CONTROLLING INTERESTS	24,169	17,634	24,169	17,634
	<u>266,128</u>	<u>179,788</u>	<u>266,128</u>	<u>179,788</u>

(The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Statutory Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.)

**SUNWAY BERHAD ( Company No : 201001037627 (921551-D) )**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**  
**THE FIGURES HAVE NOT BEEN AUDITED**

**FINANCIAL REVIEW FOR CURRENT QUARTER COMPARED WITH IMMEDIATE PRECEDING QUARTER**

	<b>CURRENT QUARTER 31/03/2024</b>	<b>IMMEDIATE PRECEDING QUARTER 31/12/2023</b>	<b>INCREASE/ (DECREASE)</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
REVENUE	1,418,954	1,865,154	(24)
OPERATING EXPENSES	(1,300,622)	(1,729,744)	(25)
OTHER OPERATING INCOME	41,801	179,928	(77)
NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS & CONTRACT ASSETS	(1,697)	(21,239)	(92)
PROFIT FROM OPERATIONS	<u>158,436</u>	<u>294,099</u>	(46)
FINANCE INCOME	59,287	73,202	(19)
FINANCE COSTS	(85,297)	(97,423)	(12)
SHARE OF PROFIT FROM ASSOCIATES	38,809	20,501	89
SHARE OF PROFIT FROM JOINT VENTURES	55,456	60,114	(8)
PROFIT BEFORE TAX	<u>226,691</u>	<u>350,493</u>	(35)
INCOME TAX EXPENSE	(35,745)	(33,084)	8
<b>PROFIT FOR THE PERIOD</b>	<u><b>190,946</b></u>	<u><b>317,409</b></u>	(40)
<b>ATTRIBUTABLE TO:</b>			
- OWNERS OF THE PARENT	172,227	265,996	(35)
- NON-CONTROLLING INTERESTS	<u>18,719</u>	<u>51,413</u>	(64)
	<u><b>190,946</b></u>	<u><b>317,409</b></u>	(40)
<b>EARNINGS PER SHARE</b>			
- BASIC (sen) <sup>(1)</sup>	<u>2.27</u>	<u>4.39</u>	(48)
- DILUTED (sen) <sup>(1)</sup>	<u>2.24</u>	<u>4.27</u>	(48)

<sup>(1)</sup> The calculation of earnings per share (basic and diluted) includes the ordinary shares that will be issued upon the mandatory conversion of Irredeemable Convertible Preference Shares ("ICPS").

(The Unaudited Condensed Consolidated Income Statements should be read in conjunction with the Annual Statutory Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.)

SUNWAY BERHAD ( Company No : 201001037627 (921551-D) )  
 QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024  
 THE FIGURES HAVE NOT BEEN AUDITED

FINANCIAL REVIEW FOR CURRENT QUARTER COMPARED WITH IMMEDIATE PRECEDING QUARTER (CONTD.)

	CURRENT QUARTER 31/03/2024	IMMEDIATE PRECEDING QUARTER 31/12/2023
	RM'000	RM'000
<b>PROFIT FOR THE PERIOD</b>	190,946	317,409
<b>OTHER COMPREHENSIVE INCOME/(LOSS) TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS</b>		
FOREIGN CURRENCY TRANSLATION DIFFERENCES FOR FOREIGN OPERATIONS	25,421	13,084
RECLASSIFICATION OF FOREIGN CURRENCY TRANSLATION RESERVE TO PROFIT OR LOSS UPON LOSS OF CONTROL OF A SUBSIDIARY	-	(2,024)
CASH FLOW HEDGE RESERVE - FAIR VALUE GAIN/(LOSS) - NET FAIR VALUE GAIN/(LOSS) OF DERIVATIVES - AMOUNTS RECYCLED TO PROFIT OR LOSS	37,574 (46,740)	(15,629) 35,126
<b>OTHER COMPREHENSIVE INCOME NOT TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS</b>		
FAIR VALUE GAIN ON OTHER INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	58,927	3,650
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u>75,182</u>	<u>34,207</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u>266,128</u>	<u>351,616</u>
<b>ATTRIBUTABLE TO:</b>		
- OWNERS OF THE PARENT	241,959	303,936
- NON-CONTROLLING INTERESTS	<u>24,169</u>	<u>47,680</u>
	<u>266,128</u>	<u>351,616</u>

(The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Statutory Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.)

SUNWAY BERHAD ( Company No : 201001037627 (921551-D) )  
 QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024  
 THE FIGURES HAVE NOT BEEN AUDITED

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2024

	AS AT END OF CURRENT QUARTER 31/03/2024 RM'000	AS AT PRECEDING FINANCIAL PERIOD END 31/12/2023 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,352,687	1,357,660
Intangible assets	65,175	66,165
Investment properties	2,678,753	2,663,681
Inventories	2,503,435	2,472,441
Investment in associates	2,717,231	2,690,194
Investment in joint ventures	7,348,315	7,106,653
Goodwill	387,942	388,264
Deferred tax assets	90,213	86,405
Receivables	1,935,124	1,692,582
Derivative assets	32,553	7,293
Rock reserves	4,491	4,556
Other investments	126,724	102,876
Biological assets	314	361
	<u>19,242,957</u>	<u>18,639,131</u>
<b>Current assets</b>		
Inventories	3,485,763	3,435,050
Receivables, deposits & prepayments	2,822,872	2,795,432
Contract assets	398,545	524,361
Tax recoverable	56,237	53,573
Derivative assets	16,723	13,965
Other investments	687,059	825,302
Cash and bank balances	2,670,221	2,297,002
	<u>10,137,420</u>	<u>9,944,685</u>
<b>TOTAL ASSETS</b>	<u>29,380,377</u>	<u>28,583,816</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Current liabilities</b>		
Payables, accruals & other short term liabilities	3,002,274	3,070,114
Contract liabilities	41,356	35,796
Bank borrowings	6,768,953	6,017,683
Lease liabilities	30,626	35,220
Taxation	56,112	73,987
Derivative liabilities	2,100	8,817
	<u>9,901,421</u>	<u>9,241,617</u>
<b>Non-current liabilities</b>		
Long term bank borrowings	3,512,242	3,632,673
Lease liabilities	77,943	80,133
Other long term liabilities	178,158	178,261
Derivative liabilities	284,919	284,230
Deferred tax liabilities	164,429	166,565
	<u>4,217,691</u>	<u>4,341,862</u>
<b>Total liabilities</b>	<u>14,119,112</u>	<u>13,583,479</u>
<b>Equity attributable to Owners of the Parent</b>		
Share capital	6,247,247	6,160,760
Irredeemable convertible preference shares ("ICPS")	977,779	977,779
Treasury shares	(74,335)	(74,335)
Reserves	7,028,175	6,786,186
	<u>14,178,866</u>	<u>13,850,390</u>
<b>Non-controlling interests</b>	<u>1,082,399</u>	<u>1,149,947</u>
<b>Total equity</b>	<u>15,261,265</u>	<u>15,000,337</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>29,380,377</u>	<u>28,583,816</u>
<b>Number of ordinary shares ('000) <sup>(1)</sup></b>	<b>6,497,506</b>	<b>6,433,442</b>
<b>Net assets per share attributable to Owners of the Parent (RM)</b>	<b>2.18</b>	<b>2.15</b>

<sup>(1)</sup> Included the ordinary shares that will be issued upon the mandatory conversion of ICPS.

(The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Statutory Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2024

	ATTRIBUTABLE TO OWNERS OF THE PARENT									NON-DISTRIBUTABLE				DISTRIBUTABLE			
	IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES			RESERVES			TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT			NON-CONTROLLING INTERESTS			TOTAL EQUITY				
	SHARE CAPITAL	TREASURY SHARES	MERGER RESERVE	FOREIGN CURRENCY TRANSLATION RESERVE	CASH FLOW HEDGE RESERVE	FURNITURE, FITTINGS & EQUIPMENT RESERVE	OTHER RESERVES	RETAINED PROFITS	TOTAL RESERVES	TOTAL RESERVES	TOTAL RESERVES	TOTAL RESERVES	TOTAL RESERVES	TOTAL RESERVES			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000				
<b>PERIOD ENDED 31 MARCH 2024</b>																	
At 1 January 2024	6,160,760	977,779	(74,335)	(1,192,040)	319,985	5,079	27,747	545,794	7,079,621	6,786,186	13,850,390	1,149,947	15,000,337				
Profit for the year	-	-	-	-	-	-	-	-	172,227	172,227	172,227	18,719	190,946				
Other comprehensive income/(loss), net of tax	-	-	-	-	19,971	(9,166)	-	58,927	-	69,732	69,732	5,450	75,182				
Total comprehensive income/(loss)	-	-	-	-	19,971	(9,166)	-	58,927	172,227	241,959	241,959	24,169	266,128				
Transfer between reserves	-	-	-	-	-	-	1,431	-	(1,401)	30	30	(30)	-				
Disposal of other investment recognised at fair value through other comprehensive income	-	-	-	-	-	-	-	(61,726)	61,726	-	-	-	-				
<b>Transactions with owners</b>																	
Issuance of ordinary shares pursuant to :																	
- exercise of warrants	86,487 ^	-	-	-	-	-	-	-	-	-	86,487 ^	-	86,487 ^				
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(28,178)	(28,178)				
Effects of subscriptions and redemptions of units in structured entities	-	-	-	-	-	-	-	-	-	-	-	(63,055)	(63,055)				
Disposal of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	(454)	(454)				
Total transactions with owners	86,487	-	-	-	-	-	-	-	-	-	86,487	(91,687)	(5,200)				
At 31 March 2024	6,247,247	977,779	(74,335)	(1,192,040)	339,956	(4,087)	29,178	542,995	7,312,173	7,028,175	14,178,866	1,082,399	15,261,265				
<b>PERIOD ENDED 31 MARCH 2023</b>																	
At 1 January 2023	5,393,897	977,779	(74,335)	(1,192,040)	234,670	(26,275)	23,089	505,452	6,683,417	6,228,313	12,525,654	1,031,780	13,557,434				
Profit for the year	-	-	-	-	-	-	-	-	141,639	141,639	141,639	17,126	158,765				
Other comprehensive income/(loss), net of tax	-	-	-	-	23,728	(3,100)	-	(113)	-	20,515	20,515	508	21,023				
Total comprehensive income/(loss)	-	-	-	-	23,728	(3,100)	-	(113)	141,639	162,154	162,154	17,634	179,788				
Transfer between reserves	-	-	-	-	-	-	1,489	-	(1,456)	33	33	(33)	-				
<b>Transactions with owners</b>																	
Issuance of ordinary shares pursuant to :																	
- exercise of warrants	3 ^	-	-	-	-	-	-	-	-	-	3 ^	-	3 ^				
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(2,133)	(2,133)				
Effects of subscriptions and redemptions of units in structured entities	-	-	-	-	-	-	-	-	-	-	-	219,502	219,502				
Acquisition of equity interest from non-controlling interests	-	-	-	-	-	-	-	-	(1,761)	(1,761)	(1,761)	(235)	(1,996)				
Total transactions with owners	3	-	-	-	-	-	-	-	(1,761)	(1,761)	(1,758)	217,134	215,376				
At 31 March 2023	5,393,900	977,779	(74,335)	(1,192,040)	258,398	(29,375)	24,578	505,339	6,821,839	6,388,739	12,686,083	1,266,515	13,952,598				

^ Represents 64,064,184 warrants amounting to RM86,486,649 (2023: 2,322 warrants amounting to RM3,297).

(The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Statutory Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2024

	FOR THE 3 MONTHS PERIOD ENDED 31/03/2024 RM'000	FOR THE 3 MONTHS PERIOD ENDED 31/03/2023 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	226,691	192,030
Adjustments for:		
- non-cash items	(60,908)	(52,830)
- finance costs	85,297	62,412
- finance income	(59,287)	(58,357)
Operating cash flows before working capital changes	191,793	143,255
Changes in working capital	(220,950)	(120,143)
Cash (used in)/generated from operations	(29,157)	23,112
Interest received	58,516	57,466
Dividends received from joint ventures, associates and other investments	70,939	73,640
Tax refunded	4,658	811
Tax paid	(59,557)	(32,162)
Net cash generated from operating activities	45,399	122,867
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant & equipment	1,467	2,784
Proceeds from disposal of a joint venture	1,061	-
Proceeds from disposal of other investments	213,751	21,855
Acquisition of property, plant and equipment	(21,491)	(29,926)
Acquisition of biological assets	-	(34)
Acquisition of intangible assets	(1,018)	(2,816)
Acquisition and subsequent expenditure of investment properties	(1,343)	(11,634)
Acquisition and subsequent expenditure of land	(756)	(74)
Acquisition of other investments	(38,101)	(19,814)
Investment in associates	(60,515)	(2,548)
Investment in joint ventures	(8,114)	-
Payment of balance consideration on acquisition of subsidiaries	-	(32,920)
Advances to associates and joint ventures	(33,586)	(42,245)
Quasi-equity loan advanced to joint ventures	(161,476)	(29,828)
Net cash flows from deposits placed with maturity of over 3 months	300	(5)
Net cash outflow from disposal of a subsidiary	(709)	-
Net cash used in investing activities	(110,530)	(147,205)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net bank and other borrowings	541,545	215,099
Net lease liabilities	(7,487)	(8,014)
Interest paid	(116,432)	(87,184)
Dividends paid to non-controlling interests of subsidiaries	(28,178)	(2,133)
Proceeds from issuance of shares pursuant to exercise of warrants	86,487	3
Acquisition of equity interest from non-controlling interests	-	(1,996)
Net (redemptions)/subscriptions of units in structured entities by non-controlling interests	(63,055)	219,502
Net cash generated from financing activities	412,880	335,277
NET INCREASE IN CASH AND CASH EQUIVALENTS	347,749	310,939
EFFECTS OF EXCHANGE RATE CHANGES	6,376	3,410
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	2,226,547	1,895,421
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b>2,580,672</b>	<b>2,209,770</b>
Cash & bank balances	797,286	610,852
Fixed deposits	1,872,935	1,632,657
<b>Total cash and bank balances</b>	<b>2,670,221</b>	<b>2,243,509</b>
Bank overdrafts	(85,896)	(32,692)
Less: Deposits with maturity of over 3 months	(3,653)	(1,047)
<b>Cash and cash equivalents</b>	<b>2,580,672</b>	<b>2,209,770</b>

(The Unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Statutory Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.)

## NOTES TO FINANCIAL STATEMENTS

### A1 Accounting Policies and Basis of Preparation

The Group has prepared its financial statements using the Malaysian Financial Reporting Standards ("MFRS") for the financial period ended 31 March 2024.

The interim financial report is unaudited and is prepared in accordance with MFRS 134 *Interim Financial Reporting* and paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2023. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2023.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the annual financial statements for the financial year ended 31 December 2023 except for the adoption of the following new MFRSs and Amendments to MFRSs that are effective for financial statements effective from 1 January 2024, as disclosed below:

Title	Effective Date
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024

The adoption of the above pronouncements does not have any significant impact to the Group for the financial period ended 31 March 2024.

### A2 Report of the Auditors

The report of the auditors of preceding annual financial statements was not subject to any qualification.

### A3 Seasonal or Cyclical Factors

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

### A4 Unusual Items

There were no material unusual items affecting the amounts reported for the current quarter ended 31 March 2024.

### A5 Changes in Estimates

There were no changes in estimates that have a material effect on the amounts reported for the current quarter ended 31 March 2024.

### A6 Issuances, Cancellations, Repurchases, Resale and Repayments of Debts and Equity Securities

During the financial period ended 31 March 2024, the Company increased its issued and paid up ordinary share capital by way of issuance of 64,064,184 ordinary shares pursuant to the exercise of warrants.

Save for the above, there was no issuance, cancellations, repurchases, resale and repayments of debt and equity securities for the current period under review.

### A7 Dividends Paid

Dividend payments made since the last financial year end were as follows:

- Single-tier second interim dividend of 3.50 sen per ordinary share for the financial year ended 31 December 2023, in which the entire portion can be elected to be reinvested into new ordinary shares in accordance with the Dividend Reinvestment Scheme ("DRS"). The reinvestment rate subsequent to the completion of the DRS was 95.2% with the allotment of 72,380,900 new ordinary shares at RM2.51 per share amounted to RM181,676,059 and the payment of total cash dividend of RM11,246,808 on 18 April 2024. The new ordinary shares issued pursuant to the DRS were listed on the Main Market of Bursa Securities on 19 April 2024; and
- RM25,666,696 was paid on 18 April 2024 as preferential dividend of 5.25% per annum, based on the issue price of RM1.00 per irredeemable convertible preference share ("ICPS"), for the period from 1 July 2023 to 31 December 2023.



**A8 Segmental Reporting**

Segmental results for the financial period ended 31 March 2024 are as follows:

	Property Development RM'000	Property Investment RM'000	Construction RM'000	Healthcare RM'000	Trading and Manufacturing RM'000	Quarry RM'000	Investment Holdings RM'000	Others RM'000	Adjustments/ Eliminations RM'000	Total RM'000
<b>BY BUSINESS SEGMENTS</b>										
<b>REVENUE AND RESULTS</b>										
<b>Revenue</b>										
Sales to external customers	287,741	231,150	372,464	-	241,354	104,843	2,445	178,957	-	1,418,954
Inter-segment revenue	9,320	87,054	379,310	-	50,760	19,703	154,513	49,544	(750,204)	-
<b>Total revenue</b>	<b>297,061</b>	<b>318,204</b>	<b>751,774</b>	<b>-</b>	<b>292,114</b>	<b>124,546</b>	<b>156,958</b>	<b>228,501</b>	<b>(750,204)</b>	<b>1,418,954</b>
<b>Results</b>										
Operating segment results	33,588	54,089	49,792	-	11,494	10,857	(10,783)	9,399	-	158,436
Finance income	19,332	19,799	4,565	-	3,390	3,338	32,760	6,710	(30,607)	59,287
Finance costs	(26,680)	(44,805)	(16,152)	-	(5,791)	(3,435)	(15,416)	(3,625)	30,607	(85,297)
Share of results of:										
- associates	(9)	38,540	56	-	-	-	115	107	-	38,809
- joint ventures	12,565	1,797	4,090	36,803	(113)	349	(35)	-	-	55,456
<b>Profit before taxation</b>	<b>38,796</b>	<b>69,420</b>	<b>42,351</b>	<b>36,803</b>	<b>8,980</b>	<b>11,109</b>	<b>6,641</b>	<b>12,591</b>	<b>-</b>	<b>226,691</b>
Taxation	(10,199)	(12,190)	(9,166)	-	(2,055)	(2,428)	3,479	(3,186)	-	(35,745)
<b>Profit for the period</b>	<b>28,597</b>	<b>57,230</b>	<b>33,185</b>	<b>36,803</b>	<b>6,925</b>	<b>8,681</b>	<b>10,120</b>	<b>9,405</b>	<b>-</b>	<b>190,946</b>
Non-controlling interests	(4,365)	566	(14,194)	-	111	(40)	(1,018)	221	-	(18,719)
<b>Attributable to owners of the parent</b>	<b>24,232</b>	<b>57,796</b>	<b>18,991</b>	<b>36,803</b>	<b>7,036</b>	<b>8,641</b>	<b>9,102</b>	<b>9,626</b>	<b>-</b>	<b>172,227</b>

	Revenue RM'000	Profit/(Loss) before tax RM'000	Profit/(Loss) after tax RM'000	Attributable to owners of the parent RM'000
<b>BY GEOGRAPHICAL SEGMENTS</b>				
Malaysia	1,253,464	214,277	181,543	163,864
Singapore	70,311	4,558	4,494	6,064
China	17,219	(1,890)	(2,250)	(2,175)
India	35,289	5,973	4,976	2,630
Australia	8,593	928	496	(58)
Indonesia	11,178	1,393	1,074	1,074
United Kingdom	12,098	714	3	3
Other countries	10,802	738	610	825
	<b>1,418,954</b>	<b>226,691</b>	<b>190,946</b>	<b>172,227</b>

**A8 Segmental Reporting (contd.)**

Segmental assets and liabilities for the financial period ended 31 March 2024 are as follows:

	Property Development RM'000	Property Investment RM'000	Construction RM'000	Healthcare RM'000	Trading and Manufacturing RM'000	Quarry RM'000	Investment Holdings RM'000	Others RM'000	Adjustments/ Eliminations RM'000	Total RM'000
<b>Assets</b>										
Segment assets	8,421,250	3,316,974	3,039,141	-	1,013,371	525,456	12,131,685	1,615,434	(10,894,930)	19,168,381
Investment in associates	-	2,646,782	-	-	-	-	16,772	53,677	-	2,717,231
Investment in joint ventures	2,677,648	154,714	258,843	4,232,154	13,401	11,328	227	-	-	7,348,315
Unallocated assets										146,450
Total assets										<u>29,380,377</u>
<b>Liabilities</b>										
Segment liabilities	6,012,330	3,802,416	2,364,278	-	697,993	433,457	10,524,444	872,209	(10,808,556)	13,898,571
Unallocated liabilities										220,541
Total liabilities										<u>14,119,112</u>

**A8 Segmental Reporting (contd.)**

Segmental results by foreign currency for the financial period ended 31 March 2024 are as follows:

**PROPERTY DEVELOPMENT SEGMENT:**

	Foreign currency				RM'000			
	Revenue	Profit/(Loss) before tax	Profit/(Loss) after tax	Attributable to owners of the parent	Revenue	Profit/(Loss) before tax	Profit/(Loss) after tax	Attributable to owners of the parent
Malaysia Ringgit (RM'000)	287,741	31,934	22,167	18,356	287,741	31,934	22,167	18,356
Australian Dollar (AUD'000)	-	463	324	146	-	1,439	1,007	453
Hong Kong Dollar (HKD'000)	-	2	2	2	-	1	1	1
Indian Rupee (INR'000)	-	(280)	(280)	(280)	-	(16)	(16)	(16)
Chinese Renminbi (RMB'000)	-	(2,345)	(2,345)	(2,345)	-	(1,547)	(1,547)	(1,547)
Singapore Dollar (SGD'000)	-	1,976	1,976	1,976	-	6,985	6,985	6,985
					287,741	38,796	28,597	24,232

**PROPERTY INVESTMENT SEGMENT:**

	Foreign currency				RM'000			
	Revenue	Profit/(Loss) before tax	Profit/(Loss) after tax	Attributable to owners of the parent	Revenue	Profit/(Loss) before tax	Profit/(Loss) after tax	Attributable to owners of the parent
Malaysia Ringgit (RM'000)	214,514	68,224	56,835	57,186	214,514	68,224	56,835	57,186
Pound Sterling (GBP'000)	2,012	119	-	-	12,098	714	3	3
Singapore Dollar (SGD'000)	-	42	42	42	-	147	147	147
US Dollar (USD'000)	451	(90)	(90)	(44)	2,139	(425)	(425)	(210)
Vietnam Dong (VND'000,000)	12,443	3,942	3,475	3,475	2,399	760	670	670
					231,150	69,420	57,230	57,796

**CONSTRUCTION SEGMENT:**

	Foreign currency				RM'000			
	Revenue	Profit/(Loss) before tax	Profit/(Loss) after tax	Attributable to owners of the parent	Revenue	Profit/(Loss) before tax	Profit/(Loss) after tax	Attributable to owners of the parent
Malaysia Ringgit (RM'000)	275,950	39,817	31,648	18,230	275,950	39,817	31,648	18,230
Indian Rupee (INR'000)	618,382	104,947	87,477	46,367	35,289	5,989	4,992	2,646
Singapore Dollar (SGD'000)	17,319	(977)	(977)	(533)	61,225	(3,455)	(3,455)	(1,885)
					372,464	42,351	33,185	18,991

**HEALTHCARE SEGMENT:**

	Foreign currency				RM'000			
	Revenue	Profit before tax	Profit after tax	Attributable to owners of the parent	Revenue	Profit before tax	Profit after tax	Attributable to owners of the parent
Malaysia Ringgit (RM'000)	-	36,803	36,803	36,803	-	36,803	36,803	36,803
					-	36,803	36,803	36,803

**A8 Segmental Reporting (contd.)**

Segmental results by foreign currency for the financial period ended 31 March 2024 are as follows: (contd.)

**TRADING & MANUFACTURING SEGMENT:**

	Foreign currency				RM'000			
	Revenue	Profit/(Loss) before tax	Profit/(Loss) after tax	Attributable to owners of the parent	Revenue	Profit/(Loss) before tax	Profit/(Loss) after tax	Attributable to owners of the parent
Malaysia Ringgit (RM'000)	192,082	6,217	4,890	5,007	192,082	6,217	4,890	5,007
Australian Dollar (AUD'000)	2,762	(164)	(164)	(164)	8,593	(511)	(511)	(511)
Indonesia Rupiah (IDR'000,000)	37,095	4,623	3,564	3,564	11,178	1,393	1,074	1,074
Chinese Renminbi (RMB'000)	21,453	996	532	523	14,151	657	351	345
Singapore Dollar (SGD'000)	2,570	249	231	231	9,086	881	817	817
Thai Baht (THB'000)	39,501	2,698	2,404	2,404	5,226	357	318	318
Vietnam Dong (VND'000,000)	5,384	(73)	(73)	(73)	1,038	(14)	(14)	(14)
					241,354	8,980	6,925	7,036

**QUARRY SEGMENT:**

	Foreign currency				RM'000			
	Revenue	Profit before tax	Profit after tax	Attributable to owners of the parent	Revenue	Profit before tax	Profit after tax	Attributable to owners of the parent
Malaysia Ringgit (RM'000)	104,843	11,049	8,620	8,580	104,843	11,049	8,620	8,580
Trinidad & Tobago Dollar (TTD'000)	-	85	87	87	-	60	61	61
					104,843	11,109	8,681	8,641

**INVESTMENT HOLDINGS SEGMENT:**

	Foreign currency				RM'000			
	Revenue	Profit/(Loss) before tax	Profit/(Loss) after tax	Attributable to owners of the parent	Revenue	Profit/(Loss) before tax	Profit/(Loss) after tax	Attributable to owners of the parent
Malaysia Ringgit (RM'000)	1,941	6,491	10,024	9,003	1,941	6,491	10,024	9,003
Hong Kong Dollar (HKD'000)	-	(59)	(59)	(54)	-	(36)	(36)	(33)
Chinese Renminbi (RMB'000)	764	282	200	200	504	186	132	132
					2,445	6,641	10,120	9,102

**OTHERS SEGMENT:**

	Foreign currency				RM'000			
	Revenue	Profit/(Loss) before tax	Profit/(Loss) after tax	Attributable to owners of the parent	Revenue	Profit/(Loss) before tax	Profit/(Loss) after tax	Attributable to owners of the parent
Malaysia Ringgit (RM'000)	176,393	13,742	10,556	10,699	176,393	13,742	10,556	10,699
Chinese Renminbi (RMB'000)	3,887	(1,745)	(1,745)	(1,627)	2,564	(1,151)	(1,151)	(1,073)
					178,957	12,591	9,405	9,626

#### A9 Valuation of Property, Plant and Equipment and Investment Properties

The Group adopts the fair value model for its investment properties. There is no significant and indicative change in value of the said investment properties since the last balance sheet date.

#### A10 Material Events Subsequent to the end of the Reporting Period

There were no material events subsequent to the current quarter ended 31 March 2024.

#### A11 Changes in the Composition of the Group

There were no material changes in the composition of the Group for the current quarter ended 31 March 2024.

#### A12 Contingent Liabilities and Assets

Details of contingent liabilities of the Group as at the date of issue of the report are as follows:

	31/03/2024 RM'000	31/12/2023 RM'000
Claim by a third party	<u>164,378</u>	<u>164,378</u>

Claim by a third party represents proportionate share of contingent liability in relation to a material litigation of Sunway REIT, a 40.89% owned associate of the Group, with Metroplex Holdings Sdn. Bhd. ("Metroplex").

On 31 March 2021, the Federal Court allowed Metroplex's appeal by setting aside the Court of Appeal's Decision, restoring the High Court's Decision and ordered the assessment of damages against Sunway REIT to proceed before the High Court ("Assessment"). In Metroplex's claim, Metroplex is claiming for the Chattels and Movable Items amounting to approximately RM402 million. However, Sunway REIT is vigorously objecting to the amount claimed as being overly excessive and has appointed subject matter experts to dispute the quantum of claim.

The trial for the said Assessment was held on 4, 5, 6, 12 and 13 January 2023. Upon conclusion of the trial, the High Court judge directed Sunway REIT and Metroplex to appear before the High Court for oral submission on 9 and 15 May 2023. After hearing oral submissions by both parties, the Judge then proceeded to fix the date for the decision to be delivered. At this stage, the financial impact cannot be determined pending the decision of the High Court, which has been adjourned to 30 May 2024.

In accordance with MFRS 137 *Provisions, Contingent Liabilities and Contingent Assets*, the Group discloses the share of associate's contingent liability relating to this legal case as there is a present obligation that arose from past event, although the amount of obligation could not be measured with sufficient reliability at this juncture.

There were no material contingent assets since the last annual reporting date.

#### A13 Commitments

(a) Capital commitments not provided for in the financial year as at 31 March 2024 are as follows:

	31/03/2024 RM'000	31/12/2023 RM'000
Approved and contracted for property, plant and equipment and investment properties	35,018	28,101
Approved but not contracted for property, plant and equipment and investment properties	<u>91,077</u>	<u>64,751</u>
	<u>126,095</u>	<u>92,852</u>

The Group's share of capital commitments in associates are as follows:

	31/03/2024 RM'000	31/12/2023 RM'000
Approved and contracted for property, plant and equipment and investment properties	444,458	370,711
Approved but not contracted for property, plant and equipment and investment properties	<u>326,771</u>	<u>249,092</u>
	<u>771,229</u>	<u>619,803</u>

The Group's share of capital commitments in joint ventures are as follows:

	31/03/2024 RM'000	31/12/2023 RM'000
Approved and contracted for property, plant and equipment and investment properties	317,277	255,460
Approved but not contracted for property, plant and equipment and investment properties	<u>1,058,760</u>	<u>967,449</u>
	<u>1,376,037</u>	<u>1,222,909</u>

(b) Operating lease commitment not provided for in the financial year as at 31 March 2024 is as follows:

	31/03/2024 RM'000	31/12/2023 RM'000
Future minimum lease receipts:		
- not later than 1 year	51,143	57,092
- later than 1 year and not later than 5 years	<u>164,093</u>	<u>172,655</u>
	<u>215,236</u>	<u>229,747</u>

**A14 Significant Related Party Transactions**
**(a) Sale/(Purchase) transactions with joint ventures and associates**

	Current Quarter Ended		Cumulative Year To Date	
	31/03/2024 RM'000	31/03/2023 RM'000	31/03/2024 RM'000	31/03/2023 RM'000
<b>(i) Sunway Real Estate Investment Trust</b> <b>("Sunway REIT") (RHB Trustees Bhd) ^</b>				
Lease of Sunway Resort Hotel & Spa	(10,770)	(2,069)	(10,770)	(2,069)
Lease of Sunway Putra Hotel	(2,645)	(2,775)	(2,645)	(2,775)
Lease of Sunway Hotel Georgetown	(1,671)	(823)	(1,671)	(823)
Lease of Sunway Pyramid's ice rink	(437)	(415)	(437)	(415)
Lease/Rental of properties in respect of :				
Menara Sunway and accommodation for security staff	(1,950)	(1,805)	(1,950)	(1,805)
Rental and management of car parks and related services	(9,590)	(9,919)	(9,590)	(9,919)
Provision of property management and related services	1,201	1,447	1,201	1,447
Provision of loyalty card points	337	300	337	300
Sales of financial, human resources and IT related services	568	537	568	537
Construction, marketing, mechanical engineering, engineering related design and build, civil engineering, building works and related services	58,350	9,459	58,350	9,459
Management services	6,521	3,726	6,521	3,726
Distribution income from perpetual note	2,731	2,566	2,731	2,566
<b>(ii) Sunway Iskandar Sdn. Bhd. Group</b>				
Corporate guarantee commission fee	(284)	-	(284)	-
Management services	1,385	1,761	1,385	1,761
Marketing, distribution and sales of construction related products and industrial products				
Property management and related services	524	338	524	338
Interest income	8,607	9,455	8,607	9,455
<b>(iii) Sunway Healthcare Holdings Sdn. Bhd. Group</b>				
Provision of medical services	(301)	(366)	(301)	(366)
Sponsorship of nurse program	(105)	(414)	(105)	(414)
Construction, marketing, mechanical engineering, engineering related design and build, civil engineering, building works and related services	48,960	50,652	48,960	50,652
Rental of office space premises and related services	1,283	615	1,283	615
Provision of property management and related services	1,387	1,118	1,387	1,118
Sales of financial, human resources and IT related services	1,023	559	1,023	559
Management services	727	692	727	692
Provision of ticketing and tour related services	275	375	275	375
Distribution income from wholesale funds	422	1,498	422	1,498
Corporate guarantee commission fee	470	-	470	-
<b>(iv) Sunway Velocity Hotel Sdn. Bhd.</b>				
Management services	281	244	281	244
Interest income	1,888	1,704	1,888	1,704
<b>(v) Sunway Velocity Mall Sdn. Bhd.</b>				
Corporate guarantee commission fee	406	-	406	-
Lease of premises	(355)	3	(355)	3
Interest income	5,899	5,490	5,899	5,490
<b>(vi) Blacktop Lanchang Sdn. Bhd.</b>				
Distribution and sale of construction related products and industrial products	536	377	536	377

**(b) Sale/(Purchase) transactions with shareholders and their related companies**

	Current Quarter Ended		Cumulative Year To Date	
	31/03/2024 RM'000	31/03/2023 RM'000	31/03/2024 RM'000	31/03/2023 RM'000
<b>(i) Active Equity Sdn. Bhd. Group *</b>				
Information systems products and consultancy fees	(1,844)	(2,061)	(1,844)	(2,061)
Sales of financial and IT related services	153	133	153	133
<b>(ii) Tan Sri Sir Dr. Jeffrey Cheah Fook Ling KBE AO</b>				
Distribution paid/payable in respect of perpetual note	-	(7,763)	-	(7,763)

^ The wholly-owned subsidiary of the Group, Sunway REIT Holdings Sdn. Bhd., is a major unit holder of Sunway REIT. Tan Sri Sir Dr. Jeffrey Cheah Fook Ling, Puan Sri Datin Seri (Dr.) Susan Cheah Seok Cheng, Sarena Cheah Yean Tih, Evan Cheah Yean Shin, Adrian Cheah Yean Sun, Sungei Way Corporation Sdn. Bhd. and Active Equity Sdn. Bhd., being major shareholders of the Group, also have deemed interests in Sunway REIT via Sunway REIT Holdings Sdn. Bhd..

Puan Sri Datin Seri (Dr.) Susan Cheah Seok Cheng is the spouse of Tan Sri Sir Dr. Jeffrey Cheah Fook Ling.

\* Tan Sri Sir Dr. Jeffrey Cheah Fook Ling, Sarena Cheah Yean Tih and Evan Cheah Yean Shin are Directors and major shareholders of Active Equity Sdn. Bhd. as well as Directors in several subsidiaries of Active Equity Sdn. Bhd.. Adrian Cheah Yean Sun is a major shareholder of Active Equity Sdn. Bhd.. Sarena Cheah Yean Tih, Evan Cheah Yean Shin and Adrian Cheah Yean Sun are the children of Tan Sri Sir Dr. Jeffrey Cheah Fook Ling.

Tan Sri Sir Dr. Jeffrey Cheah Fook Ling and Sarena Cheah Yean Tih are Directors and major shareholders of the Group as well as Directors in several subsidiaries of the Group. Evan Cheah Yean Shin is an Alternate Director to Tan Sri Sir Dr. Jeffrey Cheah Fook Ling and a major shareholder of the Group. He is also a Director in several subsidiaries of the Group. Adrian Cheah Yean Sun is a Director in a subsidiary of the Group and a major shareholder of the Group.

## B1 Review of Performance

Analysis of performance of the respective operating business segments are as follows:

For the quarter

	Quarter ended		Increase/ (Decrease) %
	31/03/2024 RM'000	31/03/2023 RM'000	
<b>Revenue</b>			
Property Development	287,741	247,807	16.1
Property Investment	231,150	209,886	10.1
Construction	372,464	327,941	13.6
Trading and Manufacturing	241,354	224,080	7.7
Quarry	104,843	78,225	34.0
Others	181,402	175,799	3.2
	<u>1,418,954</u>	<u>1,263,738</u>	12.3
<b>Profit before tax</b>			
Property Development	38,796	23,072	68.2
Property Investment	69,420	67,244	3.2
Construction	42,351	39,510	7.2
Healthcare*	36,803	28,832	27.6
Trading and Manufacturing	8,980	9,599	(6.4)
Quarry	11,109	3,492	218.1
Others	19,232	20,281	(5.2)
	<u>226,691</u>	<u>192,030</u>	18.0

\* Please note that the healthcare's contribution is based on equity accounting which accounts for the Group's share of its net profit or loss.

The Group recorded revenue of RM1,419.0 million and profit before tax of RM226.7 million for the current quarter ended 31 March 2024 compared to revenue of RM1,263.7 million and profit before tax of RM192.0 million in the corresponding quarter of the previous financial year, representing an increase in revenue 12.3% and profit before tax of 18.0%. Higher revenue was attributed to stronger contribution from all business segments. The improvement in profit before tax in the current quarter was due to stronger operating performance from most business segments which more than offset the lower contribution from trading and manufacturing and others segments.

It should be noted that under MFRS 15, the development profit from one of the Group's on-going Singapore property development projects will only be recognised upon completion and handover of the project. The accumulated progressive profits related to the project as at the end of the current quarter amounted to RM120.0 million, of which RM11.1 million was recorded in the current quarter. The project is expected to be completed and handed over in the second quarter of 2024.

The property development segment reported revenue of RM287.7 million and profit before tax of RM38.8 million for the current quarter compared to revenue of RM247.8 million and profit before tax of RM23.1 million in the corresponding quarter of the previous financial year, representing an increase in revenue of 16.1% and profit before tax of 68.2%. The better revenue and profit before tax performance in the current quarter were mainly due to higher sales and progress billings from new and on-going local development projects.

The property investment segment reported revenue of RM231.2 million and profit before tax of RM69.4 million for the current quarter compared to revenue of RM209.9 million and profit before tax of RM67.2 million in the corresponding quarter of the previous financial year, representing an increase in revenue of 10.1% and profit before tax of 3.2%. The higher revenue and profit before tax in the current quarter was attributed to stronger performance of most sub-segments, underpinned by higher occupancy and average room rates at the Group's hotels, higher revenue from the operations of property investment assets, and contribution from the leisure business.

The construction segment reported revenue of RM372.5 million and profit before tax of RM42.4 million for the current quarter compared to revenue of RM327.9 million and profit before tax of RM39.5 million in the corresponding quarter of the previous financial year, representing an increase in revenue of 13.6% and profit before tax of 7.2%. The improved financial performance in the current quarter was mainly due to higher progress billings from ongoing local and overseas construction projects.

The healthcare segment reported a share of net profit of RM36.8 million for the current quarter compared to share of net profit of RM28.8 million in the corresponding quarter of the previous financial year, representing an increase of 27.6%. The improved financial performance in the current quarter was attributed to stronger performance from the three operating hospitals in line with the increase in licensed bed capacity to 1,158 from 866 in the corresponding quarter, partially offset by higher staff costs from increased headcount.

The trading and manufacturing segment reported revenue of RM241.4 million and profit before tax of RM9.0 million for the current quarter compared to revenue of RM224.1 million and profit before tax of RM9.6 million in the corresponding quarter of the previous financial year, representing an increase in revenue of 7.7% and a decrease in profit before tax of 6.4%. The higher revenue in the current quarter was mainly contributed by higher sales in the domestic market. However, the segment reported lower profit before tax mainly due to lower contribution from overseas operations.

The quarry segment reported revenue of RM104.8 million and profit before tax of RM11.1 million for the current quarter compared to revenue of RM78.2 million and profit before tax of RM3.5 million in the corresponding quarter of the previous financial year, representing an increase in revenue of 34.0% and a higher profit before tax of 218.1%. The improved financial performance in the current quarter was due to higher sales volumes and average selling prices of aggregates and premix, coupled with improved profit margins.

The others segment reported revenue of RM181.4 million and profit before tax of RM19.2 million for the current quarter compared to revenue of RM175.8 million and profit before tax of RM20.3 million in the corresponding quarter of the previous financial year, representing an increase in revenue of 3.2% and a decrease in profit before tax of 5.2%. The higher revenue in the current quarter was mainly due to improved contribution from the community pharmacy business, which partially offset by lower contribution from the building materials segment. However, lower profit before tax was mainly due to lower contribution from other businesses sub-segments.

**B2 Material Changes in the Quarterly Results**

	Quarter ended		Increase/ (Decrease) %
	31/03/2024 RM'000	31/12/2023 RM'000	
<b>Revenue</b>			
Property Development	287,741	495,517	(41.9)
Property Investment	231,150	256,503	(9.9)
Construction	372,464	532,809	(30.1)
Trading and Manufacturing	241,354	260,114	(7.2)
Quarry	104,843	124,773	(16.0)
Others	181,402	195,438	(7.2)
	<u>1,418,954</u>	<u>1,865,154</u>	(23.9)
<b>Profit before tax</b>			
Property Development	38,796	69,019	(43.8)
Property Investment	69,420	137,379	(49.5)
Construction	42,351	62,761	(32.5)
Healthcare*	36,803	41,708	(11.8)
Trading and Manufacturing	8,980	12,005	(25.2)
Quarry	11,109	9,401	18.2
Others	19,232	18,220	5.6
	<u>226,691</u>	<u>350,493</u>	(35.3)

\* Please note that the healthcare's contribution is based on equity accounting which accounts for the Group's share of its net profit or loss.

The Group reported revenue of RM1,419.0 million and profit before tax of RM226.7 million for the current quarter ended 31 March 2024 compared to revenue of RM1,865.2 million and profit before tax of RM350.5 million in the preceding quarter, representing a decrease in revenue of 23.9% and profit before tax of 35.3%. The financial performance reported in the current quarter was lower due to lower contribution from most of the business segments.

The property development segment reported revenue of RM287.7 million and profit before tax of RM38.8 million for the current quarter compared to revenue of RM495.5 million and profit before tax of RM69.0 million in the preceding quarter, representing a decrease in revenue of 41.9% and profit before tax of 43.8%. The lower financial performance in the current quarter was attributed to lower sales and progress billings from local and overseas development projects. The preceding quarter also recorded higher profit recognition from the completion and handover of a local development project and more property development projects launches.

The property investment segment reported revenue of RM231.2 million and profit before tax of RM69.4 million for the current quarter compared to revenue of RM256.5 million and profit before tax of RM137.4 million in the preceding quarter, representing a decrease in revenue of 9.9% and profit before tax of 49.5%. Net fair value gains from revaluation of the investment properties and assets of RM67.9 million was recorded in the preceding quarter. Additionally, the lower operational performance was mainly influenced by lower contribution from the leisure and hospitality businesses due to seasonal factors and fasting month which occurred in the current quarter.

The construction segment reported revenue of RM372.5 million and profit before tax of RM42.4 million for the current quarter compared to revenue of RM532.8 million and profit before tax of RM62.8 million in the preceding quarter, representing a decrease in revenue of 30.1% and profit before tax of 32.5%. The lower financial performance in the current quarter was mainly attributed to lower progress billings from both local and overseas construction projects.

The healthcare segment reported a share of net profit of RM36.8 million for the current quarter compared to share of net profit of RM41.7 million in the preceding quarter, representing a decrease of 11.8%. The current quarter was impacted by lower contribution from SMC Sunway City as a result of lower patient visits due to the Chinese New Year festive season, school holiday period and higher operating expenses. The better operating performance from SMC Penang and SMC Velocity partially mitigated the full impact of the lower contribution of SMC Sunway City.

The trading and manufacturing segment reported revenue of RM241.4 million and profit before tax of RM9.0 million for the current quarter compared to revenue of RM260.1 million and profit before tax of RM12.0 million in the preceding quarter, representing a decrease in revenue of 7.2% and profit before tax of 25.2%. The weaker financial performance in the current quarter was mainly due to lower sales from domestic and overseas markets compared to the preceding quarter.

The quarry segment reported revenue of RM104.8 million and profit before tax of RM11.1 million for the current quarter compared to revenue of RM124.8 million and profit before tax of RM9.4 million in the preceding quarter, representing a decrease in revenue of 16.0% and an increase in profit before tax of 18.2%. The lower revenue was attributed to lower sales volume of aggregates and premix, while the profit before tax improved on better profit margins in the current quarter.

The others segment reported revenue of RM181.4 million and profit before tax of RM19.2 million for the current quarter ended 31 March 2024 compare to revenue of RM195.4 million and profit before tax of RM18.2 million in the preceding quarter, representing a decrease in revenue of 7.2% and an increase in profit before tax of 5.6%. The lower revenue in the current quarter was mainly due to lower contribution from the building materials and community pharmacy businesses. It should be noted that the results of the preceding quarter included a one-off reversal of provision for impairment of assets of RM19.8 million for spun pile operation under the building materials segment.



### B3 Prospects

The Malaysian economy registered a growth of 4.2% in the first quarter of 2024 (Q4 2023: 2.9%). The growth is in line with the Malaysian government's full-year economic growth expectation of 4% to 5% in 2024, demonstrating resilience in a challenging global economic environment. Bank Negara Malaysia's monetary policy stance to maintain the Overnight Policy Rate at 3% is supportive of the economy, amidst a moderate outlook on inflation and growth prospects.

The Group continues to focus on its core businesses, particularly the growth of its healthcare segment. Sunway Healthcare's three operating hospitals continue to perform well, with capacity expansion to meet growing demand for quality healthcare services. The segment is actively recruiting doctors and nurses in anticipation of the opening of the new hospitals in Kota Damansara and Ipoh, scheduled to commence operations in the fourth quarter of 2024 and first quarter of 2025, respectively. The two new hospitals will progressively add 600 beds to the capacity. Currently, Sunway Healthcare Group has 1,158 licensed beds.

In the coming quarters, the Group's Property Development segment anticipates the completion and handover of two property projects in Singapore. The outlook on Singapore's property market remains positive. Its joint venture company will be launching an executive condominium project on a parcel of 4.06-acre leasehold land at Tengah Plantation Close acquired in September 2023. The joint venture company also successfully secured another 4.95 acres of leasehold land at Tengah Plantation Close in February 2024 for the development of executive condominiums, targeted to be launched in 2025. In Malaysia, the segment's developments in the Southern region is strongly anchored on the progress of the Johor-Singapore Special Economic Zone and the completion of the Johor Bahru-Singapore Rapid Transit System Link, which will enhance the connectivity between Malaysia and Singapore. Starting 19 March 2024, travellers arriving and departing Singapore via the Woodlands and Tuas checkpoints can use QR codes in lieu of physical passports for faster and more convenient immigration clearance. These developments in the Southern region augur well for Sunway City Iskandar Puteri.

Sunway Construction is actively involved in the construction of Advanced Technology Facilities projects, having secured 3 new data centre projects in the Klang Valley in the first quarter of 2024 and continues to proactively pursue more opportunities in that space. Additionally, it is also participating in various bids within the warehousing and semiconductor manufacturing sectors. The total outstanding order book as at 31 March 2024 is RM6.3 billion.

Barring any unforeseen circumstances, the Board is optimistic of the Group's financial performance for the year.

### B4 Variance of Actual Profit from Profit Forecast

The Company did not issue any profit forecast or profit guarantee during the current year under review.

### B5 Taxation

The current taxation does not include the tax payable for the share of profit from associates and share of profit from joint ventures as the share of profit is recognised on an after tax basis.

	Current Quarter Ended		Cumulative Year To Date	
	31/03/2024 RM'000	31/03/2023 RM'000	31/03/2024 RM'000	31/03/2023 RM'000
Current taxation	(48,341)	(43,086)	(48,341)	(43,086)
Over provision of tax in prior years	6,526	318	6,526	318
Deferred taxation	6,070	9,503	6,070	9,503
	(35,745)	(33,265)	(35,745)	(33,265)

### B6 Profit before Taxation

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

	Current Quarter Ended 31/03/2024 RM'000	Cumulative Year To Date 31/03/2024 RM'000
Depreciation and amortisation	(32,493)	(32,493)
Net (provision)/reversal of impairment for financial assets & contract assets:		
- Trade receivables	(2,261)	(2,261)
- Other receivables	407	407
- Amounts due from associates	(1)	(1)
- Amounts due from joint ventures	53	53
- Contract assets	105	105
Net provision of impairment for:		
- Inventories	(585)	(585)
Write off:		
- Trade receivables	(1)	(1)
- Other receivables	(6)	(6)
- Inventories	(19)	(19)
- Property, plant and equipment	(15)	(15)
Net gain on disposal of property, plant and equipment	304	304
Net foreign exchange gain/(loss):		
- Others	2,450	2,450
- Unrealised for hedged items	(46,740)	(46,740)
Cash flow hedge reserve recycled to profit or loss	46,740	46,740
Net loss on derivatives	(2,274)	(2,274)
Net gain on financial guarantee contracts	3,775	3,775

## **B7 Status of Corporate Proposal Announced**

**There were no new corporate proposal announced but not completed as at the date of this report, except for the following:**

**Investment by Greenwood Capital Pte. Ltd. ("Greenwood"), an indirect wholly-owned subsidiary of GIC (Ventures) Pte. Ltd., in Sunway Healthcare Holdings Sdn. Bhd. ("Sunway Healthcare"), a former wholly-owned subsidiary of Sunway City Sdn. Bhd. ("SunCity") which in turn was a wholly-owned subsidiary of the Group, for a total consideration of RM750 million in cash**

On 23 June 2021, Sunway Berhad, SunCity, Sunway Healthcare and Greenwood entered into a Share Subscription Agreement ("SSA") for the subscription of 100,000,000 ordinary shares in Sunway Healthcare, 10,000,000 irredeemable convertible preference shares in Sunway Healthcare ("ICPS") and 1 cumulative irredeemable dividend convertible preference share in Sunway Healthcare (collectively, "Subscription Shares") by Greenwood for a total subscription consideration of RM750 million in cash ("Subscription Amount").

The Subscription Amount will be paid over five (5) tranches subject to the satisfaction of the closing conditions of the respective tranches in accordance with the SSA as follows:

- (i) RM34 upon the Initial Closing;
- (ii) the 1st tranche of RM199,999,994 on the later of the date falling 6 months after the date of the SSA and the date of the Initial Closing ("1st Closing");
- (iii) the 2nd tranche of RM100,000,000 on the date falling 18 months after the date of the SSA ("2nd Closing");
- (iv) the 3rd tranche of RM168,000,000 on the date falling 18 months after the date of the 2nd Closing ("3rd Closing"); and
- (v) the 4th tranche of RM281,999,972 on the date falling 6 months after the date of the 3rd Closing ("4th Closing").

The Group had fulfilled the initial closing conditions on 23 December 2021 as stipulated in the SSA resulting in Greenwood becoming a shareholder of Sunway Healthcare.

Sunway Berhad, SunCity, Sunway Healthcare and Greenwood (collectively, "Parties") have on 23 December 2021 signed a supplemental letter to the SSA ("SSA Supplemental Letter") to vary, among others, the date of the 1st Closing. Pursuant to the SSA Supplemental Letter, the Parties agreed that the 1st Closing has been amended from the later of the date falling six (6) months after the date of the SSA or the Initial Closing Date to the date falling nine (9) months after the date of the SSA. Accordingly, 1st Closing conditions have been fulfilled and that 1st Closing had occurred on 23 March 2022 with Greenwood having paid the 1st tranche of the Subscription Amount of RM199,999,994 to Sunway Healthcare.

In addition, the Parties have also signed a Shareholders' Agreement to regulate their relationship as shareholders of Sunway Healthcare. The 2nd Closing in accordance with the SSA has taken place on 23 December 2022.

The 3rd and 4th Closing of the abovementioned Subscription Amount are expected to take place in June 2024 and December 2024 respectively.

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## B8 Group Borrowings and Debt Securities

The Group borrowings as at 31 March 2024 are as follows:

	Current RM'000	Non-current RM'000	Total RM'000
<b>Secured borrowings</b>			
<u>Islamic:</u>			
Term loans	49,036	105,205	154,241
Bankers' acceptances	6,500	-	6,500
Medium term notes	1,045,000	1,330,000	2,375,000
	<b>1,100,536</b>	<b>1,435,205</b>	<b>2,535,741</b>
<u>Conventional:</u>			
Bank overdrafts	85,896	-	85,896
Term loans	949,216	992,807	1,942,023
Revolving credits	1,024,980	263,364	1,288,344
Medium term notes	-	500,000	500,000
Bankers' acceptances	6,605	-	6,605
Hire purchase	151	866	1,017
	<b>2,066,848</b>	<b>1,757,037</b>	<b>3,823,885</b>
<b>Total secured borrowings</b>	<b>3,167,384</b>	<b>3,192,242</b>	<b>6,359,626</b>
<b>Unsecured borrowings</b>			
<u>Islamic:</u>			
Revolving credits	144,812	-	144,812
Medium term notes	200,000	-	200,000
Commercial papers	1,065,000	-	1,065,000
Bills discounting	29,500	-	29,500
	<b>1,439,312</b>	<b>-</b>	<b>1,439,312</b>
<u>Conventional:</u>			
Term loans	813,277	-	813,277
Revolving credits	917,123	-	917,123
Medium term notes	-	320,000	320,000
Bankers' acceptances	255,319	-	255,319
Bills discounting	176,538	-	176,538
	<b>2,162,257</b>	<b>320,000</b>	<b>2,482,257</b>
<b>Total unsecured borrowings</b>	<b>3,601,569</b>	<b>320,000</b>	<b>3,921,569</b>
<b>Total borrowings</b>	<b>6,768,953</b>	<b>3,512,242</b>	<b>10,281,195</b>
Islamic borrowings	2,539,848	1,435,205	3,975,053
Conventional borrowings	4,229,105	2,077,037	6,306,142
<b>Total borrowings</b>	<b>6,768,953</b>	<b>3,512,242</b>	<b>10,281,195</b>

Included in the Group borrowings as at 31 March 2024 are amounts denominated in foreign currency as follows:

	Foreign currency		RM'000		Total
	Current	Non-current	Current	Non-current	
<b>Secured</b>					
US Dollar (USD'000) *					
- Term loans	32,213	137,601	152,448	651,197	803,645
- Revolving credits	64,621	54,067	305,820	255,872	561,692
Singapore Dollar (SGD'000) **					
- Term loans	8,606	29,893	30,286	105,205	135,491
- Revolving credits	6,000	-	21,116	-	21,116
Australian Dollar (AUD'000) **					
- Revolving credits	300	-	928	-	928
- Bankers' acceptance	878	-	2,715	-	2,715
- Term loans	-	6,700	-	20,730	20,730
Pound Sterling (GBP'000) **					
- Term loans	63,768	7,587	381,241	45,360	426,601
Indian Rupee (INR'000) **					
- Term loans	3,265,904	3,482,000	185,503	197,778	383,281

**B8 Group Borrowings and Debt Securities (contd.)**

Included in the Group borrowings as at 31 March 2024 are amounts denominated in foreign currency as follows: (contd.)

	Foreign currency		RM'000		
	Current	Non-current	Current	Non-current	Total
<b>Unsecured</b>					
US Dollar (USD'000) *					
- Revolving credits	50,122	-	237,200	-	237,200
Singapore Dollar (SGD'000) **					
- Term loans	85,000	-	299,149	-	299,149
- Revolving credits	135,000	-	475,119	-	475,119
Chinese Renminbi (RMB'000) *					
- Revolving credits	312,107	-	204,804	-	204,804
			2,296,329	1,276,142	3,572,471

The Group borrowings as at 31 March 2023 are as follows:

	Current RM'000	Non-current RM'000	Total RM'000
<b>Secured borrowings</b>			
<u>Islamic:</u>			
Term loans	36,926	184,446	221,372
Medium term notes	895,000	1,604,000	2,499,000
	931,926	1,788,446	2,720,372
<u>Conventional:</u>			
Bank overdrafts	32,692	-	32,692
Term loans	266,133	1,159,942	1,426,075
Revolving credits	1,196,082	60,929	1,257,011
Medium term notes	-	500,000	500,000
Bankers' acceptances	1,820	-	1,820
Receivable financing	20,000	-	20,000
Hire purchase	139	224	363
	1,516,866	1,721,095	3,237,961
<b>Total secured borrowings</b>	<b>2,448,792</b>	<b>3,509,541</b>	<b>5,958,333</b>
<b>Unsecured borrowings</b>			
<u>Islamic:</u>			
Revolving credits	17,000	-	17,000
Medium term notes	245,000	200,000	445,000
Commercial papers	520,000	-	520,000
	782,000	200,000	982,000
<u>Conventional:</u>			
Term loans	597,375	199,794	797,169
Revolving credits	676,091	-	676,091
Bankers' acceptances	172,907	-	172,907
Bills discounting	75,387	-	75,387
	1,521,760	199,794	1,721,554
<b>Total unsecured borrowings</b>	<b>2,303,760</b>	<b>399,794</b>	<b>2,703,554</b>
<b>Total borrowings</b>	<b>4,752,552</b>	<b>3,909,335</b>	<b>8,661,887</b>
Islamic borrowings	1,713,926	1,988,446	3,702,372
Conventional borrowings	3,038,626	1,920,889	4,959,515
<b>Total borrowings</b>	<b>4,752,552</b>	<b>3,909,335</b>	<b>8,661,887</b>
Perpetual sukuk	-	600,000	600,000
<b>Total borrowings and perpetual sukuk</b>	<b>4,752,552</b>	<b>4,509,335</b>	<b>9,261,887</b>

**B8 Group Borrowings and Debt Securities (contd.)**

Included in the Group borrowings as at 31 March 2023 are amounts denominated in foreign currency as follows:

	Foreign currency		RM'000		
	Current	Non-current	Current	Non-current	Total
<b>Secured</b>					
US Dollar (USD'000) *					
- Term loans	30,500	110,000	134,551	485,265	619,816
- Revolving credits	52,500	-	231,604	-	231,604
Singapore Dollar (SGD'000) **					
- Term loans	5,458	38,499	18,176	128,196	146,372
- Revolving credits	7,600	-	25,307	-	25,307
Australian Dollar (AUD'000) #					
- Revolving credits	83,696	-	248,930	-	248,930
- Bankers' acceptance	612	-	1,820	-	1,820
- Receivable financing	6,724	-	20,000	-	20,000
Pound Sterling (GBP'000) **					
- Term loans	24,000	47,302	131,582	259,338	390,920
Indian Rupee (INR'000) **					
- Term loans	-	3,382,000	-	181,275	181,275
<b>Unsecured</b>					
US Dollar (USD'000) *					
- Revolving credits	50,000	-	220,575	-	220,575
Singapore Dollar (SGD'000) **					
- Term loans	25,000	60,000	83,248	199,794	283,042
- Revolving credits	93,000	-	309,681	-	309,681
- Bills discounting	850	-	2,831	-	2,831
Chinese Renminbi (RMB'000) *					
- Revolving credits	191,636	-	123,528	-	123,528
Australian Dollar (AUD'000) *					
- Revolving credits	7,500	-	22,307	-	22,307
			1,574,140	1,253,868	2,828,008

**Notes:**

\* Borrowings obtained by local subsidiaries include those entered into cross currency swap contracts.

\*\* Borrowings obtained by overseas subsidiaries.

# Borrowings partially obtained by overseas subsidiaries. Those obtained by local subsidiaries include those entered into cross currency swap contracts.

Overall, the total borrowings (excluding perpetual sukuk) of the Group has increased by RM1.62 billion, from RM8.66 billion as at 31 March 2023 to RM10.28 billion as at 31 March 2024.

The weighted average interest rate of borrowings as at 31 March 2024 is 4.57%. 38% of the Group's borrowings are fixed rate instruments, whereas 62% are floating rate instruments.

Out of the total borrowings of RM10.28 billion, RM3.57 billion (Current: RM2.30 billion; Non-current: RM1.27 billion) are denominated in foreign currencies. The group entered into cross currency swap contracts to manage its exposure in foreign currency risk arising from foreign currency borrowings. The average exchange rate entered for cross currency swap contracts for USD borrowings is 4.623 and CNY borrowings is 0.655.

## B9 Financial Instruments - Derivatives and Financial Guarantee Contracts

(a) The Group derivatives as at 31 March 2024 are as follows:

Type of Derivatives	Contract/ Notional Value RM'000	Fair Value RM'000	Gain/(Loss) for the period RM'000	Cash Flow Hedge Reserve RM'000
<b>Interest rate swap contracts</b>				
- 1 year to 2 years	34,110	- *	239	-
<b>Foreign currency forward contracts</b>				
- Less than 1 year	27,252	(23)	(48)	(1,971)
<b>Cross currency swap contracts</b>				
- Less than 1 year	819,655	14,647	-	7,845
- 1 year to 5 years	827,139	32,081	-	1,738
- More than 5 years	53,435	471	-	1,554
<b>Derivative liabilities on exit clauses in relation to the partial divestment of Sunway Healthcare Group</b>	-	(219,827)	4,041	-
<b>Put option</b>	91,350	(65,092)	(6,506)	-
<b>Total derivatives</b>		(237,743)	(2,274)	9,166

\* Amounts are negligible.

### Interest rate swap contracts

An interest rate swap is a derivative in which one party exchanges a stream of interest payments for another party's stream of cash flow. The Group had entered into interest rate swap to exchange floating interest rate for fixed interest rate in order to minimise the exposure from fluctuation of interest rate. This interest rate swap received floating interest rate equalled to Singapore Swap Offer Rate ("SOR") per annum and paid fixed rate of interest of 3.29% per annum.

The fair values of the interest rate swap contracts were determined by using the mark to market values at the end of the reporting period and changes in the fair value was recognised in the profit or loss.

Interest rate swap contracts were valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include swap models, using present value calculations. The models incorporate various inputs included the credit quality of counterparties and interest rate curves.

### Foreign currency forward contracts

The Group entered into foreign currency forward contracts to manage some of the transaction exposure. These contracts are entered into for periods consistent with currency transaction exposure and fair value changes exposure. The Group also uses foreign currency forward contracts as cash flow hedges to hedge the exposure to foreign currency exchange risks arising from forecasted expenditure. Where a cash flow hedge qualifies for hedge accounting, the effective portion of gains or losses on remeasuring the fair value of the hedging instrument are recognised directly in other comprehensive income until such time as the hedged item affects profit or loss, then the gains or losses are transferred to the profit or loss. Gains or losses on any portion of the hedge determined to be ineffective are recognised immediately in the profit or loss.

Forward currency contracts are valued using a valuation technique with market observable inputs. The derivatives arising from the forward currency contracts are stated at fair value using the prevailing market rate. The fair value changes are attributable to changes in foreign exchange spot and forward rate.

### Cross currency swap contracts

The Group entered into cross currency swap contracts to manage its exposure in foreign currency risk arising from foreign currency borrowings, which was entered into to minimise the interest cost. The Group uses cash flow hedges to mitigate the risk of variability of future cash flows attributable to foreign currency and interest rate fluctuations over the hedging period on the foreign currency borrowings. Where a cash flow hedge qualifies for hedge accounting, the effective portion of gains or losses on remeasuring the fair value of the hedging instrument are recognised directly in other comprehensive income until such time as the hedged item affects profit or loss, then the gains or losses are transferred to the profit or loss. Gains or losses on any portion of the hedge determined to be ineffective are recognised immediately in the profit or loss.

Cross currency swap contracts are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties and interest rate curves.

### Derivative liabilities on exit clauses in relation to the partial divestment of Sunway Healthcare Group

Derivative liabilities on exit clauses in relation to the partial divestment of SHH Group represent the exit clauses attached to the Shareholders' Agreement ("SHA") and Share Subscription Agreement ("SSA") entered between the Company, SunCity, SHH and Greenwood Capital Pte. Ltd. ("Greenwood") following the partial divestment of 16% equity interest in SHH to Greenwood by SunCity on 23 December 2021. The derivatives comprise of the divestment considerations in relation to certain exit clauses of the SSA and SHA and liabilities arising from potential claims for breach of warranties.

### Put option

Put option represents the derivative attached to the Put Option Agreement ("POA") entered between Sunway City Sdn. Bhd. ("Put Grantor"), Low Peng Kiat and CRSC Property Sdn. Bhd. (collectively, "Put Grantees"), in respect of Sunway Velocity Two Sdn. Bhd. ("Velocity Two"). Under the POA, for a period of 5 years from year 2025, the Put Grantor granted to Put Grantees the irrevocable right to require Put Grantor to purchase all of the Put Option Shares, representing 10% of the entire enlarged share capital of Velocity Two.

**B9 Financial Instruments - Derivatives and Financial Guarantee Contracts (contd.)**

(b) The Group financial guarantee contracts as at 31 March 2024 are as follows:

Financial guarantee contracts	Contract/ Notional Value RM'000	Carrying Amount RM'000	Gain for the period RM'000
<b>Guarantees given to third parties in respect of trade and contracts obtained by joint ventures</b>	4,832	- *	7
<b>Guarantees given to financial institutions in respect of credit facilities obtained by joint ventures</b>	3,260,583	(28,803)	3,768
<b>Total financial guarantee contracts</b>		(28,803)	3,775

\* Amounts are negligible.

The Group designates guarantees given to third parties and financial institutions in respect of trade contracts and credit facilities as financial liabilities as defined in MFRS 9 *Financial Instruments*. A financial guarantee contract is defined as a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

**B10 Aging Analysis of Trade Receivables**

The aging analysis of the Group's trade receivables are as follows:

	31/03/2024 RM'000	31/12/2023 RM'000
Current	2,341,744	1,984,323
1 to 30 days past due	145,525	228,003
31 to 60 days past due	93,588	125,485
61 to 90 days past due	57,200	92,528
91 to 120 days past due	31,602	28,707
More than 120 days past due	191,802	241,102
	519,717	715,825
Gross trade receivables	2,861,461	2,700,148
Impaired	(130,734)	(129,282)
Total trade receivables	2,730,727	2,570,866
Other receivables	580,273	564,841
Amounts due from associates	36,543	40,021
Amounts due from joint ventures	1,410,453	1,312,286
Total receivables	4,757,996	4,488,014
Non-current receivables	1,935,124	1,692,582
Current receivables	2,822,872	2,795,432
Total receivables	4,757,996	4,488,014

**B11 Changes in Material Litigation**

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

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

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

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

The Statement of Claim was raised in respect of various claims and the total amount claimed is Rs.891.5 million (approximately equivalent to RM50.6 million) in addition to interest and cost.

In the counterclaim, SunCon is seeking for Rs.781.4 million (approximately equivalent to RM44.4 million) for inter alia, additional costs incurred by SunCon to complete the works, recovery of mobilisation advance and interest charges, loss of reputation and loss of profits.

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

## **B11 Changes in Material Litigation (contd.)**

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

(a) (contd.)

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

The Arbitrator published his award on 9 April 2019 and awarded the Claimant Rs.128.4 million (approximately equivalent to RM7.3 million).

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

On 10 February 2020, the Honorable Court has directed SunCon to deposit, on a without prejudice basis, the decretal amount with interest with the Registrar General of the High Court of Delhi. SunCon has deposited Rs.135.7 million (approximately equivalent to RM7.7 million) on 26 February 2020 and the amount has been fully provided in the accounts on prudence grounds. Subject to compliance of the said direction, the Honorable Court has stayed the Arbitral Award dated 9 April 2019.

On 4 March 2020, the Claimant filed an application in the High Court of Delhi to permit the Claimant to withdraw the decretal amount deposited by SunCon.

On 27 August 2020, the Court directed the release of Rs.67.2 million (approximately equivalent to RM3.8 million) on the basis of a corporate guarantee to be furnished by Srei Infrastructure Finance Ltd. The balance is to be released subject to furnishing of a bank guarantee. On 3 November 2020, the Court placed on record the corporate guarantee issued on 21 September 2020 and directed the registry to release the amount in terms of the Court order. On 18 November 2020, the Claimant withdrew their application for withdrawal without a bank guarantee and it has been dismissed accordingly.

Matter was adjourned several times. On 20 July 2023, Srei Infrastructure Finance Ltd filed an application for release of corporate guarantee and discharge itself from all obligations under the corporate guarantee. Application was heard on 31 July 2023 and is re-notified for arguments on 29 August 2023 and adjourned to 23 November 2023.

On 20 December 2023, SunCon filed a contempt application against the Claimant and Srei Infrastructure Finance Ltd ("Respondents"). The application was listed on 22 December 2023 and the Court has duly issued notice to the Respondents. The hearing originally set for 14 May 2024, has been postponed to an undetermined date.

(b) PNSB Acmar Sdn. Bhd. ("Plaintiff") has on 14 November 2019 served a Writ of Summon and a Statement of Claim both dated 8 November 2019 on Prasarana Malaysia Berhad ("Prasarana") (1st Defendant) and Sunway Construction Sdn. Bhd. ("SunCon") (2nd Defendant).

The Plaintiff is claiming that all the construction works in relation to the project known as "Construction and Completion of Light Rail Transit Line 3 (LRT3) from Bandar Utama to Johan Setia" ("Project") and the structures such as the Project's poles, bars, and LRT stations had trespassed and/or encroached into the Plaintiff's own development project area and has resulted in losses and damages towards the Plaintiff.

Prasarana is the owner of the Project and SunCon is the awarded Works Package Contractor for the contract known as "Contract No. Prasarana/GSC/CTT/2.06080/2017: Construction and Completion of Guideway, Stations Iconic Bridge, Park and Rides, Ancillary Buildings and other Associated Works for Package GS07-08 for Light Rail Transit 3 (LRT3) from Bandar Utama to Johan Setia" in relation to the Project.

The Plaintiff filed a claim for trespass and encroachment, negligence, private and public nuisance against the Defendants for the sum for RM711,367,434.46. SunCon filed its Defence on 2 January 2020 disputing the Plaintiff's claim. The Plaintiff amended its Statement of Claim and reduced its claim to the sum of RM643,851,825.01 in the Amended Statement of Claim dated 21 July 2021.

On 27 July 2021, SunCon issued a Third Party Notice dated 24 July 2021 to Setia Utama LRT 3 Sdn. Bhd. ("Third Party") and claimed against the Third Party for the indemnity and/or contribution for any sum that may be due from SunCon to the Plaintiff. On 3 September 2021, the Third Party issued its Defence and Counterclaim.

On 1 April 2022, the matter was transferred to the Shah Alam High Court (Construction Division) and a new suit number of BA-22C-18-05/2022 was assigned to the matter.

At the case management on 2 April 2024, the Court has confirmed the trial dates on 26 August 2024 to 29 August 2024, 9 June 2025 to 11 June 2025 and 13 June 2025. The matter is currently fixed for case management on 4 June 2024.

## **B12 Dividend**

Other than the dividend paid as disclosed in note A7, no dividend has been proposed by the Board of Directors for the financial period ended 31 March 2024.



**B13 Earnings per share**

The calculation of the earnings per share for the Group is based on profit after taxation and non-controlling interests, adjusted for the effects of Irredeemable Convertible Preference Shares ("ICPS") preferential dividends declared for the period, divided by the weighted average number of ordinary shares in issue during the period.

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31/03/2024 RM'000	Preceding Year Corresponding Quarter 31/03/2023 RM'000	Current Year To Date 31/03/2024 RM'000	Preceding Year Corresponding Period 31/03/2023 RM'000
<b><u>Basic earnings per share</u></b>				
Profit attributable to owners of the Company	172,227	141,639	172,227	141,639
Less: Preferential dividends on ICPS	(25,667)	(25,667)	(25,667)	(25,667)
	146,560	115,972	146,560	115,972
Weighted average number of ordinary shares ('000)	6,465,840	5,866,855	6,465,840	5,866,855
Earnings per share (Basic) (sen) <sup>(1)</sup>	2.27	1.98	2.27	1.98
<b><u>Diluted earnings per share</u></b>				
Profit attributable to owners of the Company	172,227	141,639	172,227	141,639
Less: Preferential dividends on ICPS	(25,667)	(25,667)	(25,667)	(25,667)
	146,560	115,972	146,560	115,972
Weighted average number of ordinary shares ('000)	6,535,852	5,937,864	6,535,852	5,937,864
Earnings per share (Diluted) (sen) <sup>(1)</sup>	2.24	1.95	2.24	1.95

<sup>(1)</sup> The calculation of earnings per share (basic and diluted) includes the ordinary shares that will be issued upon the mandatory conversion of ICPS.

**By Order of the Board**

**Tan Kim Aun  
Chin Lee Chin**

**Secretaries**