

SUNWAY BERHAD ( Company No : 201001037627 (921551-D) )  
 QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023  
 THE FIGURES HAVE NOT BEEN AUDITED

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

	NOTE	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
		CURRENT YEAR QUARTER 31/12/2023	PRECEDING YEAR CORRESPONDING QUARTER 31/12/2022	INCREASE/ (DECREASE) %	CURRENT YEAR TO DATE 31/12/2023	PRECEDING YEAR CORRESPONDING PERIOD 31/12/2022	INCREASE/ (DECREASE) %
		RM'000	RM'000 (RESTATED)	%	RM'000	RM'000 (RESTATED)	%
REVENUE		1,868,752	1,531,591	22	6,139,797	5,194,949	18
OPERATING EXPENSES <sup>(1)</sup>		(1,732,227)	(1,422,096)	22	(5,698,155)	(4,868,290)	17
OTHER OPERATING INCOME		180,806	133,274	36	255,249	282,845	(10)
NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS & CONTRACT ASSETS		(25,459)	(27,839)	(9)	(32,518)	(36,879)	(12)
PROFIT FROM OPERATIONS		291,872	214,930	36	664,373	572,625	16
FINANCE INCOME		73,202	61,618	19	257,097	187,679	37
FINANCE COSTS		(94,664)	(62,215)	52	(325,247)	(202,150)	61
SHARE OF PROFIT FROM ASSOCIATES		19,871	3,087	544	130,130	119,270	9
SHARE OF PROFIT FROM JOINT VENTURES		60,114	78,962	(24)	266,890	231,784	15
PROFIT BEFORE TAX	<b>B6</b>	350,395	296,382	18	993,243	909,208	9
INCOME TAX EXPENSE <sup>(1)</sup>	<b>B5</b>	(33,084)	(74,208)	(55)	(137,685)	(164,348)	(16)
<b>PROFIT FOR THE PERIOD</b>		<b>317,311</b>	<b>222,174</b>	<b>43</b>	<b>855,558</b>	<b>744,860</b>	<b>15</b>
<b>ATTRIBUTABLE TO:</b>							
- OWNERS OF THE PARENT <sup>(1)</sup>		265,902	204,822	30	737,775	668,605	10
- NON-CONTROLLING INTERESTS		51,409	17,352	196	117,783	76,255	54
		<b>317,311</b>	<b>222,174</b>	<b>43</b>	<b>855,558</b>	<b>744,860</b>	<b>15</b>
<b>EARNINGS PER SHARE</b>							
- BASIC (sen) <sup>(1)(2)</sup>	<b>B13</b>	<b>4.39</b>	<b>3.49</b>	<b>26</b>	<b>11.55</b>	<b>10.52</b>	<b>10</b>
- DILUTED (sen) <sup>(1)(2)</sup>	<b>B13</b>	<b>4.27</b>	<b>3.45</b>	<b>24</b>	<b>11.24</b>	<b>10.29</b>	<b>9</b>

(1) Included the effects of transition to MFRS 17 Insurance Contracts as disclosed in Note A1.

(2) 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 2022 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 DECEMBER 2023  
 THE FIGURES HAVE NOT BEEN AUDITED

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2023

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/12/2023 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/12/2022 RM'000 (RESTATED)	CURRENT YEAR TO DATE 31/12/2023 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/12/2022 RM'000 (RESTATED)
<b>PROFIT FOR THE PERIOD <sup>(1)</sup></b>	317,311	222,174	855,558	744,860
<b>OTHER COMPREHENSIVE INCOME/(LOSS) TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS</b>				
FOREIGN CURRENCY TRANSLATION DIFFERENCES FOR FOREIGN OPERATIONS	10,828	(6,332)	88,007	28,072
CASH FLOW HEDGE RESERVE - FAIR VALUE (LOSS)/GAIN				
- NET FAIR VALUE (LOSS)/GAIN OF DERIVATIVES	(15,629)	(50,651)	55,042	15,408
- AMOUNTS RECYCLED TO PROFIT OR LOSS	35,126	45,474	(36,053)	(24,307)
<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	3,650	(13,620)	50,768	13,154
<b>OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD</b>	<u>33,975</u>	<u>(25,129)</u>	<u>157,764</u>	<u>32,327</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD <sup>(1)</sup></b>	<u>351,286</u>	<u>197,045</u>	<u>1,013,322</u>	<u>777,187</u>
<b>ATTRIBUTABLE TO:</b>				
- OWNERS OF THE PARENT <sup>(1)</sup>	303,610	181,181	892,615	702,685
- NON-CONTROLLING INTERESTS	47,676	15,864	120,707	74,502
	<u>351,286</u>	<u>197,045</u>	<u>1,013,322</u>	<u>777,187</u>

<sup>(1)</sup> Included the effects of transition to MFRS 17 *Insurance Contracts* as disclosed in Note A1.

(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 2022 and the accompanying explanatory notes attached to the interim financial statements.)

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

	CURRENT QUARTER 31/12/2023	IMMEDIATE PRECEDING QUARTER 30/09/2023	INCREASE/ (DECREASE)
	RM'000	RM'000	%
REVENUE	1,868,752	1,539,136	21
OPERATING EXPENSES <sup>(1)</sup>	(1,732,227)	(1,428,932)	21
OTHER OPERATING INCOME <sup>(1)</sup>	180,806	14,273	1167
NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS & CONTRACT ASSETS	(25,459)	(5,361)	375
PROFIT FROM OPERATIONS	<u>291,872</u>	<u>119,116</u>	145
FINANCE INCOME	73,202	61,729	19
FINANCE COSTS	(94,664)	(89,777)	5
SHARE OF PROFIT FROM ASSOCIATES	19,871	38,955	(49)
SHARE OF PROFIT FROM JOINT VENTURES	60,114	117,777	(49)
PROFIT BEFORE TAX	<u>350,395</u>	<u>247,800</u>	41
INCOME TAX EXPENSE <sup>(1)</sup>	(33,084)	(40,540)	(18)
<b>PROFIT FOR THE PERIOD</b>	<u><b>317,311</b></u>	<u><b>207,260</b></u>	53
<b>ATTRIBUTABLE TO:</b>			
- OWNERS OF THE PARENT <sup>(1)</sup>	265,902	180,300	47
- NON-CONTROLLING INTERESTS	<u>51,409</u>	<u>26,960</u>	91
	<u><b>317,311</b></u>	<u><b>207,260</b></u>	53
<b>EARNINGS PER SHARE</b>			
- BASIC (sen) <sup>(1)(2)</sup>	<u>4.39</u>	<u>2.61</u>	68
- DILUTED (sen) <sup>(1)(2)</sup>	<u>4.27</u>	<u>2.51</u>	70

<sup>(1)</sup> Included the effects of transition to MFRS 17 *Insurance Contracts* as disclosed in Note A1.

<sup>(2)</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 2022 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 DECEMBER 2023  
 THE FIGURES HAVE NOT BEEN AUDITED

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

	CURRENT QUARTER 31/12/2023 RM'000	IMMEDIATE PRECEDING QUARTER 30/09/2023 RM'000
<b>PROFIT FOR THE PERIOD <sup>(1)</sup></b>	317,311	207,260
<b>OTHER COMPREHENSIVE INCOME/(LOSS) TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS</b>		
FOREIGN CURRENCY TRANSLATION DIFFERENCES FOR FOREIGN OPERATIONS	10,828	(20,486)
CASH FLOW HEDGE RESERVE - FAIR VALUE (LOSS)/GAIN		
- NET FAIR VALUE (LOSS)/GAIN OF DERIVATIVES	(15,629)	9,557
- AMOUNTS RECYCLED TO PROFIT OR LOSS	35,126	(5,970)
<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	3,650	67,208
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u>33,975</u>	<u>50,309</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD <sup>(1)</sup></b>	<u>351,286</u>	<u>257,569</u>
<b>ATTRIBUTABLE TO:</b>		
- OWNERS OF THE PARENT <sup>(1)</sup>	303,610	232,583
- NON-CONTROLLING INTERESTS	<u>47,676</u>	<u>24,986</u>
	<u>351,286</u>	<u>257,569</u>

<sup>(1)</sup> Included the effects of transition to MFRS 17 *Insurance Contracts* as disclosed in Note A1.

(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 2022 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 DECEMBER 2023  
 THE FIGURES HAVE NOT BEEN AUDITED

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	AS AT END OF CURRENT QUARTER 31/12/2023	AS AT PRECEDING FINANCIAL PERIOD END 31/12/2022	AS AT PRECEDING FINANCIAL PERIOD END 01/01/2022
	RM'000	RM'000 (RESTATED)	RM'000 (RESTATED)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	1,357,660	1,265,122	1,262,253
Intangible assets	66,164	63,217	56,985
Investment properties	2,663,681	2,443,181	2,186,313
Inventories	2,365,710	1,839,757	1,671,126
Investment in associates	2,689,564	2,690,651	2,709,684
Investment in joint ventures	7,105,397	6,651,437	6,191,983
Goodwill	388,264	378,134	376,225
Deferred tax assets <sup>(1)</sup>	86,405	60,527	51,456
Receivables	1,694,666	1,920,362	1,704,347
Derivative assets	7,293	2,086	7,540
Rock reserves	4,557	4,819	5,082
Other investments	102,874	402,392	866,581
Biological assets	361	322	48
	<u>18,532,596</u>	<u>17,722,007</u>	<u>17,089,623</u>
<b>Current assets</b>			
Inventories	3,560,998	3,279,520	2,422,351
Receivables, deposits & prepayments	2,790,268	1,969,285	2,484,785
Contract assets	535,794	532,172	112,076
Tax recoverable	53,573	65,257	68,008
Derivative assets	13,965	1,572	2,465
Other investments	825,302	535,540	98,778
Cash and bank balances	2,300,397	1,958,054	2,810,263
	<u>10,080,297</u>	<u>8,341,400</u>	<u>7,998,726</u>
<b>TOTAL ASSETS</b>	<u>28,612,893</u>	<u>26,063,407</u>	<u>25,088,349</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Current liabilities</b>			
Payables, accruals & other short term liabilities <sup>(1)</sup>	3,102,686	2,518,171	2,486,147
Contract liabilities	35,796	19,907	12,583
Bank borrowings	6,017,621	5,360,995	4,093,585
Lease liabilities	34,780	32,627	31,354
Taxation	73,987	66,101	55,673
Derivative liabilities	8,817	35,238	43,727
	<u>9,273,687</u>	<u>8,033,039</u>	<u>6,723,069</u>
<b>Non-current liabilities</b>			
Long term bank borrowings	3,632,735	3,095,183	4,021,910
Perpetual Sukuk	-	600,000	600,000
Lease liabilities	80,573	90,972	90,244
Other long term liabilities	177,122	232,726	245,732
Derivative liabilities	284,230	274,598	188,957
Deferred tax liabilities	166,565	185,424	108,967
	<u>4,341,225</u>	<u>4,478,903</u>	<u>5,255,810</u>
<b>Total liabilities</b>	<u>13,614,912</u>	<u>12,511,942</u>	<u>11,978,879</u>
<b>Equity attributable to Owners of the Parent</b>			
Share capital	6,160,760	5,393,897	5,393,889
Irredeemable convertible preference shares ("ICPS")	977,779	977,779	977,779
Treasury shares	(74,335)	(74,335)	(74,335)
Reserves <sup>(1)</sup>	6,790,365	6,222,344	5,720,216
	<u>13,854,569</u>	<u>12,519,685</u>	<u>12,017,549</u>
<b>Non-controlling interests</b>	<u>1,143,412</u>	<u>1,031,780</u>	<u>1,091,921</u>
<b>Total equity</b>	<u>14,997,981</u>	<u>13,551,465</u>	<u>13,109,470</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>28,612,893</u>	<u>26,063,407</u>	<u>25,088,349</u>
<b>Number of ordinary shares ('000) <sup>(2)</sup></b>	<b>6,433,442</b>	<b>5,866,854</b>	<b>5,866,849</b>
<b>Net assets per share attributable to Owners of the Parent (RM) <sup>(1)</sup></b>	<b>2.15</b>	<b>2.13</b>	<b>2.05</b>

<sup>(1)</sup> Included the effects of transition to MFRS 17 Insurance Contracts as disclosed in Note A1.

<sup>(2)</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 2022 and the accompanying explanatory notes attached to the interim financial statements.)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2023

	ATTRIBUTABLE TO OWNERS OF THE PARENT												
	NON-DISTRIBUTABLE			DISTRIBUTABLE						TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT			TOTAL EQUITY
	SHARE CAPITAL	IRREDEEMABLE PREFERENCE SHARES	TREASURY SHARES	MERGER RESERVE	FOREIGN CURRENCY TRANSLATION RESERVE	CASH FLOW HEDGE RESERVE	RESERVES FURNITURE, FITTINGS & EQUIPMENT RESERVE	OTHER RESERVES	RETAINED PROFITS	TOTAL RESERVES	NON-CONTROLLING INTERESTS	TOTAL EQUITY	
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 DECEMBER 2023</b>													
At 1 January 2023 (as previously reported)	5,393,897	977,779	(74,335)	(1,192,040)	234,670	(26,275)	23,089	505,452	6,698,518	6,243,414	12,540,755	1,031,780	13,572,535
Effects of prior year restatements (Note A1(iii))	-	-	-	-	-	-	-	-	(21,070)	(21,070)	(21,070)	-	(21,070)
At 1 January 2023 (restated)	5,393,897	977,779	(74,335)	(1,192,040)	234,670	(26,275)	23,089	505,452	6,677,448	6,222,344	12,519,685	1,031,780	13,551,465
Profit for the year	-	-	-	-	-	-	-	-	737,775	737,775	737,775	117,783	855,558
Other comprehensive income, net of tax	-	-	-	-	85,083	18,989	-	50,768	-	154,840	154,840	2,924	157,764
Total comprehensive income	-	-	-	-	85,083	18,989	-	50,768	737,775	892,615	892,615	120,707	1,013,322
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	9,862	9,862
Effect of a subsidiary becoming joint venture	-	-	-	-	(2,024)	-	-	28	1,353	(643)	(643)	(8,124)	(8,767)
Transfer between reserves	-	-	-	-	-	12,365	4,658	(14)	(17,009)	-	-	-	-
Disposals of other investment recognised at fair value through other comprehensive income	-	-	-	-	-	-	-	(10,440)	10,440	-	-	-	-
<b>Transactions with owners</b>													
Issuance of ordinary shares pursuant to :													
- exercise of warrants	676,387 <sup>^</sup>	-	-	-	-	-	-	-	-	-	676,387 <sup>^</sup>	-	676,387 <sup>^</sup>
- Dividend Reinvestment Scheme ("DRS")	90,476 <sup>#</sup>	-	-	-	-	-	-	-	-	-	90,476 <sup>#</sup>	-	90,476 <sup>#</sup>
Dividends paid by the Company	-	-	-	-	-	-	-	-	(321,544)	(321,544)	(321,544)	-	(321,544)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(38,438)	(38,438)
Shares acquired by non-controlling interests	-	-	-	-	-	-	-	-	77	77	77	7,979	8,056
Effects of subscriptions and redemptions of units in structured entities	-	-	-	-	-	-	-	-	-	-	-	29,913	29,913
Acquisition of equity interest from non-controlling interests	-	-	-	-	-	-	-	-	(2,475)	(2,475)	(2,475)	(830)	(3,305)
Disposal of a subsidiary	-	-	-	-	-	-	-	-	(9)	(9)	(9)	(37)	(46)
Capital reduction in a subsidiary	-	-	-	-	-	-	-	-	-	-	-	(9,400)	(9,400)
Total transactions with owners	766,863	-	-	-	-	-	-	-	(323,951)	(323,951)	442,912	(10,813)	432,099
At 31 December 2023	6,160,760	977,779	(74,335)	(1,192,040)	317,729	5,079	27,747	545,794	7,086,956	6,790,365	13,854,569	1,143,412	14,997,981
<b>PERIOD ENDED 31 DECEMBER 2022</b>													
At 1 January 2022 (as previously reported)	5,393,889	977,779	(74,335)	(1,192,040)	204,845	(17,376)	11,845	491,821	6,233,951	5,733,046	12,030,379	1,091,921	13,122,300
Effects of prior year restatements (Note A1(iii))	-	-	-	-	-	-	-	-	(12,830)	(12,830)	(12,830)	-	(12,830)
At 1 January 2022 (restated)	5,393,889	977,779	(74,335)	(1,192,040)	204,845	(17,376)	11,845	491,821	6,221,121	5,720,216	12,017,549	1,091,921	13,109,470
Profit for the year	-	-	-	-	-	-	-	-	668,605	668,605	668,605	76,255	744,860
Other comprehensive income/(loss), net of tax	-	-	-	-	29,825	(8,899)	-	13,154	-	34,080	34,080	(1,753)	32,327
Total comprehensive income/(loss)	-	-	-	-	29,825	(8,899)	-	13,154	668,605	702,685	702,685	74,502	777,187
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	4,118	4,118
Effects of joint ventures becoming subsidiaries	-	-	-	-	-	-	-	-	-	-	-	153,272	153,272
Transfer between reserves	-	-	-	-	-	-	11,244	477	(11,794)	(73)	(73)	73	-
<b>Transactions with owners</b>													
Issuance of ordinary shares pursuant to :													
- exercise of warrants	8 <sup>^</sup>	-	-	-	-	-	-	-	-	-	8 <sup>^</sup>	-	8 <sup>^</sup>
Dividends paid by the Company	-	-	-	-	-	-	-	-	(222,451)	(222,451)	(222,451)	-	(222,451)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(48,464)	(48,464)
Shares acquired by non-controlling interests	-	-	-	-	-	-	-	-	315	315	315	20,777	21,092
Changes in equity interests in subsidiaries	-	-	-	-	-	-	-	-	18,215	18,215	18,215	14,456	32,671
Effects of subscriptions and redemptions of units in structured entities	-	-	-	-	-	-	-	-	-	-	-	(279,710)	(279,710)
Acquisition of equity interest from non-controlling interests	-	-	-	-	-	-	-	-	3,437	3,437	3,437	(6,225)	(2,788)
Capital reduction in a subsidiary	-	-	-	-	-	-	-	-	-	-	-	(280)	(280)
Capital contribution by a non-controlling interest of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	7,340	7,340
Total transactions with owners	8	-	-	-	-	-	-	-	(200,484)	(200,484)	(200,476)	(292,106)	(492,582)
At 31 December 2022	5,393,897	977,779	(74,335)	(1,192,040)	234,670	(26,275)	23,089	505,452	6,677,448	6,222,344	12,519,685	1,031,780	13,551,465

<sup>^</sup> Represents 501,025,721 warrants amounting to RM676,387,112 (2022: 5,292 warrants amounting to RM7,885).

<sup>#</sup> Represents 65,562,100 ordinary shares amounting to RM90,475,698.

(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 2022 and the accompanying explanatory notes attached to the interim financial statements.)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2023

	FOR THE 12 MONTHS PERIOD ENDED 31/12/2023 RM'000	FOR THE 12 MONTHS PERIOD ENDED 31/12/2022 RM'000 (RESTATED)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	993,243	909,208
Adjustments for:		
- non-cash items	(317,453)	(276,072)
- finance costs	325,247	202,150
- finance income	(257,097)	(187,679)
Operating cash flows before working capital changes	743,940	647,607
Changes in working capital	(630,999)	(471,170)
Cash generated from operations	112,941	176,437
Interest received	255,742	189,583
Dividends received from joint ventures, associates and other investments	185,822	140,951
Tax refunded	12,599	17,468
Tax paid	(176,829)	(187,612)
Net cash generated from operating activities	390,275	336,827
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant & equipment and investment properties	15,915	159,090
Proceeds from disposal of intangible assets	-	354
Proceeds from disposal of other investments	183,716	89,938
Proceeds from liquidation of an associate	257	-
Proceeds from acquisition of equity interest by non-controlling interests	8,056	21,092
Acquisition of property, plant and equipment	(96,019)	(122,546)
Acquisition of biological assets	(205)	(374)
Acquisition of intangible assets	(11,391)	(11,962)
Acquisition and subsequent expenditure of investment properties	(86,087)	(97,546)
Acquisition and subsequent expenditure of land	(17,632)	(39,227)
Acquisition of other investments	(132,827)	(49,958)
Acquisition of equity interest from non-controlling interests	(3,305)	(2,788)
Acquisition of a subsidiary for cash, net of cash acquired	10,168	(7,966)
Investment in associates	(8,780)	(4,785)
Investment in joint ventures	(13,753)	(50)
Payment of balance consideration on acquisition of subsidiaries	(41,198)	(155,954)
Repayment from associates and joint ventures	25,958	48,816
Quasi-equity loan advanced to joint ventures	(212,527)	(410,783)
Net cash flows from deposits placed with maturity of over 3 months	(3,010)	(507)
Net subscriptions/(redemptions) of units in structured entities by non-controlling interests	29,913	(279,710)
Net cash outflow from disposal of a subsidiary	(35)	-
Net cash (outflow)/inflow from joint ventures becoming subsidiaries	(84,989)	20,277
Net cash outflow from loss of control of a subsidiary	(5,889)	-
Other investing activities	(28,500)	-
Net cash used in investing activities	(472,164)	(844,589)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net bank and other borrowings	1,075,645	365,992
Net lease liabilities	(41,741)	(32,254)
Interest paid	(433,070)	(269,158)
Dividends paid to shareholders	(231,068)	(222,451)
Dividends paid to non-controlling interests of subsidiaries	(38,438)	(48,464)
Proceeds from issuance of shares pursuant to exercise of warrants	676,387	8
Redemption of perpetual sukuk	(596,620)	-
Repayment of advances from non-controlling interests of a subsidiary	-	(125,251)
Capital contribution from a non-controlling interest of a subsidiary	-	7,340
Capital repayment to a non-controlling interest of a subsidiary	(9,400)	(280)
Net cash generated from/(used in) financing activities	401,695	(324,518)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	319,806	(832,280)
EFFECTS OF EXCHANGE RATE CHANGES	14,715	(4,541)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	1,895,421	2,732,242
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b>2,229,942</b>	<b>1,895,421</b>
Cash & bank balances	870,840	654,550
Fixed deposits	1,429,557	1,303,504
<b>Total cash and bank balances</b>	<b>2,300,397</b>	<b>1,958,054</b>
Bank overdrafts	(66,404)	(61,591)
Less: Deposits with maturity of over 3 months	(4,051)	(1,042)
<b>Cash and cash equivalents</b>	<b>2,229,942</b>	<b>1,895,421</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 2022 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 December 2023.

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 2022. 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 2022.

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 2022 except for the adoption of the following new MFRSs and Amendments to MFRSs that are effective for financial statements effective from 1 January 2023, as disclosed below:

<b>Title</b>	<b>Effective Date</b>
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendment to MFRS 17 <i>Insurance Contracts (Initial Application of MFRS 17 and MFRS 9 - Comparative Information)</i>	1 January 2023
Amendments to MFRS 101 <i>Disclosures of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 112 <i>International Tax Reform - Pillar Two Model Rules</i>	1 January 2023 *

\* *An entity is not required to disclose the information required by paragraphs 88B–88D for any interim period ending on or before 31 December 2023.*

The adoption of the above pronouncements does not have any significant impact to the Group except for the following:

#### **MFRS 17 Insurance Contracts**

MFRS 17 which was issued by Malaysian Accounting Standards Board superseded MFRS 4 *Insurance Contracts* - an interim Standard on accounting for all insurance contracts (including financial guarantee contracts) for reporting periods beginning on or after 1 January 2021. Subsequently, the amendments to MFRS 17 was issued, to defer the effective date of MFRS 17 by two years, to annual reporting periods beginning on or after 1 January 2023.

The Group had previously designated and measured its financial guarantee contracts given to third parties and financial institutions in respect of trade contracts and credit facilities as insurance contracts in accordance with MFRS 4. At the transition date to MFRS 17, an entity which had previously applied MFRS 4 to its financial guarantee contracts are given the irrevocable choice to apply either MFRS 17 or MFRS 9 *Financial Instruments* to such insurance contracts on a contract-by-contract basis. After reassessment, the Group has elected to apply MFRS 9 on its financial guarantee contracts at the date of transition, which would represent a change in accounting policy.

In relation to this, the Group had retrospectively applied MFRS 9 on its financial guarantee contracts and the financial effects are presented in Notes A1(i), A1(ii) and A1(iii).

The financial effects of the change in accounting policy for the current quarter ended 31 December 2023 are as presented in Note B9(b).

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]



**A1 Accounting Policies and Basis of Preparation (contd.)**

## (i) Reconciliation of statements of profit of loss

	Quarter ended 31 December 2022			Cumulative quarter ended 31 December 2022		
	As previously reported	Effects of prior year restatements	Restated	As previously reported	Effects of prior year restatements	Restated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	1,531,591	-	1,531,591	5,194,949	-	5,194,949
Operating expenses	(1,424,317)	2,221	(1,422,096)	(4,857,447)	(10,843)	(4,868,290)
Other operating income	133,274	-	133,274	282,845	-	282,845
Net impairment losses on financial assets & contract assets	(27,839)	-	(27,839)	(36,879)	-	(36,879)
Profit from operations	212,709	2,221	214,930	583,468	(10,843)	572,625
Finance income	61,618	-	61,618	187,679	-	187,679
Finance costs	(62,215)	-	(62,215)	(202,150)	-	(202,150)
Share of profit from associates	3,087	-	3,087	119,270	-	119,270
Share of profit from joint ventures	78,962	-	78,962	231,784	-	231,784
Profit before tax	294,161	2,221	296,382	920,051	(10,843)	909,208
Income tax expense	(73,675)	(533)	(74,208)	(166,951)	2,603	(164,348)
Profit for the period	220,486	1,688	222,174	753,100	(8,240)	744,860
Attributable to:						
- Owners of the parent	203,134	1,688	204,822	676,845	(8,240)	668,605
- Non-controlling interests	17,352	-	17,352	76,255	-	76,255
	220,486	1,688	222,174	753,100	(8,240)	744,860
Earnings per share:						
- Basic	3.46		3.49	10.66		10.52
- Diluted	3.42		3.45	10.43		10.29

**A1 Accounting Policies and Basis of Preparation (contd.)**

## (ii) Reconciliation of statements of comprehensive income

	Quarter ended 31 December 2022			Cumulative quarter ended 31 December 2022		
	As previously reported	Effects of prior year restatements	Restated	As previously reported	Effects of prior year restatements	Restated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Profit for the period	220,486	1,688	222,174	753,100	(8,240)	744,860
<u>Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods</u>						
Foreign currency translation differences for foreign operations	(6,332)	-	(6,332)	28,072	-	28,072
Cash flow hedge reserve - Fair value (loss)/gain						
- Net fair value (loss)/gain of derivatives	(50,651)	-	(50,651)	15,408	-	15,408
- Amounts recycled to profit or loss	45,474	-	45,474	(24,307)	-	(24,307)
<u>Other comprehensive (loss)/income not to be reclassified to profit or loss in subsequent periods</u>						
Fair value (loss)/gain on other investments at fair value through other comprehensive income	(13,620)	-	(13,620)	13,154	-	13,154
	(25,129)	-	(25,129)	32,327	-	32,327
Total comprehensive income for the period	195,357	1,688	197,045	785,427	(8,240)	777,187
Attributable to:						
- Owners of the parent	179,493	1,688	181,181	710,925	(8,240)	702,685
- Non-controlling interests	15,864	-	15,864	74,502	-	74,502
	195,357	1,688	197,045	785,427	(8,240)	777,187

**A1 Accounting Policies and Basis of Preparation (contd.)**

## (iii) Reconciliation of statements of financial position

	As at 1 January 2022			As at 31 December 2022		
	As previously reported	Effects of prior year restatements	Restated	As previously reported	Effects of prior year restatements	Restated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Deferred tax assets	47,405	4,051	51,456	53,873	6,654	60,527
Other non-current assets	17,038,167	-	17,038,167	17,661,480	-	17,661,480
<b>Non-current assets</b>	<b>17,085,572</b>	<b>4,051</b>	<b>17,089,623</b>	<b>17,715,353</b>	<b>6,654</b>	<b>17,722,007</b>
<b>Current assets</b>	<b>7,998,726</b>	<b>-</b>	<b>7,998,726</b>	<b>8,341,400</b>	<b>-</b>	<b>8,341,400</b>
<b>TOTAL ASSETS</b>	<b>25,084,298</b>	<b>4,051</b>	<b>25,088,349</b>	<b>26,056,753</b>	<b>6,654</b>	<b>26,063,407</b>
Payables, accruals & other short term liabilities	2,469,266	16,881	2,486,147	2,490,447	27,724	2,518,171
Other current liabilities	4,236,922	-	4,236,922	5,514,868	-	5,514,868
<b>Current liabilities</b>	<b>6,706,188</b>	<b>16,881</b>	<b>6,723,069</b>	<b>8,005,315</b>	<b>27,724</b>	<b>8,033,039</b>
<b>Non-current liabilities</b>	<b>5,255,810</b>	<b>-</b>	<b>5,255,810</b>	<b>4,478,903</b>	<b>-</b>	<b>4,478,903</b>
<b>Total liabilities</b>	<b>11,961,998</b>	<b>16,881</b>	<b>11,978,879</b>	<b>12,484,218</b>	<b>27,724</b>	<b>12,511,942</b>
<b>Equity attributable to Owners of the Parent</b>						
Share capital	5,393,889	-	5,393,889	5,393,897	-	5,393,897
Irredeemable convertible preference shares	977,779	-	977,779	977,779	-	977,779
Treasury shares	(74,335)	-	(74,335)	(74,335)	-	(74,335)
Reserves	5,733,046	(12,830)	5,720,216	6,243,414	(21,070)	6,222,344
	12,030,379	(12,830)	12,017,549	12,540,755	(21,070)	12,519,685
Non-controlling interests	1,091,921	-	1,091,921	1,031,780	-	1,031,780
<b>Total equity</b>	<b>13,122,300</b>	<b>(12,830)</b>	<b>13,109,470</b>	<b>13,572,535</b>	<b>(21,070)</b>	<b>13,551,465</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>25,084,298</b>	<b>4,051</b>	<b>25,088,349</b>	<b>26,056,753</b>	<b>6,654</b>	<b>26,063,407</b>
<b>Net assets per share attributable to Owners of the Parent (RM)</b>	<b>2.05</b>		<b>2.05</b>	<b>2.14</b>		<b>2.13</b>

**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 December 2023.

**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 December 2023.

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

During the financial period ended 31 December 2023, the Company increased its issued and paid up ordinary share capital by way of:

- (a) issuance of 501,025,721 ordinary shares pursuant to the exercise of warrant; and
- (b) issuance of 65,562,100 ordinary shares pursuant to the Dividend Reinvestment Scheme ("DRS").

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:

- a) Single-tier second interim dividend of 3.50 sen per ordinary share for the financial year ended 31 December 2022, which consists of cash portion of 1.50 sen per ordinary share and an electable portion of 2.00 sen per share which 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 93.59% with the allotment of 65,562,100 new ordinary shares at RM1.38 per share amounted to RM90,475,698 and the total cash dividend of RM80,641,964 was paid on 5 May 2023. The new ordinary shares issued pursuant to the DRS were listed on the Main Market of Bursa Securities on 8 May 2023;
- b) RM25,666,695 was paid on 13 April 2023 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 2022 to 31 December 2022;
- c) RM99,093,385 was paid on 12 October 2023 as single-tier first interim cash dividend of 2.00 sen per ordinary share for the financial year ended 31 December 2023; and
- d) RM25,666,695 was paid on 12 October 2023 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 January 2023 to 30 June 2023.

**[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]**

**A8 Segmental Reporting**

Segmental results for the financial period ended 31 December 2023 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	1,418,783	898,358	1,688,855	-	954,646	446,263	23,669	709,223	-	6,139,797
Inter-segment revenue	66,189	173,213	1,803,420	-	212,853	67,047	219,343	215,393	(2,757,458)	-
Total revenue	1,484,972	1,071,571	3,492,275	-	1,167,499	513,310	243,012	924,616	(2,757,458)	6,139,797
<b>Results</b>										
Operating segment results	116,810	240,773	231,849	-	51,613	28,519	(64,737)	59,546	-	664,373
Finance income	88,595	77,232	25,705	-	15,472	11,175	122,711	17,724	(101,517)	257,097
Finance costs	(102,962)	(172,081)	(47,703)	-	(21,862)	(11,599)	(59,826)	(10,731)	101,517	(325,247)
Share of results of:										
- associates	5	129,102	87	-	-	-	(917)	1,853	-	130,130
- joint ventures	109,131	18,011	(12,023)	152,707	(81)	(604)	(251)	-	-	266,890
Profit/(Loss) before taxation	211,579	293,037	197,915	152,707	45,142	27,491	(3,020)	68,392	-	993,243
Taxation	(44,612)	(38,392)	(45,293)	-	(10,726)	(3,128)	13,412	(8,946)	-	(137,685)
Profit for the period	166,967	254,645	152,622	152,707	34,416	24,363	10,392	59,446	-	855,558
Non-controlling interests	(30,118)	(16,986)	(65,339)	-	181	(151)	(6,363)	993	-	(117,783)
Attributable to owners of the parent	136,849	237,659	87,283	152,707	34,597	24,212	4,029	60,439	-	737,775

	Revenue RM'000	Profit before tax RM'000	Profit/(Loss) after tax RM'000	Attributable to owners of the parent RM'000
<b>BY GEOGRAPHICAL SEGMENTS</b>				
Malaysia	5,166,195	854,563	740,678	633,771
Singapore	328,926	70,085	65,696	72,517
China	112,147	11,202	9,584	9,826
India	364,382	38,392	31,620	17,409
Australia	33,269	9,019	5,011	607
Indonesia	49,964	6,161	4,965	4,965
United Kingdom	40,384	2,439	(3,177)	(3,177)
Other countries	44,530	1,382	1,181	1,857
	6,139,797	993,243	855,558	737,775

**A8 Segmental Reporting (contd.)**

Segmental assets and liabilities for the financial period ended 31 December 2023 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	8,510,173	3,290,793	3,027,863	-	949,984	629,067	12,422,457	1,497,254	(11,649,637)	18,677,954
Investment in associates	-	2,619,325	-	-	-	-	16,657	53,582	-	2,689,564
Investment in joint ventures	2,482,667	147,827	253,148	4,196,983	13,646	10,980	146	-	-	7,105,397
Unallocated assets										139,978
Total assets										28,612,893
<b>Liabilities</b>										
Segment liabilities	6,349,275	3,801,052	2,443,236	-	638,138	511,159	10,439,702	820,760	(11,628,962)	13,374,360
Unallocated liabilities										240,552
Total liabilities										13,614,912

**A8 Segmental Reporting (contd.)**

Segmental results by foreign currency for the financial period ended 31 December 2023 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)	1,418,783	103,348	65,693	39,975	1,418,783	103,348	65,693	39,975
Australian Dollar (AUD'000)	-	3,775	2,639	1,187	-	11,455	8,006	3,602
Hong Kong Dollar (HKD'000)	-	(27)	(27)	(27)	-	(16)	(16)	(16)
India Rupee (INR'000)	-	145	127	127	-	8	7	7
Chinese Renminbi (RMB'000)	-	4,262	4,262	4,262	-	2,747	2,747	2,747
Singapore Dollar (SGD'000)	-	27,598	26,569	26,569	-	94,048	90,541	90,541
US Dollar (USD'000)	-	(2)	(2)	(2)	-	(11)	(11)	(7)
					1,418,783	211,579	166,967	136,849

**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)	843,561	304,898	271,840	254,185	843,561	304,898	271,840	254,185
Pound Sterling (GBP'000)	7,085	428	(557)	(557)	40,384	2,439	(3,177)	(3,177)
Singapore Dollar (SGD'000)	-	(3,722)	(3,722)	(3,722)	-	(12,683)	(12,683)	(12,683)
US Dollar (USD'000)	1,886	(338)	(276)	(130)	8,616	(1,543)	(1,261)	(592)
Vietnam Dong (VND'000,000)	30,310	(387)	(387)	(387)	5,797	(74)	(74)	(74)
					898,358	293,037	254,645	237,659

**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)	1,034,295	174,069	136,024	78,072	1,034,295	174,069	136,024	78,072
United Arab Emirates Dirham (AED'000)	-	(2)	(2)	(1)	-	(3)	(3)	(1)
India Rupee (INR'000)	6,590,179	694,209	571,750	314,731	364,382	38,384	31,613	17,402
Singapore Dollar (SGD'000)	85,151	(4,265)	(4,405)	(2,403)	290,178	(14,533)	(15,010)	(8,189)
US Dollar (USD'000)	-	-	-	-	-	(2)	(2)	(1)
					1,688,855	197,915	152,622	87,283

**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)	-	152,707	152,707	152,707	-	152,707	152,707	152,707
					-	152,707	152,707	152,707

**A8 Segmental Reporting (contd.)**

Segmental results by foreign currency for the financial period ended 31 December 2023 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)	736,516	31,577	25,106	24,947	736,516	31,577	25,106	24,947
Australian Dollar (AUD'000)	10,964	(803)	(987)	(987)	33,269	(2,436)	(2,995)	(2,995)
Indonesia Rupiah (IDR'000,000)	166,454	20,525	16,541	16,541	49,964	6,161	4,965	4,965
Chinese Renminbi (RMB'000)	102,437	5,907	3,408	3,936	66,032	3,808	2,197	2,537
Singapore Dollar (SGD'000)	11,370	955	836	836	38,748	3,253	2,848	2,848
Thai Baht (THB'000)	202,639	21,247	17,567	17,567	26,647	2,794	2,310	2,310
Vietnam Dong (VND'000,000)	18,143	(78)	(78)	(78)	3,470	(15)	(15)	(15)
					954,646	45,142	34,416	34,597

**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)	446,263	27,255	24,126	23,975	446,263	27,255	24,126	23,975
Trinidad & Tobago Dollar (TTD'000)	-	349	350	350	-	236	237	237
					446,263	27,491	24,363	24,212

**INVESTMENT HOLDINGS SEGMENT:**

	Foreign currency				RM'000			
	Revenue	Profit/(Loss) before tax	Profit after tax	Attributable to owners of the parent	Revenue	Profit/(Loss) before tax	Profit after tax	Attributable to owners of the parent
Malaysia Ringgit (RM'000)	21,699	(4,804)	8,615	2,263	21,699	(4,804)	8,615	2,263
Hong Kong Dollar (HKD'000)	-	2,506	2,518	2,499	-	1,462	1,469	1,458
Chinese Renminbi (RMB'000)	3,056	500	478	478	1,970	322	308	308
					23,669	(3,020)	10,392	4,029

**OTHERS 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)	665,078	65,513	56,567	57,647	665,078	65,513	56,567	57,647
Chinese Renminbi (RMB'000)	68,483	4,466	4,466	4,331	44,145	2,879	2,879	2,792
					709,223	68,392	59,446	60,439



## 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, except for the total net fair value gain of approximately RM67.9 million (including the Group's share in associates and joint ventures, net of tax) recognised during the year based on a professional valuer's opinion.

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

There were no material events subsequent to the current quarter ended 31 December 2023, except for the following:

### (a) Disposal of other investment

Fortuna Gembira Enterpris Sdn. Bhd., a wholly-owned subsidiary of the Group, had disposed of 86,867,000 ordinary shares in IJM Corporation Berhad ("IJM") for a total cash consideration of RM189.1 million subsequent to the reporting period, up to the day prior to the date of issuance of this report. Pursuant to the disposal, the Group's equity interest in IJM has reduced to 1.81%. IJM, a company incorporated in Malaysia, is listed on Bursa Malaysia Main Market and is involved in construction, property development, manufacturing and quarrying, port operations, tollway operations and investment holding.

### (b) Additional investment in an associate

Sunway RE Capital Pte. Ltd. ("SRC"), a wholly-owned subsidiary of the Group, had on 16 January 2024 subscribed for an additional 37,276,884 units in Elite Commercial REIT for a total cash consideration of GBP10.1 million (equivalent to approximately RM60.0 million). The additional units subscribed pursuant to the launch of a fully-underwritten non-renounceable Preferential Offering "Preferential Offering" announced on 19 December 2023, had increased the equity interest of SRC in Elite Commercial REIT from 5.84% to 11.17%. The Preferential Offering units were listed on the Main Board of Singapore Exchange Securities Trading Limited on 18 January 2024.

### (c) Successful tender of a land parcel at Plantation Close, Tengah, Singapore

The Housing and Development Board of Singapore had on 14 February 2024, awarded a land parcel measuring approximately 2 hectares or 5 acres at Plantation Close (Lot 05428V/MK10), Tengah, Singapore ("Land") for a 99-year lease term Executive Condominium Housing Development at SGD423.4 million (equivalent to approximately RM1.5 billion) to Hoi Hup Realty Pte. Ltd. ("Hoi Hup") and a wholly-owned subsidiary of the Group, Sunway Developments Pte. Ltd. ("SDPL") following a successful tender for the Land jointly submitted by the parties.

Hoi Hup and SDPL will incorporate a joint venture, in which Hoi Hup or its nominee company(ies) and SDPL shall have equity interest in the proportion of 65:35 at a later date, to undertake the development of the Land ("Proposed Project"). The completion period of the Proposed Project shall be 60 months or earlier, commencing from 14 February 2024.

## A11 Changes in the Composition of the Group

There were no material changes in the composition of the Group for the financial period ended 31 December 2023, except for the following:

On 14 August 2023, Sunway City Sdn. Bhd. ("SunCity"), a wholly-owned subsidiary of the Group, had entered into a Share Transactions Agreement with Iskandar Asset Sdn. Bhd. ("IASB") and Sunway Iskandar Development Sdn. Bhd. ("SIDSB"), a joint venture of the Group, for the following purposes:

- (i) SunCity agrees to acquire 770,450 ordinary shares held by IASB in SIDSB, representing 40% of the share capital of SIDSB, at a purchase consideration of RM770,450 ("Proposed Acquisition");
- (ii) SunCity will subscribe for 84,229,550 Non-Convertible Non-Cumulative Redeemable Preference Shares ("NCNCRPS") in SIDSB for a total consideration of RM84,229,550 ("Proposed Subscription"); and
- (iii) SIDSB will redeem 76,274,552 NCNCRPS held by IASB in the share capital of SIDSB at a redemption price of RM84,229,550.

The Proposed Acquisition and redemption of NCNCRPS were completed on 21 August 2023 and consequently, SIDSB and its subsidiaries became wholly-owned subsidiaries of the Group.

The financial effects arising from the remeasurement of the previously held equity interests in SIDSB in accordance with MFRS 3 *Business Combinations* amounted to a loss of RM0.5 million. The consolidated net assets from SIDSB mainly comprise of inventories (land held for property development) amounting to RM728.5 million.

## A12 Contingent Liabilities and Assets

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

### (a) Guarantees

	31/12/2023 RM'000	31/12/2022 RM'000
Guarantees given to third parties in respect of trade and contracts	853,457	807,254
Guarantees given to financial institutions for borrowings obtained by joint ventures	3,407,597	2,554,550
	<u>4,261,054</u>	<u>3,361,804</u>

## A12 Contingent Liabilities and Assets (contd.)

Details of contingent liabilities of the Group as at the date of issue of the report are as follows: (contd.)

### (b) Claim

	31/12/2023 RM'000	31/12/2022 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 based on amount claimed 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 in favour of Sunway REIT, restoring the High Court's Decision and ordered the assessment of damages against Sunway REIT to proceed before the High Court. 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.

During the case management hearing on 24 June 2022, the original trial dates of 3 to 6 October 2022 for the assessment of damages have been vacated. The trial for the said assessment held on 4, 5, 6, 12 and 13 January 2023 has been concluded. 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. 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 December 2023 are as follows:

	31/12/2023 RM'000	31/12/2022 RM'000
Approved and contracted for property, plant and equipment and investment properties	28,101	35,074
Approved but not contracted for property, plant and equipment and investment properties	<u>64,751</u>	<u>57,228</u>
	<u>92,852</u>	<u>92,302</u>

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

	31/12/2023 RM'000	31/12/2022 RM'000
Approved and contracted for property, plant and equipment and investment properties	370,711	75,372
Approved but not contracted for property, plant and equipment and investment properties	<u>249,092</u>	<u>136,338</u>
	<u>619,803</u>	<u>211,710</u>

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

	31/12/2023 RM'000	31/12/2022 RM'000
Approved and contracted for property, plant and equipment and investment properties	259,215	553,325
Approved but not contracted for property, plant and equipment and investment properties	<u>933,623</u>	<u>831,517</u>
	<u>1,192,838</u>	<u>1,384,842</u>

(b) Operating lease commitment not provided for in the financial year as at 31 December 2023 is as follows:

	31/12/2023 RM'000	31/12/2022 RM'000
Future minimum lease receipts:		
- not later than 1 year	57,092	54,658
- later than 1 year and not later than 5 years	<u>172,655</u>	<u>227,573</u>
	<u>229,747</u>	<u>282,231</u>

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

	Current Quarter Ended		Cumulative Year To Date	
	31/12/2023 RM'000	31/12/2022 RM'000	31/12/2023 RM'000	31/12/2022 RM'000
<b>(i) Sunway Real Estate Investment Trust ("Sunway REIT") (RHB Trustees Bhd) ^</b>				
Lease of Sunway Resort Hotel & Spa	(56,568)	(27,889)	(63,183)	(34,116)
Lease of Sunway Putra Hotel	(3,558)	(3,369)	(11,360)	(7,757)
Lease of Sunway Hotel Georgetown	(4,065)	(823)	(6,533)	(3,291)
Lease of Sunway Pyramid's ice rink	(426)	(400)	(1,696)	(1,622)
Lease/Rental of properties in respect of :				
Menara Sunway and accommodation for security staff	(2,631)	(1,407)	(7,969)	(6,991)
Rental and management of car parks and related services	(14,283)	(9,542)	(39,704)	(34,522)
Provision of property management and related services	1,705	1,481	5,735	5,133
Provision of loyalty card points	298	286	1,195	1,237
Sales of financial, human resources and IT related services	336	361	2,070	1,830
Marketing, distribution and sale of construction related products and industrial products	698	(50)	1,924	548
Construction, marketing, mechanical engineering, engineering related design and build, civil engineering, building works and related services	83,891	31,902	138,005	172,839
Management services	4,784	7,309	16,433	16,183
Distribution income from perpetual note	4,222	4,821	11,756	11,757
<b>(ii) Sunway Iskandar Sdn. Bhd. Group</b>				
Construction, marketing, mechanical engineering, engineering related design and build, civil engineering, building works and related services	2,771	4,406	3,122	37,143
Corporate guarantee commission fee	425	868	1,270	868
Management services	5,952	2,222	10,568	11,743
Property management and related services	593	346	1,919	1,642
Lease of land for precast plant	(222)	(38)	(975)	(338)
<b>(iii) Sunway Healthcare Holdings Sdn. Bhd. Group</b>				
Provision of medical services	(319)	(9)	(1,462)	(1,544)
Sponsorship of nurse program	(427)	(1,711)	(1,660)	(4,656)
Construction, marketing, mechanical engineering, engineering related design and build, civil engineering, building works and related services	118,400	73,914	312,364	338,718
Rental of office space premises and related services	1,450	703	3,372	4,223
Provision of property management and related services	547	921	3,102	5,099
Sales of financial, human resources and IT related services	1,405	1,061	5,305	4,330
Management services	1,238	1,184	3,323	3,151
Provision of ticketing and tour related services	1,758	349	2,716	848
Distribution paid/payable by wholesale funds	445	1,411	3,933	6,513
<b>(iv) Sunway Velocity Hotel Sdn. Bhd.</b>				
Construction, marketing, mechanical engineering, engineering related design and build, civil engineering, building works and related services	(3)	-	22	1,499
Management services	311	367	1,153	834
<b>(v) Sunway Velocity Mall Sdn. Bhd.</b>				
Construction, marketing, mechanical engineering, engineering related design and build, civil engineering, building works and related services	1,000	-	1,015	66
Corporate guarantee commission fee	550	1,666	1,547	1,666
<b>(vi) GME - SE Joint Venture (SWT)</b>				
Construction, marketing, mechanical engineering, engineering related design and build, civil engineering, building works and related services	-	-	-	(14,217)
<b>(vii) Blacktop Lanchang Sdn. Bhd.</b>				
Distribution and sale of construction related products and industrial products	1,197	691	3,433	5,792

## A14 Significant Related Party Transactions (contd.)

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

	Current Quarter Ended		Cumulative Year To Date	
	31/12/2023 RM'000	31/12/2022 RM'000	31/12/2023 RM'000	31/12/2022 RM'000
<b>(i) Active Equity Sdn. Bhd. Group *</b>				
Information systems products and consultancy fees	(2,170)	(3,111)	(7,859)	(10,038)
Sales of financial and IT related services	406	294	947	1,107
<b>(ii) Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling</b>				
Distribution paid/payable in respect of Perpetual Sukuk	(8,189)	(7,763)	(31,305)	(30,800)

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

\* Tan Sri Dato' Seri Dr Jeffrey Cheah Fook Ling, 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..

Tan Sri Dato' Seri 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 and Adrian Cheah Yean Sun are Directors in several subsidiaries of the Group and major shareholders 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) %
	31/12/2023 RM'000	31/12/2022 RM'000 (Restated) <sup>(1)</sup>	
<b>Revenue</b>			
Property Development	499,365	442,653	12.8
Property Investment	256,262	230,660	11.1
Construction	532,809	291,013	83.1
Trading and Manufacturing	260,114	233,452	11.4
Quarry	124,773	123,373	1.1
Others	195,429	210,440	(7.1)
	<u>1,868,752</u>	<u>1,531,591</u>	22.0
<b>Profit before tax</b>			
Property Development	69,019	70,356	(1.9)
Property Investment	136,750	51,657	164.7
Construction	62,775	58,723	6.9
Healthcare*	41,708	71,841	(41.9)
Trading and Manufacturing	12,004	9,211	30.3
Quarry	9,401	5,123	83.5
Others	18,738	29,471	(36.4)
	<u>350,395</u>	<u>296,382</u>	18.2

<sup>(1)</sup> Included the effects of transition to MFRS 17 *Insurance Contracts* as disclosed in Note A1.

\* Please note that the healthcare segment'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 RM1,868.8 million and profit before tax of RM350.4 million for the current quarter ended 31 December 2023 compared to revenue of RM1,531.6 million and profit before tax of RM296.4 million in the corresponding quarter of the previous financial year, representing an increase in revenue of 22.0% and profit before tax of 18.2%. Revenue was higher in the current quarter mainly due to higher contribution from most business segments except for the others segment. Profit before tax in the current quarter was higher mainly due to higher contribution from property investment, construction, quarry, trading and manufacturing segments which more than offset the lower profit contribution from property development, healthcare and others segments.

It should also be noted that due to MFRS 15, the development profit from one of the Group's Singapore property development projects will only be recognised upon completion and handover of the project. As at the end of the current quarter, the accumulated progressive profit for the project amounted to RM108.9 million, of which RM12.7 million was recorded in the current quarter. The project is expected to be completed and handover in the first half of 2024.

The property development segment reported revenue of RM499.4 million and profit before tax of RM69.0 million in the current quarter compared to revenue of RM442.7 million and profit before tax of RM70.4 million in the corresponding quarter of the previous financial year, representing an increase in revenue of 12.8% and marginal decrease in profit before tax of 1.9%. Revenue was better in the current quarter underpinned by higher sales and progress billings from new and on-going local development projects and the completion and handover of a local project. However, profit before tax in the current quarter was lower mainly due to lower profit contribution from the local development projects as a number of projects are at the initial stage of construction.

**B1 Review of Performance (contd.)**

Analysis of performance of the respective operating business segments are as follows: (contd.)

For the quarter (contd.)

The property investment segment reported revenue of RM256.3 million and profit before tax of RM136.8 million in the current quarter compared to revenue of RM230.7 million and profit before tax of RM51.7 million in the corresponding quarter of the previous financial year, representing an increase in revenue of 11.1% and profit before tax of 164.7%. The higher revenue in the current quarter was mainly due to stronger performance of the hospitality business arising from higher occupancy and average room rates recorded at the Group's hotels, coupled with higher revenue from operations of property investment assets. Profit before tax was higher mainly attributed to net fair value gain of RM67.9 million on the revaluation of investment properties and assets owned by the Group compared with overall fair value loss of RM22.9 million in the corresponding quarter of the previous financial year.

The construction segment recorded revenue of RM532.8 million and profit before tax of RM62.8 million in the current quarter compared to revenue of RM291.0 million and profit before tax of RM58.7 million in the corresponding quarter of the previous financial year, representing an increase in revenue of 83.1% and profit before tax of 6.9%. Higher revenue in the current quarter was attributed to higher progress billings from local construction projects. However, profit before tax only increased marginally due to higher profit margin in the corresponding quarter of the previous financial year from the finalisation of accounts for a few projects.

The healthcare segment reported a share of net profit of RM41.7 million in the current quarter compared to the share of net profit of RM71.8 million in the corresponding quarter of the previous financial year, representing a decrease of 41.9%. However, it should be noted that the share of net profit for the corresponding quarter of the previous financial year included the share of a one-off net remeasurement gain of leases as per MFRS 16 of RM36.7 million in relation to the early termination of rental arrangement of Tower A and B occupied by Sunway Medical Centre ("SMC").

Excluding the one-off net gain, the share of net profit of RM41.7 million in the current quarter was higher compared to the adjusted share of net profit of RM35.1 million in the corresponding quarter of the previous year by 18.8%. The improved underlying financial performance in the current quarter was underpinned primarily by strong operational results from SMC Sunway City and SMC Velocity due to the increase in hospital activities, which mitigated the share of start-up operational loss of Sunway Sanctuary of RM3.5 million, and higher operating costs. During the current quarter, SMC Penang which commenced operations in November 2022, exceeded expectations and achieved breakeven at profit after tax level.

The trading and manufacturing segment recorded revenue of RM260.1 million and profit before tax of RM12.0 million in the current quarter compared to revenue of RM233.5 million and profit before tax of RM9.2 million in the corresponding quarter of the previous financial year, representing an increase in revenue of 11.4% and profit before tax of 30.3%. The higher revenue and profit before tax were mainly due to stronger contribution from the domestic market.

The quarry segment reported revenue of RM124.8 million and profit before tax of RM9.4 million in the current quarter compared to revenue of RM123.4 million and profit before tax of RM5.1 million in the corresponding quarter of the previous financial year, representing a marginal increase in revenue of 1.1% and profit before tax of 83.5%. The better performance in the current quarter was mainly due to improvement in the sales volume and average selling price of aggregates due to the overall increase in market demand for readymix which contributed to better profit margins.

The others segment recorded revenue of RM195.4 million and profit before tax of RM18.7 million in the current quarter compared to revenue of RM210.4 million and profit before tax of RM29.5 million in the corresponding quarter of the previous financial year, representing a decrease in revenue of 7.1% and profit before tax of 36.4%. The performance in the current quarter was mainly due to lower contribution from the other business segments, partly mitigated by a reversal of provision for impairment of assets of RM19.8 million for spun pile operation under the building materials segment.

For 12 months period

	For 12 months period ended		Increase/ (Decrease) %
	31/12/2023 RM'000	31/12/2022 RM'000 (Restated) <sup>(1)</sup>	
<b>Revenue</b>			
Property Development	1,418,783	1,165,312	21.8
Property Investment	898,358	689,976	30.2
Construction	1,688,855	1,281,604	31.8
Trading and Manufacturing	954,646	902,111	5.8
Quarry	446,263	406,167	9.9
Others	732,892	749,779	(2.3)
	<u>6,139,797</u>	<u>5,194,949</u>	18.2
<b>Profit before tax</b>			
Property Development	211,579	155,254	36.3
Property Investment	293,037	235,792	24.3
Construction	197,915	186,566	6.1
Healthcare*	152,707	176,826	(13.6)
Trading and Manufacturing	45,142	41,575	8.6
Quarry	27,491	13,675	101.0
Others	65,372	99,520	(34.3)
	<u>993,243</u>	<u>909,208</u>	9.2

<sup>(1)</sup> Included the effects of transition to MFRS 17 *Insurance Contracts* as disclosed in Note A1.

\* Please note that the healthcare segment'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 RM6,139.8 million and profit before tax of RM993.2 million for the current financial year ended 31 December 2023 compared to revenue of RM5,194.9 million and profit before tax of RM909.2 million in the financial year ended 31 December 2022, representing an increase in revenue of 18.2% and profit before tax of 9.2%. Revenue was higher in the current period due to higher contribution from most business segments except for the others segment. Profit before tax in the current period was higher underpinned by higher profit contribution from most business segments except for the healthcare and others segments.

## B1 Review of Performance (contd.)

Analysis of performance of the respective operating business segments are as follows: (contd.)

### For 12 months period (contd.)

The property development segment reported revenue of RM1,418.8 million and profit before tax of RM211.6 million for the current financial year, compared to revenue of RM1,165.3 million and profit before tax of RM155.3 million in the previous financial year, representing an increase in revenue of 21.8% and profit before tax of 36.3%. Revenue in the current period was higher mainly due to higher sales and progress billings from new and on-going local development projects and the completion and handover of a local project. Profit before tax in the current period was further boosted by the recognition of development profit of RM46.3 million upon the completion and handover of one of the Group's Singapore property development project in the current period.

The property investment segment reported revenue of RM898.4 million and profit before tax of RM293.0 million for the financial year ended 31 December 2023 compared to revenue of RM690.0 million and profit before tax of RM235.8 million in the previous financial year ended 31 December 2022, representing an increase in revenue of 30.2% and profit before tax of 24.3%. The financial performance in the current period was higher attributed to strong performance of the leisure and hospitality businesses with increased visitorships to the theme parks and higher occupancy rates at the Group's hotels, coupled with higher revenue from operations of property investment assets. Profit before tax for the current period also recorded net fair value gain on revaluation of investment properties and assets of RM67.9 million compared with overall fair value loss of RM22.9 million in the previous financial year. It should also be noted that profit in the previous corresponding period recorded net gains on disposal of property investment assets amounting to RM28.1 million.

The construction segment recorded revenue of RM1,688.9 million and profit before tax of RM197.9 million for the financial year ended 31 December 2023 compared to revenue of RM1,281.6 million and profit before tax of RM186.6 million in the previous financial year, representing an increase in revenue of 31.8% and profit before tax of 6.1%. Higher progress billings from local construction projects contributed to the better performance in the current period.

The healthcare segment reported a share of net profit of RM152.7 million in the current financial year compared to RM176.8 million in the previous financial year, representing a decrease of 13.6%. However, it should be noted that the share of net profit for the previous financial year included share of a one-off net remeasurement gain of leases as per MFRS 16 of RM36.7 million in relation to the early termination of rental arrangement of Tower A and B occupied by Sunway Medical Centre ("SMC").

Excluding the one-off net gain, EBITDA for the current financial year grew by 33.0%. The share of net profit of RM152.7 million in the current financial year was higher compared to the adjusted share of net profit of RM140.1 million in the previous year. The improved underlying financial performance in the current financial year reflected stronger operational results contributed by SMC Sunway City and SMC Velocity which mitigated the higher operating costs, the share of start-up operational losses from SMC Penang and Sunway Sanctuary of RM15.9 million, and higher share of additional tax payable of RM18.2 million following the normalisation of SMC Sunway City's tax paying status as its ITA was fully utilised in the previous financial year.

The trading and manufacturing segment recorded revenue of RM954.6 million and profit before tax of RM45.1 million for the current financial year ended 31 December 2023 compared to revenue of RM902.1 million and profit before tax of RM41.6 million in the previous financial year, representing an increase in revenue of 5.8% and profit before tax of 8.6%. The financial performance in the current financial year was better mainly due to higher contribution from the domestic market.

The quarry segment reported revenue of RM446.3 million and profit before tax of RM27.5 million for the financial year ended 31 December 2023 compared to revenue of RM406.2 million and profit before tax of RM13.7 million in the previous financial year, representing an increase in revenue of 9.9% and profit before tax of 101.0%. The improved performance in the current year was attributed to increased demand from local council and highway projects which resulted in higher sales volumes and average selling prices for both aggregates and premix.

The others segment recorded revenue of RM732.9 million and profit before tax of RM65.4 million for the financial year ended 31 December 2023 compared to revenue of RM749.8 million and profit before tax of RM99.5 million in the previous financial year, representing a decrease in revenue of 2.3% and profit before tax of 34.3%. The performance in the current year was lower mainly due to lower contribution from the community pharmacy business and other businesses, partly mitigated by improved performance from the building materials segment which included a reversal of provision for impairment of assets of RM19.8 million for spun pile operation under the segment. It should be noted that profit before tax in the previous financial year recorded a gain from the disposal of one of the Group's start-up investments of RM26.6 million.

## B2 Material Changes in the Quarterly Results

	Quarter ended		Increase/ (Decrease) %
	31/12/2023 RM'000	30/09/2023 RM'000	
<b>Revenue</b>			
Property Development	499,365	309,540	61.3
Property Investment	256,262	232,810	10.1
Construction	532,809	424,009	25.7
Trading and Manufacturing	260,114	242,619	7.2
Quarry	124,773	148,780	(16.1)
Others	195,429	181,378	7.7
	<u>1,868,752</u>	<u>1,539,136</u>	21.4

**B2 Material Changes in the Quarterly Results (contd.)**

	Quarter ended		Increase/ (Decrease) %
	31/12/2023 RM'000	30/09/2023 RM'000	
<b>Profit before tax</b>			
Property Development	69,019	70,422	(2.0)
Property Investment	136,750	55,189	147.8
Construction	62,775	51,094	22.9
Healthcare*	41,708	44,445	(6.2)
Trading and Manufacturing	12,004	13,433	(10.6)
Quarry	9,401	10,197	(7.8)
Others	18,738	3,020	520.5
	<u>350,395</u>	<u>247,800</u>	41.4

\* Please note that the healthcare segment'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 RM1,868.8 million and profit before tax of RM350.4 million for the current quarter compared to revenue of RM1,539.1 million and profit before tax of RM247.8 million in the preceding quarter, representing an increase in revenue of 21.4% and profit before tax of 41.4%. Revenue was higher in the current quarter mainly due to higher contribution from most business segments except for the quarry segment. Higher contribution from property investment, construction and other businesses segments more than offset the lower contribution from the property development, healthcare, trading and manufacturing and quarry segments.

The property development segment reported revenue of RM499.4 million and profit before tax of RM69.0 million for the current quarter compared to revenue of RM309.5 million and profit before tax of RM70.4 million in the preceding quarter, representing an increase in revenue of 61.3% and marginal decrease in profit before tax of 2.0%. Excluding the development profit of RM46.3 million recognised in the preceding quarter, the financial performance in the current quarter was better due to higher sales and progress billings from new and on-going local development projects and the completion and handover of a local project.

The property investment segment reported revenue of RM256.3 million and profit before tax of RM136.8 million for the current quarter compared to revenue of RM232.8 million and profit before tax of RM55.2 million in the preceding quarter, representing an increase in revenue of 10.1% and profit before tax of 147.8%. The financial performance in the current quarter was higher mainly due to higher contribution from the leisure and hospitality segments arising from the higher visitorship and occupancy during the festive months and school holidays. Profit before tax was further boosted by net fair value gains from revaluation of the investment properties and assets of RM67.9 million in the current quarter.

The construction segment recorded revenue of RM532.8 million and profit before tax of RM62.8 million for the current quarter compared to revenue of RM424.0 million and profit before tax of RM51.1 million in the preceding quarter, representing an increase in revenue of 25.7% and profit before tax of 22.9%. Higher progress billings from local construction projects contributed to the better financial performance in the current quarter.

The healthcare segment reported a share of net profit of RM41.7 million in the current quarter compared to the share of net profit of RM44.4 million in the preceding quarter, representing a decrease of 6.2%. Despite registering better operating performance from higher patient footfalls at SMC Velocity and SMC Penang, the financial performance in the current quarter was lower mainly due to higher operating expenses, interest and tax expenses. It should be noted that SMC Penang which commenced operations in November 2022, exceeded expectations and achieved breakeven at profit after tax level during the current quarter.

The trading and manufacturing segment recorded revenue of RM260.1 million and profit before tax of RM12.0 million for the current quarter compared to revenue of RM242.6 million and profit before tax of RM13.4 million in the preceding quarter, representing an increase in revenue of 7.2% and decrease in profit before tax of 10.6%. Revenue was higher in the current quarter mainly due to improved domestic and overseas market sales, however profit margins were lower.

The quarry segment reported revenue of RM124.8 million and profit before tax of RM9.4 million for the current quarter compared to revenue of RM148.8 million and profit before tax of RM10.2 million in the preceding quarter, representing a decrease in revenue of 16.1% and profit before tax of 7.8%. The financial performance in the current quarter was lower mainly due to lower demand for premix as some of the road maintenance projects were nearing the final stage of completion.

The others segment recorded revenue of RM195.4 million and profit before tax of RM18.7 million for the current quarter compared to revenue of RM181.4 million and profit before tax of RM3.0 million in the preceding quarter, representing an increase in revenue of 7.7% and higher profit before tax. The financial performance in the current quarter was higher attributed to higher contribution from the building materials segment which included a reversal of provision for impairment of assets of RM19.8 million for spun pile operations and higher contribution from the community pharmacy business and other businesses.

**B3 Prospects**

In the fourth quarter of 2023, Malaysia's GDP growth slowed to 3.0% from 3.3% in the previous quarter, resulting in a full-year GDP of 3.7%, down from 8.7% in 2022 and below Bank Negara Malaysia's forecast of 4%. Weak global demand affected the economy despite growth in domestic consumption. Looking ahead, the Malaysian economy is expected to grow moderately, supported by resilient domestic demand and improving exports. Recovery in tourism and strategic national initiatives are also anticipated to support economic growth, with monetary policy aimed at sustaining stability.

The Malaysian government has also relaxed the visa entry for visitors from China, India and the Middle East countries for social purposes, which include among others, tourism, meetings and conferences. Together with the roll-out of Budget 2024 initiatives, the Group's leisure, hospitality and healthcare segments are expected to benefit from the improvement in in-bound leisure and medical-related tourism.

**B3 Prospects (contd.)**

For the Group, the healthcare segment continues to be one of the main growth drivers with its three operating hospitals expected to perform well and further supported by the expansion of existing capacity and new hospitals to cater for demand for quality healthcare and medical tourism. The new hospitals currently under construction, namely, SMC Damansara and SMC Ipoh are on track to commence operations in the fourth quarter of 2024 and first quarter of 2025 respectively which will add up to 600 additional bed capacity to the current 1,148 licensed beds.

A memorandum of understanding (MoU) was signed in January 2024 between Malaysia and Singapore to formalise the cooperation of both countries on the Johor-Singapore Special Economic Zone ("JS-SEZ"). Under the MoU, the two countries will work together towards enhancing cross-border movement of goods and people as well as strengthening the business ecosystem within JS-SEZ to support investments. The Group has also partnered with Equalbase to build a logistics facility in a first fully carbon-neutral free commercial zone with a Gross Development Value of RM8 billion in Sunway City Iskandar Puteri township, which will be a pivotal hub serving a diverse array of industries. These developments in the southern region augur well for the township.

Barring any unforeseen circumstances, the Board is confident of the Group's financial performance for 2024, building from the growth momentum of the previous 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	
	31/12/2023 RM'000	31/12/2022 RM'000 (Restated)	31/12/2023 RM'000	31/12/2022 RM'000 (Restated)
Current taxation	(59,924)	(72,228)	(203,910)	(177,279)
Over/(Under) provision of tax in prior years	15,218	(4,493)	20,130	(9,588)
Deferred taxation	11,622	2,513	46,095	22,519
	<b>(33,084)</b>	<b>(74,208)</b>	<b>(137,685)</b>	<b>(164,348)</b>

**B6 Profit before Taxation**

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

	Current Quarter Ended 31/12/2023 RM'000	Cumulative Year To Date 31/12/2023 RM'000
Depreciation and amortisation	(37,510)	(141,415)
Net (provision)/reversal of impairment for financial assets & contract assets:		
- Trade receivables	(24,227)	(31,108)
- Other receivables	785	447
- Amounts due from associates	1	2
- Advances to joint ventures	313	432
- Contract assets	43	83
- Quasi loan	(2,374)	(2,374)
Net reversal/(provision) of impairment for:		
- Investment in an associate	1,593	-
- Investment in a joint venture	(18)	(18)
- Inventories	(2,330)	(5,315)
- Property, plant and equipment	19,894	19,894
- Right-of-use assets	(261)	(261)
Write off:		
- Trade receivables	48	(64)
- Other receivables	(77)	(77)
- Inventories	(66)	(5,540)
- Property, plant and equipment	(214)	(341)
- Intangible assets	(154)	(154)
Net gain on disposal of property, plant and equipment	591	4,485
Net foreign exchange (loss)/gain:		
- Others	(118)	1,500
- Unrealised for hedged items	35,126	(36,053)
Cash flow hedge reserve recycled to profit or loss	(35,126)	36,053
Net gain/(loss) on derivatives	1,091	(7,438)
Net loss on financial guarantee contracts	(6,284)	(4,863)
Distribution paid in respect of Perpetual Sukuk	(8,189)	(31,305)
Gain on reclassification from a subsidiary to a joint venture arising from loss of control	1,877	1,877
Gain/(Loss) arising from remeasurements of previously held equity interests in former joint ventures	13	(484)



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

**B7.1 There were no new corporate proposal announced but not completed as at the date of this report, except for the following:**

- (a) 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.

**[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]**

## B8 Group Borrowings and Debt Securities

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

	Current RM'000	Non-current RM'000	Total RM'000
<b>Secured borrowings</b>			
<u>Islamic:</u>			
Term loans	47,165	115,239	162,404
Bankers' acceptances	8,800	-	8,800
Medium term notes	1,005,000	1,330,000	2,335,000
	<b>1,060,965</b>	<b>1,445,239</b>	<b>2,506,204</b>
<u>Conventional:</u>			
Bank overdrafts	66,404	-	66,404
Term loans	747,895	1,151,138	1,899,033
Revolving credits	1,256,986	7,125	1,264,111
Medium term notes	-	500,000	500,000
Bankers' acceptances	332	-	332
Hire purchase	135	109	244
	<b>2,071,752</b>	<b>1,658,372</b>	<b>3,730,124</b>
<b>Total secured borrowings</b>	<b>3,132,717</b>	<b>3,103,611</b>	<b>6,236,328</b>
<b>Unsecured borrowings</b>			
<u>Islamic:</u>			
Revolving credits	121,708	-	121,708
Medium term notes	200,000	-	200,000
Commercial papers	685,000	-	685,000
Bills discounting	29,500	-	29,500
	<b>1,036,208</b>	<b>-</b>	<b>1,036,208</b>
<u>Conventional:</u>			
Term loans	601,263	209,124	810,387
Revolving credits	731,950	-	731,950
Medium term notes	-	320,000	320,000
Bankers' acceptances	344,006	-	344,006
Bills discounting	171,477	-	171,477
	<b>1,848,696</b>	<b>529,124</b>	<b>2,377,820</b>
<b>Total unsecured borrowings</b>	<b>2,884,904</b>	<b>529,124</b>	<b>3,414,028</b>
<b>Total borrowings</b>	<b>6,017,621</b>	<b>3,632,735</b>	<b>9,650,356</b>
Islamic borrowings	2,097,173	1,445,239	3,542,412
Conventional borrowings	3,920,448	2,187,496	6,107,944
<b>Total borrowings</b>	<b>6,017,621</b>	<b>3,632,735</b>	<b>9,650,356</b>
Perpetual sukuk	-	-	-
<b>Total borrowings and perpetual sukuk</b>	<b>6,017,621</b>	<b>3,632,735</b>	<b>9,650,356</b>

Included in the Group borrowings as at 31 December 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	32,194	138,192	147,869	634,718	782,587
- Revolving credits	106,436	-	488,860	-	488,860
Singapore Dollar (SGD'000) **					
- Term loans	8,153	33,063	28,415	115,239	143,654
- Revolving credits	6,000	-	20,912	-	20,912
Australia Dollar (AUD'000) **					
- Revolving credits	300	-	944	-	944
- Term loans	-	6,700	-	21,074	21,074
Pound Sterling (GBP'000) **					
- Term loans	63,759	7,583	373,471	44,416	417,887
Indian Rupee (INR'000) **					
- Term loans	-	6,747,904	-	372,484	372,484

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

Included in the Group borrowings as at 31 December 2023 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	50,000	-	229,650	-	229,650
Singapore Dollar (SGD'000) **					
- Term loans	25,000	60,000	87,135	209,124	296,259
- Revolving credits	90,000	-	313,686	-	313,686
- Bills discounting	500	-	1,743	-	1,743
Chinese Renminbi (RMB'000) *					
- Revolving credits	291,792	-	188,614	-	188,614
			1,881,299	1,397,055	3,278,354

The Group borrowings as at 31 December 2022 are as follows:

	Current RM'000	Non-current RM'000	Total RM'000
<b>Secured borrowings</b>			
<u>Islamic:</u>			
Term loans	18,822	202,882	221,704
Medium term notes	935,000	1,335,000	2,270,000
Revolving credits	442,300	-	442,300
	1,396,122	1,537,882	2,934,004
<u>Conventional:</u>			
Bank overdrafts	61,591	-	61,591
Term loans	289,701	657,860	947,561
Revolving credits	1,250,334	1,522	1,251,856
Medium term notes	-	500,000	500,000
Bankers' acceptances	3,271	-	3,271
Receivable financing	20,000	-	20,000
Hire purchase	161	273	434
	1,625,058	1,159,655	2,784,713
<b>Total secured borrowings</b>	<b>3,021,180</b>	<b>2,697,537</b>	<b>5,718,717</b>
<b>Unsecured borrowings</b>			
<u>Islamic:</u>			
Medium term notes	245,000	200,000	445,000
Revolving credits	12,000	-	12,000
Commercial papers	591,000	-	591,000
	848,000	200,000	1,048,000
<u>Conventional:</u>			
Term loans	596,480	197,646	794,126
Revolving credits	661,190	-	661,190
Bankers' acceptances	156,318	-	156,318
Bills discounting	77,827	-	77,827
	1,491,815	197,646	1,689,461
<b>Total unsecured borrowings</b>	<b>2,339,815</b>	<b>397,646</b>	<b>2,737,461</b>
<b>Total borrowings</b>	<b>5,360,995</b>	<b>3,095,183</b>	<b>8,456,178</b>
Islamic borrowings	2,244,122	1,737,882	3,982,004
Conventional borrowings	3,116,873	1,357,301	4,474,174
<b>Total borrowings</b>	<b>5,360,995</b>	<b>3,095,183</b>	<b>8,456,178</b>
Perpetual sukuk	-	600,000	600,000
<b>Total borrowings and perpetual sukuk</b>	<b>5,360,995</b>	<b>3,695,183</b>	<b>9,056,178</b>

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

Included in the Group borrowings as at 31 December 2022 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	10,000	134,902	44,230	179,132
- Revolving credits	139,000	-	614,797	-	614,797
Singapore Dollar (SGD'000) **					
- Term loans	-	44,514	-	146,632	146,632
- Revolving credits	7,900	-	26,023	-	26,023
Australia Dollar (AUD'000) #					
- Revolving credits	101,696	-	304,692	-	304,692
- Bankers' acceptance	1,092	-	3,271	-	3,271
- Receivable financing	6,675	-	20,000	-	20,000
Pound Sterling (GBP'000) **					
- Term loans	29,000	47,322	154,753	252,522	407,275
Indian Rupee (INR'000) **					
- Term loans	-	3,032,000	-	161,909	161,909
<b>Unsecured</b>					
US Dollar (USD'000) *					
- Revolving credits	50,000	-	221,150	-	221,150
Singapore Dollar (SGD'000) **					
- Term loans	25,000	60,000	82,353	197,646	279,999
- Revolving credits	87,000	-	286,587	-	286,587
- Bills discounting	995	-	3,277	-	3,277
Chinese Renminbi (RMB'000) #					
- Revolving credits	103,804	-	65,967	-	65,967
Australia Dollar (AUD'000) *					
- Revolving credits	29,200	-	87,486	-	87,486
			2,005,258	802,939	2,808,197

**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 RM1.19 billion, from RM8.46 billion as at 31 December 2022 to RM9.65 billion as at 31 December 2023.

The weighted average interest rate of borrowings as at 31 December 2023 is 4.56%. 35% of the Group's borrowings (including perpetual sukuk) are fixed rate instruments, whereas 65% are floating rate instruments.

Out of the total borrowings of RM9.65 billion, RM3.28 billion (Current: RM1.88 billion; Non-current: RM1.40 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 4.569 and CNY borrowings is 0.645.

## B9 Financial Instruments - Derivatives and Financial Guarantee Contracts

(a) The Group derivatives as at 31 December 2023 are as follows:

Type of Derivatives	Contract/ Notional Value RM'000	Fair Value RM'000	(Loss)/Gain for the period RM'000	Cash Flow Hedge Reserve RM'000
<b>Interest rate swap contracts</b>				
- 1 year to 2 years	34,110	(235)	(230)	-
<b>Foreign currency forward contracts</b>				
- Less than 1 year	43,227	(1,970)	648	(5,647)
<b>Cross currency swap contracts #</b>				
- Less than 1 year	798,834	7,117	-	(15,056)
- 1 year to 5 years	827,139	6,348	-	2,145
- More than 5 years	58,500	(595)	-	(431)
<b>Derivative liabilities on exit clauses in relation to the partial divestment of Sunway Healthcare Group</b>	-	(223,868)	(548)	-
<b>Put option</b>	91,350	(58,586)	(7,308)	-
<b>Total derivatives</b>		(271,789)	(7,438)	(18,989)

# Include contracts which have not been drawn down during the period.

### Interest rate swap contracts

The Group entered into interest rate swap contracts to manage its exposure in interest rate risk arising from floating rate borrowings. Borrowings with floating interest rates expose the Group to fluctuation in market interest rate and the hedging contracts minimise the impact on the Group's cash flows. The interest rate swap contracts are executed with credit-worthy financial institutions which are governed by appropriate policies and procedures.

Interest rate swap contracts are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include swap models, using present value calculations. Any changes in fair value of derivatives during the year are recognised immediately to the profit or loss.

### Foreign currency forward contracts

The Group entered into foreign currency forward contracts to manage some of the transaction exposure. These contracts are entered into for periods consistent with currency transaction exposure and fair value changes exposure. The Group also uses foreign currency forward contracts as derivatives to hedge future changes in currency exposure of cash flows from foreign operations.

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

### 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

Derivatives on exit clauses in relation to the partial divestment of Sunway Healthcare Group represent the derivatives attached to the Shareholders' Agreement ("SHA") entered between Sunway Berhad, SunCity, Sunway Healthcare and Greenwood following the partial divestment of 16% equity interest in Sunway Healthcare to Greenwood by SunCity. 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 December 2023 are as follows:

Financial guarantee contracts	Contract/ Notional Value RM'000	Carrying Amount RM'000	Loss for the period RM'000
<b>Guarantees given to third parties in respect of trade and contracts obtained by joint ventures</b>	5,922	(8)	(5)
<b>Guarantees given to financial institutions in respect of credit facilities obtained by joint ventures</b>	3,407,597	(32,579)	(4,858)
<b>Total financial guarantee contracts</b>		(32,587)	(4,863)

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.

**B10 Aging Analysis of Trade Receivables**

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

	31/12/2023 RM'000	31/12/2022 RM'000
Current	2,004,666	1,145,253
1 to 30 days past due	206,343	185,615
31 to 60 days past due	129,244	114,535
61 to 90 days past due	94,433	80,318
91 to 120 days past due	28,596	67,797
More than 120 days past due	236,683	211,783
	<u>695,299</u>	<u>660,048</u>
Gross trade receivables	2,699,965	1,805,301
Impaired	(129,107)	(109,748)
Total trade receivables	2,570,858	1,695,553
Other receivables	560,669	557,508
Amounts due from associates	40,019	39,492
Amounts due from joint ventures	1,313,388	1,597,094
Total receivables	<u>4,484,934</u>	<u>3,889,647</u>
Non-current receivables	1,694,666	1,920,362
Current receivables	2,790,268	1,969,285
Total receivables	<u>4,484,934</u>	<u>3,889,647</u>

**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. 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.89,14,55,047.83 (approximately equivalent to RM49.2 million) in addition to interest and cost.

In the counterclaim, SunCon is seeking for Rs.78,13,94,628.61 (approximately equivalent to RM43.1 million) for inter alia, additional costs incurred by SunCon to complete the works, recovery of mobilisation advance and interest charges, loss of reputation and loss of profits.

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

SunCon was notified by its solicitors that an arbitration petition has been filed by 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.

## B11 Changes in Material Litigation (contd.)

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

(a) (contd.)

The Arbitrator published his award on 9 April 2019 and awarded the Claimant Rs.12,84,41,929.37 (approximately equivalent to RM7.1 million).

SunCon has filed an appeal with the High Court of New Delhi in early July 2019 to set aside the arbitral award. 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.13,56,77,784.64 (approximately equivalent to RM7.5 million) on 26 February 2020 and the amount has been fully provided in the accounts on prudence grounds. Subject to compliance of the said direction, the Honorable Court has stayed the Arbitral Award dated 9 April 2019.

The Claimant filed an application in the High Court of Delhi to permit the Claimant to withdraw the decretal amount deposited by SunCon on 4 March 2020 for release of Rs.6,72,89,597 (approximately equivalent to RM3.7 million) from the deposited Award Amount.

On 27 August 2020, the Court directed the release of Rs.6,71,95,972 (approximately equivalent to RM3.7 million) on the basis of a corporate guarantee to be furnished by Srei Infrastructure Finance Ltd. The balance is to be released subject to furnishing of a bank guarantee. On 3 November 2020, the Court placed on record the corporate guarantee issued on 21 September 2020 and directed the registry to release the amount in terms of the Court order dated 27 August 2020. On 18 November 2020, 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. On 23 January 2024, the Claimant sought an adjournment of two weeks to file their reply which was allowed. The matter is listed for 29 February 2024.

(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.

Separately, 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. The matter is currently fixed for case management on 20 March 2024. The trial dates have been scheduled from 12 August 2024 to 15 August 2024 and 26 August 2024 to 29 August 2024.

From the evidence available, upon a review of the pleadings and documents provided and a review of the law, SunCon's solicitor's considered opinion is that the Plaintiff's claim for the sum of RM643,851,825.01 is excessively inflated and speculative and further the Third Party is to indemnify SunCon in the event SunCon is found liable towards the Plaintiff.

## B12 Dividend

Other than the dividends paid as disclosed in note A7, the Board of Directors has declared the following dividends in respect of financial year ended 31 December 2023:

a) A single-tier second interim dividend of 3.50 sen per ordinary share ("Second Interim Dividend").

The Board had resolved that the dividend reinvestment scheme ("DRS"), which was approved by the shareholders of Sunway, at the Extraordinary General Meeting of Sunway held on 26 June 2014, will apply to the Second Interim Dividend, in which shareholders may elect to reinvest the entire Second Interim Dividend into new ordinary shares.

The details of the DRS will be provided in a separate announcement; and

b) A preferential dividend of 5.25% per annum (based on the issue price of RM1.00) per irredeemable convertible preference share ("ICPS") in respect of the financial period from 1 July 2023 to 31 December 2023.

The entitlement and payment dates in respect of the aforesaid dividends will be determined later.

**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 31/12/2023 RM'000	Preceding Year Corresponding Quarter 31/12/2022 RM'000	Current Year To Date 31/12/2023 RM'000	Preceding Year Corresponding Period 31/12/2022 RM'000
<b><u>Basic earnings per share</u></b>		(Restated)		(Restated)
Profit attributable to owners of the Company	265,902	204,822	737,775	668,605
Less: Preferential dividends on ICPS	-	-	(51,333)	(51,334)
	265,902	204,822	686,442	617,271
Weighted average number of ordinary shares ('000)	6,058,351	5,866,854	5,941,350	5,866,853
Earnings per share (Basic) (sen) <sup>(1)</sup>	4.39	3.49	11.55	10.52
<b><u>Diluted earnings per share</u></b>				
Profit attributable to owners of the Company	265,902	204,822	737,775	668,605
Less: Preferential dividends on ICPS	-	-	(51,333)	(51,334)
	265,902	204,822	686,442	617,271
Weighted average number of ordinary shares ('000)	6,224,057	5,943,159	6,109,776	5,996,370
Earnings per share (Diluted) (sen) <sup>(1)</sup>	4.27	3.45	11.24	10.29

<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