

**SUNWAY BERHAD ( Company No : 201001037627 (921551-D) )**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024**  
**THE FIGURES HAVE NOT BEEN AUDITED**

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024**

	NOTE	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
		CURRENT YEAR QUARTER 30/06/2024	PRECEDING YEAR CORRESPONDING QUARTER 30/06/2023	INCREASE/ (DECREASE)	CURRENT YEAR TO DATE 30/06/2024	PRECEDING YEAR CORRESPONDING PERIOD 30/06/2023	INCREASE/ (DECREASE)
		RM'000	RM'000	%	RM'000	RM'000	%
REVENUE		1,579,920	1,468,171	8	2,998,874	2,731,909	10
OPERATING EXPENSES		(1,445,934)	(1,349,777)	7	(2,746,556)	(2,536,996)	8
OTHER OPERATING INCOME	<b>B6</b>	92,848	21,795	326	134,649	60,170	124
NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS & CONTRACT ASSETS		(15,274)	(158)	9567	(16,971)	(1,698)	899
PROFIT FROM OPERATIONS		<u>211,560</u>	<u>140,031</u>	51	<u>369,996</u>	<u>253,385</u>	46
FINANCE INCOME		86,395	63,809	35	145,682	122,166	19
FINANCE COSTS		(95,993)	(78,394)	22	(181,290)	(140,806)	29
SHARE OF PROFIT FROM ASSOCIATES		64,424	29,637	117	103,233	71,304	45
SHARE OF PROFIT FROM JOINT VENTURES		74,657	47,935	56	130,113	88,999	46
PROFIT BEFORE TAX	<b>B6</b>	<u>341,043</u>	<u>203,018</u>	68	<u>567,734</u>	<u>395,048</u>	44
INCOME TAX EXPENSE	<b>B5</b>	(44,586)	(30,796)	45	(80,331)	(64,061)	25
<b>PROFIT FOR THE PERIOD</b>		<u>296,457</u>	<u>172,222</u>	72	<u>487,403</u>	<u>330,987</u>	47
<b>ATTRIBUTABLE TO:</b>							
- OWNERS OF THE PARENT		270,472	149,934	80	442,699	291,573	52
- NON-CONTROLLING INTERESTS		25,985	22,288	17	44,704	39,414	13
		<u>296,457</u>	<u>172,222</u>	72	<u>487,403</u>	<u>330,987</u>	47
<b>EARNINGS PER SHARE</b>							
- BASIC (sen) <sup>(1)</sup>	<b>B13</b>	<u>4.11</u>	<u>2.54</u>	62	<u>6.39</u>	<u>4.52</u>	41
- DILUTED (sen) <sup>(1)</sup>	<b>B13</b>	<u>4.08</u>	<u>2.51</u>	63	<u>6.33</u>	<u>4.46</u>	42

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

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

SUNWAY BERHAD ( Company No : 201001037627 (921551-D) )  
 QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024  
 THE FIGURES HAVE NOT BEEN AUDITED

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2024

	NOTE	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER 30/06/2024	PRECEDING YEAR CORRESPONDING QUARTER 30/06/2023	CURRENT YEAR TO DATE 30/06/2024	PRECEDING YEAR CORRESPONDING PERIOD 30/06/2023
		RM'000	RM'000	RM'000	RM'000
<b>PROFIT FOR THE PERIOD</b>		296,457	172,222	487,403	330,987
<b>OTHER COMPREHENSIVE (LOSS)/INCOME TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS</b>					
FOREIGN CURRENCY TRANSLATION DIFFERENCES FOR FOREIGN OPERATIONS		(15,158)	73,429	10,263	97,665
CASH FLOW HEDGE RESERVE - FAIR VALUE GAIN/(LOSS)					
- NET FAIR VALUE GAIN OF DERIVATIVES		5,305	76,966	42,879	61,114
- AMOUNTS RECYCLED TO PROFIT OR LOSS		(4,802)	(77,961)	(51,542)	(65,209)
<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		4,288	(19,977)	63,215	(20,090)
FAIR VALUE GAIN ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT	<b>A9</b>	9,573	-	9,573	-
<b>OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD</b>		<u>(794)</u>	<u>52,457</u>	<u>74,388</u>	<u>73,480</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<u>295,663</u>	<u>224,679</u>	<u>561,791</u>	<u>404,467</u>
<b>ATTRIBUTABLE TO:</b>					
- OWNERS OF THE PARENT		269,651	194,268	511,610	356,422
- NON-CONTROLLING INTERESTS		26,012	30,411	50,181	48,045
		<u>295,663</u>	<u>224,679</u>	<u>561,791</u>	<u>404,467</u>

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

**SUNWAY BERHAD ( Company No : 201001037627 (921551-D) )**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024**  
**THE FIGURES HAVE NOT BEEN AUDITED**

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

	<b>CURRENT QUARTER 30/06/2024</b>	<b>IMMEDIATE PRECEDING QUARTER 31/03/2024</b>	<b>INCREASE/ (DECREASE)</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
REVENUE	1,579,920	1,418,954	11
OPERATING EXPENSES	(1,445,934)	(1,300,622)	11
OTHER OPERATING INCOME	92,848	41,801	122
NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS & CONTRACT ASSETS	(15,274)	(1,697)	800
PROFIT FROM OPERATIONS	<u>211,560</u>	<u>158,436</u>	34
FINANCE INCOME	86,395	59,287	46
FINANCE COSTS	(95,993)	(85,297)	13
SHARE OF PROFIT FROM ASSOCIATES	64,424	38,809	66
SHARE OF PROFIT FROM JOINT VENTURES	74,657	55,456	35
PROFIT BEFORE TAX	<u>341,043</u>	<u>226,691</u>	50
INCOME TAX EXPENSE	(44,586)	(35,745)	25
<b>PROFIT FOR THE PERIOD</b>	<u><b>296,457</b></u>	<u><b>190,946</b></u>	55
<b>ATTRIBUTABLE TO:</b>			
- OWNERS OF THE PARENT	270,472	172,227	57
- NON-CONTROLLING INTERESTS	<u>25,985</u>	<u>18,719</u>	39
	<u><b>296,457</b></u>	<u><b>190,946</b></u>	55
<b>EARNINGS PER SHARE</b>			
- BASIC (sen) <sup>(1)</sup>	<u>4.11</u>	<u>2.27</u>	81
- DILUTED (sen) <sup>(1)</sup>	<u>4.08</u>	<u>2.24</u>	82

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

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

SUNWAY BERHAD ( Company No : 201001037627 (921551-D) )  
 QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024  
 THE FIGURES HAVE NOT BEEN AUDITED

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

	CURRENT QUARTER 30/06/2024 RM'000	IMMEDIATE PRECEDING QUARTER 31/03/2024 RM'000
<b>PROFIT FOR THE PERIOD</b>	296,457	190,946
<b>OTHER COMPREHENSIVE (LOSS)/INCOME TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS</b>		
FOREIGN CURRENCY TRANSLATION DIFFERENCES FOR FOREIGN OPERATIONS	(15,158)	25,421
CASH FLOW HEDGE RESERVE - FAIR VALUE GAIN/(LOSS)		
- NET FAIR VALUE GAIN OF DERIVATIVES	5,305	37,574
- AMOUNTS RECYCLED TO PROFIT OR LOSS	(4,802)	(46,740)
<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	4,288	58,927
FAIR VALUE GAIN ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT	9,573	-
<b>OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD</b>	<u>(794)</u>	<u>75,182</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u>295,663</u>	<u>266,128</u>
<b>ATTRIBUTABLE TO:</b>		
- OWNERS OF THE PARENT	269,651	241,959
- NON-CONTROLLING INTERESTS	<u>26,012</u>	<u>24,169</u>
	<u>295,663</u>	<u>266,128</u>

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

**SUNWAY BERHAD ( Company No : 201001037627 (921551-D) )**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024**  
**THE FIGURES HAVE NOT BEEN AUDITED**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2024**

	AS AT END OF CURRENT QUARTER 30/06/2024 RM'000	AS AT PRECEDING FINANCIAL PERIOD END 31/12/2023 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,228,089	1,357,660
Intangible assets	65,821	66,165
Investment properties	2,818,668	2,663,681
Inventories	2,465,502	2,472,441
Investment in associates	2,481,513	2,690,194
Investment in joint ventures	7,463,389	7,106,653
Goodwill	387,942	388,264
Deferred tax assets	83,792	86,405
Receivables	1,898,392	1,692,582
Derivative assets	13,454	7,293
Rock reserves	4,425	4,556
Other investments	147,502	102,876
Biological assets	339	361
	<u>19,058,828</u>	<u>18,639,131</u>
<b>Current assets</b>		
Inventories	3,613,097	3,435,050
Receivables, deposits & prepayments	3,291,747	2,795,432
Contract assets	379,043	524,361
Tax recoverable	62,629	53,573
Derivative assets	28,823	13,965
Other investments	499,830	825,302
Cash and bank balances	2,915,540	2,297,002
	<u>10,790,709</u>	<u>9,944,685</u>
<b>TOTAL ASSETS</b>	<u>29,849,537</u>	<u>28,583,816</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Current liabilities</b>		
Payables, accruals & other short term liabilities	2,962,288	3,070,114
Contract liabilities	33,203	35,796
Bank borrowings	6,622,681	6,017,683
Lease liabilities	29,770	35,220
Taxation	69,223	73,987
Derivative liabilities	1,741	8,817
	<u>9,718,906</u>	<u>9,241,617</u>
<b>Non-current liabilities</b>		
Long term bank borrowings	3,344,841	3,632,673
Lease liabilities	74,011	80,133
Other long term liabilities	181,689	178,261
Derivative liabilities	286,218	284,230
Deferred tax liabilities	158,983	166,565
	<u>4,045,742</u>	<u>4,341,862</u>
<b>Total liabilities</b>	<u>13,764,648</u>	<u>13,583,479</u>
<b>Equity attributable to Owners of the Parent</b>		
Share capital	6,494,633	6,160,760
Irredeemable convertible preference shares ("ICPS")	977,779	977,779
Treasury shares	(74,335)	(74,335)
Reserves	7,080,618	6,786,186
	<u>14,478,695</u>	<u>13,850,390</u>
<b>Non-controlling interests</b>	<u>1,606,194</u>	<u>1,149,947</u>
<b>Total equity</b>	<u>16,084,889</u>	<u>15,000,337</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>29,849,537</u>	<u>28,583,816</u>
<b>Number of ordinary shares ('000) <sup>(1)</sup></b>	<b>6,618,561</b>	<b>6,433,442</b>
<b>Net assets per share attributable to Owners of the Parent (RM)</b>	<b>2.19</b>	<b>2.15</b>

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

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

	ATTRIBUTABLE TO OWNERS OF THE PARENT										TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	NON-CONTROLLING INTERESTS	TOTAL EQUITY
	NON-DISTRIBUTABLE					DISTRIBUTABLE							
	SHARE CAPITAL	IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES	TREASURY SHARES	MERGER RESERVE	FOREIGN CURRENCY TRANSLATION RESERVE	CASH FLOW HEDGE RESERVE	FURNITURE, FITTINGS & EQUIPMENT RESERVE	OTHER RESERVES	RETAINED PROFITS	TOTAL RESERVES			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>PERIOD ENDED 30 JUNE 2024</b>													
At 1 January 2024	6,160,760	977,779	(74,335)	(1,192,040)	319,985	5,079	27,747	545,794	7,079,621	6,786,186	13,850,390	1,149,947	15,000,337
Profit for the year	-	-	-	-	-	-	-	-	442,699	442,699	442,699	44,704	487,403
Other comprehensive income/(loss), net of tax	-	-	-	-	4,786	(8,663)	-	72,788	-	68,911	68,911	5,477	74,388
Total comprehensive income/(loss)	-	-	-	-	4,786	(8,663)	-	72,788	442,699	511,610	511,610	50,181	561,791
Transfer between reserves	-	-	-	-	-	-	1,766	-	(281)	1,485	1,485	(1,485)	-
Disposal of other investment recognised at fair value through other comprehensive income	-	-	-	-	-	-	-	(109,965)	109,965	-	-	-	-
<b>Transactions with owners</b>													
Issuance of ordinary shares pursuant to :													
- exercise of warrants	152,197 <sup>^</sup>	-	-	-	-	-	-	-	-	-	152,197 <sup>^</sup>	-	152,197 <sup>^</sup>
- Dividend Reinvestment Scheme ("DRS")	181,676 <sup>#</sup>	-	-	-	-	-	-	-	-	-	181,676 <sup>#</sup>	-	181,676 <sup>#</sup>
Dividends paid by the Company	-	-	-	-	-	-	-	-	(218,590)	(218,590)	(218,590)	-	(218,590)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(70,611)	(70,611)
Shares acquired by non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	400	400
Effects of subscriptions and redemptions of units in structured entities	-	-	-	-	-	-	-	-	-	-	-	485,812	485,812
Acquisition of equity interest from non-controlling interests	-	-	-	-	-	-	-	-	(73)	(73)	(73)	(927)	(1,000)
Disposal of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	(454)	(454)
Redemption on non-controlling interests' non-cumulative redeemable preference shares	-	-	-	-	-	-	-	-	-	-	-	(6,669)	(6,669)
Total transactions with owners	333,873	-	-	-	-	-	-	-	(218,663)	(218,663)	115,210	407,551	522,761
At 30 June 2024	6,494,633	977,779	(74,335)	(1,192,040)	324,771	(3,584)	29,513	508,617	7,413,341	7,080,618	14,478,695	1,606,194	16,084,889
<b>PERIOD ENDED 30 JUNE 2023</b>													
At 1 January 2023	5,393,897	977,779	(74,335)	(1,192,040)	234,670	(26,275)	23,089	505,452	6,683,417	6,228,313	12,525,654	1,031,780	13,557,434
Profit for the year	-	-	-	-	-	-	-	-	291,573	291,573	291,573	39,414	330,987
Other comprehensive income/(loss), net of tax	-	-	-	-	89,034	(4,095)	-	(20,090)	-	64,849	64,849	8,631	73,480
Total comprehensive income/(loss)	-	-	-	-	89,034	(4,095)	-	(20,090)	291,573	356,422	356,422	48,045	404,467
Transfer between reserves	-	-	-	-	-	-	2,606	(14)	(2,532)	60	60	(60)	-
<b>Transactions with owners</b>													
Issuance of ordinary shares pursuant to :													
- exercise of warrants	4 <sup>^</sup>	-	-	-	-	-	-	-	-	-	4 <sup>^</sup>	-	4 <sup>^</sup>
- Dividend Reinvestment Scheme ("DRS")	90,476 <sup>#</sup>	-	-	-	-	-	-	-	-	-	90,476 <sup>#</sup>	-	90,476 <sup>#</sup>
Dividends paid by the Company	-	-	-	-	-	-	-	-	(196,784)	(196,784)	(196,784)	-	(196,784)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(16,910)	(16,910)
Shares acquired by non-controlling interests	-	-	-	-	-	-	-	-	77	77	77	653	730
Effects of subscriptions and redemptions of units in structured entities	-	-	-	-	-	-	-	-	-	-	-	106,039	106,039
Acquisition of equity interest from non-controlling interests	-	-	-	-	-	-	-	-	(1,761)	(1,761)	(1,761)	(236)	(1,997)
Disposal of subsidiaries	-	-	-	-	-	-	-	-	(9)	(9)	(9)	(37)	(46)
Total transactions with owners	90,480	-	-	-	-	-	-	-	(198,477)	(198,477)	(107,997)	89,509	(18,488)
At 30 June 2023	5,484,377	977,779	(74,335)	(1,192,040)	323,704	(30,370)	25,695	485,348	6,773,981	6,386,318	12,774,139	1,169,274	13,943,413

<sup>^</sup> Represents 112,738,590 warrants amounting to RM152,197,097 (2023: 3,125 warrants amounting to RM4,438).

<sup>#</sup> Represents 72,380,900 ordinary shares amounting to RM181,676,059 (2023: 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 2023 and the accompanying explanatory notes attached to the interim financial statements.)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2024

	FOR THE 6 MONTHS PERIOD ENDED 30/06/2024	FOR THE 6 MONTHS PERIOD ENDED 30/06/2023
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	567,734	395,048
Adjustments for:		
- non-cash items	(206,015)	(86,612)
- finance costs	181,290	140,806
- finance income	(145,682)	(122,166)
Operating cash flows before working capital changes	397,327	327,076
Changes in working capital	(699,967)	(223,026)
Cash (used in)/generated from operations	(302,640)	104,050
Interest received	146,385	120,383
Dividends received from joint ventures, associates and other investments	76,932	80,154
Tax refunded	4,585	1,796
Tax paid	(102,736)	(60,301)
Net cash (used in)/generated from operating activities	(177,474)	246,082
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant & equipment	6,912	7,635
Proceeds from disposal of a joint venture	1,061	-
Proceeds from disposal of other investments	400,692	62,035
Proceeds from disposal of an associate	1,777	-
Proceeds from acquisition of equity interest by non-controlling interests	400	730
Acquisition of property, plant and equipment	(37,719)	(49,617)
Acquisition of biological assets	(81)	(50)
Acquisition of intangible assets	(4,320)	(6,148)
Acquisition and subsequent expenditure of investment properties	(11,428)	(16,640)
Acquisition of other investments	(56,427)	(52,463)
Acquisition of equity interest from non-controlling interests	(1,000)	(1,997)
Investment in associates	(60,428)	(6,732)
Investment in joint ventures	(8,087)	(1,036)
Payment of balance consideration on acquisition of subsidiaries	-	(41,198)
Advances to associates and joint ventures	(67,168)	(203,504)
Quasi-equity loan advanced to joint ventures	(229,804)	(32,568)
Redemption of perpetual notes by an associate	340,000	-
Net cash flows from deposits placed with maturity of over 3 months	270	(2,642)
Net subscriptions of units in structured entities		
by non-controlling interests	485,812	106,039
Net cash outflow for disposal of a subsidiary	(709)	(35)
Other investing activities	(7,615)	(39,851)
Net cash generated from/(used in) investing activities	752,138	(278,042)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net bank and other borrowings	304,569	555,168
Net lease liabilities	(18,682)	(14,785)
Interest paid	(244,013)	(192,381)
Dividend paid to shareholders	(36,914)	(106,308)
Dividends paid to non-controlling interests of subsidiaries	(70,611)	(16,910)
Proceeds from issuance of shares pursuant to exercise of warrants	152,197	4
Redemption of preference shares by non-controlling interest of a subsidiary	(6,669)	-
Net cash generated from financing activities	79,877	224,788
NET INCREASE IN CASH AND CASH EQUIVALENTS	654,541	192,828
EFFECTS OF EXCHANGE RATE CHANGES	3,020	15,431
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	2,226,547	1,895,421
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b>2,884,108</b>	<b>2,103,680</b>
Cash and bank balances	852,314	573,848
Fixed deposits	2,063,226	1,567,451
<b>Total cash and bank balances</b>	<b>2,915,540</b>	<b>2,141,299</b>
Bank overdrafts	(27,790)	(33,935)
Less: Deposits with maturity of over 3 months	(3,642)	(3,684)
<b>Cash and cash equivalents</b>	<b>2,884,108</b>	<b>2,103,680</b>

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

## NOTES TO FINANCIAL STATEMENTS

### A1 Accounting Policies and Basis of Preparation

The Group has prepared its financial statements using the Malaysian Financial Reporting Standards ("MFRS") for the financial period ended 30 June 2024.

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

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

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

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

The adoption of the above pronouncements does not have any significant impact to the Group for the financial period ended 30 June 2024.

### A2 Report of the Auditors

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

### A3 Seasonal or Cyclical Factors

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

### A4 Unusual Items

There were no material unusual items affecting the amounts reported for the current quarter ended 30 June 2024.

### A5 Changes in Estimates

There were no changes in estimates that have a material effect on the amounts reported for the current quarter ended 30 June 2024.

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

During the financial period ended 30 June 2024, the Company increased its issued and paid up ordinary share capital by way of:

- (a) issuance of 112,738,590 ordinary shares pursuant to the exercise of warrants; and
- (b) issuance of 72,380,900 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 2023, in which the entire portion can be elected to be reinvested into new ordinary shares in accordance with the Dividend Reinvestment Scheme ("DRS"). The reinvestment rate subsequent to the completion of the DRS was 95.2% with the allotment of 72,380,900 new ordinary shares at RM2.51 per share amounted to RM181,676,059 and total cash dividend of RM11,246,808 was paid on 18 April 2024. The new ordinary shares issued pursuant to the DRS were listed on the Main Market of Bursa Securities on 19 April 2024; and
- b) RM25,666,696 was paid on 18 April 2024 as preferential dividend of 5.25% per annum, based on the issue price of RM1.00 per irredeemable convertible preference share ("ICPS"), for the period from 1 July 2023 to 31 December 2023.



**A8 Segmental Reporting**

Segmental results for the financial period ended 30 June 2024 are as follows:

	Property Development RM'000	Property Investment RM'000	Construction RM'000	Healthcare RM'000	Trading and Manufacturing RM'000	Quarry RM'000	Investment Holdings RM'000	Others RM'000	Adjustments/ Eliminations RM'000	Total RM'000
<b>BY BUSINESS SEGMENTS</b>										
<b>REVENUE AND RESULTS</b>										
<b>Revenue</b>										
Sales to external customers	659,604	462,124	753,610	-	496,566	216,785	4,698	405,487	-	2,998,874
Inter-segment revenue	22,794	91,682	834,429	-	95,636	41,364	235,143	108,078	(1,429,126)	-
<b>Total revenue</b>	<b>682,398</b>	<b>553,806</b>	<b>1,588,039</b>	<b>-</b>	<b>592,202</b>	<b>258,149</b>	<b>239,841</b>	<b>513,565</b>	<b>(1,429,126)</b>	<b>2,998,874</b>
<b>Results</b>										
Operating segment results	84,949	98,815	104,400	-	24,811	20,829	10,238	25,954	-	369,996
Finance income	42,733	39,666	19,826	-	6,737	6,178	72,722	15,704	(57,884)	145,682
Finance costs	(53,788)	(89,745)	(33,914)	-	(11,909)	(5,809)	(36,339)	(7,670)	57,884	(181,290)
Share of results of:										
- associates	(9)	102,521	660	-	-	-	(94)	155	-	103,233
- joint ventures	35,035	4,331	3,826	86,135	(207)	1,108	(115)	-	-	130,113
<b>Profit before taxation</b>	<b>108,920</b>	<b>155,588</b>	<b>94,798</b>	<b>86,135</b>	<b>19,432</b>	<b>22,306</b>	<b>46,412</b>	<b>34,143</b>	<b>-</b>	<b>567,734</b>
Taxation	(23,894)	(24,450)	(22,196)	-	(4,635)	(4,401)	4,868	(5,623)	-	(80,331)
<b>Profit for the period</b>	<b>85,026</b>	<b>131,138</b>	<b>72,602</b>	<b>86,135</b>	<b>14,797</b>	<b>17,905</b>	<b>51,280</b>	<b>28,520</b>	<b>-</b>	<b>487,403</b>
Non-controlling interests	(12,151)	1,512	(30,473)	-	73	(81)	(4,207)	623	-	(44,704)
<b>Attributable to owners of the parent</b>	<b>72,875</b>	<b>132,650</b>	<b>42,129</b>	<b>86,135</b>	<b>14,870</b>	<b>17,824</b>	<b>47,073</b>	<b>29,143</b>	<b>-</b>	<b>442,699</b>

	Revenue RM'000	Profit before tax RM'000	Profit after tax RM'000	Attributable to owners of the parent RM'000
<b>BY GEOGRAPHICAL SEGMENTS</b>				
Malaysia	2,694,824	534,977	459,851	414,324
Singapore	132,061	17,057	16,985	20,004
China	51,245	1,226	397	294
India	35,719	6,402	5,205	4,163
Australia	16,477	1,437	830	(358)
Indonesia	22,548	2,680	1,966	1,966
United Kingdom	24,173	1,937	365	365
Other countries	21,827	2,018	1,804	1,941
	<b>2,998,874</b>	<b>567,734</b>	<b>487,403</b>	<b>442,699</b>

**A8 Segmental Reporting (contd.)**

Segmental assets and liabilities for the financial period ended 30 June 2024 are as follows:

	Property Development RM'000	Property Investment RM'000	Construction RM'000	Healthcare RM'000	Trading and Manufacturing RM'000	Quarry RM'000	Investment Holdings RM'000	Others RM'000	Adjustments/ Eliminations RM'000	Total RM'000
<b>Assets</b>										
Segment assets	8,505,023	3,350,321	3,072,272	-	984,115	530,496	13,448,424	2,255,459	(12,387,896)	19,758,214
Investment in associates	-	2,411,456	-	-	-	-	16,563	53,494	-	2,481,513
Investment in joint ventures	2,743,081	157,300	256,371	4,281,454	12,949	12,088	146	-	-	7,463,389
Unallocated assets										146,421
Total assets										29,849,537
<b>Liabilities</b>										
Segment liabilities	6,138,951	3,830,380	2,417,049	-	665,827	358,645	10,966,700	1,479,692	(12,320,802)	13,536,442
Unallocated liabilities										228,206
Total liabilities										13,764,648

**A8 Segmental Reporting (contd.)**

Segmental results by foreign currency for the financial period ended 30 June 2024 are as follows:

**PROPERTY DEVELOPMENT SEGMENT:**

	Foreign currency				RM'000			
	Revenue	Profit/(Loss) before tax	Profit/(Loss) after tax	Attributable to owners of the parent	Revenue	Profit/(Loss) before tax	Profit/(Loss) after tax	Attributable to owners of the parent
Malaysia Ringgit (RM'000)	659,604	81,655	58,368	47,691	659,604	81,655	58,368	47,691
Australian Dollar (AUD'000)	-	885	691	311	-	2,767	2,160	972
Indian Rupee (INR'000)	-	37,845	37,845	37,845	-	2,154	2,154	2,154
Chinese Renminbi (RMB'000)	-	(5,033)	(5,033)	(5,033)	-	(3,315)	(3,315)	(3,315)
Singapore Dollar (SGD'000)	-	7,091	7,091	7,091	-	24,929	24,929	24,929
US Dollar (USD'000)	-	154	154	94	-	730	730	444
					659,604	108,920	85,026	72,875

**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)	429,657	156,072	133,285	134,374	429,657	156,072	133,285	134,374
Pound Sterling (GBP'000)	4,026	323	61	61	24,173	1,937	365	365
Singapore Dollar (SGD'000)	-	(664)	(664)	(664)	-	(2,334)	(2,334)	(2,334)
US Dollar (USD'000)	935	(171)	(171)	(81)	4,435	(809)	(809)	(386)
Vietnam Dong (VND'000,000)	20,353	3,808	3,328	3,328	3,859	722	631	631
					462,124	155,588	131,138	132,650

**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)	603,026	97,193	76,194	43,744	603,026	97,193	76,194	43,744
Indian Rupee (INR'000)	627,567	74,635	53,605	35,297	35,719	4,248	3,051	2,009
Singapore Dollar (SGD'000)	32,673	(1,890)	(1,890)	(1,031)	114,865	(6,643)	(6,643)	(3,624)
					753,610	94,798	72,602	42,129

**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)	-	86,135	86,135	86,135	-	86,135	86,135	86,135
					-	86,135	86,135	86,135

**A8 Segmental Reporting (contd.)**

Segmental results by foreign currency for the financial period ended 30 June 2024 are as follows: (contd.)

**TRADING & MANUFACTURING SEGMENT:**

	Foreign currency				RM'000			
	Revenue	Profit/(Loss) before tax	Profit/(Loss) after tax	Attributable to owners of the parent	Revenue	Profit/(Loss) before tax	Profit/(Loss) after tax	Attributable to owners of the parent
Malaysia Ringgit (RM'000)	398,398	14,229	11,191	11,277	398,398	14,229	11,191	11,277
Australian Dollar (AUD'000)	5,272	(426)	(426)	(426)	16,477	(1,330)	(1,330)	(1,330)
Indonesia Rupiah (IDR'000,000)	76,176	9,054	6,642	6,642	22,548	2,680	1,966	1,966
Chinese Renminbi (RMB'000)	43,138	2,254	1,210	1,190	28,414	1,485	797	784
Singapore Dollar (SGD'000)	4,891	317	297	297	17,196	1,115	1,043	1,043
Thai Baht (THB'000)	83,910	7,351	6,409	6,409	10,946	959	836	836
Vietnam Dong (VND'000,000)	13,645	1,551	1,551	1,551	2,587	294	294	294
					496,566	19,432	14,797	14,870

**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)	216,785	22,184	17,783	17,702	216,785	22,184	17,783	17,702
Trinidad & Tobago Dollar (TTD'000)	-	174	174	174	-	122	122	122
					216,785	22,306	17,905	17,824

**INVESTMENT HOLDINGS SEGMENT:**

	Foreign currency				RM'000			
	Revenue	Profit/(Loss) before tax	Profit/(Loss) after tax	Attributable to owners of the parent	Revenue	Profit/(Loss) before tax	Profit/(Loss) after tax	Attributable to owners of the parent
Malaysia Ringgit (RM'000)	3,691	46,309	51,318	47,104	3,691	46,309	51,318	47,104
Hong Kong Dollar (HKD'000)	-	(170)	(170)	(158)	-	(103)	(103)	(96)
Chinese Renminbi (RMB'000)	1,529	328	114	114	1,007	216	75	75
Singapore Dollar (SGD'000)	-	(3)	(3)	(3)	-	(10)	(10)	(10)
					4,698	46,412	51,280	47,073

**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)	383,663	31,200	25,577	26,297	383,663	31,200	25,577	26,297
Chinese Renminbi (RMB'000)	33,133	4,468	4,468	4,321	21,824	2,943	2,943	2,846
					405,487	34,143	28,520	29,143

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

The Group adopts the fair value model for its investment properties and cost model for its property, plant and equipment. There is no significant and indicative change in value of the said investment properties since the last balance sheet date, except for the Group's share in an associate, net of tax, for a total fair value gain of approximately RM27.0 million recognised during the period based on professional valuer's opinion.

Besides, a revaluation gain of RM9.6 million was recognised in other comprehensive income arising from a change in classification of a property, plant and equipment to investment property as a results of change in the use of the asset.

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

There were no material events subsequent to the current quarter ended 30 June 2024.

## A11 Changes in the Composition of the Group

There were no material changes in the composition of the Group for the current quarter ended 30 June 2024.

## A12 Contingent Liabilities and Assets

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

	30/06/2024 RM'000	31/12/2023 RM'000
Claim by a third party	<u>164,378</u>	<u>164,378</u>

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

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

The trial for the said Assessment was held on 4, 5, 6, 12 and 13 January 2023. Upon conclusion of the trial, the High Court judge directed Sunway REIT and Metroplex to appear before the High Court for oral submission on 9 and 15 May 2023. After hearing oral submissions by both parties, the Judge then proceeded to fix the date for the decision to be delivered. At this stage, the financial impact cannot be determined pending the decision of the High Court, which has been adjourned to 24 September 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 period ended 30 June 2024 are as follows:

	30/06/2024 RM'000	31/12/2023 RM'000
Approved and contracted for property, plant and equipment and investment properties	33,962	28,101
Approved but not contracted for property, plant and equipment and investment properties	<u>88,522</u>	<u>64,751</u>
	<u>122,484</u>	<u>92,852</u>

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

	30/06/2024 RM'000	31/12/2023 RM'000
Approved and contracted for property, plant and equipment and investment properties	227,573	370,711
Approved but not contracted for property, plant and equipment and investment properties	<u>261,285</u>	<u>249,092</u>
	<u>488,858</u>	<u>619,803</u>

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

	30/06/2024 RM'000	31/12/2023 RM'000
Approved and contracted for property, plant and equipment and investment properties	245,472	255,460
Approved but not contracted for property, plant and equipment and investment properties	<u>1,030,632</u>	<u>967,449</u>
	<u>1,276,104</u>	<u>1,222,909</u>

(b) Operating lease commitment not provided for in the financial period ended 30 June 2024 is as follows:

	30/06/2024 RM'000	31/12/2023 RM'000
Future minimum lease receipts:		
- not later than 1 year	57,408	57,092
- later than 1 year and not later than 5 years	<u>145,098</u>	<u>172,655</u>
	<u>202,506</u>	<u>229,747</u>

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

	Current Quarter Ended		Cumulative Year To Date	
	30/06/2024 RM'000	30/06/2023 RM'000	30/06/2024 RM'000	30/06/2023 RM'000
<b>(i) Sunway Real Estate Investment Trust</b> <b>("Sunway REIT") (RHB Trustees Bhd) ^</b>				
Lease of Sunway Resort Hotel & Spa	(14,858)	(2,068)	(25,628)	(4,137)
Lease of Sunway Putra Hotel	(2,022)	(1,847)	(4,667)	(4,622)
Lease of Sunway Hotel Georgetown	(1,584)	(822)	(3,255)	(1,645)
Lease of Sunway Pyramid's ice rink	(434)	(409)	(871)	(824)
Lease/Rental of properties in respect of :				
Menara Sunway and accommodation for security staff	(1,852)	(1,741)	(3,802)	(3,546)
Rental and management of car parks and related services	(8,873)	(10,111)	(18,463)	(20,030)
Provision of property management and related services	1,031	1,364	2,232	2,811
Provision of loyalty card points	335	301	672	601
Sales of financial, human resources and IT related services	329	569	897	1,106
Marketing, distribution and sale of construction related products and industrial products	939	170	956	199
Construction, marketing, mechanical engineering, engineering related design and build, civil engineering, building works and related services	20,316	20,699	78,666	30,158
Management services	3,498	4,386	10,019	8,112
Distribution income from perpetual note	383	2,204	3,114	4,770
<b>(ii) Sunway Iskandar Sdn. Bhd. Group</b>				
Management services	1,493	1,341	2,878	3,102
Property management and related services	557	520	1,081	858
Interest income	17,226	10,135	25,833	19,590
Lease of land for precast plant	(231)	(464)	(440)	(535)
<b>(iii) Sunway Healthcare Holdings Sdn. Bhd. Group</b>				
Provision of medical services	(356)	(305)	(657)	(671)
Sponsorship of nurse program	(29)	(573)	(134)	(987)
Construction, marketing, mechanical engineering, engineering related design and build, civil engineering, building works and related services	79,936	74,814	128,896	125,466
Rental of office space premises and related services	1,492	746	2,775	1,361
Provision of property management and related services	241	625	1,628	1,743
Sales of financial, human resources and IT related services	2,430	1,839	3,453	2,398
Management services	735	696	1,462	1,388
Provision of ticketing and tour related services	325	414	600	789
Distribution income from wholesale funds	2,313	1,373	2,735	2,871
Corporate guarantee commission fee	203	-	673	-
<b>(iv) Sunway Velocity Hotel Sdn. Bhd.</b>				
Management services	336	264	617	508
Interest income	1,884	1,842	3,772	3,546
<b>(v) Sunway Velocity Mall Sdn. Bhd.</b>				
Corporate guarantee commission fee	399	773	805	773
Interest income	6,067	7,869	11,966	13,359
<b>(vi) Blacktop Lanchang Sdn. Bhd.</b>				
Distribution and sale of construction related products and industrial products	854	427	1,389	804
<b>(vii) Sunway Daechang Forging (Anhui) Co. Ltd</b>				
Manufacturing, repair and assembling of undercarriage components	(1,594)	-	(1,630)	-

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

	Current Quarter Ended		Cumulative Year To Date	
	30/06/2024 RM'000	30/06/2023 RM'000	30/06/2024 RM'000	30/06/2023 RM'000
<b>(i) Active Equity Sdn. Bhd. Group *</b>				
Information systems products and consultancy fees	(2,295)	(2,248)	(4,139)	(4,309)
<b>(ii) Tan Sri Sir Dr Jeffrey Cheah Fook Ling KBE AO</b>				
Distribution paid/payable in respect of perpetual note	-	(7,554)	-	(15,317)

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

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

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

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

## B1 Review of Performance

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

### For the quarter

	Quarter ended		Increase/ (Decrease) %
	30/06/2024 RM'000	30/06/2023 RM'000	
<b>Revenue</b>			
Property Development	371,863	362,071	2.7
Property Investment	230,974	199,400	15.8
Construction	381,146	404,096	(5.7)
Trading and Manufacturing	255,212	227,833	12.0
Quarry	111,942	94,485	18.5
Others	228,783	180,286	26.9
	<u>1,579,920</u>	<u>1,468,171</u>	7.6
<b>Profit before tax</b>			
Property Development	70,124	49,066	42.9
Property Investment	86,168	33,854	154.5
Construction	52,447	44,536	17.8
Healthcare*	49,332	37,722	30.8
Trading and Manufacturing	10,452	10,106	3.4
Quarry	11,197	4,401	154.4
Others	61,323	23,333	162.8
	<u>341,043</u>	<u>203,018</u>	68.0

\* 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 RM1,579.9 million and profit before tax of RM341.0 million for the current quarter ended 30 June 2024 compared to revenue of RM1,468.2 million and profit before tax of RM203.0 million in the corresponding quarter of the previous financial year, representing an increase in revenue of 7.6% and profit before tax of 68.0%. The higher revenue in the current quarter was attributed to better performance from all business segments except for the construction segment. The increase in profit before tax in the current quarter was mainly due to stronger operating performance across all business segments, coupled with fair value gain of RM62.4 million from the redemption of an investment and share of fair value gain of RM27.0 million from the newly acquired investment properties of an associate company of the Group.

It should be noted that under MFRS 15, the development profit from one of the Group's on-going Singapore property development projects will only be recognised upon completion and handover of the project. The project has been completed in the third quarter of 2024 and the accumulated progressive profits related to the project of approximately RM123.0 million will be recorded in the third quarter of 2024.

The property development segment reported revenue of RM371.9 million and profit before tax of RM70.1 million for the current quarter compared to revenue of RM362.1 million and profit before tax of RM49.1 million in the corresponding quarter of the previous financial year, representing an increase in revenue of 2.7% and profit before tax of 42.9%. The improved revenue in the current quarter was mainly due to higher sales and progress billings from new and on-going local development projects. The increase in profit before tax was primarily attributed to higher progressive profit recognition from on-going local development projects, and one of the Group's new private condominium projects in Singapore.

The property investment segment reported revenue of RM231.0 million and profit before tax of RM86.2 million for the current quarter compared to revenue of RM199.4 million and profit before tax of RM33.9 million in the corresponding quarter of the previous financial year, representing an increase in revenue of 15.8% and profit before tax of 154.5%. Revenue in the current quarter was higher mainly due to stronger performance across most sub-segments. This included higher visitorships at the theme parks, increased occupancy rates and average room rates at the Group's hotels, and higher revenue from the operations of property investment assets. Consequently, a higher profit before tax was recorded, coupled with a larger contribution from its associate company, Sunway REIT, of which the contribution included a share of fair value gain of RM27.0 million from its newly acquired investment properties.

The construction segment reported revenue of RM381.1 million and profit before tax of RM52.4 million for the current quarter compared to revenue of RM404.1 million and profit before tax of RM44.5 million in the corresponding quarter of the previous financial year, representing a decrease in revenue of 5.7% and an increase in profit before tax of 17.8%. The lower revenue in the current quarter was mainly due to lower contribution from its overseas and sustainable energy projects. However, profit before tax was higher mainly due to higher profit margins from its newer construction projects in the current quarter.

The healthcare segment reported a share of net profit of RM49.3 million for the current quarter compared to share of net profit of RM37.7 million in the corresponding quarter of the previous financial year, representing an increase of 30.8%. The stronger financial performance in the current quarter was driven by better revenue performance from the three operating hospitals, namely Sunway Medical Centre ("SMC") Sunway City, SMC Velocity and SMC Penang, in line with the higher licensed bed capacity and improved census performance compared to the corresponding quarter of the previous financial year. This was partially offset by higher operating expenses due to increased business activities, and higher depreciation and finance costs arising from increased capital expenditures.

The trading and manufacturing segment reported revenue of RM255.2 million and profit before tax of RM10.5 million for the current quarter compared to revenue of RM227.8 million and profit before tax of RM10.1 million in the corresponding quarter of the previous financial year, representing an increase in revenue of 12.0% and profit before tax of 3.4%. The financial performance in the current quarter was better mainly due to higher contribution from the domestic market.

The quarry segment reported revenue of RM111.9 million and profit before tax of RM11.2 million for the current quarter compared to revenue of RM94.5 million and profit before tax of RM4.4 million in the corresponding quarter of the previous financial year, representing an increase in revenue of 18.5% and a higher profit before tax of 154.4%. The improved financial performance in the current quarter was due to higher demand from local council and highway projects which resulted in higher sales volumes, along with higher average selling prices of aggregates and premix, as well as improved profit margins.

The others segment reported revenue of RM228.8 million and profit before tax of RM61.3 million for the current quarter compared to revenue of RM180.3 million and profit before tax of RM23.3 million in the corresponding quarter of the previous financial year, representing an increase in revenue of 26.9% and a higher profit before tax of 162.8%. The better financial performance in the current quarter was attributed to higher contributions from building materials and community pharmacy businesses, coupled with the recognition of a fair value gain of RM62.4 million from the redemption of an investment, mitigated by higher operating expenses from other business sub-segments.

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

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

For 6 months period

	For 6 months period ended		Increase/ (Decrease) %
	30/06/2024 RM'000	30/06/2023 RM'000	
<b>Revenue</b>			
Property Development	659,604	609,878	8.2
Property Investment	462,124	409,286	12.9
Construction	753,610	732,037	2.9
Trading and Manufacturing	496,566	451,913	9.9
Quarry	216,785	172,710	25.5
Others	410,185	356,085	15.2
	<u>2,998,874</u>	<u>2,731,909</u>	9.8
<b>Profit before tax</b>			
Property Development	108,920	72,138	51.0
Property Investment	155,588	101,098	53.9
Construction	94,798	84,046	12.8
Healthcare*	86,135	66,554	29.4
Trading and Manufacturing	19,432	19,705	(1.4)
Quarry	22,306	7,893	182.6
Others	80,555	43,614	84.7
	<u>567,734</u>	<u>395,048</u>	43.7

\* 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 RM2,998.9 million and profit before tax of RM567.7 million for the current 6 months period ended 30 June 2024 compared to revenue of RM2,731.9 million and profit before tax of RM395.0 million in the corresponding 6 months period ended 30 June 2023, representing an increase in revenue of 9.8% and profit before tax of 43.7%. Revenue was higher in the current period due to higher contributions from all business segments. The improvement in profit before tax in the current period was attributed to stronger operating performance from most business segments, except for trading and manufacturing segment. Higher profit before tax in the current period was supported by the recognition of fair value gain of RM62.4 million from the redemption of an investment and share of fair value gain of RM27.0 million from the newly acquired investment properties of an associate company of the Group, which more than offset the lower contribution from the trading and manufacturing segment.

The property development segment reported revenue of RM659.6 million and profit before tax of RM108.9 million for the current 6 months period ended 30 June 2024 compared to revenue of RM609.9 million and profit before tax of RM72.1 million in the corresponding 6 months period ended 30 June 2023, representing an increase in revenue of 8.2% and profit before tax of 51.0%. Revenue in the current period was higher mainly due to higher sales and progress billings from on-going local development projects. As a result, higher profit before tax for local development projects was reported, supported by higher share of progressive profit recognition from the Group's private condominium projects in Singapore.

The property investment segment reported revenue of RM462.1 million and profit before tax of RM155.6 million for the current 6 months period ended 30 June 2024 compared to revenue of RM409.3 million and profit before tax of RM101.1 million in the corresponding 6 months period ended 30 June 2023, representing an increase in revenue of 12.9% and profit before tax of 53.9%. The better financial performance in the current period was attributed to stronger operational performance across most sub-segments. This included increased visitorships at theme parks, higher occupancy rates at the Group's hotels, and higher revenue from property investment assets. As a result, a higher profit before tax was recorded. The substantial increase in profit before tax for the current period included a share of fair value gain of RM27.0 million from its associate company, Sunway REIT's newly acquired investment properties.

The construction segment recorded revenue of RM753.6 million and profit before tax of RM94.8 million for the current 6 months period ended 30 June 2024 compared to revenue of RM732.0 million and profit before tax of RM84.0 million in the corresponding 6 months period ended 30 June 2023, representing an increase in revenue of 2.9% and profit before tax of 12.8%. The financial performance in the current period was better mainly due to higher progress billings from several construction projects and higher profit margins.

The healthcare segment reported a share of net profit of RM86.1 million in the current 6 months period ended 30 June 2024 compared to RM66.6 million in the corresponding 6 months period ended 30 June 2023, representing an increase of 29.4%. Despite higher operating expenses, the improved financial performance in the current period was mainly due to stronger operational results from its three operating hospitals, which resulted from the increase in licensed bed capacity and better census performance compared to corresponding period.

The trading and manufacturing segment recorded revenue of RM496.6 million and profit before tax of RM19.4 million for the current 6 months period ended 30 June 2024 compared to revenue of RM451.9 million and profit before tax of RM19.7 million in the corresponding 6 months period ended 30 June 2023, representing an increase in revenue of 9.9% and a decrease in profit before tax of 1.4%. Revenue was higher in the current period mainly due to increased market demand for trading and manufacturing products in the domestic market. However, profit before tax was lower due to lower profit margins in the domestic market as well as lower contribution from overseas operations.

The quarry segment reported revenue of RM216.8 million and profit before tax of RM22.3 million for the current 6 months period ended 30 June 2024 compared to revenue of RM172.7 million and profit before tax of RM7.9 million in the corresponding 6 months period ended 30 June 2023, representing an increase in revenue of 25.5% and profit before tax of 182.6%. The improved financial performance in the current period was due to higher sales volumes and average selling prices of aggregates and premix, driven by increased demand from local council and highway projects, coupled with higher profit margins.

The others segment recorded revenue of RM410.2 million and profit before tax of RM80.6 million for the current 6 months period ended 30 June 2024 compared to revenue of RM356.1 million and profit before tax of RM43.6 million in the corresponding 6 months period ended 30 June 2023, representing an increase in revenue of 15.2% and profit before tax of 84.7%. The better financial performance in the current period was primarily contributed by building materials and community pharmacy businesses, along with a fair value gain of RM62.4 million from the redemption of an investment which the Group had invested, which more than offset the lower contribution from other business sub-segments.



## B2 Material Changes in the Quarterly Results

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

	Quarter ended		Increase/ (Decrease) %
	30/06/2024 RM'000	31/03/2024 RM'000	
<b>Revenue</b>			
Property Development	371,863	287,741	29.2
Property Investment	230,974	231,150	(0.1)
Construction	381,146	372,464	2.3
Trading and Manufacturing	255,212	241,354	5.7
Quarry	111,942	104,843	6.8
Others	228,783	181,402	26.1
	<u>1,579,920</u>	<u>1,418,954</u>	11.3
<b>Profit before tax</b>			
Property Development	70,124	38,796	80.8
Property Investment	86,168	69,420	24.1
Construction	52,447	42,351	23.8
Healthcare*	49,332	36,803	34.0
Trading and Manufacturing	10,452	8,980	16.4
Quarry	11,197	11,109	0.8
Others	61,323	19,232	218.9
	<u>341,043</u>	<u>226,691</u>	50.4

\* 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 RM1,579.9 million and profit before tax of RM341.0 million for the current quarter compared to revenue of RM1,419.0 million and profit before tax of RM226.7 million in the preceding quarter, representing an increase in revenue of 11.3% and profit before tax of 50.4%. Revenue was higher in the current quarter due to higher contributions from most business segments except for the property investment segment. The increase in profit before tax during the current quarter was mainly driven by stronger operational performance across all business segments and was supported by fair value gain of RM62.4 million from the redemption of an investment the Group had invested, as well as a share of fair value gain of RM27.0 million from its associate company, Sunway REIT, related to its newly acquired investment properties.

The property development segment reported revenue of RM371.9 million and profit before tax of RM70.1 million for the current quarter compared to revenue of RM287.7 million and profit before tax of RM38.8 million in the preceding quarter, representing an increase in revenue of 29.2% and profit before tax of 80.8%. Revenue in the current quarter was higher mainly due to higher sales and progress billings from on-going local development projects. Profit before tax grew primarily due to higher progressive profit recognition from on-going local development projects and one of the Group's new private condominium projects in Singapore.

The property investment segment reported revenue of RM231.0 million and profit before tax of RM86.2 million for the current quarter compared to revenue of RM231.2 million and profit before tax of RM69.4 million in the preceding quarter, representing a decrease in revenue of 0.1% and an increase in profit before tax of 24.1%. The marginally lower revenue in the current quarter was mainly due to lower contribution from the leisure business. However, profit before tax in the current quarter was higher due to higher contribution from hospitality, coupled with a larger contribution from its associate company, Sunway REIT, which more than offset the lower contribution from the leisure business. It should be noted that profit before tax of the segment included a share of fair value gain of RM27.0 million from Sunway REIT's newly acquired investment properties in the current quarter.

The construction segment recorded revenue of RM381.1 million and profit before tax of RM52.4 million for the current quarter compared to revenue of RM372.5 million and profit before tax of RM42.4 million in the preceding quarter, representing an increase in revenue of 2.3% and profit before tax of 23.8%. The better financial performance in the current quarter was attributed to higher progress billings of building and data centre projects, as well as higher profit margins.

The healthcare segment reported a share of net profit of RM49.3 million in the current quarter compared to the share of net profit of RM36.8 million in the preceding quarter, representing an increase of 34.0%. The improved financial performance in the current quarter was due to better census performance, especially at SMC Sunway City. The lower financial performance of SMC Sunway City in the preceding quarter was impacted by lower patient visits due to festive season and school holiday period.

The trading and manufacturing segment recorded revenue of RM255.2 million and profit before tax of RM10.5 million for the current quarter compared to revenue of RM241.4 million and profit before tax of RM9.0 million in the preceding quarter, representing an increase in revenue of 5.7% and profit before tax of 16.4%. The segment's financial performance in the current quarter improved due to higher demand in the domestic market, which resulted in higher sales, coupled with improved profit margins.

The quarry segment reported revenue of RM111.9 million and profit before tax of RM11.2 million for the current quarter compared to revenue of RM104.8 million and profit before tax of RM11.1 million in the preceding quarter, representing an increase in revenue of 6.8% and profit before tax of 0.8%. Revenue in the current quarter was higher mainly due to increased demand from local council projects, which resulted in higher sales volume of premix. However, profit before tax was only marginally higher in the current quarter due to higher material and operating costs, which affected the profit margins.

The others segment recorded revenue of RM228.8 million and profit before tax of RM61.3 million for the current quarter compared to revenue of RM181.4 million and profit before tax of RM19.2 million in the preceding quarter, representing an increase in revenue of 26.1% and profit before tax of 218.9%. The financial performance in the current quarter improved mainly due to higher contribution from the building materials segment and community pharmacy businesses, coupled with the recognition of a fair value gain of RM62.4 million from the redemption of an investment which the Group had invested, which more than offset the higher operating expenses from other businesses sub-segments.

### B3 Prospects

The Malaysian economy expanded by 5.9% in the second quarter of 2024 (Q1 2024: 4.2%), marking its highest growth in the last six quarters. The domestic economy expanded by 5.1% in the first half of 2024, supported by positive labour market conditions, higher exports and investment activities. Bank Negara Malaysia (“BNM”) anticipates Malaysia’s economic growth in 2024 to be at the higher end of its 4.0% to 5.0% forecast, subject to external and domestic risks. The central bank maintains the Overnight Policy Rate (“OPR”) at 3.00% as its monetary stance remains supportive of the economy.

The Group’s Healthcare segment continues to focus on increasing bed capacity at its three operating hospitals to meet the growing demand for quality healthcare services from domestic patients and medical tourists. Healthcare tourism is expected to increase progressively beyond 2024. The greenfield expansion of the two new hospitals, Sunway Medical Centre Damansara and Sunway Medical Centre Ipoh, is on track. Sunway Medical Centre Damansara is currently in the pre-commissioning phase in preparation for its operational commencement in the fourth quarter of 2024 while Sunway Medical Centre Ipoh targets to start operations in the first quarter of 2025. The five hospitals will progressively increase the overall bed capacity to over 2,300 beds by 2025.

The prospect for the property market remains promising, particularly in the Southern region. The establishment of the Johor-Singapore Special Economic Zone (“JS-SEZ”), combined with robust infrastructure and enhanced connectivity between Singapore and Johor, namely the upcoming Rapid Transit System, augurs well for attracting foreign and domestic investments into Johor. The Group’s township in the Southern region, Sunway City Iskandar Puteri (“SCIP”) is well positioned to benefit from the JS-SEZ and the improved connectivity. The proposed disposal of two parcels of land in SCIP to Equalbase for data centre development, upcoming Equalbase-Sunway 103<sup>rd</sup> Logistic Hub, Sunway Circuit, Puteri Hill, integrated healthcare facilities and tertiary education institution will further complement SCIP’s vibrant ecosystem, and elevating its appeal in attracting high-income professionals and global corporations looking to establish regional headquarters. Following the strong take-up rate for the final phase of Sunway Aviana Residence, which was launched in April 2024, SCIP plans to launch its maiden freehold landed residential project in the second half of the year.

The outlook for the property market in Singapore remains positive. The Group’s Property Development segment achieved the completion and handover of its executive condominium development, Parc Central Residences, in July 2024. The segment anticipates to also complete and handover one of its private condominium developments in the second half of 2024.

In the first half of 2024, the Group’s Construction segment secured RM3.46 billion worth of new orders and surpassed its 2024 order book replenishment target of between RM2.5 billion to RM3.0 billion. In anticipation of forthcoming public sector projects and more data centre developments in Malaysia, the division has revised its 2024 order book replenishment target to between RM4.0 billion to RM5.0 billion.

Barring any unforeseen circumstances, the Board is fully confident of the Group’s performance for the financial 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	
	30/06/2024 RM'000	30/06/2023 RM'000	30/06/2024 RM'000	30/06/2023 RM'000
Current taxation	(41,275)	(47,503)	(89,616)	(90,589)
(Under)/Over provision of tax in prior years	(56)	1,119	6,470	1,437
Deferred taxation	(3,255)	15,588	2,815	25,091
	(44,586)	(30,796)	(80,331)	(64,061)

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**B6 Profit before Taxation**

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

	Current Quarter Ended 30/06/2024 RM'000	Cumulative Year To Date 30/06/2024 RM'000
Depreciation and amortisation	(36,103)	(68,596)
Net reversal/(provision) of impairment for financial assets & contract assets:		
- Trade receivables	392	(1,869)
- Other receivables	(15,554)	(15,147)
- Amounts due from associates	1	-
- Amounts due from joint ventures	(82)	(29)
- Contract assets	(31)	74
Net provision of impairment for:		
- Investment in an associate	(1,561)	(1,561)
- Other investment	(3,956)	(3,956)
- Inventories	(285)	(870)
Write off:		
- Trade receivables	(35)	(36)
- Other receivables	(3)	(9)
- Inventories	(37)	(56)
- Property, plant and equipment	(46)	(61)
- Intangible assets	(614)	(614)
Net (loss)/gain on disposal of property, plant and equipment	(130)	174
Net foreign exchange gain/(loss):		
- Others	71	2,521
- Unrealised for hedged items	(4,802)	(51,542)
Cash flow hedge reserve recycled to profit or loss	4,802	51,542
Fair value gain on redemption of perpetual notes issued by an associate	62,371	62,371
Net loss on derivatives	(1,345)	(3,619)
Net (loss)/gain on financial guarantee contracts	(3,018)	757

**B7 Status of Corporate Proposal Announced**

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

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

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

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

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

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

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

In addition, the Parties have also signed a Shareholders' Agreement to regulate their relationship as shareholders of Sunway Healthcare. The 2nd and 3rd Closing in accordance with the SSA have taken place on 23 December 2022 and 24 June 2024 respectively.

The 4th Closing of the abovementioned Subscription Amount is expected to take place in December 2024.

## B8 Group Borrowings and Debt Securities

The Group borrowings as at 30 June 2024 are as follows:

	Current RM'000	Non-current RM'000	Total RM'000
<b>Secured borrowings</b>			
<u>Islamic:</u>			
Term loans	48,732	104,147	152,879
Bankers' acceptances	4,900	-	4,900
Medium term notes	1,035,000	1,255,000	2,290,000
	<b>1,088,632</b>	<b>1,359,147</b>	<b>2,447,779</b>
<u>Conventional:</u>			
Bank overdrafts	27,790	-	27,790
Term loans	1,288,277	793,495	2,081,772
Revolving credits	1,130,914	271,337	1,402,251
Medium term notes	-	500,000	500,000
Hire purchase	99	862	961
	<b>2,447,080</b>	<b>1,565,694</b>	<b>4,012,774</b>
<b>Total secured borrowings</b>	<b>3,535,712</b>	<b>2,924,841</b>	<b>6,460,553</b>
<b>Unsecured borrowings</b>			
<u>Islamic:</u>			
Revolving credits	136,812	-	136,812
Medium term notes	200,000	100,000	300,000
Commercial papers	845,000	-	845,000
Bills discounting	29,500	-	29,500
	<b>1,211,312</b>	<b>100,000</b>	<b>1,311,312</b>
<u>Conventional:</u>			
Term loans	514,128	-	514,128
Revolving credits	908,948	-	908,948
Medium term notes	-	320,000	320,000
Bankers' acceptances	272,844	-	272,844
Bills discounting	179,737	-	179,737
	<b>1,875,657</b>	<b>320,000</b>	<b>2,195,657</b>
<b>Total unsecured borrowings</b>	<b>3,086,969</b>	<b>420,000</b>	<b>3,506,969</b>
<b>Total borrowings</b>	<b>6,622,681</b>	<b>3,344,841</b>	<b>9,967,522</b>
Islamic borrowings	2,299,944	1,459,147	3,759,091
Conventional borrowings	4,322,737	1,885,694	6,208,431
<b>Total borrowings</b>	<b>6,622,681</b>	<b>3,344,841</b>	<b>9,967,522</b>

Included in the Group borrowings as at 30 June 2024 are amounts denominated in foreign currency as follows:

	Foreign currency		RM'000		Total
	Current	Non-current	Current	Non-current	
<b>Secured</b>					
US Dollar (USD'000) *					
- Term loans	53,327	109,287	252,102	516,654	768,756
- Revolving credits	64,506	53,936	304,954	254,982	559,936
Singapore Dollar (SGD'000) **					
- Term loans	68,606	29,893	239,022	104,147	343,169
- Revolving credits	36,000	-	125,424	-	125,424
Australian Dollar (AUD'000) **					
- Revolving credit	300	-	945	-	945
- Term loan	-	6,700	-	21,095	21,095
Pound Sterling (GBP'000) **					
- Term loans	63,776	7,591	381,609	45,424	427,033
Indian Rupee (INR'000) **					
- Term loans	3,265,904	3,482,000	184,850	197,081	381,931

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

Included in the Group borrowings as at 30 June 2024 are amounts denominated in foreign currency as follows: (contd.)

	Foreign currency		RM'000		
	Current	Non-current	Current	Non-current	Total
<b>Unsecured</b>					
US Dollar (USD'000) *					
- Revolving credits	50,000	-	236,375	-	236,375
Singapore Dollar (SGD'000) **					
- Revolving credits	152,500	-	531,310	-	531,310
Chinese Renminbi (RMB'000) *					
- Revolving credits	217,094	-	141,263	-	141,263
Australian Dollar (AUD'000) *					
- Bankers' acceptances	1,208	-	3,803	-	3,803
			2,401,657	1,139,383	3,541,040

The Group borrowings as at 30 June 2023 were as follows:

	Current RM'000	Non-current RM'000	Total RM'000
<b>Secured borrowings</b>			
<u>Islamic:</u>			
Term loans	37,648	189,540	227,188
Medium term notes	760,000	1,554,000	2,314,000
Bankers' acceptance	3,700	-	3,700
	801,348	1,743,540	2,544,888
<u>Conventional:</u>			
Bank overdrafts	33,935	-	33,935
Term loans	285,585	1,576,759	1,862,344
Revolving credits	1,276,983	4,220	1,281,203
Medium term notes	-	500,000	500,000
Receivable financing	20,000	-	20,000
Hire purchase	116	174	290
	1,616,619	2,081,153	3,697,772
<b>Total secured borrowings</b>	<b>2,417,967</b>	<b>3,824,693</b>	<b>6,242,660</b>
<b>Unsecured borrowings</b>			
<u>Islamic:</u>			
Revolving credits	15,000	-	15,000
Medium term notes	215,000	200,000	415,000
Commercial papers	620,000	-	620,000
	850,000	200,000	1,050,000
<u>Conventional:</u>			
Term loans	600,683	207,732	808,415
Revolving credits	688,464	-	688,464
Medium term notes	-	120,000	120,000
Bankers' acceptances	205,050	-	205,050
Bills discounting	56,658	-	56,658
	1,550,855	327,732	1,878,587
<b>Total unsecured borrowings</b>	<b>2,400,855</b>	<b>527,732</b>	<b>2,928,587</b>
<b>Total borrowings</b>	<b>4,818,822</b>	<b>4,352,425</b>	<b>9,171,247</b>
Islamic borrowings	1,651,348	1,943,540	3,594,888
Conventional borrowings	3,167,474	2,408,885	5,576,359
<b>Total borrowings</b>	<b>4,818,822</b>	<b>4,352,425</b>	<b>9,171,247</b>
Perpetual sukuk	-	600,000	600,000
<b>Total borrowings and perpetual sukuk</b>	<b>4,818,822</b>	<b>4,952,425</b>	<b>9,771,247</b>

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

Included in the Group borrowings as at 30 June 2023 were 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	30,547	150,463	143,390	706,273	849,663
- Revolving credits	52,500	-	246,435	-	246,435
Singapore Dollar (SGD'000) **					
- Term loans	5,458	38,499	18,898	133,290	152,188
- Revolving credit	7,000	-	24,235	-	24,235
Australian Dollar (AUD'000) #					
- Revolving credits	83,996	-	261,010	-	261,010
- Term loan	-	6,700	-	20,820	20,820
- Receivable financing	6,436	-	20,000	-	20,000
Pound Sterling (GBP'000) **					
- Term loans	24,000	47,315	142,195	280,330	422,525
Indian Rupee (INR'000) **					
- Term loans	-	5,440,904	-	311,220	311,220
<b>Unsecured</b>					
US Dollar (USD'000) *					
- Revolving credit	25,000	-	117,350	-	117,350
Singapore Dollar (SGD'000) **					
- Term loans	25,000	60,000	86,555	207,732	294,287
- Revolving credits	113,000	-	391,229	-	391,229
Chinese Renminbi (RMB'000) *					
- Revolving credits	241,636	-	156,580	-	156,580
Australian Dollar (AUD'000) *					
- Revolving credit	7,500	-	23,306	-	23,306
			1,631,183	1,659,665	3,290,848

**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 RM0.80 billion, from RM9.17 billion as at 30 June 2023 to RM9.97 billion as at 30 June 2024.

The weighted average interest rate of borrowings as at 30 June 2024 is 4.62%. 36% of the Group's borrowings are fixed rate instruments, whereas 64% are floating rate instruments.

Out of the total borrowings of RM9.97 billion, RM3.54 billion (Current: RM2.40 billion; Non-current: RM1.14 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 4.612 and CNY borrowings is 0.651.

**B9 Financial Instruments - Derivatives and Financial Guarantee Contracts**

(a) The Group derivatives as at 30 June 2024 are as follows:

Type of Derivatives	Contract/ Notional Value RM'000	Fair Value RM'000	Gain/(Loss) for the period RM'000	Cash Flow Hedge Reserve RM'000
<b>Interest rate swap contracts</b>				
- 1 year to 2 years	34,110	14	251	-
<b>Foreign currency forward contracts</b>				
- Less than 1 year	26,096	(62)	(106)	(1,971)
<b>Cross currency swap contracts</b>				
- Less than 1 year	849,327	17,589	-	9,720
- 1 year to 5 years	703,575	22,525	-	(584)
- More than 5 years	53,435	470	-	1,498
<b>Derivative liabilities on exit clauses in relation to the partial divestment of Sunway Healthcare Group</b>	-	(219,010)	4,858	-
<b>Put option</b>	91,350	(67,208)	(8,622)	-
<b>Total derivatives</b>		(245,682)	(3,619)	8,663

**Interest rate swap contracts**

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

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

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

**Foreign currency forward contracts**

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

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

**Cross currency swap contracts**

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

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

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

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

**Put option**

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

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

(b) The Group financial guarantee contracts as at 30 June 2024 are as follows:

Financial guarantee contracts	Contract/ Notional Value RM'000	Carrying Amount RM'000	Gain for the period RM'000
<b>Guarantees given to third parties in respect of trade and contracts obtained by joint ventures</b>	4,926	(5)	3
<b>Guarantees given to financial institutions in respect of credit facilities obtained by joint ventures</b>	3,524,747	(31,825)	754
<b>Total financial guarantee contracts</b>		<b>(31,830)</b>	<b>757</b>

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

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

**B10 Aging Analysis of Trade Receivables**

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

	30/06/2024 RM'000	31/12/2023 RM'000
Current	2,859,721	1,984,323
1 to 30 days past due	156,469	228,003
31 to 60 days past due	80,670	125,485
61 to 90 days past due	50,717	92,528
91 to 120 days past due	25,699	28,707
More than 120 days past due	204,088	241,102
	<u>517,643</u>	<u>715,825</u>
Gross trade receivables	3,377,364	2,700,148
Impaired	(128,738)	(129,282)
Total trade receivables	3,248,626	2,570,866
Other receivables	489,597	564,841
Amounts due from associates	36,301	40,021
Amounts due from joint ventures	1,415,615	1,312,286
Total receivables	<u>5,190,139</u>	<u>4,488,014</u>
Non-current receivables	1,898,392	1,692,582
Current receivables	3,291,747	2,795,432
Total receivables	<u>5,190,139</u>	<u>4,488,014</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 between the parties. The Supreme Court had appointed the late Mr. H.L. Agarwal as the sole arbitrator.

The Statement of Claim was raised in respect of various claims and the total amount claimed is Rs.891.5 million (approximately equivalent to RM50.5 million) in addition to interest and cost.

In the counterclaim, SunCon is seeking for Rs.781.4 million (approximately equivalent to RM44.2 million) for inter alia, additional costs incurred by SunCon to complete the works, recovery of mobilisation advance and interest charges, loss of reputation and loss of profits.

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



## B11 Changes in Material Litigation (contd.)

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

(a) (contd.)

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

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

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

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

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

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

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

On 20 December 2023, SunCon filed a contempt application against the Claimant and Srei Infrastructure Finance Ltd ("Respondents"). The application was listed on 22 December 2023 and the Court has duly issued notice to the Respondents. The hearing originally set for 14 May 2024, has been postponed to 27 September 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.

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

At the case management on 16 July 2024, the Court has confirmed the trial dates on 10 February 2025, 12 February 2025 to 13 February 2025 and 24 February 2025, 9 June 2025 to 13 June 2025, 6 October 2025 and 7 October 2025, 17 November 2025 to 20 November 2025. The matter is currently fixed for case management on 23 September 2024.

## B12 Dividend

Other than the dividend as disclosed in note A7, the Board of Directors has declared the following dividends in respect of financial year ending 31 December 2024:

- a) A single-tier first interim cash dividend of 2.00 sen per ordinary share; 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 January 2024 to 30 June 2024.

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 30/06/2024 RM'000	Preceding Year Corresponding Quarter 30/06/2023 RM'000	Current Year To Date 30/06/2024 RM'000	Preceding Year Corresponding Period 30/06/2023 RM'000
<b><u>Basic earnings per share</u></b>				
Profit attributable to owners of the Company	270,472	149,934	442,699	291,573
Less: Preferential dividends on ICPS	-	-	(25,667)	(25,667)
	270,472	149,934	417,032	265,906
Weighted average number of ordinary shares ('000)	6,587,287	5,905,762	6,526,564	5,886,416
Earnings per share (Basic) (sen) <sup>(1)</sup>	4.11	2.54	6.39	4.52
<b><u>Diluted earnings per share</u></b>				
Profit attributable to owners of the Company	270,472	149,934	442,699	291,573
Less: Preferential dividends on ICPS	-	-	(25,667)	(25,667)
	270,472	149,934	417,032	265,906
Weighted average number of ordinary shares ('000)	6,632,187	5,971,836	6,585,968	5,955,669
Earnings per share (Diluted) (sen) <sup>(1)</sup>	4.08	2.51	6.33	4.46

<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**