SUNWAY CONSTRUCTION

NURTURING EXCELLENCE, CULTIVATING SUSTAINABILITY

INTEGRATED ANNUAL REPORT 2024

Cover Rationale

Nurturing Excellence, Cultivating Sustainability

At Sunway Construction Group Berhad, we are committed to operational excellence and sustainable development, which defines our approach to reshaping landscapes and in creating value. We leverage innovation to deliver solutions that provide infrastructure growth while ensuring environmental responsibility. We build to deliver lasting value for businesses, communities, and the environment.

Guided by our core values, we integrate sustainability into every aspect of construction and infrastructure development. Our distinctive vertically integrated business model not only strengthens our competitive advantage but also enables us to anticipate future needs, ensuring that what we build today is ready for tomorrow.

Reduce paper consumption and help protect the environment. Download a digital copy of Sunway Construction's Integrated Annual Report, as an alternative to a printed copy.

*Assumptions: Malaysia's paper consumption ▸ kg / capita / year **95 kg** | No. of trees / acre **200**

Please scan this QR code to view the report in digital format.

Vision

To be a leading regional construction and engineering group.

Sunway Construction Group Berhad (SunCon) is driven by a full range of vertically integrated services which include building, civil engineering / infrastructure works, foundation and geotechnical engineering, mechanical, electrical and plumbing services, industrial building systems / precast components, and sustainable energy services with design and build capabilities to provide end-to-end construction solutions.

With a vision of becoming the region's leading vertically integrated construction group, we constantly innovate to deliver value, build synergistic and sustainable relationships and achieve the highest standards of quality, safety and excellence.

Mission

Innovating to deliver value underpins our relentless efforts to drive positive and sustainable change in the way we work and operate to create value for all our stakeholders.

Building synergistic and sustainable relationship is the bedrock of the company's ethos of nurturing our people and developing meaningful relationships with external parties including our business partners and customers towards achieving business objectives, while keeping the interests of our stakeholders.

Achieving the highest standards in quality, environmental, safety and health, remains our founding value that we uphold with great passion. We make individual efforts in aiming higher to achieve strategic business goals with a commitment to excellence.

Core Values

INTEGRITY

We not only do the right things but do things right. We conduct ourselves in an honest, professional, and ethical manner at all times.

HUMILITY

We believe in being humble, polite, and respectful. It is about displaying empathy and demonstrating daily that we care and listen. It reminds us that no matter how much we think that we know, we still have a lot more to learn.

EXCELLENCE

We are committed to the pursuit of excellence and delivering high quality products and services in the sectors we are involved in.

About This Report

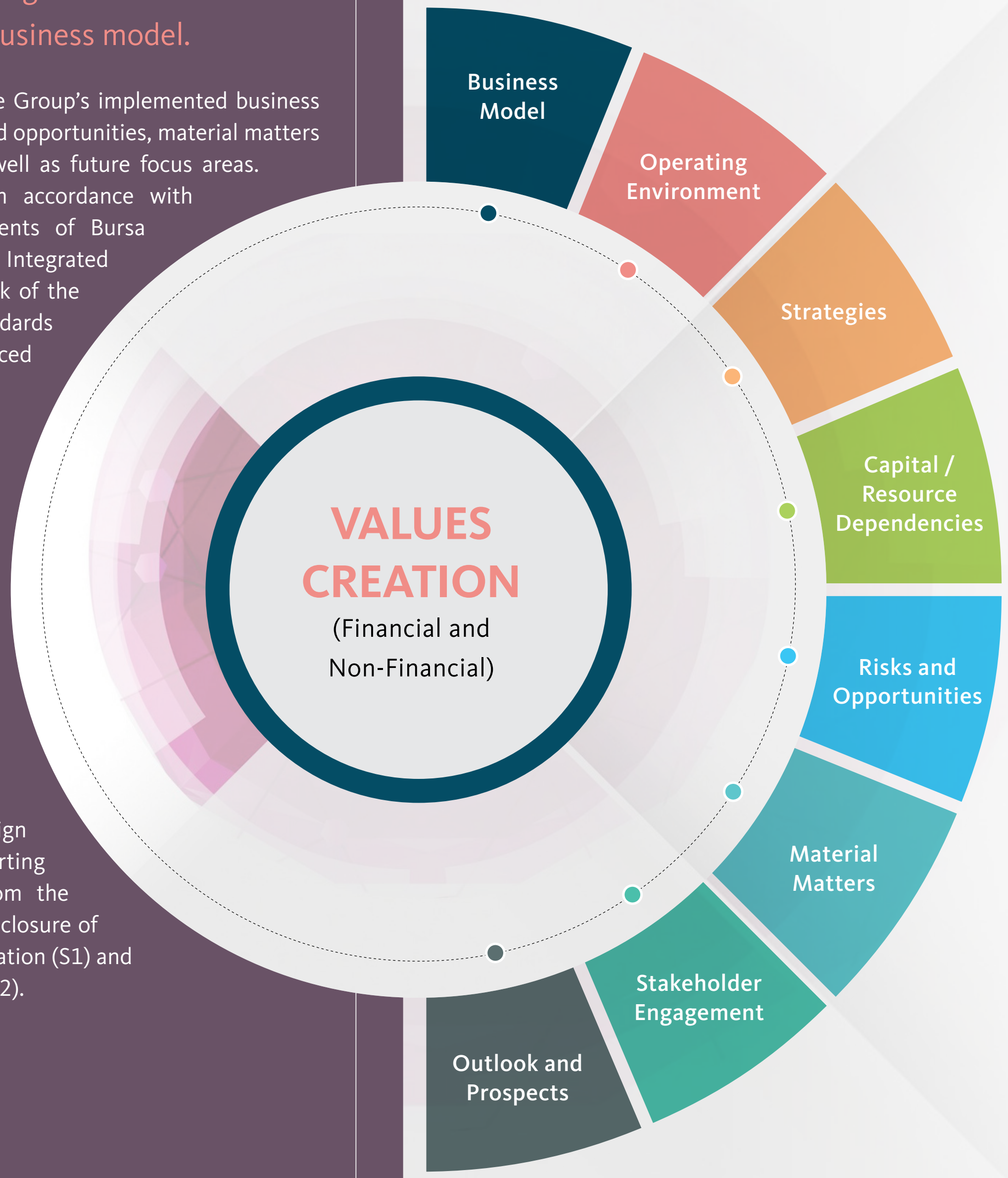
INTRODUCTION

Sunway Construction Group Berhad (SunCon or the Group) presents its Integrated Annual Report for financial year ended 31 December 2024 (IAR2024). IAR2024 provides information on the Group's continued efforts in creating financial and non-financial values through its business model.

IAR2024 discloses information on the Group's implemented business and operational strategies, its risks and opportunities, material matters and stakeholders values created as well as future focus areas. This report has been developed in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Integrated Reporting Principles Based Framework of the International Financial Reporting Standards (IFRS) Foundation. Other referenced frameworks are mentioned below.

We intend to continue strengthening the linkages between financial and non-financial aspects of our operations towards further reflecting Integrating Thinking. This includes how value creation is eroded or enhanced based on the inter-linkages between material sustainability matters with access, availability and affordability of capital resources.

Progressively, we aim to further align with the National Sustainability Reporting Framework (NSRF) which draws from the IFRS S1 General Requirements for Disclosure of sustainability-related Financial Information (S1) and IFRS S2 Climate-related Disclosures (S2).



BASIS OF PREPARATION

- Gap analysis and post mortem of IAR2023 towards determining improvement areas in disclosures.
- Customised Integrated Thinking workshop
- One-to-one interview with Group Managing Director (GMD)
- FY2024 Materiality assessment exercise
- Group data collection
- Framework alignment

BASIS OF PREPARATION FOR IAR2024

Information in IAR2024 is scoped to the Group's active operational entities, where relevant data and information have been provided for a 3-5 year time frame on a rolling basis.

Kindly refer to the Group's Corporate Structure for further information on entities included in this year's report.

Content for IAR2024 was determined based on the following considerations:

- Findings from a comprehensive gap analysis of IAR2023 performed by SunCon's Integrated Reporting consultant who is a certified IFRS Integrated Reporting training partner.
- Findings and insights derived from an Integrated Thinking workshop to solicit the views and input of Senior Management on pertinent strategic information and disclosures for inclusion in IAR2024.
- In-depth interview with the GMD.
- Additional information such as business performance highlights was developed by collating such updates from the Group's business divisions.
- Sustainability information was determined by a materiality assessment exercise which reprioritised significant materiality topics as well as a gap analysis in accordance with the disclosure requirements and best practices of the following frameworks and standards:
- Bursa Malaysia Sustainability Reporting Guide 3rd Edition
- Sustainability Accounting Standards Board (SASB)
- Task Force on Climate-related Financial Disclosures (TCFD)
- Global Reporting Initiative 2021 (GRI)
- FTSE4Good Bursa Malaysia Index (F4GBM)

MSCI ESG RATINGS AA (CCC B BB BBB A AA AAA)

MSCI Malaysia Small Cap Index

FTSE Bursa Malaysia Mid 70 Index

About This Report

DISCLAIMER

Consistent with the Strategic Focus and Future Orientation principle of Integrated Reporting, IAR2024 provides disclosure on the Group's industry outlook, prospects and other future-oriented information. Such conclusions and opinions are derived based on reasonably made assumptions and projections derived from forecast models and market conditions as of 31 December 2024.

While every care has been exercised in ensuring that the information presented is as accurate as possible, such information may be invalidated due to a wide range of factors that are beyond SunCon's control. These include changes in the external operating environment.

As such, readers are advised to exercise their own discretion and due diligence prior to arriving at any conclusions, assumptions or in making any investment or strategic decisions based on IAR2024's contents.

The Group is not responsible for any financial or non-financial losses incurred due to variances in business or operational performance or strategies. The Group assumes no obligation to update or revise any forward-looking statements as and when new information becomes available.

STATEMENT OF ASSURANCE

All financial statements and data as of 31 December 2024, have been audited and verified by external auditor, Messrs BDO PLT. The scope of the audit was limited to the information in the consolidated financial statements presented in IAR2024.

The Sustainability Statement in IAR2024 (related to key performance data) has been internally assured by the Group Internal Audit Department (GIAD) and independently assured by SIRIM QAS International Sdn. Bhd.

The full assurance report is provided on pages 346 to 349 in IAR2024.

ONLINE VERSION AND CONTACT POINT

This report can be downloaded from:
https://www.sunwayconstruction.com.my/investor-relations/annual-reports/.

Any feedback, suggestions or inputs to this report can be sent to:
irsuncongroup@sunway.com.my.

NAVIGATION ICONS

IAR2024 leverages the following icons to provide easier navigation between related information or sections within the report.

Capitals:

Financial Capital
All financial resources employed for the implementation of the business model and operational strategies. These include shareholders' funds, internally generated funds including retained earnings, cash and cash equivalents, bank balances and borrowings.

Manufactured Capital
Assets, machinery and equipment owned or leased by the Group.

Intellectual Capital
Intangible assets such as systems and processes, business strategies, intellectual capital, standard operating procedures, patents and research and development activities.

Human Capital
The individual and cumulative abilities, experience and professional capabilities of the SunCon Board of Directors, its Management and employees. Also encompasses organisational culture and employee satisfaction and morale.

Social Capital
The nature of relationships and level of engagement with stakeholders and the level of impact and influence such engagement has on brand equity and SunCon's ability to create value.

Natural Capital
The consumption and dependency on a wide range of resources such as energy, water, natural resources, building materials and more.

This icon tells you where you can find related information in this report.

This icon tells you where you can go for more information online.

Business Segments:

- Building Construction
- Manufacturing and Sale of Precast Concrete Products
- Civil and Infrastructure
- Sustainable Energy
- Mechanical, Electrical and Plumbing and Advanced Technology Facilities
- Foundation and Geotechnical Engineering

Key Stakeholder Groups:

SG1	Clients	SG3	Authorities and regulators	SG5	Employees
SG2	General public and communities	SG4	Shareholders, investors and analysts	SG6	Suppliers and subcontractors

Material Matters:

EC1	Product Quality and Responsibility	E1	Waste and Pollution Management	G1	Ethical Business Conduct
EC2	Business Performance	E2	Water Management	G2	Risk Management and Regulatory Compliance
EC3	Supply / Value Chain Management	E3	Energy Management	G3	Corporate Governance & Transparency
EC4	Indirect Economic Impacts	E4	Emissions Management	G4	Brand Awareness and Reputation
S1	Occupational Safety & Health	E5	Materials Management	G5	Data Privacy and Cybersecurity
S2	Customer Satisfaction	E6	Physical Impacts of Climate Change	G6	Crisis Management
S3	Talent Development and Retention	E7	Protection of Biodiversity & Ecology	G7	Digital Transformation and Innovation
S4	Labour Practices and Standards				
S5	Diversity, Equity and Inclusivity				

Principle Risks:

R1	Bribery and corruption risk	R4	Return on investment of machinery / assets & idle machines	R7	Scarcity of construction jobs in the market
R2	Delay in project delivery	R5	Reliability of subcontractors	R8	Collection risk
R3	Cost overruns	R6	Legal workers	R9	Cybersecurity risk

BOARD RESPONSIBILITY STATEMENT

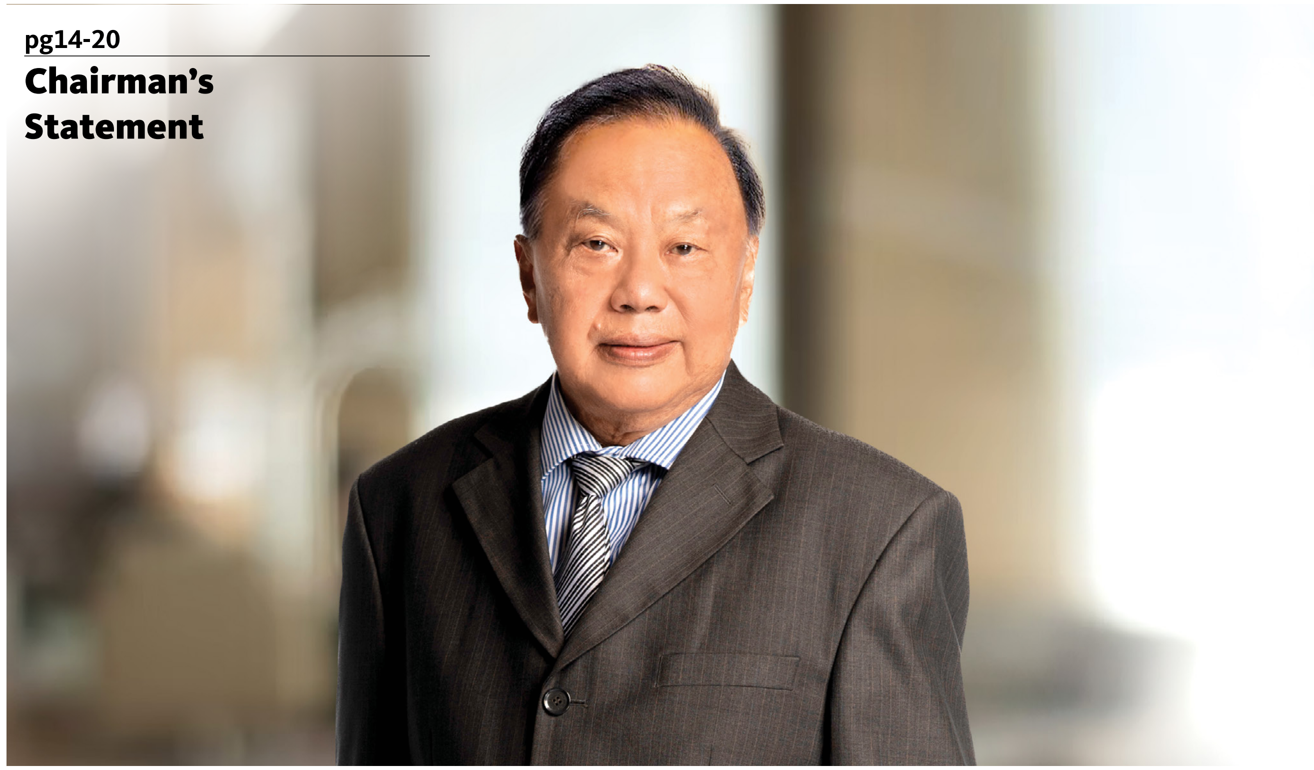
SunCon's Board of Directors are of the view that IAR2024 presents a true and reflective account of the Group's performance in 2024. IAR2024 provides a comprehensive and balanced account of SunCon's financial, business and operational performance, including on sustainability matters. IAR2024 has been approved by the Board on 28 March 2025.

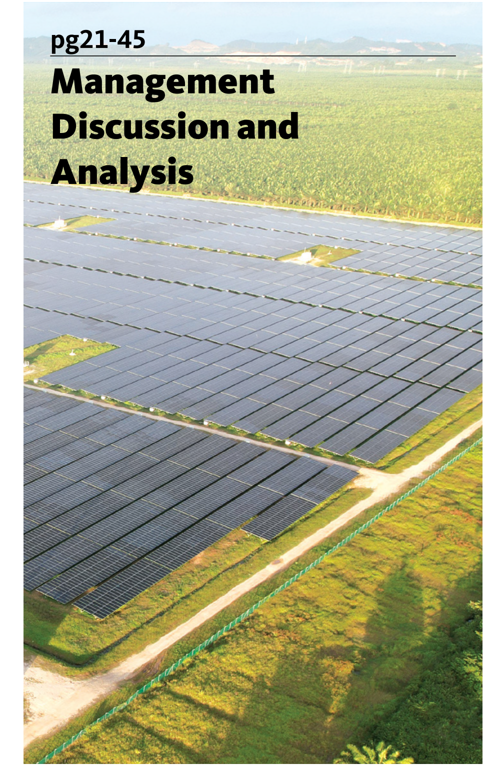
11TH ANNUAL GENERAL MEETING

Venue:
Grand Congress, Level 12,
Sunway Resort Hotel,
Persiaran Lagoon, Bandar Sunway,
47500 Subang Jaya,
Selangor Darul Ehsan.

Date:
30 May 2025, Friday

Time:
3.00 p.m.





INSIDE THIS REPORT

Corporate Profile

ABOUT SUNCON
Corporate Profile

SunCon is a vertically integrated construction company, capable of providing integrated construction services across the entire construction value chain.

The Group undertakes large and technically demanding projects as well as providing specialised and highly technical services.

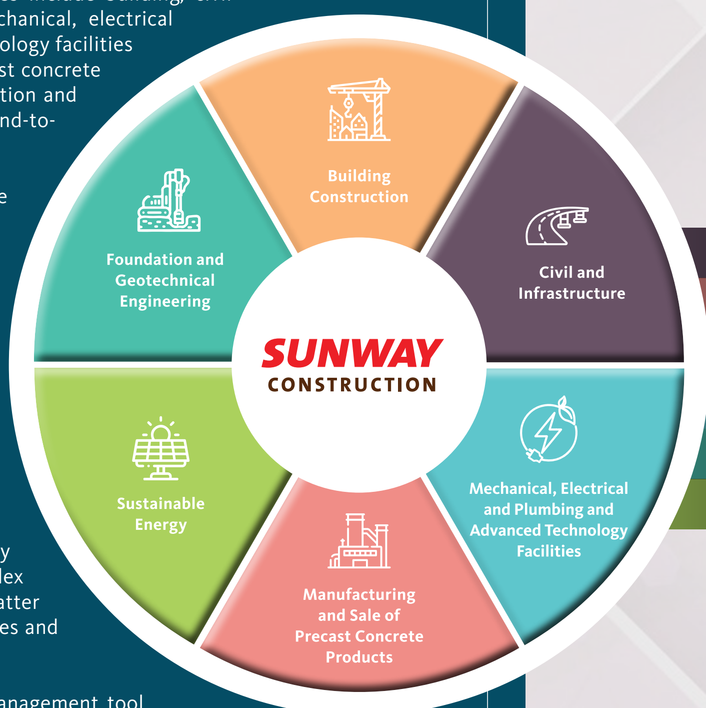
Since 1981, SunCon has undertaken more than RM40 billion in total projects across seven countries. The Group continues to set the benchmark as a leading, vertically integrated construction player with infrastructure development solutions in Malaysia and within the region.

Our design and construction services include building, civil engineering and infrastructure, mechanical, electrical and plumbing (MEP), advanced technology facilities (ATF), manufacture and sale of precast concrete products, sustainable energy, foundation and geotechnical engineering; offering end-to-end solutions for our clients.

Under its Private Finance Initiative (PFI), SunCon also offers financing support as well as management and operations of assets.

The Group's vertically integrated capabilities are powered driven by its inherent business strengths and competitive advantages. These include multi-skilled, cross functional personnel, extensive technological capabilities including internally developed Virtual Design and Construction (VDC) abilities and a proven track record in successfully designing and developing complex infrastructure projects. The latter includes advanced technology facilities and renewable energy (RE) solutions.

VDC, an advanced digital project management tool (which is an extension of Building Information Modelling or BIM) is one of SunCon's distinctive strengths. VDC enables real-time sharing of information and upfront collaboration digitally, where design, schedule and cost considerations can all be integrated throughout the construction process. VDC enables digital simulation and upfront collaboration prior to the actual physical construction of a project.



OUR BUSINESS STRENGTHS

BUSINESS STRENGTHS / COMPETITIVE ADVANTAGES	SIGNIFICANCE TO THE BUSINESS MODEL		CAPITAL DEPENDENCIES
Vertically Integrated Construction Company	SunCon's vertically integrated business model significantly reduces its dependency on external vendors and suppliers, particularly for specialised technological capabilities and niche services. By maintaining these competencies in-house, SunCon enhances project continuity throughout the delivery lifecycle. This model allows the Group to maintain precise control and full visibility across the entire value chain. This includes visibility into critical project parameters such as resource allocation, timelines, costs, and quality assurance.	Ultimately, vertical integration empowers SunCon to undertake projects of exceptional scale, technical complexity, and specialised requirements. It also facilitates seamless cross-functional knowledge transfer and best practice sharing, creating an optimal framework for innovation and operational synergies. By leveraging its position as an integrated design and construction solutions provider, SunCon demonstrates exceptional versatility across multiple construction sub-sectors, addressing complex client requirements with precision and expertise.	Beyond manufactured capitals such as assets and machinery, SunCon's integrated capabilities is increasingly driven by human and intellectual capitals. This is evident in the ability of the Group to rotate existing professional talent to undertake a wide range of tasks and responsibilities across the construction value chain.
Solid Order Book	As of 31 December 2024, SunCon's order book stood at RM5.8 billion. Of which, external projects secured in 2024 (contracts secured from outside the Sunway Group) stood at RM3.4 billion. Total value of project secured in 2024 was RM4.2 billion. The present order book provides clear revenue and earnings visibility for SunCon over the next 12-24 months.	This supports financial capital (revenues and earnings, dividends, access to financing and competitive credit terms) as well as potentially, social capital i.e. investor confidence, share price appreciation, market confidence, ability to secure new projects and more.	A proven track record for project excellence i.e. completion of projects on time and on budget is vital to successfully bid and secure new projects going forward.
Synergistic Support	While SunCon's business development efforts have resulted in more projects secured from external clients, the Group can also leverage its parent company, Sunway Berhad to secure jobs. Furthermore, SunCon can leverage the expertise of business divisions within the Sunway Group to augment its vertically integrated capabilities. Sunway's business divisions such as Building Materials, Trading and Manufacturing and Quarry divisions can be leveraged to secure raw materials, resources, assets and machinery and more.	In terms of administrative support, SunCon leverages on treasury and tax advisory support from Sunway Group. The Group also has established strategic relationships established with global industry leaders such as ENGIE for district cooling and data centre expertise.	Effective stakeholder relationships with both internal and external stakeholders are vital in generating and sustaining the necessary close collaboration and support, including understanding requirements and capabilities to identify and secure synergistic opportunities.
Established and Growing Presence in Malaysia and Regional Markets	Beyond having a diverse geographical footprint, SunCon has established its presence in strategic sectors such as data centres, renewable energy, highway infrastructure in India and manufacture & supply precast concrete products in Singapore. Specifically, SunCon continues to strengthen its market positioning as a data centre builder. The Group's Early Contractor Involvement (ECI) approach enables effective capture of constructability and buildability considerations, even at the design stage. This facilitates improved functionality of design.	The well spread geographic presence also supports development of local market knowledge and access to technology and strategic partners. It also enables the provision of additional services such as PFI and to create new market opportunities i.e. export of precast products to new geographic locations as part of long-term revenue diversification. This drives higher plant utilisation and increased revenue. SunCon continues to seek opportunities in the design and construction of semi-conductor manufacturing plants, ATFs, green buildings and other niched infrastructure projects.	Business expansion typically requires financial capabilities i.e. access to capital markets, internally generated funds and a strong balance sheet. It also may require local knowledge, and relationships. The Group leverages the past efforts invested into business development and also actively engages in new strategic efforts. SunCon continues to seek opportunities in the design and construction of semi-conductor manufacturing plants and green buildings and other niche sectors.

Corporate Profile

OUR BUSINESS STRENGTHS

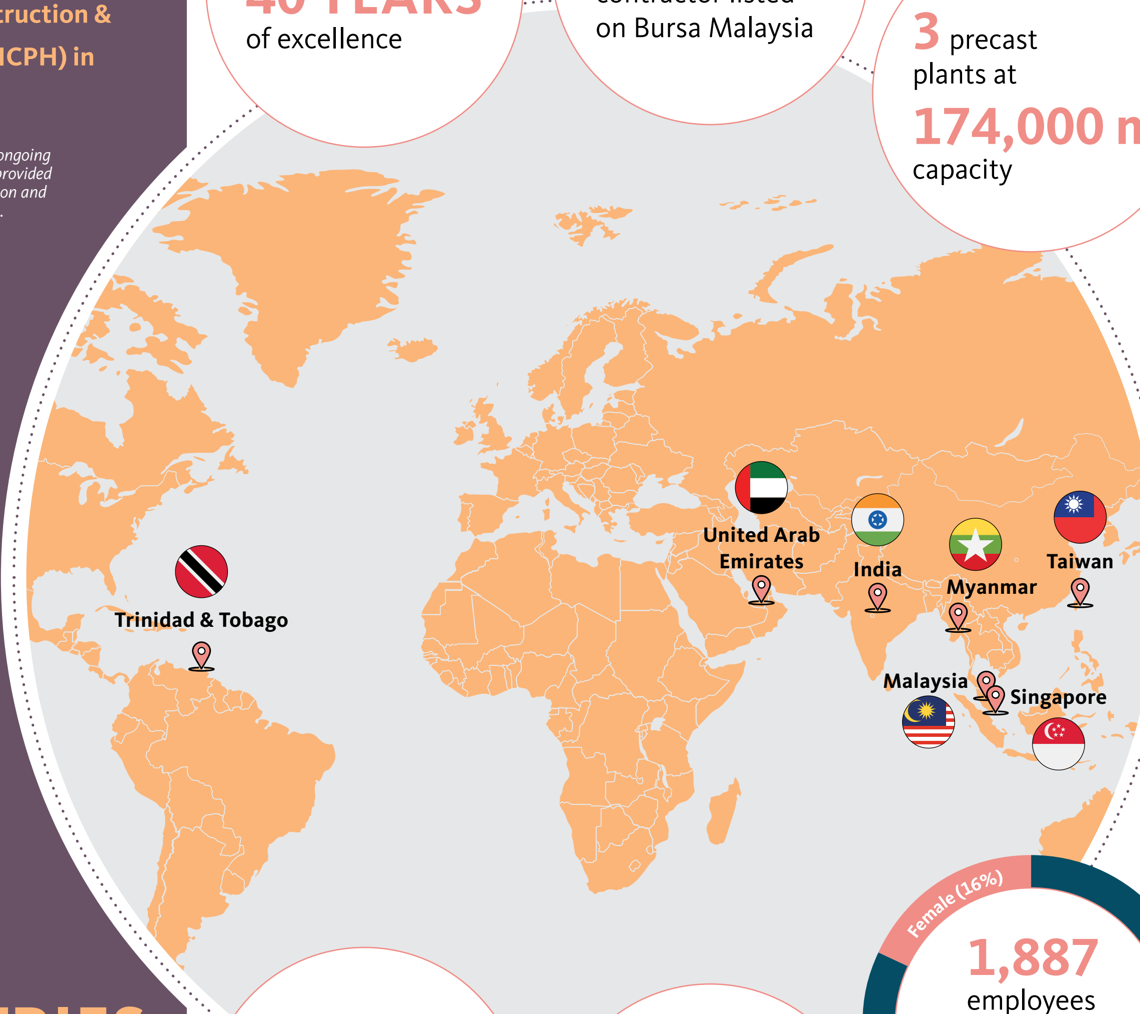
BUSINESS STRENGTHS / COMPETITIVE ADVANTAGES	SIGNIFICANCE TO THE BUSINESS MODEL	CAPITAL DEPENDENCIES
Virtual Design Construction (VDC) Enabled	SunCon is an industry pioneer and leader in the use of VDC. This includes implementing VDC for ATF projects and various other technically complex infrastructure and buildings. The Group continues innovate new approaches and methodologies including new VDC modules such as drone imaging, 360° photo capturing, 3D and 4D construction simulations, Autodesk Construction Cloud (ACC) and more. VDC enhances operational efficiency by providing accurate project information that supports informed decision-making throughout the project lifecycle. This is particularly crucial during the critical early stages of construction, where making well-informed decisions can set the foundation for the entire project's success. 4D capabilities enable visualisation of the planning scenario prior to the physical installation at site which significantly improve the site coordination, safety, and construction sequence. 5D capabilities enable the extraction of materials' quantities from the BIM models. OpenSpace is a construction technology platform that uses AI and 360° photo capture to provide visual documentation and project management tools. This enables SunCon to convert 360° images into an objective record of progress mapped directly to floor plans. Through VDC and Building Information Modelling (BIM), SunCon can achieve cost optimisation, resource efficiency, better prediction of construction period and improve management of environmental and social impacts. ACC in particular has been a significant step in leveraging cloud technology at site level. Centralising the hosting of construction data in a digital format at SunCon allows various stakeholders (architects, engineers, contractors, and owners) to collaborate using the available BIM tools in real time, with anyone and anywhere. This has reduced miscommunication issues, faster data exchange and enhanced decision making.	SunCon intends to continue enhancing its VDC capabilities and hence continuous investments in people and technology maintains its competitive position in the market. Internal Research and Development (R&D) activities are also emphasised towards augmenting internal capabilities.
Robust Balance Sheet and Asset Position	SunCon's robust financial position enables the Group to provide PFI options to project owners. This enables private and public sector clients – locally and abroad to have additional financing alternatives to fund infrastructure projects. PFI also provides greater flexibility in terms of the structuring of the financial solution towards better meeting the needs and preferences of project owners.	A robust balance sheet hinges on strong cashflows and the continued management of debt and liabilities. In essence, strategies to optimise financial capital in tandem with business and operational requirements are essential for growing the balance sheet.
ESG Driven Business Model	SunCon is committed to sustainability, reflected in its Sustainability Policy, framework, KPIs and targets. Specifically, the Group's ongoing efforts to decarbonise its environmental footprint is consistent with its mantra of balancing between infrastructure development and ensuring sustainable value creation. Increasingly, the Group is also considering in securing green loans and sustainability linked debt instruments. Hence, the continued focus on sustainability as a business driver, with emphasis on ESG performance. *For further information on SunCon's performance against its ESG KPIs and Targets, kindly refer to the Sustainability Statement section in IAR2024.*	Greater integration of ESG into the business model and the pursuit of on green infrastructure projects would likely require acquisition of technology, retention and development of professional talent and access to green financing.

SunCon At A Glance

“ SunCon's business operations are primarily located in Malaysia, Singapore and India. Aside from Malaysia, SunCon operates an Integrated Construction & Prefabricated hub (ICPH) in Singapore. ”

The list of contract awards, ongoing jobs and related details are provided in the Management Discussion and Analysis section of IAR2024.

Construction projects in **SEVEN COUNTRIES**



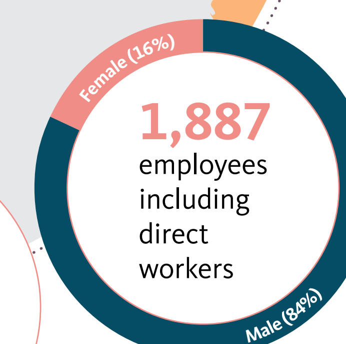
More than **40 YEARS** of excellence

LEADING vertically integrated contractor listed on Bursa Malaysia

3 precast plants at **174,000 m^3** capacity

Turnover recorded to-date **> RM40 BILLION**

Invested in Virtual Design & Construction since 2010 **> RM59 MILLION**



1,887 employees including direct workers

Group Corporate Structure

SUNWAY BERHAD

54.55%

Sunway Construction Group Berhad

100%

Sunway Construction Sdn. Bhd.

Malaysia

- Sunway Concrete Products (M) Sdn. Bhd.
- Sunway Engineering Sdn. Bhd.
- Sunway Geotechnics (M) Sdn. Bhd.
- Sunway Machinery Sdn. Bhd.
- Sunway Precast Industries Sdn. Bhd.

Associate

- 25% ISZL Consortium

Incorporated Joint Venture

- 49% HL - Sunway JV Private Limited
- 70% Sunway ENGIE DC Sdn. Bhd.

Unincorporated Joint Venture

- 50% GME - SE Joint Venture
- 50% Kajima - SunCon Joint Venture

International

- Sunway Concrete Products (S) Pte. Ltd.
- Sunway Construction India Pte. Ltd.
- Sunway Innopave (S) Pte. Ltd.
- 60% Sunway RNS TJ Private Limited
- 60% Sunway RNSIL MC Private Limited

* Only major subsidiaries and joint ventures are illustrated

Note: The percentage shareholdings are as at 28 March 2025

Five-Year Financial Highlights

Chairman's Statement

DATO' IR GOH CHYE KOON

POWERING PERFORMANCE AND PROGRESS THROUGH RESILIENCE AND STRENGTH

DEAR ESTEEMED STAKEHOLDERS,

On behalf of the Board of Directors of Sunway Construction Group Berhad (SunCon), I am pleased to present the Integrated Annual Report 2024 and audited financial statements for the financial year ended 31 December 2024 (FY2024).

Despite facing a challenging global and domestic economic environment, we have successfully navigated through this period, showcasing our resilience to deliver a solid performance that further position us for sustainable growth.

Hence, I am honoured to share an overview of our progress during FY2024 and the strategic direction we are pursuing for the future.

Daiso global distribution centre (GDC) warehouse, Port Klang, Selangor

Chairman's Statement

CHALLENGING GLOBAL AND LOCAL ECONOMY

FY2024 has proven itself a year of continuous growth and progress despite the many challenges experienced. The global economy has been impacted by the geopolitical tensions with the ongoing Ukraine-Russia conflict, heightened further by the strife in the Middle-East. Rising inflation and stricter financial conditions have seen a marked tightening of monetary policy. This is in addition to the disruption in supply chain and increased pricing of products and services across countries.

Whilst the global scenario weighed significantly on Malaysia's economy, it was nevertheless encouraging to note the country's economy grew strongly with full-year gross domestic product growth recorded at 5.1%, driven by robust domestic demand and a rebound in exports. Domestic economic expansion in 2024 was also underpinned by robust household spending, supported by a favourable labour market and expansionist policies while another contributory factor to positive GDP growth was strong approvals and progress achieved on multi-year developments from both the private and public sectors.

The Malaysian construction sector recorded robust double-digit expansion of 20.2% in 2024 (2023: 8.4%) with all sub-sectors recording double-digit growth: Special trade activities 35.9%, Residential buildings 24.5%, Non-residential buildings: 15.5% and civil engineering: 17.3%. The sector benefitted from implementation of projects under strategic national initiatives, namely the New Industrial Master Plan, National Energy Transition Roadmap, and National Semiconductor Strategy.

Although Malaysia's Federal Budget 2025 did not introduce new major infrastructure projects, nonetheless the government's commitment to the completion of existing initiatives, ensuring the continuity of key developments such as the Penang LRT project and Penang International Airport Expansion project still remains strong. These projects are expected to sustain momentum within the construction sector.

However, potential challenges loom with the proposed reforms, including the increase in the minimum wage, the implementation of a multi-tiered foreign worker levy, and subsidy rationalisation measures. These changes could result in higher operational costs and affect earnings.

Nevertheless, SunCon remains committed to navigating these challenges through strategic planning and cost management. Apart from opportunities in both the private and public sectors, SunCon continues to pursue in-house pipeline projects from its immediate holding company, Sunway Berhad, particularly those involving special purpose buildings.

CAPITALISING ON NEW MARKET DRIVERS

For the financial period ended 31 December 2024, SunCon continued its strategic expansion into advanced technology facilities projects. This strategic expansion demonstrates our commitment to innovation and sustainable growth, reinforcing our position as a dynamic leader in the construction industry.

As the digital age accelerates and the demand for data centres surges, SunCon is cognisant the pivotal role these facilities yield in driving the digital economy. By venturing into this sector, we further strengthen our position as a key player in shaping the future of digital infrastructure.

SunCon remains actively involved in the construction of Advanced Technology Facilities (ATF). The Group is currently managing five data centre projects for four multinational clients and continues to proactively pursue additional opportunities in the data centre sphere.

In June 2024, SunCon was awarded with additional scope of works for the construction of a data centre within Sedenak Tech Park, Johor valued at RM1.5 billion and a further RM0.6 billion in the last quarter of 2024.

> **"As the digital age accelerates and the demand for data centres surges, SunCon is cognisant the pivotal role these facilities yield in driving the digital economy."**

This complements an earlier RM1.7 billion contract awarded in December 2022, bringing the total value for this project to RM3.8 billion.

In March 2024, SunCon won a RM747.8 million contract from a US-based multinational technology corporation for the construction and completion of a data centre located in Cyberjaya. Works for this data centre commenced in May 2024 and is expected to be completed by the second quarter of 2027.

On the back of our successful completion of the earlier RM291 million Sedenak Tech Park project well ahead of schedule, SunCon has bolstered its credentials and reputation as a leading player for data centre design and construction in Malaysia.

SunCon's ongoing joint effort on Daiso's global distribution centre warehouse in Port Klang, Selangor, is progressing on track for completion by the second quarter of 2026 with 40% of works successfully completed by end of 2024.

Our Sustainable Energy segment maintained its upward trajectory, under the development of Corporate Green Power Programme (CGPP). In FY2024, a 11.8 MWac project at Kapar, Selangor, was awarded by the Energy Commission of Malaysia. This project, expected to be completed in end-2025, is valued at RM37 million.

Chairman's Statement

SunCon reaffirms its commitment to shaping the future of urban living through our diverse range of in-house projects. Our portfolio, which includes medical centres, shopping malls, mixed-use developments, and residential high-rises, reflects our dedication to sustainable and innovative development.

A milestone achievement is SunCon's commencement of the construction of Sunway City Ipoh Mall, part of the larger Sunway City Ipoh township development in Ipoh, Perak. With a total development cost of over RM1 billion, Sunway City Ipoh Mall will be developed on an 18.88-acre parcel, strategically located along the North-South Expressway. Expected to be completed in 2027, it is poised to become the largest mall in Ipoh.

Among the successfully completed projects in FY2024 is the Sunway Medical Centre Damansara, Selangor, and the Sunway Velocity Two (Plot B) & Data Centre in Sedenak, Johor. Additionally, testing and commissioning of the LRT3 GS07&08 and the GS06 (as part of the variation order to GS07&08) projects was also completed in FY2024.

On the international front, SunCon continued to achieve significant milestones. The Meensurutti-Chidambaram Highway project in India has achieved its Provisional Commercial Operations Date (PCOD) on 15 February 2024 and annuity payments has begun. Additionally, the Thorapalli Agraharam-Jittandahalli Highway project has also achieved its Phase 1 PCOD on 1 November 2024, with target completion of the remaining works by end of 2025.

Beyond highway projects in India, SunCon is also exploring the ASEAN region for potential projects in the ATF sector. This is being undertaken in collaboration with local joint venture partners.

In FY2024, the precast segment enlarged its order book with various new contract awards amounting to SGD 134.2 million (RM441.9 million). These included projects secured for supplying precast components for HDB projects, government data centres and nursing homes. Additionally, we have also obtained the mesh fabrication license for our ICPH plant in May 2024 from the Housing Development Board of Singapore (HDB).

ENHANCING FINANCIAL PERFORMANCE

Emerging from the tumultuous pandemic era, SunCon has sharpened its focus on maintaining our established and proven business model, thus fortifying the stage for continued growth in the years ahead.

Despite the many challenging business hurdles encountered in FY2024, the business agility and tenacity of the team at SunCon has once again persevered, forging a progressive path forward. This is clearly demonstrated in SunCon's total revenue of RM3.5 billion in FY2024, representing a 32% increase over revenue of RM2.7 billion in FY2023. SunCon's Profit Before Tax (PBT) of RM273 million in FY2024 represents a 45% increase over FY2023.

To reinforce SunCon's strong financial credentials, the company's outstanding order book as at 31 December 2024 stands at RM5.83 billion with RM4.22 billion new orders secured during the financial year. With this, we have achieved our revised 2024 replenishment target range of RM4.0 billion to RM5.0 billion.

DELIVERING SHAREHOLDER VALUE CREATION

The Group maintains its commitment to deliver sustainable returns and drive performance for shareholders' benefit. In FY2024, the Board declared the first interim dividend payment of 3.50 sen per share on 22 August 2024 while the second interim dividend of 2.50 sen per share was declared on 21 November 2024. The third interim dividend of 2.50 sen per share was declared on 20 February 2025. Total dividend payout is RM109.6 million, equivalent to 59% of profit after tax and minority interest for FY2024.

FIRST INTERIM DIVIDEND OF 3.50 SEN PER SHARE

First interim single tier dividend of 3.50 sen per ordinary share for the financial year ended 31 December 2024

22 August 2024	12 September 2024	26 September 2024
Announcement of the notice of entitlement and payment	Date of entitlement	Payment date

SECOND INTERIM DIVIDEND OF 2.50 SEN PER SHARE

Second interim single tier dividend of 2.50 sen per ordinary share for the financial year ended 31 December 2024

21 November 2024	11 December 2024	26 December 2024
Announcement of the notice of entitlement and payment	Date of entitlement	Payment date

THIRD INTERIM DIVIDEND OF 2.50 SEN PER SHARE

Third interim single tier dividend of 2.50 sen per ordinary share for the financial year ended 31 December 2024

20 February 2025	14 March 2025	10 April 2025
Announcement of the notice of entitlement and payment	Date of entitlement	Payment date

DIVIDEND HISTORY

	FY2024	FY2023	FY2022	FY2021	FY2020
Dividend Per Share (RM'sen)	**8.50**	6.00	5.50	5.25	4.00
Dividend Payout (RM'000)	**109,596**	77,362	70,915	67,691	51,574
Profit After Tax and MI (RM'000)	**186,906**	145,109	135,181	112,586	72,786
Dividend Payout Ratio	**59%**	53%	53%	60%	71%
Share Price Opening 1 January	**1.94**	1.56	1.56	1.88	1.91
Dividend Yield	**4.4%**	3.8%	3.5%	2.8%	2.1%

MILESTONE RECOGNITION

SunCon has long embraced corporate governance and sustainability practices as a way of life in its business operations. Due recognition of the company's excellence was showcased at the National Corporate Governance and Sustainability Awards (NACGSA), where SunCon was honoured with the Industry Excellence Award (Construction) 2024.

At the same ceremony, SunCon was accorded another distinguished recognition – the Overall Excellence Award for demonstrating leadership in governance and sustainability – ranking among the top 10 companies out of 854 public-listed companies assessed in 2024. This is a further affirmation of the company's firm commitment to the sustainability agenda and in upholding integrity in its business conduct.

In addition, SunCon clinched gold award for Companies with RM2 billion to RM10 billion in Market Capitalisation at the National Annual Corporate Report Awards (NACRA) 2024 Excellence Awards.

> **"Another notable achievement is being conferred The Edge Billion Ringgit Club (BRC) award for the highest return on equity (ROE) over three years in the construction sector. This year marks the sixth year that SunCon has won the coveted award, a testament to our exceptional leadership in executing the strategic plans of the Group."**

Further to this, SunCon clinched The Edge BRC award for highest returns to shareholders over the past three years in the construction sector, an acknowledgement of the company's strong commitment to shareholder value creation.

SunCon was also awarded the Best Project Award – Building (Major Category) for Parcel F Government Complex at the Malaysian Construction Industry Excellence Awards (MCIEA) 2024. This project incorporates various green features such as sunshade louvres with low e-glass at the facades and usage of LED and sensor lights, maximising day infiltration and naturally ventilated main lobbies, as part of its GBI Gold compliance.

COMMITTED TOWARD A SUSTAINABLE FUTURE

To ensure our continued growth and prosperity, SunCon continues to prioritise sustainable development. By setting clear and measurable environment, social, and governance (ESG) goals, we are actively addressing ESG factors, essential for organisational resilience and competitiveness.

Bursa Malaysia's established FTSE4Good index measures the performance of public listed companies with good liquidity and strong ESG practices, to which SunCon has secured listing since FY2015. We are proud to share that as of 31 December 2024, SunCon has achieved a score of 3.4 on this esteemed index. This achievement is an affirmation of SunCon's commitment to pursue long-term sustainability and success with constantly improving ESG practices at the core of our journey.

We further reaffirm our commitment to align our sustainability efforts with the UN Sustainable Development Goals, recognising the significant financial implications of sustainability for our business.

We remain committed to integrating ESG principles into our business strategy.

Our progress in this area is detailed in the Sustainability Statement section of this report.

To align with the nation's call to mitigate the effects of climate change, SunCon has affirmed our commitment to achieve net-zero emissions by 2050. This ambitious target requires a comprehensive approach, including the adoption of renewable energy sources, enhancing energy efficiency, and harnessing innovative technology.

We have set measurable targets to drive progress toward this goal. We aim to achieve a 40% reduction of our scope 1 and scope 2 emissions respectively by 2030.

SunCon has affirmed our commitment to achieve **NET-ZERO EMISSIONS** by 2050.

We aim to achieve a 40% reduction of our scope 1 & scope 2 emissions respectively by 2030.

Chairman's Statement

As a testament to our commitment, we have undertaken a review of our total Scope 3 emissions profile in FY2024. Upon completion of this review, we will develop a set of targets to manage our Scope 3 emissions effectively. We are pleased to report that our solar energy investments, primarily from rooftop solar panels installed at Sunway Enterprise Park, Sunway Precast Plant in Senai, Universiti Sains Malaysia, Caltex Petrol Station at Bandar Sunway, Central Park Dataran Sunway, and BRT Sunway Line Stations and Depot are yielding notable energy savings and generating green attributes. This directly contributes to a reduction in carbon emissions and affirms our commitment to sustainable performance and decarbonisation.

Not one to rest on our laurels, SunCon is fortifying efforts to embrace climate change mitigation efforts throughout our day-to-day operations. On this note, in FY2024, we have undertaken a comprehensive climate risk assessment to review climate-related risks such as physical and transitional risks, and to develop and explore various climate-related scenarios and their potential impacts on our business operations. This would hence enable more effective decision-making and productive resource allocation.

Among the various opportunities available to SunCon in this area is the transition to renewable energy (RE). This serves as a strategy to manage rising electricity and energy costs, develop carbon credits to offset our carbon footprint, enhance energy efficiency in buildings, and produce low-embodied carbon products to meet growing market demand.

BROADENING OUR ESG COVERAGE

Recognising the increasing call to expand ESG integration across organisations, we intensified our efforts in FY2024 to embed ESG principles throughout our entire supply chain. In 2024, SunCon conducted environmental and social assessment on close to 330 of SunCon's contractors and suppliers. Social assessment primarily focused on assessing the active contractors and suppliers' regulatory compliance with regard to labour rights and provision of workers' accommodation. These assessments focused specifically on risks associated with forced and bonded labour.

Additionally, we plan to engage with our major commodity suppliers in 2025 to gain insights into their ESG transition plans, particularly their strategies for reducing the carbon footprint of their products.

SunCon remains steadfast in our commitment to collaborate with our supply chain partners to ensure compliance with ESG standards and promote transparency.

> "To address potential labour and housing concerns, we conducted environmental & social assessment of our 330 contractors and suppliers."

HARNESSING INNOVATION AND TECHNOLOGY

Digital transformation remains a key driver of differentiation for SunCon. As our projects grow in scale and complexity, digital solutions empower us to enhance quality, efficiency and productivity.

Throughout FY2024, we maintained efforts to implement digital project management across all new projects, covering the entire project lifecycle. Additionally, we leveraged the power of Autodesk Construction Cloud (ACC) to streamline communication and collaboration among project stakeholders.

By embracing digital innovation, we aim to attract and retain top talent in a competitive industry. This strategic approach will enable us to optimise business processes and deliver exceptional value to our stakeholders.

> "We leveraged the power of Autodesk Construction Cloud (ACC) to streamline communication and collaboration among project stakeholders."

Chairman's Statement

NURTURING A FUTURE-READY WORKFORCE

At SunCon, we recognise that building organisational capacity and capability is paramount to cultivate a workforce prepared for tomorrow's challenges. Our approach extends beyond technical proficiency to embrace a comprehensive talent development strategy.

Central to our human capital philosophy is our distinctive vertical integration approach. Rather than confining talent to permanent functional silos, we strategically redeploy professionals across our core business units. This deliberate mobility exposes our personnel to diverse project environments, fostering versatility and multi-disciplinary expertise while simultaneously developing cross-functional capabilities and leadership acumen.

This enhanced competency portfolio enables SunCon to excel in executing high tech, non-conventional projects – including data centres, semiconductor facilities, logistics hubs, and power generation plants – with exceptional precision and expertise.

By dissolving traditional operational boundaries, we have cultivated an ecosystem of collaboration where knowledge and expertise flow seamlessly throughout the organisation. This cross-pollination of best practices continually elevates our collective capabilities, allowing us to deliver superior value to our stakeholders.

SunCon remains at the forefront of technological innovation through our strategic implementation of Virtual Design and Construction (VDC) methodologies, spanning from level of detail (LOD) 300 to 500. By leveraging this advanced 3D modeling framework, we enhance interdisciplinary collaboration, optimise workflows, refine design and construction processes – ultimately strengthening our competitive position and ensuring project success.

Our talent management philosophy is rooted in fostering an environment where diversity, equity, and inclusion (DEI) principles are not just aspirational but actively embedded in our daily operations. This commitment cultivates a high-performance culture, empowering every employee with equitable opportunities to leverage their unique expertise and drive exceptional outcomes.

We take particular pride in our accelerated advancement pathways for emerging talent. High-potential individuals who demonstrate exceptional capability and deliver proven results are systematically identified and deliberately positioned for expanded responsibilities. This meritocratic approach not only fulfills individual career aspirations but also ensures organisational continuity and innovation through the infusion of fresh perspectives into leadership positions.

As we look toward the future, SunCon remains committed to anticipating industry evolution and preparing our workforce for emerging challenges through continuous skills enhancement, technological adoption, and cultural advancement.

> **We are proud to affirm that all our projects have fully adopted Building Information Modelling (BIM), enabling greater insights into space planning, design, construction, and management.**

Further information on our approach to talent management is provided on pages 120 and 121 in the Sustainability Statement section of this report.

OUTLOOK AND PROSPECTS

Given Malaysia's remarkable progress, the country is on track to become the region's largest data centre hub, with approximately four gigawatts (GW) of capacity expected to come online over the next four to five years.

More than 1.0GW of supply is expected to come on stream over the next two years versus the current installed capacity of under 400 megawatts (MW). In addition to this, about 3.0GW of capacity is in the developmental stages, and will be added progressively over the next three to five years.

This high expectation is attributable to supportive government policies as well as lower land and energy costs. Another contributory factor is that Malaysia continues to be a favoured alternative destination for multinational companies looking for alternative manufacturing bases besides China.

It is providential that Tenaga Nasional Berhad's (TNB) Green Lane Pathway, an exclusive pathway and strategic offering for Malaysia's data centre market, provides efficient and environmentally responsible solutions for data centre operators. This initiative also streamlines the on-boarding process for data centres, expedite approvals and facilitates a smooth setup of data centre operations in Malaysia.

Malaysia is experiencing a surge in foreign direct investment, particularly in logistics warehouses and semiconductor manufacturing. The semiconductor industry is expected to drive expansion among industry players to meet rising demand. To capitalise on this opportunity, the company is actively seeking partnerships with new and existing joint venture partners. These collaborations will accelerate our entry into niche market segments that require advanced MEP capabilities, such as redundancy systems and cleanroom processes.

Chairman's Statement

The burgeoning renewable energy sector, driven by Malaysia's ambitious 70% RE target by 2050, presents significant opportunities. Government support including the National Energy Transition Roadmap (NETR) and the Bursa Carbon Exchange (BCX) further strengthens the industry's growth potential. These government initiatives augur well for SunCon, being well-positioned to capitalise on this momentum as an EPCC contractor for large-scale solar power plants and rooftop solar projects.

As the Malaysian economy gains momentum, we envision a wave of mega infrastructure projects on the horizon. A total of RM86 billion has been allocated in the Malaysian Budget 2025 for development expenditure, targeted for various development projects, including infrastructure, innovation and public sector improvements.

SunCon, with its comprehensive suite of capabilities, is well-positioned to capitalise on this surge. Our robust order book, coupled with our active pursuit of new contracts both domestically and internationally, reinforces our commitment to sustained growth and expansion.

While we acknowledge the potential impact of inflationary pressures and the protracted geopolitical tensions on economic growth, we remain cautiously optimistic about our prospects for FY2025.

HEARTFELT ACKNOWLEDGEMENTS

I would like to extend my sincere gratitude to our dedicated employees, capable Senior Management, and all our valued stakeholders for their unwavering support, commitment, and resilience. Your contributions have been instrumental in driving our achievements and navigating the challenges of this financial year with agility and determination. It is through this collective effort that we continue to grow and succeed.

To our reassuring shareholders, loyal customers, supportive bankers, engaging government ministries and regulatory agencies and as well as our reliable suppliers and business partners, you have our deepest appreciation for your much valued partnership over FY2024.

Finally, to my esteemed fellow Board members, I wish to extend my profound gratitude for your keen business acumen and collaborative engagement in yet another successful and meaningful financial year for SunCon.

On behalf of the Board, I wish to extend our heartfelt gratitude to Dato' Dr Johari Bin Basri, Senior Independent Non-Executive Director who retired on 20 June 2024, having contributed actively to our strong progress.

We take this opportunity to extend a warm welcome to Datuk Kwan Foh Kwai, Independent Non-Executive Director and Puan Norchahya Binti Ahmad, Independent Non-Executive Director, both of whom were appointed to the Board on 10 October 2024. I have no doubt that their strong credentials would add value to our business endeavours.

We are committed to sustaining our positive performance momentum and deliver greater shareholder value while striving to realise our vision of becoming the region's leading vertically integrated construction group.

DATO' IR GOH CHYE KOON
Chairman

Management Discussion and Analysis

STATEMENT OF FINANCIAL PERFORMANCE

CONDENSED FINANCIAL STATEMENT

RM'000	2024	2023	2022	2021	2020
Revenue	**3,521,690**	2,671,225	2,155,231	1,729,155	1,552,652
Profit Before Tax	**272,962**	188,646	184,057	152,245	101,504
Income Tax Expense	**(75,941)**	(42,799)	(45,318)	(41,495)	(27,777)
Profit Net of Tax	**197,021**	145,847	138,739	110,750	73,727
Profit Attributable to:					
- Non-Controlling Interest	**10,115**	738	3,558	(1,836)	941
- Owners of the Parent	**186,906**	145,109	135,181	112,586	72,786
FINANCIAL RATIOS					
Gross Profit Margin (%)	**13.6%**	16.3%	17.0%	20.7%	17.4%
Profit Before Tax Margin (%)	**7.8%**	7.1%	8.5%	8.8%	6.5%
Effective Tax Rate (%)	**27.8%**	22.7%	24.6%	27.3%	27.4%
Basic Earnings Per Share (sen)	**14.50**	11.25	10.48	8.73	5.64
Staff Productivity (Revenue / staff cost)	**17.9**	16.9	15.6	12.7	13.1
Average Return on Capital Employed (%)	**24%**	20%	21%	16%	12%
Average Return on Equity (%)	**22%**	19%	19%	17%	12%

SEGMENTAL REVENUE

RM'000	2024	%	2023	%	2022	%	2021	%	2020	%
Advance Technology Facilities	**1,549,455**	47%	277,157	12%	-	-	-	-	-	-
Building Construction	**1,209,110**	36%	1,101,893	46%	1,349,610	68%	1,060,586	66%	901,424	62%
Civil and Infrastructure	**455,136**	14%	612,722	26%	532,438	27%	400,536	25%	416,961	29%
Foundation and Geotechnical Engineering	**51,072**	1%	109,111	4%	102,532	5%	58,138	4%	143,620	10%
Mechanical, Electrical and Plumbing	**289,499**	9%	350,767	15%	425,083	22%	437,450	27%	367,995	25%
Renewable Energy	**83,745**	2%	334,003	14%	9,692	-	22,946	1%	9,050	1%
Others	**786**	-	4,508	-	4,778	-	5,024	-	1,871	-
Consolidated Adjustment	**(311,906)**	-9%	(409,114)	-17%	(450,485)	-22%	(378,432)	-23%	(385,695)	-27%
Total Construction	**3,326,897**	100%	2,381,047	100%	1,973,648	100%	1,606,248	100%	1,455,226	100%
Total Precast	**194,793**		290,178		181,583		122,907		97,426	
Total Turnover	**3,521,690**		2,671,225		2,155,231		1,729,155		1,552,652	

SEGMENTAL PROFIT

RM'000	2024		2023		2022		2021		2020	
GROSS PROFIT MARGIN										
Construction	**13.4%**		15.9%		17.4%		21.5%		18.0%	
Precast	**17.4%**		19.2%		12.8%		9.4%		9.9%	
Total	**13.6%**		16.3%		17.0%		20.7%		17.4%	
PROFIT BEFORE TAX	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Construction	**260,439**	7.8%	169,912	7.1%	173,341	8.8%	148,784	9.3%	98,775	6.8%
Precast	**12,523**	6.4%	18,734	6.5%	10,716	5.9%	3,461	2.8%	2,729	2.8%
Total	**272,962**	7.8%	188,646	7.1%	184,057	8.5%	152,245	8.8%	101,504	6.5%

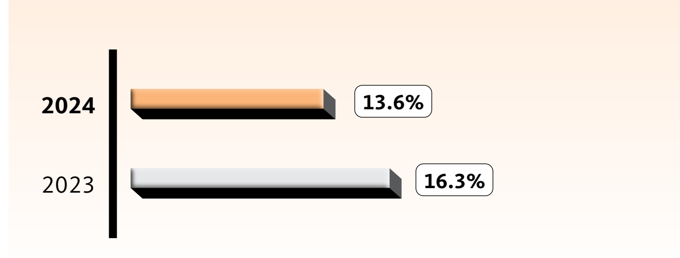
Management Discussion and Analysis

MESSAGES FROM THE LEADERSHIP
Management Discussion and Analysis

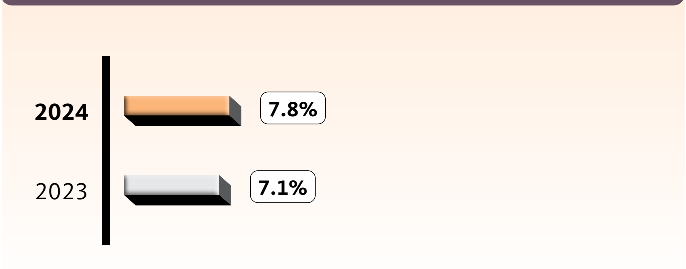
Revenue
RM3,521.7 million

Profit Before Tax
RM273.0 million

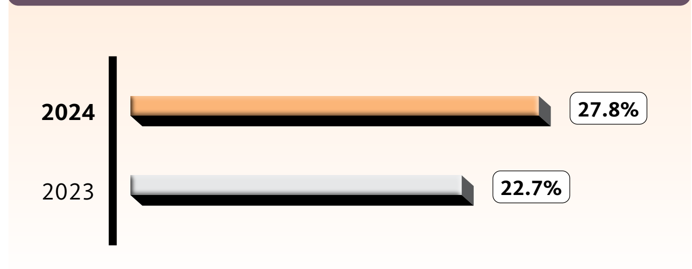
GROSS PROFIT MARGIN (%) 2.7% ▽



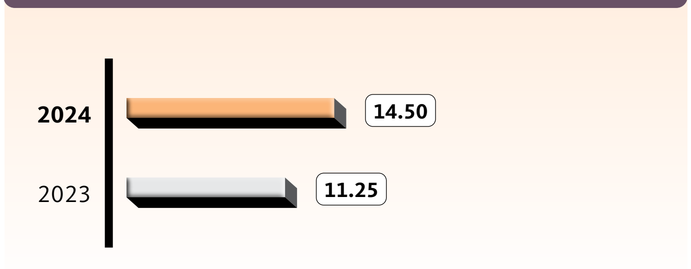
PROFIT BEFORE TAX MARGIN (%) 0.7% △



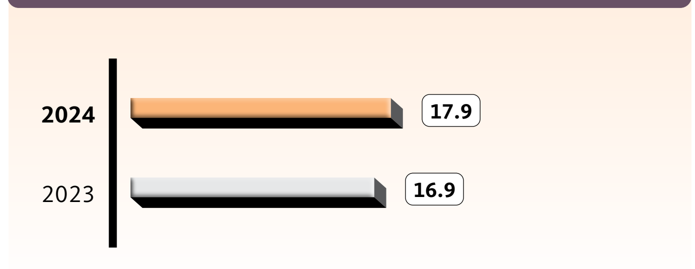
EFFECTIVE TAX RATE (%) 5.1% △



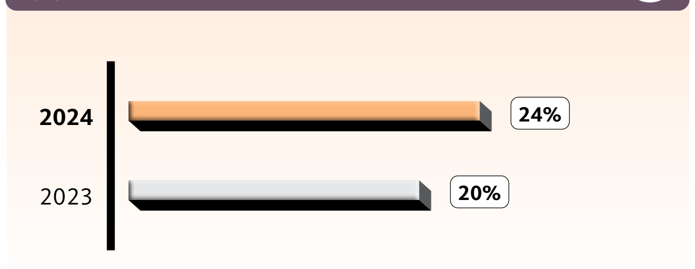
BASIC EARNINGS PER SHARE (Sen) 3.25 △



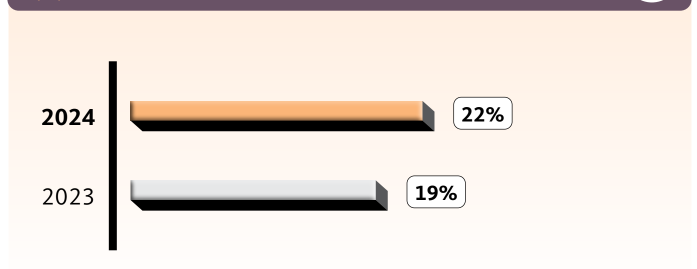
STAFF PRODUCTIVITY (REVENUE / STAFF COST) 1.0 △



AVERAGE RETURN ON CAPITAL EMPLOYED (%) 4.0% △



AVERAGE RETURN ON EQUITY (%) 3.0% △



MAJOR CUSTOMERS

RM'000	2024	%	2023	%
GBS Suria Sdn. Bhd.	**47,899**	1%	158,520	7%
K2 Strategic Infrastructure Malaysia Sdn. Bhd.	**155,725**	5%	30,154	1%
Malaysia Rapid Transit System Sdn. Bhd.	**342,536**	10%	125,464	5%
National Highways Authority of India	**74,856**	2%	360,063	15%
Sharp Ventures Solar Sdn. Bhd.	**32,140**	1%	135,561	6%
Yellowwood Properties Sdn. Bhd.	**1,042,532**	31%	240,290	10%
In-House	**1,211,879**	37%	1,191,163	50%
Others	**419,330**	13%	139,832	6%
Total Construction Turnover	**3,326,897**	100%	2,381,047	100%

REVENUE

RM'000	2024	2023
Construction	**3,326,897**	2,381,047
Precast	**194,793**	290,178
Total	**3,521,690**	2,671,225

Construction Segment

The increase in turnover for the FY2024 was driven by accelerated progress in several data centre projects couple with some projects reached their peak construction phases.

△ **39.7%**

Precast Segment

The turnover was lower in FY2024 due to a staggered delivery schedule for newly secured projects. Most of these projects, secured in FY2023, will begin delivery in FY2025 and beyond, once the construction sites are ready to receive them.

▽ **32.9%**

Management Discussion and Analysis

MESSAGES FROM THE LEADERSHIP

Management Discussion and Analysis

GROSS PROFIT MARGIN

%	2024	2023
Construction	**13.4%**	15.9%
Precast	**17.4%**	19.2%

Construction Segment

Gross profit for the previous year was significantly higher due to the finalisation of accounts for completed projects.

▽ 2.5%

Precast Segment

Gross profit for the previous year was higher in tandem with the higher turnover.

▽ 1.8%

PROFIT BEFORE TAX

RM'000	2024	%	2023	%
Construction	**260,439**	7.8%	169,912	7.1%
Precast	**12,523**	6.4%	18,734	6.5%
Total	**272,962**	7.8%	188,646	7.1%

Construction Segment

Profit before tax for FY2024 was higher, in line with increased revenue. Despite a lower gross profit margin compared to the previous year, the overall profit margin improved. This was primarily due to the reversal of several impairment allowances for long-outstanding debtors that were successfully cleared during the year. Additionally, interest income realised from the deferred payment scheme contributed to the higher profit margin.

△ 0.7%

Precast Segment

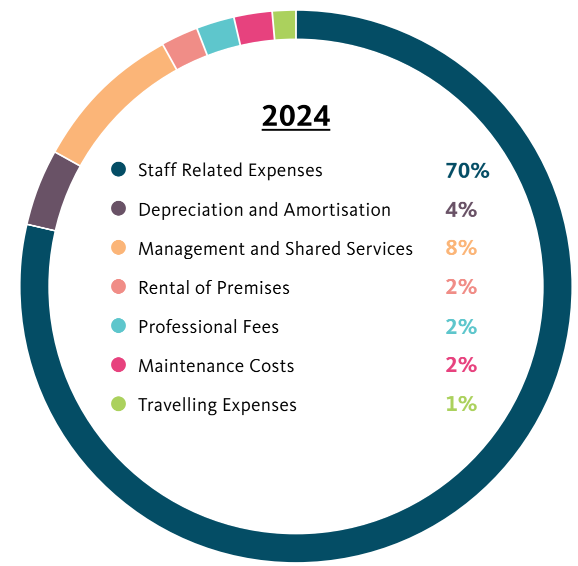
Precast managed to maintain the profit before tax margin despite lower revenue, primarily due to the reversal of provisions on raw materials for completed projects.

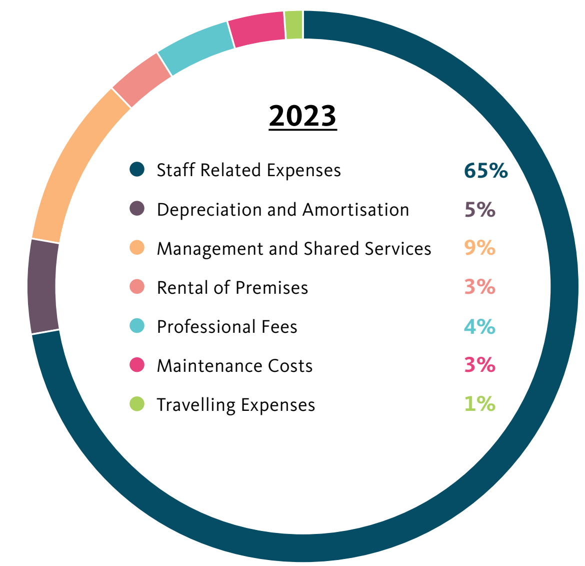
▽ 0.1%

Other Income

Other income for FY2024 amounted to RM40.6 million (FY2023: RM54.0 million), with one of the major contributors being a legal case settlement involving one of our India branches. Additionally, other income includes gains from asset disposals, scrap sales, and reimbursements for expenses incurred in India.

ADMINISTRATION EXPENSES





Administrative Expense increased by 16% from RM226.0 million in FY2023 to RM262.0 million in FY2024 mainly from:

a) Higher staff cost from higher bonus provision for the current financial year as a result of improved performance of the Group.
b) Higher promotional expenses incurred for Sunway Group's 50th anniversary campaign.
c) Professional fees related to bank arrangements, structural fees, and independent engineer charges for India HAM projects.
d) Welfare cess incurred in India as required by Building & Other Construction Workers' Welfare Cess Act, 1996 based on at least 1% of the construction cost incurred by the employer.

Net Reversal of Impairment / (Impairment Losses) on Financial Assets and Other Expenses

The total net reversal of impairment on financial assets and other expenses amounted to RM5.5 million (FY2023: net losses of RM38.0 million). The majority of these expenses consisted primarily of reversal of MFRS 9 allowances for receivables.

Finance Income and Finance Cost

Finance Income

Finance income for FY2024 amounted to RM75.7 million, a significant increase from RM26.4 million in FY2023. This growth was primarily driven by project financing charges to clients and the collection of annuity payments from one of India's Hybrid Annuity Model (HAM) projects, which accounted for approximately 67% of total finance income. Additionally, the increase was supported by tax-exempt earnings from money market instruments, benefiting from special tax exemptions.

Finance Cost

Malaysia: The Overnight Policy Rate (OPR) in Malaysia has remained stable at 3.00% since May 2023, keeping the effective interest rate for FY2024 similar to FY2023. However, finance costs increased as the higher OPR affected only half of FY2023 but applied to the entire year in FY2024. Additionally, borrowings were only repaid towards the end of FY2024, resulting in overall higher interest expenses in FY2024 despite the unchanged OPR.

Singapore: In FY2024, Singapore's overnight rate remained within the 3.38% to 3.65% range, resulting in interest expenses staying relatively stable at RM10.4 million (FY2023: RM11.6 million).

India: In FY2024, interest expenses in India increased to RM42.1 million, up from RM31.1 million in FY2023, primarily due to higher loan drawdowns as the two HAM projects substantially completed. The increased borrowing to fund project expenses, coupled with a rise in India's average interest rate from 10.11% in FY2023 to 10.21% in FY2024, further contributed to the higher finance costs.

Further details on SunCon's capital management is presented under Capital Management section.

Management Discussion and Analysis

Finance Income

RM'000	2024
Cash and bank	13,241
Structured entities	5,260
Interest-bearing trade receivables	50,554
Others	6,609

Finance Cost

RM'000	2024
MYR	(12,500)
SGD	(10,407)
INR	(42,075)
MFRS 16	(181)

Finance Income

RM'000	2023
Cash and bank	5,812
Structured entities	9,720
Interest-bearing trade receivables	4,088
Others	6,824

Finance Cost

RM'000	2023
MYR	(4,922)
SGD	(11,591)
INR	(31,088)
MFRS 16	(315)

2024	
Finance Income Rate	2.80% to 5.07%
Finance Cost Rate - Malaysia	3.71% to 3.98%
Finance Cost Rate - Singapore	4.70% to 4.92%
Finance Cost Rate - India	10.21%

2023	
Finance Income Rate	2.80% to 4.99%
Finance Cost Rate - Malaysia	3.50% to 3.88%
Finance Cost Rate - Singapore	4.86% to 5.31%
Finance Cost Rate - India	10.11%

TAXATION
(Effective Tax Rate)

The effective tax rate for FY2024 was 27.8%, higher than Malaysia's statutory tax rate of 24% primarily driven by under provision identified during a tax audit and investigation, which led to higher taxable income. Additionally, collections from long-outstanding settlements in the India branches, subject to a higher tax rate of 40%, further contributed to the increase. In FY2023, the lower effective tax rate of 22.7% was mainly due to foreign source income which is non taxable and over provision of tax in prior year.

SunCon's Approach to Tax

SunCon's tax compliance for the main subsidiary is outsourced to BDO Tax Services Sdn. Bhd. and the other subsidiaries within the group is handled by Sunway FSSC Sdn. Bhd. where there is a dedicated tax team to ensure tax installment payments and tax submission to Inland Revenue Board of Malaysia (IRB) is performed on a timely and accurate manner. We are also supported by Sunway Berhad's Group Tax Department and frequent engagement with our tax consultant (BDO) on areas of concern for a consensus approach. For our overseas ventures, we also have external tax agent assisting us including local JV partners who are more familiar with complex foreign tax laws (e.g. India).

For SunCon group of companies in Malaysia, the tax issues that we frequently face is under Public Ruling 2/2009 whereby a degree of judgement is needed to be exercised especially with assessing final estimate profit for completed projects to the year of substantial completion or when Certificate of Practical Completion (CPC) is obtained whilst client normally takes 1 to 2 years after physical completion to finalise the project revenue (final account). As a result, there might exist occurence of over or under estimation of tax payable.

STATEMENT OF FINANCIAL POSITION

KEY BALANCE SHEET

RM'000	Note	2024	2023	2022	2021	2020
Property, Plant and Equipment	1	85,134	97,981	107,521	124,668	107,321
Investments in Joint Arrangements	2	224,375	253,148	223,131	126,601	44,805
Other Non Current Assets	3	412,328	492,483	268,034	598,150	451,637
Total Non Current Assets		721,837	843,612	598,686	849,419	603,763
Trade Receivables	4	1,501,450	1,241,348	677,726	600,607	866,397
Cash and Bank and Placement	*	1,015,763	470,393	491,628	98,845	200,071
Intercompany		216,262	185,327	175,459	189,243	143,395
Tax Recoverable	5	20,260	15,005	18,897	19,710	19,720
Other Current Assets (inventories + other debtors+financial assets)	6	120,658	327,114	273,652	106,391	72,717
Total Current Assets		2,874,393	2,239,187	1,637,362	1,014,796	1,302,300
Total Assets		3,596,230	3,082,799	2,236,048	1,864,215	1,906,063
Trade Payables	7	1,563,953	921,082	716,220	766,656	836,187
Borrowings and Lease Liabilities	*	732,094	441,107	178,159	97,708	235,620
Intercompany		105,595	46,389	24,812	25,393	13,347
Other Current Liabilities		254,913	293,210	184,138	102,254	108,840
Total Current Liabilities		2,656,555	1,701,788	1,103,329	992,011	1,193,994
Borrowings and Lease Liabilities	*	1,139	488,728	311,925	152,547	72,729
Other Non Current Liabilities		36	326	-	2,886	730
Total Non Current Liabilities		1,175	489,054	311,925	155,433	73,459
Total Liabilities		2,657,730	2,190,842	1,415,254	1,147,444	1,267,453
Total Equity		938,500	891,957	820,794	716,771	638,610
Total Liabilities and Equity		3,596,230	3,082,799	2,236,048	1,864,215	1,906,063

* *Please refer to Capital Management on pages 31 to 32.*

Management Discussion and Analysis

MESSAGES FROM THE LEADERSHIP

Management Discussion and Analysis

FINANCIAL RATIOS

RM'000	Note	2024	2023	2022	2021	2020
Precast Segment						
Trade Receivables Turnover (Days)	4	**94**	152	172	148	185
Trade Payables Turnover (Days)	7	**49**	91	74	118	77
Inventory Turnover (Days)	6	**97**	70	104	139	143
Construction Segment						
Trade Receivables Turnover (Days)	4	**121***	115*	98*	99	162
Trade Payables Turnover (Days)	7	**129**	86	61	102	125
Net working capital days		**28**	69	37	5	34

* *Trade Receivables Turnover (Days) under Construction Segment excluded long term receivable.*

NOTE 1: PROPERTY, PLANT AND EQUIPMENT

Net Book Value (NBV) in RM'000	2024	%	2023	%
Freehold Land	**8,538**	10%	8,538	9%
Buildings	**9,125**	11%	9,101	9%
Plant and Machinery	**58,424**	69%	70,954	72%
Motor Vehicles	**1,474**	2%	2,200	2%
Office Equipment, Furniture and Fittings	**2,925**	3%	2,638	3%
Capital Work-in-Progress	**1,984**	2%	964	1%
Righ-of-Use Assets	**2,664**	3%	3,586	4%
Total	**85,134**		97,981	

There was an additional acquisition of RM9.4 million (FY2023: RM17.7 million) and a total disposal of NBV of RM5.5 million (FY2023: RM0.5 million) during the financial year. Most of the acquisition related to plant and machinery used for production at the ICPH plant. Some of the machineries and equipments categorised as capital work-in-progress, as certain machine parts and solar panels are still in the process of installation for specific renewable energy investment projects.

SunCon holds a freehold land in Senai Johor with the cost of RM8.5 million. This land, covering a total area of 475,409 sq ft, is currently utilised as our Precast Plant in Senai. This facility comprises an open casting yard with 9 production lines, a worker's canteen, office and a power station.

The net book value of RM9.1 million under the Buildings category consists of casting yards and site offices for both our Iskandar and Senai precast plants which are located in Johor, Malaysia.

In terms of Motor Vehicles, SunCon owns a fleet of four-wheeled drives and motorcycles that is allocated to all project sites for ease of travelling within the construction sites. Apart from that, it is also a norm under the contractual requirement for SunCon to provide motor vehicles for our clients and consultants. These vehicles are typically disposed or repurposed for use by our project teams upon completion of contractual period.

Finally, Office Equipment, Furniture and Fittings, amounting to RM2.9 million, primarily comprise IT hardware and specialised software used to support our operations.

NOTE 2: INVESTMENT IN JOINT ARRANGEMENTS

Investment in joint arrangements primarily pertains to investment in HL-Sunway JV Pte Ltd to acquire the land in Singapore for ICPH as well as to fund the construction of building as it was agreed by both JV partners that they will not be borrowing under this joint venture.

NOTE 3: OTHER NON CURRENT ASSETS

The other non current assets in current financial year mainly comprises the 60% of the construction work done for our two HAM projects in India which will only be paid after the completion of construction over 15 annuity years. During the FY2024, the Meensurutti-Chidambaram Highway project reached its PCOD on 15 February 2024, and annuity collections have commenced. Additionally, the Thorapalli Agraharam-Jittandahalli Highway project has also achieved its Phase 1 PCOD on the 1 November 2024, with target completion of the remaining works by end 2025.

NOTE 4: TRADE RECEIVABLES

The trade receivables turnover for the construction segment was higher in FY2024, which is consistent with the increase in revenue during the financial year.

For the precast segment, trade receivables turnover improved in FY2024 compared to FY2023, reflecting management's efforts to clear long-outstanding receivables.

NOTE 5: TAX RECOVERABLE

Total tax recoverable amounted to RM20.3 million (FY2023: RM15.0 million). Of this amount, RM9.1 million (FY2023: RM7.5 million) is recoverable from the Indian Tax authorities and is currently under legal proceedings. SunCon continues to actively pursue the recovery of these taxes. However, the legal process has faced significant delays due to the COVID-19 pandemic.

The remaining balance of the tax recoverable is with the Inland Revenue Board of Malaysia, primarily relating to tax overpayments arising from tax audit assessments. We have received written confirmation of settlement from the authorities and are optimistic that the outstanding amounts will be recovered in the near future.

NOTE 6: INVENTORIES

The inventory turnover of the Precast Segment primarily consists of finished goods, accounting for 80% in FY2024 (FY2023: 72%). The level of finished goods is largely dependent on clients' readiness to receive precast components as scheduled. In FY2024, inventory holding days increased from 70 days to 97 days, mainly due to a high volume of outstanding orders still in the early stages of the construction cycle, resulting in slower deliveries.

NOTE 7: TRADE PAYABLES

Precast Division:
Despite longer debtors' turnover period, precast pays its creditor obligation timely (FY2024: 49 days; FY2023: 91 days).

Construction Division:
Payment terms to our creditors increased in line with the longer collection period from trade debtors (FY2024: 129 days; FY2023: 86 days).

Management Discussion and Analysis

MESSAGES FROM THE LEADERSHIP

Management Discussion and Analysis

STATEMENT OF CASH FLOWS

CONDENSED CASH FLOW STATEMENT

RM'000	Financial Year Ended 2024	2023	2022	2021	2020
Dividend from Joint Venture	-	-	-	211	110
Other Operating Cash Flows	716,426	(299,388)	(215,024)	238,499	87,692
Total Operating Cash Flows	**716,426**	(299,388)	(215,024)	238,710	87,802
Acquisition of Property, Plant and Equipment	**(9,409)**	(18,453)	(27,114)	(34,819)	(3,393)
Disposal of Property, Plant and Equipment	**12,719**	2,459	25,208	3,290	1,537
(Acquisition) / Disposal of Investment	**111,788**	(26,118)	765,146	(147,550)	(359,017)
Net Cashflow from Loss of Control of Structured Equity	-	-	-	-	(5,890)
Withdrawal / (Placement) of Deposits Pledged to Licensed Banks	**6,928**	(2,477)	(45,695)	43,986	181,753
Other Investing Cash Flows	**16,413**	(18,289)	(109,404)	(56,961)	1,200
Total Investing Cash Flows	**138,439**	(62,878)	608,141	(192,054)	(183,810)
Dividend	**(116,043)**	(70,915)	(90,255)	(51,574)	(61,245)
(Repayment to) / Advanced Received from Related Company	-	-	-	-	(95,833)
Other Financing Cash Flows	**(187,363)**	408,355	48,574	(52,761)	20,416
Total Financing Cash Flows	**(303,406)**	337,440	(41,681)	(104,335)	(136,662)

Operating Cash Flows

We successfully turned around the negative operating cash flow to positive in FY2024, primarily driven by repayments from the deferred payment scheme for the two LSS4 projects, following the achievement of their commercial operation dates. Additionally, during the year, we achieved the PCOD for the Meensurutti-Chidambaram Highway project in India on 15 February 2024, with annuity collections now underway.

Investing Cash Flows

The positive investing cash flow for this year was primarily driven by the disposal of our investment in the Maybank Shariah Institutional Income Fund. Previously, we had allocated more than 30% of the total fund size, classifying it as an associate investment in FY2023.

Additionally, we undertook a series of housekeeping activities to optimise our plant and machinery fleet size. The disposal of property, plant, and equipment further contributed to the positive investing cash flow.

Financing Cash Flows

The negative financing activities for this year were mainly from the repayment of loans which we previously drawndown to loan for the LSS4 projects, where an initial lump sum is needed to purchase solar panels.

CAPITAL MANAGEMENT

RM'000	2024	2023	2022	2021	2020
Term Loans - Long term	-	487,724	308,541	145,390	67,203
Term Loans - Short term	**496,624**	115,550	82,352	-	76,367
Loan Bills Discounting	**100,000**	200,977	77,827	65,524	107,345
Revolving Credits	**133,996**	121,708	12,000	27,000	50,000
Total Borrowings	**730,620**	925,959	480,720	237,914	300,915
Total Finance Cost	**65,163**	47,917	18,025	4,583	6,943
Total Finance Income	**75,664**	26,444	13,874	4,153	7,805
Net Finance Income / (Finance Cost)	**10,501**	(21,473)	(4,151)	(430)	862
FINANCIAL RATIOS					
Net Gearing Ratio (Times)	**Net Cash**	0.56	Net Cash	0.20	0.16
Interest Coverage Ratio	**4**	5	14	35	16

SunCon has a robust capital management system to ensure that we maintain a healthy capital ratio in order to support our daily operation without disruption. Our strategy is to maximise shareholder's wealth by managing our excess funds accordingly. Our funds are invested in a diverse portfolio such as the fixed income securities, money market instruments and placement in selected funds.

Our objective as a Group is to optimise internal funds and to minimise external borrowings and we will also source for the most reasonable rate both in placement and borrowing. We manage our funds by planning our payment ahead of time to ensure that we keep a minimum bank balance at all times. This will allow us to place our excess funds in quest to obtain a higher return. With this, we will be able to arbitrage between our placement and borrowing rates differential.

Our payment and collection are mostly transacted in Ringgit Malaysia, Singapore Dollars for our precast business in Singapore and India Rupees for our India projects. We do constant monitoring on our foreign currency exposure and ensure that we hedge accordingly when opportunity arises.

Debt Management

SunCon has borrowings of RM234.0 million (FY2023: RM322.7 million) of Short Term borrowings comprises of Loan Bill Discounting, Invoice Financing and Revolving Credit, where monthly project progress certificates are being used as an instrument for lending with maturity tenure ranging from 30 to 120 days. These short term borrowings are mainly used to manage our receivables turnaround period. It is also used to support the initial capital requirement of new projects, capital expenditure requirements, bulk purchase of materials for better economies of scale and optimisation of interest rates differential.

Apart from that, our borrowings also consist of term loan for our Singapore precast division's ongoing ICPH plant expansion and 2 of our India HAM projects financing.

With that, SunCon Group registered a net cash positive in this financial year as opposed to previous financial year of net gearing of 0.56 times.

Management Discussion and Analysis

MESSAGES FROM THE LEADERSHIP

Management Discussion and Analysis

Invoice Factoring

In any construction job, cash turnaround is of great importance. As such, SunCon strives to ensure that our payments to subcontractors and suppliers are on a timely basis so that they have sufficient cash flow to work around. Any disruption to our subcontractors and suppliers will have a chain effect on the progress at site. However, in any circumstances where our subcontractors require funds earlier than the stipulated credit period, we will arrange for them to factor their invoices with Sunway Leasing so that they are able to obtain their required funds within 3 business days with competitive rates. As at December 2024, a total of RM158 million (FY2023: RM103 million) was financed through Sunway Fintech Services (FKA Sunway Credit Factoring).

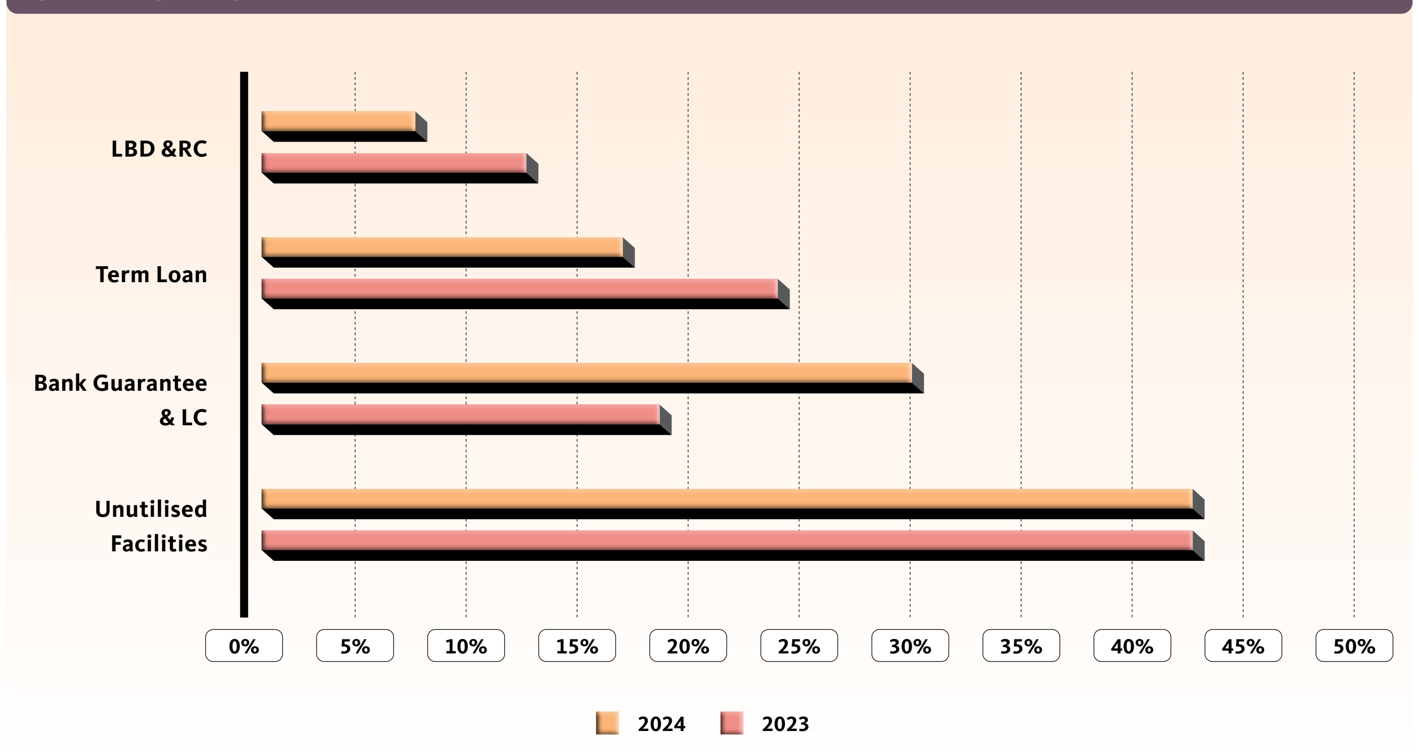
Shariah Compliant Funds

SunCon has cash under conventional accounts and investments of RM551.4 million (FY2023: RM219.0 million), the ratio of cash under conventional accounts and instruments over total assets was at 15% (FY2023: 7%) hence satisfying the compliant regulation that requires cash that are placed under conventional accounts and instruments to be less than 33% of total assets. Total assets in year ended 31 December 2024 amounted to RM3,596.2 million (FY2023: RM3,082.8 million).

Credit Facilities

It is important to ensure that we have sufficient credit facilities on hand to ensure that we can seize any job opportunity in the market. Our credit facilities vary for the issuance of bank guarantees such as performance bond, advanced payment bonds, tender bonds, security bonds, loan bill discounting and revolving credit. In 2024, we have utilised 57% (FY2023: 57%) of our credit facilities.

CREDIT FACILITIES



VALUE CREATION

RM'000	2024	%	2023	%
VALUE ADDED				
Revenue	**3,521,690**		2,671,225	
Purchases of goods and services	**(2,951,051)**		(2,208,659)	
	570,639		462,566	
Share of profits of associates	**-**		540	
Share of profits of joint ventures	**298**		(14,689)	
Adjustment arising from MFRS 9	**10,459**		(27,312)	
Financing cost	**(65,163)**		(47,917)	
Other income and expenses	**35,630**		43,357	
TOTAL VALUE ADDED	**551,863**		416,545	
RECONCILIATION:				
Profit for the year	**186,906**		145,109	
Add: Depreciation and amortisation	**17,276**		21,011	
Finance cost	**65,163**		47,917	
Staff costs	**196,462**		158,971	
Taxation	**75,941**		42,799	
Minority Interests	**10,115**		738	
TOTAL VALUE ADDED	**551,863**		416,545	
Value Distributed				
Employees				
Salaries and other staff costs	**196,462**	35%	158,971	38%
Government				
Corporate Taxation	**75,941**	14%	42,799	10%
Providers of Capital				
Dividends	**116,043**	21%	70,915	17%
Finance costs	**65,163**	12%	47,917	12%
Minority Interest	**10,115**	2%	738	-
Reinvestment and growth				
Depreciation and amortisation	**17,276**	3%	21,011	5%
Income retained by the Group	**70,863**	13%	74,194	18%
TOTAL DISTRIBUTED	**551,863**	100%	416,545	100%

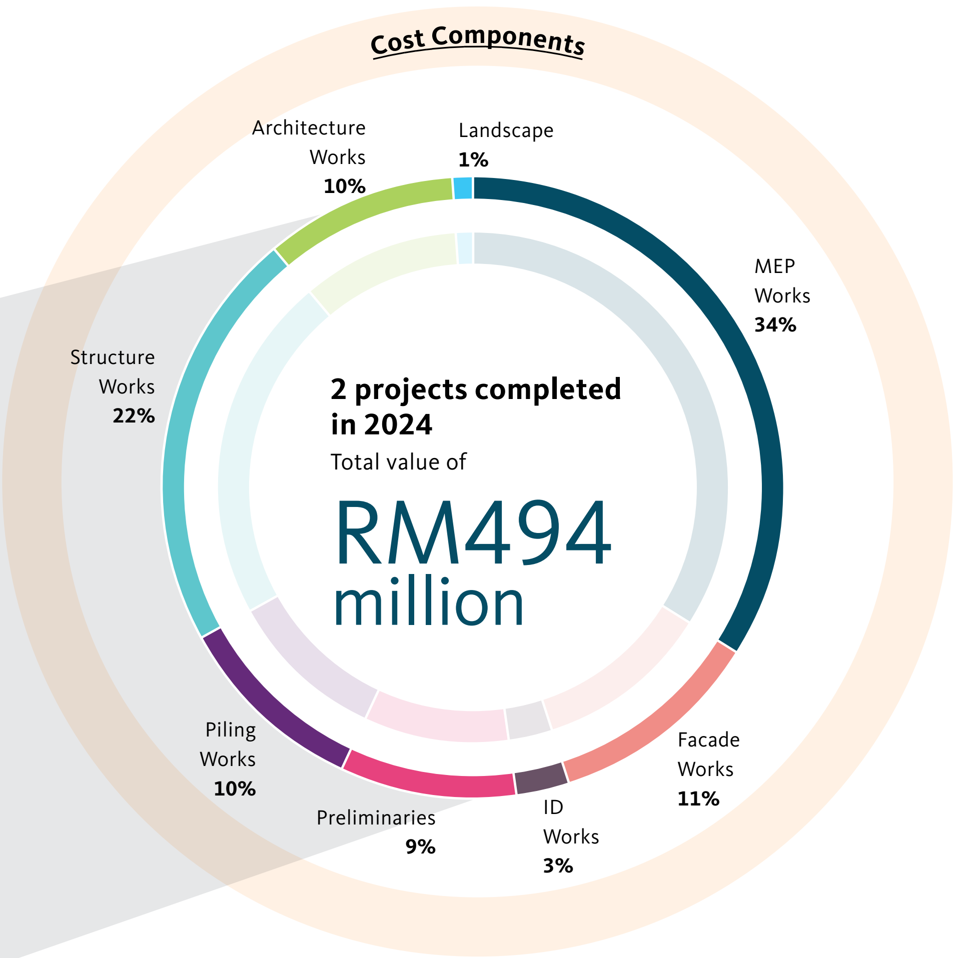
MESSAGES FROM THE LEADERSHIP

Management Discussion and Analysis

Sunway Medical Centre, Sunway City Kuala Lumpur

Building Construction
Civil and Infrastructure
Mechanical, Electrical and Plumbing & Advanced Technology Facilities
Manufacturing and Sale of Precast Concrete Products
Sustainable Energy
Foundation and Geotechnical Engineering

BUILDING CONSTRUCTION SERVICES



With an established track record for operational excellence spanning across four decades, SunCon's Building Construction Services division continues to emerge as an innovative and capable industry leader. The division's project portfolio consists of national landmarks such as the Kuala Lumpur Convention Centre, Petronas New Leadership Centre, TNB Headquarters Campus Phase 2 and Legoland Malaysia Theme Park amongst others.

The division continues to register new business and operational highlights. In 2024, notable accomplishments included the successful completion of the Sunway Medical Centre Damansara, Sunway Velocity 2 (Plot B) and the Sunway Belfield project.

Other notable project works include Sunway Medical Centre Ipoh, which is scheduled for handover in April 2025.

The division's largest in-house mixed development project, Sunway Square, is progressing as planned and is expected to be completed by fourth quarter of 2025. Similarly, the Daiso Global Distribution Centre (GDC) warehouse project in Pulau Indah is on track for completion by second quarter of 2026.

2024 also saw new projects secured as the division looked to shore up its order book. Another new project secured during the financial year is the RM720.9 million shopping mall in Sunway City Ipoh. The project is expected to be completed by 2027.

The division continues to pursue more technologically advanced projects. These included ATF projects and design and construction of data centres, warehouses and logistics facilities. It did face challenges consistent with ongoing trends within the construction sector. These challenges were volatility in prices of raw materials, supply chain disruptions, labour scarcity, extreme weather events and others.

Further details on SunCon's involvement in data centre projects are further elaborated at the Mechanical, Electrical and Plumbing Services (MEP) & ATF section of this report.

In response, the division expanded its supply chain networks to secure a more reliable flow of materials and locked in prices during favourable market conditions to reduce the impact of price fluctuations. Additionally, the division adapted its project timelines by adjusting work schedules to minimise delays caused by weather-related disruptions.

Further information on the impact of external trends on SunCon can be found in the External trends and Development section of this report.

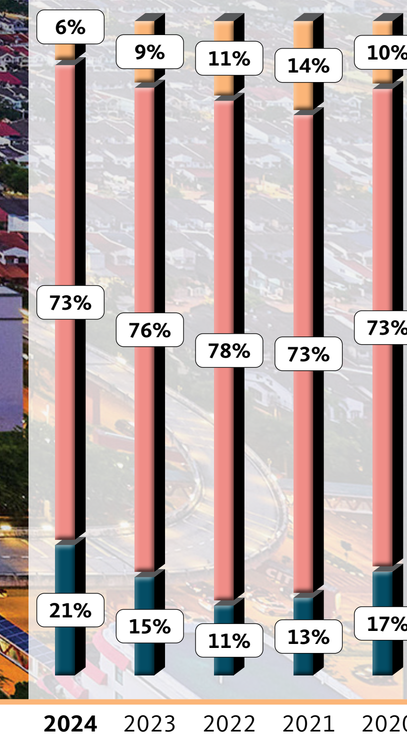
SunCon's Building Construction Services division also leveraged the Group's Virtual Design and Construction (VDC) to enhance collaboration among project stakeholders. This approach enabled accurate visualisation of final products and contributed to smoother execution, improved operational efficiency while supporting a reduction in Scope 3 emissions. The latter was achieved through reduction achieved in material wastage, and paper-based processes.

Aligned with Sunway Group's commitment to ESG principles, the division actively seeks innovative technologies to create sustainable energy solutions.

WORKFORCE

Staff Force	2024	2023	2022
Male	507	651	763
Female	82	108	91
Total	**589**	**759**	**854**

Staff Category (%)	2024	2023	2022
Executive	41	37	30
Non-Executive	59	63	70



REVENUE MIX

OUTLOOK AND PROSPECTS

The Building Construction Division shall continue to focus on external projects, notably mixed development and special purpose projects. The focus is on expanding to new, more commercially lucrative niche sectors, scaling up existing capabilities and to remain competitive with existing and emerging trends in the external operating environment.

However, the division will also focus on conventional private and public sector construction projects, both in Malaysia and abroad.

The proven approach of JV collaboration will also be harnessed towards accelerating the knowledge and technology acquisition as well as expediting market access. Both of which will hasten the division's pace of scaling up the value chain towards being capable of undertaking higher, value-added construction projects.

Continued improvements in the domestic economy as well as the domestic construction sector augur well for prospects. The change in US policies post the presidential elections may also lead to more businesses relocating to Malaysia to circumvent new tariffs and other market barriers. It is possible that a new wave of high-tech industrial facilities such as semiconductor manufacturing facilities, data centres, state-of-the art logistics facilities may move into Malaysia, similar to the period between 2016-2020.

In addition, existing catalytic plans such as the Industrial Masterplan and others should also have a galvanising effect on the domestic economy and the domestic construction sector.

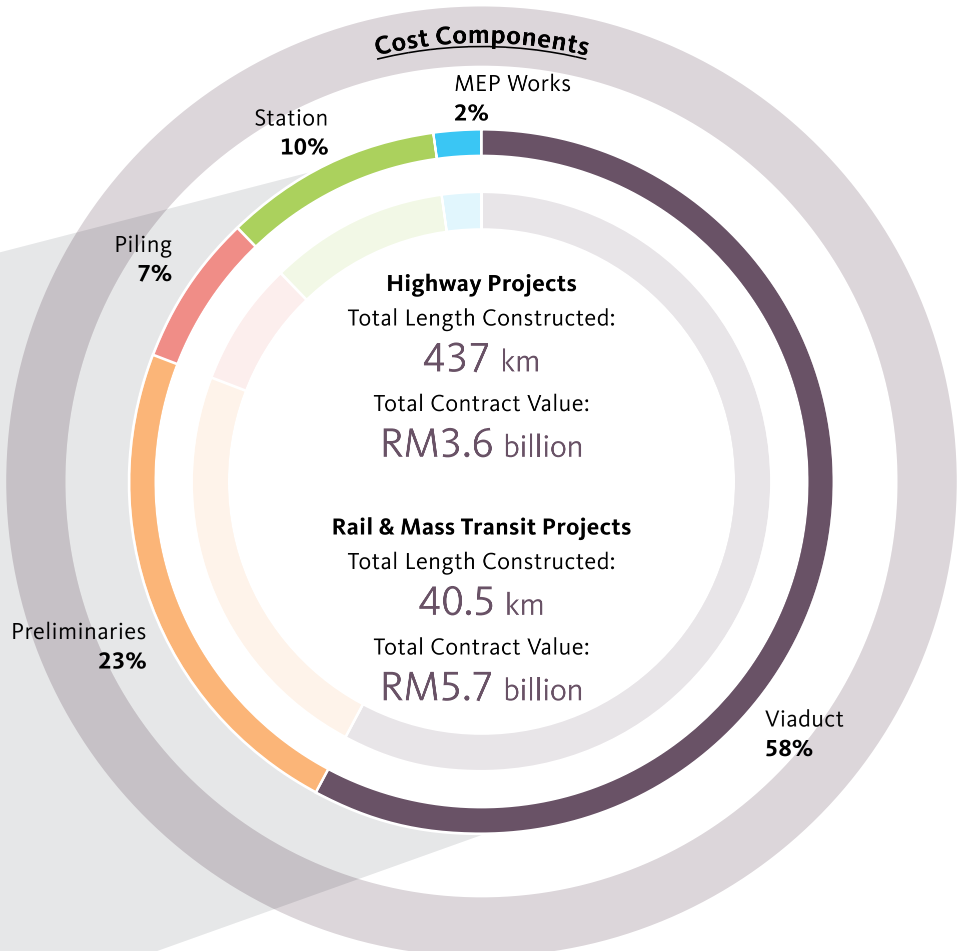
MESSAGES FROM THE LEADERSHIP

Management Discussion and Analysis

Rapid Transit System Link (RTS Link)

Building Construction | Civil and Infrastructure | Mechanical, Electrical and Plumbing & Advanced Technology Facilities | Manufacturing and Sale of Precast Concrete Products | Sustainable Energy | Foundation and Geotechnical Engineering

CIVIL AND INFRASTRUCTURE SERVICES



The Civil and Infrastructure division specialises in civil and rail infrastructure construction and related services. The division possesses a track record spanning four decades having designed and successfully completed roads, highways, airports, runways, bridges and rail transportation project in Malaysia and abroad.

Among the notable projects delivered by the division are the Kajang-SILK Highway, South Klang Valley Expressway (SKVE), Bus Rapid Transit Sunway Line (BRTSL), Mass Rapid Transit Line 1 - Package V4 (MRT1), Mass Rapid Transit Line 2 - Package V201 & S201 (MRT2), Light Rail Transit (LRT) Kelana Jaya Line, and LRT3 Package GS07&08. The division will also soon be completing two significant highway projects in India in 2025, bringing the total to nine completed projects undertaken in the subcontinent.

In 2024, the continued delays in the commencement of mega infrastructure projects such as highway and rail projects led to a reduced opportunity to tender for such contracts in Malaysia. However, the Civil and Infrastructure division continued to deliver solid progress on existing civil and infrastructure projects in hand.

In Malaysia, the LRT3 GS07&08 project and GS06 (a variation order) completed testing and commissioning in 2024.

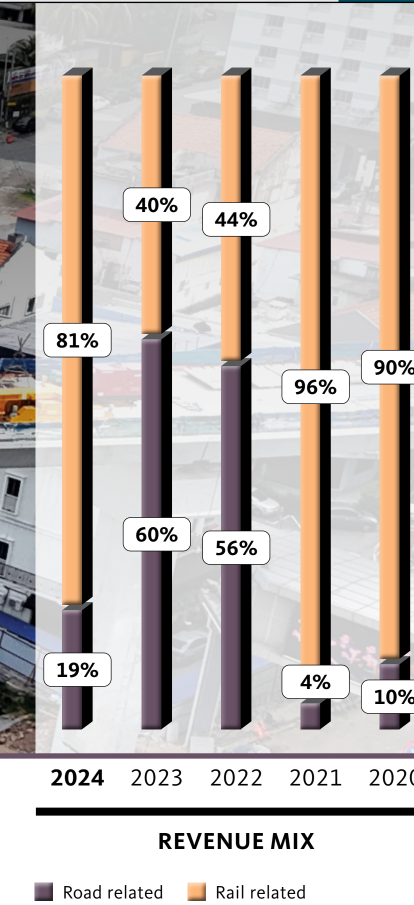
The division also substantially completed Package 1B Advance Works for Station and Viaducts, and Package 5 Terrestrial Viaducts and Ancillary Structures, for the Rapid Transit System Link (RTS Link) between Johor Bahru & Singapore. The remaining scope of works are targeted to be fully completed in 2025.

With regard to international projects, the Meensurutti Chidambaran Highway in India achieved Provisional Commercial Operations Date (PCOD) on 15 February 2024 and annuity payments from the client has commenced. Similarly, the Thorapalli Agraharam-Jittandahalli Highway project also achieved Phase 1 PCOD on 1 November 2024, with completion of the remaining works progressing well on track by end 2025.

WORKFORCE

Staff Count	2024	2023	2022
Male	174	207	131
Female	17	25	18
Total	**191**	**232**	**149**

Staff Category (%)	2024	2023	2022
Executive	28	33	35
Non-Executive	72	67	65



OUTLOOK AND PROSPECTS

Going forward, the Civil and Infrastructure division shall continue to capitalise on improving domestic economic prospects, which may provide increased impetus for the announcement of large-scale projects. At the same time, the division shall capitalise on its unique capabilities towards tendering for contracts both in Malaysia and abroad. The latter includes exploring potentials particularly in Southeast Asia. Beyond road and rail opportunities, the division shall also explore the feasibility of new niched infrastructure development projects such as integrated projects, which may be a strategic fit for the division's expertise.

The division will also explore developing synergistic strategies, by leveraging the strengths of SunCon's other division to compete more actively in developing more comprehensive value propositions and to bolster its bidding prospects. Some of the distinctive strengths of the division are its comprehensive integrated capabilities, which include turnkey, design and build capabilities, EPCC competencies and Private Finance Initiative (PFI) solutions.

In preparing for the future, some of the division's forward-looking plans include strengthening its machinery, fleet, technological capabilities as well as upscaling human capital.

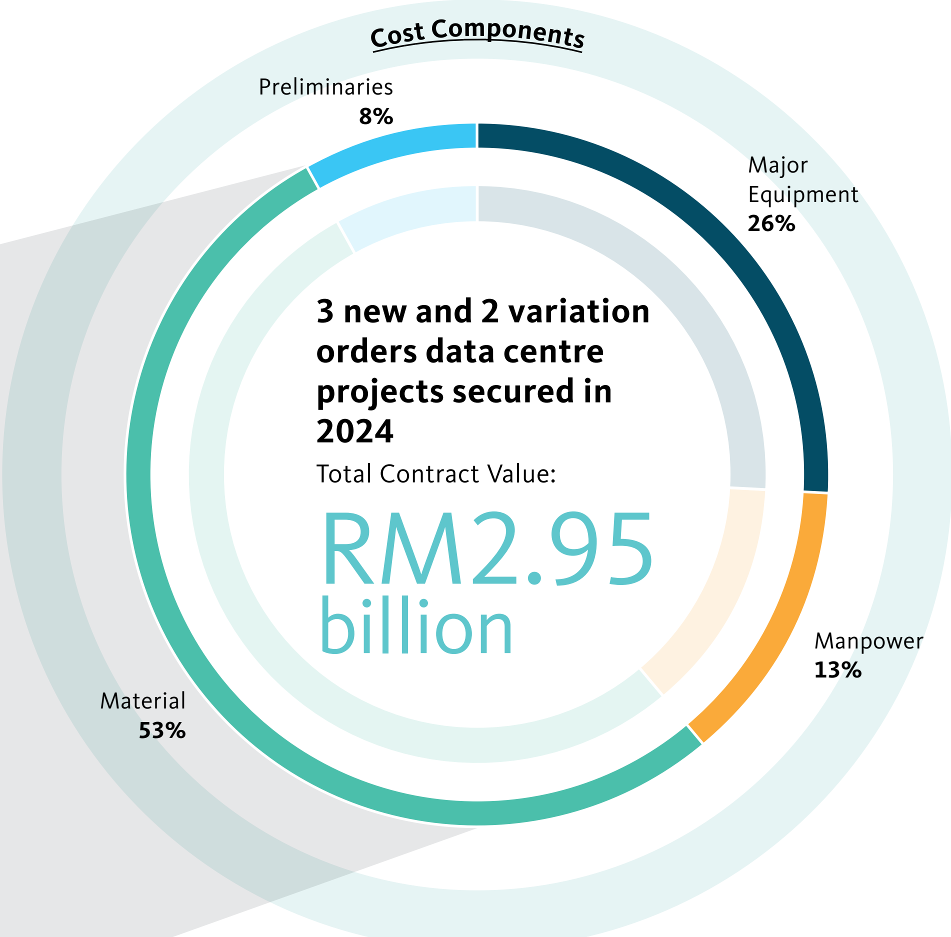
MESSAGES FROM THE LEADERSHIP

Management Discussion and Analysis

Chiller plant room at Sunway Medical Centre Ipoh

Building Construction | Civil and Infrastructure | **Mechanical, Electrical and Plumbing & Advanced Technology Facilities** | Manufacturing and Sale of Precast Concrete Products | Sustainable Energy | Foundation and Geotechnical Engineering

MECHANICAL, ELECTRICAL AND PLUMBING & ADVANCED TECHNOLOGY FACILITIES



3 new and 2 variation orders data centre projects secured in 2024

Total Contract Value:

RM2.95 billion

SunCon provides mechanical, electrical and plumbing (MEP) services alongside advanced technology facilities (ATF) as part of its fully integrated construction services. These services are provided by the Group's MEP division.

MEP division primarily provides support to the building construction and civil infrastructure divisions in achieving the Green Building Index (GBI) goals set by clients. Over time, the division has progressively built up its capabilities in delivering innovative, energy-efficient and cost-effective solutions for custom and specialised projects.

Its portfolio of successfully completed projects comprise Central Utilities Facilities, Green Buildings, Biotechnology facilities and Data Centres, among others.

In 2024, the division successfully completed the RM291 million data centre project in Sedenak Tech Park well ahead of schedule. The completion has further bolstered SunCon's credentials as a data centre specialist and one of few companies in Malaysia capable of delivering advanced technology facilities. Other completed projects were the fit-out works for the PNB118 Package A and B in April 2024.

The niched positioning as a data centre specialist was further strengthened with the awarding of the RM747.8 million data centre contract from a US-based multinational technology corporation located in Cyberjaya. Works commenced in May 2024 and completion is expected by the second quarter of 2027.

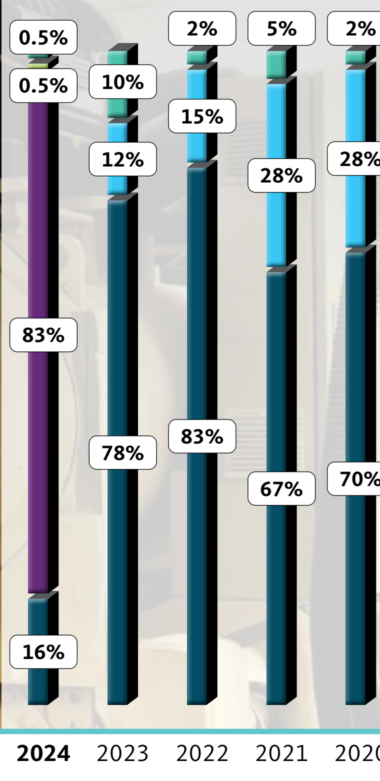
Several other additional awards from the initial Sedenak data centre project were also secured in 2024. Total cumulative contract value of these projects stood at RM3.7 billion.

During the year, SunCon formed several joint venture partnerships, notably with ENGIE Group. The newly formed Sunway ENGIE DC Sdn. Bhd., a subsidiary of SunCon, further strengthens the Group's position as a leading local general contractor specialising in data centres.

WORKFORCE

Staff Count	2024	2023	2022
Male	471	125	109
Female	96	22	21
Total	**567**	**147**	**130**

Staff Category (%)	2024	2023	2022
Executive	58	85	85
Non-Executive	42	15	15



REVENUE MIX

OUTLOOK AND PROSPECTS

SunCon, through its MEP division is well prepared to capitalise on the growing demand for ATF-specific expertise. This remains a strategic focus for the Group, supported by collaborations with both new and existing joint venture partners. Spearheaded by the MEP division, SunCon is able to leverage its competitive edge to position itself as a one-stop solution provider for ATF projects, notably data centres.

The expertise and track record developed in recent years will hold the division and by extension, SunCon in good stead going forward. This includes provision of customised, robust data centre build solutions for existing and new clients.

Importantly, the strong financial position of the Group also affords the added advantage of offering deferred funding options to clients.

Additionally, the expanding semiconductor industry offers potential for new business opportunities. Towards this end, the division intends to further strengthen its technical expertise by upskilling its existing staff whilst at the same time selectively recruiting specialists and engineers in related fields.

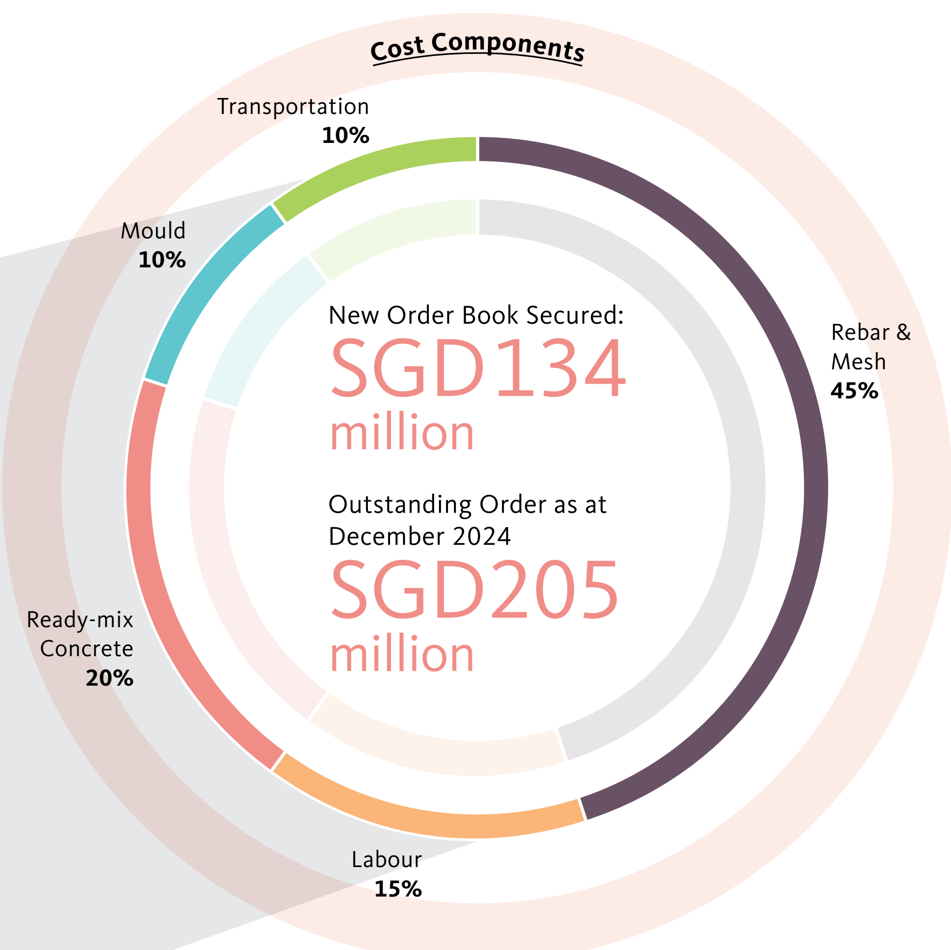
MESSAGES FROM THE LEADERSHIP

Management Discussion and Analysis

Integrated Construction and Prefabrication Hub (ICPH), Pulau Punggol Barat, Singapore

Building Construction | Civil and Infrastructure | Mechanical, Electrical and Plumbing & Advanced Technology Facilities | **Manufacturing and Sale of Precast Concrete Products** | Sustainable Energy | Foundation and Geotechnical Engineering

MANUFACTURING AND SALE OF PRECAST CONCRETE PRODUCTS



In 2024, the Precast Division faced rising inflation that contributed to increased costs of imported materials such as cement and steel. Other challenges encountered included stiff market competition, global supply chain disruptions and high labour costs in Singapore. Tight foreign labour policies (which restricted access to manual labour) in Singapore was also a dampening factor.

Talent management was also a priority for the division, which actively recruited to expand its workforce. The expansion of the workforce supports efforts to ensure optimal plant efficiency and productivity.

However, there were also positives. Among these were the Singapore government's Build-To-Order (BTO) flats programme. The BTO programme has had a galvanising effect on the precast supply industry at large, as it serves to stimulate stable and growing demand for high-quality precast materials. The BTO flats programme also promotes innovation and productivity improvements among industry players and is a primary factor in enabling Singapore's Housing Development Board (HDB) to stay on track towards building 100,000 flats between 2021-2025.

In response to the operating environment, SunCon's Precast division implemented various strategies to ensure successful fulfilment of customer orders. This included prudent management of resources and inventories, supply chain diversification and continued focus on upskilling and retention of talent. At the same time, the division looked to ramp up its book-building activities, notably towards optimising the production capacity of our recently established ICPH in Pulau Punggol Barat, Singapore.

Through the BTO programme, SunCon secured 13 contracts worth SGD134 million in its order book. The division also secured several data centre related contracts, as well as contracts for the supply of precast products for Ministry of Health nursing homes. In 2024, the division completed four projects and obtained the HDB mesh fabrication license for its ICPH Automated Mesh Production Plant. The plant will enhance ICPH's productivity.

Consistent with SunCon's commitment to integrating ESG principles across all divisions, the Precast Division continued to streamline operational processes to eliminate redundancies and reduce resource usage particularly in electricity consumption.

PRECAST SEGMENT INDICATORS

	2024	2023	2022
HDB BTO Units Launched in Singapore	19,637	24,447	23,184
Precast Division Sales - Private (%)	20%	-	-
Precast Division Sales - HDB (%)	80%	100%	100%
Maximum Plant Capacity (m^3 per annum)	174,000	174,000	126,000
Overall Plant Utilisation Rate (%)	35%	53%	61%

WORKFORCE

Staff Count	2024	2023	2022
Male	196	173*	115*
Female	23	23	19
Total	**219**	**196***	**134***

Staff Category (%)	2024	2023	2022
Executive	29	27*	37*
Non-Executive	71	73*	63*

* *Restated*

OUTLOOK AND PROSPECTS

The Precast division anticipates a positive outlook for 2025, underpinned by the BTO flats programme and a healthy order book of projects. Both would support increased operational capacity for the ICPH and would support continued high-skill talent recruitment.

Inventory management is also imperative going forward. The division will specially focus on ensuring adequate material quantities to meet production demand in tandem with the prospect of increased precast orders.

Another focus area for exploration is the adoption of cleaner energy sources. This will not only reduce emissions, but may also support reduced operational costs, notably as energy costs continue to rise over time. The transition to RE would also enable a reduced embodied carbon emissions profile for precast products manufactured at the ICPH. This ultimately paves the way for more sustainable and cost-effective practices for future construction projects.

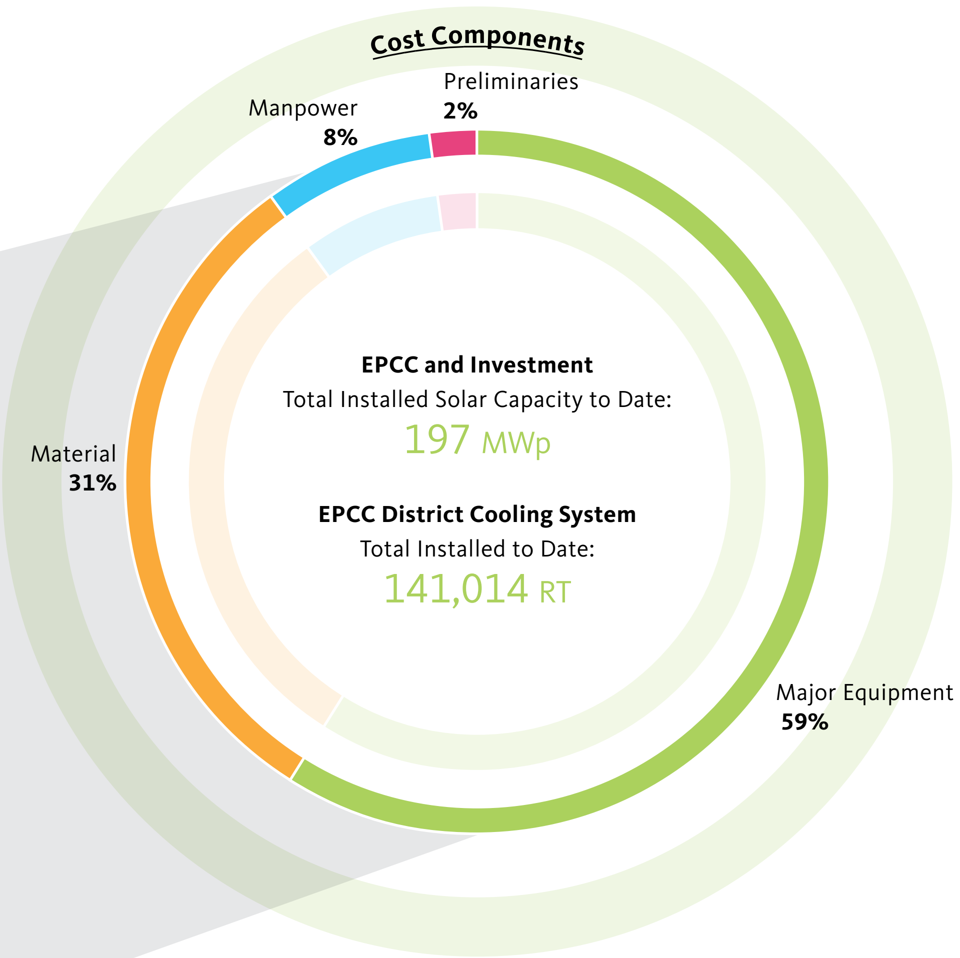
MESSAGES FROM THE LEADERSHIP

Management Discussion and Analysis

Large Scale Solar Farm (LSS4), Kapar, Selangor

Building Construction | Civil and Infrastructure | Mechanical, Electrical and Plumbing & Advanced Technology Facilities | Manufacturing and Sale of Precast Concrete Products | **Sustainable Energy** | Foundation and Geotechnical Engineering

SUSTAINABLE ENERGY SERVICES



As part of SunCon's commitment and contribution to national decarbonisation and energy efficiency, the Group provides a wide range of integrated solutions ranging from district cooling plants to renewable energy services including large-scale solar farms, and rooftop solutions for commercial and industrial buildings.

The considerable technological advancement achieved in solar panels have yielded increased power generation capacity and efficiency. The increasing demand for RE oriented products was driven by various government initiatives such as the Corporate Green Power Programme (CGPP) and the National Energy Transition Roadmap (NETR). The ongoing transition to RE was also boosted by the upwards revision in the Imbalance Cost Pass-Through (ICPT) pricing mechanism for industrial and commercial entities. Cumulatively, these and other factors, led to an upturn in projects and opportunities for Malaysia's sustainable energy industry.

However, market challenges such as increasing market competition and fluctuations in solar panel pricing persisted in 2024.

Supply chain disruptions persisted in the first half of the year, but conditions improved n the second half of 2024, supporting access to materials and more stable prices for solar panels.

In 2024, SunCon's Sustainable Energy Services division continued to register notable progress on both business and operational fronts. Highlights include securing an 11.8 MWac quota under the CGPP. The RM37 million project entails the design and construction of a 11.8 MWac CGPP in Kapar, Klang. Works have commenced in January 2025 with completion expected by year's end.

The division successfully completed the Sunway Velocity Mall Solar PV System, a RM1.3 million project for the supply and installation of a solar energy system for the mall. In Johor, the division secured the RM1.85 million project to install a solar energy system to power the Big Box Hotel and Office Car Park Solar PV System. Both projects were completed in February 2024.

Also in 2024, the division successfully completed and energised the solar energy system at all BRT Sunway Line Stations and Depot. This marked a significant milestone in our solar energy investments. This project is backed by a 20-year power purchase agreement with Rapid Bus Sdn. Bhd., which was signed in November 2023. The project aligns with Malaysia's broader move towards RE implementation with the aim of increasing energy efficiency and decreasing carbon intensity. This is very much consistent with the objectives stipulated in the NETR.

To date, SunCon has invested a total of RM10.8 million in rooftop solar projects. The division continues to onboard new, more efficient solar technologies towards enhancing its capabilities.

Alongside solar initiatives, the Sustainable Energy Services division registered further progress on the District Cooling System (DCS) project in Sunway Square, Sunway City Kuala Lumpur. Major equipment including the chiller have been installed and the construction of the thermal energy storage (TES) tank is progressing on schedule. The DCS project is expected to be implemented in stages, aligning with the final completion of the Sunway Square project in 2025.

With regards to sustainability, Sunway Construction's Sustainable Energy division continued its sustainability initiatives which included the use of environment-friendly refrigerants in the DCS project at Sunway Square. The division chose R134a refrigerant which has lower a global warming potential (GWP) and ozone depletion potential in comparison with typical refrigerants. This decision also helps in reducing the impacts of climate change through reducing greenhouse gas emissions.

OUTLOOK AND PROSPECTS

Driven by the present decarbonisation trajectory set by the Malaysian government and the growing acceptance and demand for sustainable energy solutions, prospects augur well for the division.

SunCon will continue to pursue suitable value accretive opportunities arising from the NETR, CGPP and from the general market as corporates look to reduce their dependence on grid sourced electricity. The latter due to higher tariffs imposed as subsidies are gradually reduced over time. In addition, plans by the government to impose carbon tax going forward, albeit on selected industries may also be a demand driver for RE.

Leveraging its established track record, improving technical capabilities and stronger supply chains, the Sustainable Energy Services division aims to continue growing its order book by securing new projects in Malaysia.

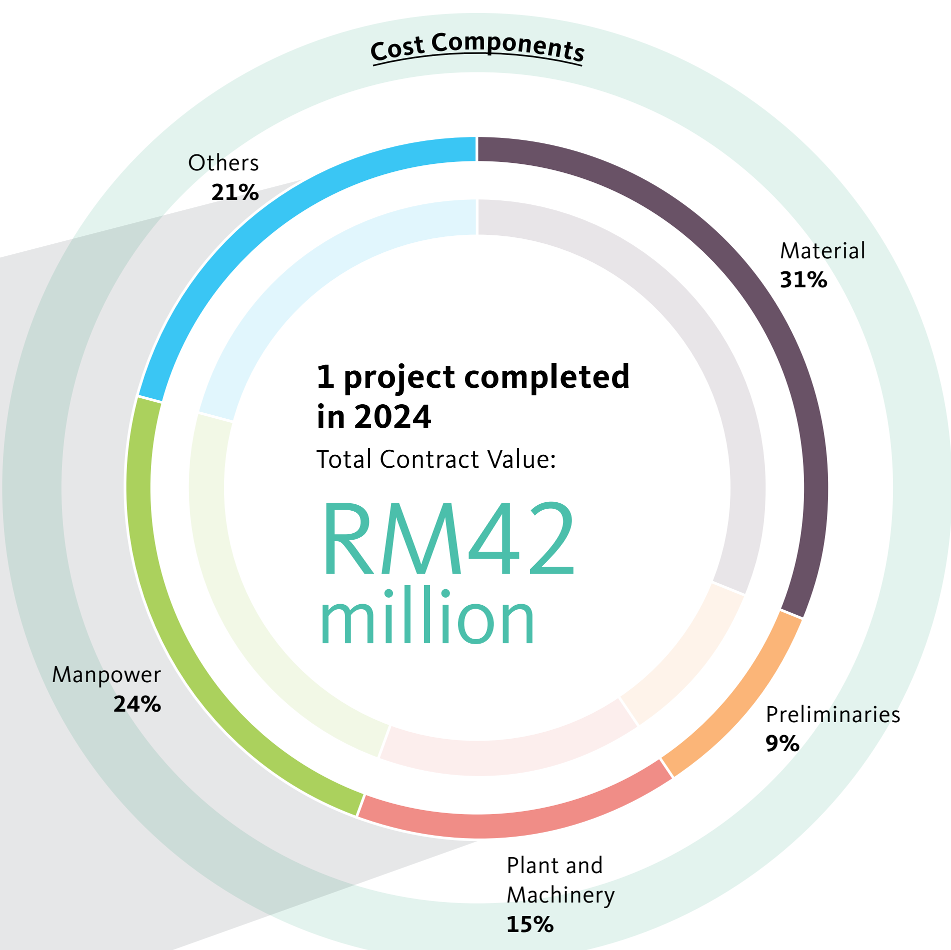
The division also intends to broaden its portfolio of RE sources through strategic alliances and JVs. This will enable market expansion, sharing of knowledge and technology and various other mutual benefits. The division will also continue to invest in new technologies on its own while upskilling its human capital. Through the division, SunCon is confident of retaining its leadership position in the RE space in Malaysia while contributing directly to the nation's journey towards decarbonisation and a greener, more sustainable future.

Management Discussion and Analysis

Sunway City Ipoh Mall

Building Construction | Civil and Infrastructure | Mechanical, Electrical and Plumbing & Advanced Technology Facilities | Manufacturing and Sale of Precast Concrete Products | Sustainable Energy | **Foundation and Geotechnical Engineering**

FOUNDATION AND GEOTECHNICAL ENGINEERING SERVICES



Through its Foundation And Geotechnical Engineering Services division, SunCon provides specialised expertise for foundation and geotechnical engineering works. This includes piling, large-diameter bored piles, diaphragm wall construction, deep basement excavation, top-down construction and related ancillary services.

The division's extensive fleet of machinery and equipment facilitates the division's ability to undertake challenging project requirements. This encompasses integrated geotechnical solutions for building projects, ranging from residential developments to large-scale construction and civil infrastructure projects.

The division primarily supports the building and civil infrastructure projects secured by SunCon.

SunCon's geotechnical division remained resilient in 2024 even as a prevailing slowdown in private projects (uncertainty in project bids and funding) continued to dampen overall sectoral activity and momentum.

Primarily in 2024, the division remained focused on execution of existing building and civil engineering / infrastructure projects.

Adopting a streamlined focus to project execution has yielded results with the division successfully completing the piling works for the RTS Package 1B&5 project in December 2024. In the same year, the division commenced piling works on the Sunway City Ipoh Mall project. Workscope entails a combination of bored piles, pad footing, micropiles, soil nailing and sheet piles. Presently, progress are well on track for completion by early 2025.

Fostering strong relationships with business partners in the geotechnical field has been crucial for maintaining a steady workflow and project schedules. This approach has also been instrumental in enhancing the division's ability to take on new ventures.

Sustainabillity was also on the forefront of the division's agenda with measures implemented in 2024 to reduce construction waste across all projects. In 2024, the division implemented an asset right sizing initiative by disposing 10 units of boring rigs via auction.

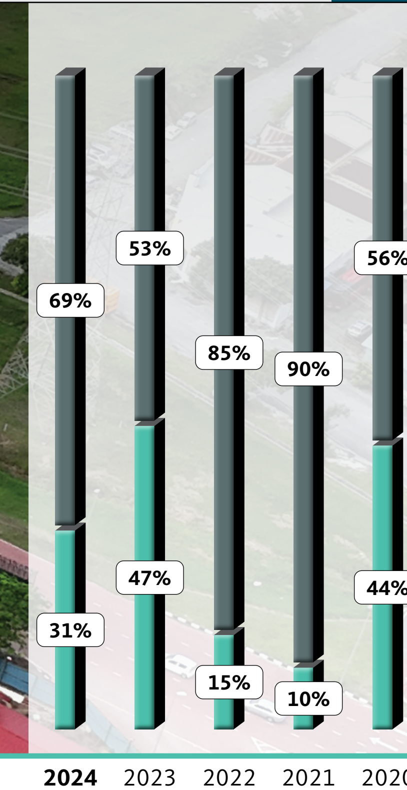
RIG UTILISATION RATE

	2024	2023	2022
No. of Rigs	12	22	26
Rig Utilisation Rate	35%	27%	26%

WORKFORCE

Employee Count	2024	2023	2022
Male	15	41	52
Female	4	6	12
TOTAL	**19**	**47**	**64**

Employee Category (%)	2024	2023	2022
Executive	63	66	72
Non-Executive	37	34	28



REVENUE MIX

Infrastructure | Building

OUTLOOK AND PROSPECTS

The Foundation and Geotechnical Engineering Services division remains well focused on securing new projects in 2025. Preparations include undertaking feasibility studies to ensure effective ability and readiness to fulfil the requirements of potential mega infrastructure projects in the coming year.

While bored piling works will remain an integral focus area, the division shall be pivotal in driving SunCon's ongoing pivot towards data centre projects.

Given that data centres are part of a niche market and offers access to government funding and collaboration, SunCon aims to ensure relevant resources towards meeting the niche and highly technical demands of data centre projects.

The division has also upgraded its existing fleet of machinery – equipping these with new technologies to enhance operational capabilities and effectiveness. The division shall continue to evaluate the efficiency of its machineries towards striving for an optimal balance between owned and leased assets.

Value Creation Model

OUR BUSINESS MODEL
Value Creation Model

The Value Creation Model provides a summarised perspective of how SunCon has generated a wide range of financial and non-financial values for stakeholders. The Group consumes the six capitals (as stipulated across the various inputs) which through the business model is transformed into outputs and outcomes.

In essence, values have been created based on the cumulative use of capitals but for illustration purposes, capitals and values have been aligned to their respective categories i.e. financial capitals to financial values and so forth.

Capital Inputs

The pool of funds available to SunCon, generated from operations, investments and debt arrangements.

Beginning of FY2024
- **Share capital: RM258.6 million**
- **Retained profits: RM590.0 million**
- **Cash and bank balances: RM470.4 million**
- **Market capitalisation: RM2.501 billion**

Physical assets owned or leased deployed to execute the business model across the value chain towards the creation of financial and non-financial outputs and outcomes.

- **A wide range of plant and machineries**
- **2 precast plants**
- **1 ICPH in Singapore**

All business and operational strategies, collective knowledge, skills, competencies and experience of SunCon, its subsidiaries and associate companies as well as its supply chain.

- **SunCon's business model**
- **Divisional business strategies**
- **Intellectual property and proprietary business / industry knowledge i.e. Virtual Design and Construction, building management systems, software**

The collective skills, talents, experience and capabilities of the Group's talent including talent at subsidiary and associate companies responsible for day-to-day operations.

- **High-performance work culture centred on merit, equality and diversity**
- **Talent focused, cultivating high performing culture HR policies**
- **Championing adoption of VDC as key technology enabler for all project implementation**
- **Talent mobilisation across different core businesses within SunCon**
- **1,148 strong workforce (excluding direct workers)**

Comprising the diverse network of relationships and engagements with various stakeholders. The understanding of stakeholders' needs, concerns and aspirations and the implementation of appropriate engagement strategies.

- **Financial and non-financial investments into stakeholder engagements including engagement strategies, programmes and activities**
- **Conducted 16 sessions in outreach programmes, participated by 1,500 university students**
- **160 internship opportunities provided to young graduates**
- **CSR budget and expenditure on community infrastructure and services, community events**

Please refer to pages 54 to 59 for stakeholder engagement disclosure.

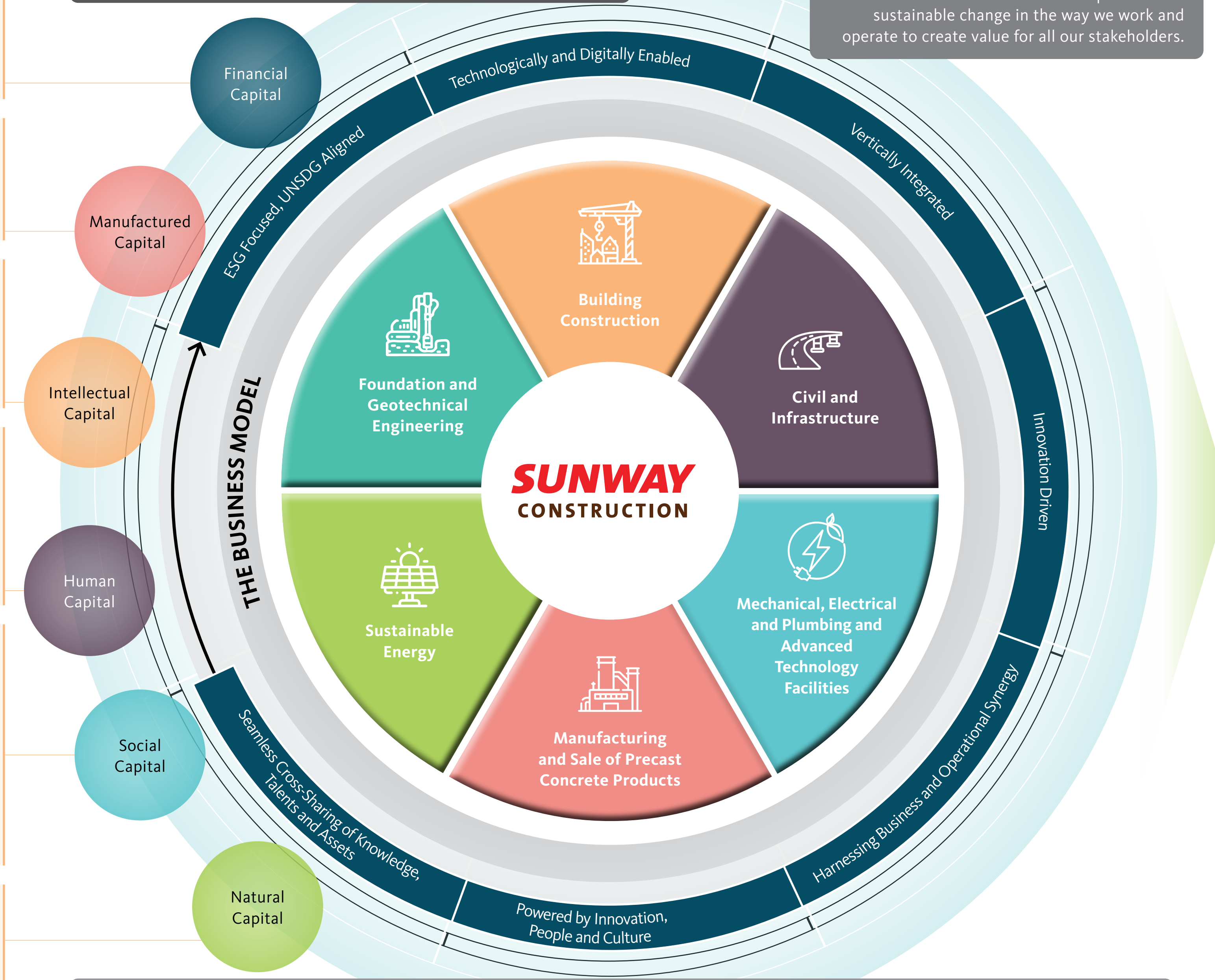
The pursuit of resource efficiency in the consumption of natural resources and materials required for the business model.

- **Energy consumed 57,644 MWh**
- **Consumed 362 MWh solar energy**
- **315,095 m³ of water consumption (Alternate water source: 16%)**
- **RM10.78 million in solar investment projects**
- **Established SunCon Sustainability Policy**

For more details, please refer to Multi Capitals Perspective to Value Creation on pages 62 to 64.

VISION:
To be a leading regional construction and engineering group.

MISSION:
Innovating to deliver value underpins our relentless efforts to drive positive and sustainable change in the way we work and operate to create value for all our stakeholders.



CORE VALUES:
- **INTEGRITY** We believe in doing the right thing at all times.
- **HUMILITY** We believe in being humble.
- **EXCELLENCE** We take pride in all that we do.

For more details, please refer to Corporate Profile on pages 8 to 10.

Outputs	Outcomes
FINANCIAL CAPITAL • Revenue: RM3,522 million • PBT: RM273.0 million • PAT : RM197.0 million • Cash and bank balances: RM1,015.8 million	**FINANCIAL CAPITAL** • 59% dividend payout of PAT after minority interests • RM75.9 million paid in income taxes • RM196.5 million paid in wages • Market capitalisation: RM5.970 billion as at end FY2024 • High Return on Equity (FY2024: 22%; FY2023: 19%; FY2022: 19%)- Best ROE for 6 consecutive years in the Construction Sector awarded by The Edge Billion Ringgit Club
MANUFACTURED CAPITAL • RM3.52 billion in projects progress for FY2024 • Average QLASSIC score FY2024: 84% (vs industry average 78%) • Total 437 km of highways and 40.5 km of rail and mass transit projects constructed to date	**MANUFACTURED CAPITAL** • A wide range of socioeconomic multiplier effects arising from the successful completion of building and infrastructure projects • Elevation of industry standards and benchmarks
INTELLECTUAL CAPITAL • Improved communication channels via Autodesk Construction Cloud (ACC) platform • 133 staff trained and developed with VDC competencies in FY2024 (FY2023: 113) • 77% of planners trained with 4D skills	**INTELLECTUAL CAPITAL** • Enabling sustainable construction by managing resource consumption and carbon footprint while enhancing the Group's value proposition • Continued strengthening of business processes and realisation of key business outcomes, including increases efficiency and productivity
HUMAN CAPITAL • 46 project leaders across 6 core businesses • 81 VDC experts, and more than 50% operationally trained with VDC knowledge • 17.9x staff productivity	**HUMAN CAPITAL** • Talent workforce that are mobile to vertically move across different core businesses • Strong talent bench strength for key succession planning • Technology enabled workforce capable of managing advanced technology projects
SOCIAL CAPITAL • Improved stakeholder relationships • 50% buy calls from analysts and research houses • Customer Satisfaction Score: 100% • Zero fines for labour law non-compliance • Average SHASSIC score FY2024: 87.46% (vs industry average of 86.81% in 2023) • Engaged 330 active supply chain partners and subcontractors in the environmental and social assessment • 7 awards & recognitions received	**SOCIAL CAPITAL** • Zero accidents involving the community or general public • Development of talent pool that supports SunCon's human capital requirements • Contribution of more than RM2.86 million for total amount invested for external beneficiaries through the Jeffrey Cheah Foundation as well as various community and SunCon Social Club (SSC) initiatives
NATURAL CAPITAL • Zero reported fines for environmental non-compliance • Generated green attributes of 4,402 tonnes CO_2e avoidance from our solar investments • Expand ESG Monitoring coverage to include wastewater discharge	**NATURAL CAPITAL** • Improved environmental oversight and implementation of practices with progressive integration of ESG into the SunCon's business strategies and its operations • On track in meeting SunCon's 2030 emission reduction targets

Our Business Model

SunCon business model illustrates the Group's approach to value creation. The model is distinctive as it demonstrates an evolved strategy that enables the Group's inherent business strengths to be well leveraged while enabling an effective and measured response to the risks and opportunities arising from the external operating environment.

VISION:
To be a leading regional construction and engineering group.

MISSION:
Innovating to deliver value underpins our relentless efforts to drive positive and sustainable change in the way we work and operate to create value for all our stakeholders.

The SunCon business model is designed to enable the Group to optimise its business strengths towards ensuring an effective strategic response to the challenging external operating environment.

It is designed to foster and leverage the vertical integration of skills, resources, strengths and talents. This enables the Group to combine and integrate the various expertise and attributes within the Group towards delivering cutting edge, customised solutions for customers.

The various business and operational synergies go beyond typical cost and operational efficiencies. Beyond asset-based capabilities, technology and skills are pivotal to the effectiveness of the business model. Hence, the increasing focus on human, intellectual and social capitals. These complement the typical focus on manufactured capitals.

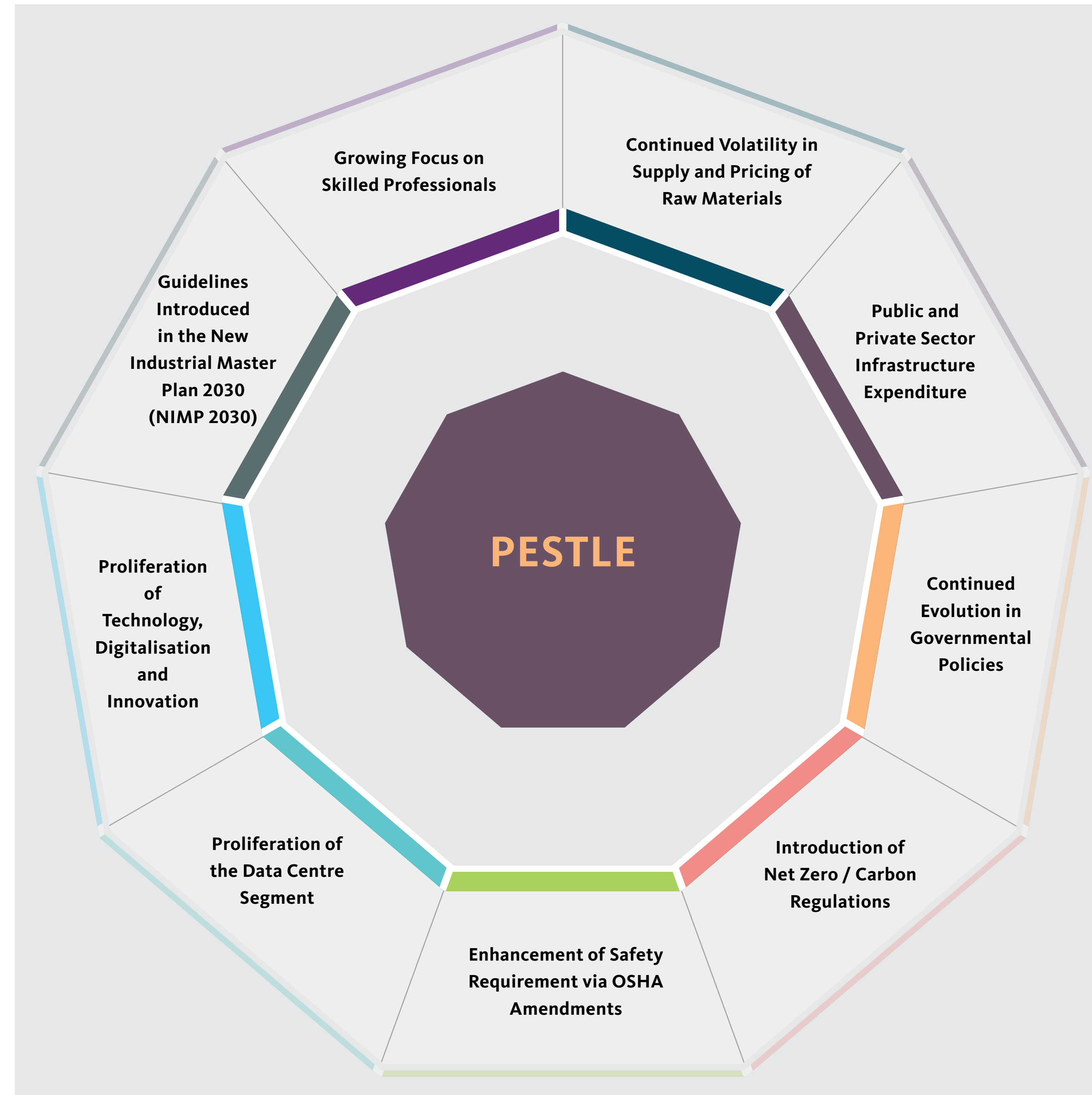
Sustainability remains an intrinsic aspect of the business model. For example, the Group's RE projects generate renewable energy certificates (RECs) that has accelerated SunCon's progress toward Scope 2 carbon neutrality. At the same time, the RECs can be potentially sold on the market to generate revenues.

Ultimately, the model is well geared to realising the Group's Vision and Mission and in realising SunCon's aspirations to focus more on technically demanding, complex infrastructure projects including data centres, smart / green buildings and more.

SunCon's business model is designed to enable an effective response to risks and opportunities emerging from the external operating environment. Consistent with previous year's reporting, SunCon continues to provide a snapshot of significant external trends and developments that may positively or negatively impact value creation.

External Trends and Developments

Integrated Thinking is applied in terms of determining how external forces impact / influence SunCon's business model, its value chain and capital resources. The same integrated thinking is also evident in the identification of sustainability topics that would be material or impacted by external trend and developments.



External Trends and Developments

EXTERNAL TRENDS AND DEVELOPMENTS
External Trends and Developments

Material Matters:

- EC1 Product Quality and Responsibility
- EC2 Business Performance
- EC3 Supply / Value Chain Management
- EC4 Indirect Economic Impacts
- S1 Occupational Safety & Health
- S2 Customer Satisfaction
- S3 Talent Development and Retention
- E1 Waste and Pollution Management
- E2 Water Management
- E3 Energy Management
- E4 Emissions Management
- E5 Materials Management
- E6 Physical Impacts of Climate Change
- E7 Protection of Biodiversity & Ecology
- S4 Labour Practices and Standards
- G1 Ethical Business Conduct
- G2 Risk Management and Regulatory Compliance
- G3 Corporate Governance & Transparency
- G4 Brand Awareness and Reputation
- G5 Data Privacy and Cybersecurity
- G6 Crisis Management
- G7 Digital Transformation and Innovation
- S5 Diversity, Equity and Inclusivity

Principle Risks:

- R1 Bribery and corruption risk
- R2 Delay in project delivery
- R3 Cost overruns
- R4 Return on investment of machinery / assets & idle machines
- R5 Reliability of subcontractors
- R6 Legal workers
- R7 Scarcity of construction jobs in the market
- R8 Collection risk
- R9 Cybersecurity risk

+ Positive — Negative ○ Neutral

EXTERNAL FACTORS (INDUSTRY TRENDS & MARKET DEVELOPMENTS)

Continued Volatility in Supply and Pricing of Raw Materials

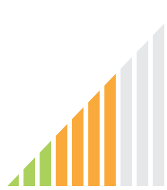
HOW IT IMPACTED THE GROUP's BUSINESS MODEL

Ongoing trade and geopolitical tensions (Russia-Ukraine conflict, US-China trade barriers and unrest in the Middle East) continued to disrupt demand and supply dynamics for raw materials. Similarly, disruption to domestic supply chains have also caused price distortions and delays in the supply and availability of raw materials.

Protracted geopolitical issues have a dampening effect on investor appetite and public and private sector expenditure, particularly for larger-scale infrastructure projects.

IMPACT SEVERITY (1-10)

— (Negative)



MATERIAL MATTERS

EC1, E5, EC2, G2, EC3, G4, S2

RELATED RISKS

R3

IMPLEMENTED STRATEGIES

SunCon focused on widening its supply chains, both locally and internationally. Where required, the Group also implemented price lock-in mechanisms to reduce risk of price fluctuation and to ensure project margins.

In 2024, this was evident in the implementation of price lock-in mechanisms for steel rebar and cut-to-size rebar on key projects like the Daiso Global Distribution Centre Warehouse and the RTS Link. This strategy provided a measure of insulation from steel price fluctuations in 2024, ensuring cost stability.

By securing fixed prices, SunCon saved RM0.53 million and achieved a steady supply of materials. Delays were reduced. Using cut-to-size rebar also reduced material waste, on-site processing, and transportation emissions.

VDC has also supported cost optimisation and better risk management. This is through enabling precise planning that avoids errors while improving overall project management and delivery.

This is evident in SunCon's improved balance in VDC budgeting and cost management, ensuring that achievements in key areas aligned with project requirements remain a top priority.

EXTERNAL FACTORS (INDUSTRY TRENDS & MARKET DEVELOPMENTS)

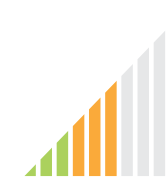
Public and Private Sector Infrastructure Expenditure

HOW IT IMPACTED THE GROUP's BUSINESS MODEL

Public and private sector pump-priming activities, namely through infrastructure development projects remain largely muted and confined to selected economic sectors. This had a direct impact on the momentum of the domestic construction activity, particularly in relation to the level of activity recorded in certain subsectors.

IMPACT SEVERITY (1-10)

+ (Positive)



MATERIAL MATTERS

EC2, G2, EC3, G3, EC4, E5

RELATED RISKS

R4, R7

IMPLEMENTED STRATEGIES

SunCon continued to adopt a balance strategy of exploring opportunities both within Malaysia as well as across Southeast Asia. This included leveraging partnerships to venture into new niche sectors such as the design and development of data centres and ATF potentials.

Overseas penetration as well as sourcing for more projects reduces the Group's dependence on government tenders. This strategy enables SunCon to progressively achieve improved resilience and to become more market attuned to present and future infrastructure trends. It is also consistent with SunCon's aim of maintaining high market visibility towards within Malaysia and Southeast Asia.

EXTERNAL FACTORS (INDUSTRY TRENDS & MARKET DEVELOPMENTS)

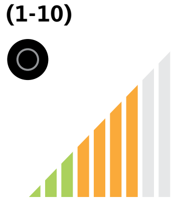
Continued Evolution in Government Policies

HOW IT IMPACTED THE GROUP's BUSINESS MODEL

Policies introduced by the Government in 2024 such as higher minimum wage requirements had a significant impact across the construction sector. Aside from increased cost of compliance, higher wages typically translate into higher OPEX, which is passed through the value chain leading to higher prices and eroded margins.

IMPACT SEVERITY (1-10)

○ (Neutral)



MATERIAL MATTERS

EC2, S1, G1, EC4, S4, G2

RELATED RISKS

R3, R6

IMPLEMENTED STRATEGIES

SunCon has continued to provide regular feedback and perspectives to government ministries, governmental agencies and industry bodies such as Construction Industry Development Board (CIDB) on industry policies and relevant legal matters. While SunCon subscribes to the principle of fair wages, it also aims to ensure developed policies continue to be industry conducive towards enabling the continued development of local construction players.

External Trends and Developments

EXTERNAL FACTORS (INDUSTRY TRENDS & MARKET DEVELOPMENTS)

Introduction of Net Zero / Carbon Regulations

HOW IT IMPACTED THE GROUP's BUSINESS MODEL
2024 saw the pivot towards more sustainable construction methods gaining in momentum. This was evident in the increased emphasis by both the government and many private project owners who prioritised green building development and other sustainable approaches. The latter included a focus on reduced energy consumption, avoidance of resource intensive approaches and reduction in waste production and emissions throughout all phases of construction.

IMPACT SEVERITY (1-10)

MATERIAL MATTERS
EC1 S2 G2 EC2 E4 G3 EC3 E5 G4 G7

RELATED RISKS
R2 R5

IMPLEMENTED STRATEGIES
SunCon continued to adapt to clients' changing requirements and preferences. The Group welcomes the transition towards more sustainable construction and the development of more ESG compliant infrastructure projects. Hence, SunCon's business division have undertaken the following: increasing access to low carbon materials as required by clients, focusing on green procurement or strengthening its capabilities in the design and development of green products.

VDC has been integral in enabling the Group to stay abreast with the evolution in market preferences.

EXTERNAL FACTORS (INDUSTRY TRENDS & MARKET DEVELOPMENTS)

Enhancement of Safety Requirement via OSHA Amendments

HOW IT IMPACTED THE GROUP's BUSINESS MODEL
In 2024, several amendments were made by the government to the Occupational Safety and Health (Amendment) Act 2022 (Act A1648). These amendments are positive in creating a safer operational site environment for all stakeholders, particularly site workers. However, it may also lead to increased compliance costs and requires additional safeguards and measures.

IMPACT SEVERITY (1-10)
+

MATERIAL MATTERS
EC1 EC2 S1 S4 G1 G2 G3

RELATED RISKS
R3

IMPLEMENTED STRATEGIES
SunCon continued to exemplify OSH excellence, reflected in zero fatalities, zero major injuries and zero lost time incidents for financial year 2024.

Kindly refer to pages 127 to 130 of the embedded Sustainability Statement for specific information on SunCon's OSH performance.

EXTERNAL FACTORS (INDUSTRY TRENDS & MARKET DEVELOPMENTS)

Guidelines Introduced in the New Industrial Master Plan 2030 (NIMP 2030)

HOW IT IMPACTED THE GROUP's BUSINESS MODEL
The New Industrial Masterplan 2030 aims to stimulate the growth of the domestic high value industry sector. Key aspects of the plan include providing infrastructure that would facilitate the development of locally manufactured EVs, smart factories, carbon capture and storage solutions, advanced wafer fabrication, data centre development and others.

IMPACT SEVERITY (1-10)
+

MATERIAL MATTERS
EC1 S2 G7 EC2 E5 EC3 G4

RELATED RISKS
R2

IMPLEMENTED STRATEGIES
SunCon has actively sought to participate and secure high value industry sector projects. This is evidenced in its successful securing of several data centre projects during the financial year.

External Trends and Developments

EXTERNAL FACTORS (INDUSTRY TRENDS & MARKET DEVELOPMENTS)

Proliferation of the Data Centre Segment

HOW IT IMPACTED THE GROUP's BUSINESS MODEL
Despite more stringent guidelines imposed i.e. guidelines for data centre incentives, in 2024, data centre continues to see significant growth leading to increased opportunities for SunCon. [2]Going forward, Malaysia's data centre sector is poised to register a compounded annual growth rate (CAGR) of 13.92% in to reach US$ 3.97 billion in 2029.

IMPACT SEVERITY (1-10)
+

MATERIAL MATTERS
EC1 S2 E5 EC2 S3 G2 EC3 S5 G4

RELATED RISKS
R2 R3 R5

IMPLEMENTED STRATEGIES
In 2024, SunCon secured five data centre projects with four distinct clients. This included a RM747.8 million data centre contract as well as several additional awards from the Group's initial Sedenak data centre project.

[2] *Source: Report published by international tech research firm, Tech Navio.*

EXTERNAL FACTORS (INDUSTRY TRENDS & MARKET DEVELOPMENTS)

Proliferation of Technology, Digitalisation and Innovation

HOW IT IMPACTED THE GROUP's BUSINESS MODEL
In 2024, there was increased demand for technology usage in the construction process. This was driven by government initiatives as well as efforts by industry bodies such as CIDB and MDEC. Technologies that grew in prominence were VDC, Artificial Intelligence (AI) and Autodesk Construction Cloud (ACC).

IMPACT SEVERITY (1-10)
+

MATERIAL MATTERS
EC2 S2 G3 S3 G5 S5 G7

RELATED RISKS
R3

IMPLEMENTED STRATEGIES
Responding to the proliferation of technology, SunCon continued to emphasise its existing capabilities including, VDC capabilities. In addition, the Group explored the feasibility of establishing its own Design for Manufacturing and Assembly (DfMA) plant. The goal was to optimise the manufacturing and assembly aspects of any workflow towards achieving optimum product quality and optimum cost efficiency. SunCon continued to integrate VDC / BIM within the DfMA approach, notably for data centre projects.

EXTERNAL FACTORS (INDUSTRY TRENDS & MARKET DEVELOPMENTS)

Growing Focus on Skilled Professionals

HOW IT IMPACTED THE GROUP's BUSINESS MODEL
The construction sector's requirement for competent, highly trained, technologically adept talent continues to gain momentum. This presents both opportunities and challenges with regard to talent management strategies.

IMPACT SEVERITY (1-10)

MATERIAL MATTERS
EC4 S5 G4 S3 G1 G7 S4 G3

RELATED RISKS
R6

IMPLEMENTED STRATEGIES
SunCon has continued to focus on upskilling its workforce. In 2024, total training hours Groupwide stood at 43,203, with average training hours per employee reaching 37.6. Male staff averaged 35.3 training hours while female staff averaged 43.9 hours.

Upskilling reduces the dependence on external hires, provides growth opportunities and job enrichment for existing staff and ultimately enables optimisation of the available talent based on the present and future business requirements of SunCon.

Talent Management and development is consistent with the Vertically Integrated approach. It supports the development of a core of highly skilled talents that is adept at driving SunCon's business strategies and operational capabilities.

Stakeholder Engagement

In IAR2024, SunCon has enhanced its stakeholder engagement disclosures. The inclusion of the extent of stakeholders' influence and impact provides more insight on how the role and significance of stakeholders as part of the SunCon value creation narrative.

SG1 CLIENTS

ABILITY TO INFLUENCE THE COMPANY (or its objective, project or business line)	DEPENDENCE ON THE COMPANY (or likelihood to be impacted by the company's actions)
High Influence / Formal Power	High

Why We Engage
- Clients commission SunCon to execute construction and infrastructure projects, driving the Group's revenue and growth
- Project requirements imposed by clients directly or indirectly impact project execution plans
- Clients' imposition of use of specific technologies & green requirements for projects directly impacts resource planning activities

Risks
- Unhappy clients can damage SunCon's reputation and future prospects
- Delays, cancellations and financial instability can disrupt resource allocation planning and cash flows

Opportunities
- Understanding clients' evolving needs can lead to opportunities for offering additional services
- Diversified client base across sectors and geographical regions can provide new revenue streams

Key Indicators

CSS Response Rate	Average QLASSIC Score
2024: 100%	2024: 84%
2023: 100%	2023: 82.3%
2022: 100%	2022: 82%

Methods of Engagement
- Annual Client / Consultant Satisfaction Survey (CSS)
- Scheduled progress meetings, site visits and updates
- One-off Quality Assessment System in Construction (QLASSIC) by Construction Industry Development Board (CIDB) Malaysia upon project completion
- Dissemination of information on our website

Stakeholder Expectations
- Delivery of products within time, cost, quality and compliance with relevant standards
- Provide expertise and knowledge in constructability solutions
- Conduct business with professionalism and good business ethics
- Highest level of legal compliance throughout construction process

Our Value Proposition
- Consistent track record of completing projects on time, within budget and within specifications
- Leveraging cutting-edge technologies and sustainable practices to meet contemporary construction challenges
- Strong focus on safety, quality, regulatory compliance and eco-friendly practices
- Collaborative and long-term mutually beneficial relationships with our clients

Our Response:
- Conduct scheduled internal inspections and audits through Sunway Quality Merit System (SQMS) and Progressive Quality Assessment (PQA) by internal experts
- Ensure workers are trained and skilled in their scope of works
- Conduct annual CSS to assess customers' satisfaction in our deliverables for further improvement
- Emphasis on good governance and business ethics within the workforce
- Established internal target of average annual QLASSIC score of 83% and above
- SunCon continues to adopt latest technologies and green requirements and also focuses on people competencies via talent development
- Establish joint ventures with specialists to deliver technological capabilities and market knowledge as required, notably for advanced technology facilities (ATF) projects

For more details, please refer to Product Quality and Responsibility on pages 131 to 133.

Related Material Matters:
- EC1 Product Quality and Responsibility
- E2 Water Management
- S2 Customer Satisfaction
- G1 Ethical Business Conduct

STAKEHOLDER MANAGEMENT AND OUR MATERIAL MATTERS
Stakeholder Engagement

SG2 GENERAL PUBLIC AND COMMUNITIES

ABILITY TO INFLUENCE THE COMPANY (or its objective, project or business line)	DEPENDENCE ON THE COMPANY (or likelihood to be impacted by the company's actions)
High Influence / Formal Power	High

Why We Engage
- The general public and communities are affected by the environmental and socioeconomic impacts of SunCon's project and the Group's corporate social decisions

Risks
- Poor public perception impacts SunCon's license to operate
- Noise and dust pollution, safety risk and traffic congestion due to construction projects can be a nuisance to the public
- Inadequate environmental mitigation can result in public backlash and legal challenges

Opportunities
- Proactive engagement strengthens community relations and minimises opposition and delays to projects
- Contribution to social impact and community outreach programmes engenders goodwill

Key Indicators

Accidents Involving Public	Social Impact Projects and Initiatives
2024: Nil	2024: RM2.86 million
2023: Nil	2023: RM2.63 million
2022: Nil	2022: RM2.09 million

- Zero environmental incidents with severe environmental damage for 2022-2024
- 56% new hires in 2024 are below 30 years old, with opportunity for 160 interns

Methods of Engagement
- SunCon Hotline
- Dialogues and announcements to inform public members on inconveniences caused due to our operations within the locality
- Strategic collaboration with local social entrepreneurs and non-profit organisations for community outreach programmes
- Dissemination of information on our website and social media platforms such as LinkedIn, Instagram and YouTube
- Traffic Management Plan implemented at all operating sites

Stakeholder Expectations
- Responsible corporate citizen which gives back to the community
- Responsible for the livelihood of the surrounding community throughout the construction phase
- Safeguarding public safety
- Indirect economic impact through job creations and spent on local suppliers

Our Value Proposition
- Infrastructure improvements and employment opportunities from SunCon's projects
- Promote responsible and sustainable construction practices

Our Response:
- Proactively seek to safeguard the health and safety of public members and local communities where we operate through emphasis on hazard identification, risk assessment and risk control
- Provide employment opportunities for young graduates
- Provide a learning platform for pre-graduates to gain hands-on experience for better preparation to launch into the working community
- Provision of sponsorships and volunteers through the #SunwayforGood corporate social responsibility (CSR) initiatives
- Continual support for the Jeffrey Cheah Foundation championing the need for quality education
- SunCon's construction practices is always centred on ensuring the safety and wellbeing of the general public and local communities
- Continued creation of positive social impacts and outcomes via strategic CSR and other community outreach and empowerment activities
- Emphasising community branding strategies

For more details, please refer to Community Enrichment on pages 133 to 134.

Related Material Matters:
- EC1 Product Quality and Responsibility
- E2 Water Management
- S2 Customer Satisfaction
- G1 Ethical Business Conduct

Stakeholder Engagement

SG3 AUTHORITIES AND REGULATORS

ABILITY TO INFLUENCE THE COMPANY (or its objective, project or business line)	DEPENDENCE ON THE COMPANY (or likelihood to be impacted by the company's actions)
High Influence / Formal Power	High

Why We Engage

Authorities and regulators set standards and regulations, facilitate project approvals, and conduct inspections to enforce regulatory adherence

Risks

- Failure to comply with evolving regulations can lead to fines, suspension of operations, and reputational damage
- Slow beaurocratic approval processes can result in project delays

Opportunities

- Building strong relationships with regulatory bodies can facilitate smoother beaurocratic processes
- Capitalise on project opportunities and incentives arising from national policy directives

Methods of Engagement

- Regular reporting, engagement and timely updates
- Active participation and contribution to the industry through dialogues and forums, workshops, working groups and partnerships
- Unscheduled site inspections and visits
- Thematic events and initiative launches

Stakeholder Expectations

- Compliance to regulatory requirements and guidelines
- Ensure balance between stringent compliance controls and safeguarding clients' needs
- Cultivate a risk-aware culture where the potential risks to our business operations have been assessed and mitigated

Our Value Proposition

- Drive initiatives outlined in the national agenda and becoming the standard-bearer of new regulations
- Responding to government consultations and inquiries to help shape construction policies and legislative frameworks
- Tax contributions

Our Response:

- Continual review and enhancement of our system and processes as our first impediment on risk management
- Implement best management practices for environmental, safety and health management
- Conduct scheduled internal inspections and audits as required in SunCon QESH Management System
- Establish internal targets for Environmental, Safety and Health performance
- Ensure business operations meet all regulatory requirements while pursuing business objectives and targets
- Consistently review and update SunCon's management systems to ensure optimal compliance

For more details, please refer to the Environmental section on pages 100 to 118 and Occupational Safety and Health section on pages 127 to 130 of the Sustainability Statement.

Key Indicators

Lost-time Incident Rate (LTIR)	
2024: 0	No compounds and fines received on environmental non-compliance in FY2024
2023: 0.15	
2022: 0.44	

Related Material Matters:

- EC4 Indirect Economic Impacts
- E3 Energy Management
- G4 Brand Awareness and Reputation
- S1 Occupational Safety & Health
- G1 Ethical Business Conduct
- G7 Digital Transformation and Innovation

SG4 SHAREHOLDERS, INVESTORS AND ANALYSTS

ABILITY TO INFLUENCE THE COMPANY (or its objective, project or business line)	DEPENDENCE ON THE COMPANY (or likelihood to be impacted by the company's actions)
Moderate to High Influence	Low to Moderate Dependence

Why We Engage

Shareholders and investors are capital providers while analysts evaluate and report on SunCon's performance and prospects

Risks

- Unclear communication can lead to misaligned expectations and misunderstanding of the Group's strategic direction
- Poor market perception can lead to a decline in investor confidence, stock price, and SunCon's ability to raise capital and pursue growth opportunities

Opportunities

- Valuable market insights can help SunCon to refine strategies aligned with market expectations
- Strong strategic support from institutional investors facilitate smoother implementation of business plans
- Demonstrating resilience and sustainable growth prospects can attract a broader investor base

Methods of Engagement

- Statutory announcements (when required)
- AGM and EGM
- Corporate events
- Ad-hoc one-on-one meetings with management
- Annual and quarterly reports
- Dissemination of information on our website

Stakeholder Expectations

- Sustainable earnings generated and stable dividend stream
- Robust direct and indirect economic performance and impact
- Stay ahead of emerging opportunities and create competitive edge
- Timely and transparent reporting
- Strong corporate governance
- Prudent risk management strategies
- Embed sustainability considerations into business operations and practices

Our Value Proposition

- Attractive returns and growth underpinned by strong ESG principles
- Track record of good governance and transparent disclosures
- Dividend policy to return at least 35% of net profit to shareholders annually

Our Response:

- Create sustainable value leveraging on diversified portfolio across regions where we operate
- Emphasis on strong liquidity and capital management to preserve financial viability
- Creating potential business opportunities and new ventures
- Established SunCon Carbon Reduction Policy and 2030 reduction targets which describes our commitment towards sustainability
- Provide timely updates of business performance (quarterly results review and flashnotes on new projects is disseminated to the investment community via email, as well as timely disclosure on our website)

For more details, please refer to Management Disccusion and Analysis on pages 21 to 33.

Key Indicators

PBT	Dividend Payout Ratio
2024: RM273 million	2024: 59%
2023: RM189 million	2023: 53%
2022: RM184 million	2022: 53%

Related Material Matters:

- EC2 Business Performance
- E7 Protection of Biodiversity & Ecology
- S2 Customer Satisfaction
- G3 Corporate Governance & Transparency

Stakeholder Engagement

SG5 EMPLOYEES

ABILITY TO INFLUENCE THE COMPANY (or its objective, project or business line)	DEPENDENCE ON THE COMPANY (or likelihood to be impacted by the company's actions)
Moderate Influence	Low to Moderate Dependence

Why We Engage

Employees' skills, knowledge and dedication directly contribute to SunCon's operational effectiveness and long-term success

Risks

- Unmotivated workforce can decrease productivity and quality
- Loss of intellectual capital due to competition for talent
- Mismatched expectations between different generations of employees

Opportunities

- A diversified workforce can foster innovation that enhances SunCon's adaptability in a changing market
- Adoption of flexible work arrangements and improving cultural sensitivities can enhance SunCon's talent attraction and retention ability

Methods of Engagement

- Biennial Employee Engagement Survey
- Triennial materiality survey
- Regular electronic and printed communication (e.g. email, safety alerts, Knowledge Management portal)
- SunCon Social Club activities
- Initiated Myvoice 2024 Employee Engagement Survey. Results showed an improvement in overall ratings by employees

Stakeholder Expectations

- A safe, healthy and conducive work environment
- Fair remuneration
- Equipped with future-ready skills and capabilities to remain relevant within the job market
- A workplace that embraces diversity and inclusion

Our Value Proposition

- SunCon distinguishes itself as an employer of choice through its unwavering commitment to competitive remuneration packages, comprehensive professional development opportunities, and the embodiment of core sustainability values – including diversity, equality and inclusivity – across all organisational levels

Our Response:

- Emphasising on hazard identification, risk assessment and risk control to prevent undesirable events and to safeguard the health, safety and welfare of our people
- Crafting holistic approach to learning with the clear focus to strengthen our organisational capabilities, curating flexible and forward-looking learning strategies that support our talent pipeline
- Embracing diversity and inclusion in the workplace where our people are treated fairly with empowerment to have the opportunities for career progression and enhanced employability

For more details, please refer to Employee Management on pages 120 to 125.

Key Indicators

Employee Turnover	Average Man Days of Training per Employee
2024: 19.8%	2024: 4.70
2023: 18.5%	2023: 4.47
2022: 22.0%	2022: 2.97

Related Material Matters:

- EC1 Product Quality and Responsibility
- E1 Waste and Pollution Management
- S1 Occupational Safety & Health
- G1 Ethical Business Conduct

Stakeholder Engagement

SG6 SUPPLIERS AND SUBCONTRACTORS

ABILITY TO INFLUENCE THE COMPANY (or its objective, project or business line)	DEPENDENCE ON THE COMPANY (or likelihood to be impacted by the company's actions)
Low to Moderate Influence	Moderate to High Dependence

Why We Engage

Suppliers and contractors are integral project delivery partners, providing essential materials, services and specialised skills to meet project requirements

Risks

- Supply disruptions can cause project delays
- Non-compliance with regulations, including corruption, environmental, OSH and labour laws
- Cost volatility affect budgets and profitability

Opportunities

- Strategic partnerships provide intellectual capital and technological advantage, reliability, more favourable terms, and potential expansion into new markets or sectors

Methods of Engagement

- Biennial Business Partner Satisfaction Survey
- Annual Subcontractors and Suppliers Performance Evaluation
- Triennial materiality survey
- Subcontractor, Suppliers and Consultants Sustainability Risk Assessment (when required)
- Monthly Environmental, Safety and Health (ESH) Committee at project site level
- Regular engagement with subcontractors and suppliers to communicate latest updates on emerging legal requirements

Stakeholder Expectations

- Sustainable procurement practices and supply chain management
- Professional and transparent procurement process
- Timely payment
- Knowledge sharing and capacity building
- A safe, healthy and conducive work environment

Our Value Proposition

- Stable and continual stream of project pipeline due to SunCon's strong market position and diversified construction portfolio
- Fair and timely payment
- Insight into industry best practices on human rights, occupational health and safety, and environmental management

Our Response:

- Proactively seek to create and sustain synergistic partnership with our value chain partners
- Emphasis on provision of transparent supply chain and contract management processes and continually review these processes to achieve win-win solution
- Continual implementation of e-bidding system to ensure transparency and paperless transactions
- Continual implementation of Esker software for payment processes to ensure timely payments
- Emphasis on the provision of a safe, healthy and conducive workplace for our subcontractors' workers through active participation and consultation in our monthly site ESH Committee meetings
- To further develop the existing pool of suppliers / contractors in terms of competence, capabilities and capacity and in a driving further pivot towards green procurement
- Improving ability to advance plan for on procuring long lead equipment
- Establishing clear performance criteria to assess supplier quality and green credentials
- Continually scan the performance of the suppliers / subcontractors through market intelligence

For more details, please refer to Responsible Supply Chain on page 99.

Key Indicators

Proportion of Spending on Local Suppliers	Environmental Assessment of New Suppliers	Social Assessment of New Suppliers
2024: 99%	2024: 100%	2024: 100%
2023: 61%	2023: 100%	2023: 100%
2022: 93%	2022: 100%	2022: 100%

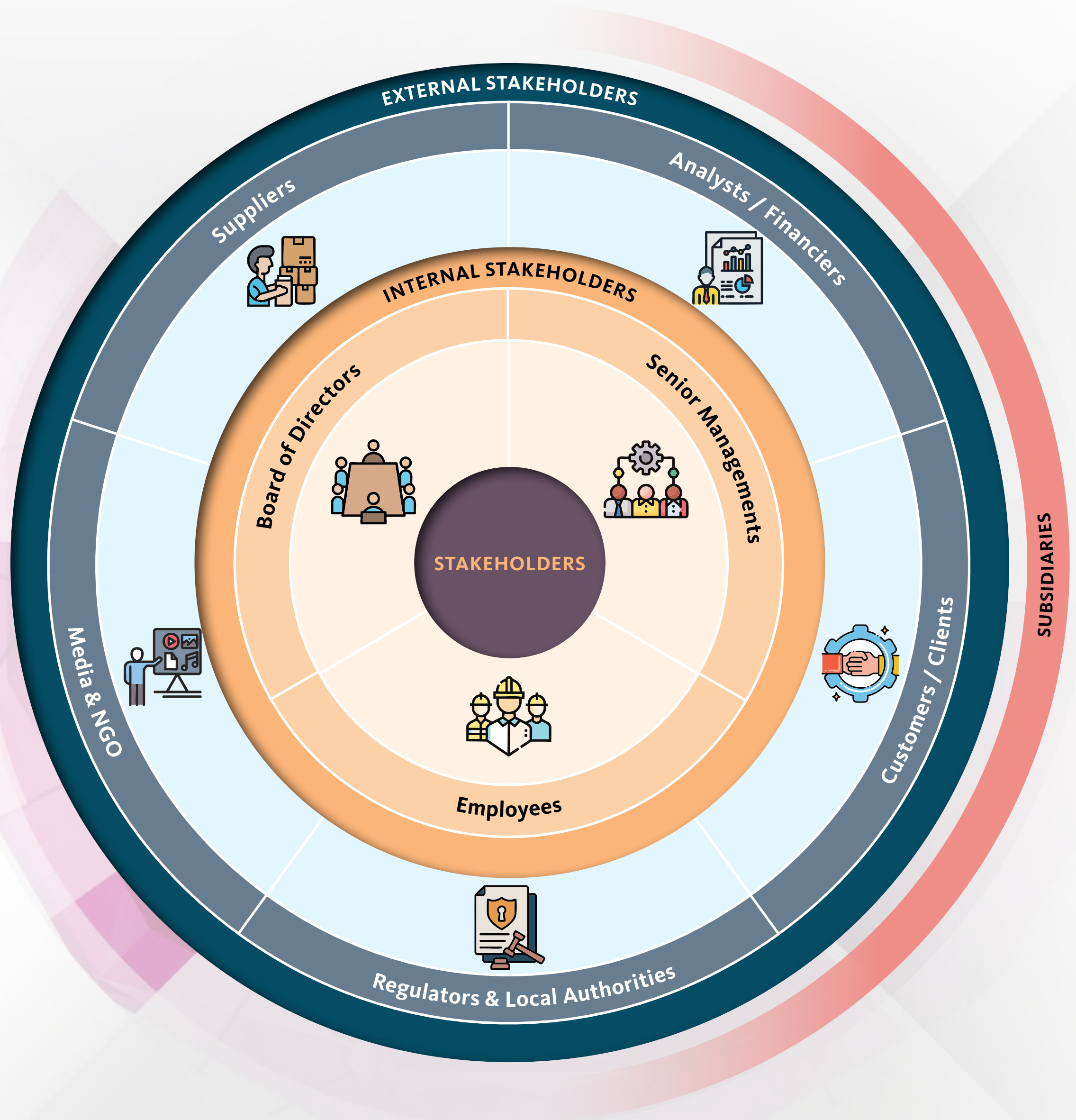
Related Material Matters:

- EC2 Business Performance
- S2 Customer Satisfaction
- G5 Data Privacy and Cybersecurity
- EC4 Indirect Economic Impacts
- E2 Water Management

Our Materiality Matters

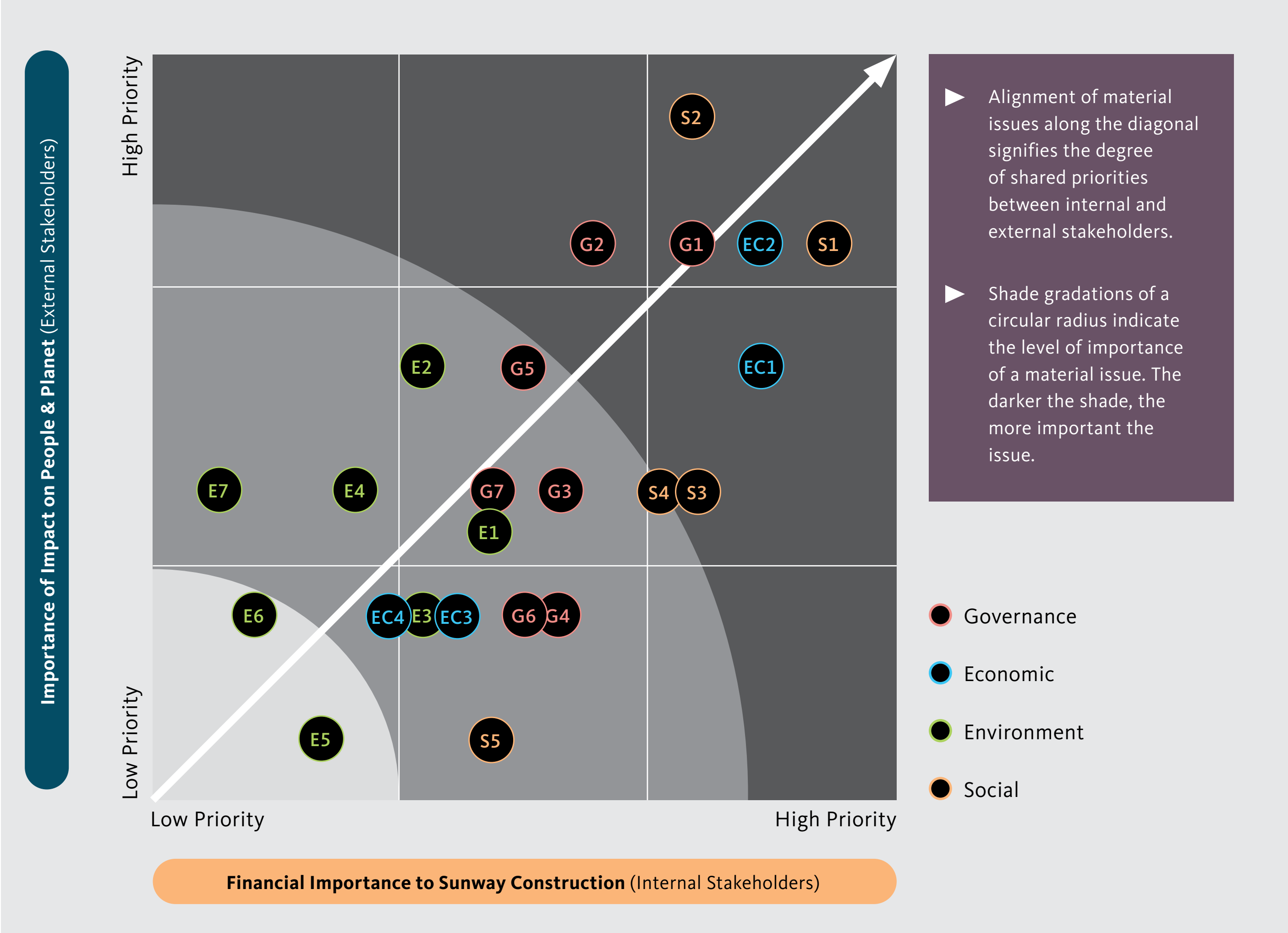
In 2024, SunCon conducted a reassessment of its material topics in a joint assessment exercise for other listed entities within the Sunway Group. The exercise, was intended to solicit stakeholder views towards enabling the development of distinctive materiality matrices for all three listed entities, including SunCon.

The assessment and prioritisation is intended to enable the identification of inherent and emerging risks and opportunities for prioritised material topics. The materiality assessment exercise comprised an online survey sent to stakeholders, followed by in-depth interviews and focus group with C-suites management.



Our Materiality Matters

Following is the refreshed materiality matrix for 2024. In line with IFRS requirements, SunCon will leverage its disclosures on materiality topics to identify risks and opportunities and to financially quantify the same going forward.



Multi Capitals Perspective to Value Creation

The provision of specific capitals-based disclosures are intended to enable providers of capital, especially providers of financial capital with a better understanding of the following: SunCon's dependencies on capitals, the relationships between the various capitals (where creation of values across one capital could lead to erosion of another capital) and the Group's plans to address any potential constraints on capitals over the short, medium and long-term.

FINANCIAL CAPITAL

SunCon has achieved financial strength from its business model which generates steady cashflows and a robust balance sheet. Financial strength is also reflected in strong revenues and earnings performance, and growth in the cash position.

Kindly refer to the Group's Five-Year Financial Performance section for specific financial information.

A detailed discussion on the Group's financial performance is provided in the Management Discussion and Analysis section of IAR2024.

The strong generation of financial values has enabled the Group to develop and execute its business plans and to capitalise on market opportunities. These include business development strategies, technological acquisition, to enhance internal capabilities and to invest in machinery and talent.

SunCon's Management continues to actively manage between short, medium and long-term financial interests such as balancing between shareholder returns i.e. dividends while retaining funds to pursue business development.

HOW IS THE CAPITAL SUSTAINED

- Aggressive bidding for projects that replenish the order book and provide revenue and earnings visibility.
- Capital preservation and capital growth through treasury and other fiscal based strategies, active debt management, collections and receivables, internally generated funds and more.
- Management of exposure to interest rates, foreign currency exchange.

TRADE-OFFS:

Rising operational, materials and labour costs continue to potentially erode financial performance. Hence, SunCon's constant efforts to drive efficiency within supply chains and business processes through diversification, technological acquisition and talent development. Hence, the focus on continuing to refine and implement strategies that enable cost efficiency and cost optimisation.

Rising cost is mitigated through effective construction planning and active engagement with clients and business partners (suppliers and subcontractors). This approach enables the development of more impactful measures to contain cost while ensuring a continued focus on quality build and timely delivery.

Environmental and social considerations may erode financial value creation in the short-term. However, SunCon is of the view that tempering financial goals with ESG perspectives support medium to long-term financial value creation. This includes access to green financing, enhanced appeal to investors, ability to charge premium pricing for products and services and more.

MANUFACTURED CAPITAL

Utilisation of assets, machinery and equipment, either owned or leased by SunCon for the execution of the business model. This includes the Group's precast plants and its ICPH in Singapore. In 2024, the average asset utilisation rate stood at 35% (2023: 60%).

HOW IS THE CAPITAL SUSTAINED

- A proactive maintenance regime to achieve optimum operational capability of all assets. Maintenance is undertaken by SunCon and where necessary, KPIs are set for vendors and suppliers to ensure a high level of upkeep for assets leased from SunCon.
- Constant asset rationalisation and refreshing exercises to dispose, upgrade or acquire new assets. This includes emerging "green" assets i.e. electrified forklifts, etc.
- Pursuit of fast turnaround of assets achieved by ensuring timely or expedited completion of projects. This promotes asset optimisation.

TRADE-OFFS:

Maintenance and investments of assets, machinery and equipment (including costs of acquisition) erodes financial values (short-term) but is necessary to enable effective execution of the business model and supports generation of revenues and earnings. The condition of assets, machinery and equipment (AME) is also essential towards ensuring environmental and social compliance, reduction in wastages, avoidance of OSH incidents and more.

STAKEHOLDER MANAGEMENT AND OUR MATERIAL MATTERS

Multi Capitals Perspective to Value Creation

INTELLECTUAL CAPITAL

Comprises intangible assets such as inherent business knowledge, internal systems and processes, intellectual properties including patents, brand rights, business, and operational strategies. The Group's advanced VDC capabilities is one manifestation of intellectual capital inherent to SunCon.

SunCon's intellectual capital enables the Group to effectively execute its business model, to enhance its distinctive competitive advantages and to fully leverage its vertically integrated capabilities. Intellectual Capital has been an integral aspect of the Group's ability to undertake complex, technically demanding projects and to distinguish the SunCon brand from a competitive and crowded construction marketspace.

HOW IS THE CAPITAL SUSTAINED

- Investments into research and developments and acquisition of technology as well as focusing on talent development through training.
  For specific information on talent development initiatives, please refer to pages 124 to 125 of this report.
- Continued data gathering and market intelligence activities.

TRADE-OFFS:

The development and retention of intellectual capitals is closely linked to investments into technology and people i.e. talent retention and development. It also calls for focusing on systems and processes, internal controls as well as harnessing organisational culture. These mostly are intangible in nature and requires constant financial capital outlay.

HUMAN CAPITAL

Human capital comprises the collective ability, expertise, experience and even morale of SunCon's employees Group wide.

HOW IS THE CAPITAL SUSTAINED

- Constant investments into employee training and development.
  Kindly refer to pages 124 to 125 for specific employee training information.
- A well developed approach to talent acquisition, retention and remuneration to ensure SunCon preserves the skillsets within the Group and is able to supplement the talent pool through new recruits.
- Our commitment to professional advancement is embodied through structured career progression pathways and strategic mobility opportunities, complemented by targeted leadership development initiatives such as Emerging Leaders Talent Programme.
- Annual talent review with SunCon's EXCO.
- Bi-annual employee's MyVoice survey.
- Establishment of feedback / grievance mechanism for employees.
- A robust portfolio of welfare provisions, health and wellness initiatives, professional development opportunities, and personalised support services.

TRADE-OFFS:

- Employee related costs continue to increase annually, requiring increases in budgets to sustain existing programmes. Social considerations such as new and younger demographics entail new approaches to talent management that necessitate increased expenditure.
- The change in demographics as new generation of employees come into the sector, coupled with other factors has led to issues of employee retention, with younger employees preferring to job-hop. Hence, despite efforts to retain talent, including financial investments, talent attrition remains a challenge.
- Beyond training, increased focus is required for benefits as well as in a multi-cultural, globalised work environment, increased attention on cultural inclusion and sensitivities.

Multi Capitals Perspective to Value Creation

SOCIAL CAPITAL

SunCon's social capital extends beyond stakeholder brand perception and corporate reputation. The Group also views social capital from the perspective of its relationships with stakeholders, and how such relationships impact the business model.

The Group continues to invest in the development of mutually positive relationships with key stakeholders. This goes towards ensuring a high level of regulatory compliance, to improve access to financing and investors, to access new markets and other strategic aims.

Social capital, in terms of vendor relationships enables greater resilience across the value chain.

Specific information on strategies and actions undertaken to enhance social capital is provided in pages 133 to 134 of IAR2024.

HOW IS THE CAPITAL SUSTAINED

- Provision of budget allocation for CSR activities as well as investments made to develop and support community infrastructure and services.
- Continued implementation of engagement plans for key stakeholders i.e. government and regulatory agencies, investors, bankers, local communities, and vendors.
- With vendors, continued efforts to cascade the sustainability towards developing greener and more ESG compliant supply chains.
- Continuing to play an active role as an industry opinion leader through media engagements as well as participation in industry association events and forums.
- Providing feedback to the government on matters towards establishing conducive industry policies.

TRADE-OFFS:

The cultivation of social capital customarily involves consumption of financial and human capitals as both personnel as well as financial investments are generally required.

NATURAL CAPITAL

Natural capital refers to all physical resources / materials sourced and consumed by the business model. These include (but are not limited to) building materials such as steel, cement, wood, glass and others as well as water, energy and where relevant land. Natural capital also takes into account waste management and recycling, biodiversity conservation, air pollution and more.

HOW IS THE CAPITAL SUSTAINED

- The Group continues to practice a policy of resource efficiency and to implement circular economy approaches towards reducing wastage and use of virgin materials. This includes the reliance on 3R implementation – Reduce, Reuse and Recycle as well as lean construction methodologies.
- The Group's decarbonisation strategy sees increased reliance on RE alternatives, RECs and carbon offsets to pursue carbon neutrality and ultimately realising net zero emissions.
- The same focus on environmental preservation has been cascaded across supply chains towards enabling greener procurement where possible.
- The use of VDC further accentuates SunCon's ability to reduce natural capitals consumption.

TRADE-OFFS:

The focus on natural capital preservation can appear to be in direct conflict with the creation of financial capital. Yet, amidst an evolving external operating environment, where climate change and environmental considerations continue to gain traction, preserving natural capitals potentially supports a more resilient and competitive business model. While the transition to RE and use of more eco-friendly materials can lead to short-term erosion of financial values, in the medium to long-term, such strategies pave the way for business and operational resilience and the enabling of new business opportunities and improved design and construction methodologies.

Strategic Priorities and Future Orientation

Reflecting agility and flexibility in the Group's approach, SunCon's business model and strategies will pivot or look to address its forward-looking aspirations. These may entail changes in capital dependencies and capital allocation strategies.

The following section provide macro-Group wide strategic priorities with division specific information provided in the Management Discussion and Analysis section of IAR2024.

Business Model Diversification

Talent Focus

Technological Expansion

Decarbonisation Towards Net Zero Carbon by 2050

Capitals:

Financial Capital · Manufactured Capital · Intellectual Capital · Human Capital · Social Capital · Natural Capital

Material Matters:

EC1	Product Quality and Responsibility	E1	Waste and Pollution Management	G1	Ethical Business Conduct
EC2	Business Performance	E2	Water Management	G2	Risk Management and Regulatory Compliance
EC3	Supply / Value Chain Management	E3	Energy Management	G3	Corporate Governance & Transparency
EC4	Indirect Economic Impacts	E4	Emissions Management	G4	Brand Awareness and Reputation
S1	Occupational Safety & Health	E5	Materials Management	G5	Data Privacy and Cybersecurity
S2	Customer Satisfaction	E6	Physical Impacts of Climate Change	G6	Crisis Management
S3	Talent Development and Retention	E7	Protection of Biodiversity & Ecology	G7	Digital Transformation and Innovation
S4	Labour Practices and Standards				
S5	Diversity, Equity and Inclusivity				

Principle Risks:

R1	Bribery and corruption risk
R2	Delay in project delivery
R3	Cost overruns
R4	Return on investment of machinery / assets & idle machines
R5	Reliability of subcontractors
R6	Legal workers
R7	Scarcity of construction jobs in the market
R8	Collection risk
R9	Cybersecurity risk

Strategic Priorities and Future Orientation

BUSINESS MODEL DIVERSIFICATION

The vertically integrated nature of SunCon's business model facilitates a wide range of business diversification strategies. These include moving upstream or downstream across the value chain or developing new value propositions that better meet market preferences.

The Group is also looking at driving business development opportunities beyond traditional sectors. In the case of its precast operations in Singapore, Management continues to explore potentials for repurposing precast products for export outside of Singapore and to leverage precast materials to reduce construction waste generated.

Pertaining to ATF projects, there is significant potential within the region. Demand for ATF buildings and infrastructure is on the rise as nations look to such technologically advanced development as being key to scaling up local economies, in attracting foreign investments and in ensuring suitable infrastructure. SunCon, having undertaken several such projects in the past, is well placed to tap emerging opportunities within the region.

As the government looks to ramp up RE generation capacity and private companies look to decarbonise operations, RE continues to offer positive prospects across the short, medium and long-term horizons. Beyond generating project based revenues, the other positive of RE projects is that the benefits i.e. carbon credits generated can be leveraged by SunCon to offset its existing GHG emissions inventory.

However, it is expected that RE generation will reach a maximum capacity and hence SunCon is well considering various alternatives. This includes the commercial feasibility and acceptability of small modular reactors (SMR), which has proven to be effective as a clean energy alternative.

Progressively, it is evident that the market is transitioning from apprehension towards increased awareness and understanding on the prospect of small modular reactor (SMR) in meeting future energy requirements. As stakeholder confidence and acceptance grows in the long term, there are certainly strong potentials for companies such as SunCon to be a first mover in the construction and deployment of SMR systems.

At the same time, rethinking the approach to traditional sectors also presents viable opportunities. As the world transitions towards greener solutions, notably for energy needs, brownfield opportunities emerge such as the conversion of conventional power plants into greener assets.

The Group will continue to seek out collaborative opportunities, particularly with established and reputable international firms. This would support transfer of knowledge, technology, systems and processes, faster access and entry into new markets and further refines the value proposition of offerings.

CAPITALS LEVERAGED

RELATED MATERIAL TOPICS

EC1 EC2 EC3 S2 S3 S5 G7

RISKS

R2 R4 R5

OPPORTUNITIES

- Order Book and Business Growth
- Geographic and Sectoral Expansion
- Ability to Demonstrate, Harness and Enhance Vertical Integration Capabilities
- Development of Internal Capabilities and Value Proposition

TALENT FOCUS

A professionally competent and technologically proficient talent pipeline is essential in today's digitalised economy, particularly within the construction industry.

SunCon has intensified its investment in comprehensive human capital development. The strategic emphasis centres on cultivating digitally adept professionals across all organisational levels. Group Human Resources (GHR) drives recruitment, retention, and development initiatives with dual focus on technological proficiency and enhanced critical thinking capabilities. Even at entry level, internship programmes incorporate substantial digital construction exposure, enabling early identification of high-potential talent. This approach has fundamentally recalibrated the entire talent pipeline toward digital competency prioritisation.

SunCon employs a distinctive cross-divisional exposure strategy to develop professionals with comprehensive skill portfolios. This methodology creates enriched learning opportunities while optimising our existing talent resources. By cultivating both depth and breadth of professional experience, the Group systematically reduces operational silos within the organisation. This approach fosters enhanced organisational understanding and develops enterprise leaders capable of comprehending the strategic macro-perspective of complex projects.

Challenging conventional development paradigms that prioritise management-level personnel, SunCon recognises that excellence resides throughout its 1,887-member workforce.

CAPITALS LEVERAGED

RELATED MATERIAL TOPICS

S1 S3 S4 S5 G1 G7

RISKS

R2 R3 R6

OPPORTUNITIES

- Reduction in talent attrition
- Upskilling of workforce towards achieving increased productivity and efficiency and competitive ability
- Improvements in R&D capabilities
- Improvements in ability to recruit talent, retention of company knowledge and staff morale

TECHNOLOGICAL EXPANSION

New technologies including including AI, drones and more are becoming more commonplace within the Group's operations. SunCon intends to continue devising new ways to use these existing technologies as well as embrace new technological solutions.

At SunCon's ICPH, approximately 60%-70% of operations at the carousel plant are automated using software-based machine control. The automated carousel plant improves resource efficiency by optimising material use through precise production and thus reduces waste and errors. By increasing production speed and maintaining precision in performance, the automated operations enables optimal output at the same time.

The use of VDC enables accurate designs, early issue detection including design clashes, and resource optimisation. ACC enables real-time collaboration thus improving coordination. With the constant integration of new technologies, particularly in cloud technology, SunCon will increasingly cement multi-stakeholder involvement in all projects and decentralise access to project data. The use of digital construction technologies in Advanced Technology Facilities (ATF) will support this endeavour, coordinating complex services and enabling a holistic approach to conducting design coordination, especially prior to the commencement of construction.

CAPITALS LEVERAGED

RELATED MATERIAL TOPICS

EC1 S2 G5 G7

RISKS

R2 R3 R4 R5

OPPORTUNITIES

- Order Book and Business Growth
- Geographic and Sectoral Expansion
- Ability to Demonstrate, Harness and Enhance Vertical Integration Capabilities
- Development of Internal Capabilities and Value Proposition

Strategic Priorities and Future Orientation

DECARBONISATION TOWARDS NET ZERO CARBON BY 2050

Having achieved a reduction of 5,868 tCO_2e in its emission for 2024. SunCon continues to push forward on its decarbonisation journey in 2024. Decarbonisation is a strategic effort towards mitigating against transitional climate risks such as carbon tax, rising costs of grid sourced energy and high embodied carbon of products.

For example, export of precast products which have a lower carbon footprint could have a competitive advantage amidst a marketplace increasingly conscious of climate change and carbon footprint. The ongoing progressive replacement of diesel-operated forklifts with electric forklifts also contributes to our decarbonisation efforts.

Decarbonisation also promotes revenue generation opportunities through the sale of Renewable Energy Certificate (REC), generated from the Group's sustainable energy projects and services. Decarbonisation also indirectly develops internal talents and expertise towards being more prepared to undertake more sustainability driven projects such as green buildings and data centres. Following is the SunCon Carbon Reduction Strategy:

Energy Optimisation	Advocacy	Carbon Market	Product Stewardship
• Upgrade to energy-efficient equipment • Increase renewable energy adoption in operations • Transition from diesel-powered equipment to low-emission or electric alternatives where possible • Explore alternative fuels	• Sustainability workshop for key project personnel and awareness training for staff • Engage major commodities supply chain for low-carbon plans and targets • Enhance procurement strategies to include sustainability and climate considerations • Prioritise local suppliers to reduce transportation emissions from materials delivery	• Trade of green attributes from solar investment projects and CGPP to generate income for the near-term whilst operations remain focused on enhancing energy efficiency initiatives • Exercise carbon avoidance credits to offset residual Scope 2 emissions by 2028 • Continue to explore potential RE projects for credits trading	• Use of current and emerging technologies such as BIM and IBS to optimise energy and embodied carbon of projects • Prioritise low carbon options such as products with recycled content (where we can control) • Minimise waste generation through design and process optimisation
Scope of emissions addressed			
• Scope 1, scope 2, and operational scope 3	• Operational and embodied scope 3	• Scope 2	• Embodied scope 3

Specific information on the Group's energy management and carbon emissions performance is provided on pages 101 and 105 of the SunCon Sustainability Report within IAR2024.

CAPITALS LEVERAGED

RELATED MATERIAL TOPICS

EC1 EC2 EC3 S2 E1 E2 E3 E5 E6 G2

RISKS

R3 R5

OPPORTUNITIES

- Order Book and Business Growth
- Geographic and Sectoral Expansion
- Development and Strengthening of Local Partners and Value Chains
- Reduction in ESG Related Risks such as Exposure to Climate Risks and Improvements in Environmental and Social Compliance

Risk and Mitigation Strategies

SunCon continues to be cognisant of its business risks.

These risks can be either acute or chronic in nature and may be present over short, medium, or long-term business horizons.

While risks in principal cannot be fully eliminated, the implementation of robust oversight and control mechanisms enable an effective mitigation response thus significantly reducing the likelihood and severity of a risk event from occurring.

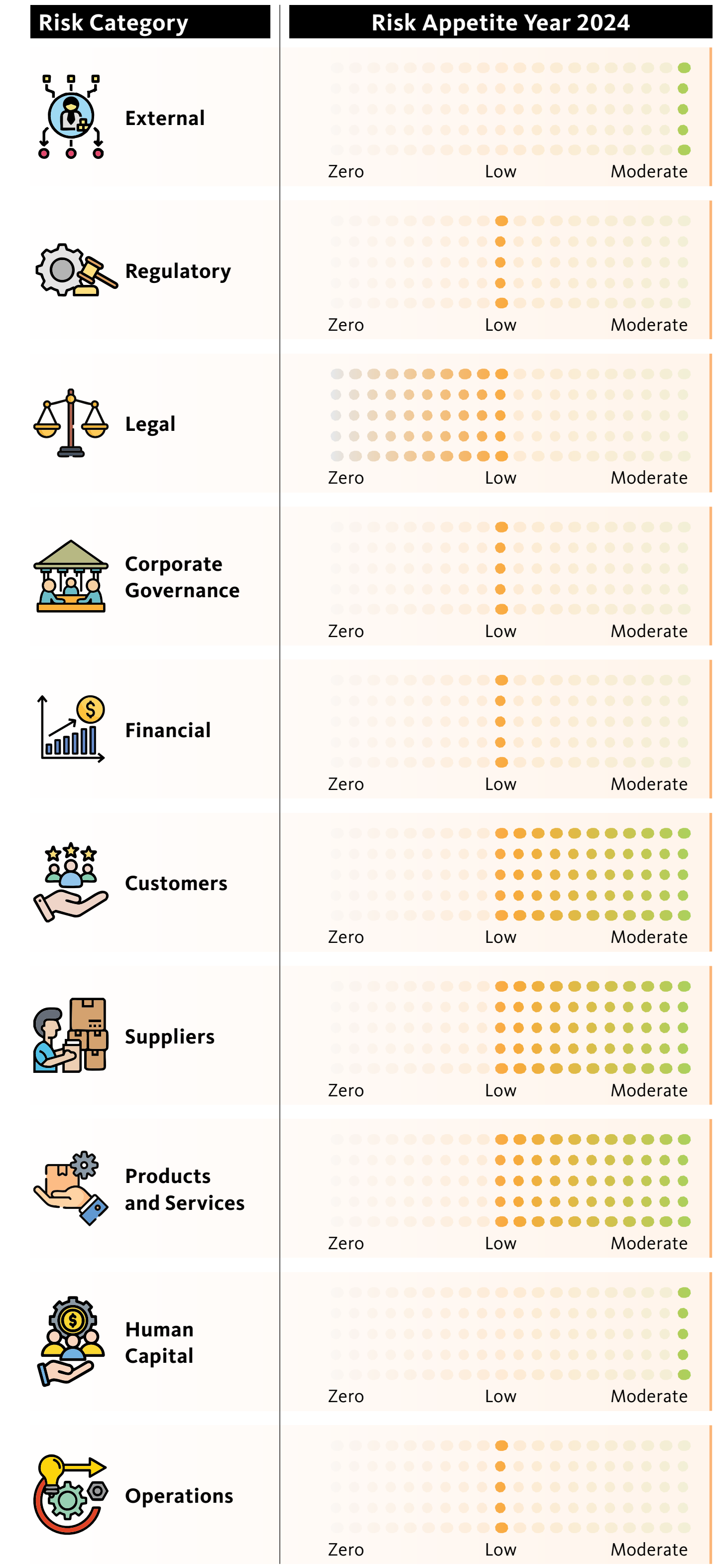
SunCon increasingly has looked to integrate ESG related risks into its risk profile as part of its approach to integrated thinking. This entails extending the over-arching risk perspective include identify, consider and assess how material topics such as climate change can lead to varying impacts on the Group.

The Group's dedicated Risk Unit drives risk oversight and assessment in SunCon. The Risk Unit develops the Group's risk profile and risk appetite where appropriate. A robust Risk Register is maintained and updated quarterly based on inputs provided by the Group's business divisions.

All findings including the Risk Register are submitted to management and to the Board Risk Management Committee for review, deliberation and approval. Typically, this process is undertaken on a quarterly basis.

SunCon's Group wide risk management framework has been structured based on the best practices of the ISO31000 Risk Management frameworks. This includes the implementation of a triple-tier oversight structure.

Specific details on the Group's risk management framework including internal controls, responsible parties, and other matters are provided in the Statement of Risk Management and Internal Control (SORMIC) on pages 183 to 189 of this report.



Risk and Mitigation Strategies

Likelihood Parameters:

Rare	Unlikely	Possible	Likely	Almost certain
Event may occur only in exceptional circumstances, e.g. approximately below 5% chance of occurring.	The event could occur at some time, e.g. approximately below 25% but above 5% chance of occurring.	The event might occur at some time, e.g. approximately below 50% but above 25% chance of occurring.	The event will probably occur in most circumstances, e.g. approximately below 95% but above 50% chance of occurring.	The event is expected to occur in most circumstances, e.g. approximately above 95% chance of occurring.

Control Parameters:

Satisfactory	Some weaknesses	Weak
Controls are strong and operating properly providing a reasonable level of assurance that risks are mitigated.	Some control weakness / inefficiencies identified. Risk mitigation requires additional or improvements towards operations or SOPs.	Controls do not meet an acceptable standard, as weaknesses / inefficiencies exist. Controls do not provide reasonable assurance that risks can be mitigated.

R1 Bribery and corruption risk

Likelihood: Unlikely

As per SunCon's Anti-Bribery and Corruption Policy, the Group complies to all applicable laws, rules and regulations pertaining to corruption and continues to and continues to maintain a no-compromise, zero tolerance stance with regard to corruption at all times.

The policy and no tolerance stance apply Group wide and also extends to the Group's supply chain and other pertinent stakeholders. The scope of the Policy covers the following:

- Awards of Contracts to Subcontractors / Suppliers / Consultants.
- Hampers, gifts, entertainment and hospitality benefits, donations, sponsorships, corporate responsibilities, facilitation payments and appreciation tokens from external parties.
- Hosting of customers, clients, suppliers & service providers.
- Appointment of third parties as intermediaries (for liaison with authorities and service providers).
- Direct hiring through recommendations without going through due process and direct liaison with employees.
- Early / premature certification of payment to subcontractors / suppliers.
- Kickbacks and money laundering.

Mitigation Measures

- Continuous reinforcement of a corrupt-free culture Group wide, across all aspects of operations.
- Investing in regular anti-corruption awareness and briefing sessions for all staff and suppliers as well as training where relevant.
- Enforcing strict compliance where all vendors must explicitly state commitment to comply with the SunCon's ABC Policy as well as its Gift, Entertainment and Hospitality Policy.
- Establishing robust internal processes and controls including clear lines and limits of approval for a wide range of operational matters including awarding of contracts and release of monies.
- The existence of a robust whistleblowing mechanism that is available to all stakeholders to report incidents of non-compliance of wrongdoing. All whistleblowing will be investigated.
- Implementing rigid systems for approval of works, delivery / receipt of goods and other critical business processes.
- SunCon is also actively working towards securing ISO 37001 Anti-Bribery Management Systems Standard certification in 2025.

Risk Category:

R2 Delay in project delivery

Likelihood: Unlikely

The possibility of projects delay due to factors such as inclement weather, supply chain disruptions, material and labour scarcity, OSH incidents and more that may render projects works not being completed on time. This may impact revenue recognition and also incur fiscal impacts in the form of LADs, fine and breach of contractual obligations.

Mitigation Measures

SunCon continues to leverage its long-standing and proven industry capabilities and experience towards accurately assessing and determining completion dates for projects. This includes providing additional buffer time and related costs in the event of possible delays.

All project sites maintain detailed records on site conditions and progress of works to ensure accurate tracking that would reduce probability of project delays.

In the event of delays due to uncontrollable or unforeseen circumstances, the Group is in position to obtain extension of time (EOT) approval from authorities and clients. SunCon ensures such provisions are included in project contracts to mitigate risk exposures. SunCon also stipulates penalties and requirements for subcontractors to make good on all delays within its contracts. This further reduces exposure in the event of delays caused by subcontractors.

For larger projects, the Group could also split the scope of work to several subcontractors to reduce the risks of delays.

Risk Category:

R3 Cost overruns

Likelihood: Possible

The possibility of higher than expected project costs due to rising material and labour costs, supply chain disruptions or underestimation of project specification requirements.

Mitigation Measures

All SunCon contracts stipulate pass-through mechanisms to customers in the event of acute price appreciation for materials or labour.

The Group continues to leverage on a diversified supplier base to avert any potential shortfall or inadequacies and it continues to develop its labour pool to ensure a sufficient number of workers for projects.

In addition, SunCon continues to actively negotiate prices with suppliers and recommends concrete suppliers leverage Sunway Quarry to mitigate raw material shortage issues.

Risk Category:

R4 Return on investment of machinery / assets & idle machines

Likelihood: Unlikely

The possibility of low asset utilisation rates due to a lack of construction and infrastructure jobs, which would result in costs incurred from storage, maintenance and depreciation costs, without generating the necessary financial values. Hence, it is possible that the CAPEX spent is not recouped, as such AME are not productively employed to generate financial value.

Mitigation Measures

Continue to maintain an ideal ratio between active projects and asset base while actively bidding for new jobs. Present order book size of RM5.8 billion provides healthy insulation from low asset utilisation scenarios.

Continue to seek opportunities to lease idle machinery both locally and internationally to reduce idle time.

Risk Category:

Risk and Mitigation Strategies

R5 Reliability of subcontractors

Likelihood: Unlikely

The construction sector requires various subcontractors with specialised technical abilities and sufficient manpower to complete projects. Hence, the reliability of subcontractors comprising technical expertise, asset integrity capability and manpower adequacy are essential towards ensuring successful project undertaking and completion.

Mitigation Measures

Continuous assessment of all subcontractors based on the Group's annual evaluation system. Subcontractors must attain a benchmark score to be retained for consideration of future jobs. Any subcontractor rated below par is to be blacklisted from future projects.

The Group continues to expand its subcontractor base – seeking new companies who can provide related works and services. Similarly, new subcontractors are also thoroughly assessed based on stringent criteria and their performance monitored closely.

For larger projects, the Group could also split the scope of works to several subcontractors towards reducing dependence on a single or smaller pool of subcontractors.

Risk Category:

R6 Legal workers

Likelihood: Unlikely

The possibility of workers employed directly by the Group or its subcontractors not possessing the required documentation that ascertains their status as being legally recognised by regulatory bodies to work in the construction sector.

Given that SunCon has a strict non-hiring of illegal workers across its operations, this risk is likely more relevant to the Group's supply chains.

Mitigation Measures

A comprehensive system of checks has been institutionalised across the Group's operations to ensure that only legal workers are hired. The same requirement for legal workers only has been cascaded to subcontractors, with the stipulation inserted as a contractual prerequisite in bidding for and undertaking jobs for SunCon.

In addition, regular audits are undertaken to ensure all workers at site and central labour quarter (CLQ) possesses valid work permits and passports.

Risk Category:

R7 Scarcity of construction jobs in the market

Likelihood: Unlikely

The possibility of lack of suitable construction and infrastructure development projects due to a lack of large scale private and public sector tenders.

Mitigation Measures

Constant efforts to replenish the order book through active bidding, both locally and abroad. Directly approaching project owners in the governmental or private sector by proposing suitable projects via the PFI approach.

Risk Category:

R8 Collection risk

Likelihood: Unlikely

Inability or unwillingness of clients to meet payment milestones due to contractual issues or unforeseen circumstances.

Mitigation Measures

Ensure payment milestones and related matters are clearly stipulated in project contracts and to continuously work closely with clients towards ensuring prompt payment.

Risk Category:

R9 Cybersecurity risk

Likelihood: Unlikely

The progressive application of digital-heavy technology, especially in the cloud-based and collaborative nature of VDC, does risk exposure of SunCon to cybersecurity risks i.e. data breaches or cyberattacks, resulting in possible data breach may result in the loss of sensitive project information and critical data, increase downtimes and delay workflows which can lead to potential liabilities.

Mitigation Measures

SunCon aims to always ensure its cybersecurity policy is in place and designed to protect SunCon information and Systems from unauthorised access, use, disclosure, disruption, modification or destruction.

Risk Category:

Task Force on Climate-Related Financial Disclosures

GOVERNANCE	
Recommendations	**SunCon's Disclosure**
Describe the board's oversight of climate-related risks and opportunities.	Sunway Construction Group Berhad (SunCon) recognises the strategic importance of climate-related risks and opportunities in safeguarding business resilience and long-term value creation. The Board of Directors (BoD) has overall oversight on matters related to sustainability and climate change. The Board of Directors is supported by the Sustainability Committee (SC) in reviewing, supervising and recommending sustainability strategies and issues, key environmental, social and governance (ESG) targets and performance and sustainable corporate policies outline within the Group. This includes ensuring the progressive systematic integration of climate change matters into business strategy, risk management, and financial planning. The SC, established as the Board-level entity for climate-related oversight, plays a key role in evaluating SunCon's climate risk exposure and the effectiveness of mitigation strategies. It is responsible for overseeing SunCon's climate-related policies, including the SunCon Sustainability Policy, and ensuring alignment with regulatory expectations and industry best practices. Climate-related risks are embedded within the Group's Enterprise Risk Management (ERM) framework, with regular assessments conducted and reported to the Board. These responsibilities are outlined in the SC's Terms of Reference and relevant governance policies, ensuring structured oversight and accountability. SunCon's climate targets and performance metrics are reviewed at Board level, with progress updates presented at each review cycle. The Board monitors emissions reduction efforts, particularly in relation to Scope 1, 2, and 3 emissions, and evaluates how climate performance metrics influence business incentives and executive remuneration. Based on progress reviews, the SC provides recommendations to Management and the Board, including corrective actions where targets are not met or where new risks emerge that require strategic response. As part of its periodic assessment of Board effectiveness, the Board evaluates its collective skills and competencies, including those relevant to overseeing SunCon's climate strategy. *Please refer to pages 161 to 163 for the full training list for Board of Directors. Additional information on SunCon's suite of governance instruments and Sustainability Governance Structure can be found on pages 138 to 145.* 

Task Force on Climate-Related Financial Disclosures

GOVERNANCE

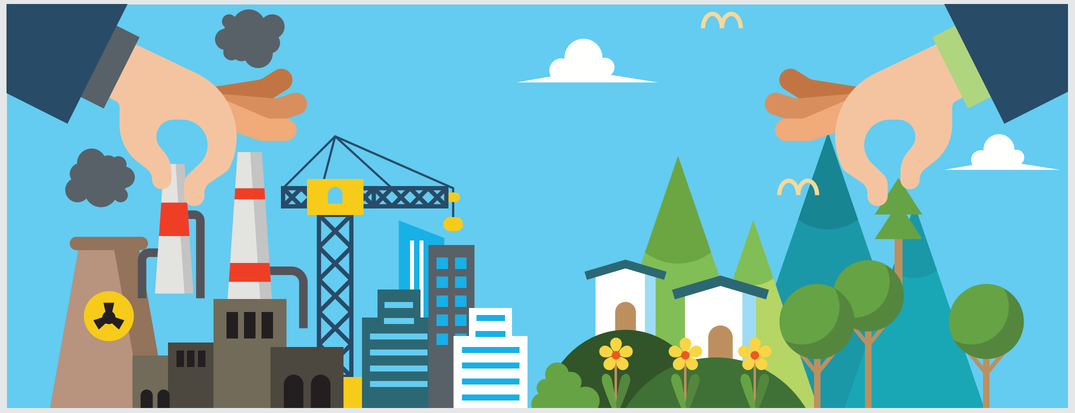
Recommendations	SunCon's Disclosure
Describe Management's role in assessing and managing climate-related risks and opportunities.	At SunCon, Management plays a critical role in translating the Board's climate-related directives into operational strategies that drive tangible climate action. Led by the Executive Leadership team, Management is responsible for identifying, assessing, and managing climate-related risks and opportunities in alignment with the Group's long-term sustainability objectives. As part of its oversight, Management formulates and implements tactical action plans that align with the climate strategy set at the Board level. This includes establishing key performance indicators (KPIs) and targets, defining implementation timelines, and ensuring the allocation of necessary resources to achieve climate resilience. These efforts encompass mitigating physical risks such as extreme weather disruptions, while also managing transition risks arising from evolving regulations, carbon pricing mechanisms, and technological shifts. Climate-related responsibilities are formally delegated to the Sustainability Working Group, which is composed of key management functions, and are then cascaded to the respective operational levels for the execution of policies and strategies. Hence, it is both at Management and operational level where climate change considerations are integrated into business operations and financial planning as well as risk management and mitigation. Periodic updates on performance and progress are provided to the SC. The responsibility for climate-related risk management is distributed across different levels of Management. The Executive Leadership team sets the overarching climate agenda, while operational divisions integrate climate considerations into day-to-day decision-making. This includes monitoring energy consumption, improving operational efficiency, and implementing measures to reduce greenhouse gas (GHG) emissions. Scenario analysis and cost-benefit assessments are also conducted to evaluate the feasibility of renewable energy adoption, potential carbon taxation implications, and compliance with emerging regulatory requirements. To ensure proactive climate risk mitigation, Management regularly reviews and refines its risk assessment framework, which includes evaluating the severity, probability, and frequency of climate-related risks. Climate-related risk management is embedded into SunCon's broader governance and operational frameworks, ensuring alignment with functions such as finance, procurement, and project management. This enables structured decision-making that considers both financial and environmental factors, reinforcing SunCon's long-term resilience. Management is responsible for maintaining an accurate Group-wide GHG inventory, ensuring oversight of both direct (Scope 1) and indirect (Scope 2 & 3) emissions. Looking ahead, the Group is progressively incorporating broader supply chain and downstream climate impacts into its risk assessment framework. Through this structured approach, Management ensures that SunCon remains agile in responding to climate-related risks while leveraging opportunities to enhance its sustainability performance and long-term business resilience. The remuneration of the Group Managing Director and Senior Management has been linked to ESG KPIs and targets and realisation of the same since 2022. These KPIs and targets cover the following: increasing waste diversion from landfills, improving occupational safety and health practices, reducing carbon emissions, and elevating ESG rating scores. *Additional information on SunCon's suite of governance instruments and Sustainability Governance Structure can be found on pages 93 and 94.*

Task Force on Climate-Related Financial Disclosures

STRATEGY

Recommendations	SunCon's Disclosure
Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long terms.	SunCon has identified a range of physical and transition risks that may impact its business in the short, medium, and long terms. These risks have been assessed as part of SunCon's climate value-at-risk assessment, aligning with global sustainability frameworks and regulatory expectations, including the IFRS S2 climate-related disclosure standard. SunCon's risk mitigation strategies are designed to build climate resilience while capitalising on emerging opportunities within the transition to a low-carbon economy.

Risks / Opportunities	Time-frame	Business Impact	Financial Impact	Mitigation Measure
Physical Risks				
Inclement weather (reduced productivity due to rainfall disruptions)	Short term	Delays in project progress and future job planning; Risk to worker health, safety, and welfare. Climate value-at-risk assessments indicate that while stop-work occurrences due to rainfall may decline in frequency, the severity of rainfall events is expected to increase.	Cost overrun and reduced claim revenue.	Integration of climatic constraints into project-level risk assessments; Strengthening site-specific planning, particularly for projects near flood-prone areas.
Increase in frequency and intensity of extreme weather (precipitation and heat waves)	Short term	Increased site shutdowns due to heat stress or extreme rainfall; Asset exposure to flood risk. Climate projections indicate that some SunCon project sites may experience medium risk exposure to riverine flooding, requiring enhanced flood preparedness measures and project scheduling adjustments.	Cost overrun, potential damage to equipment, higher insurance premiums.	Enhanced site planning with flood risk mapping; Use of climate-responsive scheduling to mitigate delays.



Task Force on Climate-Related Financial Disclosures

STRATEGY

Recommendations	SunCon's Disclosure				
	Risks / Opportunities	**Time-frame**	**Business Impact**	**Financial Impact**	**Mitigation Measure**
Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long terms (contd.).	**Transitional Risks**				
	Enhanced complexity of emissions-related reporting and compliance	Long term	Increased regulatory compliance burden; greater transparency expectations from stakeholders.	Increased administrative costs for compliance; potential penalties for non-disclosure.	Strengthening internal reporting capabilities; digitalising GHG data collection and disclosure for improved regulatory alignment.
	Regulatory and policy changes impacting financial stability	Medium term	Future government regulations on electricity and fuel usage could result in additional cost.	Higher CAPEX for emission reduction initiatives; potential increased taxation on diesel fuel.	Continuous monitoring of Malaysia's Net Zero policies and early engagement with regulators to adapt to evolving requirements.
	Carbon tax mechanism & Green Electricity Tariff (GET) impact	Medium term	Increased operating costs as carbon pricing affects supply chain materials and energy costs. SunCon is exposed to potential cost increases under the Green Electricity Tariff (GET), which, if mandated, could result in an estimated RM 335,000 annual additional cost. Additionally, diesel taxation remains a potential risk to construction-related fuel expenses.	Higher CAPEX for emission reduction initiatives; increased utility and fuel costs.	Monitoring carbon pricing frameworks; exploring energy efficiency solutions and alternative fuel options.
	Revision of electricity and water tariffs	Medium term	Rising operational costs, making energy and water efficiency a key priority.	Increased utility expenses, affecting project profitability.	Exploring solar PV adoption; rainwater harvesting and water recycling; integrating energy efficiency KPIs in project tenders.

RISK AND MITIGATION STRATEGIES

Task Force on Climate-Related Financial Disclosures

STRATEGY

Recommendations	SunCon's Disclosure				
	Risks / Opportunities	**Time-frame**	**Business Impact**	**Financial Impact**	**Mitigation Measure**
Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long terms (contd.).	**Transitional Risks**				
	Electrification of construction vehicles and machinery	Long term	Transitioning to electric construction equipment may become necessary due to regulatory pressures, but high upfront costs remain a challenge.	Significant CAPEX required for electrification; long-term operational savings expected.	Evaluating feasibility of electrification if government incentives are introduced; piloting low-emission machinery in selected projects.
	Reputational risk from environmentally sensitive projects	Long term	Engaging in projects near rainforests, mangroves, or other ecologically sensitive areas may result in reputational risks.	Potential loss of investor confidence or client projects due to environmental concerns.	Strengthening internal project evaluation criteria to assess risks before committing to development projects.
	Market risk from stricter green building standards	Medium term	Increasing demand for green-certified buildings may put pressure on SunCon to integrate more sustainable construction practices.	Higher material costs and project qualification barriers if green standards are not met.	Aligning procurement strategies with sustainability requirements; engaging in green building certification processes to enhance competitiveness.
	Increased material costs due to supply chain decarbonisation	Medium term	Risk of project delays due to limited availability of low carbon materials. The adoption of low-carbon construction materials (e.g., green cement, sustainable steel) carries a price premium of 40–100%, potentially impacting project cost structures.	Price volatility, cost overruns due to premium pricing of low-carbon cement and green steel (40-100% markup).	Diversifying supplier base; localising supply chain where feasible; tracking material sustainability credentials.

Task Force on Climate-Related Financial Disclosures

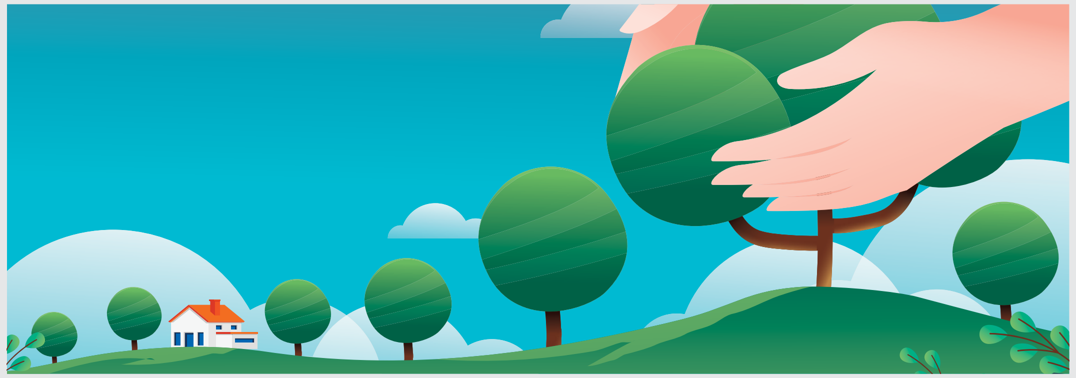
STRATEGY

Recommendations	SunCon's Disclosure
Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long terms (contd.).	(see below)

Risks / Opportunities	Time-frame	Business & Financial Impact
Opportunities		
Supportive incentive policies	Medium term	Access to government incentives for energy efficiency and green infrastructure investments.
Expansion of solar energy business	Medium term	SunCon's renewable energy division has already completed RM100 million worth of solar PV installations. These installations generate approximately 5.68 GWh of solar electricity annually, with around 58% consumed directly by project operations, and the remaining 42% sold back to the national grid. The Group continues to assess opportunities for scaling renewable energy generation further, including potential internal electricity supply arrangements within Sunway projects.
Battery storage for renewable energy	Long term	Potential entry into the energy storage sector to complement solar PV projects, enhancing carbon reduction strategies.
New technological solutions	Long term	Adoption of electrified construction equipment, alternative fuels, and digitalised carbon tracking.
Sustainable operational improvements	Medium term	Enhanced efficiency in waste management, energy usage, and material consumption.
New revenue streams through carbon markets	Long term	While SunCon is exploring opportunities in carbon trading, the Group is assessing the feasibility of monetising carbon credits through solar energy investments and sustainability-linked financing mechanisms.

Note:
- *Short-term is defined as within 1–3 years, primarily concerning immediate actions and near-term regulatory compliance.*
- *Medium-term ranges between 4–10 years, and is mainly linked to strategic planning, capital allocation, and climate adaptation measures.*
- *Long-term impacts beyond 10 years have greater implications on Sunway Construction's long-term sustainability vision, asset planning, and global climate targets.*

SunCon continues to refine its climate risk management strategy, integrating new insights from climate value-at-risk assessments into its financial and operational planning. The Group remains committed to enhancing climate resilience, improving resource efficiency, and identifying green growth opportunities in alignment with Malaysia's low-carbon transition.



Task Force on Climate-Related Financial Disclosures

STRATEGY

Recommendations	SunCon's Disclosure
Describe the impact of climate-related risks and opportunities on the organisation's business, strategy and financial planning.	(see below)

SunCon is exposed to both physical and transition risks that influence its financial position, operational costs, and long-term investment strategy. While short-term financial impacts remain moderate, medium to long-term risks related to regulatory shifts, carbon pricing, and low carbon material costs could require significant financial adjustments.

i) Financial Position and Performance Impact
- Operating Costs: Regulatory-driven cost increases are a key financial risk. SunCon may face an additional RM335,000 per year in operating costs if mandated Green Electricity Tariff (GET) adoption proceeds. Additionally, low-carbon construction materials (e.g., green cement, sustainable steel) carry a 40–100% price premium, impacting project margins.
- Capital Expenditure (CAPEX): SunCon's CAPEX planning includes incremental investments in climate resilience, such as flood mitigation and energy efficiency improvements, but no major capital deployment has been allocated specifically for decarbonisation projects beyond regulatory compliance.
- Revenue Streams: The increasing demand for green-certified buildings and sustainability-linked construction presents a market opportunity, but compliance with stricter green building standards could impose higher upfront costs on project execution.

ii) Material Adjustments to Financial Statements
- There are no immediate material impairments expected in the next annual reporting cycle; However, future adjustments may arise if:
  - o Carbon pricing mechanisms (e.g., carbon taxes or diesel levies) materialise at a sectoral level, increasing project costs.
  - o GET pricing structures change unfavourably, affecting energy-intensive projects.
  - o Major infrastructure clients impose stricter ESG requirements, potentially altering project valuations.
  - o However, the Group's asset light approach reduces the risk of impairments or effects to assets, machinery, and equipment in the short to medium term horizons.

iii) Expected Changes in Financial Position Over the Short, Medium, and Long Term
- Short-Term (1–3 years): Minimal impact on financial stability, with operational cost adjustments primarily related to incremental increases in electricity and compliance-related costs.
- Medium-Term (4–10 years): Higher CAPEX requirements anticipated if SunCon proceeds with electrification of heavy construction machinery and increases investment in renewable energy procurement to meet regulatory shifts.
- Long-Term (Beyond 10 years): The transition to a low-carbon economy and increasing climate-related tender requirements could necessitate structural changes to SunCon's business model, potentially influencing its financing strategy and long-term capital investments.

iv) Investment and Disposal Plans
- SunCon's investment strategy currently relies on green electricity procurement rather than direct investments in renewable energy infrastructure.

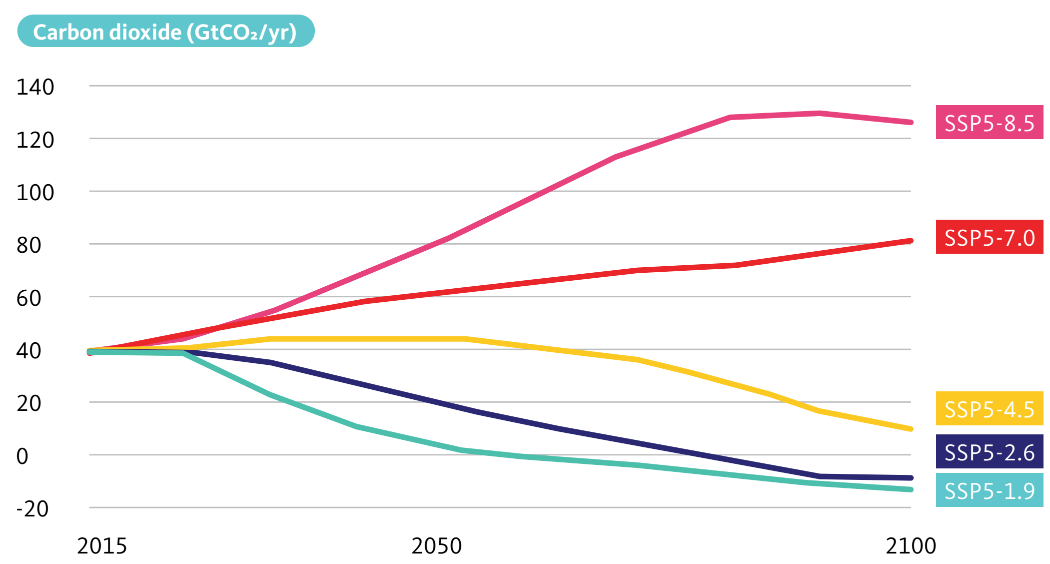
v) Planned Sources of Funding to Implement Climate Strategy
- SunCon's sustainability strategy is primarily funded through operational cash flows at present.
- The Group may explore external sustainability-linked financing mechanisms, such as green loans or ESG-linked project financing, to support long-term sustainability investments. The Group remains in discussion with financiers such as bankers and other lenders on such possibilities in the future.

SunCon remains committed to aligning financial planning with sustainability goals, ensuring that climate-related risks and opportunities are integrated into long-term business resilience strategies.

Task Force on Climate-Related Financial Disclosures

STRATEGY

Recommendations	SunCon's Disclosure
Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	SunCon continuously assesses its climate resilience by integrating climate-related scenario assessments into its business strategy, risk management, and financial planning. The company evaluates its exposure under different climate scenarios, including a 2°C or lower pathway, and takes into consideration both physical and transition risks to inform its strategic decision-making. SunCon's climate resilience assessment is informed by global climate projections, including the IPCC Sixth Assessment Report and regional climate models. The analysis primarily considers the Shared Socioeconomic Pathway (SSP5-8.5), representing a high-emissions, fossil fuel-dependent scenario. While SunCon's primary analysis is based on SSP5-8.5, transition risks under a lower-emission (1.5–2°C) pathway, particularly those linked to carbon pricing, regulatory mandates, and green building incentives, are acknowledged. The overall findings from SunCon's climate resilience assessment indicate that while its business operations face some exposure to climatic conditions, there is no immediate threat to its business model. Risks associated with extreme weather events, flood exposure, and long-term climatic shifts have been assessed and factored into project-level risk assessments.



Scenario	Near term, 2021-2040 Best estimate (°C)	Near term, 2021-2040 Very likely range (°C)	Mid-term, 2041-2060 Best estimate (°C)	Mid-term, 2041-2060 Very likely range (°C)	Long term, 2081-2100 Best estimate (°C)	Long term, 2081-2100 Very likely range (°C)
SSP1-1.9	1.5	1.2 to 1.7	1.6	1.2 to 2.0	1.4	1.0 to 1.8
SSP1-2.6	1.5	1.2 to 1.8	1.7	1.3 to 2.2	1.8	1.3 to 2.4
SSP2-4.5	1.5	1.2 to 1.8	2.0	1.6 to 2.5	2.7	2.1 to 3.5
SSP3-7.0	1.5	1.2 to 1.8	2.1	1.7 to 2.6	3.6	2.8 to 4.6
SSP5-8.5	1.6	1.3 to 1.9	2.4	1.9 to 3.0	4.4	3.3. to 5.7

Source: IPCC AR6 Working Group I Assessment Report 6, 2021

Task Force on Climate-Related Financial Disclosures

STRATEGY

Recommendations	SunCon's Disclosure
Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario (contd.).	A key insight from the Climate Value-at-Risk, TCFD and IFRS S2 Assessment Report prepared by The Jeffrey Sachs Center on Sustainable Development, highlights that flood risk remains a theoretical rather than a practical issue for SunCon, whereas rooftop water damage presents a more significant concern. As rainfall intensity is expected to increase by 16% over the next 80 years, the primary risk is linked to water seepage and structural deterioration from excessive precipitation. This necessitates ongoing investments in waterproofing, improved drainage systems, and materials with enhanced water resistance. Given the modular nature of construction sites, SunCon's operations provide flexibility in adapting assets to climate risks. This includes repurposing sites and facilities with improved drainage systems and structural reinforcements, upgrading building materials to enhance durability against heavy rainfall, and decommissioning and redesigning high-risk sites to meet evolving resilience standards. As of FY2024, improved drainage, waterproofing, and material enhancements are already being incorporated into some projects. From a transition risk perspective, potential regulatory shifts, carbon pricing mechanisms, and evolving climate-related policies could impact SunCon's financial and operational strategies. In a 2°C or lower scenario, where net-zero commitments accelerate, the company may face higher electricity tariffs and decarbonisation pressures, requiring investment in low-carbon materials, green technology, and operational efficiency. SunCon's financial flexibility allows for climate risk mitigation without significant strain on capital resources. Short-term measures, including drainage system upgrades and structural waterproofing, are budgeted as part of operational expenditures, while medium to long-term resilience investments are allocated for strategic projects. While the company has yet to formalise a structured climate transition plan, it has invested in solar energy infrastructure while also utilising electricity from the national grid. Electrification of construction equipment remains a future consideration but is still being explored. Additionally, no systematic investment strategy for green bonds, sustainability-linked loans, or other ESG-focused financing instruments is in place at this time. At present, SunCon may develop a dedicated green financing strategy, though future exploration of sustainability-linked funding remains a possibility as regulatory and market conditions evolve. *Additional information on SunCon's climate adaptation and mitigation measures can be found in the various topical disclosures of the Environmental pillar on pages 101 to 109.*

Task Force on Climate-Related Financial Disclosures

RISK MANAGEMENT

Recommendations	SunCon's Disclosure
Describe the organisation's processes for identifying and assessing climate-related risks.	SunCon identifies and assesses climate-related risks using a structured, multi-layered approach that integrates financial materiality considerations, scenario-based risk assessments, and enterprise-wide risk monitoring processes. Climate risks are assessed both from an impact and financial materiality perspective, with emphasis on financial materiality as aligned with IFRS S2 and TCFD expectations. The company's risk identification process is informed by: • Industry benchmarks and regulatory developments, ensuring climate risks are aligned with evolving policy landscapes. • Stakeholder engagement, investor preferences, and financial community expectations, reflecting external risk perception and market trends. • Internal ESG materiality assessments, incorporating sustainability considerations into enterprise risk assessments (see pages 50 to 72 for more information). • Global climate models, including the IPCC Sixth Assessment Report, to evaluate physical and transition risks. • Climate Value-at-Risk (VaR) analysis conducted by Jeffrey Sachs Center on Sustainable Development, which provides probabilistic assessments of financial exposure to climate risks over multiple time horizons. To enhance risk quantification, SunCon categorises climate risks across likelihood, severity, frequency, and timeline dimensions, ensuring a comprehensive assessment. The company also classifies risks into physical and transition risk categories to facilitate tailored mitigation responses.

Likelihood	Severity Levels	Frequency	Timeline
Unlikely	Zero Impact	Zero Occurrence	Immediate
Likely	Minimal Impact	Rare Occurrence	Near-Term
Highly Likely	Moderate Impact	Regular Occurrence	Medium-Term
Imminent	High Impact	High Occurrence	Long-Term

In FY2023, SunCon expanded its climate risk assessment by conducting a climate-related scenario analysis to assess potential business implications under different climate pathways. While the primary analysis focused on a high-emission (SSP5-8.5) scenario, transition risks under a 2°C-aligned pathway were also acknowledged.

In FY2024, SunCon continues to advance its climate risk assessment approach, with an increasing emphasis on integrating scenario analysis into risk identification efforts. Recognising the growing importance of transition risks, particularly the potential financial exposure to carbon pricing mechanisms and regulatory-driven cost implications, the company is evaluating methods to enhance its risk assessment framework. Additionally, SunCon has further refined its climate risk assessment process for active construction sites, acknowledging their distinct vulnerabilities to weather events. By utilising historical rainfall data, stop-work occurrences, and climate projections based on the IPCC SSP5-8.5 scenario, the Group has assessed potential delays due to increased rainfall and lightning incidents. To improve precision in assessing climate-related risks, SunCon is exploring refined assessment methodologies, including asset-level risk quantification, to provide more detailed insights into the financial materiality of climate-related exposures across its project sites.

RISK AND MITIGATION STRATEGIES

Task Force on Climate-Related Financial Disclosures

RISK MANAGEMENT

Recommendations	SunCon's Disclosure
Describe the organisation's processes for managing climate-related risks.	SunCon adopts a proactive approach to managing climate-related risks, ensuring that risk mitigation strategies are embedded into its operational and strategic decision-making. Physical risk adaptation is an ongoing priority, with measures such as drainage upgrades and waterproofing investments implemented to enhance site resilience against projected increases in rainfall intensity. These efforts are particularly crucial in mitigating potential water seepage and structural deterioration risks identified in climate assessments. From a transition risk perspective, SunCon continues to procure renewable energy through the national grid as part of its decarbonisation efforts, while also evaluating the feasibility of integrating low-carbon construction materials and electrified machinery into its future operations. The company actively monitors emerging regulatory frameworks to anticipate compliance risks, particularly in relation to potential carbon pricing mechanisms and evolving sustainability-linked building requirements. SunCon continuously strengthens its climate risk management approach through systematic monitoring and adaptation measures. The Board maintains oversight of risk controls in alignment with ISO 31000:2018, ensuring that risk management practices remain effective. Climate-related risks are reviewed as part of the Group's quarterly risk assessments, allowing for ongoing adjustments to mitigation strategies. Additionally, the Group Internal Audit Department (GIAD) provides independent evaluations of risk management effectiveness, ensuring that climate-related risk controls align with best practices and remain robust in a dynamic regulatory and environmental landscape.
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	SunCon integrates climate-related risks within its Enterprise Risk Management (ERM) framework, ensuring that climate risk identification, assessment, and mitigation are embedded into both strategic and operational decision-making. Since 2022, climate risks have been formally incorporated into the Group's Risk Register, with dedicated monitoring conducted by the Risk Management function in collaboration with the Sustainability team. This integration allows for a structured approach to tracking and mitigating climate-related risks alongside other material business risks. Climate-related risks are reviewed as part of enterprise-wide risk reporting, where they are assessed alongside operational, financial, and market risks to ensure a holistic risk oversight process. The Sustainability Committee (SC) provides governance and oversight, with climate-related risks periodically reported to the Board to support informed decision-making. SunCon also incorporates scenario analysis to assess climate risks under multiple future pathways, enabling the company to anticipate potential regulatory, financial, and environmental challenges that could impact business continuity. A key component of SunCon's climate risk management approach is continuous monitoring, which ensures that emerging risks are identified early, and adaptation strategies remain relevant. Although the company has not yet formalised a transition plan, climate risk considerations are already shaping investment priorities, project selection criteria, and supply chain decision-making. Through this progressive integration of climate risk management into its broader ERM framework, SunCon enhances its resilience to evolving environmental and regulatory landscapes, ensuring long-term business sustainability. The Risk Management Committee (RMC) plays a key role in overseeing the Group's risk management framework, ensuring that climate-related risks are identified, assessed, and mitigated as part of its broader risk strategy. The RMC convenes quarterly to review and discuss the company's most significant risks, including those related to climate change, and provides recommendations to the Board. Supporting these efforts, the Risk Working Committee (RWC), led by the Group Deputy Managing Director (GDMD), ensures that risk management considerations, including climate-related risks, are effectively integrated into operational processes. The RWC works closely with business units to identify emerging risks, implement mitigation measures, and communicate the Board's expectations on risk management throughout the organisation. *Additional information on SunCon's Group-level risk management approach is disclosed in the Statement on Risk Management and Internal Control on pages 183 to 189.*

Task Force on Climate-Related Financial Disclosures

METRICS AND TARGETS

Recommendations	SunCon's Disclosure
Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	SunCon employs a comprehensive set of climate-related metrics to assess and manage climate risks and opportunities, ensuring alignment with its sustainability strategy and risk management framework. These metrics encompass operational emissions performance, energy efficiency, resource optimisation, and climate risk exposure. Key performance indicators tracked with regard to our climate impact include: • Greenhouse gas (GHG) emissions: Measurement of Scope 1, Scope 2, and Scope 3 emissions to track decarbonisation progress. • Energy intensity: Monitoring energy efficiency across projects and operational sites. • Renewable energy adoption: Tracking solar energy usage and leveraging solar investment projects. Beyond direct measure of our impacts, SunCon also assesses the Group's climate resilience based on: • Climate risk exposure: Scenario-based assessments and Climate Value-at-Risk (VaR) analysis to evaluate financial implications under different climate pathways. • Physical risk adaptation investments: Capital expenditures allocated for infrastructure resilience, including drainage upgrades and waterproofing. *Further information on the energy and emissions indicators tracked by SunCon can be found in the Key Performance Data section of the report on pages 313 to 327.*
Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	SunCon meticulously tracks its GHG emissions inventory across Scope 1, 2, and 3 to ensure accurate measurement and effective emissions reduction planning. GHG emissions calculations adhere to methodologies established by the IPCC, DEFRA (UK), Malaysia's Energy Commission and Energy Market Authority Singapore. Key improvements made on emissions management front in FY2024 include: • Expanded Scope 3 coverage: Inclusion of Category 4 (Upstream Transportation & Distribution) and Category 9 (Downstream Transportation & Distribution). • Expanded Scope 3 emissions inventory to include embodied carbon emissions from major construction materials such as cement and steel. • Refined emissions calculation methodologies to improve data accuracy across construction and precast operations. • Energy efficiency initiatives, including operational improvements and renewable energy investments, have contributed to emissions intensity reduction. SunCon's GHG Emissions Inventory in FY2024 stands as follows: • Total Scope 1 emissions: 12,283 tCO_2e (direct emissions from fuel combustion in owned assets). • Total Scope 2 emissions: 6,729 tCO_2e (indirect emissions from purchased electricity). • Total Scope 3 emissions: 248,952 tCO_2e (indirect emissions across upstream and downstream value chains). SunCon remains vigilant in monitoring regulatory and market developments, particularly in relation to carbon pricing mechanisms and evolving low-carbon construction requirements, which could have cost implications for future operations. *Further details on SunCon's emissions performance are available in the GHG Emissions and Climate Action sections on pages 101 to 109.*

RISK AND MITIGATION STRATEGIES

Task Force on Climate-Related Financial Disclosures

METRICS AND TARGETS

Recommendations	SunCon's Disclosure
Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	SunCon remains committed to its Net Zero Carbon 2050 (NZC 2050) Roadmap, which is aligned with Science Based Targets initiative (SBTi) recommendations and Malaysia's National Energy Transition Roadmap (NETR). To accelerate its decarbonisation efforts, the company has established the following emissions reduction targets: • Scope 1 emissions: 40% reduction by 2030 (compared to 2020 baseline). • Scope 2 emissions: 40% reduction by 2030 (compared to 2020 baseline). • Scope 3 emissions: Establish a viable Scope 3 reduction target upon completion of full Scope 3 accounting. Highlights of progress against climate targets in FY2024: • SunCon has achieved a 22.6% reduction in emissions intensity compared to its FY2020 baseline, attributed to increased renewable energy adoption, improved energy efficiency, and waste reduction efforts. • Computation of product carbon footprint for precast products is in progress to further integrate emissions reduction strategies into supply chain and materials selection. • SunCon secured an 11.8 MW renewable energy quota under the Corporate Green Power Programme (CGPP) at Kapar, Klang. This facility, once operational, will generate an estimated 14.6 GWh of renewable energy annually, potentially offsetting approximately 11,301 metric tonnes of CO_2e emissions each year, significantly advancing SunCon's decarbonisation objectives. SunCon continues to explore opportunities for emissions reduction, including enhanced energy efficiency, adoption of low carbon materials, and strategic engagement with supply chain partners to encourage low-carbon procurement. *More details on SunCon's decarbonisation strategies and progress can be found in the Climate Action section on pages 101 to 109.* 

Basis of Preparation

SUSTAINABILITY STATEMENT

Basis of Preparation

SunCon publishes this annual sustainability statement in respect of financial year ended 31 December 2024 (SS2024) to provide readers with a comprehensive account of SunCon's environmental, social and governance (ESG) performance. This includes performance achieved on material ESG topics as measured against key performance indicators and targets set for the financial year. Details of our key targets and the progress made are elaborated in the respective sections of this Sustainability Statement.

SunCon's previous sustainability report was published on 30 April 2024, in respect of financial year ended 31 December 2023. SunCon provides disclosures on its ESG performance on an annual basis in accordance to the following sustainability reporting frameworks and standards:

- Bursa Malaysia Sustainability Reporting Guide 3rd Edition
- Global Reporting Initiative (GRI)
- FTSE4Good Bursa Malaysia Index (FTSE4Good)
- IFRS S2 IFRS® Sustainability Disclosure Standard: Climate-related Disclosures
- Sector Specific Disclosures (SASB)
- United Nations Sustainability Development Goals (UNSDGs)

1 SCOPE AND BOUNDARY (DETERMINATION OF CONTENT)

The scope and boundary for determining content for inclusion in SS2024 are based on equity and operational control, that is the inclusion of the activities, processes, controls of the listed entity as well as all associate companies. Excluded are subsidiary companies or companies in which SunCon has no operational control and no responsibility for management decisions.

A further consideration in determining content for inclusion has been the use of the GRI principles of accuracy, balance, clarity, comparability, reliability and timeliness, stakeholder inclusiveness, sustainability context, and completeness. In essence, data and information are assessed against the GRI threshold to ensure suitability for disclosure.

SunCon also adheres to the principle of materiality and hence, information is also considered from the perspectives of both financial and impact materiality. If information is deemed material from either both or one perspective, SunCon has endeavoured to make such disclosures accordingly.

2 ASSURANCE

As in previous years, SS2024 has been independently assured by SIRIM QAS International Sdn. Bhd.

The assurance is provided on pages 346 to 349 of IAR2024. Financial information has been audited and assured by Messrs BDO Malaysia PLT.

Data is also internally verified by SunCon's Group Internal Audit Department (GIAD).

3 BOARD OVERSIGHT

Apart from a detailed management review, SS2024 has been reviewed and approved by the Board of Directors during a Board meeting on 28 March 2025.

4 RESTATEMENTS OF INFORMATION

SS2024 may contain restatements of information, where new information, data or disclosures have come to light during the financial year or when new methodologies for calculation of expansion of scope and boundary were undertaken (for specific disclosures in 2024). Such restatements have been mentioned accordingly in the relevant sections of SS2024.

5 FORWARD LOOKING STATEMENTS

SS2024 may contain forward-looking statements or make reference to future-based performance including aspirations or expectations to implement specific strategies, programmes, action plans or to achieve specific results and outcomes going forward. SunCon wishes to explicitly state that such information has been developed based on available information at the time and is in response to the external operating environment, which is beyond the control of SunCon and may have changed by the time of publication of SS2024.

Hence, readers are advised to practice caution and undertake due diligence prior to making any investment or other decisions based on the information presented in SS2024. Forward-looking information does not serve as guarantees of future operational or financial results or any other kind of outcome.

6 FEEDBACK AND DISTRIBUTION

Feedback, suggestions or enquiries related to SunCon's sustainability performance or any matters pertaining to SS2024 may be sent to: sunconcoesus@sunway.com.my

A digital version of this report and past reports are available for download using the QR below:

Scan the QR code to view the Integrated Annual Report 2024.
https://www.sunwayconstruction.com.my/annual-report-2024/

Progressing on the Sustainability Journey

2024 has seen SunCon continue to make encouraging progress on its sustainability journey. SunCon's overall approach to sustainability is driven by both financial and impact materiality considerations as follows:

Financial Materiality

- Leveraging sustainability as a strategy to provide insulation against existing and emerging risks that could materially impact Financial, Business and Operational (FBO) performance.
- Leveraging ESG to capitalise on new opportunities for business development and value creation.

Impact Materiality

- Mitigating environmental and social impacts and serving as a positive change catalyst, consistent with our business model and philosophy of sustainable value creation reinforcing our role as a responsible corporate entity. This includes playing a role in the global fight against climate change, pollution, and human rights issues, including labour rights.

The Board and Management of SunCon are fully cognisant of the importance of prioritising sustainability, from both financial and impact materiality perspectives.

In essence, improvements in sustainability performance as well as being ready to mitigate ESG risks are increasingly linked to sustained FBO performance. This includes reducing risk exposures, achieving improvements in cost and operational efficiencies, gaining access to financing and new markets, building more robust supply chain and ultimately, creating a more resilient business model.

As such, ESG provides a business case for SunCon as evidenced in the SunCon ESG Framework. As part of our continuous sustainability journey, FY2024 marked a significant milestone in strengthening our Greenhouse Gas (GHG) emissions accounting. We integrated the latest emission factors and expanded our Scope 3 coverage to include 6 out of 15 categories as part of our transition to IFRS S2. These enhancements have improved the accuracy and transparency of our carbon footprint assessment, underscoring our commitment to data-driven climate action and reinforcing our efforts to drive meaningful decarbonisation across our value chain.

SunCon ESG Framework

Vision
To be a leading regional construction and engineering group

Mission
Innovating to deliver value underpins our relentless efforts to drive positive and sustainable change in the way we work and operate to create value for all our stakeholders

Our Strategic Thrust

Striving in low carbon economy	Encouraging inclusive growth	Guaranteeing safety	Respecting ethical principles
Forging sustainable practices to remain competitive in the net-zero transition	Promoting inclusive growth by being a responsible employer and partnering for regional growth	Zero-accidents objective for all people working in our workplaces remains the topmost priority for the Group	Adopting strong governance framework for employees to contribute effectively in upholding the Group's core values of Integrity, Humility and Excellence

ESG Focus Areas

Environmental	Social	Governance
Climate Action	Employee Management	Governance and Ethical Business
Water Protection	Product Quality and Responsibility	Risk and Regulatory Compliance
Circular Economy	Fair Labour Practice	Anti-Corruption and Anti-Bribery
Biodiversity	Community Enrichment	Data Privacy and Security
	Occupational Safety and Health	Responsible Supply Chain

Key Enablers

Collaboration | Innovation | Digitalisation

Progressing on the Sustainability Journey

Sustainability Roadmap

Strategic Theme	Sustainability Goals	Key SDG Alignment
Environmental To tackle climate change and restore nature	**Goal 1** Enabling sustainable construction practices	6, 7, 9, 11, 12, 13, 14, 15
Social To be a people-centric corporate citizen	**Goal 2** Investing in fair, safe and inclusive workforce	3, 4, 5, 8, 9, 10
Governance To create long-term value through ethical business practices and continuous stakeholder engagement	**Goal 3** Ensuring compliance embracing transparency	16

The SunCon ESG framework is the master Group strategy for the development of focus areas, strategic priorities and the internalisation of sustainability across business strategies, operations, and organisational culture.

In essence, it is SunCon's macro-management approach of developing a company-specific orientation to embed ESG and develop a high-impact and practical sustainability plan to be effectively leveraged to support sustained and enhanced value creation.

The framework is linked to SunCon's Vision and Mission, which brings sustainability into the mainstream of SunCon's business philosophy and corporate ethos. The strategic thrusts outline broad-based pillars that enable the identification of relevant and material ESG topics.

Risks and opportunities arising from said material topics are identified, categorised and tracked accordingly. Equipped with this knowledge, management approaches and tactical strategies to mitigate risks and leverage opportunities are developed accordingly with performance measured across set KPIs and targets. Tactical execution is refined accordingly to deliver improved performance over time.

Three key enablers have been identified as catalysts for positive change and for accelerating the required implementation of strategies. These are collaboration, both within SunCon's business divisions and with external stakeholders, innovation which is the ability to adapt, evolve and change in tandem with the external operating environment and digitalisation, as well as the ability to leverage technology as a game-changer towards driving improved performance.

The entire framework then supports the realisation of SunCon's ultimate objectives or goals which are enabling sustainable construction, investing in a fair, safe and inclusive workplace, and ensuring compliance and embracing transparency. The ESG framework also supports the realisation of SunCon's selected United Nations Sustainable Development Goals (UNSDGs). This includes contributing to the realisation of a low-carbon economy, encouraging inclusive growth, guaranteeing safety, and respecting ethical principles.

Progressing on the Sustainability Journey

AWARDS AND RECOGNITION

In recognition of SunCon's steadfast dedication to sustainability, the company is pleased to announce its continued acknowledgment by prominent ESG and financial indices. SunCon has maintained its MSCI AA ESG Rating, which signifies its consistent excellence in environmental, social, and governance practices. Additionally, SunCon has recently been included in the MSCI Malaysia Small Cap Index and the FTSE Bursa Malaysia Mid 70 Index for the fiscal year 2024, underscoring its growing market presence and the confidence investors have in the company.

MSCI ESG RATINGS AA
CCC | B | BB | BBB | A | AA | AAA

MSCI Malaysia Small Cap Index

FTSE Bursa Malaysia Mid 70 Index

CONTRIBUTION TO THE UNSDGs AND UNGLOBAL COMPACT INDEX (UNGCI)

As SunCon focuses on ESG from a financial materiality perspective, SunCon continues to prioritise the importance of serving as a responsible corporate citizen. Hence, SunCon remains committed to aligning our impact with selected UNSDGs and the UNGCI.

Progressing on the Sustainability Journey

MEMBERSHIP OF ASSOCIATIONS

SunCon is a member of the following industry bodies and professional associations, where SunCon continues to leverage these platforms to lobby for improved ESG practices within the industry, particularly in relation to supply chains, human and labour rights, improved employment conditions and also in promoting decarbonisation and resource consumption efficiency, recycling and waste management.

- Construction Industry Development Board (CIDB)
- Master Builder Association Malaysia (MBAM)
- Human Resource Development Corporation (HRDC)
- National Institute of Occupational Safety and Health (NIOSH)

Association	SunCon's Membership & Contribution
Construction Industry Development Board (CIDB)	Since the establishment of CIDB in 1995, SunCon has been actively contributing in advancing CIDB's objective to build the capacity and capability of the construction industry. Through its various policies, industry standards and programmes, SunCon has improved by leaps and bounds, especially its quality, safety, and health performance through the adoption of industry best practices and continual improvement.
Master Builders Association Malaysia (MBAM)	Our involvement with MBAM centres around collaborative efforts to enhance construction standards and workforce competencies within Malaysia. By participating in MBAM's various committees and workshops, SunCon plays an instrumental role in driving innovation and advocating for regulatory reforms that benefit the entire industry.
Human Resource Development Corporation (HRDC)	Through participation in HRDC-certified training and development programmes, SunCon contributes to fostering a skilled, knowledgeable, and future-ready construction workforce that is essential for the continued growth and sustainability of the industry and our Company.
National Institute of Occupational Safety and Health (NIOSH)	SunCon recognises that occupational safety and health remains one of the key material issues and has continually dedicated efforts to minimise and mitigate the risks and consequences of undesirable events. Our engagement with NIOSH includes participating in safety training programmes, as well as continuously developing the expertise of our competent personnel.

Governance

GRI 205, 206, 308, 414, 415, 418

Good governance is the foundation for effective implementation of ESG practices as well as for the realisation of a high-performing organisation. Beyond policies, systems, processes and internal controls, good governance at SunCon is also driven by an unequivocal commitment to upholding corporate integrity and ethical practices.

Good governance is intrinsic to developing a conducive organisational culture, in establishing desired ways of working and practices, in achieving and retaining efficiency and competitive edge and developing a working environment centred on meritocracy and excellence.

It also strengthens internal and external stakeholder trust and credibility in the SunCon brand, while reducing exposure to risks of corruption, unethical business practices and more. The emphasis of good governance is also progressively being cascaded across SunCon's supply chains.

Governance Focus Area:

- Governance and Ethical Business
- Anti-Corruption and Anti-Bribery
- Responsible Supply Chain
- Risk and Regulatory Compliance
- Data Privacy and Security

Performance on Governance KPIs and Targets:

SUSTAINABILITY MATTERS	TARGET	BURSA INDICATOR	2022	2023	2024
Governance and Ethical Business	No confirmed major non-compliance to all SunCon Code of Conducts	N/A	Zero non-compliance	Zero non-compliance	**Zero non-compliance**
Anti-Corruption and Anti-Bribery	Maintain 100% employees trained in compliance (including new hires)	C1(a)	100%	100%	**100%**
	Zero confirmed bribery and corruption incidents	C1(c)	Zero confirmed cases	Zero confirmed cases	**Zero confirmed cases**
Data Privacy and Security	Zero confirmed incidents on breach of customer privacy and losses of customer data	C8(a)	Zero confirmed incident	Zero confirmed incident	**Zero confirmed incident**
Responsible Supply Chain	Suppliers and subcontractors to complete Environmental and Social Assessment	S6(b) & S7(b)	Work in progress	Work in progress	**330 responses**
	Include ESG criteria in major suppliers' selection process by 2026	N/A	At data compilation stage	At data compilation stage	**At data compilation stage**
	Percentage of new suppliers screened using environmental and social criteria	S6(a) & S7(a)	100%	100%	**100%**
Risk and Regulatory Compliance	Zero non-compliance to all regulatory requirements and guidelines	N/A	41 notices received from authorities. All closed	33 notices received from authorities. All closed	**16 notices received from authorities. All closed**

GOVERNANCE AND ETHICAL BUSINESS

ADVANCING GOVERNANCE THROUGH ROBUST POLICY IMPLEMENTATION

SunCon upholds strong corporate governance through clear policies that define conduct, internal controls, and processes. These policies are reviewed annually, with key ones presented to the Board to ensure alignment with regulations, stakeholder expectations, and industry trends. This strengthens governance, enhances transparency, and fosters accountability.

To reinforce its commitment to sustainability, SunCon has introduced a new Sustainability Policy, embedding ESG principles across its operations and subsidiaries. Effective 2025, the policy drives improvements in sustainability practices, supplier engagement, and responsible business operations.

Board Policies	Corporate Policies	Alignment with Sunway Berhad's Policies
Remuneration Policy for Directors and Senior Management	Code of Conduct and Business Ethics (CCBE)	Human Rights Policy
Policy on Selection and Assessment of the Board	Whistleblowing Policy and Procedures	Diversity and Inclusion Policy
Policy on Selection of External Auditors	Anti-Bribery and Corruption Policy	Employee Grievance Policy
Non-Audit Services Policy	Anti-Money Laundering, Countering Financing of Terrorism and Countering Proliferation Financing Policy	Anti-Sexual Harassment Policy
Fit and Proper Policy	Quality, Environmental, Safety and Health Policy	Water Management Policy
	Sustainability Policy *(Effective 2025)*	Sustainable Procurement Policy

These policies, along with our broader corporate governance framework, are publicly available on our website, reinforcing our commitment to transparency for stakeholders. Additionally, as a subsidiary of Sunway Group, SunCon adheres closely to the policies established by our parent company, ensuring alignment with group-wide governance standards.

Governance

SUNCON ESG GOVERNANCE STRUCTURE

SunCon has established an organisation-wide governance structure with delineated roles and responsibilities, beginning with the Board of Directors, followed by senior management and subsequently, cascaded across all management and operational levels of SunCon.

In essence, governance is viewed as a collective responsibility with corporate integrity, ethical conduct and adherence to good work practices being a requisite for all internal stakeholders, and where relevant, external stakeholders such as SunCon's suppliers and business partners.

As previously mentioned, the tone of good governance commences from the top with the Board playing a direct and active role through comprehensive oversight mechanisms, active deliberation and decision-making.

Besides, we have integrated sustainability components into the performance evaluations and remuneration-linked Key Performance Indicators (KPIs) of our GMD and Senior Management since 2022. These KPIs encompass ESG targets, including increasing waste diversion from landfills, improving occupational safety and health practices, reducing carbon emissions, and elevating ESG rating scores which directly influence their overall performance assessment and remuneration. This approach reinforces SunCon's commitment to corporate responsibility, ethical governance, and sustainable business growth, ensuring that leadership remains accountable for driving ESG performance.

Board effectiveness is maintained and strengthened by emphasising continuous enhancement of directors' capabilities, notably on emerging trends and developments such as climate change, and also by focusing on cultivating Board diversity. SunCon upholds its commitment to gender diversity, fully aligning with the Malaysian Code on Corporate Governance (MCCG) guidelines, with women representing 33% of our Board of Directors.

Specific information on the roles and responsibilities of the Board and other aspects of the governance structure is provided in the Corporate Governance Overview Statement section of IAR2024; as well as the Terms of Reference for the Board and Sustainability Committee (SC).

Scan the QR code to view our Sustainability Committee Terms of Reference.
https://ir2.chartnexus.com/suncon/doc/cg/Terms-of-Reference-of-Sustainability-Committee.pdf

Sustainability Governance Structure

BOARD OF DIRECTORS

The Board provides strategic guidance to SunCon and its subsidiaries, ensuring they stay on course to achieve SunCon's objectives. It is responsible for shaping and evaluating the overall strategy, setting clear directions, upholding core values, and maintaining strong corporate governance. Additionally, the Board oversees SunCon's management to ensure operations are conducted with integrity and in full compliance with applicable laws and regulations.

Sustainability Committee (SC)

SC is responsible for overseeing and evaluating SunCon's sustainability strategy, key ESG priorities, targets, performance, and overall progress and providing recommendations to the Board regarding approvals related to these matters. Meeting at least twice a year, the SC reviews, discusses, and assesses SunCon's advancements in driving its sustainability agenda.

TAN LER CHIN (CHAIRPERSON)

DR SARINDER KUMARI A/P OAM PARKASH

DATUK KWAN FOH KWAI

ERIC TAN CHEE HIN[1]

SUSTAINABILITY WORKING GROUP (SWG)

SWG plays a crucial role in ensuring SunCon and the Board fulfill their regulatory obligations related to ESG disclosures. This is primarily achieved through the publication of the annual Sustainability Report. SWG coordinates the collection, analysis, and interpretation of ESG data across SunCon to support transparent disclosures. Additionally, SWG provides policy recommendations and proposes action plans for consideration and implementation.

[1] Appointment of Mr Eric Tan Chee Hin as a member of SC in place of Mr Liew Kok Wing effective on 3 March 2025

Through this mechanism, the Board via its dedicated Sustainability Committee (SC) maintains oversight of all material ESG topics. This includes climate change.

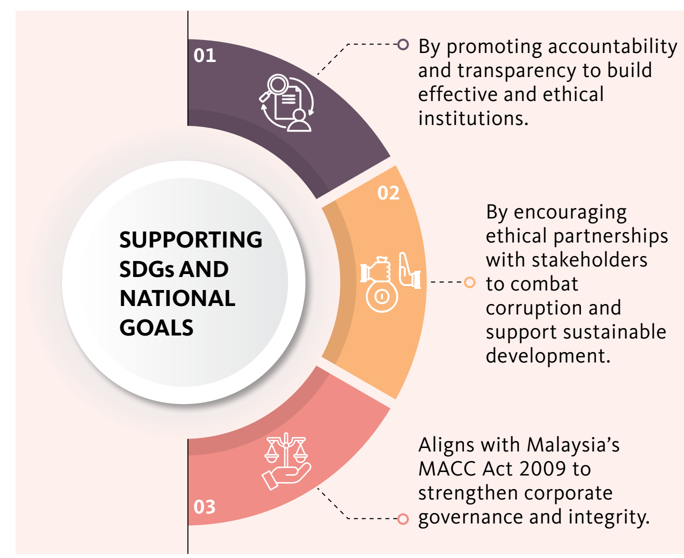
Specific information on the Board and Senior Management's oversight, roles and responsibilities pertaining to climate risks and opportunities are provided in the dedicated IFRS S2 Climate Disclosures subsection of this statement.

ANTI-BRIBERY AND CORRUPTION

ZERO TOLERANCE APPROACH TO CORRUPTION

SunCon upholds a strict zero tolerance policy on corruption, recognising it as a serious threat to all stakeholders. Corruption erodes trust, credibility, and meritocracy, undermines operational effectiveness, and ultimately weakens the foundation of a sustainable business model and stakeholder value. It distorts supply chains, disrupts cost competitiveness, and inflates the true cost of doing business.

Equally important, SunCon's strict anti-corruption stance is driven by impact materiality considerations, particularly as promoting corruption-free operations and ethical stakeholder engagements indirectly supports several Sustainable Development Goals (SDGs) and national objectives, such as:



The strict position taken with regard to corruption is echoed throughout the organisation and has also been extended to SunCon's stakeholders including its supply chains.

To reinforce this commitment, we have established a comprehensive Anti-Bribery and Corruption (ABC) Policy, alongside with our Anti-Money Laundering, Countering Financing of Terrorism and Countering Proliferation Policy (AML / CFT / CPF Policy). The ABC Policy has been developed in compliance with local laws, specifically Section 17A of the Malaysian Anti-Corruption Commission (MACC) Act 2009, including its 2018 amendment. The company's standard operating procedures and internal controls are also aligned with the MACC Act 2009. This policy is reviewed and approved by the Board and the Board-level Audit Committee, which is responsible for periodically assessing its relevance and effectiveness in meeting the Group's requirements and ensuring compliance with local regulations. The policies are publicly available on our website and can be accessed via the QR code.

Scan the QR code to view the SunCon's policies and corporate governance framework.
https://www.sunwayconstruction.com.my/investor-relations/corporate-governance/

While the Board and Audit Committee's involvement ensures strong oversight, implementation of the policy comes under the purview of Senior Management, who reports to the Board regularly on the progress of implementation, actions taken to maintain a zero-corruption workplace and any corruption risks identified as well as mitigation measures put in place.

In addition to the ABC Policy, SunCon has established robust mechanisms and systems to uphold anti-corruption compliance. The adoption and certification of the ISO 37001 Anti-Bribery Management System demonstrates SunCon's commitment to ethical business practices, requiring substantial financial investment in system development, employee training, independent audits, and continuous monitoring. These measures ensure strict adherence to regulatory standards and reinforce a culture of integrity across the organisation. Moving forward, SunCon will further strengthen its anti-corruption framework with the adoption and certification of ISO 37001:2016 Anti-Bribery Management Systems (ABMS), set to take effect in May 2025. This initiative represents a significant investment in system development, employee training, audits, and continuous monitoring to uphold compliance. Additionally, SunCon has established a whistleblowing channel, an Internal Audit function, external auditor access, and a designated Anti-Bribery and Corruption (ABC) Compliance Officer—a role created in 2020 to actively monitor and mitigate bribery and corruption risks. Through these continuous improvements, we reinforce our unwavering stance on ethical business practices and a corruption-free workplace.

Anti-Corruption Awareness and Training

SunCon on an annual basis conducts anti-corruption briefing sessions for all employees including new employees. New employees are briefed on the ABC Policy. Refresher programmes are also held for other employees on a periodic basis.

Anti-corruption, good governance practices and matters of corporate integrity and ethical business conduct are also further reinforced through the Employee Handbook which is provided to all employees and is also easily accessible by employees via SunCon's intranet portal. Constant reminders to employees on the importance of refraining from corrupt acts and practices are also provided via email, company notice boards and other communication channels.

As of 31 December 2024, 100% of employees have received anti-corruption training, including new joiners. Additionally, all employees have signed the annual Code of Conduct and Business Ethics (CCBE) and the Anti-Bribery and Corruption Declaration Form, reaffirming their commitment to a corruption-free workplace.

Cascading Anti-Corruption Among the Supply Chain

SunCon is of the view that its no-compromise, zero tolerance stance on anti-corruption should also be extended to its supply chains, and where relevant, other stakeholders. This is in keeping with the rationale that if external stakeholders are not held to the same high standards, there are potential vulnerabilities for corruption risks to develop over time.

The focus on strengthening anti-corruption practices across the supply chain is part of SunCon's larger approach to developing responsible and more sustainable supply chains for its business operations.

To reinforce this, we actively communicate our Anti-Bribery and Corruption (ABC) Policy to all suppliers and business partners. All new business partners are required to register in the e-Supplier Registration and Evaluation (e-SRE) portal and submit relevant Anti-Corruption Declarations before engaging in business with SunCon. Additionally, Anti-Corruption, Anti-Money Laundering, and Economic Sanctions clauses have been integrated into our Supply Sub-Contract terms and conditions to ensure compliance.

As of 31 December 2024, 100% of new suppliers have submitted their respective Anti-Corruption Declarations, confirming their awareness of and commitment to SunCon's ABC Policy in all business dealings. Moving forward, we will further strengthen supplier accountability by conducting engagement sessions, including a supplier town hall, where business partners will be required to provide written affirmations of their commitment to the policy.

Undertaking Corruption Risk Assessments

SunCon continues to review corruption risk assessments annually to ensure compliance with legal requirements for corruption prevention.

Assessments are conducted by the CCO with the findings presented to Management and the Audit Committee. Assessments cover six key areas:

- Awards of contracts to subcontractors, suppliers or consultants
- Hampers, gifts and other appreciation tokens from external parties
- Hosting of customers, clients, suppliers and service providers
- Appointment of third parties as intermediaries (for liaison with authorities and service providers)
- Direct hiring through recommendations without going through due process and direct liaison with employees
- Early / premature certification of payment to subcontractors / suppliers (High)

Areas of concern, if identified, are specifically highlighted for further deliberation and action. These assessments and audits adhere to the T.R.U.S.T principles, as set forth in the Guidelines on Adequate Procedures under Section 17A(5) of the Malaysian Anti-Corruption Commission Act 2009.

Periodic audits are also carried out across various business units to ensure adherence to SunCon's ABC policies and procedures.

For a more comprehensive overview of these efforts, please refer to the Audit Committee Report, which can be found on pages 168 to 176.

In 2024, 74% of SunCon's operations were assessed for corruption risks—a slight reduction in coverage due to the inclusion of new projects—revealing relatively unchanged exposure, particularly in procurement and contracts management aspects of operations are potentially more exposed to corruption. Existing safeguards have been reviewed and reconfirmed as robust in providing sufficient check and balances.

Other strategies that continue to be implemented include preference of awarding contracts through tender processes with multiple bids as opposed to direct negotiation engagements, comprehensive background checks on suppliers prior to being added to the approved vendor list and;

- Ensuring multiple levels of approval for contract sums of a certain value or higher.
- Continued strengthening of ISO 37001 certified Groupwide ABMS, with a certification target set for May 2025.
- Working with regulatory authorities to promote anti-corruption awareness. In 2024, SunCon organised an event with the Malaysian Anti-Corruption Commission for its employees.

Contractors are also asked to confirm their readiness in implementing anti-bribery and corruption, anti-money laundering and economic sanction compliance best management practices. If deemed necessary, desktop and physical audits may also be performed as part of the approach to ensuring that no element of corruption has been factored in the hiring of contractors.

Supply Chain Bribery and Corruption Risk Areas	Risk Level
1. Awarding of contracts to subcontractors / suppliers / consultants	Moderate
2. Hampers, gifts and other appreciation tokens from external parties	Low
3. Hosting of customers, clients, suppliers, and service providers	Moderate
4. Appointment of third parties as intermediaries for liaison with authorities and service providers	Low
5. Direct hiring through recommendations without going through due process and direct liaison with employees	Low
6. Early / premature certification of payment to subcontractors / suppliers	Low

Anti-Corruption Performance Data

SunCon's vigilant and strict approach to corruption in 2024 has resulted in another year of zero substantiated corruption incidents.

The absence of corruption-related reports filed through SunCon's whistleblowing channel indicates that vulnerabilities in terms of exposure to corruption remain low.

SunCon's FY2024 anti-corruption data has been audited by Group Internal Audit Department (GIAD) – a testament to the effectiveness of our rigorous anti-corruption measures and the ethical integrity of our workforce.

WHISTLEBLOWING POLICY AND PROCEDURES

SunCon has established a whistleblowing mechanism aligned with Sunway Berhad's comprehensive framework. This confidential reporting channel allows anyone to file complaints or concerns securely, reinforcing SunCon's commitment to good governance and responsiveness to stakeholder feedback.

Reports can be lodged via our whistleblowing hotlines and will be thoroughly investigated in accordance with SunCon's Whistleblowing Policy.

Scan the QR code to view our Whistle Blowing Policy and Procedures.
https://ir2.chartnexus.com/suncon/doc/cg/Whistle_Blowing_Policy.pdf

Upon receiving a whistleblowing report, SunCon's Group Internal Audit Department (GIAD) leads an independent inquiry and investigation into the matter. If the investigation reveals a material case of misconduct, corruption or non-compliance, the case is escalated to the Chairman of the Audit Committee for review and necessary action. To protect whistleblowers, all reports are treated with the strictest confidentiality, ensuring full anonymity unless disclosure is required by law or necessary for legal proceedings. Aside from anonymity, whistleblowers are also guaranteed immunity so long as the report was filed in good faith.

In 2024, SunCon recorded zero reported incidents of corruption through its whistleblowing channel, demonstrating its commitment to accountability, governance best practices, and transparency in business operations.

Whistleblowing Hotlines

T: (603) 5639 8025

E: whistleblowing@sunway.com.my

DATA PRIVACY AND SECURITY

ENSURING PROTECTION OF DATA AND PRIVACY

At SunCon, safeguarding data privacy and security is a key priority as we manage a large volume of personal and confidential stakeholder information essential for our business operations. Our focus is on maintaining strict compliance with the Personal Data Protection Act (PDPA) 2010, ensuring data confidentiality throughout its collection, processing, use, and storage.

To strengthen our data protection measures, we have implemented strict access controls, allowing data usage only for its intended purpose, with access granted to relevant users for a limited time and only with the prior consent of the data owner. Additionally, we have consistently invested in and upgraded our data infrastructure systems to enhance resilience against existing and emerging cybersecurity threats.

Moving forward, we remain committed to further strengthening our cybersecurity framework and proactively identifying and mitigating potential risks. In 2024, our efforts resulted in zero reported cases of data breaches, theft, loss, or misuse, reinforcing our commitment to safeguarding stakeholder information.

RISK & REGULATORY COMPLIANCE

Risk and Regulatory Compliance is a vital element to SunCon's governance. Strong compliance procedures not only guard against legal and financial problems but also preserve our reputation and FBO performance in an environment of changing risks and regulations.

Hence, the continued vigilance on achieving operational excellence is reflected in a high level of compliance, in accordance with regulatory requirements for environmental, social and governance performance.

In 2024, SunCon and our subsidiaries registered 16 cases of regulatory non-compliance. Six of the cases were related to vector control, amounting to RM37,000 in fines and has been resolved accordingly. The remaining 10 cases did not result in any fines or summons.

Additional information on SunCon's business risks and mitigation measures in particular to regulatory compliance is provided in the Statement on Risk Management and Internal Control on pages 183 to 189.

TAX TRANSPARENCY

SunCon's approach to income tax is to pay tax based on the location of its operations. In Malaysia, SunCon complies with the Income Tax Act 1967 as well as the Sales and Services Tax (SST) Act. It does not use offshore tax havens and has not been fined or censured by the Inland Revenue Board (IRB).

Tax matters come under Board oversight through the Board Audit Committee. The Audit Committee's responsibilities include verifying the company's financial statements, including tax payments for the financial year. Tax information has also been audited and verified by SunCon's auditor, Messrs BDO PLT.

Tax Jurisdiction	FY2022		FY2023		FY2024	
	Income Tax (Current Year)	Income Tax ((Over)/Under Provision in Prior Years)	Income Tax (Current Year)	Income Tax ((Over)/Under Provision in Prior Years)	Income Tax (Current Year)	Income Tax ((Over)/Under Provision in Prior Years)
Malaysia	36,088,277	8,094,838	42,541,538	(1,192,405)	**46,342,644**	**35,537,332**
India	5,721,528	833,822	6,961,850	(758,661)	**5,772,788**	**1,513,363**
Singapore	-	-	476,573	-	**-**	**34,793**
Total	41,809,805	8,928,660	49,979,961	(1,951,066)	**52,115,432**	**37,085,488**

RESPONSIBLE SUPPLY CHAIN

SunCon is committed to achieving its sustainability aspirations, recognising that supplier engagement is key to integrating ESG considerations for long-term value creation. To address the challenge of managing a diverse supplier base, SunCon actively engages suppliers to drive positive financial and impact materiality outcomes. Strong supply chain governance ensures quality, compliance, and the development of a robust, sustainable value chain that meets industry standards and regulatory requirements.

Hence, towards this purpose that beyond cost competitiveness, suppliers are increasingly being assessed for sustainability related risks, for green products and services, as well as performance on human and labour rights and environmental topics.

In FY2024, SunCon strengthened its commitment to sustainability with a comprehensive environmental and social assessment (EASA) of its supply chain, engaging 330 suppliers and contractors. Since 2023, we have conducted social assessments, ensuring compliance with ethical labour standards, including forced labour, human rights, and worker accommodations. This year, we reached a key milestone with our first assessment for our supply chain on environmental impact expanding our focus to energy use, water, wastewater, and emissions.

Moving forward, SunCon's focus for the next two years is to actively engage all suppliers and subcontractors to influence, collaborate and synergise in further integrating sustainability risk assessments into the existing supply chain tender and selection processes and capturing a more accurate representation of our carbon footprint arising from purchased goods and services.

Environmental

GRI 301, 302, 303, 304, 305, 306

On the environmental front, SunCon is driven by numerous opportunities to leverage its vertically integrated capabilities, notably as a catalyst for redefining possibilities in sustainable development and construction. SunCon continues to pursue efforts to transform its conventional resource-intensive model to a greener, cleaner and more sustainable approach that produces less emissions and waste, reduces dependence on natural resources and supports the preservation of physical environments and biodiversity.

The world today faces existential challenges such as climate change, water and resource scarcity, rising temperatures and other environmental concerns. Despite these challenges, the construction industry has the potential to offer many critical solutions. SunCon, as a leading construction player in Malaysia, intends to galvanise its business model towards serving society as a purveyor of answers and possibilities that will enable a brighter future for all stakeholders.

Key aspects of SunCon's approach to managing environmental footprint include the increased emphasis on consumption efficiency, waste reduction and repurposing, embarking on decarbonisation in line with SunCon's net zero carbon emissions by 2050 (NZC 2050) roadmap and more.

SunCon's NZC has been established in accordance with the recommendations of the Science Based Targets Initiative (SBTi). Reflecting its commitment to decarbonisation, SunCon has set an accelerated target of a 5% annual reduction in Scope 1 and 2 emissions, comparatively higher than the SBTi's recommendation of 4.2%.

Furthermore, SunCon's approach is also aligned with Malaysia's National Energy Transition Roadmap (NETR). SunCon is integrating key NETR elements, including emissions reduction targets, into management KPIs to reinforce our commitment to a sustainable energy transition.

SunCon's operations are governed by our ISO 14001-certified Quality, Environmental, Safety, and Health (QESH) Policy and Management System, which guides our approach to environmental management and preservation. In FY2024, 5 out of 7 (71%) of our operations are certified under ISO 14001:2015.

SunCon adheres to the Environmental Quality Act (EQA) 1974 and adheres to the DOE's Environmental Impact Assessment (EIA) Conditions of Approval (COA). As a result of these rigorous efforts, no environmental fines or penalties were incurred in FY2024.

Environmental Focus Area

- Climate Action
- Circular Economy
- Water Protection
- Biodiversity

Performance on Environmental KPIs and Targets:

SUSTAINABILITY MATTERS	TARGET	INTERIM TARGET 2024	BURSA INDICATOR	2022	2023	2024	LEGEND TRACKING
Climate Action	Reduce Scope 1 emission by 40% by 2030 compared with 2020 levels (2020: 9,713 tonnes CO_2e)	20% reduction	C11(a)	6,998 tonnes	7,440 tonnes	**12,283 tonnes**	26.5% increased from 2020 levels
	Reduce Scope 2 emission by 40% by 2030 compared with 2020 levels (2020: 3,724 tonnes CO_2e)	20% reduction	C11(b)	6,007 tonnes	6,997 tonnes ** 3,692 tonnes after offset*	**6,729 tonnes** **** 2,327 tonnes after offset***	80.7% increased from 2020 levels 37.5% reduced from 2020 levels after offset
Circular Economy	10% waste diversion from landfill by 2030 by improving Segregation strategy	6% diversion	C10(a)	22.5%	19.9%	**26%**	Achieved
Water Protection	Reduce demand on potable water by 30% from 2020 levels by 2030 (2020: 392,726 m^3)	12% reduction	C9(a)	314,821 m^3 (20.8%)	298,366 m^3 (24.0%)	**264,628 m^3**	32.6% reduction from 2020 levels
	Alternate water source (rainwater harvesting / water recycling) of at least 10% of total water withdrawn by 2030	6%	N/A	11.2%	12.3%	**16.0%**	Achieved
	Zero non-compliance on water discharge quality	Zero non-compliance	N/A	Achieved	Not achieved	**Not achieved**	-
Biodiversity	Zero environmental incidents with severe environmental damage	Zero incident	N/A	Achieved	Achieved	**Achieved**	-

Legend: Progress Tracking
- *Meeting interim target, maintain performance towards meeting 2030 target*
- *Falling short of interim target for one year, review current practices*
- *Falling short of interim target for more than two years, review and revise target (if necessary)*

CLIMATE ACTION

CLIMATE CHANGE

Climate change remains one of the most existential threats to our modern economy and lifestyle. The physical and transition risks outlined in various temperature and sea level rise (SLR) scenarios pose significant disruptive effects on nations, economies, industrial sectors and communities. Hence, continued and accelerated concerted action by all stakeholders is imperative to ensure the world does not surpass the point of no return; That is maintaining global temperature rise below 1.5°C.

Our commitment to achieving net zero carbon emissions by 2050 is at the heart of our strategy. By proactively addressing both climate risks (adaptation) and carbon reduction (mitigation), we strengthen operational resilience while supporting global climate goals. In alignment with the Paris Agreement's 1.5°C target, our approach is guided by the SunCon Sustainability Policy, which includes strategic carbon reduction plans.

SunCon views climate change to be a material ESG topic based on the aforementioned impact materiality ramifications as well as in terms of the direct and indirect risks and impacts it poses to SunCon's vertically integrated business model and operations. These extend to the various physical and transition risks associated with climate change.

Environmental

In response to climate change, SunCon is actively pursuing decarbonisation within its operations and across its supply chains. The principal strategies focus on driving energy and resource efficiency, increasing the use of Renewable Energy (RE), particularly solar energy, and focusing on green building and infrastructure development. SunCon's utilisation of VDC, low carbon materials, resource and energy efficient designs and eco-friendly construction methodologies and technologies are central to its ambitions of providing sustainable construction solutions.

Beyond reducing its own carbon footprint, SunCon leverages its financial, intellectual, and manufactured capitals to develop construction solutions that enable clients to minimise energy and resource consumption, thereby lowering their carbon footprint. This includes the provision of sustainable energy solutions and the development of district cooling systems, thermal energy storage, green data centres and more.

SunCon is committed to achieving resilience and thriving within a low carbon economy. This will ensure business relevance while sustaining financial and business operational (FBO) performance, over the short, medium and long-term perspectives.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

The Task Force on Climate-related Financial Disclosures (TCFD) aims to enhance transparency in climate-related financial reporting by providing companies with a structured framework for delivering consistent and reliable climate-related information. This enables organisations to integrate climate considerations into their financial planning and reporting processes, allowing stakeholders to make more informed decisions. The globally recognised framework focuses on four key areas: Governance, Strategy, Risk Management, and Metrics and Targets.

In FY2024, we took a significant step forward by integrating the Task Force on Climate-related Financial Disclosures (TCFD). This marks our initial year of embedding TCFD principles into our reporting, strengthening transparency and alignment with global climate disclosure standards. To ensure continuous improvement in our climate disclosures, we actively stay updated with the latest developments in international climate reporting frameworks. We recognise that the International Financial Reporting Standards (IFRS S1 and IFRS S2), released by the International Sustainability Standards Board (ISSB), have incorporated TCFD recommendations.

As part of our transition to IFRS, we have already aligned our disclosures with selected IFRS S2 (Climate Change Disclosure) indicators in our climate report. Moving forward, our goal is to fully align our reporting with IFRS S1 and S2. Additionally, by 2025/2026, we will integrate ESG and climate-related reporting in line with the recently announced National Sustainability Reporting Framework (NSRF) by the Ministry of Finance.

RISK MANAGEMENT

In 2024, Jeffrey Sachs Center on Sustainable Development (JSC) was appointed to conduct a climate Value at Risk (VaR) assessment on SunCon's two permanent buildings and four active construction sites. The objective of the assessment is to evaluate the implications of both physical and transition risks on the organisation's financial position, performance, and cash flows, in alignment with the IFRS S2 Climate-Related Disclosures.

GHG EMISSIONS INVENTORY

In assessing our emission performance, SunCon meticulously tracks emission across Scope 1, 2 and 3. To ensure accuracy in our calculation methodology, we utilise emission factors from respected sources. Specific emission factors used to convert energy data into emissions have been sourced from the Department for Environment, Food & Rural Affairs (DEFRA) in the United Kingdom, the Energy Commission Malaysia, and the Energy Market Authority Singapore. Driven by our deep commitment to environmental sustainability, we have set a clear and ambitious goal to significantly reduce our GHG emissions. Even when faced with challenges, our dedication to reducing carbon emissions remains steadfast and resolute.

To enhance our GHG emissions inventory, we have expanded our Scope 3 emissions in FY2024 to cover 6 categories, including the two newly added categories: Upstream and Downstream Transportation and Distribution. This builds on last year's reporting, which already accounted for Purchased Goods and Services, Waste Generated in Operations, Business Travel, and Employee Commuting. By broadening our scope, we improve the accuracy and comprehensiveness of our emissions reporting, reinforcing our commitment to transparency and responsible environmental practices.

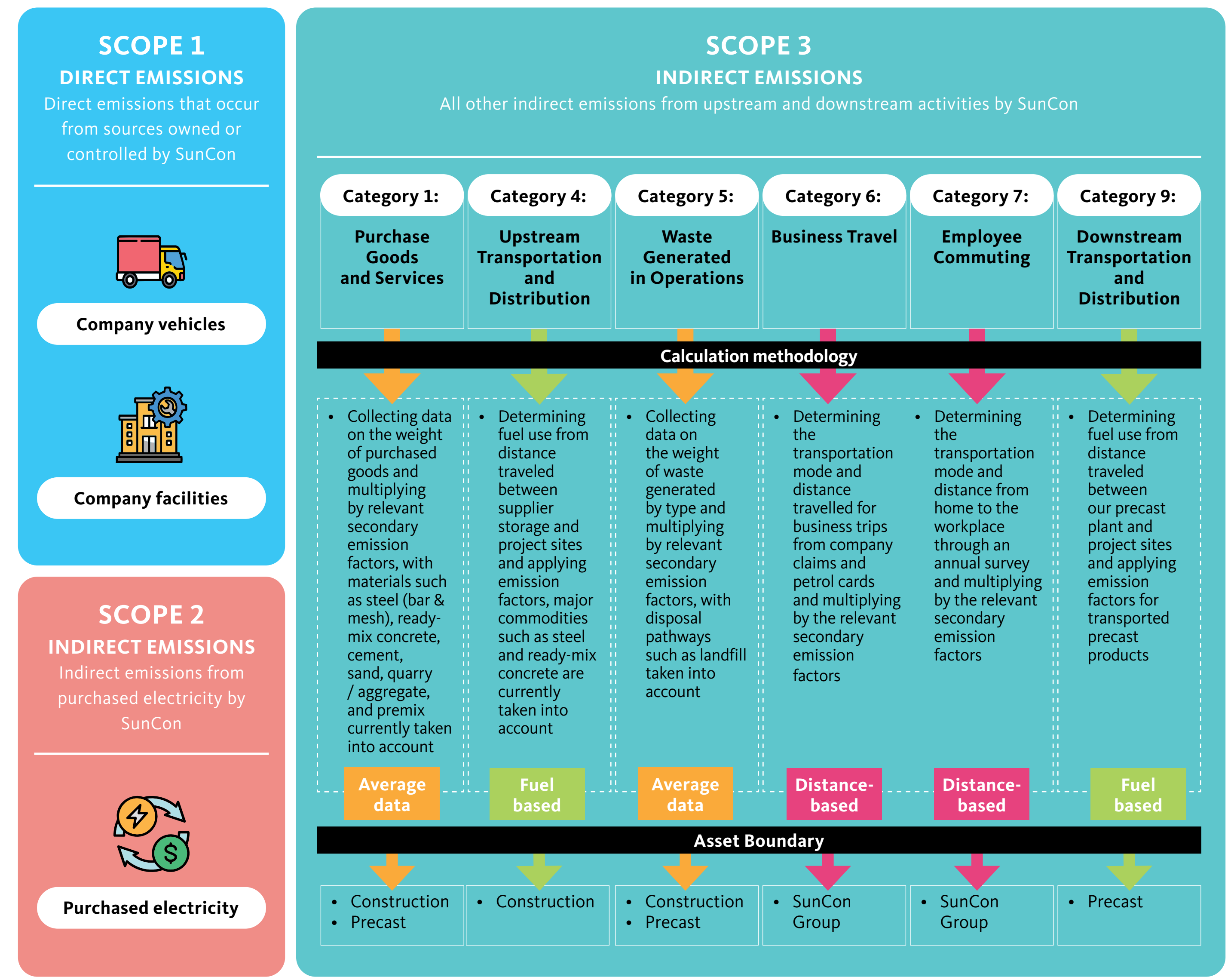
SUSTAINABILITY STATEMENT

Environmental

We have achieved a 22.6% reduction in emissions intensity in FY2024 from our FY2020 baseline, driven by energy efficiency, reduced consumption, and increased renewable energy use. Our commitment to long-term carbon reduction remains a priority as we align with global sustainability targets.

Total GHG Emissions by Scope in FY2024

As in previous years, SunCon continues to provide disclosures on its GHG inventory, which comprises Scope 1, 2 and 3 emissions. Following is the breakdown of the energy sources for each emissions Scope:



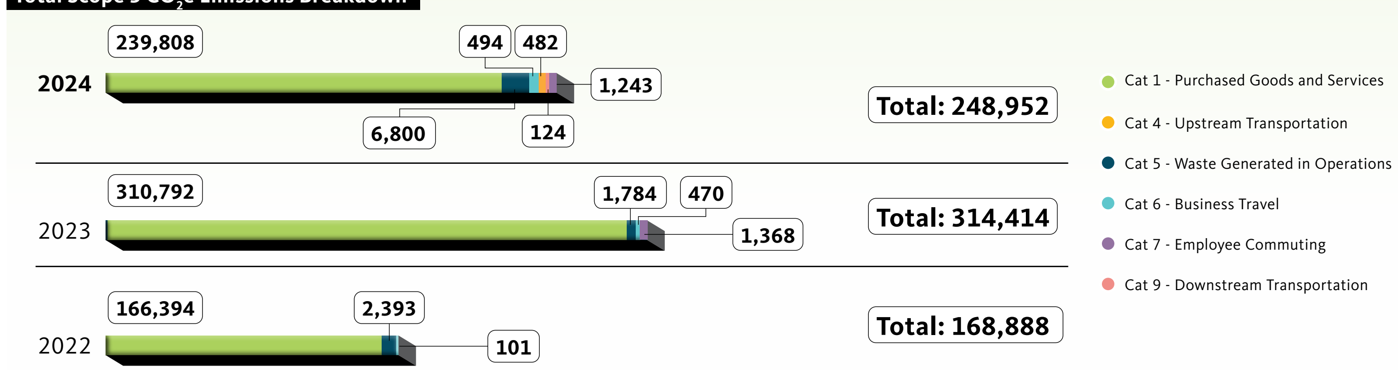
SUSTAINABILITY STATEMENT
Environmental

GHG Inventory and Emissions Profile

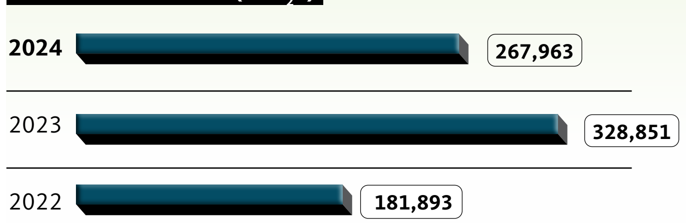
As in previous years, SunCon continues to provide disclosures on its GHG inventory, which comprises Scope 1, 2 and 3 emissions. Following is the breakdown of the energy sources for each emissions Scope:

Emissions Scope	Energy Sources	Boundary	Data (tCO_2e) 2022	2023	2024
Scope 1	Fossil fuel consumption comprising diesel, petrol, both for stationary and mobile combustion from vehicles and mobile equipment.	Project sites and precast plants owned or controlled by SunCon.	6,998	7,440	**12,283**
Scope 2	Primarily purchased energy, sourced from the national energy utility provider consumed by SunCon.	SunCon's head office, project worksites, company assets and precast plants.	6,007	6,997	**6,729**
Scope 3	Upstream and downstream emissions arising from the following categories[1]:				
	1. Purchased Goods and Services	Construction & Precast Division - Average Data	166,394	310,792	**239,808**
	4.Upstream Transportation and Distribution	Construction - Fuel Based	-	-	**482**
	5. Waste Generated in Operations	Construction & Precast Division - Average Data	2,393	1,784	**6,800**
	6. Business Travel	SunCon Group - Distance - Based	101	470	**494**
	7. Employee Commuting	SunCon Group - Distance - Based	-	1,368	**1,243**
	9. Downstream Transportation and Distribution	Precast Division - Fuel - Based	-	-	**124**

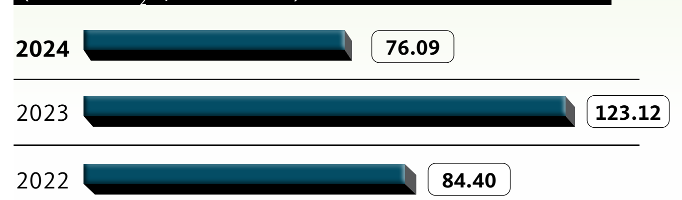
Total Scope 3 CO_2e Emissions Breakdown



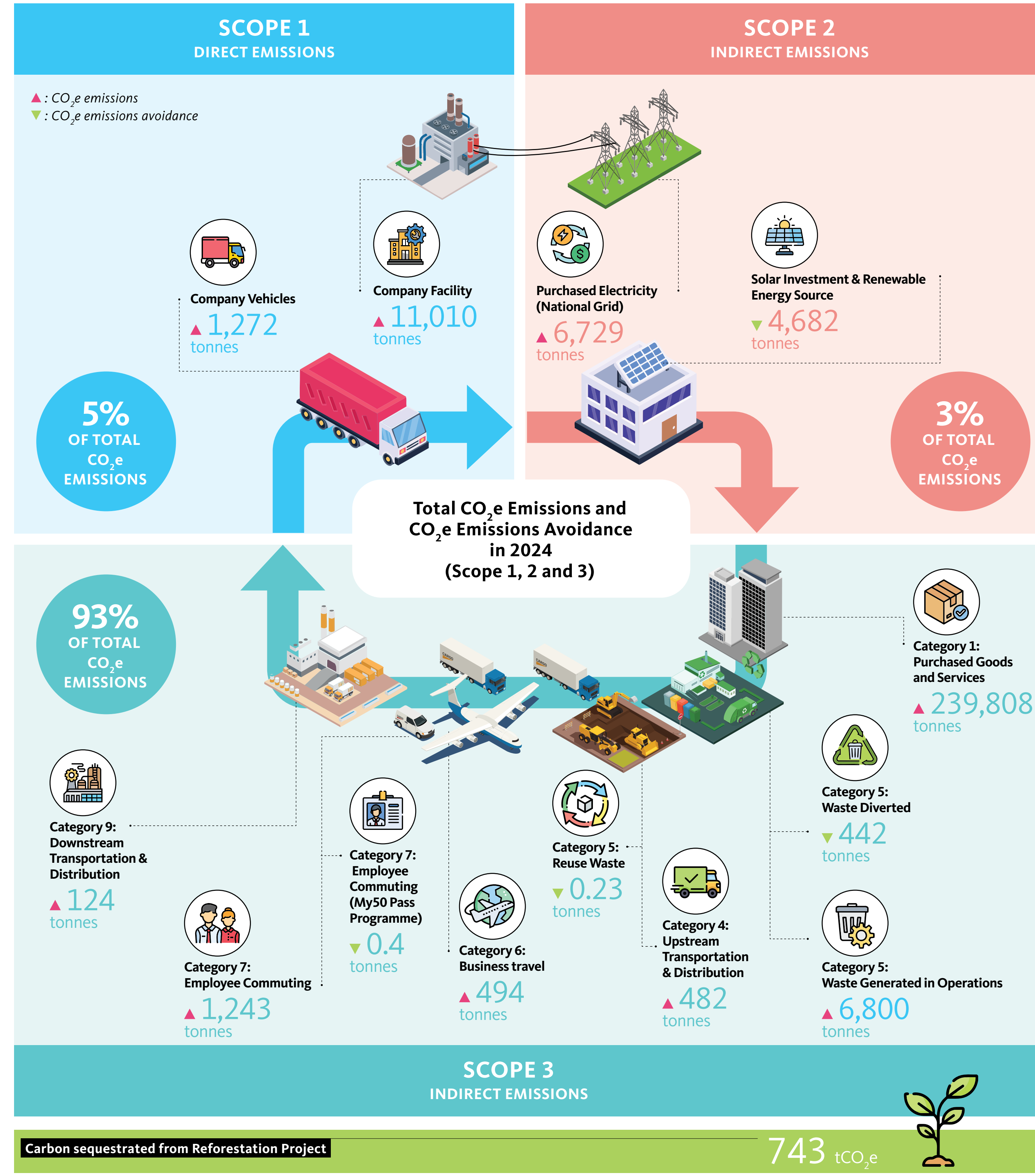
Total GHG Emission (tCO_2e)



Emission Intensity (Scope 1, 2 and 3)
(tonnes CO_2e / RM million)



[1] Scope 3 emissions categories are based on the categories provided under the IPCC GHG Protocol.
[2] Average-data method: Estimating emissions for goods and services by collecting data on the mass (e.g. kilograms), or other relevant units of goods or services purchased and multiplying by the relevant secondary (e.g. industry average) emission factors (e.g. average emissions per unit of goods or services).
[3] Distance-based method: Determining the distance and mode of travel, then applying the appropriate emission factor for the mode used.



Figures stated may not add up due to rounding of decimals

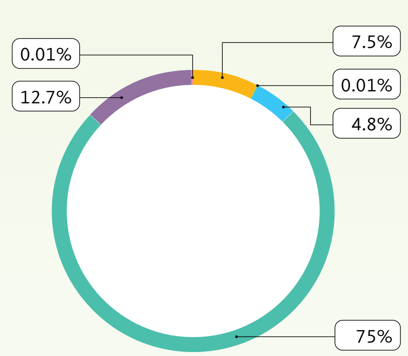
Environmental

Emissions Avoidance

SunCon has continued its efforts in emissions avoidance and offsets, achieved through various initiatives and programmes throughout the year. Total emissions avoidance was 5,868 tonnes CO_2e, reflecting 2.2% of SunCon's total emissions.

To further reduce its carbon footprint, SunCon has invested in rooftop solar panels at its operational sites, waste optimisation, reforestation projects, green attributes from solar investment projects, and sustainable employee commuting initiatives. In FY2024 Q4, we introduced a site energy management checklist across all project sites to systematically track and optimise energy usage, identify inefficiencies, and implement corrective actions for greater energy savings. Moving forward into FY2025 and beyond, we aim to enhance energy efficiency across all project sites by adopting measures such as LED lighting and upgrading to inverter air conditioners, ultimately reducing emissions and energy consumption.

Emission Avoidance in FY2024 (tCO_2e)



Waste Diverted from Landfill	441.9 tCO_2e
Reuse Initiative	0.23 tCO_2e
Electricity Generated from Renewable Sources	279.9 tCO_2e
Green Attributes from Solar Investments Projects	4,402.4 tCO_2e
Reforestation Projects	743.0 tCO_2e
MyPass 50 Programme	0.4 tCO_2e

Figures stated may not add up due to rounding of decimals

Carbon Reduction Strategy

In providing further organisational impetus for addressing its carbon footprint, SunCon has established its Carbon Reduction Strategy centred on four focus areas:

Our Carbon Reduction Strategy

Energy Optimisation

- Upgrade to energy-efficient equipment
- Increase renewable energy adoption in operations
- Transition from diesel-powered equipment to low-emission or electric alternatives where feasible
- Explore the use of alternative fuels

Advocacy

- Conduct sustainability workshop for key project personnel and awareness training for staff
- Engage major commodities supply chain for low-carbon plans and targets
- Enhance procurement strategies to include sustainability and climate considerations
- Prioritise local suppliers to reduce transportation emissions from materials deliveries

Carbon Market

- Trade green attributes from solar investment projects and CGPP to generate income for the near-term whilst operations remain focused on enhancing energy efficiency initiatives
- Exercise carbon avoidance credits to offset residual Scope 2 emissions by 2028
- Continue to explore potential RE projects for credits trading

Product Stewardship

- Utilise current and emerging technologies, such as BIM and IBS to optimise energy use and reduce embodied carbon of projects
- Prioritise low-carbon options, such as products with recycled content (where feasible)
- Minimise waste generation through design and process optimisation

Scope of emissions addressed

Energy Optimisation	Advocacy	Carbon Market	Product Stewardship
Scope 1, scope 2, and operational scope 3	Operational and embodied scope 3	Scope 2	Embodied scope 3

Going further, specific decarbonisation goals have been established to address each emissions scope with defined timelines ascribed for each goal.

Timeframe	Scope 1	Scope 2	Scope 3
2030: Mid-term	• Transition from diesel-powered equipment where possible • Replace aged machinery • Establish project-level KPIs • Review sub-contracting strategy	• Define carbon offset credits generated by solar investment projects • Explore rooftop solar at ICPH • Establish project-level KPIs	• Engage major commodity supplier on managing supply chain ESG • Complete full Scope 3 emissions accounting and establish a viable reduction target by 2027 • Incorporate environmental and social assessment as part of the supply chain selection process by 2026 • Review business strategy
2045: Long-term	• Tap technological solutions to advanced machinery fleet • Explore alternative fuel source	• Tap technological solutions on electricity consumption	• Tap technological solutions to reduce emissions • Explore viable carbon credits to offset residual carbon • Promote low-carbon transportation for materials deliveries and business travels

LEVERAGING SOLAR INVESTMENT PROJECTS

Malaysia's National Energy Transition Roadmap (NETR) aims for a 70% renewable energy mix by 2050, serving as a framework for the country's shift toward clean energy. Aligned with this vision, SunCon actively supports Malaysia's energy transition through renewable energy services, including large-scale solar farms and rooftop solar solutions for commercial and industrial buildings. This reflects SunCon's strong commitment to reducing carbon emissions and supporting SDG 7 (Affordable and Clean Energy).

Since 2015, over 80% of global new energy generation has come from renewable sources, primarily solar, highlighting a growing commitment to sustainability and urgent climate action. SunCon's Sustainable Energy division recently achieved a major milestone by securing an 11.8 MW quota under the Corporate Green Power Programme (CGPP) from the Energy Commission. The CGPP Kapar plant, owned by SunCon, is anticipated to be operational starting early 2026 and is expected to generate 14,594 MWh of renewable energy annually, preventing 11,295 tonnes of CO_2 emissions each year.

Beyond CGPP projects, SunCon has played a key role in delivering solar installations for commercial, industrial, and institutional clients, achieving a cumulative capacity of 196,704 kWp. As of 2024, these projects collectively generate 243,274 MWh of clean energy per year, offsetting approximately 188,294 tonnes of CO_2 emissions annually.

Additionally, SunCon operates its own solar installations at locations such as the BRT Sunway Line Stations and Depot, along with several commercial and industrial properties, with these self-owned systems estimated to contribute up to 4,688 tonnes of CO_2 reduction annually at maximum capacity.

In 2024, SunCon's efforts across CGPP projects, stakeholder projects, and company-owned assets have resulted in a total clean energy generation of 263,924 MWh per year, preventing approximately 204,277 tonnes of CO_2 emissions annually. This impact is equivalent to the carbon sequestration of 9.73 million trees, reinforcing SunCon's pivotal role in Malaysia's clean energy transition.

Environmental

SUSTAINABILITY STATEMENT

Environmental

Through the continued installation of solar arrays, SunCon is playing a direct role in facilitating decarbonisation of companies and which is consistent with the realisation of Malaysia's RE mix installed capacity target as provided in Malaysia's Energy Transition Plan 2021 – 2040.

LSS4 Kapar has been fully commissioned and operational since May 2024

SunCon's Solar Investment at USM

PROMOTING SUSTAINABLE BUILDING

Aligned with Sustainable Development Goal 11 – Sustainable Cities and Communities, SunCon leverages its expertise to drive green building solutions. We are on track to complete eight green buildings, contributing 22% of our total revenue and strengthening our leadership in constructing eco-friendly structures with minimal environmental impact.

	Project	Certification
1	Sunway Velocity Two, Kuala Lumpur - Plot B	GreenRE - Gold
2	Sunway Belfield, Kuala Lumpur	GreenRE - Platinum
3	Sunway Square, Sunway City Kuala Lumpur - Tower 1	LEED - Gold, GreenRE - Platinum
4	Sunway Square, Sunway City Kuala Lumpur - Tower 2	LEED - Gold, GreenRE - Platinum
5	Sunway Square, Sunway City Kuala Lumpur - Retail	GreenRE - Platinum
6	Sunway Square, Sunway City Kuala Lumpur - Sunway University & Performing Arts Centre	GreenRE - Gold
7	Sunway Flora, Bukit Jalil	GreenRE - Platinum
8	Sunway Medical Centre Phase 4	GreenRE - Bronze

As a committed contractor, SunCon adheres strictly to relevant building codes and standards, particularly those related to material selection as specified by designers. This commitment ensures that our construction practices not only meet industry benchmarks but also contribute positively to the development of sustainable, eco-friendly urban spaces.

PIONEERING SUSTAINABLE ENERGY SOLUTIONS

SunCon is expanding its sustainable energy portfolio beyond solar by delivering advanced energy infrastructure that enhances efficiency and reduces environmental impact. A key initiative is the District Cooling System (DCS) at Sunway Square, Sunway City Kuala Lumpur, developed in collaboration with ENGIE Southeast Asia. Targeted for completion in April FY2025, this project will play a pivotal role in optimising cooling efficiency, supporting SunCon's commitment to sustainable and innovative energy solutions.

District cooling systems with Thermal Energy Storage (TES) significantly reduce energy consumption and operational costs by producing chilled water during off-peak hours, when electricity demand and rates are lower. The chilled water is stored in TES tanks and used during peak hours, when electricity prices are higher. Additionally, it enhances chiller efficiency by ensuring stable operations, cuts CO_2 emissions by thousands of tonnes annually, and reduces strain on the electricity grid, potentially delaying the need for costly infrastructure expansions.

By integrating renewable energy sources and energy-efficient cooling solutions, the DCS project aligns with Malaysia's National Energy Transition Roadmap (NETR) and global targets such as SDG 7 (Affordable & Clean Energy) and SDG 13 (Climate Action). This initiative strengthens SunCon's climate resilience strategy while supporting a low-carbon future.

ENVIRONMENTAL MANAGEMENT

NOISE AND AIR POLLUTION

SunCon continues to ensure DOE-compliant operations in all aspects, including noise and air emissions. In addition, compliance performance was closely monitored throughout 2024 to uphold adherence to all relevant regulatory requirements. Air emissions, noise levels, and water parameters are rigorously monitored across all construction sites to ensure adherence to DOE's performance parameters and equivalent regulations in other regions we operate in.

Noise levels at all sites have been measured both during the day and night. Measurements by both SunCon and regulatory authorities validate that onsite construction noise remained within permissible levels. The same applies to recorded air emissions on site.

CIRCULAR ECONOMY

The circular economy is the application of methodology and processes that aim to reduce, conserve and reuse resources and materials within the business process for as long as possible and if permissible, to continue recycling and reusing said material in perpetuity. In essence, the goal is to eliminate the generation of waste products and minimise resource consumption from cradle to gate. This approach is in contrast to the linear economy, where resources are consumed to produce goods and services and waste is produced throughout or at the end of process. In a linear economy, producing new products or services continuously requires new resource inputs.

The significance of adopting circular economy principles and methodologies is apparent for the construction sector, which is a comparatively resource-intensive sector. According to the World Economic Forum's 2016 report, "Shaping the Future of Construction: A Breakthrough in Mindset and Technology," the construction sector accounts for approximately 50% of global steel production and consumes over 3 billion tonnes of raw materials annually.

The production and consumption aspects of the construction sector lead to the generation of waste products such as emissions, construction waste and more. It can also contribute to the eventual depletion of finite natural resources and materials.

However, through increased emphasis on circular economy approaches, the construction industry can be remodelled to be highly efficient and sustainable. In this manner, the sector is able to address its resource-intensive nature while meeting the global needs for socioeconomic and infrastructure development.

Consistent with SunCon's alignment with United Nations Sustainable Development Goal 12: Responsible Consumption and Production, SunCon is actively incorporating circular economy approaches across its business operations and processes. Specifically, SunCon focuses on targets 12.4, which focuses on the Responsible Management of Chemicals and Waste, and 12.5, which aims at the Reduction of Waste Generation.

Continuing our focus on resource efficiency, SunCon recognises its importance not only for promoting sustainable practices but also for driving cost and production efficiencies, which in turn contributing to improved financial performance. In the construction industry, where the consumption of natural resources and generation of waste are inherent, adopting a circular economy mindset is crucial.

By integrating circular economy principles with good design, building, and procurement practices, SunCon is better positioned to minimise the generation of waste that ends up in landfills. This approach goes beyond waste reduction; It's about rethinking how we use resources to create more sustainable, efficient processes.

SunCon's management approach to resource consumption is also guided by its comprehensive QESH policy. The policy can be viewed here:

Scan the QR code to view SunCon's QESH Policy.
https://ir2.chartnexus.com/suncon/doc/cg/QESH%20Policy%20(20241111)%20(English).pdf

This commitment involves rigorous Environmental Impact Assessment (EIA) and the implementation of control measures, particularly in the focus areas of waste management and material management.

Environmental

RESOURCE / MATERIALS CONSUMPTION

SunCon continues to focus on resource consumption efficiency, both in reducing financial outlay as well as in minimising environmental and social impacts. As part of our commitment to responsible resource management, we focus on optimising the use of materials while adhering to industry best practices. SunCon's top five consumed resources are steel bars, cement, sand, ready-mixed concrete and quarry products.

In 2024, SunCon achieved a reduction in steel-related and cement-related emissions through optimised design and enhanced procurement strategies. These efforts contributed to a significant overall reduction in our Scope 3 emissions, reinforcing our commitment to sustainable construction practices.

Material consumption (MT)	FY2022	FY2023	FY2024
Steel (Bar & Mesh)	36,346	64,760	**47,337**
Cement	34,578	38,810	**19,412**
Sand	77,262	81,627	**61,296**
Ready Mixed Concrete	124,524	359,061	**473,992**
Quarry	143,443	124,586	**181,703**
Premix	759	410	**440**
Total	416,912	669,255	**784,179**

The approach to resource use efficiency is centred on the following considerations:

- **Striving for cost efficiencies**
- **Reducing waste through the practice of 3R approaches**
- **Ensuring quality, cost efficiency, and timely project completion**
- **Reducing environmental impact, including carbon footprint**

The above four approaches are integrated into execution strategies across the construction process from resource sourcing through project completion and management. In particular, SunCon leverages its expertise in Virtual Design and Construction (VDC) through the use of Building Information Modelling (BIM) technology to optimise resource use, thereby reducing the quantities required for its projects. Other materials management best practices include:

- Doing the right things the first time and every time
- Procurement of materials based on work programme to minimise premature delivery of materials
- First-In-First-Out (FIFO) practices
- 5-S System

Lifecycle Perspective

Lifecycle perspective comprises the analysis of a product or material throughout the production process from the start of its existence right to the end-of-life stage. In essence, from cradle to gate or cradle to grave.

This enables the development of accurate environmental impacts of a product including Scope 3 emissions and also the identification of improvement opportunities across its lifecycle. It is critical for developing embodied carbon data, aligning with global regulations such as cross-border carbon mechanisms and embodied carbon thresholds. Suncon and its subsidiraries which were certified to ISO 14001:2015 continue to adhere to its requirements, which mandate Environmental Impact Assessment (EIA) as a prerequisite for construction activities to minimise carbon emissions and supply chain impacts.

Incorporation of Recycled and Low Carbon Building Materials

SunCon remains committed to sustainable building by incorporating innovative low carbon materials into its projects, aligning with client specifications and project feasibility. Where commercially and operationally viable, SunCon prioritises lower-carbon alternatives to reduce embodied carbon and support a circular economy approach.

Moving forward, one of the key initiatives is the transition from Basic Oxygen Furnace (BOF) steel rebars to Electric Arc Furnace (EAF) steel rebars, which consist of 95% recycled steel. This shift significantly reduces carbon intensity, as EAF steel rebars have an emission factor of 0.68 tCO_2e per tonne, compared to 2.33 tCO_2e per tonne for BOF steel—representing a 71% reduction in carbon footprint. By incorporating EAF steel into our projects, SunCon is actively exploring ways to lower embodied carbon in construction materials, aligning with global decarbonisation goals and cross-border carbon regulations.

Moreover, eco concrete, which contains Pulverised Fuel Ash (PFA) and Ground Granulated Blast-furnace Slag (GGBS) in its mix, is used to enhance the sustainability of concrete and reduce environmental impact. Additionally, Autoclaved Aerated Concrete (AAC) is increasingly employed as an environmentally friendly alternative to conventional building materials. AAC is used for walls, offering benefits like good workability, efficiency, and a reduced environmental footprint.

SUSTAINABILITY STATEMENT

Environmental

SunCon remains committed to sustainable building by integrating innovative low carbon materials into its projects, aligning with client specifications.

Lastly, one of our projects successfully utilised bamboo as a reinforcement material for soil stabilisation. It serves as a sustainable replacement for conventional methods due to its renewable nature, biodegradability, and ability to enhance the load-bearing capacity of soil while also being cost effective.

STRIVING FOR REDUCED MATERIAL WASTE

A further application of the circular economy approach is the ongoing focus on reducing material waste. This is driven both by cost as well as environmental considerations. Reducing waste helps lower project costs, which contributes to increased competitiveness and enhanced earnings margins.

Hence, the rationale for establishing specific waste targets is to ensure that material waste does not exceed a set project threshold. Targets or thresholds are determined based on the specific material and the project's nature.

	Target	Percentage of project sites that achieved target in FY2024 (%)
Ready-mix Concrete Foundation		
Piling Works	25%	-
Basement Works	15%	**100%**
Ready-mix Concrete		
Building Works	5%	**92%**
Civil Works	8%	**100%**
Steel Bars		
Geotechnical Works	10%	-
Building Works	8%	**100%**
Civil Works	8%	**100%**
Building Works		
Bricks	7%	**100%**
Tiles	8%	**100%**

Responsible Waste Management

Despite comprehensive waste reduction strategies, waste remains an inevitable by product of business operations. Waste produced is categorised into scheduled waste or waste regulated under the Environmental Quality (Scheduled Wastes) Regulations 2005, and non-scheduled or non-hazardous waste. The latter includes certain types of construction waste and domestic waste from operational sites.

All produced waste is managed and disposed in accordance with regulations. Scheduled waste is securely stored in designated scheduled waste storage areas on-site, meticulously monitored and eventually disposed by DOE-licensed third-party waste disposal companies.

Effective waste management is crucial for regulatory compliance, helping to prevent fines, site closures, and damage to reputation and stakeholder trust. It is also essential in preventing untoward environmental harm and protecting the health of local communities.

SunCon's waste management approach is guided by regulatory compliance, the QESH Policy and the following process flowchart which is implemented across all operational sites:

SunCon's Waste Management Process

01 Waste Segregation
Segregated into:
- Hazardous Waste
- Non-Hazardous Waste

02 Waste Storage
- Hazardous Waste
- Reusable and Recyclable Waste
- Domestic Waste
- Construction Waste

03 Waste Transport
- Waste is transported by appointed licensed waste collectors to approved landfills or recovery centres

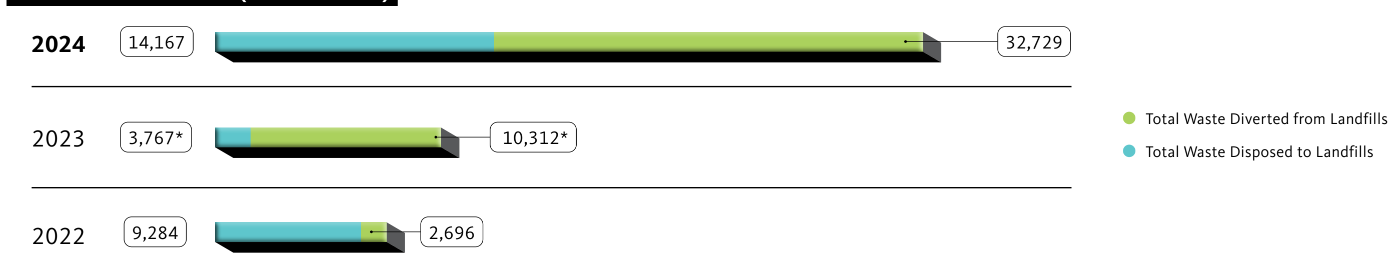
04 Waste Treatment
- Recovery of Waste Stream
- Recycling Facilities

05 Waste Disposal
- Incineration
- Landfill

Environmental

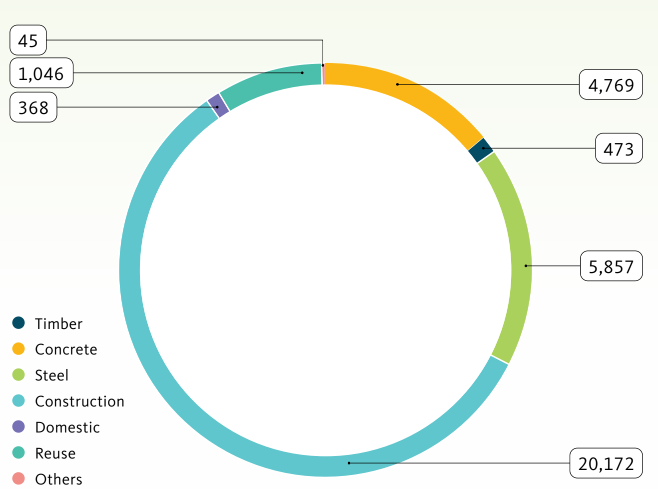
SunCon has set a target of diverting at least 10% of its waste from landfills by 2030 as part of its sustainability strategy. This is to be achieved by strategic investment in on-site waste segregation, ensuring the proper allocation of waste bins for material such as timber, concrete, and mixed waste. These segregated waste streams are then sent to transfer stations for further processing, recovery, or responsible disposal, supporting circular economy principles and reducing landfill dependency. In 2024, SunCon optimised waste management by achieving a 26% landfill diversion rate and implementing waste reuse initiatives that collectively prevented 442 tCO_2e emissions. The diversion rate excludes construction mixed and domestic waste. Our reporting follows a cradle-to-gate approach, ending at the point of delivery to sorting facilities; thus, any further recycling beyond that point falls outside our reporting boundary.

Total Waste Generated (Metric tonnes)

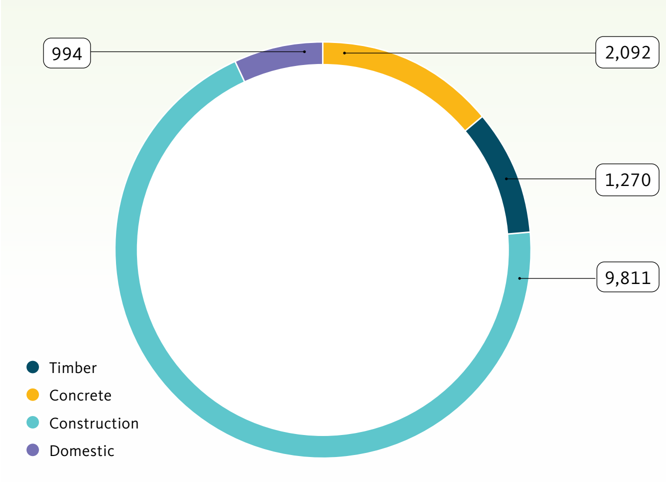


* *Restated*

Total Waste Diverted from Landfills in 2024 (Metric tonnes)



Total Waste Disposed to Landfills in 2024 (Metric tonnes)

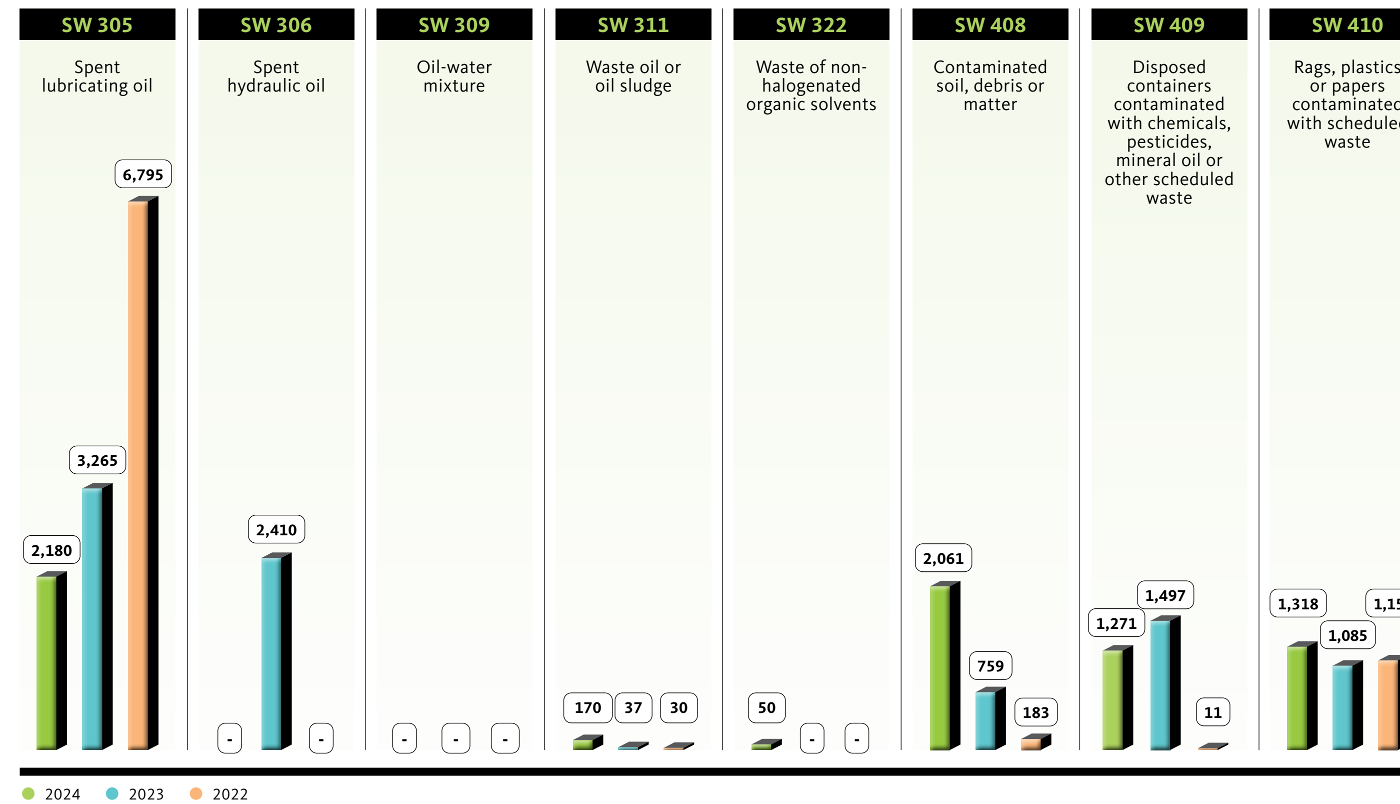


Environmental

Hazardous Waste Management

We strictly manage hazardous waste in compliance with regulations, ensuring secure on-site storage, continuous monitoring, and disposal through licensed collectors at approved facilities.

Scheduled Waste (kg)



Chemical Storage Area designed in compliance with Environmental Quality Act 1974.

Non Hazardous Waste

Non-hazardous waste can be further classified into two categories: waste sent to landfill and waste diverted from landfill (which refers to waste that is collected and sorted for recycling). Waste diverted from landfill typically includes timber, concrete, paper, glass, plastics, and aluminium-based materials. In addition to alleviating pressure on current waste disposal sites, diverting waste from landfill also helps reduce Scope 3 emissions.

In FY2024, SunCon successfully diverted 26% of waste from landfills, exceeding our annual target of 10%. This achievement underscores our commitment to sustainable waste management and circular economy principles.

Environmental

SUSTAINABILITY STATEMENT

Environmental

01

Concrete waste is reused as crusher run for the temporary internal access roads within a project site

02

Steel bars are sent to mills or foundries for recycling

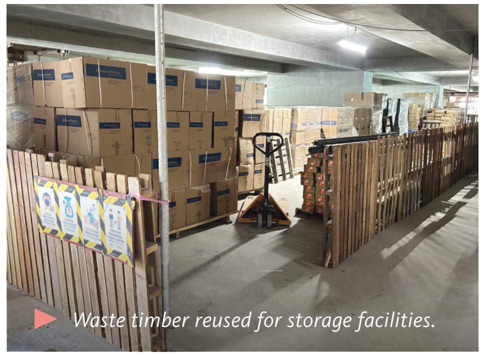
03

Timber waste is mainly reused for signage, storage facilities and other site facilities

04

Recyclable waste from domestic waste are sent to recycling centres for further processing

Waste concrete repurposed as working platform.



Waste timber reused for storage facilities.

Cable drum reused in rest areas.

Embracing the 3R Principle

Consistent with its QESH Policy and circular economy philosophy, SunCon aims to progressively minimise waste disposed at landfills. SunCon has implemented a 3R approach to reduce, reuse, and recycle wherever feasible. Our focus is on minimising waste generation, repurposing materials where possible, and recycling to the greatest extent possible. Sending waste to landfills is considered a last resort. The 3R strategy not only promotes responsible waste management but also helps conserve natural resources.

WATER PROTECTION

WATER MANAGEMENT AND CONSERVATION

SunCon recognises that water is a finite resource shared among stakeholders and must be used efficiently and, where possible, conserved, given the increasing strain on water resources in its operational locations.

The effects of climate change on depleting water resources are becoming increasingly pronounced, as evidenced by reduced rainfall, lower river water levels, and prolonged incidents of drought-induced water scarcity.

Water is important to construction operations, consumed for the washing and cleaning of machinery, for construction works, irrigation, testing and commissioning, dust suppression, and road-cleaning works.

In Malaysia, where most of SunCon's operations are based, water shortages have minimal impact, and water costs remain low due to comparatively low non-residential tariffs. Any disruption of municipal water supply can be alleviated through use of rainwater harvesting systems, supply tankers or even tapping groundwater (with approvals obtained from regulatory authorities).

According to the Aqueduct Water Risk Atlas from the World Resources Institute, none of SunCon's active operations, sites, and premises are located within water-stressed regions. Regardless, the conservative approach to water management and consumption is driven by the realisation that water is a precious resource.

However, given that water is a shared resource, SunCon continues to adopt an approach centred on water utilisation efficiency, primarily the avoidance of wastage attributed to non-revenue water (NRW) loss. To this effect, water consumption monitoring is undertaken to assess leakages or water theft, and rainwater harvesting is implemented where feasible to reduce dependence on potable state utility water. Other methods employed include utilising water from silt traps and reusing water from wheel washing bays.

SunCon's primary water source is obtained from respective state water operators in Malaysia and from local water utility providers for operations outside Malaysia.

Water Protection Initiatives

In previous years, SunCon has consistently monitored wastewater quality in compliance with the Environmental Quality Act 1974. Starting from FY2024, we have expanded our efforts by tracking the quantity of wastewater discharge from applicable project sites. This initiative strengthens our water management disclosures and reporting, ensuring greater transparency and accountability.

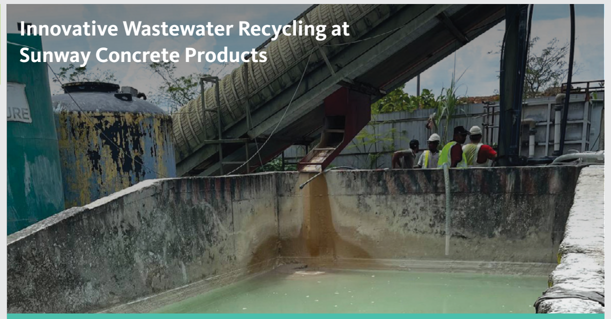
SunCon has implemented comprehensive water management practices across all of its project sites, integrating water recycling facilities and rainwater harvesting. These initiatives not only reduce dependency on potable water but also enhance resilience against water-related risks.

To further improve water efficiency, starting FY2024, each project site has installed water meters which systematically track the volume of rainwater harvested and the amount of recycled water used, enabling precise monitoring, optimisation of water consumption, and reducing reliance on municipal water sources. By proactively managing water usage, SunCon aims to minimise financial risks associated with potential water shortages, regulatory compliance costs, and operational disruptions.

Recognising the importance of reducing water consumption in water-stressed regions, SunCon has set a target to decrease water usage by 30% at these sites by 2030, using 2020 as the baseline year. This goal will be achieved through enhanced rainwater harvesting and water recycling initiatives.

In FY2024, SunCon successfully utilised 50,467 m³ of alternative water sources, representing 16% of total water consumption, exceeding our initial target of 10%. This achievement resulted in an estimated cost savings of RM148,364.58, reinforcing our commitment to sustainable water management.

01 **Innovative Wastewater Recycling at Sunway Concrete Products**



Purpose: Wastewater treatment system at the batching plant is designed to treat wastewater and produce 111 m³ of recycled water daily for non-potable applications.

02 **Rainwater Harvesting at Sunway Enterprise**

Purpose: Utilise harvested rainwater for housekeeping and operational purposes to reduce the reliance on potable water supply.

03 **Water Recycling Facilities at Sunway City Ipoh Mall**

Purpose: Recycled water is utilised for dust suppression and wheel washing.

04 **Rainwater Harvesting at construction site**

Purpose: Temporary rainwater harvesting system set up at the construction site for boot washing and larviciding activities.

Environmental

Water Protection Initiatives

Recycled water

A total of 50,069 m³ of recycled water was reused for non-potable applications like dust suppression and machinery wheel washing.

Rainwater harvesting

398 m³ of rainwater harvested was used for boot washing and larviciding activities.

Water Withdrawal and Consumption

Municipal Potable Water 264,628 m³

Recycled Water 50,069 m³

Harvested Rainwater 398 m³

Total Water Consumption 315,095 m³

Water Consumption Data (m³)	FY2022	FY2023	FY2024
Water Withdrawal by Source:			
Surface water withdrawal (lakes, rivers, natural ponds)	0	0	0
Groundwater withdrawal (wells, boreholes)	0	0	0
Used quarry water withdrawal	0	0	0
Municipal potable water withdrawal	314,821	298,366	264,628
External wastewater withdrawal	39,821	41,570	50,069
Harvested rainwater withdrawal	16	146	398
Ocean / seawater withdrawal	0	0	0
Total Water Withdrawal (m³)	354,658	340,082	315,095
Water withdrawal from water-stressed region	0	0	0
Total Water Consumption (m³)	**354,658**	**340,082**	**315,095**
Water Discharged by Destination:			
Ocean water total discharge	N/A	N/A	0
Surface water total discharge	N/A	N/A	0
Subsurface water / well total discharge	N/A	N/A	0
Off-site water treatment total discharge	N/A	N/A	376
Beneficial / other use total discharge	N/A	N/A	27
Total Effluent Discharged (m³)	N/A	N/A	**403**

SUSTAINABILITY STATEMENT

Environmental

WASTEWATER MANAGEMENT

While SunCon's operation does not generate industrial wastewater, there are still wastewater produced on sites. Wastewater generated at construction sites falls into two primary categories: wastewater from construction-related activities, mainly silt water, and wastewater from non-construction activities such as domestic waste.

In managing non-construction-related wastewater, SunCon engages service providers to routinely maintain the sewage storage tanks for portable and temporary toilets. The use of temporary toilets was an initiative implemented in Q4 2024, covering five project sites and resulting in 376 m³ of wastewater. From FY2025 onwards, all project sites are expected to implement this initiative as part of our standard site management practices. For waste originating from canteen operations, grease traps have been installed at sink outlets. The grease collected is disposed of separately, ensuring responsible waste management and preventing environmental contamination.

Silt water is collected and managed using erosion and sediment control such as silt fences, silt traps and retention ponds. In managing construction-related wastewater, we have established comprehensive Best Management Practices (BMPs) to ensure effective discharge management. Our approach includes the use of silt fences, silt traps, temporary perimeter drainage, check dams, and slope protection measures. These practices are designed to prevent surface runoff and sediments from contaminating water bodies located adjacent to or near our construction sites.

We diligently monitor all water discharge points at regular intervals to ensure compliance with the DOE standards. Immediate corrective actions are taken if Total Suspended Solids (TSS) levels exceed permissible limits. While river water monitoring has indicated several incidents of non-compliance, they were attributed to external factors and not directly related to SunCon's operation.

Additional information on SunCon's wastewater and pollution monitoring indicators are disclosed in the Key Performance Data section on pages 313 to 327.

BIODIVERSITY

SunCon is cognisant on the materiality of biodiversity in ensuring liveable environments and the health of marine and land ecosystems. Biodiversity loss can lead to the breakdown of food chains, the rise of diseases, loss of traditional livelihoods for local communities and other negative impacts.

SunCon continues to adhere to its Quality, Environmental, Safety, and Health (QESH) Policy which provides the basis for SunCon's management approach as a responsible construction company. SunCon abides by requirements stipulated in its contracts and those stipulated in project Environmental Impact Assessment (EIA). Moreover, further underscoring our commitment, biodiversity conservation is also reflected in SunCon's Sustainability Policy, which outlines our approach to responsible construction and environmental stewardship.

This policy is publicly accessible at https://ir2.chartnexus.com/suncon/doc/cg/Sustainability-Policy.pdf

In FY2024, 5 out of 7 (71%) of our operations have been certified with ISO 14001:2015. However, given its mandate as a builder and project facilitator, SunCon relies on EIA reports and biodiversity assessments provided by project owners. SunCon has little to no control over biodiversity preservation and management, as these responsibilities largely fall under the purview of the project or site owner.

Environmental

Despite not being the site owner, SunCon remains committed to safeguarding biodiversity by proactively identifying and monitoring potential risks throughout construction activities. We go beyond compliance by continuously assessing biodiversity impacts and verifying the Environmental Impact Assessment (EIA) status of our projects.

In 2024, EIA assessments were conducted for 50% of our active project sites before receiving project approval and commencing work. Among these nine sites, biodiversity risks were assessed and deemed negligible. This demonstrates our commitment to responsible construction practices, ensuring that environmental considerations, particularly biodiversity preservation, remain integral to our operations.

For non-EIA projects, it was agreed to include formal justifications and authorities' statements as appendices to clarify EIA exemptions under the Environmental Quality (Prescribed Activities) (EIA) Order 2015, ensuring transparency for future audits.

Proper documentation supports compliance with EIA exemptions and will be made publicly available. SunCon plans to maintain a live table of EIA project statuses, continuously updating biodiversity risk and EIA status for current and future projects.

In terms of project management, SunCon adheres to all regulatory requirements and adopts a 'do no harm' principle whenever feasible in preserving biodiversity within relevant operational sites. This includes minimising the environmental impacts of our construction activities and ensuring compliance within the limits set by the DOE and other regulatory authorities. Specifically, SunCon focuses on preventing air and water pollution which can affect local biodiversity and communities.

SunCon, to the best of its knowledge, and based on information provided by project owners as well as regulatory authorities, does not operate in or near areas classified as high conservation value (HCV).

REFORESTATION PROJECT

In 2024, we contributed to an estimated **743 tCO_2e** in carbon sequestration through **tree planting initiatives with NGOs** and the integration of **trees and shrubs within our project sites**, supporting our commitment to environmental sustainability.

Social

GRI 203, 204, 401, 402, 403, 404, 405, 406, 407, 408, 409, 413, 414

SunCon through its business model and operations continues to generate a wide range of positive social impacts, which include local employment, development of local supply chains, as well as acting as a catalyst for the continued upward evolution of the industry through the proliferation of new technologies, innovation and methodologies.

The design and construction of buildings and assets also deliver a wide range of socioeconomic opportunities, enhancing community welfare and well-being while providing essential infrastructure to attract investments and stimulate economic growth.

SunCon is also cognisant that while delivering positive social impacts, it must remain vigilant in managing potential material issues such as human and labour rights, including modern slavery, occupational safety and health, fair compensation, and environmental and social impacts on local communities arising from construction activities.

Besides, SunCon will establish a Labour Standards Policy in 2025 to uphold the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. This policy will embody SunCon's commitment to maintaining ethical business practices that respect human rights, dignity, and compliance with all applicable laws across its operations. This policy will encompass 16 key labour standards:

- Child Labour
- Forced Labour
- Zero Debt Bondage
- Fair Recruitment & Selection Process
- Overtime Management
- Wages, Working Hours, and Benefits
- Non-Discrimination and Non-Harassment
- Freedom of Association
- Workplace Safety & Health
- Medical Insurance
- Accommodation
- Learning & Development
- Performance Management & Career Progression Opportunities
- Levy
- Visa, Security Bond, and FOMEMA
- Grievance Mechanism

SunCon is committed to upholding the rights of all stakeholders, including vulnerable groups, at all times. Our focus on social performance extends beyond our own operations and includes our local and international supply chains.

Social Focus Area

- Employee Management
- Fair Labour Practice
- Occupational Safety and Health
- Product Quality and Responsibility
- Community Enrichment

SUSTAINABILITY STATEMENT
Social

Performance on Social KPIs and Targets:

SUSTAINABILITY MATTERS	TARGET	BURSA INDICATOR	2022	2023	2024
Employee Management	Increase average Learning and Development (L&D) hours to 40 hours per employee by 2030	C6(a)	23.8 hours	35.7 hours	**37.6 hours**
Fair Labour Practice	Maintain 100% engagement with direct workers annually on matters related to terms of employment	N/A	100%	100%	**100%**
	Zero confirmed incidents on human rights violation	C6(d)	Zero incident	Zero incident	**Zero incident**
Occupational Safety and Health	Zero fatalities in all activities for employees and subcontractors	C5(a)	1	1	**0**
	Lost Time Injury Rate (LTIR) less than 0.3	C5(b)	0.44	0.15	**0**
	All employees to be trained on safety and health standards	C5(c)	100%	100%	**100%**
Product Quality and Responsibility	Zero incidents of non-compliance with regulations concerning quality of our products and services	S3(b)	Zero incident	Zero incident	**Zero incident**
	Achieved overall average satisfaction score of 70% and above	N/A	78.8%	80.8%	**83.3%**
	QLASSIC score: 83% and above for all relevant building projects	N/A	Average score 82% (4 projects assessed)	Average score 82% (3 projects assessed)	**Average score 84% (3 projects assessed)**
Community Enrichment	Supports communities through social impact projects and initiatives in encouraging inclusive growth	C2(a) & C2(b)	RM2.09 million distributed	RM2.63 million distributed	**RM2.86 million distributed**

EMPLOYEE MANAGEMENT

The construction industry is undergoing a fundamental transformation, transitioning from manual labour-intensive operations towards more intellectually demanding and technically specialised competencies. This evolution has amplified demand for highly-trained, professionally competent talent across the sector. Technological proliferation further accelerates the requirement for skilled human resources equipped with the knowledge, expertise, and experience to execute increasingly complex and strategic functions.

SunCon recognises talent as a cornerstone of organisational success and continues to invest substantially in the acquisition, retention, and professional development of its human capital. Developing a capable workforce remains material to the Group, as these professionals are essential for effectively executing our business model across the entire value chain – from initial design through construction, testing, and management. Both quality and quantity of talent directly impact our ability to maintain efficiency, productivity, and innovative problem-solving capabilities.

Human Resources serves as the primary strategic driver in developing and implementing comprehensive approaches to recruit, retain, and develop talent. This includes crafting specialised programmes and initiatives across the talent life cycle to ensure organisational capability.

Significant challenges persist, particularly the limited talent pool for key technical positions within the construction sector. The supply of technically trained professionals in Malaysia, including engineers and architects, remains insufficient to meet industry demand. The talent shortage is further strained by migration trends, with professionals opting for international opportunities due to better compensation and favourable currency exchange rates.

In response to these talent constraints, SunCon continuously refines its strategies through innovative approaches. SunCon's merit and competency-based hiring philosophy emphasises selecting candidates based on demonstrated capabilities, performance potential, and professional qualifications. This includes expanding recruitment to non-traditional sectors and developing cross-functional capabilities by leveraging SunCon's vertically integrated organisational structure—ensuring that the most qualified professionals are identified and developed, regardless of background.

COMMITTED TO DIVERSITY, EQUALITY AND INCLUSIVITY

Merit-based selection and inclusion remain cornerstone principles in SunCon's approach to talent requirements. SunCon's philosophy embraces a blue ocean strategy recognising that exceptional talent emerges from diverse educational, social, and demographic backgrounds—necessitating recruitment initiatives beyond traditional construction sector profiles.

Challenging industry stereotypes typically associated with construction, SunCon maintains an unwavering commitment to equitable employment opportunities irrespective of gender. This principle extends comprehensively across ethnicity, physical abilities, religious beliefs, age, and other demographic characteristics. Our merit-focused approach permeates all employment dimensions—from initial recruitment through compensation structures, professional advancement pathways, and skills development opportunities.

This inclusive talent strategy provides SunCon with a distinct competitive advantage by enriching organisational thinking. Professionals from varied backgrounds and capabilities contribute unique perspectives and expertise, fostering innovation and creativity—particularly valuable in complex problem-solving scenarios that require multifaceted approaches.

SunCon adheres rigorously to the principle of equal compensation for equivalent contributions, ensuring remuneration parity between all employees based on qualification criteria, position responsibilities, professional experience, and organisational tenure.

SunCon complies with the Malaysian Employment Act 1955 and its equivalents in other countries and jurisdictions. SunCon also adheres to the UNGC Principles as follows:

Global Compact Principles	Associated Material Matters
Businesses should support and respect the protection of internationally proclaimed human rights	• Fair Labour Practice • Responsible Supply Chain
Businesses should make sure that they are not complicit in human rights abuses	
Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	
Businesses should uphold the elimination of all forms of forced and compulsory labour	
Businesses should uphold the effective abolition of child labour	
Businesses should uphold the elimination of discrimination in respect of employment and occupation	• Employee Management
Businesses should support a precautionary approach to environmental challenges	• Climate Action • Circular Economy • Water Protection • Biodiversity
Businesses should undertake initiatives to promote greater environmental responsibility	
Businesses should encourage the development and diffusion of environmentally friendly technologies	
Businesses should work against corruption in all its forms, including extortion and bribery	• Anti-Corruption and Anti-Bribery • Risk and Regulatory Compliance

Social

SUSTAINABILITY STATEMENT

Social

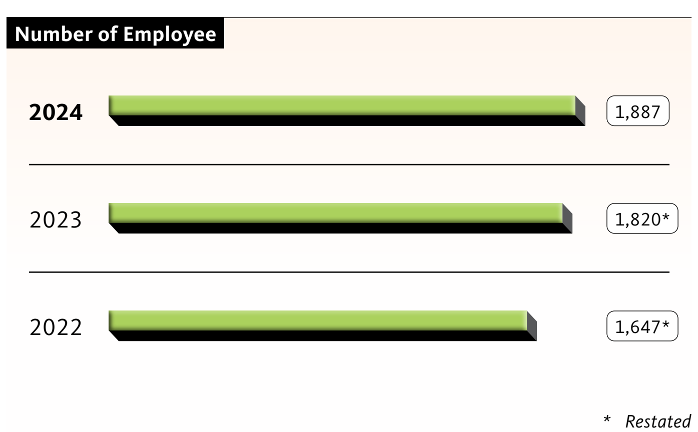
In its commitment to creating an optimal environment where talent can excel and deliver peak performance, SunCon has established its Diversity & Inclusion Policy as a framework to foster a respectful and inclusive workplace. This policy promotes a culture of dignity and fairness, and upholds a zero-tolerance approach toward discrimination, bullying, intimidation, or harassment.

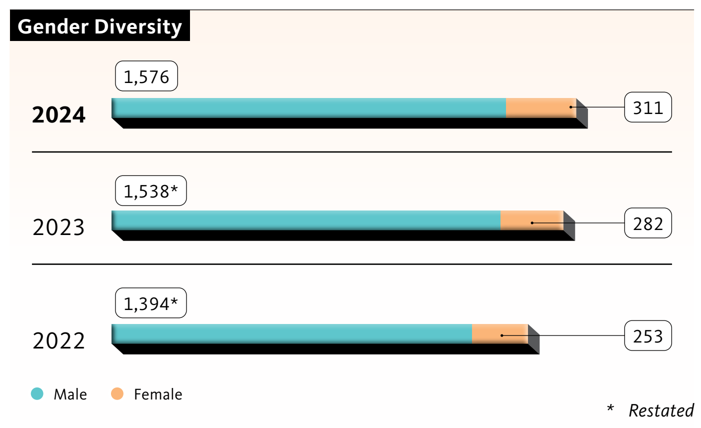
SunCon's inclusive approach has facilitated the development of a diverse workforce spanning multiple ethnicities and nationalities, with balanced gender representation throughout the organisation. Particularly noteworthy is the increasing parity between male and female employees across office-based positions and various management levels.

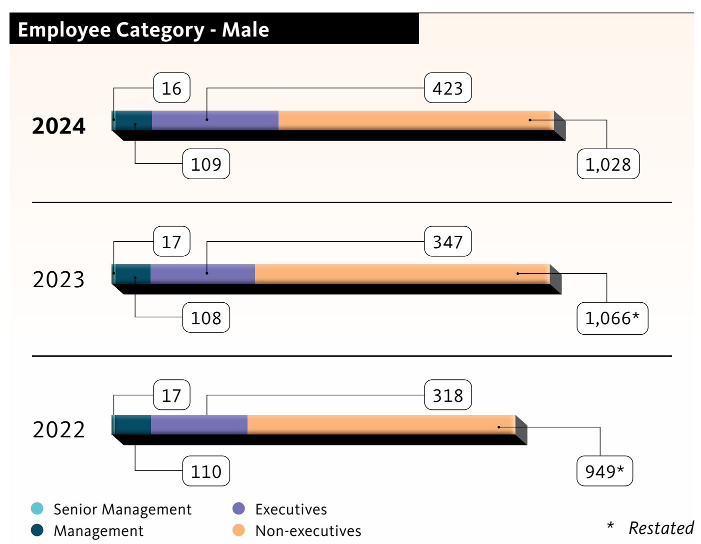
SunCon's talent philosophy recognises the complementary importance of both formal qualifications and practical experience in building a high-performing organisation. The Group values employees who bring diverse capabilities and perspectives to their roles, supporting their professional growth through structured development opportunities.

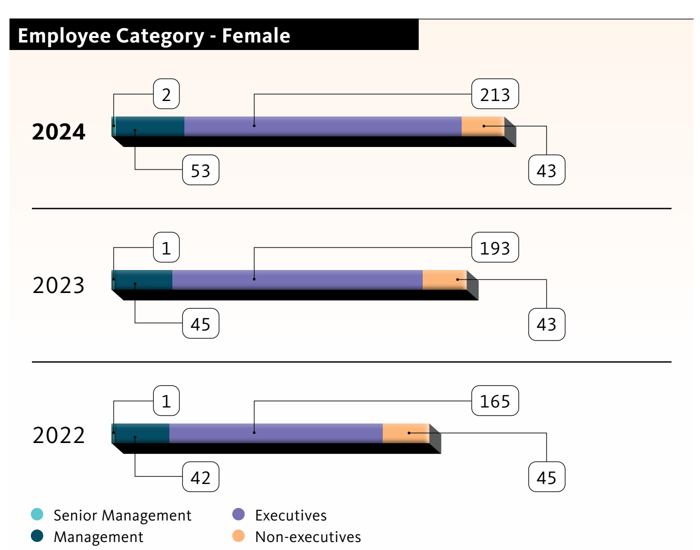
Employees who consistently demonstrate exceptional capabilities and commitment receive formal recognition and access to targeted professional development initiatives, enabling meaningful career advancement within the organisation—aligning with SunCon's commitment to nurturing talent at all levels.

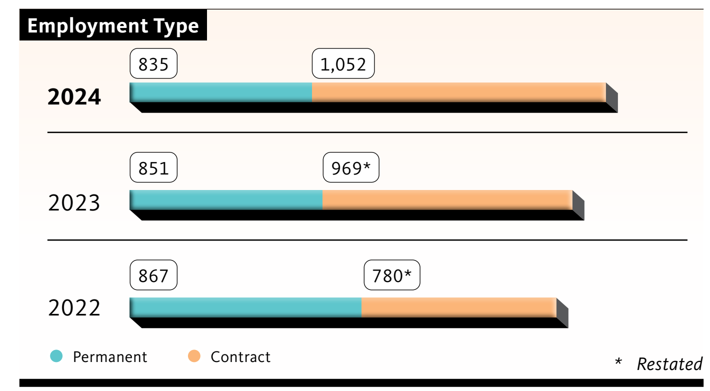
Scan the QR code to view SunCon's QESH Policy.
https://ir2.chartnexus.com/suncon/doc/cg/QESH%20Policy%20(20241111)%20(English).pdf

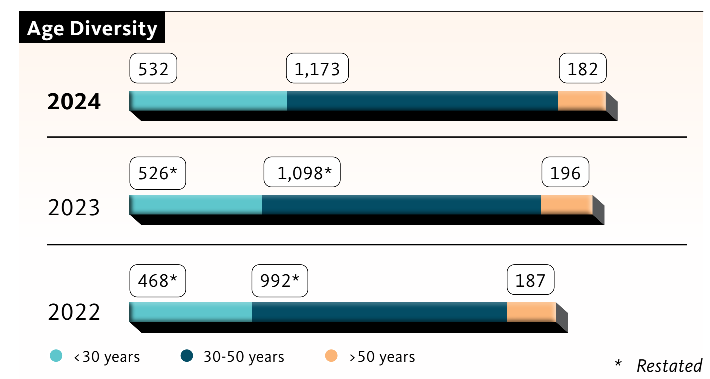


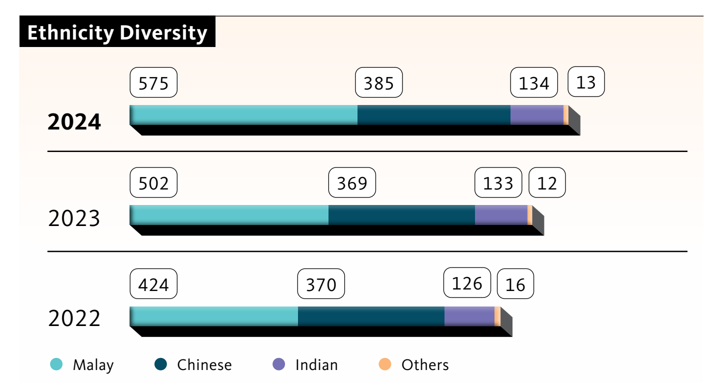


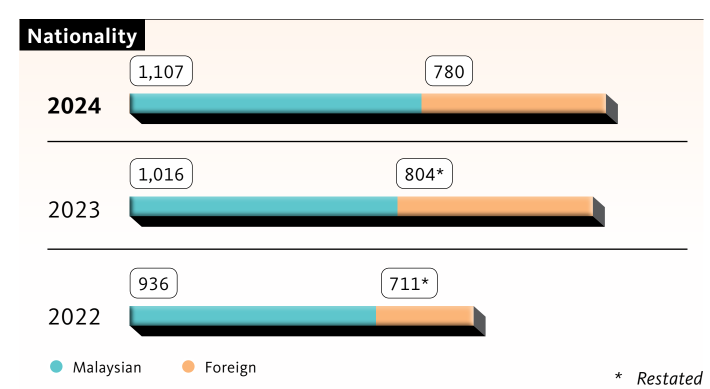












APPROACH TO RECRUITMENT AND RETENTION

In alignment with SunCon's non-discriminatory policies, the Group's talent selection criteria are exclusively governed by professional qualifications, relevant experience, candidate aptitude, and specific organisational requirements. SunCon's Human Resources team employs diverse communication channels for candidate sourcing, with all recruitment communications undergoing rigorous review to ensure adherence to our DEI principles and elimination of potential bias.

Performance-based compensation remains a cornerstone of SunCon's reward philosophy. Employee remuneration, including salary adjustments and performance bonuses, is determined solely through demonstrated professional achievement during the evaluation period. To ensure equitable assessment, all personnel undergo a structured appraisal process that not only informs compensation decisions but also identifies competency development opportunities and professional growth pathways.

All newly onboarded professionals receive comprehensive orientation regarding their statutory employment rights and participate in tailored induction programmes designed to facilitate seamless integration into SunCon's organisational culture and operational environment.

New Hires Data	FY2022	FY2023	FY2024
Total New Hires	101	264	**293**
Male	80%	74%	**76%**
Female	20%	26%	**24%**
< 30	58%	58%	**56%**
30 – 50	27%	37%	**41%**
> 50	15%	5%	**3%**
New Hire Rate	10%	26%	**26%**

Employee Turnover Data	FY2022	FY2023	FY2024
Employee Turnover	22%	19%	**20%**
Male	186	139	**166**
Female	52	41	**42**
< 30	78	66	**67**
30 – 50	124	80	**104**
> 50	36	34	**37**
Senior Management	2%	1%	**1%**
Management	14%	11%	**12%**
Executive	47%	61%	**52%**
Non-Executive	37%	27%	**35%**
Employee Voluntary Turnover Rate	18%	18%	**19%**

Social

COMPETITIVE REMUNERATION AND BENEFITS

SunCon maintains a strategic commitment to providing market-competitive compensation that appropriately rewards employees for their professional contributions to organisational success. The Group's comprehensive remuneration approach serves the dual purpose of retaining our high-performing talent base while enhancing our ability to attract exceptional professionals to the organisation.

While ensuring full compliance with regulatory requirements, including the Minimum Wage Order 2022 and Employment (Amendment) Act 2022 provisions regarding overtime compensation, our approach extends significantly beyond baseline compliance. The Human Resources department conducts systematic salary benchmarking exercises, evaluating SunCon's compensation structures against both industry standards and direct competitors to ensure ongoing competitiveness in the talent marketplace.

To complement SunCon's data-driven approach, it periodically engages employees through structured feedback mechanisms to gather their perspectives on compensation structures and employment benefits, ensuring the Group's offerings align with workforce expectations and priorities.

SunCon's comprehensive benefits portfolio encompasses a wide spectrum of provisions that substantially exceed statutory requirements, reflecting the Group's investment in employee wellbeing and our recognition of their integral role in organisational success.

EMPLOYEE TRAINING

The SunCon Learning Framework represents a strategic approach to talent development, focusing on three core dimensions: leadership cultivation, fundamental competencies, and professional advancement.

Fundamental competencies form the essential foundation upon which all other skills are built, ensuring employees possess the requisite technical knowledge and operational capabilities to excel in their current roles. Professional growth training constitute another pillar of our framework, designed to ensure employees maintain their relevance and competitiveness within the industry. The leadership cultivation component, guided by Group HR's Sunway Leadership Competencies, completes this comprehensive approach, preparing high-potential individuals to assume greater responsibilities and guide teams effectively.

With SunCon's increasing portfolio of Advanced Technology Facilities projects, specialised competency programmes such as the Certified Data Centre Professional Programme have been incorporated into our training curriculum, thereby equipping our workforce with highly specialised technical knowledge.

Leveraging our contributions to the Human Resource Development Corporation (HRDC), SunCon actively encourages and financially supports employee participation in accredited training programmes. This emphasis on accreditation serves as a quality assurance mechanism, ensuring that all training initiatives meet established standards of excellence and deliver tangible value to both the individual and the organisation.

Through this comprehensive learning framework, SunCon reinforces its commitment to continuous professional development, thereby enhancing employee capabilities, improving productivity, and fostering staff morale across the Group.

Training Data	FY2022	FY2023	FY2024
Total spent on training (RM)	486,208	780,605	**1,046,690**
Total training hours (hours)	23,175	37,769	**43,203**
Average Training Hours per Employee (hours)	23.8	35.7	**37.6**
Employee participation in training	863	1,239	**1,297**

Training Hours by Employee Category	FY2022	FY2023	FY2024
Senior Management	812	689	**664**
Management	5,617	7,036	**7,156**
Executive	14,614	22,360	**26,325**
Non-executive	2,132	7,684	**9,058**

Internship

In 2024, SunCon has provided internship opportunities to tertiary students. This exposes the younger generation to the actual rigours of working in the various aspects of the construction sector. Internships are typically put on a job rotation period, during which they would be able to have opportunities for on-the-job learning, both in the office and where relevant, onsite. Interns who demonstrate an aptitude and perform well are typically offered full-time positions and absorbed into SunCon if they so choose to accept employment.

SunCon remains committed to empowering young talent by expanding opportunities for internships and career development. In 2024, the number of interns increased to 160, reflecting our dedication to nurturing the next generation of professionals.

	2022	2023	2024
Interns	129	113	**160**

FAIR LABOUR PRACTICE

UPHOLDING LABOUR AND HUMAN RIGHTS

Ensuring a free and fair work environment, especially for site workers, is an essential part of achieving social compliance. Any infringement on labour and human rights is material as it could lead to punitive measures by regulatory authorities and also impact company's ability to recruit workers. Hence, ensuring the rights of workers are respected is important to FBO performance. It is also material to ensuring a safe and secure workplace, worker morale and ultimately preventing issues such as worker disgruntlement that could affect productivity at operational sites.

In upholding labour and human rights, SunCon is guided by the Sunway Construction Human Rights Policy, which aligns with local legislation and reflects the UN Global Compact's 10 Principles. Suppliers are required to comply with the Sunway Construction Human Rights Policy as a prerequisite for bidding on and securing contracts.

The policy encompasses various aspects of labour and human rights, ensuring the protection and well-being of both local and foreign workers employed directly by SunCon or through third-party contractors. Currently, all foreign workers are directly employed by SunCon.

Safe Working and Living Conditions:	• Provision of safe working conditions and ensuring that workers' accommodations are established in accordance to the Workers' Minimum Standards of Housing, Accommodations and Amenities (Amendment) Act 2019 (Act 446). • Periodic inspections are conducted randomly to assess workers' living conditions and the status of Certificate of Accommodation (CFA) applications submitted by contractors is monitored.
Fair Compensation:	• SunCon ensures fair compensation for all workers, exceeding Malaysia's Minimum Wage Order 2022 requirements and providing equitable pay for overtime hours.
Excessive Working Hours:	• SunCon complies with the overtime and working hours requirements as stipulated in the amended Employment Act.
Freedom of Access:	• SunCon is committed to the prevention of forced labour and the exploitation of migrant workers. Workers maintain the right to retain possession of their personal identification documents, including passports and are allowed to return to their countries of origin if they so wish upon the expiry of their contracts. Workers are entitled to apply for holiday leave during their tenure.
Bonded Labour:	• SunCon does not allow withholding direct workers' wages. Workers are not required to pay any upfront recruitment or agent fees. All recruitment-related expenses, including FOMEMA check-ups, annual permit renewal fees, and levy payments, are borne by the Company.

Social

Child Labour:	• Child labour is strictly prohibited within our workplaces. This is enforced through our site requirements, whereby all workers entering our project site must possess a valid work permit and a CIDB Green Card, both of which require age verification.
Collective Bargaining:	• We uphold the right of employees to form unions of their choice, without fear of reprisal or harassment. To date, SunCon has not received any request to establish a trade union. However, in the absence of a union, our HR department liaises with foreign workers and conducts regular engagement sessions. • In FY2024, we continued to engage foreign workers directly hired by SunCon through townhall sessions. These briefings cover company policies as well as workers' benefits and their rights and career progression plans. The townhall also address any grievances regarding working conditions or employment terms.
Freedom of Association:	• We respect our employees' right to join or affiliate with any legal political party, non-governmental organisation (NGO), trade, or professional association.

Health Screening Programme for Foreign Workers

SunCon is committed to employee well-being and occupational safety, implementing a Health Screening Programme for Foreign Workers to ensure regular medical check-ups. This initiative detects occupational and communicable diseases early, aligning with national regulations, industry best practices, and UN Sustainable Development Goal (SDG) 3: Good Health and Well-Being. By prioritising worker health, we enhance productivity, reduce absenteeism, and foster a safer workplace.

Minimum Notice Period for Operational Changes

SunCon maintains a steadfast commitment to providing advance notification regarding significant modifications to employment conditions, including adjustments to working schedules, position responsibilities, work locations, and other material changes. This proactive communication approach reflects the Group's dedication to fostering transparency and demonstrating respect for its workforce, ensuring personnel are adequately informed and prepared for operational transitions.

While this remains SunCon's standard practice, it acknowledges that certain circumstances may necessitate immediate implementation without extended notification periods—particularly in situations involving occupational safety considerations or other business-critical imperatives. The Group has established formal notification protocols to govern key employment transitions, including probationary period communications and employment termination processes.

SunCon's notification procedures typically incorporate designated timeframes for employees to provide feedback or express concerns regarding proposed operational adjustments. SunCon remains committed to thoughtfully evaluating and accommodating reasonable requests where operationally feasible, reflecting its dedication to maintaining a collaborative work environment.

Maintaining a Safe Workplace and Grievance Mechanisms

SunCon maintains an unwavering zero-tolerance stance regarding employee harassment in all forms, including sexual harassment. This comprehensive protection extends to harassment from colleagues, supervisors, suppliers, or any external stakeholders. The organisation adheres to the Sunway Group Anti-Sexual Harassment Policy, which clearly delineates actions, gestures, and behavior constituting harassment—encompassing both verbal communications and actual or implied forms of inappropriate conduct.

This policy's scope extends beyond sexual harassment to address additional workplace concerns including undue pressure, coercion, bullying, denial of rights, and exclusionary or discriminatory practices. Employees have access to multiple reporting channels, including anonymous whistleblowing and formal grievance mechanisms managed by Group Human Resources (GHR) under Sunway Group's Employee Grievance Policy.

All harassment allegations are investigated by specialised GHR personnel who have received comprehensive training in managing sexual harassment complaints with appropriate sensitivity and rigor.

In alignment with the Sunway Group's Employee Grievance Policy, employees may file formal grievance complaints through established protocols developed by GHR. This policy's fundamental principles include:

- Comprehensive evaluation of all reported grievances, with thorough investigation when warranted
- Equitable opportunity for all involved parties to present their perspectives, ensuring procedural fairness
- Impartial and objective management of grievances to guarantee equitable resolution

SUSTAINABILITY STATEMENT

Social

Both domestic and international employees, including foreign workers, are encouraged to utilise these grievance mechanisms without fear of censure or reprisal. Grievances may be submitted to immediate supervisors, relevant Department Heads, or directly to GHR representatives.

For foreign workers specifically, an additional dedicated WhatsApp channel provides direct access to designated GHR personnel. All reported grievances are systematically documented with resolution details, ensuring transparent and effective remediation.

The 2024 reporting period recorded zero complaints regarding human or labour rights infringements through either the whistleblowing channel or grievance mechanisms. Additionally, the organisation received no censures, fines, notices, or warnings from regulatory authorities pertaining to human and labour rights matters.

EMPLOYEE SATISFACTION

In 2024, Human Resources conducted a comprehensive Employee Engagement Survey (EES), continuing the Group's biennial assessment tradition with the previous evaluation completed in 2022.

The FY2024 EES achieved an exceptional 99% participation rate, yielding a significantly improved engagement score of 73%—representing a notable 10% increase from the previous assessment. This comprehensive survey facilitated transparent discussions across key workplace dimensions, including Leadership, Diversity & Inclusion, Work-Life Balance, Career Development, and Rewards & Recognition. These insights into SunCon's employees' motivations, aspirations, and concerns provide invaluable direction for cultivating a responsive and supportive workplace culture.

Following the FY2024 survey, SunCon's employee engagement team implemented a comprehensive feedback strategy through organisation-wide townhall meetings and targeted focus group sessions across all departments and project sites. These structured dialogues created platforms for deeper insight into employee perspectives while fostering collaborative problem-solving between staff and management.

Working closely with departmental managers, we identified priority areas for enhancement and implemented immediate action plans. Notable among these was a strategic revision of allowance quantum to align with Malaysia's current cost of living realities. Additionally, responding directly to consistent employee feedback, SunCon reintroduced the Employees' Share Option Scheme (ESOS), demonstrating its commitment to providing meaningful ownership opportunities.

By systematically integrating insights from both the EES and the subsequent engagement sessions, SunCon continues to strengthen an environment where employees feel genuinely valued and empowered to achieve their professional potential. This ongoing dialogue underscores its commitment to not merely measuring, but actively enhancing employee satisfaction and wellbeing across the organisation.

OCCUPATIONAL SAFETY AND HEALTH

SunCon has continued to focus on its Occupational Safety And Health (OSH) performance as maintaining an incident-free track record is both financially material as well as being material in terms of impact to the environment and society. OSH incidents can hinder work progress, resulting in operational setbacks and financial repercussions. In addition, any negative publicity arising from such events could damage brand trust and credibility while raising concerns among local communities.

The morale of workers on affected sites could decline, thus leading to reduced productivity. At the same time, OSH incidents can also directly or indirectly cause environmental contamination, pollution or create unsafe site conditions to local communities.

In essence, OSH is a highly material topic for the construction sector and maintaining a zero-incident track record is essential for operational legitimacy. Hence, SunCon maintains vigilant in upholding OSH standards, despite consistently achieving zero fatalities and zero Lost Time Incidents (LTI) in prior years. As of 31 December 2024, SunCon has also achieved 23,187,220 million safe manhours of work without a LTI as of 31 December 2024. SunCon continues to be driven by its motto of 'Datang Selamat, Kerja Selamat, Pulang Selamat,' ensuring that every worker has the right to work in a safe environment and return home safely and in good health every day.

STRICT ADHERENCE TO LOCAL LAWS AND INDUSTRY BEST PRACTICES

SunCon strictly adheres to Malaysia's Occupational Safety and Health Act 1994 (OSHA 1994), the Construction Industry Development Board Act 520 (CIDB Act 520), and all relevant legal requirements.

In addition to complying with local regulations, SunCon ensures adherence to the regulatory standards in all jurisdictions where it operates. Beyond legal compliance, SunCon's management approach to OSH is guided by its comprehensive Quality, Environmental, Safety, and Health (QESH) Policy.

In terms of leadership oversight, given the significance of OSH, the Board of Directors has specific oversight on OSH matters, followed by SunCon's Group Managing Director (GMD) and Senior Management. With the support of senior management, the GMD holds overarching responsibility and accountability for preventing occupational injuries, health issues and ensuring a safe and secure working environment at all sites.

Social

The Board and GMD receive periodic reports on OSH performance, highlighting any major concerns, such as Lost Time Injuries (LTIs), other injuries, or fatalities. OSH matters are reported to the Sustainability Committee (SC), which is responsible for overseeing the implementation of SunCon Sustainability Policy, including the management of safety and health risks.

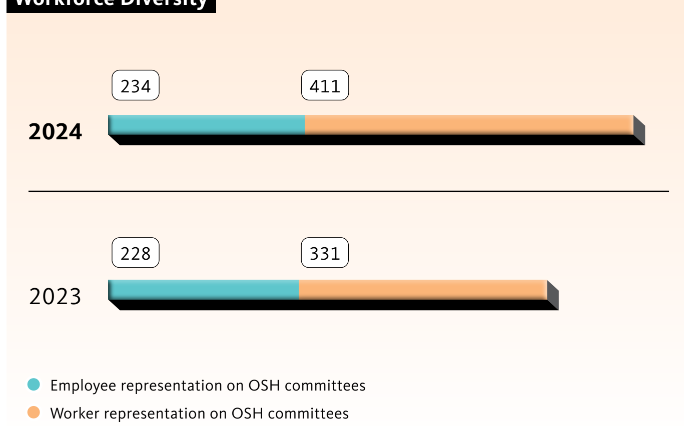
With the support of senior management, the GMD holds overarching responsibility and accountability for preventing occupational injuries and health issues and providing a safe and secure working environment at all sites.

In the event of a significant OSH incident, such as an LTI, serious injury requiring hospitalisation, or fatality, SunCon will initiate a detailed investigation and provide full cooperation to regulatory authorities as needed. The findings will then be presented to the SC and escalated to the full Board for deliberation.

The findings encompass root cause analysis, preventive measures implemented and sharing of the lessons learnt with other sites to further reinforce the new ways of working going forward.

OSH Committees are established at all operating sites with workers having representation on this committees. Representation on committees is also extended to foreign workers. On average, worker representation on OSH Committees comprises 10%.

Workforce Diversity



LINKAGE OF SENIOR MANAGEMENT REMUNERATION TO OSH

To further strengthen OSH oversight within Senior Management, the following KPIs have been established for Group C-level personnel:

Percentage of remuneration apportioned to safety and health performance:

Group Managing Director (GMD)	Group Deputy Managing Directors (GDMD)	Employees based at project sites:
5%	10%	25%

While the percentages serve as broad based linkages to remuneration specific scorecards outlining granular details have been developed to provide clarity on assessing OSH performance of SunCon and its impact on remuneration.

OSH MANAGEMENT STRATEGIES

Beyond the QESH Policy and OSH governance structure, SunCon has also developed various strategies in effectively managing OSH risks. SunCon's strategy is based on the ISO 45001:2018 aligned Integrated Management System, which provides a best-practice, globally acknowledged framework for OSH matters. As at end 2024, 71% of SunCon's operational sites were certified to ISO 45001:2018.

Guided by the ISO 45001:2018-aligned Integrated Management System, SunCon has implemented the following:

- SunCon Minimum Requirement (SCMR) for essential controls;
- Hazard identification and risk management prior to commencing construction activities;
- Risk and Opportunity Register (ROR) for identifying, managing, and documenting project-specific and opportunities; and
- Critical management procedures such as emergency response, incident reporting, training, inspections, and audits.

The ESH Department has also migrated to Autodesk Construction Cloud (ACC), which replaced the existing SunCon KM Portal to streamline project management and knowledge-sharing.

Constant Monitoring and Assessment

In ensuring that all operational sites are in compliance with regulatory requirements and the QESH policy, various inspections are conducted all year round to develop a site-specific and overall compliance profile. These assessments and their corresponding annual scores over a three-year rolling period are as follows:

Safety Inspection	2022	2023	2024
Internal monthly Sunway Safety Merit System	84.4%	84.6%	**84.9%**
External audits by certification bodies (at the Construction segment)	Track record of zero non-conformance Request (NCR) for more than 10 years		
Safety and Health Assessment System in Construction (SHASSIC) assessments	N/A	2 • Sunway Belfield 5-star rating at 94.79%; • SMCD 4-star rating at 83.24%	**• Sunway Medical Centre Ipoh 4-star rating at 87.46%**

All project worksites within SunCon's control must establish and maintain a Risk and Opportunity Register (ROR). The process considers determining risks and opportunities arising from environmental, safety and health (ESH) risks and other risks, ESH opportunities and other opportunities, as well as legal requirements and other requirements.

Consistent OSH Training and Communications

In constantly reinforcing the message of external vigilance and safety-first mantra, SunCon continues to actively engage all relevant stakeholders, notably employees and workers on the importance of prioritising OSH at all times. This is achieved through the use of various communication channels and mediums to disseminate a wide range of OSH related literature and information.

While knowledge sharing and providing constant reminders are positive measures, SunCon believes in empowering workers further. Hence, the focus on providing OSH related training to relevant staff across SunCon's operations. Training comprises classroom lectures and presentations, practical / technical training on the safe and proper use of machinery and equipment, provision of life-saving medical training such as first aid workshops, fire drills and more.

FY2024 OSH Training Achievements:

- **On-the-job training conducted for employees and contractors workers:** working at height, safe lifting, chemical management, and any work-specific safety training
- **100%** employees trained in safety and health standards
- **More than 8,500 hours** clocked in OSH training
- Organised **5** ESH awareness campaigns company-wide

Communication on OSH is also extends to the supply chain, notably contractors and subcontractors. All contractors, subcontractors and relevant suppliers receive, as part of their onboarding a detailed briefing on SunCon's QESH Policy as well as ESH objectives and targets. These are communicated during contractor's kick-off meeting and Site Safety Induction programmes.

Essentially, this conveys to contractors that they must comply with SunCon's high standards at all times and their operations will be subject to the same level of high scrutiny and performance. They are to conform to SunCon's meticulous standards and must maintain constant vigilance at all times.

SUSTAINABILITY STATEMENT
Social

OSH PERFORMANCE

SunCon places great emphasis on the accuracy and reliability of our OSH data, which is meticulously tracked through monthly reports, encompassing site ESH committee meetings, departmental ESH meetings, and management review meetings, and it is also independently verified by SIRIM QAS International Sdn. Bhd..

In FY2024, SunCon achieved a fatality rate of 0.00 per 100,000 workers, demonstrating our unwavering commitment to workplace safety. As Malaysia's industry benchmark data for 2024 is not yet available, we refer to Singapore's reported rate of 3.7 in 2023 as a regional reference point.

We also recorded a zero accident rate in FY2024, significantly outperforming the industry benchmark of 2.46 per 1,000 workers, representing a 93.9% reduction compared to the national average. These results reflect the effectiveness of our comprehensive safety management system and the continuous improvement of our standards, training, and safety programmes across all operations.

OSH Performance Table

Occupational Health and Safety	2022	2023	2024
Worked Man-hours	17,393,348	16,156,813	**23,187,220**
Fatal Accidents	1	1	**0**
Employee[1]	0	0	**0**
Temporary Employee[2]	0	0	**0**
Contractor Employee[3]	1	1	**0**
Lost Time Injury Accidents	2	0	**0**
Employee	1	0	**0**
Temporary Employee	1	0	**0**
Contractor Employee	0	0	**0**
Total No. of Reportable Accidents[4]	3	2	**1**
Lost Time Incident Rate (LTIR)[5]	0.44	0.15	**0.00**
Accident Frequency Rate (AFR)[6]	0.17	0.06	**0.00**

[1] *Includes all staff under SunCon payroll*
[2] *Defined as foreign workers under SunCon payroll*
[3] *Defined as workers who are not employees or temporary employees*
[4] *Defined as total number of fatal, dangerous occurrence and lost time incidents*
[5] *Lost Time Incident Rate covers both employees and contractors (per 1,000 workers – based on DOSH Malaysia JKKP 8)*
[6] *Accident Frequency Rate covers both employees and contractors (per 1,000,000 hours – based on DOSH Malaysia JKKP 8)*

U-SEE-U-ACT (UCUA)

Launched in 2019, the U-See-U-Act (UCUA) programme utilises the UCUA ChatBot, a digital solution, to identify and mitigate unsafe acts or conditions, thereby preventing potential hazards. In 2024, we have achieved a total of 25,459 UCUAs identified. Since its inception, the programme has successfully averted 78,083 potential incidents.

ZERO
Life Loss

ZERO
Lost Time Incident Rate (LTIR)

PRODUCT QUALITY AND RESPONSIBILITY

EMPHASISING EXCELLENCE IN QUALITY

Quality is an intrinsic part of the construction sector, typically reflected in terms of the final build quality of the building or asset. Indeed, this is material as quality of design and build of the finished structure serves as affirmation of the capabilities of SunCon. In essence, it reflects on brand reputation.

However, quality is only reflected in other attributes such as the innovativeness of the product design, the utility and lifespan of the structure, its resilience to physical elements such as weather and climate change and the strategic thinking within the blueprint or masterplan.

While conceptualising the end product in mind is essential towards attaining high product quality, the process from design to raw material sourcing, construction and so forth required also must be duly considered as all aspects of the process cumulatively contribute to the quality of the final product.

In focusing on ensuring the highest desired quality, SunCon effectively addresses both financial and business considerations such as delivering customer satisfaction, embellishing its brand name and securing repeat business while also ensuring a safe structure that is fit for purpose and benefits users, while having a lower environmental footprint.

SunCon's commitment to high quality is consistent with the strategic objectives of the National Construction Policy 2030 (NCP 2030), particularly Thrust 1, which focuses on strengthening quality and safety in project performance. This thrust aims to create a single synergistic total project performance system for improvement of quality and safety. It intends to nurture efficiency among sector players to priorities safety management and quality standards as a prerequisite for them to stay relevant and competitive.

The unwavering focus on quality is also in line with SunCon's selected Sustainable Development Goals 8 (Decent Work and Economic Growth), 9 (Industry, Innovation, and Infrastructure), and 11 (Sustainable Cities and Communities).

SunCon continues its effort in adhering to the guidelines and initiatives in order to deliver high-quality products and services of all projects, while maintaining exceptional customer satisfaction. In achieving desired quality levels, a key aspect of SunCon's management approach is the implementation of a Total Quality Management (TQM).

6 Key Focus Areas of SunCon's TQM Strategy

01 INNOVATION
Creating greater value and setting a benchmark for businesses

02 EMPLOYEE
Ensuring total involvement and employee satisfaction

03 PRODUCTS AND SERVICES
Passionately ensuring the highest standards in products and services

04 CONTINUOUS IMPROVEMENT
Continually improving work processes to ensure optimum productivity and eliminating wastage

05 CUSTOMER
Striving to satisfy customers' needs and expectations

06 CORPORATE SOCIAL RESPONSIBILITY
Enriching the community and preserving the environment

Social

Besides, SunCon's integrated QESH management system, which is also ISO 9001: 2015 certified, provides an additional framework for ensuring quality throughout the construction process. The QESH policy outlines specific strategies, processes and procedures at every stage of the construction process: from design and administrative processes to procurement, project execution, the actual construction phase, and project handover. At its core, the system follows the Plan-Do-Check-Act (PDCA) cycle, ensuring a systematic approach to achieving quality targets at every phase of construction.

Management Oversight on Quality

The quality performance is reviewed annually in the Management Review Meeting (MRM), chaired by the GMD. The other members of MRM are the Head of Departments or Divisions.

Achieving Quality's KPI / targets is one of the overall projects' KPI. The overall project's KPI will be transferred to individual members of the project team during annual performance appraisal. Finally, remuneration will be decided based on to the individual staff performance (which included the achievement of Quality's KPI).

All project teams, helmed by the projects' Person-In-Charge (PIC) are responsible on quality and customer satisfaction. The project teams are supported by the Total Quality Management (TQM) Department who may station full time staff as part of project team. In addition, regular visit, assessment, training and other quality improvement activities may be initiated by the TQM Department staff from Head Office.

Multi-Tiered Approach to Assessing Quality

SunCon has established three key quality management assessments to assess and maintain quality standards across the build process. These assessments are designed to ensure quality from cradle to gate; that is the quality of raw materials procured, the quality of logistics in the transportation of materials to operating sites, the quality of machinery and equipment, the quality of construction methodologies employed and also the quality of build being achieved.

SQMS (Sunway Quality Merit System):

Internally developed system to drive continuous quality improvement across Group operations.

Assessment is based on the following three categories:
- Product workmanship
- Inspection and testing
- Site arrangements.

CSS (Client / Consultant Satisfaction Survey):

Measures clients' and consultants' satisfaction levels across the build process, thereby providing crucial feedback on ongoing work.

Criteria covered:
- Quality of works
- Planning
- Job knowledge
- Timely completion
- Responsiveness
- Resources
- Environment
- Safety and health
- Communication
- Subcontractor performance
- Overall performance

QLASSIC (Quality Assessment System in Construction):

External industry benchmark standard developed by CIDB to assess the quality of our completed projects.

Social

Sunway Quality Merit System (SQMS) and Client / Consultant Satisfaction Survey (CSS) scores are incorporated into the performance KPIs of internal stakeholders. The allocation of these KPIs reflects the importance of these standards, with the GMD accountable for 5%, both GDMDs for 10%, and employees based at project sites bearing the highest allocation at 25%, equal to the emphasis placed on safety measures.

SQMS Score

	2022	2023	2024
SQMS Score (%)	80%	80%	**84%**

CSS Scores

Survey Criteria	Minimum Benchmark	2022	2023	2024
Response Rate	75%	100%	100%	**100%**
Satisfaction of Products and Services	90%	96%	100%	**100%**
Overall Average Score	70%	79%	81%	**83%**

QLASSIC Scores

	2024
Sunway Medical Centre Damansara	**82%**
Sunway Medical Centre Ipoh	**87%**
Sunway Velocity 2 Plot B	**83%**
Average	**84%**

Note: SunCon has established an internal benchmark of 83% for QLASSIC scores for any project.

COMMUNITY ENRICHMENT

CONTRIBUTING TO COMMUNITY DEVELOPMENT AND EMPOWERMENT

SunCon has always considered both local communities and the general community at large as material stakeholders. The Board and Management continue to subscribe to the principle that SunCon in truly serving as a force for good, should ensure it retains a focus on community development and empowerment; that is delivering positive impacts through corporate social responsibility (CSR) programmes and activities as well as identifying opportunities provided by the business model to benefit society. This includes providing local employment, supporting local community infrastructure and services and supporting local procurement where feasible.

In adopting this approach, SunCon's relationship with society has a stronger value creation aspect as opposed to merely ensuring operations do not have negative impacts on society.

SunCon's value to society or the values created includes construction of various infrastructure projects. These include highways, urban rail transportation, DCS and TES and more. These projects deliver significant socio-economic multiplier effects to local communities.

Social

Additionally, SunCon's business activities generate a net positive socioeconomic impact to the communities where we operate. This includes generating employment and entrepreneurship opportunities, facilitating skills and knowledge transfer, fostering the development of local supply chains, and making various other socioeconomic contributions.

Please see pages 46 to 47 for more information on our Value Creation Model.

SUPPORTING LOCAL PROCUREMENT

SunCon is committed to supporting local suppliers as leveraging local procurement enhances efficiency through shorter supply chains, faster delivery times, reduced Scope 3 emissions, as well as potential cost optimisation. While SunCon prioritises local sourcing, this support is contingent on local suppliers meeting commercial viability and quality standards. In the event local suppliers are unable to meet SunCon's requirement, alternative sourcing will be pursued from international suppliers.

As of 2024, 98.6% of SunCon's procurement expenditure was allocated to local suppliers, a significant increase from 61% in 2023. This underscores our ongoing commitment to strengthening local supply chains and fostering sustainable economic development.

Community Feedback Mechanism

SunCon proactively engages with local communities potentially affected by construction activities through dialogue and engagement sessions, communicating project details and soliciting feedback. This feedback is evaluated by the project team and integrated into the site's OSH management strategy as appropriate. Additionally, the public can submit feedback via the SunCon Hotline on our corporate website, ensuring swift response and resolution by our team.

SunCon Hotline
Snap a picture and tell us about it

T: (019) 358 2739 E: enquirysuncon@sunway.com.my

Financial and Non-Monetary Contributions to Society

2024 has seen SunCon contribute through both financial and non-financial means to various societal causes. Contributions were made directly to the Jeffrey Cheah Foundation as well as NGOs and societal bodies who undertake community assistance activities.

Our approach to community support is guided by stringent criteria to ensure that all contributions are made to legitimate organisations and are utilised effectively for the intended CSR purposes. We maintain a clear trail of accountability and ensure that all sponsorships, donations, and political contributions are accurately recorded in our accounting books, in compliance with the applicable laws.

	2022	2023	2024
Total amount contributed to societal causes (RM' Million)	2.09	2.63	**2.86**
Total number of beneficiaries	22,548	18,350	**12,066**

The Strength of Our Leadership

Organisation Structure

BOARD OF DIRECTORS

- AC Audit Committee
- RMC Risk Management Committee
- NRC Nomination and Remuneration Committee
- SC Sustainability Committee
- EC Employees' Share Option Scheme Committee

GROUP MANAGING DIRECTOR

Core Operation Services
- Building Construction
- Civil and Infrastructure
- Foundational and Geotechnical Engineering
- Mechanical, Electrical and Plumbing and Advanced Technology Facilities
- Manufacturing and Sale of Precast Concrete Products
- Sustainable Energy

Operation Support Services
- Supply Chain & Contracts Management
- Total Quality Management (TQM)
- Environmental, Safety and Health (ESH)
- Virtual Design and Construction (VDC)
- Machinery
- Land Survey
- Private Finance Initiative (PFI)

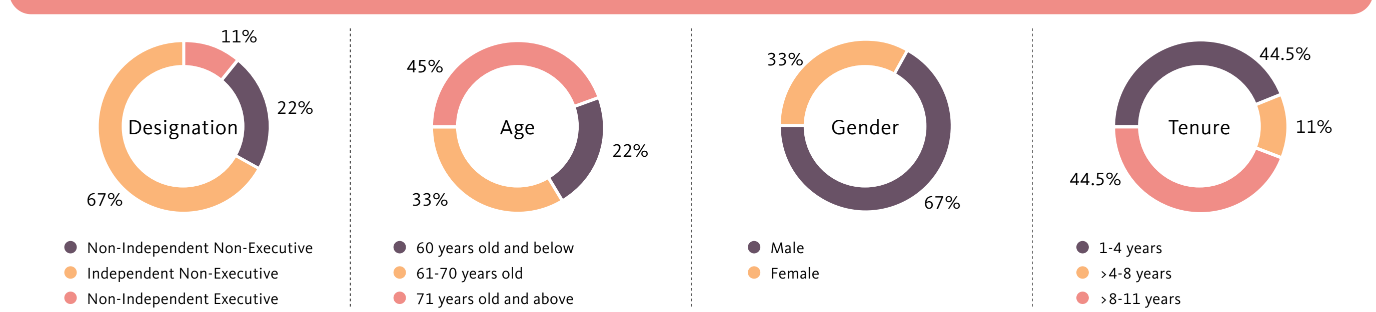
International Ventures
- India - Highway Infrastructure

Corporate Sustainability, Governance & Organisational Development
- Finance & Administration
- Human Resources
- Legal

BOARD SKILL MATRIX - Skills / Competencies

Engineering	44%
International / Regional Business Exposure	78%
Industry Experience	56%
Accounting and Financial Reporting	67%
Corporate Planning Development	78%
Macro Economics Knowledge	78%
Information Technology (IT) / Digital Strategy	78%
Restructuring / Mergers and Acquisition	44%
Operations and Quality Management	78%
Human Capital / Talent Management	89%
Legal and Regulatory Requirements	78%
Corporation Governance, Risk Management and Internal Controls	100%
Environment, Social and Governance / Sustainability	100%

OUR BOARD



GROUP LEADERSHIP

BOARD OF DIRECTORS

SUNWAY CONSTRUCTION GROUP BERHAD is committed to the highest standards of business integrity, ethics and professionalism. Our directors have extensive experience and diverse skills that enable the Board to provide expert advice, rigorous oversight and independent enquiry in leading integration.

Dato' Tan Kia Loke
Alternate Director to Evan Cheah Yean Shin

Tan Sri Dato' (Dr) Chew Chee Kin
Non-Independent Non-Executive Director

Dr Sarinder Kumari A/P Oam Parkash
Senior Independent Non-Executive Director

Dato' Siow Kim Lun
Independent Non-Executive Director

Dato' Ir Goh Chye Koon
Chairman & Independent Non-Executive Director

Liew Kok Wing
Group Managing Director & Non-Independent Executive Director

Tan Ler Chin
Independent Non-Executive Director

Evan Cheah Yean Shin
Non-Independent Non-Executive Director

Norchahya Binti Ahmad
Independent Non-Executive Director

Datuk Kwan Foh Kwai
Independent Non-Executive Director

Wong Kwan Song, Richard
Alternate Director to Liew Kok Wing & Group Deputy Managing Director

Profile of Board of Directors

DATO' IR GOH CHYE KOON

Chairman & Independent Non-Executive Director

Nationality: Malaysian **Age:** 75 **Gender:** Male

Date Appointed to the Board:
17 October 2014

Years of Directorship:
10.5 years

Qualifications:
- Bachelor of Engineering (Hons) Degree in Civil Engineering from University of Malaya
- Professional Engineer (P.Eng) and a Member of Institution of Engineers Malaysia (MIEM)

Membership of Board Committees:
EC RMC

Directorships of Listed Entities and Other Public Companies:
- Nil

Working Experience and Expertise

Dato' Ir Goh began his career as an engineer in the Ministry of Works, where he served for 11 years rising to the position of Superintending Engineer prior to joining IJM Corporation Berhad as a Senior Engineer in 1984. He was promoted as General Manager (Central Region) in 1986 and subsequently appointed as Alternate Director in 1995 before assuming the position of Deputy Group Managing Director in 1997. He was redesignated to Deputy Chief Executive Officer and Deputy Managing Director in 2004 and upon his retirement in 2008, Dato' Ir Goh continued to serve as Executive Director of IJM Corporation Berhad until June 2009 and thereafter as Non-Executive from July 2009 until June 2013.

He was a member of the Presidential Consultative Council of the Board of Engineers Malaysia (2002 – 2004) and also a member of the Construction Consultative Panel of Malaysia Productivity Corporation (2003 – 2009). He was the Chairman of the Building Industry Presidents' Council and President of the Master Builders Association Malaysia for the session 2004 / 2006 and has served as its Deputy President, Vice President and Deputy Secretary General.

Dato' Ir Goh was a board member of the Construction Industry Development Board Malaysia (CIDB) from 2004 to 2006 and served as a Main Committee Member (2001 – 2009) and Chairman of the Working Group for construction projects (Local and Foreign) (2003 – 2009) in the Construction Industry Master Plan of CIDB.

LIEW KOK WING

Group Managing Director &
Non-Independent Executive Director

Nationality: Malaysian **Age:** 56 **Gender:** Male

Date Appointed to the Board:
1 April 2022

Years of Directorship:
3.1 years

Qualifications:
- Master of Science Degree in Civil Engineering, National University of Singapore
- Bachelor of Engineering (Hons) Degree in Civil Engineering, National University of Singapore

Membership of Board Committees:
EC

Directorships of Listed Entities and Other Public Companies:
- Nil

Working Experience and Expertise

Mr Liew began his career with L&M Geotechnic in Singapore in 1993, as a Project Engineer at various construction projects in Singapore. In 1996, he was transferred to L&M Systems, Thailand, as Project Manager in charge of infrastructure works for a low-rise luxury housing project in Bangkok. In the same year, he left to join Taylor Woodrow Projects (M) Bhd before joining Sunway Construction Sdn. Bhd. (SCSB) as Senior Geotechnical Engineer from 1996 to 1998. Thereafter, he joined Nishimatsu Construction Company Singapore.

He rejoined SCSB in 2000 and was promoted during the course of overseeing various projects in Malaysia and India to the position of Senior General Manager, heading the Civil Engineering Division in 2003. Mr Liew was the Deputy Managing Director of SCSB since 2016 before his promotion to the position of Managing Director of SCSB in January 2020. He was further promoted to GMD of SunCon on 1 April 2022.

He has more than 30 years of experience in the construction industry.

Board Committees

AC	AC	RMC	RMC	NRC	NRC	SC	SC	EC	EC
AC Member	AC Chairman	RMC Member	RMC Chairperson	NRC Member	NRC Chairperson	SC Member	SC Chairperson	EC Member	EC Chairman

DR SARINDER KUMARI A/P OAM PARKASH

Senior Independent Non-Executive Director

Nationality: Malaysian **Age:** 68 **Gender:** Female

Date Appointed to the Board:
1 March 2018

Years of Directorship:
7.1 years

Qualifications:
- PhD. in Financial Economics from University Putra Malaysia
- Masters in Economics from George Washington University

Membership of Board Committees:
NRC AC RMC SC

Directorships of Listed Entities and Other Public Companies:
- Nil

Working Experience and Expertise

Dr Sarinder has over 30 years of experience in policy and strategic planning, trade negotiations, regulatory and Government affairs. She has previously served as Principal Assistant Secretary with the Ministry of Finance Malaysia (MOF); Senior Director, Ministry of International Trade and Industry Malaysia (MITI); Director, for the Performance Management and Delivery Unit (PEMANDU) under the Prime Minister's Department Malaysia; and Executive Vice-President and Partner for Pemandu Associates, a business management consultancy.

In MOF, she was involved in the raising of Federal Government loans from the international capital and bond markets, debt management and privatisation projects. Her portfolio in MITI included the World Trade Organisation (WTO), Strategic Planning and Free Trade Agreements (FTAs) Policy and Negotiations. She was also the lead negotiator for Services for Malaysia's first Bilateral FTA.

In PEMANDU, she provided strategic direction on the planning and implementation of the Tourism-related initiatives under Malaysia's National Transformation Programme. She was also responsible for the Strategic Reform Initiative encompassing the Competition Act, Adoption and Development of International Standards and the Liberalisation of Services. She developed the performance assessment and management system for the performance assessment of all Ministers by the Prime Minister.

In Pemandu Associates, she worked with Governments and businesses on strategy formulation and effective implementation to meet national and business objectives. This entailed working with both internal and external stakeholders to ensure both timely and effective policy and strategy execution for the delivery of tangible results.

Dr Sarinder was a Council Member of Climate Governance Malaysia (2019 – 2023).

DATO' SIOW KIM LUN

Independent Non-Executive Director

Nationality: Malaysian **Age:** 74 **Gender:** Male

Date Appointed to the Board:
17 October 2014

Years of Directorship:
10.5 years

Qualifications:
- Master in Business Administration from Catholic University of Leuven, Belgium
- Bachelor of Economics (Hons) Degree from Universiti Kebangsaan Malaysia
- Advanced Management Program at Harvard Business School

Membership of Board Committees:
AC NRC EC RMC

Directorships of Listed Entities and Other Public Companies:

Listed Entities:
- EITA Resources Berhad
- Eco World International Berhad
- Radiant Globaltech Berhad

Other Public Companies:
- RHB Investment Bank Berhad
- Malaysian Trustees Berhad
- RHB Trustees Berhad

Working Experience and Expertise

Dato' Siow has over 30 years of working experience in investment banking, corporate finance and regulatory oversight of the Malaysian Capital Market.

He began his career in investment banking with Malaysian International Merchant Bankers Berhad in 1981. From 1985 to 1993, he was with Permata Chartered Merchant Bank Berhad (now known as Affin Hwang Investment Bank Berhad) first as a Manager and later as the Divisional Head of its Corporate Finance Division. Between 1993 and 2006, he was with the Securities Commission Malaysia and has served in several positions at the Securities Commission Malaysia including that of the Director of its Issues and Investment Division and the Director of its Market Supervision Division. He has also served as a director of MainStreet Advisers Sdn. Bhd., a licensed corporate finance advisory firm, from 2008 to 2019.

Profile of Board of Directors

GROUP LEADERSHIP
Profile of Board of Directors

TAN LER CHIN

Independent Non-Executive Director

Nationality: Malaysian **Age:** 65 **Gender:** Female

Date Appointed to the Board:
15 September 2021

Years of Directorship:
3.6 years

Qualifications:
- Bachelor of Economics (Honours) Degree, majoring in Statistics, from Universiti Kebangsaan Malaysia
- Certified Diploma in Accounting and Finance accorded by the Chartered Association of Certified Accountants
- Diploma in Investment Analysis by Malaysian Association of Productivity

Membership of Board Committees:
RMC SC AC NRC

Directorships of Listed Entities and Other Public Companies:

Listed Entities:
- Bursa Malaysia Berhad

Other Public Companies:
- Affin Islamic Bank Berhad

Working Experience and Expertise

Ms Tan began her career in 1984, in the finance department of the Employees Provident Fund (EPF). Subsequently, she moved on to the investment department, where she was responsible for the management of EPF's external fund managers and other domestic investment assets, including Malaysian Government Securities, loans / debentures, equities and money market placements.

In 1996, Ms Tan was promoted to the position of senior investment manager, where she specialised in fixed income investments and was involved in EPF's fixed income investments in several large privatisation projects in Malaysia.

In 2009, Ms Tan was appointed as the head of investment compliance and was responsible for ensuring all investment settlements were undertaken in compliance with internal policies / guidelines and other related legal requirements.

In 2019, Ms Tan was appointed as the head of risk department where she oversaw the management of, amongst others, the operational risks, technology risks, investment risks and investment market risks of EPF. She retired from EPF in April 2021.

Ms Tan had also in the past served on the Board of Malaysia Building Society Berhad, Sunway Holdings Incorporated Berhad (now known as Sunway Holdings Sdn. Bhd.), Malakoff Corporation Berhad, QL Resources Berhad and Senheng New Retail Berhad. Ms Tan is currently an Independent Non-Executive Director of Affin Islamic Bank Berhad and Bursa Malaysia Berhad.

DATUK KWAN FOH KWAI

Independent Non-Executive Director

Nationality: Malaysian **Age:** 73 **Gender:** Male

Date Appointed to the Board:
10 October 2024

Years of Directorship:
0.5 year

Qualifications:
- Master in Sustainability Development Management, Jeffrey Sachs Centre on Sustainable Development from Sunway University
- Bachelor of Engineering (Hons) from University of Malaya

Membership of Board Committees:
AC RMC NRC SC

Directorships of Listed Entities and Other Public Companies:

Listed Entities:
- Luxchem Corporation Berhad

Other Public Companies:
- Nil

Working Experience and Expertise

Datuk Kwan has over 40 years of working experience in the construction industry, in both public and private sectors. He began his career as a Contract Engineer in 1977 with Department of Public Works, Malaysia. In 1980, he joined Promet Construction Sdn. Bhd. as Site Manager and in 1984, he was appointed as General Manager of Alam Baru Sdn. Bhd. From 1986 to 1996, he was the General Manager of Taisei (Malaysia) Sdn. Bhd.

In 1996, Datuk Kwan was appointed as Executive Director in Sungei Way Construction Berhad and subsequently promoted to Managing Director of Sunway Construction Berhad (now known as Sunway Construction Sdn. Bhd.) in 2001.

In 2014, he was appointed as Senior Managing Director of SunCon until his retirement in December 2015. He was then appointed as the Non-Independent Non-Executive Director of SunCon until 31 December 2017. He remained as Advisor of SunCon until March 2020.

In addition, Datuk Kwan had served as the President (2010-2012), Immediate Past President (2012-2016) and Honorary Advisor (2016-2018) of Master Builders Association of Malaysia (MBAM).

He is currently a Member of the Institution of Engineers, Malaysia (IEM), a President of Perak Chinese Assembly Hall, a Deputy Chairman of the Board of Governors of SMJK Yuk Choy, Ipoh, Perak and an Executive Committee Member of the Federation of Chinese Associations Malaysia (Hua Zong).

He also currently serves on the Board of Luxchem Corporation Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad, as the Independent Non-Executive Chairman. In addition to his chairmanship, he also holds key roles as the Chairman of the Remuneration Committee and is a member of both the Audit and Risk Management Committee and Nomination Committee.

NORCHAHYA BINTI AHMAD

Independent Non-Executive Director

Nationality: Malaysian **Age:** 66 **Gender:** Female

Date Appointed to the Board:
10 October 2024

Years of Directorship:
0.5 year

Qualifications:
- Associate Member of The Chartered Institute of Management Accountants (CIMA)
- Professional Member of The Institute of Internal Auditors, Malaysia
- Certified Member of Business Continuity Institute, United Kingdom

Membership of Board Committees:
AC RMC NRC

Directorships of Listed Entities and Other Public Companies:
- Nil

Working Experience and Expertise

Puan Norchahya has more than 30 years of professional career in the fields of finance, accounting, internal audit, risk management, business continuity management, human resources, corporate services and consultancy both in public and private sectors. She began her career at Bank Negara Malaysia in October 1983 and retired from UMW Holdings Berhad in June 2019, having held various positions, including Group Internal Auditor, Group Financial Controller, and Chief Risk Officer.

She was elected to the Board of Governors of The Institute of Internal Auditors, Malaysia (IIAM) in 2017 and served on the Institute's Executive Committee, holding positions as Vice President 2, Chairperson of the Professional Development Committee, and member of both the Nomination Committee and the Audit & Risk Committee (ARC). In June 2023, she retired from the Board of Governors but continues to be a member of IIAM's ARC.

From August 2019 to October 2021, she was a Board member and Chairperson of ARC of a company involved in the provision of civil engineering services including road construction, drainage system, sewerage system, bridge construction and water reticulation.

Since August 2021, she is a member of the ARC of Yayasan Pahang, a state foundation in Malaysia, primarily to bring about improvements in education, sports and culture. The foundation has subsidiaries involved in plantations, mining and education.

TAN SRI DATO' (DR) CHEW CHEE KIN

Non-Independent Non-Executive Director

Nationality: Malaysian **Age:** 79 **Gender:** Male

Date Appointed to the Board:
17 October 2014

Years of Directorship:
10.5 years

Qualifications:
- Bachelor of Economics (Hons) Degree from University of Malaya
- Program in Management Development at Harvard Business School

Membership of Board Committees:
NRC

Directorships of Listed Entities and Other Public Companies:

Listed Entities:
- Sunway Berhad
- Gopeng Berhad

Other Public Companies:
- Nil

Working Experience and Expertise

Tan Sri Dato' (Dr) Chew started his career as a Trainee Executive in UMW (Malaya) Sdn. Bhd. in 1974. Prior to joining Sunway Group, he was the General Manager of UMW (Malaya) Sdn. Bhd.

He joined Sunway Group in 1981 as the Group General Manager (Operations) and was subsequently promoted to Deputy Group Managing Director (Operations) of Sunway Holdings Berhad Group in 1989. In 1995, he was promoted to Group Managing Director of Sunway Holdings Berhad Group and to President of Sunway Holdings Berhad Group in 1999.

Upon the completion of the merger of Sunway City Berhad and Sunway Holdings Berhad in 2011, Tan Sri Dato' (Dr) Chew was designated as the President of Sunway Berhad. He has more than 30 years experience in general management, quarrying, construction, building materials, trading and manufacturing businesses.

Profile of Board of Directors

EVAN CHEAH YEAN SHIN

Non-Independent Non-Executive Director

Nationality: Malaysian | Age: 45 | Gender: Male

Date Appointed to the Board:
18 September 2014

Years of Directorship:
10.6 years

Qualifications:
- Bachelor's Degree in Commerce and Bachelor's Degree in Business Systems from Monash University
- Chartered Financial Analyst Charterholder
- Fellow of Certified Practising Accountants Australia
- Member of Malaysian Institute of Accountants

Membership of Board Committees:
RMC NRC EC

Directorships of Listed Entities and Other Public Companies:

Listed Entities:
- Sunway Berhad [Alternate Director to Tan Sri Sir Dr Jeffrey Cheah Fook Ling KBE AO (Tan Sri Sir Dr Jeffrey Cheah)]

Other Public Companies:
- Nil

Working Experience and Expertise

Mr Evan Cheah is currently the Deputy President of Sunway Berhad to focus on accelerating Sunway Group's digital transformation and position Sunway Group at the forefront of innovation.

Mr Evan Cheah has more than 15 years of experience in general management, investments and technology across various businesses within Sunway Group.

Prior to his current role on 2 January 2025, Mr Evan Cheah was the Group Chief Executive Officer (CEO) for Digital and Strategic Investments at Sunway Group, a leading Malaysian conglomerate with multi-industry interests in property development, property investment, construction, healthcare, leisure and hospitality, retail mall management, fund management, building materials and industrial distribution and manufacturing. From 2011 to 2015, he was the CEO of Sunway Group's China operations responsible for overseeing the China Corporate Office. On 1 March 2015, he was redesignated as Executive Vice President – President's Office with additional role of assisting the President's Office to identify new business growth opportunities and driving synergies across the Sunway Group.

Mr Evan Cheah was also a Non-Independent Non-Executive Director of Elite Commercial REIT Management Pte Ltd, the Manager for Elite Commercial REIT, a real estate investment trust listed on Singapore Exchange Securities Trading Limited from January 2020 to January 2024.

Mr Evan Cheah sits on the Board of Sunway Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad, as an Alternate Director to Tan Sri Sir Dr Jeffrey Cheah. He currently also sits on the boards of various private operating companies including as Chairman of the Board for Credit Bureau Malaysia Sdn. Bhd., Sunway Money Sdn. Bhd., Multicare Health Pharmacy Sdn. Bhd. and Tianjin Eco-City Sunway Property Development Co Ltd.

DATO' TAN KIA LOKE

Alternate Director to Evan Cheah Yean Shin

Nationality: Malaysian | Age: 75 | Gender: Male

Date Appointed to the Board:
29 October 2021

Years of Directorship:
3.5 years

Qualifications:
- Bachelor of Science (Honours) Degree in Civil Engineering, University of Strathclyde, United Kingdom

Membership of Board Committees:
- Nil

Directorships of Listed Entities and Other Public Companies:

Listed Entities:
- Nil

Other Public Companies:
- Malaysian South-South Corporation Berhad (MASSCORP)
- Sunway Lagoon Club Berhad

Working Experience and Expertise

During his 36-year tenure at the helm of SunCon Group, he was instrumental in growing the construction arm from inception in 1981 until his retirement from SunCon Group in 2015 as Senior Managing Director. He has, however, continued serving Sunway Group in the capacity of Senior Managing Director in the Chairman's Office. His remit includes supporting the Chairman in new business ventures, strategic partnerships and collaborations.

Dato' Tan is currently an EXCO member of Malaysia South-South Association (MASSA) and a Board Member of MASSCORP.

He has previously served on the Board of Malaysian Property Incorporated (MPI), a government-linked company incorporated to promote Malaysian properties abroad.

Dato' Tan was awarded the Prestigious CEO of the Year by the Construction Industry Development Board (CIDB) in 2006. In 2007, he was appointed as a Special Member to CIDB by the Minister of Works for a two-year tenure. He was conferred an Honorary Builder by Master Builders Association Malaysia (MBAM) in 2022.

WONG KWAN SONG, RICHARD

Alternate Director to Liew Kok Wing & Group Deputy Managing Director

Nationality: Malaysian | Age: 60 | Gender: Male

Date Appointed to the Board:
1 April 2022

Years of Directorship:
3.1 years

Qualifications:
- Bachelor of Engineering (Hons) in Civil Engineering, University of Portsmouth
- Certificate in Technology (Building), Tunku Abdul Rahman College

Membership of Board Committees:
- Nil

Directorships of Listed Entities and Other Public Companies:
- Nil

Working Experience and Expertise

Mr Wong started his career in 1987 at Syarikat Pembinaan Perlis Sdn. Bhd. He then joined Syarikat Pembinaan YTL Sdn. Bhd. in 1988 before joining SunCon Group in 1989.

Thereafter, he joined Setarabina Sdn. Bhd. in 1995 and served as a Project Manager before rejoining SunCon Group in 1999.

Mr Wong held various positions in SunCon Group during his 32-year tenure with SunCon Group.

Mr Wong was the head of Building Division since 2007 before his promotion to the position of Deputy Managing Director of Sunway Construction Sdn. Bhd. (SCSB) in September 2020. He was further promoted to his current position as Group Deputy Managing Director of SCSB on 1 April 2022.

DIRECTORS

FAMILY RELATIONSHIP WITH DIRECTOR AND / OR MAJOR SHAREHOLDER

Mr Evan Cheah Yean Shin (Mr Evan Cheah) who is a Non-Independent Non-Executive Director and major shareholder of SunCon, is the son of Tan Sri Sir Dr Jeffrey Cheah and brother of Datin Paduka Sarena Cheah Yean Tih *S.M.S* (Datin Paduka Sarena Cheah) and Mr Adrian Cheah Yean Sun (Mr Adrian Cheah). Tan Sri Sir Dr Jeffrey Cheah, Datin Paduka Sarena Cheah and Mr Adrian Cheah are the major shareholders of SunCon. Tan Sri Sir Dr Jeffrey Cheah and Datin Paduka Sarena Cheah are also the directors of Sunway Berhad, which are the major shareholders of SunCon. Mr Evan Cheah is currently the alternate director to Tan Sri Sir Dr Jeffrey Cheah in Sunway Berhad.

Save as disclosed above, none of the other Directors has any family relationship with any director and / or major shareholder of SunCon.

CONFLICT OF INTEREST

None of the Directors has any conflict of interest or potential conflict of interest, including interest in any competing business with SunCon Group.

CONVICTION FOR OFFENCES

None of the Directors has any conviction for offences (other than traffic offences, if any) within the past 5 years nor public sanctions or penalties imposed by any relevant regulatory bodies during the financial year 2024.

ATTENDANCE OF BOARD MEETINGS

The attendance of the Directors at Board and Board Committees' Meetings held during the financial year ended 31 December 2024 is disclosed in the "Corporate Governance Overview Statement".

Profile of Key Management

ERIC TAN CHEE HIN

Group Deputy Managing Director

Nationality: Age: 53 Gender:

Qualifications:
- Registered Professional Engineer with Practising Cert, Board of Engineers Malaysia
- Registered GBI (Green Building Index) Facilitator
- Competent GBI Commissioning Specialist (CxS)
- Master of Business Administration, Nottingham Trent University
- Bachelor of Engineering Degree in Mechanical Engineering, Universiti Sains Malaysia

Membership of Board Committees:

SC

Skills, Working Experience and Expertise

Mr Tan began his career with SSP (E&M) Sdn. Bhd. in 1996 where he served as a Mechanical Engineer.

In 2000, he joined Sunway Engineering Sdn. Bhd. and has held various positions in the company during his tenure of 23 years within the company. He has been heading the Mechanical, Electrical and Plumbing division since 1 November 2014 and is currently the Head of the Sustainable Energy and Civil Divisions.

Mr Tan was appointed as an Executive Director in January 2019. He was further promoted to his current position as Group Deputy Managing Director of Sunway Construction Sdn. Bhd. (SCSB) on 1 April 2022.

ELAINE LAI EE-LING

Chief Financial Officer

Nationality: Age: 36 Gender:

Qualifications:
- Chartered Accountant, Malaysian Institute of Accountants
- Certified Practicing Accountant, CPA Australia
- Bachelor of Commerce, Majoring in Accounting and Finance, University of South Australia

Skills, Working Experience and Expertise

Ms Elaine started her career as a management trainee under the Sunway Managerial Advancement for Recruited Talents (SMART) programme in 2011. As part of the programme, she was deployed to various finance functions within Sunway Group which includes Group Finance, Group Internal Audit Department and a short stint in Property Development division on an assignment basis.

Thereafter, she was deployed to SunCon where she was then rotated through the full financial cycle including Treasury and Cash Management, Group Consolidation and Reporting, Project Management, Tax and Investor Relations. She was overseeing the Group Consolidation and Treasury, leading the finance function for Mechanical, Electrical and Plumbing and Sustainable Energy divisions as well as assuming the role of Investor Relations Officer for SunCon.

Ms Elaine was appointed to her current position as Chief Financial Officer of SunCon on 1 July 2022.

Profile of Key Management

LIM VIN TZE

Senior Executive Director

Nationality: Age: 49 Gender:

Qualifications:
- Registered Professional Engineer Board of Engineers Malaysia
- Registered GBI (Green Building Index) Facilitator
- GBI Commissioning Specialist (CxS)
- Bachelor of Engineering in Mechanical Engineering (Hons), University of Melbourne, Australia

Membership of Board Committees:

EC

Skills, Working Experience and Expertise

Mr Lim began his career with KTA Tenaga Sdn. Bhd. in 2000 where he served as a Mechanical Engineer.

In 2005, he joined Sunway Engineering Sdn. Bhd. and has held various positions in the company during his tenure of 18 years within the company. He has been heading the Mechanical, Electrical and Plumbing division since 2019.

Mr Lim was appointed as an Executive Director – Operations on 1 July 2021 and promoted to Senior Executive Director on 1 January 2024.

YIP LAI HUN

Director, Supply Chain & Contracts Management

Nationality: Age: 59 Gender:

Qualifications:
- Diploma in Technology (Building), Tunku Abdul Rahman College
- Certificate in Technology (Architecture), Tunku Abdul Rahman College

Skills, Working Experience and Expertise

Ms Yip began her career in 1990 with MBF Builders Sdn. Bhd. and joined Rinota Construction Sdn. Bhd. in 1991. She then worked as a Quantity Surveyor with J.V. NLC Construction (Nishimatshu – Lum Chang) from 1992 to 1993.

She joined SunCon in 1993 and has held various positions during her 31-year tenure with SunCon Group.

Ms Yip was appointed as a Director in Supply Chain and Contracts Management on 1 January 2016. She has been heading the Contracts Department since 1 January 2008.

Profile of Key Management

HEAD OF DEPARTMENT

Name	Designation
Kwong Tzyy En	Executive Director – Precast
Subba Rao A/L V Semenchalam	Senior General Manager – Operations
Tan Kim Yoke	Senior General Manager – Commercial / Business Development
Lee Yoong Wai	Machinery Division Lead
Mau Che Pean	General Manager – Land Survey
Mohd Faudzi Bin Hanafiah	General Manager – Total Quality Management
Steven Shee Boo Cheong	General Manager – Legal
Kalaiselvan Selvaraja	General Manager – Environmental, Safety and Health
Ewe Teng Joon	Head of Human Resources

FAMILY RELATIONSHIP WITH DIRECTOR AND / OR MAJOR SHAREHOLDER

None of the Key Management has any family relationship with any director and / or major shareholder of SunCon.

CONFLICT OF INTEREST

None of the Key Management has any conflict of interest or potential conflict of interest, including interest in any competing business with SunCon Group.

CONVICTION FOR OFFENCES

None of the Key Management has any conviction for offences (other than traffic offences, if any) within the past 5 years nor public sanctions or penalties imposed by any relevant regulatory bodies during the financial year 2024.

DIRECTORSHIP IN LISTED ISSUERS AND PUBLIC COMPANIES

None of the Key Management has any directorship in listed issuers and public companies.

Corporate Governance Overview Statement

The Board is pleased to present this Corporate Governance Overview Statement (CG Overview) to provide shareholders and investors with an overview of the corporate governance framework and practices of the Group during the financial year ended 31 December 2024 (FY2024).

The CG Overview takes guidance from the three (3) key Corporate Governance Principles as set out in the Malaysian Code on Corporate Governance (MCCG) as well as key focus areas and future priorities in relation to corporate governance:

PRINCIPLE (I): BOARD LEADERSHIP AND EFFECTIVENESS

PRINCIPLE (II): EFFECTIVE AUDIT AND RISK MANAGEMENT

PRINCIPLE (III): INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

The CG Overview should be read together with the Corporate Governance Report (CG Report) which elaborates further on the detailed application for each practice as set out in the MCCG.

The CG Report is available on the Company's website, https://www.sunwayconstruction.com.my/investor-relations/corporate-governance/.

OVERVIEW

The Board of Directors (Board) of Sunway Construction Group Berhad (SunCon or Company) affirms its continued commitment to uphold good corporate governance and corporate integrity as the basis for continued financial and non-financial value creation. Towards this end, the Company continues to adhere to the standards set for good governance as provided for in the Main Market Listing Requirements (Listing Requirements) of Bursa Malaysia Securities Berhad (Bursa Securities), the requirements of the Securities Commission Malaysia, the Company's Constitution and Board Charter as well as Terms of References (TOR) established for the respective Board Committees. SunCon has also aligned its corporate governance approach to the MCCG.

The Board also continues to be cognisant of the latest developments in the corporate landscape, including the upcoming implementation of the National Sustainability Reporting Framework (NSRF) which is driven by the IFRS S1 and IFRS S2 disclosure requirements. Both IFRS standards provide for governance as being a fundamental pillar, along with strategy, risks and metrics and targets.

In addition, SunCon and its group of subsidiaries (Group) are committed to fulfilling the relevant United Nations Sustainable Development Goals (SDG) by aligning their business strategies to meet the needs of their communities in line with the SDG agenda.

In essence, SunCon's approach to governance is driven by both financial and sustainability considerations, which provide a sound basis for robust deliberation and decision making at Board and Management levels as well as the basis for the establishment of effective policies and procedures and internal controls. These collectively support and enable the continued generation of robust financial, business, operational and Environmental, Social, and Governance (ESG) performance, also known as direct and indirect financial and non-financial values.

Corporate Governance Overview Statement

PRINCIPLE (I): BOARD LEADERSHIP AND EFFECTIVENESS

The Board

The Board is collectively responsible for leading and governing the Group. It is responsible for curating the Group's business vision, strategic objectives, strategies, governance policies and objectives as well as corporate values and culture to achieve long-term sustainability of the businesses, for the benefit of shareholders, customers, suppliers and the communities in which the Group's operates.

The Board also reviews and monitors the Group's exposure to key business risks, internal control mechanisms, the direction of individual business units, annual budgets and their progress compared against agreed key performance indicators (KPIs) and management succession. In discharging its responsibilities, the Board is supported by its Management and specialised committees.

Board Composition

The Board is led by an Independent Non-Executive Chairman. It comprises a total of nine (9) members, consisting of two (2) Non-Independent Non-Executive Directors, six (6) Independent Non-Executive Directors (Independent Directors) (including the Board Chairman) and the Group Managing Director (GMD). A majority of the Board are Independent Directors and amongst the members are three (3) women Directors. Background description of each Director are presented in the respective Profile of Directors in this Integrated Annual Report 2024.

With the current composition of the Board, the Company has complied with Paragraph 15.02 of the Listing Requirements of Bursa Securities which stipulates that at least two (2) Directors or one-third (1/3) of the Board, whichever is the higher, are Independent Directors and one (1) Director must be a woman.

The Board believes in adhering to good corporate governance by encouraging fresh, innovative, diverse perspectives, openness to new ideas and independent thinking by its members. Regular systematic succession and renewal of the members of the Board will help to ensure this, while retaining adequate expertise. An orderly succession and renewal of the Board requires that the continuity and experience of longer, established Directors support the transition process. A Board Renewal Policy was established during the financial year ended 31 December 2023 (FY2023) to ensure an orderly renewal of its members.

During the year under review, Dato' Dr Johari Bin Basri retired from his role as Senior Independent Director at the 10th Annual General Meeting (10th AGM) held on 20 June 2024. Following his retirement, Dr Sarinder Kumari A/P Oam Parkash was appointed to the role of Senior Independent Director.

As part of the Board's renewal process, Datuk Kwan Foh Kwai and Puan Norchahya Binti Ahmad were appointed as Independent Directors on 10 October 2024. Both directors bring fresh perspectives and insights as well as vast professional and corporate expertise and experiences to further bolster and complement the existing skillsets of the collective Board. With the appointment of Puan Norchahya Binti Ahmad, SunCon has attained its target of 30% female representation on the Board.

Dato' Siow Kim Lun, an Independent Director will retire at the forthcoming AGM of the Company.

Roles and Responsibilities of the Board

The Board is guided by its Board Charter and has delegated the day-to-day management of the Group to the GMD which is further cascaded by the GMD to his Management team. Nevertheless, the GMD and the Management team remain accountable to the Board for authority that is delegated and for the performance of the Group. The Board Charter is reviewed and updated annually by the Board. The last review in FY2024 was undertaken on 21 November 2024 and is accessible via the Company's website.

Corporate Governance Overview Statement

The principal functions and responsibilities of the Board include, but are not limited to the following:

- i. Setting the vision, mission, objectives, goals and strategic plans for the Group to maximise shareholders' value as well as ensuring the long-term sustainability of the Group.
- ii. Monitoring and overseeing the conduct of the Group's businesses.
- iii. Identifying and monitoring the Group's principal risks and ensuring the implementation of appropriate plans and systems to mitigate and manage these risks.
- iv. Ensuring that Senior Management possesses the necessary skills, competencies and relevant experience to execute the Group's strategic plans. In addition, ensuring Management establishes a systematic transition or succession system and ensuring regular refreshment of board members in accordance with the Board Renewal Policy.
- v. Reviewing the adequacy and integrity of the Group's internal control and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.
- vi. Promoting good corporate governance culture within the Group towards continuously instilling and reinforcing ethical, prudent and professional behaviour.
- vii. Ensuring corporate accountability to shareholders primarily through adopting an effective shareholder communications strategy, encouraging effective participation at general meetings and, through its Chairman, being the key interface between the Company and its shareholders. This also includes ensuring timely and accurate dissemination of information material to shareholders.
- viii. Ensuring that the Group's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders and that the Group continues to make progress against these set targets.

Segregation of Roles between Chairman and GMD

The Chairman has a separate role and responsibility from the GMD and both positions are held by two (2) distinct individuals at all times. In addition, the Chairman of the Board is an Independent Director and is not part of the Management team. This enables a clear delineation of roles and responsibilities and separation of powers.

The respective roles of the Chairman and the GMD are clearly defined in the Board Charter.

In essence, the Chairman of the Board is responsible for the proper functioning of the Board and in ensuring that the Board undertakes its fiduciary duties with care in accordance with the established Board Charter. The Chairman helms the Board in setting the long-term value creation objectives of the Group towards achieving sustainable returns and growth. During meetings, the Chairman sets the agenda of the Board and promotes open debate so that all Directors' opinions, ideas and recommendations are considered in the decision-making process. This includes minority or contrarian views and also discussion on ESG matters.

The GMD has the overall responsibility over the performance of each business including day-to-day management, implementation of the Group's strategies and policies. There is a Management's Limit of Authority and reserved matters set by the Board, in which beyond certain threshold limits, it needs the Board's prior approval.

Corporate Governance Overview Statement

A short summary of the roles and responsibilities of the Chairman, GMD, Senior Independent Director and Independent Director are as below:

1 CHAIRMAN

Roles and Responsibilities

- Providing leadership to the Board and ensuring the Board's effectiveness in discharging its fiduciary duties.
- Setting the board agenda and ensuring the provision of accurate, timely and clear information to the Directors.
- Chairing shareholders' meetings and ensuring appropriate steps are taken to provide effective communication with stakeholders to ensure their views are communicated to the Board as a whole.
- Promoting consultative and respectful relations between the Board members and between the Board and the Management.

2 GMD

Roles and Responsibilities

- Acting as the conduit between the Board and the Management.
- Responsible for the day-to-day operation of the Company's business and the execution of the agreed business policies and directions set by the Board and of all operational decisions in managing the Group.

3 SENIOR INDEPENDENT DIRECTOR

Roles and Responsibilities

- Acting as a sounding Board for the Chairman and serves as an intermediary for other Directors, if needed.
- Acting as the point of contact for shareholders and other stakeholders.
- Providing leadership support and advice to the Board in the event the Board is undergoes a period of stress.
- Together with the Nomination and Remuneration Committee (NRC), to lead the succession planning and appointment of new Board members.

4 INDEPENDENT DIRECTOR

Roles and Responsibilities

- Providing independent judgement, experience and objectivity without being subordinate to operational considerations.
- Ensuring that the interests of all shareholders, and not only the interests of a particular fraction or group, are indeed taken into account by the Board and that relevant issues are subjected to objective and impartial consideration by the Board.

Main Activities of the Board during the Financial Year

The Board reviews and updates at each meeting, a rolling calendar of all key matters to ensure all matters of import are allocated adequate time for discussion during each year. Following is a summary of the principal matters considered by the Board in FY2024:

A FINANCIAL

- 2023 Business Performance Review
- Group's 2024 Business Plan and Budget *(including key digitalisation transformation initiatives)*
- Unaudited quarterly results and audited financial statements for FY2023
- Dividend declaration
- Approval of audit and non-audit fees
- Audit Planning Memorandum for FY2024
- Company's solvency statement for purpose of Share Buy-Back
- Acceptance of banking facilities

Corporate Governance Overview Statement

B GOVERNANCE, RISK MANAGEMENT AND INTERNAL CONTROLS

- Integrated Annual Report 2023 including CG Overview Statement, Audit Committee (AC) Report, Statement on Risk Management and Internal Control, Sustainability Statement, Management Discussion and Analysis and Chairman's Statement
- CG Report 2023
- Shareholders' mandate for recurrent related party transactions of a revenue or trading nature and renewal of share buy-back authority
- Reviewed and updated TOR of the respective Board Committees and Board Charter
- Keeping abreast on regulatory / statutory requirements and pronouncements as well as report on any breaches of the Listing Requirements of Bursa Securities as well as the Capital Markets and Services Act (if any)
- Directors' and the Principal Officers' disclosures of dealings in the shares of SunCon
- Risk management and internal control systems
- Convening of the 10th AGM and Extraordinary General Meeting (EGM)
- Recommendation for the re-appointment of BDO PLT as External Auditors of the Company for FY2024
- Annual Board and Directors Effectiveness Evaluation (BDEE) exercise
- Assessed and recommended for re-election of retiring Directors at the AGM
- Assessed Independent Directors' independence
- Discussion on the Directors' Continuing Education Programme
- Reports from the Chairman / Chairperson of the Board Committees on the committees' meeting proceedings
- Reviewed the allocation of power between the Management and the Board as delineated in the Management's Limits of Authority
- Reviewed and recommended to the shareholders of the Company the Directors' fees and revised fees for the Board Committees as well as meeting allowance payable to the Non-Executive Directors for FY2024
- Approved donations to non-profit organisation(s) as part of the Group's corporate social responsibility
- Approval of fees and benefits payable to the Non-Executive Directors
- Reviewed the size, structure, composition and gender diversity of the Board and Board Committees
- Reviewed and approved remuneration package for key Senior Management, i.e. GMD, Chief Financial Officer (CFO), Group Deputy Managing Directors of Sunway Construction Sdn. Bhd. (SCSB) (GDMDs) and Senior Executive Director of SCSB (SED)
- Reviewed and approved the performance scorecards and performance appraisal as well as the adjustment proposals of the key results areas to the performance scorecards of the GMD, CFO, GDMDs and SED
- Approval of revised guidelines for material contract and litigations
- Discussed and reviewed the findings of the MCCG Monitor 2024 Report issued by the Securities Commission Malaysia
- Endorsed annual self-declaration form of conflict of interest (COI) by a director
- Reviewed and noted the Directors' COI disclosures
- Briefing from BDO PLT on the Guidelines on Technology Risk Management issued by Securities Commission Malaysia
- Updated on rightsizing of plant and machinery
- Discussed and approved material acquisitions and disposals of plant and machinery
- Reviewed and approved Revised Non-Audit Services Policy
- Noted the EPF's letter and voting decision notice
- Reviewed and approved the Policy on Beneficial Ownership Reporting
- Approved proposed establishment of an Employees' Share Option Scheme (ESOS)
- Establishment of ESOS Committee

Corporate Governance Overview Statement

C SUSTAINABILITY	• Deliberated on the Group's ESG and sustainability agendas for 2024 • Updated on the SIRIM QAS report for the Integrated Annual Report 2023 • Updated on interim performance on KPIs and targets	• Updated on sustainability initiatives • Reviewed and approved the Carbon Reduction Strategy
D BUSINESS DEVELOPMENT & STRATEGY	• Reviewed and monitored quarterly performance of the Group • Approval of new investment opportunities, as well as major new project tenders by the Group	• Approval of joint ventures for submission of pre-qualification applications / bids for new projects
E PEOPLE & CULTURE	• Endorsing key Senior Management succession and talent development plans • HR strategies and planning • Board renewal to recruit suitably qualified directors to replace the retiring ones • Appointment of new Independent Directors	• Appointment of Senior Independent Director • Reviewed and approved the change of composition of the Board Committees • Reviewed and approved renewal of contract of employment for key Senior Management

The Board also undertook a two-day site visit in May 2024, encompassing the Integrated Construction and Prefabrication Hub (ICPH) in Singapore, precast manufacturing plants in Johor, and a data centre in Sedenak, Johor.

Key Focus Areas and Future Priorities

The Board key focus areas and future priorities in enhancing the corporate governance practices are as follows:

Key Focus Areas	Description
Achieve Net Zero Carbon Emissions by 2050	The Group is committed to decarbonising its operations in the ultimate pursuit of realising its Net Zero Carbon Emissions by 2050. The Group has established the SunCon Future Value Goals in 2030 where three (3) strategic goals and 10 corresponding targets have been established to measure ESG performance on an annual basis.
Emerging trends and sustainability	The Board will continue to be cognisant of emerging ESG trends that affect the Group's business model and operations and will provide high-level strategic oversight and guidance towards facilitating the integration of sustainability considerations and ESG-related goals and targets into the Group's operations.
Business diversification and new business opportunities	The Board will continue to assess business diversification and new business opportunities to ensure the Group's long-term sustainability growth.
Stakeholder engagement	The Board will periodically assess the effectiveness of the communication approach and channels to ensure effective and regular communication with stakeholders.
Independent evaluation of Board effectiveness	As part of the ongoing commitment to strengthen corporate governance and enhance Board effectiveness, the Board will engage professional independent consultants to facilitate a comprehensive and 360° review on the Board's performance for financial year 2026 (FY2026).

APPROACH TO CORPORATE GOVERNANCE

Corporate Governance Overview Statement

Board Diversity

The Board recognises that diversity, in all dimensions, across an organisation, including at Board level, is important to support innovation, strategic development and operational efficiency. The proportion of women Directors sitting on the Board currently stands at 33%.

Board Committees

As part of the efforts to ensure the effective discharge of its duties, the Board has delegated certain responsibilities to the Board Committees. There are four (4) standing committees, each operating within defined TOR, to assist the Board in discharging its responsibilities.

The minutes of proceedings of each committee meeting are circulated to all Board members so that all Directors are aware of the deliberations and resolutions made. Where applicable, committees report their decisions to the Board and present their recommendations for the Board's approval.

During the year under review, the composition of the Board Committees has been re-constituted, as outlined in the table below.

Audit Committee (AC)	Nomination and Remuneration Committee (NRC)	Risk Management Committee (RMC)	Sustainability Committee (SC)
Members of Committee	**Members of Committee**	**Members of Committee**	**Members of Committee**
Chairman - Dato' Siow Kim Lun **Members** - Dr Sarinder Kumari A/P Oam Parkash - Tan Ler Chin - Datuk Kwan Foh Kwai *(Appointed on 10 October 2024)* - Norchahya Binti Ahmad *(Appointed on 10 October 2024)* - Dato' Dr Johari Bin Basri *(Former Member)* *(Ceased on 20 June 2024)*	**Chairperson** - Dr Sarinder Kumari A/P Oam Parkash *(Re-designated as Chairperson on 20 June 2024)* - Dato' Dr Johari Bin Basri *(Former Chairman)* *(Ceased on 20 June 2024)* **Members** - Dato' Siow Kim Lun - Tan Ler Chin - Datuk Kwan Foh Kwai *(Appointed on 10 October 2024)* - Norchahya Binti Ahmad *(Appointed on 10 October 2024)* - Tan Sri Dato' (Dr) Chew Chee Kin - Evan Cheah Yean Shin *(Appointed on 10 October 2024)*	**Chairperson** - Tan Ler Chin *(Re-designated as Chairperson on 20 June 2024)* **Members** - Dato' Ir Goh Chye Koon - Dato' Siow Kim Lun - Dr Sarinder Kumari A/P Oam Parkash *(Re-designated as Member on 20 June 2024)* - Datuk Kwan Foh Kwai *(Appointed on 10 October 2024)* - Norchahya Binti Ahmad *(Appointed on 10 October 2024)* - Evan Cheah Yean Shin - Dato' Dr Johari Bin Basri *(Former Member)* *(Ceased on 20 June 2024)*	**Chairperson** - Tan Ler Chin *(Re-designated as Chairperson on 20 June 2024)* - Dato' Dr Johari Bin Basri *(Former Chairman)* *(Ceased on 20 June 2024)* **Members** - Dr Sarinder Kumari A/P Oam Parkash *(Appointed on 20 June 2024)* - Datuk Kwan Foh Kwai *(Appointed on 10 October 2024)* - Eric Tan Chee Hin *(Appointed on 3 March 2025)* - Liew Kok Wing *(Resigned on 3 March 2025)*
Key Function	**Key Function**	**Key Function**	**Key Function**
Provides critical oversight of the Group's financial reporting and auditing processes and plays a key role in assessing the internal control framework of the Group.	Ensures the Board and its committees have the balance of skills, relevant knowledge and experiences and that adequate succession plans are in place. Reviews the size and composition of the Board to ensure that it consists of the best mix of talents. Reviews the Group's Remuneration Policy for Directors and Senior Management and ensuring that there is a clear link between performance and remuneration.	Establishes risk tolerance level for each key risk areas. Reviews and monitors the Group's principal and emerging risks and the effectiveness of the Group's risk management systems.	Reviews, supervises and recommends the Group's sustainability strategies and initiatives, key ESG targets, measurements and performance. Monitors progress and performance scorecard to advance the Group's sustainability leadership.

Corporate Governance Overview Statement

In addition to the existing four (4) outstanding committees, following the shareholders' approval of the proposed ESOS at the EGM held on 23 December 2024, the Board has established an ESOS Committee (EC). The EC has been granted full and absolute discretion to implement and administer the ESOS in accordance with the provisions set forth in the ESOS By-Laws (By-Laws). On the same date, the TOR for the EC was also approved and adopted.

Please refer to page 161 of this IAR2024 for the composition of EC members and the activities carried out by the EC in FY2024.

Board Meetings and Attendance

The Board meets at least once every quarter to facilitate the discharge of their responsibilities. Additional meetings will be convened as and when necessary for special matters. In order to ensure all the Directors are able to attend the Board and Board Committees' meetings, the meetings for each financial year are scheduled before the end of the preceding financial year to ensure sufficient time is given to the Directors to plan their schedules.

During FY2024, a total of nine (9) Board meetings were held. The Board meetings were normally held one day after the AC meetings. The Board is satisfied with the level of time commitment given by the Board towards fulfilling their roles and responsibilities as Directors of the Company. A summary of the attendance of the Directors for the Board and Board Committees' meetings is as below:

Name of Directors	Board	AC	NRC	RMC	SC	EC
Dato' Ir Goh Chye Koon *(Independent Non-Executive Chairman)*	8/9	-	-	5/5	-	1/1
Dr Sarinder Kumari A/P Oam Parkash *(Senior Independent Director)* *(Re-designated as Senior Independent Director on 20 June 2024)*	9/9	5/5	5/5	5/5	1/1*	-
Dato' Siow Kim Lun *(Independent Director)*	9/9	5/5	5/5	5/5	-	1/1
Tan Ler Chin *(Independent Director)*	8/9	5/5	5/5	4/5	3/3	-
Datuk Kwan Foh Kwai *(Independent Director)* *(Appointed on 10 October 2024)*	2/2*	1/1*	1/1*	1/1*	-	-
Norchahya Binti Ahmad *(Independent Director)* *(Appointed on 10 October 2024)*	2/2*	1/1*	1/1*	1/1*	-	-
Tan Sri Dato' (Dr) Chew Chee Kin *(Non-Independent Non-Executive Director)*	9/9	-	5/5	-	-	-
Evan Cheah Yean Shin *(Non-Independent Non-Executive Director)*	7/9#	-	1/1*	4/5#	-	1/1
Liew Kok Wing *(GMD & Non-Independent Executive Director)*	9/9	-	-	-	3/3	1/1
Dato' Dr Johari Bin Basri *(Former Senior Independent Director)* *(Retired on 20 June 2024)*	5/5*	3/3*	2/2*	3/3*	2/2*	-

Notes:
* *Reflects the number of meetings held and attended during the period in which the Director held office during FY2024.*
\# *During his absence, his alternate, Dato' Tan Kia Loke, represented him at the meetings, except for the special Board meeting held on 23 December 2024.*

Board papers were distributed via a secured digital portal at least one week prior to the meetings to allow the Directors to have sufficient time to read and obtain further clarification, if necessary. All reports are presented in a clear and concise manner, to allow the Board to analyse and discharge its duties effectively. The Board papers include, amongst others, the following:

- **Financial reports, economic updates, business plan and budget;**
- **Progress report on the Group's projects;**
- **Risk management and internal control reports;**
- **Talent management and succession planning;**
- **Minutes of meetings of Board and Board committees;**
- **Regulatory / statutory updates;**
- **ESG and sustainability reports;**
- **Executive Committee reports; and**
- **Other operational reports.**

There was constructive deliberation during the meetings. All proceedings of the meetings and deliberations were duly recorded in the minutes. Management attends Board meetings to present and provide additional information on matters being discussed and to respond to any queries that the Directors may have.

Prior to the Board meetings in January and August 2024, dedicated sessions were scheduled exclusively for the Independent Directors, without the presence of Management, Company Secretaries and Non-Independent Non-Executive Directors. This exclusive session serves to discuss matters relating to strategy, corporate governance and operational considerations in depth to further promote integrity and open dynamics.

List of directorships

The Board has a policy that each director must not hold more than five (5) directorships in public listed companies. This is to ensure that they have sufficient time to fulfil their duties effectively. This policy has been incorporated into the Board Charter which requires a director to seek prior consent from the Board Chairman before he or she accepts any new directorship outside the Group. The Company Secretary will monitor the number of directorships and the changes, if any, of each Director and report to the Board during the meetings.

List of Directorships for Malaysian Companies

DATO' IR GOH CHYE KOON
- Sunway Construction Group Berhad

DATO' SIOW KIM LUN
- Sunway Construction Group Berhad
- EITA Resources Berhad
- Eco World International Berhad
- Radiant Globaltech Berhad
- RHB Investment Bank Berhad
- Malaysian Trustees Berhad
- RHB Trustees Berhad

DR SARINDER KUMARI A/P OAM PARKASH
- Sunway Construction Group Berhad
- First Ray Sdn. Bhd.

TAN LER CHIN
- Sunway Construction Group Berhad
- Bursa Malaysia Berhad
- Affin Islamic Bank Berhad

DATUK KWAN FOH KWAI
- Sunway Construction Group Berhad
- Luxchem Corporation Berhad

NORCHAHYA BINTI AHMAD
- Sunway Construction Group Berhad

Corporate Governance Overview Statement

List of Directorships for Malaysian Companies

TAN SRI DATO' (DR) CHEW CHEE KIN

- Sunway Berhad
- Sunway Construction Group Berhad
- Gopeng Berhad
- Sunway Quarry Industries Sdn. Bhd.
- Sunway Quarry (Kuala Kangsar) Sdn. Bhd.
- Sunway Quarry Industries (T) Sdn. Bhd.
  (f.k.a. Sunway Quarry Industries (Taiping) Sdn. Bhd.)
- Sunway Quarry Industries (Melaka) Sdn. Bhd.
- Sunway Eastwood Sdn. Bhd.
- Sunway Iskandar Development Sdn. Bhd.
  (Alternate Director to Tan Sri Sir Dr Jeffrey Cheah Fook Ling KBE AO)
- Sunway Iskandar Sdn. Bhd.
  (Alternate Director to Tan Sri Sir Dr Jeffrey Cheah Fook Ling KBE AO)
- Sunway Integrated Properties Sdn. Bhd.
- Sunway Holdings Sdn. Bhd.
- Sunway Winstar Sdn. Bhd.
- Blacktop Industries Sdn. Bhd.
- Can Technical Services Sdn. Bhd.
- TKM Sdn. Bhd.
- Sunway Treasury Sdn. Bhd.
- Sunway Treasury Sukuk Sdn. Bhd.
- Sunway Healthcare Holdings Sdn. Bhd.
- Sunway City Sdn. Bhd.
- Sunway Medical Centre Sdn. Bhd.
- Sunway Medical Centre Penang Sdn. Bhd.
- SunMed Velocity Sdn. Bhd.
- Sunway College (KL) Sdn. Bhd.
- Sunway Education Group Sdn. Bhd.
- Asian Strategy & Leadership Incorporated Sdn. Bhd.
- Sunway University Sdn. Bhd.

EVAN CHEAH YEAN SHIN

- Sunway Berhad
  (Alternate Director to Tan Sri Sir Dr Jeffrey Cheah Fook Ling KBE AO)
- Sunway Construction Group Berhad
- Sunway Construction Sdn. Bhd.
- Sunway PALs Loyalty Sdn. Bhd.
- Sunway Ventures Sdn. Bhd.
- Sunway Marketing Sdn. Bhd.
- Sunway Management Sdn. Bhd.
- Sunway Winstar Sdn. Bhd.
- Sunway Pharma Sdn. Bhd.
- Sunway PopBox Sdn. Bhd.
- Sunway Money Sdn. Bhd.
- Sunway iLabs Ventures Sdn. Bhd.
- Sunway iLabs Accelerator Sdn. Bhd.
- Sunway Management Services Sdn. Bhd.
- Sunway iLabs Ventures I Sdn. Bhd.
- Sunway Fintech Services Sdn. Bhd.
  (f.k.a. Sunway SCF Sdn. Bhd.)
- Credit Bureau Malaysia Sdn. Bhd.
- Sunway iLabs Ventures II Sdn. Bhd.
- Sunway Innovation Sdn. Bhd.
- Sunway XFarms Sdn. Bhd.
- Bnature Health Sdn. Bhd.
- World Medicare Supplies Sdn. Bhd.
- Multicare Health Pharmacy Sdn. Bhd.
- Monumental Productions Sdn. Bhd.
- Sunway Healthcare Holdings Sdn. Bhd.
  (Alternate Director to Tan Sri Dato' (Dr) Chew Chee Kin)
- Active Equity Sdn. Bhd.
- Jef-San Enterprise Sdn. Bhd.
- PRK Builders Sdn. Bhd.
- Sungei Way Corporation Sendirian Berhad
- Timah Menderang Sdn. Bhd.
- Sungei Way Properties Sdn. Bhd.
- Sunway Systems Sdn. Bhd.
- Sunway Technology Sdn. Bhd.
- Sunway Digital Wave Sdn. Bhd.
- Sunway MSC Sdn. Bhd.
- Hitachi Sunway Information Systems Sdn. Bhd.
- Pasir Mas Holdings Sdn. Bhd.
- Viablewin (M) Sdn. Bhd.

LIEW KOK WING

- Sunway Construction Group Berhad
- Sunway Construction Sdn. Bhd.
- Sunway Builders Sdn. Bhd.
- Sunway Concrete Products (M) Sdn. Bhd.
- Sunway Geotechnics (M) Sdn. Bhd.
- Sunway Industrial Products Sdn. Bhd.
- Sunway Innopave Sdn. Bhd.
- Sunway Machineries Services Sdn. Bhd.
- Sunway Machinery Sdn. Bhd.
- Sunway Precast Industries Sdn. Bhd.
- Sunway SK Sdn. Bhd.
- Sunway Visioneering Sdn. Bhd.
- Sunway RE Sdn. Bhd.
- ENGIE-SUNWAY DCS Sdn. Bhd.

DATO' TAN KIA LOKE
(Alternate Director)

- Sunway Construction Group Berhad
  (Alternate Director to Evan Cheah Yean Shin)
- Sunway Iskandar Development Sdn. Bhd.
- Malaysian South-South Corporation Berhad
- Sunway Black Tap Sdn. Bhd.
- Sunway Lagoon Club Berhad

WONG KWAN SONG
(Alternate Director)

- Sunway Construction Group Berhad
  (Alternate Director to Liew Kok Wing)
- Sunway Construction Sdn. Bhd.
- Sunway Innopave Sdn. Bhd.
- Sunway Machinery Sdn. Bhd.
- Sunway Industrial Products Sdn. Bhd.
- Sunway Machineries Services Sdn. Bhd.
- Sunway Precast Industries Sdn. Bhd.
- Sunway SK Sdn. Bhd.
- Sunway Builders Sdn. Bhd.
- Sunway Concrete Products (M) Sdn. Bhd.
- Sunway RE Sdn. Bhd.

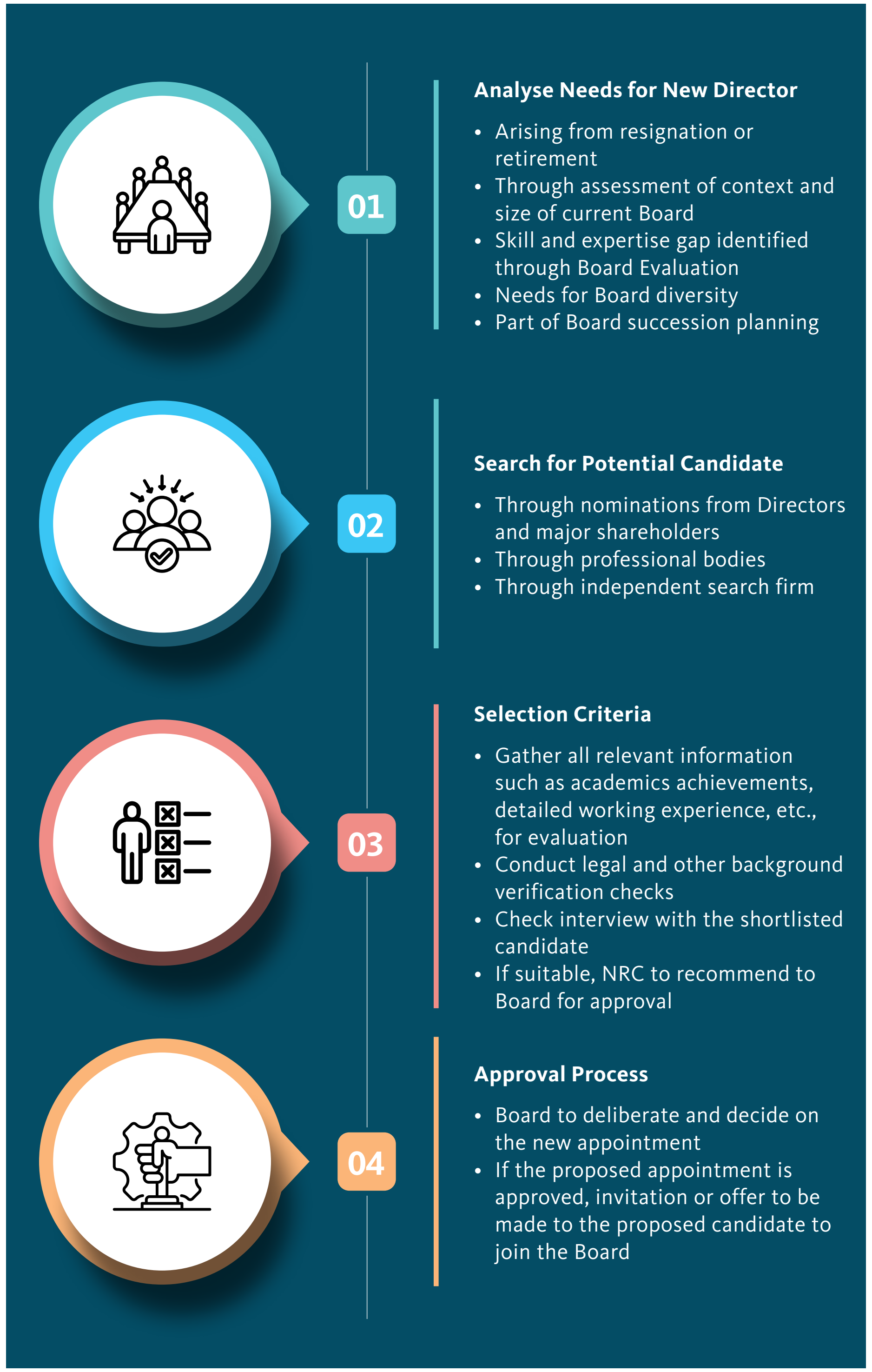
Corporate Governance Overview Statement

Nomination and Remuneration Committee Statement

The NRC comprises a majority of Independent Directors. The Chairperson of NRC is Dr Sarinder Kumari A/P Oam Parkash. The other members of the Committee are Dato' Siow Kim Lun, Ms Tan Ler Chin, Tan Sri Dato' (Dr) Chew Chee Kin, Mr Evan Cheah Yean Shin, Datuk Kwan Foh Kwai and Puan Norchahya Binti Ahmad. Mr Evan Cheah Yean Shin, Datuk Kwan Foh Kwai and Puan Norchahya Binti Ahmad were appointed as members of the NRC effective 10 October 2024.

The NRC is responsible for reviewing the Board's composition, size, diversity and board balance. It ensures that the Board comprises directors with appropriate qualifications, knowledge, expertise and experience as well as having a proper balance between Executive Directors and Independent Directors. It is also responsible for advising the Board on matters relating to the remuneration of the Board and Senior Management in order to retain and attract the best talents in the market. It regularly reviews the criteria to be used in the Board recruitment process. The NRC will assess the suitability of potential candidates based on a pre-determined criteria to augment the existing strength of the Board, including candidate's time commitment. Prospective candidates would have to meet the "Fit and Proper" criterion. In the case of candidate proposed for appointment as Independent Director, the NRC would assess the candidate's independence in accordance with Paragraph 1.01 and Practice Note 13 of the Listing Requirements of Bursa Securities. The NRC has the option of sourcing for candidates from various channels including using external recruitment agency.

The process for the appointment of new director is summarised in the diagram below:



Corporate Governance Overview Statement

The NRC also undertakes and facilitates the annual assessment of the Board and Board Committees. In addition, it is responsible for the succession planning of the Board and Senior Management.

The Board has a Fit and Proper Policy which guides the NRC and the Board in reviewing and assessing potential candidate(s) to be appointed to the Board. This policy also applies to Directors seeking for re-election. The key criteria assessed are character and integrity, conflict of interest, experience and competence, time and commitment. Annual re-election of a retiring Director is contingent upon satisfactory rating from the evaluation of the Director's performance and contribution to the Board.

The duties and responsibilities of the NRC are set out in the TOR of the NRC which is available on the Company's website at https://www.sunwayconstruction.com.my/investor-relations/corporate-governance.

Activities of the NRC

During the financial year, five (5) meetings were held to deliberate on the following matters:

- Assessed and endorsed the final performance appraisals of the GMD and the CFO of the Company, as well as the GDMDs for FY2023.
- Based on the performance appraisal scorecards, the NRC together with Group Human Resources determined the total performance bonus, incentives and annual salary increments of the GMD and CFO of the Company as well as the GDMDs for FY2023.
- Discussed and setting the performance scorecards (KPIs) of the GMD and CFO of the Company as well as the GDMDs for FY2024.
- Having evaluated the existing size, structure and composition of the Board and Board Committees, NRC was satisfied that the Board and Board Committees' sizes and composition were appropriate and effective.
- Assessed the competencies, independence and time commitment of Directors based on the BDEE process.
- Reviewed and confirmed the Independent Directors continued independence in accordance with the Listing Requirements of Bursa Securities.
- Reviewed and discussed the Directors' training needs and continuing education.
- Assessed the performances and contributions of the retiring Directors based on peer review ratings and recommended them for re-election at the forthcoming AGM.
- Reviewed and approved the internal assessment methodology for evaluation of the effectiveness of the Board, Board Committees, Directors' self and peer review, and the assessment of the Independent Directors for FY2024.
- Reviewed and approved the key Senior Management succession plan.
- Interviewed and assessed the candidates who nominated as Independent Directors in accordance with the Company's Fit and Proper Policy. After evaluating their suitability for the role of Independent Director, the NRC recommended the nominations of Datuk Kwan Foh Kwai and Puan Norchahya Binti Ahmad to the Board for approval. They were subsequently appointed to the Board on 10 October 2024. They were also appointed as members of the AC, RMC, and NRC on the same day. In addition, Datuk Kwan Foh Kwai was appointed as a member of the SC.
- Approved the revised TOR of NRC to ensure that the scope of duties and responsibilities remained relevant and updated with the latest developments. The amendments primarily focus on incorporating additional duties and responsibilities related to COI in nomination matters.
- Reviewed and refined the TOR of NRC to further strengthen the Group's governance framework, incorporating enhanced COI requirements in line with the regulatory expectations.
- Reviewed and recommended for Board's approval the performance scorecards of GMD and CFO of the Company, as well as the GDMDs and the SED for FY2024.
- Reviewed and discussed the achievements of mid-year key KPIs and mid-year performance appraisals of the GMD and CFO of the Company, as well as the GDMDs and the SED for FY2024.
- Discussed the proposal for the bonus pool based on projected profit before tax target.
- Discussed the proposed ESOS to eligible executive directors and employees of the Group as performance incentives and talent retention.
- Reviewed and approved the budget allocation for training and development of the Directors for financial year 2025 (FY2025).
- Discussed with Head of Human Resources on staff turnover rate.
- Reviewed and recommended for Board's approval the revised fees for the Board Committees as well as meeting allowance for the Non-Executive Directors for FY2024 to ensure that they were commensurate with their scope of responsibilities. The revised fees for the Board Committees and meeting allowance were benchmarked against relevant peers in the same industry. Based on data and initial key insights from a survey conducted by Bursa Malaysia Berhad and the Institute of Corporate Directors Malaysia on public listed companies' board remuneration practices, the total annual remuneration of the Company's Board falls within the "median range". The NRC did not propose any changes to the Directors' fees.
- Endorsement of the NRC Statement which formed part of the Company's Integrated Annual Report 2023.
- Reviewed and recommended for Board approval, the extension of contract of employment for Mr Wong Kwan Song as GDMD.

Corporate Governance Overview Statement

Tenure of Independent Directorship

The Board operates in a manner that ensures that the Directors exercise independent judgement and the interests of shareholders are always upheld as a key criterion in decision making.

The Board has adopted a policy whereby the tenure of an Independent Director shall not exceed a cumulative term limit of twelve (12) years in accordance with Paragraph 1.01 of the Listing Requirements of Bursa Securities (Definition of Independent Director).

During the financial year under review, none of the tenures of Independent Directors had reached the 12-year limit.

Annual Board and Board Committees Evaluation

An annual performance evaluation is carried out to ensure the Board and its Committees possess the necessary competence and capabilities to function effectively in accordance with the roles and responsibilities stipulated in the TORs. In addition, each Director is assessed on their participation in the board discussion, contribution and time commitment in discharging his or her respective roles and responsibility effectively.

The NRC reviewed the results of the evaluation and made recommendations to the Board on areas which require improvements.

In 2024, the evaluation process was conducted internally and facilitated by the Company Secretaries. Based on the evaluation, the results were tabulated and reported to the NRC. All assessments carried out by the NRC were properly documented, summarised and reported to the Board. The results of the survey and recommendations of the NRC were taken where necessary with a view to enhancing its effectiveness.

Datuk Kwan Foh Kwai and Puan Norchahya Binti Ahmad did not participate in the evaluation, except for Independent Directors' Self-Assessment, as they had only joined in October 2024.

The assessment criteria and outcome are summarised as follows:

Evaluation

Board Evaluation	Board Committee Evaluation	Directors' Self and Peer Evaluation	Independent Directors' Self-Assessment
Assessment Criteria			
Board mix, composition and development, Board dynamic and effectiveness, conduct of board meetings, roles and responsibilities, company performance, performance of Chairman, performance of GMD, Board sustainability matters, stakeholder engagement.	Committee composition, quality, skill and competencies, roles and responsibilities, effective communication, qualification of chairman or chairperson.	Director's fit and proper criteria, contribution and performance, individual competencies and personality, understanding of roles.	The criteria set under paragraph 1.01 of the Listing Requirements of Bursa Securities.

Outcome and Next Steps

The Directors were satisfied with the findings from the internal assessment and have expressed confidence pertaining to the effective functioning of the Board as a whole. The Board is of the view that the present composition retains the necessary capabilities, competences and experiences to continue to effectively govern and to discharge their duties.

The Board comprised majority Independent Directors who had demonstrated their independence, boldness in voicing their opinions and maintaining impartiality at all times.

The Directors' self and peer review affirmed that each director had performed their respective roles and functions effectively and responsibly. Each member was satisfied with each other's contribution in sharing their ideas and insights. They were involved in active participation in Board and Board Committees' deliberations. There was no risk of groupthink as each Director had freedom to express their own views. All the Board Committees were assessed to be effective in discharging their roles and responsibilities in accordance with the approved TORs. The Chairman of the Board was effective in leading and guiding the Board in all its deliberations, giving ample opportunities for each Director to express his or her opinions freely.

Majority of the Board members had shown their time commitment by attending all the meetings scheduled. In line with MCCG's best practice of ensuring a periodic externally-facilitated Board evaluation by a professional independent consultant, the Board planned to engage independent experts to facilitate its annual assessment once every three (3) years. However, due to the recent appointments of Datuk Kwan Foh Kwai and Puan Norchahya Binti Ahmad, the Board had decided to postpone the engagement of independent assessor to FY2026, as certain areas required year-round observation to ensure a meaningful evaluation.

Corporate Governance Overview Statement

LOOKING AHEAD TO FY2025

Future priorities of the NRC are as follows:

1. Focused talent management and succession planning
2. Keeping track of governance trends as well as business disruptions and threats
3. Engaging a professional independent consultant to conduct a Board Effectiveness Evaluation in FY2026

SUSTAINABILITY COMMITTEE STATEMENT

The Group has in place a SC to assist the Board in sustainability initiatives and climate change issues. The SC is currently chaired by Ms Tan Ler Chin and the other members of the committee are Dr Sarinder Kumari A/P Oam Parkash, Datuk Kwan Foh Kwai and Mr Eric Tan Chee Hin.

During 2024, the composition of the SC was revised following the retirement of Dato' Dr Johari Bin Basri on 20 June 2024. As a result, Ms Tan Ler Chin was redesignated as the Chairperson of the SC, while Dr Sarinder Kumari A/P Oam Parkash was appointed as a member. Additionally, Datuk Kwan Foh Kwai joined the SC as a member upon assuming the role of Independent Director on 10 October 2024.

On 3 March 2025, Mr Eric Tan Chee Hin was appointed as a member of the SC, replacing Mr Liew Kok Wing, to serve as the liaison between the SC and the operational leadership.

The key functions of the SC also include:

- Oversee the Group's sustainability strategy;
- Consider and approve proposals from Sustainability Working Team and recommend them to the Board for adoption;
- Consider and recommend to the Board on the Group's position pertaining to emerging sustainability issues; and
- Consider any other matters relevant to sustainability or ESG matters that are referred to the SC by Board.

The duties and responsibilities of the SC are set out in the SC's TOR which is available on the Company's website at https://www.sunwayconstruction.com.my/investor-relations/corporate-governance.

During the financial year, the SC met three (3) times to deliberate on the following matters:

At the SC meeting held on 4 January 2024, the SC reviewed and discussed the following sustainability initiatives:

- Reviewed and discussed the key findings from the employee commuting survey conducted from 7 September 2023 to 11 October 2023, covering information pertaining the transportation modes, distance travelled and number of workdays of 80% of staff.
- Updated by the SC Secretariat on the outcome of the Supply Chain Social Assessment whereby surveys were conducted to gauge the level of social practices being sent to active suppliers and subcontractors.
- Deliberated on several initiatives in relation to the Carbon Reduction Strategy outlining the Group's commitment to short, medium and long-term targets, and corresponding carbon reduction initiatives and plans.
- Updated by the SC Secretariat on the Sustainability Business Plan, and results of the FTSE4Good rating for 2023.

During the SC meeting held on 29 March 2024, the SC reviewed and discussed the Annual Sustainability Statement which formed part of the Company's Integrated Annual Report 2023.

At the SC meeting held on 23 July 2024, the SC reviewed and discussed the following matters:

- Appointment of Ms Elaine Lai Ee-Ling as the new SC secretary.
- Reviewed the TOR of the SC.
- Discussed Independent Assurance Report by SIRIM QAS International Sdn. Bhd. for Integrated Annual Report 2023.
- Reviewed the interim ESG Performance as of April 2024 and ESG initiatives.
- Updated by the SC Secretariat on the environmental and social activities undertaken by the Company.

Corporate Governance Overview Statement

EMPLOYEES' SHARE OPTION SCHEME COMMITTEE

The EC was headed by Dato' Ir Goh Chye Koon as Chairman with Dato' Siow Kim Lun, Mr Evan Cheah Yean Shin, Mr Liew Kok Wing and Mr Lim Vin Tze as members. The EC is responsible for implementing, allocating and administering the ESOS in accordance with such powers and duties conferred upon it under the By-Laws of the ESOS. The TOR of the EC is set out on the Company's website. During the financial year, a meeting was held to consider the following matters:

- Approval of the allocation policy
- Approval of the actual allocation of options to the eligible Executive Director and employees of the Group (collectively, the "Eligible Persons")
- Discussed on the proposed option price for the options to be allocated to the Eligible Persons

The Head of Human Resources attended the said meeting at the invitation of the EC.

Directors' Onboarding, Training and Development

The Company has a structured onboarding programme for all newly appointed Directors.

Each new Director receives background information on the Group immediately upon confirmation of appointment. Onboarding programmes would be arranged where each new Director receives information on all aspects of the Group's business operations. During the financial year under review, an onboarding session was organised for Datuk Kwan Foh Kwai and Puan Norchahya Binti Ahmad on 23 October 2024. This includes, where appropriate, meetings with members of the Senior Management and visits to the business divisions and their respective Management teams in each of the Company's business sectors. Ongoing training and development beyond the onboarding process is encouraged.

In view of the increasingly demanding, complex and multi-dimensional role of a director, the Board recognises the importance of continuous training and professional development to keep abreast of changing operating environments and disruptive trends.

During FY2024, all members of the Board attended various development / training programmes to broaden their knowledge and to keep abreast of the general economic, industry and technical developments as well as changes in law and regulations relevant to the business operations.

Summary of the trainings attended by the Directors during the financial year under review are as follows:

Name of Director	Title of Seminar / Workshop Attended	Name of Organiser	Date of Attendance
Dato' Ir Goh Chye Koon	KPMG Symposium: Beyond ESG Masterclass	KPMG Management & Risk Consulting Sdn. Bhd.	7 October 2024

Corporate Governance Overview Statement

Name of Director	Title of Seminar / Workshop Attended	Name of Organiser	Date of Attendance
Dato' Siow Kim Lun	What Amounts to a Conflict of Interest	RHB	11 January 2024
	Conference on Market Outlook: Propelling Malaysia Forward	Affin Bank	30 January 2024
	Training on Anti-Money Laundering (AML) & Countering Financing of Terrorism	Hong Leong Financial Group	2 April 2024
	Responsibility Mapping Engagement with Directors of Financial Institutions	FIDE Forum	24 April 2024
	The Leaders Council Power Breakfast Talk: Shaping the Digital Future of Malaysia	Star Media Group Berhad	11 June 2024
	BNM Sasana Symposium 2024 – Structural Reforms: Making It a Reality for Malaysia	Bank Negara Malaysia (BNM)	12 - 13 June 2024
	Data Innovation to Drive Financial Inclusion – Pushing New Frontier	FIDE Forum	21 June 2024
	Directors' Liabilities Within Their Respective Institutions' AML Framework	FIDE Forum	3 July 2024
	Preventing Fraud: The Board's Roles & Responsibilities	FIDE Forum	8 August 2024
	Distinguished Board Leadership Series 2024: Digital Transformation in the World's Best Bank	FIDE Forum	3 September 2024
	Audit Committee Conference 2024	Malaysian Institute of Accountants	5 September 2024
	The Malaysian REIT Forum 2024 – M-REITS Reconfigured: Growth Markets, Prospects & Alternative Asset Classes	Malaysian REIT Managers Association	10 September 2024
	Directors' Remuneration Report Launch	FIDE Forum	11 November 2024
	Economic Outlook & Post-Budget 2025 Forum	FIDE Forum	14 November 2024
	Audit Oversight Board (AOB) Conversation with Audit Committees	AOB Securities Commission Malaysia	19 November 2024
Tan Sri Dato' (Dr) Chew Chee Kin	Microsoft CEO Connection - Exclusive leadership event with Satya Nadella	Microsoft Corporation	2 May 2024
	EABC Webinar: Understanding the Rules of Origin of Regional Comprehensive Economic Partnership (RCEP) and Tapping on ASEAN Tariff Finder for Global Business	East Asia Business Council (EABC)	7 May 2024
	MITI's Pocket Talk	Ministry of Investment, Trade and Industry, Malaysia (MITI)	26 June 2024
Evan Cheah Yean Shin	UBS Asian Investment Conference 2024	UBS AG	28 May 2024
	Khazanah Megatrends Forum (KMF) 2024	Khazanah Nasional	7 October 2024
Dr Sarinder Kumari A/P Oam Parkash	The Leaders Council Power Breakfast Talk: Shaping the Digital Future of Malaysia	Star Media Group Berhad	11 June 2024
	National Climate Governance Summit 2024	Climate Governance Malaysia & Companies Commission of Malaysia	10 - 12 September 2024
	BCP is Out: Director Preparedness for AI-Powered Attacks on People, Tech and Governance	Institute of Corporate Directors Malaysia (ICDM)	27 September 2024

Corporate Governance Overview Statement

Name of Director	Title of Seminar / Workshop Attended	Name of Organiser	Date of Attendance
Liew Kok Wing	Virtual Engagement on National Sustainability Reporting Framework (NSRF)	Bursa Malaysia Securities Berhad	20 September 2024
	Aligning Risk Management to Strategy and Purpose	ICDM	7 October 2024
Tan Ler Chin	Conflict of Interest and Related Party Transactions	Affin Bank Berhad	15 February 2024
	Sustainable Sustainability – Why ESG is not enough?	Asia School of Business	1 March 2024
	Amanie Islamic Investment Forum 2024: Shariah Investing: New Theme for New Era	Amanie Advisors Sdn. Bhd.	4 March 2024
	IFRS® Sustainability Disclosure Standards	Malaysian Accounting Standards Board	7 March 2024
	Future-Proofing Malaysian Businesses: Navigating Cyber-Threats in the Age of AI & Thriving in a High-Risk Landscape	ICDM	11 March 2024
	Beyond Box - Ticking Enhancing: Effectiveness of Nominating Committees	Asia School of Business	24 April 2024
	BESPOKE Workshop: Cultivating Strategic Thinking Competence	Affin Bank Berhad	25 May 2024
	Kuala Lumpur International Sustainability Conference	Asia School of Business	7 June 2024
	FIDE Elective Programme: Understanding Liquidity Risk Management in Banking	Asia School of Business	18 June 2024
	Directors Liabilities Within Their Respective Institution's AML Frameworks	FIDE Forum	3 July 2024
Datuk Kwan Foh Kwai	Mandatory Accreditation Programme Part II: Leading for Impact (LIP) (Full-Day Programme)	ICDM	4 - 5 December 2024
Norchahya Binti Ahmad	2024 CRO Roundtable Discussion	Malaysian Association of Risk and Insurance Management (MARIM)	3 December 2024
	Mandatory Accreditation Programme Part II: Leading for Impact (LIP) (Half-Day Programme)	ICDM	9 - 12 December 2024
Dato' Tan Kia Loke *(Alternate Director)*	MBAM President, Deputy President, Council Members / Committee Members for Year 2024	CIDB Malaysia	29 June 2024
	Sunway Leaderise Programme	Asian Strategy & Leadership Institute (ASLI)	2 July 2024
	Power Talk: Prospects of Investing in Ocean Thermal Energy-Driven Development Projects off the states of Sabah & Sarawak, Malaysia	Minconsult Sdn. Bhd.	3 July 2024
Wong Kwan Song *(Alternate Director)*	Anti-Bribery & Corruption Training	Malaysian Anti-Corruption Commission	3 April 2024
	TRX City Park Learning Experience	Malaysia Australia Business Council	15 November 2024

Both new Directors namely Datuk Kwan Foh Kwai and Puan Norchahya Binti Ahmad had completed Mandatory Accreditation Programme (MAP) Part I and MAP Part II.

Corporate Governance Overview Statement

Directors' Remuneration

The Group recognises that in order to attract and retain Directors, it must offer competitive remuneration packages that commensurate with the Directors' experience, skills and responsibilities as well as industry norms and standards. In view of this, the remuneration package for GMD and Directors' fees for Non-Executive Directors were determined by benchmarking against remuneration packages of relevant positions within the similar industry and / or benchmarking against companies with a similar business size. Remuneration is structured on the basis of linking rewards to corporate and individual performance. The remuneration package of the GMD is subject to evaluation and determination of the NRC.

The remuneration of Non-Executive Directors is reviewed by the Board as a whole and comprises fixed annual Directors' fees, Board Committees' fees and meeting allowances for each Board or Board Committee meetings attended. The fees and allowance payable to Non-Executive Directors are subject to the shareholders' approval at the AGM based on the recommendation of the Board.

The Board Chairman is entitled to Director's fee of RM180,000 per year while the rest of the Non-Executive Directors are entitled to Directors' fees of RM100,000 per individual per year. The meeting allowance is set at RM1,000 per individual per meeting.

In addition to the Directors' fees, the Chairman and members of the AC are entitled to the AC's fees in respect of their governance and oversight responsibilities over financial reporting, the internal control system, risk management system and the internal and external audit function.

In view of the increasing responsibilities of the Board Committees, the Board had upon the recommendation of the NRC, approved the increase in the AC's fees and the payments of the following Board Committees' fees for the approval of the shareholders at the forthcoming AGM of the Company to be held in May 2025:

	AC Chairman	RMC Chairperson	NRC Chairperson	SC Chairperson	EC Chairman
Existing Fee (Per Annum)	RM6,000	-	-	-	-
Proposed Revised Fee (Per Annum)	RM10,000	RM10,000	RM10,000	RM10,000	RM10,000

	AC Member	RMC Member	NRC Member	SC Member	EC Member
Existing Fee (Per Annum)	RM3,000	-	-	-	-
Proposed Revised Fee (Per Annum)	RM5,000	RM5,000	RM5,000	RM5,000	RM5,000

The proposed revised Board Committees' fees, upon approval by the shareholders, will be payable together with the payment of the Directors' fees.

The details of the Directors' remuneration for FY2024 are disclosed in the CG Report, which is available on the Company's website https://www.sunwayconstruction.com.my/investor-relations/corporate-governance.

Corporate Governance Overview Statement

Access to Management and Independent Professional Advice

All Directors have direct access to the advice and services of Company Secretaries. The Company Secretaries attend all the Board meetings and are accountable directly to the Board, through the Chairman of the Board, on all matters pertaining to the proper functioning of the Board, including compliance with the Company's Constitution, Companies Act 2016 (CA 2016), Listing Requirements of Bursa Securities, the Securities Commission Malaysia's Guidelines, etc. The Company Secretaries are associate members of the Malaysian Institute of Chartered Secretaries and Administrators and are registered with the Companies Commission of Malaysia (CCM) under Section 241 of the CA 2016. They hold practicing certificates issued by the Registrar of Companies.

The appointment and the removal of the Company Secretaries are subject to approval of the Board. All Directors, whether as a full Board or in their individual capacity, have the authority to obtain independent professional advice, when necessary, at the Company's expense.

All Independent Directors have access to the GMD and key Senior Management should there be any explanation or clarification needed on any aspect of the Group's operations or management issue.

Conflict of Interest

Directors must avoid situations in which their own personal or business interests directly or indirectly conflict, or appear to conflict, with the interest of the Company. Where a Director has a COI, in respect to any matter, he or she shall be required to immediately disclose his or her interest at a meeting of the Directors or send a written notice to the Company containing details of his or her interest and the conflict and recuse himself or herself from participating in any discussion and decision-making on the matter. Such declaration of interest will be recorded in the minutes of meeting.

In 2024, the Board approved the Annual Self-Declaration Form for COI to enhance the transparency and effectiveness of the COI disclosure process for the Directors. A summary of the completed disclosures was tabled to the Board for review on 20 May 2024. Based on these disclosures, the Board noted that, during the review period, none of the Directors had any personal or potential COI with the Group.

In respect to mandated recurrent related party transactions (RRPT mandate), the Board was satisfied that all transactions were independently scrutinised and reviewed by the AC to ensure that they had complied with the Listing Requirements of Bursa Securities and the terms of the shareholders' mandate. The Company had obtained a renewal of its RRPT mandate from the shareholders on 20 June 2024.

The Independent Directors regularly engage in discussion with Senior Management, Internal Audit Department (IAD), Risk Management Team, External Auditors and other relevant parties to ensure that the concerns and issues raised with regard to the business operations of the Group are properly addressed on a proactive basis.

Notices on the closed periods for dealings in the shares of the Company are circulated to all Directors and principal officers of the Company in order for them to make the necessary disclosure to the Company in advance of whenever the closed period is applicable.

Sustainability Practices

The Group believes that doing business in a sustainable manner goes hand-in-hand with corporate responsibility and both are integral in generating and sustaining short-term and long-term value for its stakeholders. As such, the Board is committed to promoting business sustainability strategies via continuous balanced assessment and development of its operations, whilst simultaneously conserving and improving the environment, and uplifting the socioeconomic conditions of its employees and local communities.

Details of the sustainability programmes and initiatives are set out in the Sustainability Statement on pages 86 to 134 of this IAR2024.

Code of Conduct and Business Ethics & Whistleblowing Policy

The Board promotes good business conduct and healthy corporate governance culture that emulates integrity, transparency and fairness in line with the Company's Code of Conduct and Business Ethics (CCBE). The CCBE sets out the principles and standards of business ethics and conduct of the Group and is to be observed by all employees, officers and Directors of the Group.

Corporate Governance Overview Statement

APPROACH TO CORPORATE GOVERNANCE
Corporate Governance Overview Statement

The Company also has in place a Whistleblowing Policy and Procedures. The objective of this policy and procedures is to provide a mechanism for all levels of employees and stakeholders of the Group to report concerns about any suspected wrongdoing, inappropriate behaviour or misconduct relating to fraud, corrupt practices and / or abuse at the earliest opportunity for expeditious investigation.

Reporting individuals are protected against reprisals and / or retaliation from his or her immediate supervisor or head of department or division as a result of the report. The said policy also provides the assurance that no disciplinary action shall be taken against the reporting individual as long as he or she does not provide false information in the report purposely, knowingly and recklessly.

Employee or member of the public who has knowledge or is aware of any improper conduct within the Group is encouraged to disclose through the following reporting channels:

Whistleblowing Hotlines:

T: (603) 5639 8025 E: whistleblowing@sunway.com.my

The Group has a zero tolerance against all forms of bribery and corruption practices. It has formulated an Anti-Bribery and Corruption Policy (ABC Policy) as well as an Anti-Money Laundering Policy (AML Policy). The ABC Policy provides procedures and guidance to all employees and business associates of the Group in complying with the policy. As for the AML Policy, all employees of the Group are required to implement measures to prevent money laundering within its businesses.

On 21 November 2024, the AML Policy was revised to align with the Securities Commission Malaysia's Guidelines on Prevention of Money Laundering, Countering Financing of Terrorism (CFT), Countering Proliferation Financing (CPF) and Targeted Financial Sanctions for Reporting Institutions in the Capital Market. The revised AML Policy was also renamed as "Anti-Money Laundering, Countering Financing of Terrorism and Countering Proliferation Financing Policy" (AML / CFT / CPF Policy). Additionally, an AML / CFT / CPF Compliance Officer was appointed to oversee and ensure compliance with the internal programmes, policies and procedures related to AML / CFT / CPF.

Further details of the CCBE, Whistleblowing Policy and Procedures, ABC Policy and the AML /CFT / CPF Policy are set out in the CG Report. The CCBE, Whistleblowing Policy and Procedures, ABC Policy, AML / CFT / CPF Policy as well as the CG Report are available on the Company's website at https://www.sunwayconstruction.com.my/investor-relations/corporate-governance.

PRINCIPLE (II): EFFECTIVE AUDIT AND RISK MANAGEMENT ACCOUNTABILITY

Risk Management and Internal Controls

The Board remains committed towards maintaining a sound risk management and internal control systems and policies to safeguard the shareholders' interest. The Group maintains an adequate and effective system of risk management and internal controls addressing material financial, operational, regulatory, compliance and information technology risks to safeguard the stakeholders' interests.

The Board supported by the AC and the RMC, recognises that the risk management and internal control systems can provide only reasonable assurance that the Group will not be significantly affected by any event that can be reasonably foreseen or anticipated. There are no systems of risk management and internal controls that can provide absolute assurance in this regard, or absolute assurance against poor judgement in decision-making, human error, losses, fraud or other irregularities.

The Board through the AC and RMC, has overall responsibility for the governance of risk and oversees the Management in the design, implementation and monitoring of the risk management and internal controls systems. The RMC oversees the adequacy and effectiveness of the risk management framework, systems and policies of the Group. The AC is tasked with the responsibility of evaluating the reliability, adequacy and effectiveness of the Group's risk management and internal control systems, including whether there is prompt and accurate recording of transactions and proper safeguarding of assets. The IAD which is in charge of the internal audit function, assists the AC in reviewing, evaluating and monitoring the effectiveness of the Group's governance, risk management and internal control processes.

The RMC is assisted by the Risk Working Committee (RWC) at the operational level. The RWC identifies, mitigates and monitors the critical risks highlighted by each Business Divisions. The Board through the RWC, has received assurances from the GMD and the CFO that the risk management framework and internal controls system of the Group are operating adequately and effectively.

Regular assessments on the adequacy and integrity of the internal controls and monitoring of compliance with policies and procedures are also carried out through internal audit exercises. The risk-based internal audit plan that includes internal audit coverage and scope of work were presented to the AC for its consideration and approval annually. Internal audit reports encompassing the audit findings together with recommendations thereon are presented to the AC on a quarterly basis. The internal auditors and Management are tasked to ensure management action plans are carried out effectively and regular follow-up audits are performed to monitor the continued compliance.

Having reviewed the adequacy and effectiveness of the Group's risk management and internal control system for the year under review, the Board is of the view that the risk management and internal control system is satisfactory and there were no material losses incurred during the year under review as a result of internal control weakness or adverse compliance events.

Details of the Risk Management Framework and internal controls system of the Group are set out in the Statement on Risk Management and Internal Control section on pages 183 to 189 of this IAR2024.

Risk Management Committee

The RMC, which comprised exclusively Non-Executive Directors with majority of them being Independent Directors, has oversight on the Group's overall risk management framework and all its related policies. The RMC is currently headed by Ms Tan Ler Chin with six (6) members namely Dato' Ir Goh Chye Koon, Dato' Siow Kim Lun, Dr Sarinder Kumari A/P Oam Parkash, Mr Evan Cheah Yean Shin, Datuk Kwan Foh Kwai and Puan Norchahya Binti Ahmad.

The RMC was previously chaired by Dr Sarinder Kumari A/P Oam Parkash, who was re-designated as a member on 20 June 2024. Datuk Kwan Foh Kwai and Puan Norchahya Binti Ahmad were appointed as members of the RMC on 10 October 2024, following their appointments as Independent Directors of the Company.

The Group's overall risk management processes are the responsibility of the Board undertaken through the RMC. The RMC supports the Board and Management in setting the tone from the top so as to embed and maintain appropriate risk culture. It guides the development of and recommends for the Board's approval, the risk appetite of various risks identified. It exercises oversight on how this is operationalised into individual risk appetite limits.

The RMC is governed by its TOR, which is available on the Company's website at https://www.sunwayconstruction.com.my/investor-relations/corporate-governance.

The RMC, with the assistance of the CFO, the RWC or any other designated senior officer, who will be leading the risk management function of the Company:

- Evaluates and determines the nature and extent of the risks the Board is ready to endorse in pursuit of the Group's strategic objectives;
- Ensures an appropriate and effective risk management framework is established and maintained;
- Monitors the design and implementation of the risk management framework;
- Oversees management of risk identification, reporting, and mitigation efforts. The risk management review is reported to the RMC on a quarterly basis for review and discussion; and
- Reviews and approves the Statement on Risk Management and Internal Control.

During FY2024, five (5) meetings were held to deliberate on the following matters:

(i) Reviewed the risk category and risk appetite of the Group;
(ii) Deliberated on the quarterly risk reports highlighting the identified principal risks at operational levels, the corresponding rating for each risk as well as the control and mitigation action plans taken;
(iii) Reviewed and endorsed the Statement on Risk Management and Internal Control to be included in the Company's Integrated Annual Report 2023;
(iv) Reviewed the RMC's revised TOR;
(v) Reviewed and deliberated on the Anti-Bribery and Corruption and Anti-Money Laundering Compliance Report; and
(vi) Deliberated on the Enterprise Risk Management Framework.

During the year under review, the RMC discussed the findings and the impact of the following potential risks including two (2) new risks introduced in the quarterly risk report, namely environmental risk, and cyber threat risk:

(i) Bribery and corruption risk;
(ii) Delay in project delivery resulting in legal and reputational risk;
(iii) Cost overrun;
(iv) Lack of return on investment of machineries / assets and idling machines;
(v) Reliability of subcontractors;
(vi) Legal workers;
(vii) Scarcity of construction projects in the market;
(viii) Collection risk; and
(ix) Relocation of precast plant in Johor due to the compulsory land acquisition by the Johor Bahru Land Office.

The relocation of the precast plant in Johor was completed in May 2024, and as a result, it was officially removed from the risk register in the third quarter.

Corporate Governance Overview Statement

AUDIT COMMITTEE REPORT

The Board of SunCon is pleased to present the Audit Committee (AC) Report which provides insights into the manner in which the AC discharged its oversight functions during the financial year ended 2024 (FY2024).

TERMS OF REFERENCE (TOR)

AC ← INTERNAL AUDIT DEPARTMENT (IAD)

Chairman

Independent Director, who is not the Chairman of the Board

Composition

- At least 3 members
- Must be Non-Executive Directors, with majority being Independent Directors
- Membership qualification
- Financially literate
- No alternate Director

Key Functions

- Financial Reporting
- External Audit
- Internal Audit Function
- Internal Control Systems
- Related Party Transactions (RPT) & Conflict of Interest (COI) and / or Potential COI Situations

Performance Review

- Annual Evaluation by the Board
- Self and Peer Evaluation by the AC

TERMS OF REFERENCE

The TOR establishes the authority, duties and responsibilities of the AC.

The TOR is available on the Company's website at https://www.sunwayconstruction.com.my/investor-relations/corporate-governance/.

The AC assists the Board in ensuring effective governance over the Company and its subsidiaries' (Group) financial reporting, including the adequacy of related disclosures, the performance of both the internal audit function and the external auditors, and the oversight over the Group's systems of internal controls, RPT as well as any COI and / or potential COI situations, including interest in any competing business and the measures taken to resolve, eliminate, or mitigate such conflicts.

APPROACH TO CORPORATE GOVERNANCE

Corporate Governance Overview Statement

COMPOSITION

The composition of the AC underwent changes during the year following the retirement of Dato' Dr Johari Bin Basri and appointment of new Independent Non-Executive Directors (Independent Directors), Datuk Kwan Foh Kwai and Puan Norchahya Binti Ahmad. As at the end of FY2024, the AC comprised five (5) members, all of whom were Independent Directors. Members of the AC comprised the following Directors:

Current Members	Status of Directorship
Dato' Siow Kim Lun (Chairman)	Independent Director
Dr Sarinder Kumari A/P Oam Parkash (Member)	Senior Independent Director
Tan Ler Chin (Member)	Independent Director
Datuk Kwan Foh Kwai (Member) *(Appointed on 10 October 2024)*	Independent Director
Norchahya Binti Ahmad (Member) *(Appointed on 10 October 2024)*	Independent Director

Former Member	Status of Directorship
Dato' Dr Johari Bin Basri (Member) *(Ceased on 20 June 2024)*	Independent Director

The composition of the AC complied with paragraphs 15.09(1)(a) and (b) of the Main Market Listing Requirements (Listing Requirements) of Bursa Malaysia Securities Berhad (Bursa Securities) and the principles and practices set out in the MCCG, including the 'Step-up' requirement that all members should be Independent Directors.

Dato' Siow Kim Lun, the Chairman of the AC (AC Chairman), has been approved and recognised by the Bursa Securities as a person qualified for the purpose of paragraph 15.09(1)(c)(iii) of the Listing Requirements of Bursa Securities.

PERFORMANCE OF AC

The Board, through its Nomination and Remuneration Committee (NRC), reviewed annually the terms of office of the AC. The NRC also assessed the performance of the AC as well as its members' financial literacy, skills set, experiences and competencies through an annual evaluation process. Additional areas of assessment included time commitment, ability to probe, understand and deal with complex issues confidently, working closely with external and internal auditors as well as monitoring RPT and COI or potential COI situations. The AC members also undertook a Self and Peer Evaluation to assess whether the AC members have the competencies to discharge their duties and responsibilities in accordance with its TOR. These assessments were facilitated by the Company Secretary.

Based on the outcome of the annual assessment for 2024, the Board was satisfied with the performance and time commitment of the AC and its members and concluded that they have effectively discharged their functions, duties and responsibilities in accordance with its TOR.

MEETINGS AND ATTENDANCE

A total of five (5) AC meetings were held during the financial year under review. The AC meetings for the year under review were pre-scheduled to allow the Directors to plan ahead and incorporate the meeting dates into their respective schedules. The members of the AC and their meetings attendance record are as follows:

Name of AC Members	Membership	Number of Meetings Attended	Percentage of Attendance
Dato' Siow Kim Lun	Chairman	5/5	100%
Dr Sarinder Kumari A/P Oam Parkash	Member	5/5	100%
Tan Ler Chin	Member	5/5	100%
Datuk Kwan Foh Kwai *(Appointed on 10 October 2024)*	Member	1/1*	100%
Norchahya Binti Ahmad *(Appointed on 10 October 2024)*	Member	1/1*	100%
Dato' Dr Johari Bin Basri *(Ceased on 20 June 2024)*	Member	3/3*	100%

Note:

* *Reflects the number of meetings held and attended during the period in which the Director held office during FY2024.*

Corporate Governance Overview Statement

The following parties were invited to attend the AC meetings:

Invitees	Frequency of attendance	Purpose
Group Managing Director (GMD), Chief Financial Officer (CFO), Group Deputy Managing Director (GDMD) of main subsidiary, Sunway Construction Sdn. Bhd. (SCSB)	All meetings	To provide explanation and to address audit and internal control issues relating to the Group's finance and business operations as well as to report on the Group's financial performance.
Head of IAD and team members	All meetings	To present and respond to questions raised relating to the internal audit reports, annual audit plan, training plans, department budgets, investigation reports and to update the AC on new relevant governance and compliance matters, if any.
External Auditors, Messrs BDO PLT (External Auditors or BDO)	3 meetings	To present to the AC and respond to questions raised regarding the audit plan, the audit findings, the independent auditors' report and draft audited financial statements as well as any other matters in respect of the Company considered important for the AC's attention.
Senior Management Officers	As and when necessary	To brief the AC on specific issues involving their respective areas of responsibilities arising from the internal audit reports or any matters of interest.

The minutes of each AC meeting were recorded and tabled for its confirmation at subsequent meetings. All meeting minutes, including agenda papers deliberated were properly documented. The AC Chairman reported the recommendations and remedial actions (if any) to the Board for its consideration and implementation. Significant matters and recommendations were highlighted and monitored by the AC at its immediate subsequent meeting. The AC reports to the Board every quarter on matters falling within its TOR.

SUMMARY OF WORK OF THE AC

During FY2024, the AC carried out the following activities in the discharge of its functions and duties:

1. FINANCIAL REPORTING

(a) Quarterly Financial Results

At the AC quarterly meetings held on 19 February 2024, 20 May 2024, 21 August 2024 and 20 November 2024, the AC reviewed and discussed with the Management the quarterly management accounts and the financial reports to be released to Bursa Securities. Attention was focused on ensuring that the necessary processes and controls were in place in the preparation of accurate financial reports.

At each of the meetings, the CFO presented the quarterly financial reports and confirmed to the AC, the following matters:

(i) The accounting policies and methods of computation adopted by the Group were consistent with those adopted in the previous audited financial statements except for the adoption of new or amended accounting standards that were effective for FY2024;
(ii) There were no significant and unusual issues other than those reported in the financial statements;
(iii) The Company and the Group continued to operate as going concerns; and
(iv) The accounting standards, regulatory and other legal requirements had been complied with in preparation of the financial statements.

Corporate Governance Overview Statement

The AC scrutinised the quarterly financial results with the Management to ensure appropriateness of the accounting treatment and the accuracy of the reported financial figures. The CFO highlighted the material transactions, accounting adjustments and provisions made. Explanations to material variances or movements during the relevant quarters were highlighted and explained.

The AC, at all its quarterly meetings, also reviewed the implementation status of the corrective actions arising from the audit recommendations to ensure that any key risks and control lapses were addressed in a timely manner. It also ensured that adequate resources and talents were available in preparing the financial reports.

Having reviewed the quarterly financial results, the AC was satisfied that the unaudited quarterly financial results had been prepared in accordance with the Listing Requirements of Bursa Securities and the relevant approved accounting standards so as to give a true and fair view of the financial position of the Company and of its financial performance and cashflows for each quarter.

The AC's recommendations of the quarterly financial results were presented to the Board for approval at each subsequent Board meetings for release to Bursa Securities.

(b) Audited Financial Statements

On 29 March 2024, the AC together with the External Auditors and Management reviewed and deliberated on the annual audited financial statements for the financial year ended 2023 (AFS2023).

The AC was briefed on the significant audit findings, key audit matter (KAM) raised by the External Auditors and summary of misstatements, as well as the disclosures required in the independent auditors' report of the AFS2023.

At the aforesaid meeting, the Management and External Auditors confirmed to the AC that the AFS2023 was prepared in accordance with the relevant accounting standards and statutory requirements. On the recommendation of the AC, the Board subsequently approved the release of the AFS2023 to Bursa Securities.

(c) Accounting Standards and Other Relevant Regulatory Requirements

The AC was briefed on the amendments to the relevant legislations, accounting standards and other relevant regulatory requirements that could have financial effect on the Group.

On 20 May 2024, the CFO updated on the following three (3) new accounting standards and their impact on the Group:

MFRS 101	Classification of Liabilities as Current or Non-current and non-current Liabilities with Covenants
MFRS 16	Lease Liabilities in a Sale and Leaseback
MFRS 107 and MFRS 7	Supplier Finance Arrangements

On 20 November 2024, the External Auditors briefed the Committee on the "National Sustainability Reporting Framework" developed by the Advisory Committee on Sustainability Reporting launched on 24 September 2024.

The External Auditors also reported to the AC that BDO had prepared its Transparency Report 31 December 2023 pursuant to the requirement of the Audit Oversight Board and paragraph 33(d)(ii) of International Standard on Quality Management (ISQM) and is available on BDO's website at https://www.bdo.my/en-gb/insights/featured-insights/bdo-plt-transparency-report-31-december-2023.

2. EXTERNAL AUDIT

(a) The AC met with the External Auditors on the following dates:

- The AC on 19 February 2024 reviewed and deliberated with the Management and the External Auditors, the Audit Report by the External Auditors in respect of their audit for financial year ended 2023 (FY2023).

  The External Auditors had confirmed their professional independence in relation to the audit engagement for FY2023. They also reported on their audit status vis-a-vis the audit plan which outlined the scope of work, audit strategy and approach. The AC was briefed on the audit findings on areas of significant auditors' attention, summary of misstatements, KAM, etc., which were identified during the course of their audit and the justifications provided by Management.

  The External Auditors had subsequently confirmed that they were not aware of any non-compliance of laws and regulations, as well as any material litigations and claims against the Group other than those brought forward from prior financial years.

  The AC and Management had also confirmed that they were not aware of any non-compliance of laws and regulations or any significant fraud related matters.

Corporate Governance Overview Statement

APPROACH TO CORPORATE GOVERNANCE
Corporate Governance Overview Statement

- The AC, on 29 March 2024, had discussed with the External Auditors the final draft of the AFS2023. It was noted that there was no material deviation between the audited financial results for FY2023 and the unaudited fourth quarter results for the period ended 31 December 2023.

  The External Auditors were of the opinion that the Company's AFS2023 provided a true and fair view of the financial position of the Company and of its group in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016.

  Based on its annual audit, the External Auditors reported the following KAM and its audit response in its independent auditors' report for FY2023:

  Revenue recognition from construction contracts

  It requires management to exercise significant judgements in estimating the progress towards complete satisfaction of performance obligations and determining whether there is any exposure to liquidated ascertained damages (LAD). The progress towards complete satisfaction of performance obligations is measured using the output method, which is based on the contract work certified to date over the estimated total contract sum.

- The AC had also reviewed and discussed with the External Auditors and Management the Audit Planning Memorandum for FY2024 which outlined the External Auditors' engagement and reporting responsibilities, audit approach, materiality and performance materiality, areas of significant auditor attention, engagement team, reporting and deliverables.

(b) The AC had two (2) private sessions with the External Auditors during the financial year to discuss any issues as well as any concerns arising from their audit without the presence of Management and the Non-Independent Non-Executive Directors on 19 February 2024 and 29 March 2024. No major concerns were highlighted and the External Auditors had also confirmed that they had received full cooperation from the Management and had unrestricted access to all the Company's records. Furthermore, BDO was satisfied with the competencies of the various project finance teams who were able to provide timely information and supporting documents.

(c) The AC had at its meeting held on 29 March 2024 reviewed the audit and non-audit fees for the FY2023.

The details of the nature of non-audit services rendered by the External Auditors and / or its affiliates for FY2023 are set out as follows:

Fees paid and / or payable to External Auditors or its affiliates	FY2023	
	Company (RM'000)	Group (RM'000)
Statutory audit and related fees	20	699
Non-audit fees	-	73
Total	**20**	**772**

The AC having considered the nature, scope and amount of non-audit fees, was satisfied that there was no COI which would impair the independence of the External Auditors. The non-audit fees did not comprise more than 50% of the total fees paid to the External Auditors. The AC subsequently recommended the audit and non-audit fees for the Board's approval.

(d) The AC had also undertaken an annual assessment on the performance, suitability and independence of the External Auditors based on the following criteria:

- Audit performance;
- Quality of communication;
- Independence;
- Objectivity;
- Professionalism; and
- Adequacy of resources.

The assessment was carried out by the AC members, the CFO and the IAD. The results of the evaluation were tabled at the AC meeting held on 19 February 2024. Based on the assessment, the AC and Management were satisfied with the External Auditors' independence, performance and their audit quality for FY2023.

As part of the independence review process, the External Auditors had also provided its written confirmation on its independence and the measures undertaken to control the quality of its audit work.

As such, the AC had subsequently recommended to the Board that the External Auditors be re-appointed for the next financial year subject to the shareholders' approval at the Company's 2024 Annual General Meeting.

3. INTERNAL AUDIT

(a) The IAD's 2024 Internal Audit Plan (IA Plan) was presented at AC meeting held on 19 February 2024. The IA Plan was developed using a risk-based audit approach and complied with the best practices of the International Standards for the Professional Practice of Internal Auditing (SPPIA) issued by the Institute of Internal Auditors (IIA). The audit planning processes included developing an audit universe and assessing the risks based on various parameters.

The AC ensured that the IA Plan was adequate and the audit scope selected was relevant and resources allocated was sufficient to implement it.

The IA Plan and its proposed audit timetable and the budgeted man-hours were subsequently approved by the AC. The IA Plan was also reviewed on a quarterly basis taking into account any developments which would have a major impact on the audit coverage.

The IAD's planned and ad-hoc audit assignments for 2024 were mainly carried out in the following areas:

- Review of processes for tendering and awarding of contracts to subcontractors to ensure internal controls were adequate, effective and complied with the Group's existing policies and procedures. Contracts reviewed during the year included key trade packages such as structural, mechanical and electrical engineering and architectural for all major ongoing projects;
- Review of project performances and processes over budgetary control, major materials management, site payments and resources management to ensure internal controls were adequate, effective and complied with existing policy and procedures;
- Review of key processes for solar projects carried out by the sustainability energy division;
- Review of Information Security Management System (ISMS) implemented by Information Technology (IT) service provider for compliance with ISO / IEC 27001:2013 ISMS standards and followed up on issues highlighted in the previous year;
- Review of the adequacy of IT security controls for key IT applications hosted on cloud platforms;
- Conducted compliance and governance reviews on the following areas:
  - Review of the adequacy and effectiveness of internal controls over the data collections and reporting process for SunCon Sustainability Statement.
  - Review of the adequacy and effectiveness of Enterprise Risk Management (ERM) framework and processes, with reference to the ISO 31000:2018 standards.
  - Anti-Bribery and Corruption (ABC) framework - assessed compliance to SunCon's ABC policies and procedures by business units and ensuring that these policies continue to be adequate and effective in the conduct of business. A follow-up audit was performed on the management actions taken for issues raised in the previous audit. Audit on compliance to ABC policies had been carried out on a yearly basis since the implementation of the ABC policies and procedures in 2020. The audits were carried out on rotational basis covering all business units during the year and will be carried out at least once in every three (3) years.
  - COI - assessed the adequacy of the COI Declarations procedures for reviewing, monitoring and managing conflicts to ensure business integrity, transparency and compliance to SunCon's Code of Conduct and Business Ethics (CCBE). These audits were carried out on all business units on a yearly basis.
  - Recurrent Related Party Transactions (RRPT) - compliance to procedures established by the shareholders' mandate for RRPT (RRPT Mandate).
- Performed ad-hoc reviews and investigations; and
- Follow-up audits on previous audit findings ensuring that corrective actions were properly and timely implemented by Management.

Corporate Governance Overview Statement

(b) The AC had reviewed the results of audit engagements carried out by IAD at every quarterly meeting and discussed the major findings and audit recommendations. The AC also reviewed the status of implementation of corrective actions taken by Management to ensure appropriate remedial actions were taken on a timely basis to address all areas of risk and internal control issues. In addition, the Head of IAD updated the AC on the progress of the IA Plan and results of ad-hoc assignments including audit investigations.

(c) At the meeting held on 19 February 2024, the IA Function Evaluation Report was tabled to the AC with regard to the assessment of the performance of the IAD. The AC assessed the effectiveness of the internal audit function in terms of scope and compliance with relevant regulatory standards as well as their collaboration with the External Auditors. The AC also assessed the adequacy of resources within the IAD, as well as the core skills and competencies of the IAD's staff.

The AC was satisfied with the performance of the IAD in 2023 and was of the opinion that the internal audit function was appropriate to its size and the nature and scope of its activities.

(d) At the meeting held on 29 March 2024, the Head of IAD confirmed to the AC that all the internal auditors had signed a self-declaration that they were and had been independent, objective and free from any relationships or COI which could impair their objectivity and independence. The internal auditors also declared that they were in compliance with the CCBE and COI Policies of the Company and the IIA's Code of Ethics while carrying out their duties as internal auditors.

(e) At the meeting held on 20 November 2024, the AC met with the Head of IAD including its core team members without the presence of the Management, Executive Board member and Non-Independent Board Members to facilitate discussions on additional matters in relation to audit issues and internal control weaknesses noted in the course of their audit. There were no significant concerns expressed by the IAD in respect to their work and garnering co-operation from the Management.

(f) The AC had also reviewed the IAD budget and training plan as well as IA key performance targets for 2024.

4. REVIEWING RPTs

(a) The AC had at its meetings held on 19 February 2024, 20 May 2024, 21 August 2024 and 20 November 2024 deliberated on any potential Management's RPTs and recurring RPTs.

The review on all RPTs and recurring RPTs was to ensure that the transactions were undertaken in the best interest of SunCon and on normal commercial terms which were fair and reasonable, not detrimental to the interest of the minority shareholders.

With the assistance of the IAD, the AC in its review had satisfied itself that the processes and procedures on RPTs and RRPTs were adequate and appropriately identified in compliance with the Companies Act 2016 and the Listing Requirements. The review also ensured that RPTs were declared, approved and reported appropriately.

(b) On 19 February 2024, the AC reviewed and recommended to the Board for approval the Circular to Shareholders in respect of the proposed renewal of existing shareholders' RRPT Mandate as well as the statements made by the AC in respect of the RRPT Mandate.

5. REVIEWING COI AND / OR POTENTIAL COI SITUATIONS

The AC, at its meetings held on 19 February 2024, 20 May 2024, 21 August 2024 and 20 November 2024, reviewed with Management any disclosure of COI situations that may arise within the Group. The AC took note that there were no management's COI situations relating to operational matters (including any transaction, procedure or course of conduct), as reported by the GMD at its quarterly meetings.

The AC having reviewed all disclosures by the directors and Senior Management, was satisfied that there were no material COI and / or potential COI, including interest in any competing business during the year under review.

Corporate Governance Overview Statement

6. INTERNAL CONTROL

(a) The AC had reviewed the effectiveness of the system of internal control together with the Internal Auditors on a quarterly basis. It was reasonably assured that the same were operating adequately and effectively. The key operational processes reviewed included:

- Tender and Award – tender submissions, comparison of quotations, evaluation of tenderers, approval of awards;
- Award of contracts to subcontractors, certification and payments;
- Resource Management – major materials, labour, plant & machineries;
- Project budget assessment;
- IT general and security controls of key applications; and
- Risk assessment, project performance and project delivery monitoring for key projects.

(b) The AC also received assurances from the GMD and the CFO that the Company's risk management and internal control system were operating adequately and effectively, in all material aspects.

7. OTHER MATTERS

(a) The AC was briefed by the Company Secretary at its quarterly meetings on the Companies (Amendment) Bill 2023.

(b) On 29 March 2024, the AC reviewed and recommended for the Board's approval, the Corporate Governance Overview Statement, AC Report and Statement on Risk Management and Internal Control for inclusion in the Company's Integrated Annual Report 2023.

The AC also reviewed and recommended for the Board's approval, the Integrated Annual Report 2023 and the Corporate Governance Report of the Company.

(c) The AC conducted its annual review of its TOR. There were no updates to the TOR in FY2024.

(d) The AC also considered and recommended to the Board the proposed revision to the Anti-Money Laundering (AML) Policy (AML Policy) of the Company. The revised AML Policy incorporates the Securities Commission Malaysia's Guidelines on Prevention of Money Laundering, Countering Financing of Terrorism (CFT), Countering Proliferation Financing (CPF) and Targeted Financial Sanctions for Reporting Institutions in the Capital Market. The revised AML Policy had also been renamed as "Anti-Money Laundering, Countering Financing of Terrorism and Countering Proliferation Financing Policy". An AML / CFT / CPF Compliance Officer has been appointed to oversee and ensure compliance with the internal programmes, policies and procedures related to AML / CFT / CPF.

(e) During the financial year under review, the AC reviewed and recommended to the Board the enhanced COI Policy for the Group, aimed at further strengthening procedures for identifying, resolving and managing COI and / or potential COI situations as they arise, for approval and adoption.

(f) The AC was satisfied that there were no breaches of the Listing Requirements of Bursa Securities as reported by the Company Secretary at its quarterly meetings during the financial year.

CONTINUING EDUCATION

During the year, AC members attended various conferences, seminars and training programmes to enhance their knowledge to maintain high level of financial competencies, and generally keep themselves abreast of changes and updates.

Details of the training programmes and seminars attended by each AC member during the FY2024 are set out in the Corporate Governance Overview Statement under Directors' Onboarding, Training and Development.

OTHER

The AC and the Head of IAD have also been given the responsibility by the Board to monitor the implementation of the Whistleblowing Policy and Procedures, whilst duties relating to the day-to-day administration of the policy were performed by the Head of IAD. During the financial year under review, no cases were reported through the whistleblowing channel.

Corporate Governance Overview Statement

IA FUNCTION AND SUMMARY OF ACTIVITIES

The IA function is an integral part of the assurance framework and it is performed in-house and undertaken by IAD. The mission of IAD is to enhance and protect the Group's organisational value by providing independent and objective assurance, advice and insight. IAD helps the Group accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, internal controls and governance processes. IAD reports functionally to the AC and administratively to the GMD.

The AC reviews and approves the IAD's manpower requirements to ensure the function is adequately resourced with competent and proficient internal auditors.

The IAD is headed by Ms Celia Lee Kat Li who is a Chartered Member of the Institute of Internal Auditors Malaysia (CMIIA). The IAD has five (5) auditors and most of the IAD staff have professional qualifications and are members of the Malaysian Institute of Accountants (MIA). The Head of IAD and the audit executives have confirmed that they are free from any relationships or COI which could impair their objectivity and independence in their audit assignments.

The IAD is a member of the Malaysian Chapter of the IIA and carries out its function based on IIA Standards laid down in the International Professional Practices Framework (IPPF) issued by the IIA. The IAD successfully completed its external Quality Assessment Review in 2022 and continues to meet the IIA Standards in all key aspects. The IAD plans to conduct the assessment once every five (5) years, with the next one scheduled for 2027.

The IAD had performed its activities based on a risk-based annual audit plan approved by the AC. In ensuring that the responsibilities of the IAD are fully discharged, the AC reviews annually the adequacy of the scope of the audit assignments.

During the year, AC had reviewed and deliberated on internal audit reports together with the audit recommendations made by IAD and the Management responses to those recommendations. The Head of IAD has unrestricted access to the AC and reports directly to the AC Chairman. In its current structure, the IAD has been able to provide Directors and Senior Management with pertinent information about weaknesses in the system of internal control allowing Management to take prompt remedial actions.

During FY2024 and as at the date of this report, the IAD carried out the following activities:

(a) Prepared and presented the risk-based annual IA Plan encompassing key business segments within the Group for the approval of the AC;

(b) Performed audit engagements which covered reviews of internal control systems, accounting and management information systems, risk management and governance practices;

(c) Issued internal audit reports to the AC and Management highlighting results of the assessments of internal controls identifying key areas of concerns as well as providing recommendations for improvements and follow-up audits;

(d) Acted on suggestions made by the AC or Management on concerns over operations or controls and significant issues pertinent to the Company and of the Group;

(e) Performed investigative audits on allegations of mismanagement or improper acts reported through the whistleblowing procedures or other channels;

(f) Tabled to the AC for review of the succession planning, training plan and departmental budget for IAD;

(g) Tabled to the AC for review of the IA key performance indicators for 2024;

(h) Reported to the AC on the review of the adequacy, appropriateness and compliance with the procedures established to monitor RRPTs; and

(i) Reported to the AC on the review of the ABC Programmes and the effectiveness of the ABC Policy.

The costs incurred for the internal audit function in respect of FY2024 including staff payroll costs and overheads amounted to RM1.32 million (The cost incurred in the previous year was RM1.25 million).

APPROACH TO CORPORATE GOVERNANCE

Corporate Governance Overview Statement

PRINCIPLE (III): INTEGRITY IN CORPORATE REPORTING AND MEANING RELATIONSHIP WITH STAKEHOLDERS

Communication with Stakeholders

The Board recognises the importance of maintaining accountability to the shareholders of the Company, and promoting consistent, effective and fair communication with shareholders and all stakeholders. Its commitment, both in principle and practice, is to maximise transparency consistent with good corporate governance, except where commercial confidentiality dictates otherwise.

The Board has in place a Corporate Disclosure Policy which details out the Company's approach towards the determination and timely dissemination of material information, as well as the circumstances which warrant such disclosures.

The platform and channels used in the Company's engagement and where information is available for its stakeholders to access include:

- A ▶ Up-to-date information on the Company's website;
- B ▶ A dedicated investor relations team;
- C ▶ Announcements to Bursa Securities;
- D ▶ Annual reports;
- E ▶ General meetings;
- F ▶ Investors, analysts, and media briefings;
- G ▶ Domestic and overseas roadshows and investors conference; and
- H ▶ Investor Relations Mobile Application.

The Company maintains a corporate website, https://www.sunwayconstruction.com.my/ to disseminate information and enhance its investor relations. All disclosures, press release, material information and announcements made to Bursa Securities via Bursa LINK are concurrently updated on the website.

There is an Investor Relations section on the Company's website which provides the Company's investor relations efforts as well as relevant information of the Company to ensure the information is easily accessible by the public. Minutes of AGMs and EGMs, annual reports and circular to shareholders are also made available on the website for review.

While the Company endeavours to provide as much information as possible to the shareholders and stakeholders of the Company, it is mindful of the legal and regulatory framework governing the release of material and price-sensitive information. The Company has also in place an insider trading policy to safeguard confidentiality of the material and price-sensitive information of the Company.

Apart from the corporate website, the Board has set up an Investor Relations team supporting the GMD and the CFO to facilitate effective communication with shareholders, potential investors, analysts, fund managers and the media.

The Company disseminates Quarterly Reports and Corporate Presentations to all research analysts and investors via email communications as soon as the information is released to Bursa Securities. The Company also provides research analysts and investors continuous updates on the latest order book secured and outstanding order book. During FY2024, the Company had participated in various virtual investor conferences and road shows in Malaysia.

Stakeholder Engagement

Beyond investor relations, SunCon emphasises the importance of strategic, regular stakeholder engagement as part of the management approach for the development of successful relationships and communication with the Group's diverse stakeholders.

Engagement is viewed as imperative towards ensuring that the Group remains inclusive in its approach to value creation and continues to be market attuned and remains competitive and relevant. Increasingly, the views, aspirations and demands of stakeholders may have actual or potential significant impacts in terms of influencing financial, business, and operational strategies of the Group.

Corporate Governance Overview Statement

Hence, the Board takes into consideration the interests of stakeholders when deliberating and with regard to decision making. The stakeholders' voice is brought into the boardroom through information provided by Management and also by direct engagement with stakeholders themselves, especially during AGMs and other engagement activities.

Further information on the Group's stakeholder engagement processes, methods and purposes of engagement is provided in the Stakeholder Engagement section of IAR2024.

Our key stakeholders are our shareholders, business partners, employees, suppliers, the communities in which we operate, customers and the government and regulators.

In FY2024, the Company also strengthened its commitment to sustainability with a comprehensive environmental and social assessment of its supply chain, engaging 330 active suppliers and contractors. Since 2023, we have conducted social assessments, ensuring compliance with ethical labour standards, including forced labour, human rights, and worker accommodations. This year, we reached a key milestone with our first environmental assessment, expanding our focus to energy use, water, wastewater, and emissions.

Through the Client / Consultant Satisfaction Survey (CSS), the Company also achieved a 100% satisfaction score in product and service criteria, maintaining an overall average rating in 2024. This exceptional result reflects the high quality and reliability of our offerings. Committed to excellence, SunCon continuously strive to uphold this standard while seeking further improvements to enhance our brand image and value.

Details of the stakeholder engagement process and the findings from the Materiality Assessment Exercise (MAE) and Environmental Assessment & Social Assessment (EASA) are set out on pages 54 to 59 of this IAR2024.

APPROACH TO CORPORATE GOVERNANCE

Corporate Governance Overview Statement

INVESTOR RELATIONS

An integral aspect of SunCon's approach to stakeholder management and engagement is the emphasis on investor relations, which is namely mandatory and voluntary communication with regulators, investors, shareholders and other vested parties as well as the media, where relevant. Timely, accurate and strategic investor communications are advantageous in developing social capital; That is reinforcing the perception of aforementioned stakeholders towards the SunCon brand.

Investor Relations (IR) activities support the development of trust and credibility and also enable stakeholders to develop a more precise and correct perspective of the Group and its prospects. Maintaining transparent and non-discriminatory access to information is essential in fostering strong relationships with stakeholders, ensuring that investors and research analysts have equal opportunities to assess the company's growth potential. Hence, the continued commitment towards ensuring effective communication at all times.

Towards this end, SunCon has continued in 2024, to pursue its investor relations communication efforts. A notable highlight was the inclusion of sustainability narratives and information together with the typical financial, business and operational (FBO) performance-based information. This is consistent with the evolving information needs of providers of capital and other stakeholders who now also demand ESG-related disclosures. Hence, 2024 has seen an increased emphasis on the dissemination of updates and details on The Group's ESG initiatives, strategic commitments, and long-term sustainability goals.

Our IR team remains focused on attracting new investors and ensuring a fair market valuation through transparent, equitable, and effective communication. Moving forward, SunCon remains committed to excellence in financial reporting and investor engagement, equipping stakeholders with relevant insights for well-informed investment decisions.

IR ACTIVITIES:

In FY2024, SunCon fully resumed traditional investor engagement – actively reconnecting with the investment community through in-person meetings while continuing to leverage virtual communication platform towards expanding reach, access and frequency of communications. During the year, SunCon participated in 40 investor relations events, utilising a combination of physical and virtual platforms to enhance accessibility and inclusivity for a diverse range of investors:

Organiser	Event	Date	Venue
1. CLSA	Catch up call with SunCon	04 Jan 2024	Webinar
2. Phillip Capital Asset Management	Meeting with Phillip Capital Asset Management and clients	17 Jan 2024	SCG Office
3. HLIB	Conference Call	23 Jan 2024	Webinar
4. CLSA	Conference Call	21 Feb 2024	Webinar
5. Public Bank	Conference Call	21 Feb 2024	Webinar
6. HLB	Conference Call	23 Feb 2024	Webinar
7. Affin Hwang	Lunch meeting with Affin Hwang and clients	23 Feb 2024	Menara Affin
8. CGS-CIMB	Meeting with CGS-CIMB and clients	01 Mar 2024	SCG Office
9. Nomura	Lunch meeting with Nomura and clients	04 Mar 2024	Menara IMC
10. Phillip Capital Asset Management	RTS Drive by Tour	06 Mar 2024	RTS project site
11. J.P. Morgan	Lunch meeting with JP Morgan	07 Mar 2024	Sunway Office
12. J.P. Morgan Asset Management Singapore	Conference call	12 Mar 2024	Webinar
13. Phillip Capital Asset Management	Meeting with Phillip Capital Asset Management and clients	24 Apr 2024	SCG Office
14. BIMB	RTS Drive by Tour	29 Apr 2024	RTS Project Site

Corporate Governance Overview Statement

APPROACH TO CORPORATE GOVERNANCE

Corporate Governance Overview Statement

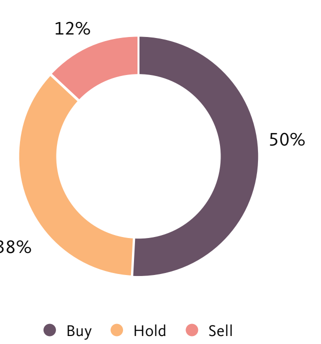
Organiser	Event	Date	Venue
15. CGS International	Senai Plant Site Visit	06 May 2024	Senai Plant
16. CLSA	Conference call	23 May 2024	Webinar
17. Public Investment Bank	Lunch meeting with Public Investment Bank & clients	29 May 2024	The Garden
18. UBS	Conference call	05 Jun 2024	Webinar
19. CGS-CIMB	Conference call	06 Jun 2024	Webinar
20. Affin Hwang	Meeting with Affin Hwang & clients	12 Jun 2024	Menara Affin
21. J.P. Morgan	Malaysia & ASEAN Forum 2024	04 Jul 2024	Hilton Hotel KL
22. CLSA	IR call with Dimension Management	05 Jul 2024	Webinar
23. Dimension Management	IR catch up call with Dimension Management	30 Jul 2024	Webinar
24. Nomura	Conference call	23 Aug 2024	Webinar
25. RHB	IR Lunch Meeting with RHB and clients	23 Aug 2024	Sunway Pyramid
26. J.P. Morgan	Conference call	23 Aug 2024	Webinar
27. Dimension Management	IR catch up call with Dimension Management	02 Sep 2024	Webinar
28. CLSA	Lunch meeting with CLSA and clients	03 Sep 2024	Sunway Pyramid
29. UBS	Conference call	13 Sep 2024	Webinar
30. Pinebridge	IR call with client	13 Sep 2024	Webinar
31. Citi Research	Meeting with Citi Research	18 Sep 2024	SCG Office
32. Capital Investment Trust Corporation (Taiwan)	Meeting with Capital Investment Trust Corporation (CICT) Fund Manager	19 Sep 2024	SCG Office
33. Macquarie	Lunch meeting with Macquarie and clients	01 Oct 2024	Macquarie Boardroom, Menara Dion
34. Phillip Capital Asset Management	Meeting with Phillip Capital Asset Management and clients	29 Oct 2024	SCG Office
35. J.P. Morgan	Catch up lunch meeting with Sunway Construction Management	06 Nov 2024	Sunway Pyramid
36. J.P. Morgan	Conference Call	22 Nov 2024	Webinar
37. RHB	Meeting with RHB and clients	25 Nov 2024	Pavilion KL
38. CLSA	Meeting with CLSA	26 Nov 2024	SCG Office
39. American Century Investments	IR call with American Century Investments	26 Nov 2024	Webinar
40. Citi Research	Conference call	10 Dec 2024	Webinar

RESEARCH COVERAGE

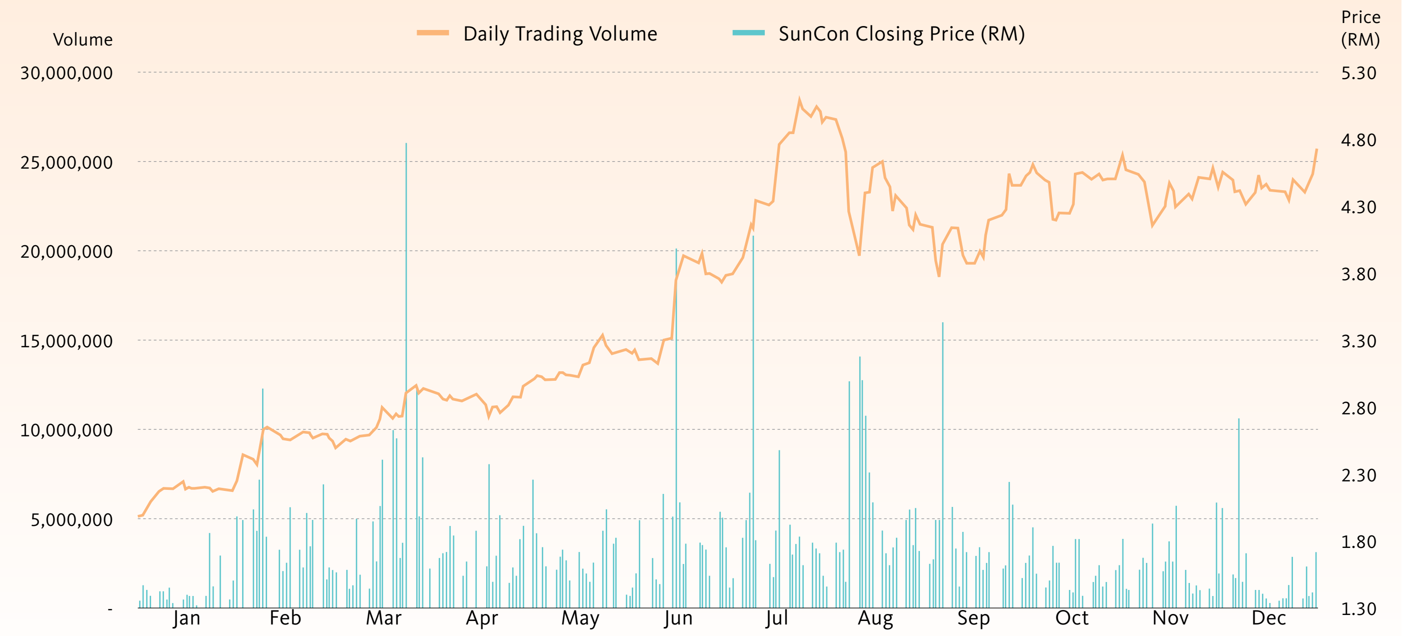
2024 saw an increase in research coverages from 14 to 16 when compared to 2023:

INSTITUTIONS

- Affin Hwang Investment Bank
- AmInvestment Bank
- BIMB Securities
- CGS International
- CLSA Securities
- Hong Leong Investment Bank
- Kenanga Investment Bank
- Maybank Investment Bank
- MIDF Amanah Investment Bank
- Nomura Securities
- Phillip Capital
- RHB Investment Bank
- TA Securities
- UOB Kay Hian Securities
- J.P. Morgan Securities
- Citi Research



SUNCON SHARE PRICE & VOLUME PERFORMANCE IN 2024



Opening Price	SunCon 1.94	138.7%	KLCI 1,452.20	13.1%	KLCON 192.44	60.3%
Closing Price	SunCon 4.63		KLCI 1,642.33		KLCON 308.46	

Opening price		1Q Close 31 Mar 24		2Q Close 30 Jun 24		3Q Close 30 Sep 24		4Q Close 31 Dec 24	
SunCon:	1.94	SunCon:	2.92	SunCon:	3.79	SunCon:	4.50	SunCon:	4.63
KLCI:	1,452.20	KLCI:	1,536.07	KLCI:	1,590.09	KLCI:	1,648.91	KLCI:	1,642.33
KLCON:	192.44	KLCON:	223.17	KLCON:	263.71	KLCON:	283.67	KLCON:	308.46

The onset of 2024 was characterised by a stabilising global economic landscape and improved market sentiment. Easing inflationary pressures, coupled with expectations of more expansionary policies in major economies, contributed to enhanced liquidity in global financial markets. This positive shift spurred capital inflows into emerging markets, including Malaysia, further supporting domestic economic growth and recovery. In the first quarter of 2024, Malaysia's GDP expanded by 4.2% year-on-year amid growth-driven landscape. The construction sector recorded a notable growth of 11.9%[1] year-on-year which outpaced other sectors. This surge was primarily underpinned by faster progress in civil engineering projects and stronger support from special trade and residential activities. Reflecting the optimism, FTSE Bursa Malaysia KLCI (FBM KLCI) and the Bursa Malaysia Construction Index (KLCON) surged by 6% and 16% respectively. Meanwhile, SunCon closed the quarter with a strong gain of 50.5% at RM2.92 benefiting from this sector-wide momentum.

Transitioning into the second quarter, stronger-than-anticipated U.S. economic data coupled with stubborn inflation dampened expectations for a more accommodative U.S. Federal Reserve stance, leading to cautious market sentiment. Despite these global headwinds, the ongoing artificial intelligence (AI) boom provided a silver lining as leading technology firms accelerated capital investments especially in data centres. Malaysia emerged as a prime beneficiary of this investment wave, swiftly positioning itself as a magnet for foreign capital inflows which in turn fuelled a rally in local equities. The FBM KLCI climbed 4% while the KLCON index soared 18%, reflecting heightened confidence in the sector's growth prospects. SunCon registered a 30% surge in quarter-end closure at RM3.79 in sync with the bullish market sentiment, underpinning by a solid pipeline of new data centre projects. Meanwhile, Malaysia's economy showcased a year-on-year expansion of 5.9% in GDP, supported by a 17.3%[2] increase in the construction sector. A notable 20.2%[2] increase in the value of work done further underscored the sector's pivotal role in the country's economic progress.

Building on a strong first half, Malaysia's economy resilience remained intact as GDP expanded by 5.3% year-on-year in Q3 2024. The construction sector continued to outperform, surging by

Corporate Governance Overview Statement

an exceptional 19.9%[3] year-on-year. Strong foreign capital inflows have bolstered the market confidence. Additionally, Bank Negara Malaysia (BNM) reinforced economic stability by maintaining the Overnight Policy Rate (OPR) at 3.00% throughout the year which ensures a supportive monetary environment. Adding to this positive momentum, the Budget 2025 projected GDP growth between 4.5% and 5.5% painted an optimistic outlook for the nation. This upbeat sentiment propelled the FBM KLCI to a multi-year high of RM1,678.8 before closing the quarter with a 3.7% gain, while the KLCON index jumped 8%. SunCon continued its stellar run, delivering another standout quarter as its surging 19% to RM4.50 after reaching an all-time high of RM5.18 in July.

As the year drew to a close, global markets faced a more complex and uncertain landscape, shaped by persistent inflationary pressures, geopolitical risks, and shifting monetary policies. Lingering concerns over inflation despite US Fed rates cut, compounded by China's sluggish recovery, and escalating geopolitical tensions in Eastern Europe and the Middle East weighed heavily on investor sentiment. Still, Malaysia's economy demonstrated resilience by registering a 5.0% year-on-year GDP growth in the final quarter, bringing full-year expansion up to 5.1%[4] from 3.6% in 2023. This momentum was largely fuelled by resilient domestic demand and stronger investment activities. The construction sector was a key driver of this growth, posting a remarkable 20.7% year-on-year expansion in Q4 2024. For the full year, the sector grew by 17.5%[4], with total value work done of RM158.8 billion[4]. This strength was reflected in equity markets, with the KLCON index climbing 8% in Q4 2024 and wrapping the year with an outstanding 60.3% gain, far outpacing the broader FBM KLCI that ended 2024 up 13.1% at RM 1,642.33. Amidst strong sectoral performance, SunCon closed the year at RM4.63, capping off a remarkable 139% full-year gain, in tandem with KLCON's movement.

With an all-time high share price and a solid order book in hand, 2024 was more than just a milestone year for SunCon, it was also a testament to its resilience, adaptability, and strategic foresight in navigating shifting market dynamics. Looking ahead to 2025, Malaysia foresee a moderate growth on the back of stable domestic consumption, favourable labour market conditions, as well as supportive fiscal policies. The construction sector is set for another promising year, driven by the rollout of mega infrastructure projects such as Penang LRT and Penang Airport expansion. Within this landscape, SunCon is well-equipped to capitalise on these opportunities, leveraging its expertise and proven track record to strengthen its foothold in the industry as it charts the path forward.

FINANCIAL ANNOUNCEMENTS

SunCon continues to engage with its stakeholders through a series of investor relations activity throughout the year. All major announcements such as the release of the quarterly results, new construction orders or new ventures are published on Bursa Securities. The information will then be disseminated in the form of flash notes to all interested parties. We also ensure that these documents are immediately made available on the Group's Investor Relations website.

CONDUCT OF GENERAL MEETINGS

SunCon conducted its 10th AGM on 20 June 2024, and its EGM on 23 December 2024, both virtually. The virtual meetings were broadcasted live from Menara Sunway and shareholders were able to follow the proceedings via live streaming as well as voting using the online remote voting using Digital Ballot Form provided by the Poll Administrator. A shareholder who was not able to participate in the 10th AGM / EGM was given the option of appointing a proxy to participate remotely and vote online on his or her behalf.

The Notice of the 10th AGM was given to the shareholders more than 28 days before the AGM. The Company had also served more than 14 days' notice for its EGM, which was held on 23 December 2024. The notice period given to the shareholders allowed them to have sufficient time to scrutinise the Integrated Annual Report and Circular to Shareholders and to make the necessary arrangements to participate in the meetings. The Company also distributed together with the Notice of the 10th AGM and EGM, the Administrative Notes, which furnished useful information regarding the conduct of the virtual 10th AGM and EGM respectively, such as details of the virtual meeting, shareholders' entitlement to participate and vote in the virtual meeting, their right to appoint proxy, steps and procedures to access and vote in the virtual 10th AGM / EGM. Shareholders who are not able to participate in the meeting are allowed to appoint any person(s) as their proxies to participate, speak and vote in his or her stead at all the general meetings.

At the commencement of the 10th AGM, the GMD's video presentation provided the shareholders, a comprehensive review of the financial performance of the Group for FY2024 as well as the future prospects of the Group.

The Chairman provided ample time and opportunities for the Questions and Answers session during the 10th AGM and EGM. The Directors, together with the GMD, CFO and External Auditors (for the 10th AGM), were present to respond to all questions asked by shareholders. In addition, the representatives from Hong Leong Investment Bank Berhad, the Principal Advisor of the Company and the representatives from Messrs. Murad Yee Partnership, the solicitor were also present at the EGM to answer any questions asked. Shareholders were also encouraged to send in their questions prior to the 10th AGM and EGM via email or through Questions' Pane facility via the live-streaming solution. All suggestions and comments given by the shareholders were also noted by Management for consideration. In addition, all questions raised during the 10th AGM have also been responded to by the Board members and Management.

During the EGM, the Company received questions after the Q&A session.

These questions were subsequently addressed and posted on the Company's website at https://www.sunwayconstruction.com.my/investor-relations/ under 'EGM' section.

All resolutions set out in the Notice of the 10th AGM and EGM were voted remotely by poll. Cygnus Technology Solutions Sdn. Bhd., an independent external scrutineer was appointed to validate the votes for each resolution. Mega Corporate Services Sdn. Bhd. was the Polling Administrator for the conduct of the online polling. Subsequently, the poll results were confirmed by the Chairman and announced via Bursa LINK on the same day.

The minutes of the 10th AGM and EGM were made available on the Company's website within 30 days from the date of each general meeting at *https://www.sunwayconstruction.com.my/investor-relations/ under 'AGM' and 'EGM' section, respectively for* the information of the public.

Source:

[1] *Gross Domestic Product: 1Q 2024, Department of Statistics Malaysia (DOSM)*
[2] *Gross Domestic Product: 2Q 2024, Department of Statistics Malaysia (DOSM)*
[3] *Gross Domestic Product: 3Q 2024, Department of Statistics Malaysia (DOSM)*
[4] *Gross Domestic Product: 4Q 2024, Department of Statistics Malaysia (DOSM)*

APPROACH TO CORPORATE GOVERNANCE

Statement on Risk Management and Internal Control

The Board of Directors (the Board) of Sunway Construction Group Berhad (SunCon) is steadfast in its commitment to ensuring a comprehensive and effective system of risk management and internal controls. In line with this commitment, the Board is pleased to present the Statement on Risk Management and Internal Control (SORMIC), prepared in accordance with Chapter 15, Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and Principle B of the Malaysian Code on Corporate Governance (MCCG) 2021.

This Statement is guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers and outlines the key features of the risk management and internal control framework within SCG and its subsidiaries (the Group). The SORMIC reflects the Group's continued commitment to identify, prioritise and mitigate business, strategic, financial and operational risks, including material ESG risks such as physical and transition climate risks.

THE BOARD'S RESPONSIBILITY

The Board reaffirms its commitment to upholding an effective system of risk management and internal control to safeguard shareholders' investments and to protect the Group's assets as well as sustain financial, business and operational (FBO) performance. In essence, the oversight on risks is designed towards enabling continued value creation over the short-term, medium-term and long-term horizons.

Accordingly, the Group has developed a robust risk management and internal control framework based on a triple-line defence approach. SunCon's risk management framework is applied across the Group's operations and across all subsidiaries' operations, initiatives and processes.

However, given the nature of risks, where the severity of impact and likelihood of occurrence may be influenced by external factors beyond the immediate control or sphere of influence of SunCon, the framework is designed, as reasonably possible, to reduce the Group's exposure and to reduce the impacts in the event of a risk event occurring.

The framework is not intended to eliminate risks or risk events in their entirety. The framework provides reasonable, though not absolute assurance against material financial misstatements, inaccuracies in management information and records, potential financial losses or fraudulent activities.

As a result, the Board recognises its responsibility to evaluate and oversee the adequacy, effectiveness and integrity of the Group's risk management and internal control systems on a periodic basis. This is towards ensuring compliance with applicable laws, regulations, rules, directives and guidelines as well as the best practices recommended under the MCCG and the Main Market Listing Requirements (Listing Requirements) of Bursa Malaysia Securities Berhad (Bursa Securities) and going forward with the IFRS S1 and IFRS S2.

Beyond oversight and alignment, the Board also plays a role in the monitoring of the effectiveness of risk management strategies and defining the Group's risk appetite.

To fulfil these responsibilities, the Board is supported by the Audit Committee (AC) and the Risk Management Committee (RMC) which assist in assessing the adequacy of the Group's risk management and internal control frameworks.

Audit Committee (AC)

The AC plays a critical role in supporting the Board by overseeing the Group's financial and non-financial reporting processes and assessing the effectiveness of its internal control framework. The AC is responsible for reviewing and ensuring the operational efficiency, adequacy and integrity of the Group's internal control systems, as well as its financial and non-financial reporting mechanisms and management information systems.

The AC also meets with the internal and external auditors of the Group to establish relevant risk-based audit plans on an annual basis for the financial year. This includes meeting with the external auditors without the presence of Management in attendance for an independent review of the audit findings and recommendations.

This includes ensuring compliance with applicable laws, regulations, directives and guidelines. Ultimately, the AC reinforces the Board's oversight function, contributing to the robustness, accountability and compliance of the Group's financial and operational practices.

Statement on Risk Management and Internal Control

APPROACH TO CORPORATE GOVERNANCE
Statement on Risk Management and Internal Control

Risk Management Committee (RMC)

In assisting the Board to fulfil its risk oversight function, the RMC plays a strategic and leading role in risk management in SunCon. The RMC oversees the Group's Risk Register during quarterly meetings, assesses risks brought to management's attention, deliberates accordingly and if necessary, questions the findings and makes recommendations for improvements towards strengthening risk mitigation. This includes both financial and non-financial risks.

In FY2024, the RMC convened four (4) meetings and during its meetings undertook the following:

Assessment

- Proactively identifies, evaluates and continuously monitors key risks affecting the business.
- Reviews strategies to address these risks to ensure a robust risk management framework.

Enhancement

- Evaluates existing risk management policies and strategies comprehensively.
- Recommends improvements to strengthen these strategies and defines appropriate risk tolerance levels.

Readiness

- Verifies the availability of essential infrastructure, resources and systems to support effective risk management.
- Ensures the Group is equipped to promptly and efficiently identify, assess and respond to risks.

The RMC convenes quarterly to discuss key risks with the Chairperson providing updates to the Board. A continuous review of significant issues arising from changes in the business environment is conducted to minimise potential impacts on the Group. The Group ensures its business units align with profitability objectives while embedding risk management principles into their functions and processes.

The RMC has diligently assessed controls and monitored action plans designed to mitigate the Group's risk exposure. The principal risks identified by the Board, along with the corresponding remedial actions, are communicated to the management team for implementation. The RMC assures the Board that the Group's risk management and internal control systems are functioning effectively, except for associate companies and joint ventures, which are managed independently.

Risk Working Committee

The RMC is supported by the management level Risk Working Committee (RWC) led by the Group Deputy Managing Director (GDMD) of Sunway Construction Sdn. Bhd. The RWC's role is to drive the implementation of the RMC's risk management agenda including recommendations and to provide timely and comprehensive risk reporting to the RMC.

The RWC focuses on operational matters and ensures that the Board's expectations are communicated to management teams and employees. The RWC assists business units in identifying, assessing, managing and mitigating critical risks. This includes monitoring action plans developed by the business units.

Operating subsidiaries and departments are tasked with planning, monitoring, reporting and managing their respective operations. Quarterly, the consolidated major risks and corresponding mitigating controls from all operating subsidiaries are updated and presented to the RMC. This process ensures a centralised understanding of major risks and the effectiveness of implemented controls.

In line with the Group's commitment to Environmental, Safety and Health (ESH) standards, the RWC conducts quarterly risk reporting exercises. These efforts go beyond risk mitigation, ensuring operational processes comply with standards such as the Occupational Health and Safety Advisory Services (OHSAS) 18001 and the International Organisation for Standardisation (ISO) 14001. This approach enhances stakeholder value while ensuring regulatory compliance.

INTERNAL CONTROL SYSTEM

The Group's risk management framework is benchmarked against the ISO31000:2018 Risk Management – Principles and Guidelines and is designed to embed Enterprise Risk Management (ERM) into key activities, initiatives and processes.

A key aspect of SunCon's risk management framework are the specific internal control measures established and implemented to enable effective risk governance, oversight, mitigation implementation and reporting. These include strategic initiatives, clear risk responsibilities and authority hierarchies, organisational charts, strategic plans, annual budgets and defined authority limits.

Components of Internal Control System

1. Policies and Procedures

One of the key aspects of SunCon's risk management framework and approach is the establishment of formalised and documented policies, standards, and procedures designed to uphold compliance with internal controls, relevant laws and regulations. This framework enables all divisions and subsidiaries to operate efficiently and effectively, proactively mitigating business, operational, financial, compliance and other risks to achieve the Group's objectives. These documents are periodically reviewed and updated to reflect operational needs and are readily accessible to employees through the Group's online portal for reference.

a) The Group has adopted an **Anti-Bribery and Corruption Policy** with the enforcement of the new Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (Amendment 2018) to deal with improper solicitation, bribery and other corrupt activities and issues that may arise in the course of business in order to prevent acts of bribery and corruption. In adherence to this Policy, the Group has adopted a ZERO TOLERANCE approach against all forms of bribery and corruption. Where applicable, the requirements of the Group's existing policies, systems and procedures in relation to anti-bribery and anti-corruption are extended to the Group's contractors, counterparties and business partners to ensure that anti-corruption and bribery initiatives are applied throughout the Group's supply chain. The Group will continue to foster anti-corruption culture and adhere to the anti-corruption laws and regulations in all areas and sectors in which it operates.

b) The **Anti-Money Laundering, Countering Financing of Terrorism and Countering Proliferation Financing Policy** establishes the general framework to manage and prevent the risk of the Group's businesses from being used as a conduit for money laundering and terrorism financing activities. All employees are required to adhere to the requirements of the policy when carrying out their daily responsibilities.

c) The **Whistleblowing Policy** serves as a guideline and sets out a protocol for stakeholders and employees to report in a safe and confidential manner, any concerns regarding possible illegal, unethical conduct or malpractice to the management for action. Whistleblowing avenues include a direct line, e-mail or written mail to the Head of Internal Audit Department and Chairman of the Audit Committee.

d) The **Fraud Response Procedures** guides management teams of respective business units to respond to allegations or suspicions of fraud and ensure that all cases of suspected or alleged frauds are reported promptly and investigations are conducted effectively.

e) The Group's **Code of Conduct and Business Ethics (CCBE)** provides an ethical framework to guide actions and behaviours of directors and employees of the Group. It reflects the increasing need for effective corporate governance and compliance measures in the Group's businesses, domestically and internationally.

f) The **Staff Handbook** provides information on employment terms and conditions in addition to compensation, leaves, health benefits, education assistance, discounts, expectations and career path to name a few. Also included in the policy is the Group's Personal Data Protection Notice on the collection and handling of personal information in accordance with the Malaysian Personal Data Protection Act 2010.

2. Audits

Both internal and external audits are performed on a regular basis during the financial year.

The Group Internal Audit Department (GIAD) conducts internal audits across the Group's divisions and business units based on a risk-based audit plan that is approved annually by the AC. Guided by its audit charter, GIAD provides independent and objective assurance and advisory services to enhance value and improve operational effectiveness. Following the scheduled audits, GIAD submits periodic reports to the AC, outlining findings, recommendations to address identified issues and weaknesses and the status of follow-up actions.

External auditors also perform a statutory audit of the Group's financial statements. Additionally, subsidiaries holding certifications such as ISO and OHSAS undergo regular audits conducted by accredited certification bodies. The outcomes of these audits are reported to Management for further action and oversight.

In addition, sustainability disclosures are also audited and assured by SIRIM QAS International Sdn. Bhd.

Statement on Risk Management and Internal Control

APPROACH TO CORPORATE GOVERNANCE
Statement on Risk Management and Internal Control

3. Strategic Plans and Budgets

The Group undertakes an annual strategic planning and comprehensive budgeting process to establish goals, set targets and allocate resources effectively. Budgeting is an integral component of strategic planning, ensuring financial allocations align with the Group's strategic objectives. The Board plays an active role in reviewing and approving the Annual Business Plans and Budget, demonstrating its commitment to the proposed goals and financial priorities. Performance is continuously monitored with timely interventions implemented when necessary. The Board closely tracks key performance indicators particularly significant variances from the approved plans and budget. Management proactively addresses these variances through appropriate mitigation strategies. The Group has established a well-structured budgeting framework that upholds financial accountability, with the annual budget formally approved by the Board before execution.

4. Employee Engagement and Performance

Employee engagement and performance are integral to the effectiveness of the internal control system ensuring the seamless operation of organisational processes. Clear communication and targeted training initiatives help employees understand the importance of internal controls and their individual responsibilities in maintaining them. Well-defined roles and responsibilities establish clear expectations, fostering accountability at all levels.

The integration of performance metrics with key performance indicators (KPIs) strengthens the link between individual performance assessments and adherence to internal controls. Continuous feedback mechanisms, active participation in audits and the adoption of technology drive ongoing improvements and operational efficiency. Additionally, employee surveys provide valuable insights, allowing the organisation to address concerns and enhance internal control processes collaboratively. By cultivating a culture of engagement and high performance, the organisation reinforces the resilience and effectiveness of its internal control framework.

5. Employee Conduct

Employee conduct is guided by a set of policies that reflect the Group's core values—Integrity, Humility and Excellence—which are readily accessible through the Group Human Resources portal. These policies and procedures are periodically reviewed to ensure their continued relevance and the effectiveness of controls in managing operational risks.

To foster alignment with strategic objectives and ensure compliance with relevant policies, the Group utilises multiple communication and learning platforms. These include emails, memoranda, the intranet, townhalls, knowledge-sharing sessions and departmental or divisional meetings. These channels facilitate continuous engagement, keeping employees informed and aligned with the Group's expectations and standard.

6. Continuous Risk Management Approach

A cornerstone of the Group's risk management process is continuous risk assessment. Operating subsidiaries are assigned the responsibility of reporting major risks on a quarterly basis to management, fostering a comprehensive approach to risk management. As the risk owners within their specific spheres, operating subsidiaries are accountable for developing appropriate response strategies to mitigate identified risks.

The Group employs four (4) core response strategies for risk management, each tailored to address specific aspects of identified risks:

1. **Risk Termination**
   In this instance, management chooses to terminate risks by eliminating the business or by significantly altering it. The Group may choose this route for risks that could have major or catastrophic impact on its businesses.

2. **Risk Reduction**
   Risks may be reduced by taking specific actions aimed at reducing the likelihood of occurrence, thus reducing the impact of these risks on the Group's businesses.

3. **Risk Acceptance**
   Management may choose not to act and to consciously accept certain risks which are significantly low in likelihood of occurrence and / or impact. Factors to consider for risks of such nature would be:

   - Adequacy of current controls;
   - Quality and quantity of information on the controls;
   - Likelihood and consequences of the risk occurring; and
   - The cost of additional controls.

4. **Risk Transfer**
   Management may choose to transfer all or part of a certain risk to other parties via:

   - Transferring an entire business process to another party as is the case with sub-contracting and outsourcing arrangements;
   - Sharing the business process with another party as is the case with partnerships and joint venture arrangements; and
   - Retaining the process and transferring the legal and financial risks as is the case with insurance arrangements and the use of certain treasury or financial products.

   Risk management discipline ensures that risk assessment is an ongoing process whereby risks and risk mitigation measures are regularly reviewed and adjusted accordingly. The continuous risk assessment process, therefore, represents the cornerstone of an effective ERM programme for the Group.

Key Risk Factors

For FY2024, SunCon's risk management framework has discerned various risks of varying extent of impact (severity) and likelihood of occurrence. The identified risks were assessed and prioritised and then presented by the RWC to the RMC during the RMC's quarterly meetings with the Group Managing Director (GMD) and Chief Financial Officer (CFO) in attendance.

During these meetings, the RWC outlined the existing controls, mitigating plans and monitoring mechanisms associated with each identified risk.

Detailed information on these risks can be found on pages 69 to 72 under the section titled "Risks and Mitigation Strategies".

Presented below is a condensed summary of the key risk factors for 2024.

1. External Risks

The Group continues to navigate a challenging economic landscape shaped by geopolitical tensions, a sluggish property market, rising raw material costs, intense competition and a slow local and global economy. Additionally, factors such as manpower shortages, reduced government infrastructure spending and limited construction opportunities have placed further pressure on operations and affected order book growth. However, with new projects on the horizon, external risks have eased. In response, the Group has remained agile, consistently assessing and refining its strategies to align with market conditions, demonstrating resilience in mitigating these risks. Key priorities include closely monitoring core business performance, actively managing profitability, optimising cash flow and maintaining adequate funding facilities.

To address cost challenges effectively, the Group has implemented a range of cost reduction and control measures. A strong focus has been placed on securing new projects, both locally and regionally, to achieve financial and operational targets. The Group has successfully secured various projects, including in-house developments that prioritise competitive pricing and quality assurance. Furthermore, high-value data centre projects have been awarded, contributing significantly to profitability.

The surge in commodity prices, particularly steel, copper and cement, has posed additional challenges, given the Group's direct exposure to volatile material costs that impact profit margins. To mitigate this risk, the Group has expanded its pool of approved suppliers, actively negotiated pricing, engaged in hedging where feasible to counter price fluctuations and closely monitored costs. These proactive measures reflect the Group's commitment to navigating economic challenges while maintaining sustainable growth and profitability.

2. Regulatory Risks

The Group acknowledges the importance of regulatory risks arising from changes in laws, guidelines and regulations, both in Malaysia and other jurisdictions, as these shifts can directly or indirectly impact operations. To effectively manage this risk, the Group has established a vigilant monitoring system to minimise exposure to legal liabilities and mitigate potential consequences of non-compliance with evolving regulations.

Collaboration between the GMD, relevant business units and departments plays a critical role in regulatory compliance. Regular discussions are held to address necessary adjustments in response to regulatory changes, ensuring the Group remains aligned with updated requirements. This approach involves continuous assessment, adaptation and implementation of measures to stay in compliance with regulatory developments.

Statement on Risk Management and Internal Control

The Group has taken a proactive approach to fostering a strong compliance culture by implementing internal processes that promote adherence to regulatory requirements. Additionally, both internal and external legal support is made available to operational teams when necessary, ensuring that the Group operates within legal boundaries.

A key aspect of the Group's strategy is maintaining close collaboration and ongoing dialogue with industry associations and regulatory bodies. Engaging with these entities helps the Group stay informed of emerging legal and regulatory requirements, industry trends and evolving standards. By fostering open communication with regulators and industry stakeholders, the Group effectively navigates regulatory challenges, ensuring long-term compliance and adaptability in a dynamic regulatory landscape.

3. Financial Risks

Credit and liquidity risks pose challenges to the Group, primarily due to potential delays in debt recovery, which could negatively impact profitability, cash flow, liquidity and overall funding. Moreover, evolving market conditions within the construction industry could potentially cause extended payment terms, eventually affecting the debtor's turnover ratio.

To mitigate these financial risks, the Group takes a proactive approach by closely monitoring collections and overdue debts. Rigorous credit assessments of potential customers are conducted before accepting tender invitations, reducing the risk of credit-related issues.

Maintaining a strong financial position remains a top priority for the Group. Continuous monitoring and forecasting of cash flow ensure a well-balanced approach to funding continuity and financial flexibility. The Group secures ample credit facilities from financial institutions, reinforcing its ability to navigate industry-specific challenges and economic fluctuations while sustaining a resilient financial foundation.

4. Operational Risks

The Group's business units maintain a strong and continuous focus on operational risks, emphasising critical areas such as project delivery, disaster recovery, infrastructure, production and safety. To mitigate these risks, the Group actively expands its network of experienced and competent consultants and subcontractors with proven track records to meet project requirements effectively.

Operational risk management also integrates Environmental, Social and Governance (ESG) principles, ensuring that sustainability, social responsibility and governance standards are embedded in project planning, execution and oversight. This reinforces the Group's commitment to long-term sustainability and responsible corporate practices.

Engagement with external stakeholders—including customers, legislators, regulators, local communities and non-governmental organisations—is a key component of risk management. Transparent communication ensures that all parties remain informed, protecting the Group's reputation from potential harm due to negative publicity or loss of public confidence. The RWC plays a pivotal role in implementing and monitoring policies and procedures, with regular reviews conducted to ensure alignment with global best practices.

Understanding the challenges associated with project timelines, budget constraints and safety considerations, the Group adopts a proactive approach through a robust project management framework, disaster recovery strategies, infrastructure maintenance programmes and stringent safety protocols. These measures collectively strengthen operational resilience, ensuring project success while upholding the highest standards of excellence in the construction industry.

Statement on Risk Management and Internal Control

5. Digital Infrastructure Risks

The Group is strengthened by the support of Sunway Digital Hub, which plays a crucial role in continuously advancing and upgrading its digital infrastructure. Serving as the central hub for cybersecurity oversight, Sunway Digital Hub is led by the Group Chief Information Officer (CIO), who is an active member of the PIKOM CIO Chapter and PIKOM Cybersecurity User Group. The CIO is responsible for keeping the Board informed on the latest cybersecurity strategies and implementations within the Group.

Sunway Digital Hub is ISO 27001:2013 certified, adhering to international standards for Information Security Management Systems (ISMS). This certification governs the legal, physical and technical controls within Sunway's information risk management framework. To ensure the effectiveness of its disaster recovery plan, the Hub conducts regular assessments, phishing simulations and an annual disaster recovery simulation test. Additionally, it undergoes both internal audits and third-party audits, as required by ISO 27001:2013 compliance.

The Group fosters a strong culture of cybersecurity awareness, emphasising data protection and privacy. The Sunway E-Policy applies to all Group entities, vendors, business partners, contract personnel and functional units, reinforcing adherence to cybersecurity measures and best practices.

CONCLUSION

The Board is pleased to report that the state of the Group's risk management and internal control framework is able to meet the Group's objective to ensure good corporate governance. There was no potential or present failure or weakness incurred during the year under review as a result of internal control weakness or adverse compliance events that would have material unfavourable effect on the results of the Group.

The Board has also received assurance from the GMD and CFO that the Group's risk management and internal control framework is operating adequately and effectively in all material aspects. Continuous focus on measures to protect and enhance shareholders value and business sustainability will remain a core practice for the Group.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The External Auditors have reviewed this Statement on Risk Management and Internal Control as required under Paragraph 15.23 of Listing Requirements of Bursa Securities. The limited assurance review was performed in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information and Audit and Assurance Practice Guide 3 (AAPG 3), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control Included in the Annual Report.

Based on their procedures performed, the External Auditors have reported to the Board that nothing has come to their attention which causes them to believe that this Statement is not prepared, in all material respects, in accordance with the disclosures required by paragraph 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is factually inaccurate.

This Statement on Risk Management and Internal Control was approved by the Board of Directors on 28 March 2025.

APPROACH TO CORPORATE GOVERNANCE

Additional Compliance Information

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

1. STATUS OF UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSAL

There were no corporate proposals during the financial year. Therefore, there were no proceeds raised from corporate proposals during the financial year.

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

There were no material contracts (not being contracts entered into in the ordinary course of business) entered into by the Company and / or its subsidiaries involving directors' and major shareholders' interests during the financial year ended 31 December 2024.

3. RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE

The details of the recurrent related party transactions are disclosed in Note 40 of the Notes to the Financial Statements.

4. AUDIT AND NON-AUDIT FEES

During the financial year ended 31 December 2024, the total audit and non-audit fees paid or payable to the external auditors or a firm affiliated to the external auditors, for services rendered to the Company and the Group are as follows:

Fees paid and /or payable to External Auditors or its affiliates	FY2024	
	Company (RM'000)	Group (RM'000)
Statutory audit and related fees	21	812
Non-audit fees	8	8
Total	**29**	**820**

5. EMPLOYEES' SHARE OPTION SCHEME

The Company had on 23 December 2024 (Effective Date) implemented an Employees' Share Option Scheme (ESOS) of up to 5% of the Company's total number of issued ordinary shares (excluding treasury shares, if any) at any point of time, for the benefit of the eligible employees (including executive directors) (collectively, the Eligible Persons) of the Group (excluding dormant subsidiaries).

The ESOS is administered by the ESOS Committee and governed by its By-Laws, which was approved by the Company's shareholders at the Extraordinary General Meeting held on 23 December 2024. The ESOS shall be in force for a duration of six (6) years commencing from the Effective Date. At the Board of Directors' discretion and upon the ESOS Committee's recommendation, the ESOS may be extended for an additional four (4) years, immediately from the expiry of the first six (6) years.

As of 31 December 2024, the Company had not yet offered any share options under the ESOS to the Eligible Persons.

Financial Statements

Directors' Responsibility Statement for the Audited Financial Statements

The Directors are required by the Companies Act 2016 ("Act") to prepare the financial statements for each financial year which have been made out in accordance with applicable Malaysian Financial Reporting Standards, International Financial Reporting Standards, the requirements of the Act in Malaysia and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Directors are responsible to ensure that the financial statements give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year, and of the results and cash flows of the Group and of the Company for the financial year. Where there are new accounting standards or policies that become effective during the year, the impact of these new treatments would be stated in the notes to the financial statements, accordingly.

In preparing the financial statements, the Directors have:

(i) Adopted appropriate accounting policies and applied them consistently;
(ii) Made judgements and estimates that are reasonable and prudent;
(iii) Ensure that all applicable accounting standards have been followed; and
(iv) Prepared the financial statements on a going concern basis.

The Directors are responsible to ensure that the Group and the Company keep accounting records which disclose the financial position of the Group and of the Company with reasonable accuracy, enabling them to ensure that the financial statements comply with the Act.

The Directors are responsible for taking such steps as are reasonably available to them to safeguard the assets of the Group and of the Company and to detect and prevent fraud and other irregularities.

Directors' Report

The Directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding.

The principal activities of the subsidiaries are mainly provision of building construction works, civil engineering/infrastructure works, foundation and geotechnical engineering, mechanical, electrical and plumbing services works, manufacturing and sales of precast components, and sustainable energy services and related business and activities and investment activities. The other details of the subsidiaries are set out in Note 17 to the financial statements.

There have been no significant changes in the nature of the activities of the Group and of the Company during the financial year.

RESULTS

	Group RM'000	Company RM'000
Profit for the financial year	197,021	59,890
Profit attributable to:		
Owners of the parent	186,906	59,890
Non-controlling interests	10,115	-
	197,021	59,890

DIVIDENDS

The dividends paid, declared or proposed by the Company since the end of the previous financial year were as follows:

	RM'000
In respect of financial year ended 31 December 2023:	
Second interim single-tier dividend of 3.00 sen per ordinary share paid on 9 April 2024	38,681
In respect of financial year ended 31 December 2024:	
First interim single-tier dividend of 3.50 sen per ordinary share paid on 26 September 2024	45,128
Second interim single-tier dividend of 2.50 sen per ordinary share paid on 26 December 2024	32,234
	116,043

On 20 February 2025, the Board of Directors had declared a third interim single-tier dividend of 2.50 sen per ordinary share for the financial year ended 31 December 2024. The total dividend payable amounted to RM32,233,978. The dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2025.

The Board of Directors does not recommend any final dividend for the financial year ended 31 December 2024.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the statements of changes in equity.

ISSUE OF SHARES AND DEBENTURES

The Company did not issue any new shares or debentures during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year.

EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

The Company's ESOS was approved by the shareholders at the Extraordinary General Meeting held on 23 December 2024 and became effective on the same day. The ESOS is applicable to the eligible employees (including Executive Directors) [collectively referred to as "Eligible Persons"] of the Group (excluding subsidiaries which are dormant).

The ESOS aims to align the long-term interests of the Eligible Persons with the Company's corporate goals by offering them equity participation, motivating and rewarding their contributions, encouraging active involvement in the Group's operations, and enhancing the competitiveness of the remuneration scheme to attract and retain skilled and experience for the Group's continued growth and success. The maximum number of the Company's ordinary shares which may be allotted and issued under the ESOS shall not exceed in aggregate 5% of the total number of issued ordinary shares of the Company (excluding treasury shares, if any) at any point in time during the duration of the ESOS. The ESOS is administered by the ESOS Committee.

The main features of the ESOS are as follows:

a The allocation of the Company's ordinary shares available for each offer and aggregate number of ordinary shares that may be allotted to an Eligible Persons under the ESOS shall be determined at the sole and absolute discretion of the ESOS Committee from time to time during the tenure of the ESOS, after taking into consideration, among others the Eligible Person's designation, length of service, work performance and any other criteria/factors which the ESOS Committee deems relevant.

b The ESOS Committee has the discretion to determine eligibility for participation in the ESOS and may establish additional criteria or waive existing conditions at any time. The ESOS Committee will also determine the number of shares to be offered to each Eligible Person, and its decision will be final and binding.

c The ESOS shall be in force for a duration of six (6) years from the effective date of implementation. The Company may, if the Board of Directors deems fit and upon the recommendation of the ESOS Committee, extend the ESOS for a further period of four (4) years immediately from the expiry of the first six (6) years. The duration shall not in aggregate exceed a duration of ten (10) years from the effective date of implementation or such longer period as may be allowed by the relevant authorities.

d Subject to any adjustments made in accordance with the provisions of the By-Laws and pursuant to the Listing Requirements, the ESOS Exercise Price at which the Eligible Person(s) are entitled to subscribe for new ordinary shares of the Company shall be determined by the Board, upon recommendation of the ESOS Committee and shall be fixed based on the 5-day Volume Weighted Average Market Price (VWAMP) of the Company's ordinary shares as at the ESOS Award Date, with a discount of not more than ten percent (10%) during the tenure of the ESOS.

EMPLOYEES' SHARE OPTION SCHEME ("ESOS") (CONTD.)

The main features of the ESOS are as follows: (contd.)

e Any new ordinary shares to be allotted and issued under the ESOS arising from the exercise of the share options shall, upon allotment and issue or transfer and full payment, rank equally in all respects with the existing ordinary shares, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other distributions that may be declared, made or paid prior to the date of allotment and issuance of such new ordinary shares/transfer of existing ordinary shares.

Share options exercisable in a particular year but not exercised shall be carried forward to subsequent years within the option period provided that no share options shall be exercised beyond the date of expiry of the ESOS.

Details of the share options granted under the ESOS are as follows:

Date Offered	Exercise Price (RM per option)	Number of Share Options Granted and Accepted	Vesting Date	Exercise Period
20.01.2025 - First Grant	3.74	31,802,760	24.01.2025	24.01.2025 - 19.01.2029

DIRECTORS

The Directors who have held office during the financial year until the date of this report are as follows:

Dato' Ir Goh Chye Koon
Dato' Siow Kim Lun @ Siow Kim Lin
Dr Sarinder Kumari A/P Oam Parkash
Tan Sri Dato' (Dr.) Chew Chee Kin
Evan Cheah Yean Shin
Tan Ler Chin
Liew Kok Wing
Datuk Kwan Foh Kwai (Appointed on 10 October 2024)
Norchahya Binti Ahmad (Appointed on 10 October 2024)
Dato' Tan Kia Loke (Alternate Director to Evan Cheah Yean Shin)
Wong Kwan Song (Alternate Director to Liew Kok Wing)
Dato' Dr Johari Bin Basri (Retired on 20 June 2024)

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that financial year, did there subsist any arrangement to which the Company was a party, whereby the Directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, other than as may arise from the warrants and irredeemable convertible preference shares issued by its intermediate holding company, Sunway Berhad.

Directors' Report

DIRECTORS' BENEFITS (CONTD.)

Since the end of the previous financial year, none of the Directors has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of remuneration received or due and receivable by the Directors or the fixed salary of a full-time employee of the Company as shown in the financial statements) by reason of a contract made by the Company or a related corporation with any Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than the following:

(a) Certain Directors who may deemed to derive benefits by virtue of trade transactions entered into with companies in which certain Directors have substantial financial interests as disclosed in Note 40 to the financial statements; and

(b) Certain Directors who received remuneration from the subsidiaries as Directors of the subsidiaries.

DIRECTORS' INTERESTS

According to the register of Directors' shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of the Directors in office at the end of the financial year in ordinary shares, irredeemable convertible preference shares, non-cumulative redeemable preference shares and warrants in the Company and its related corporations during the financial year were as follows:

	Number of ordinary shares			
	As at 1.1.2024/ Date of Appointment#	Acquired	Sold	As at 31.12.2024
The Company				
Direct interests:				
Datuk Kwan Foh Kwai	**100,816#**	**-**	**-**	**100,816**
Evan Cheah Yean Shin	**13,435**	**-**	**-**	**13,435**
Wong Kwan Song	**371**	**-**	**(371)**	**-**
Deemed interests:				
Dato' Ir Goh Chye Koon (1)	**5,000**	**-**	**-**	**5,000**
Datuk Kwan Foh Kwai (2)	**222,785#**	**-**	**-**	**222,785**
Evan Cheah Yean Shin (3)	**851,463,118**	**3,652,000**	**-**	**855,115,118**

(1) *Deemed interest by virtue of Section 8 of the Companies Act 2016 ("CA 2016") held through Affin Hwang Trustee Berhad GCK Family Trust ("AHTB GCK Family Trust").*
(2) *Deemed interest by virtue of Section 59(11)(c) of the CA 2016 held through spouse and children.*
(3) *Deemed interest by virtue of Section 8 of the CA 2016 held through Active Equity Sdn. Bhd. ("AE"), Sungei Way Corporation Sendirian Berhad ("SWC"), Sunway Berhad, Sunway Holdings Sdn. Bhd. and parent.*

Directors' Report

DIRECTORS' INTERESTS (CONTD.)

	Number of ordinary shares				
	As at 1.1.2024/ Date of Appointment#	Allotment pursuant to DRS^	Acquired**/ Converted*+	Sold	As at 31.12.2024
Intermediate holding company					
Sunway Berhad					
Direct interests:					
Datuk Kwan Foh Kwai	**730,842#**	**-**	**300,054+**	**-**	**1,030,896**
Tan Sri Dato' (Dr.) Chew Chee Kin	**21,343,266**	**250,900**	**5,916,665*+**	**(18,201,200)**	**9,309,631**
Evan Cheah Yean Shin	**4,817,855**	**67,100**	**419,519+**	**-**	**5,304,474**
Liew Kok Wing	**285,628**	**-**	**66,822*+**	**-**	**352,450**
Dato' Tan Kia Loke	**10,249,680**	**142,800**	**2,593,290*+**	**-**	**12,985,770**
Wong Kwan Song	**8,927**	**-**	**-**	**(8,927)**	**-**
Deemed interests:					
Dato' Ir Goh Chye Koon (1)	**121,901**	**-**	**12,020+**	**-**	**133,921**
Datuk Kwan Foh Kwai (2)	**1,034,432#**	**-**	**162,233+**	**(50,000)**	**1,146,665**
Tan Sri Dato' (Dr.) Chew Chee Kin (2)	**1,587,462**	**-**	**232,986+**	**(1,587,462)**	**232,986**
Evan Cheah Yean Shin (3)	**3,695,115,286**	**49,483,300**	**934,605,807**+**	**(1,021,396,545)**	**3,657,807,848**

(1) *Deemed interest by virtue of Section 8 of the CA 2016 held through AHTB GCK Family Trust.*
(2) *Deemed interest by virtue of Section 59(11)(c) of the CA 2016 held through spouse.*
(3) *Deemed interest by virtue of Section 8 of the CA 2016 held through AE, SWC, Jef-San Enterprise Sdn. Bhd. ("Jef-San") and parent.*

^ *Allotment of ordinary shares pursuant to the dividend reinvestment scheme ("DRS") applicable to the second interim dividend for the financial year ended 31 December 2023 on 18 April 2024.*
* *Conversion of warrants 2017/2024 of Sunway Berhad into ordinary shares during the year.*
** *Acquisition of ordinary shares from the open market/direct business transaction.*
\+ *Conversion of irredeemable convertible preference shares pursuant to mandatory conversion of 50% of all outstanding irredeemable convertible preference shares into new ordinary shares of Sunway Berhad.*

FINANCIAL STATEMENTS
Directors' Report

DIRECTORS' INTERESTS (CONTD.)

	Number of ordinary shares			
	As at 1.1.2024	Allotted	Sold	As at 31.12.2024
Penultimate holding company				
Sungei Way Corporation Sendirian Berhad				
Deemed interest:				
Evan Cheah Yean Shin [(1)]	10,000,000	10,000,000	-	20,000,000

[(1)] Deemed interest by virtue of Section 8 of the CA 2016 held through AE and parent.

	Number of ordinary shares			
	As at 1.1.2024	Acquired	Sold	As at 31.12.2024
Ultimate holding company				
Active Equity Sdn. Bhd.				
Direct interest:				
Evan Cheah Yean Shin	25,500	-	-	25,500
Deemed interest:				
Evan Cheah Yean Shin [(1)]	102,000	-	-	102,000

[(1)] Deemed interest by virtue of Section 8 of the CA 2016 held through parent.

	Number of ordinary shares			
	As at 1.1.2024	Acquired	Sold	As at 31.12.2024
Related company				
Sunway Global Limited				
Direct interest:				
Tan Sri Dato' (Dr.) Chew Chee Kin	689,183	-	-	689,183

DIRECTORS' INTERESTS (CONTD.)

	Number of irredeemable convertible preference shares				
	As at 1.1.2024/ Date of Appointment[#]	Acquired	Converted[+]	Sold	As at 31.12.2024
Intermediate holding company					
Sunway Berhad					
Direct interests:					
Datuk Kwan Foh Kwai	800,108[#]	-	(300,054)	(200,000)	300,054
Tan Sri Dato' (Dr.) Chew Chee Kin	4,207,692	4,544,700	(4,376,196)	(394,000)	3,982,196
Evan Cheah Yean Shin	839,039	-	(419,519)	-	419,520
Liew Kok Wing	57,125	-	(28,562)	-	28,563
Dato' Tan Kia Loke	2,445,931	-	(1,222,965)	-	1,222,966
Deemed interests:					
Dato' Ir Goh Chye Koon [(1)]	24,040	-	(12,020)	-	12,020
Datuk Kwan Foh Kwai [(2)]	324,466[#]	-	(162,233)	-	162,233
Tan Sri Dato' (Dr.) Chew Chee Kin [(2)]	312,972	153,000	(232,986)	-	232,986
Evan Cheah Yean Shin [(3)]	705,542,426	13,676,100	(359,609,262)	-	359,609,264

[(1)] Deemed interest by virtue of Section 8 of the CA 2016 held through AHTB GCK Family Trust.
[(2)] Deemed interest by virtue of Section 59(11)(c) of the CA 2016 held through spouse.
[(3)] Deemed interest by virtue of Section 8 of the CA 2016 held through AE, SWC, Jef-San and parent.

[+] Conversion of irredeemable convertible preference shares pursuant to mandatory conversion of 50% of all outstanding irredeemable convertible preference shares into new ordinary shares of Sunway Berhad.

	Number of non-cumulative redeemable preference shares			
	As at 1.1.2024	Allotted	Redeemed	As at 31.12.2024
Penultimate holding company				
Sungei Way Corporation Sendirian Berhad				
Deemed interest:				
Evan Cheah Yean Shin [(1)]	-	1,606,800,000	-	1,606,800,000

[(1)] Deemed interest by virtue of Section 8 of the CA 2016 held through parent.

FINANCIAL STATEMENTS
Directors' Report

DIRECTORS' INTERESTS (CONTD.)

	Number of non-cumulative redeemable preference shares			
	As at 1.1.2024	Allotted	Redeemed	As at 31.12.2024
Ultimate holding company				
Active Equity Sdn. Bhd.				
Deemed interest:				
Evan Cheah Yean Shin [(1)]	**-**	**848,000,000**	**-**	**848,000,000**

[(1)] *Deemed interest by virtue of Section 8 of the CA 2016 held through parent.*

	Number of warrants 2017/2024			
	As at 1.1.2024	Converted⁺/ Lapsed*	Sold	As at 31.12.2024
Intermediate holding company				
Sunway Berhad				
Direct interests:				
Tan Sri Dato' (Dr.) Chew Chee Kin	**2,818,169**	**(1,540,469)⁺**	**(1,277,700)**	**-**
Liew Kok Wing	**38,260**	**(38,260)⁺**	**-**	**-**
Dato' Tan Kia Loke	**1,370,325**	**(1,370,325)⁺**	**-**	**-**
Wong Kwan Song	**1,195**	**-**	**(1,195)**	**-**
Deemed interests:				
Dato' Ir Goh Chye Koon [(1)]	**16,101**	**(16,101)***	**-**	**-**
Tan Sri Dato' (Dr.) Chew Chee Kin [(2)]	**209,618**	**-**	**(209,618)**	**-**

[(1)] *Deemed interest by virtue of Section 8 of the CA 2016 held through AHTB GCK Family Trust.*
[(2)] *Deemed interest by virtue of Section 59(11)(c) of the CA 2016 held through spouse.*

⁺ *Conversion of warrants 2017/2024 of Sunway Berhad into ordinary shares during the year.*
* *Warrants lapsed on 3 October 2024.*

By virtue of Evan Cheah Yean Shin's substantial interests in the Company and AE, he is deemed to have interest in the shares of all the subsidiaries of the Company and AE to the extent that the Company and AE have an interest.

The other Directors in office at the end of the financial year did not have any interests in ordinary shares, irredeemable convertible preference shares, non-cumulative redeemable preference shares and warrants in the Company or its related corporation during the financial year.

DIRECTORS' REMUNERATION

Directors' remuneration of the Group and of the Company for the financial year ended 31 December 2024 were as follows:

	Group RM'000	Company RM'000
Fees	772	772
Emoluments	6,389	194
Estimated money value of benefits-in-kind	73	-
Total Directors' remuneration	7,234	966

INDEMNITY AND INSURANCE FOR OFFICERS AND AUDITORS

During the financial year, the intermediate holding company of the Company, Sunway Berhad effected Directors' liability insurance to protect the Directors of the Group and of the Company against potential costs and liabilities arising from claims brought against the Directors. None of the Directors nor the Group paid for the insurance premium directly as the Group is under the effective cover of Sunway Berhad being its subsidiary company.

There were no indemnity given to or insurance effected for the auditors of the Group and of the Company during the financial year.

OTHER STATUTORY INFORMATION

(I) As at the end of the financial year

(a) Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and had satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and

(ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.

(b) In the opinion of the Directors, the results of operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

Directors' Report

OTHER STATUTORY INFORMATION (CONTD.)

(II) From the end of the financial year to the date of this report

(c) The Directors are not aware of any circumstances:

(i) which would render the amounts written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any material extent;

(ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and

(iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(d) In the opinion of the Directors:

(i) there has not arisen any item, transaction or event of a material and unusual nature likely to affect substantially the results of operations of the Group and of the Company for the financial year in which this report is made; and

(ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial year which would or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

(III) As at the date of this report

(e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.

(f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.

(g) The Directors are not aware of any circumstances not otherwise dealt with in the report or financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

HOLDING COMPANIES

The Directors of the Company regard Sungei Way Corporation Sendirian Berhad and Active Equity Sdn. Bhd., both companies are incorporated in Malaysia, as its penultimate and ultimate holding companies respectively as Sungei Way Corporation Sendirian Berhad and Active Equity Sdn. Bhd. continue to have control over Sunway Berhad and its subsidiaries within the definition of "control" as set out in Malaysian Financial Reporting Standard 10 "Consolidated Financial Statements", although their total shareholdings in Sunway Berhad was 48.50% as of 31 December 2024.

The immediate and intermediate holding companies of the Company are Sunway Holdings Sdn. Bhd. and Sunway Berhad respectively, both are incorporated in Malaysia. Sunway Berhad is listed on the Main Market of Bursa Malaysia Securities Berhad and produces financial statements available for public use.

FINANCIAL STATEMENTS

Directors' Report

LIST OF DIRECTORS OF SUBSIDIARIES

Pursuant to Section 253 of the Companies Act 2016 in Malaysia, the list of Directors of the subsidiaries during the financial year and up to date of this report is as follows:

Eric Tan Chee Hin
Evan Cheah Yean Shin
Elaine Lai Ee-Ling
Kumaresan Varadu Rasu
Kwong Tzyy En
Liew Kok Wing
Lim Vin Tze
Lim Chee Siang
Naveen Rama Shetty
Ng Chee Hwa
Oh Keng Jin
Satish Rama Shetty
Subba Rao A/L V Semenchalam
Wong Kwan Song
Yip Lai Hun
Cho Chun Fai*
Law Yee Voon*
Wong Yin Kee*
Yoong Tuk Mun Derrick*
Thomas Romain Baudlot*^

^ Resigned during the financial year
* Appointed during the financial year

AUDITORS

The auditors, BDO PLT [201906000013 (LLP0018825-LCA) & AF 0206], have expressed their willingness to continue in office.

Auditors' remuneration of the Company and its subsidiaries for the financial year ended 31 December 2024 were as follows:

	Group RM'000	Company RM'000
Statutory audit	812	21
Non-statutory audit	8	8
	820	29

Signed on behalf of the Board in accordance with a resolution of the Directors dated 28 March 2025.

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

Liew Kok Wing
Director

Statement by Directors

Pursuant to Section 251(2) of the Companies Act 2016

We, Tan Sri Dato' (Dr.) Chew Chee Kin and Liew Kok Wing, being two of the Directors of Sunway Construction Group Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 209 to 302 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 28 March 2025.

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

Liew Kok Wing
Director

Statutory Declaration

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, Elaine Lai Ee-Ling (CA 48447), being the officer primarily responsible for the financial management of Sunway Construction Group Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 209 to 302 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared
by the abovenamed Elaine Lai Ee-Ling
at Petaling Jaya in the State of
Selangor Darul Ehsan on 28 March 2025

Elaine Lai Ee-Ling

Before me,

Independent Auditors' Report

To the Members of Sunway Construction Group Berhad
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Sunway Construction Group Berhad, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 209 to 302.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Revenue recognition from construction contracts

Revenue from construction contracts during the financial year as disclosed in Note 5 to the financial statements is RM3,326,004,000.

We determined this to be a key audit matter because it requires management to exercise significant judgements in estimating the progress towards complete satisfaction of performance obligations and determining whether there is any exposure to liquidated ascertained damages ("LAD"). The progress towards complete satisfaction of performance obligations is measured using the output method, which is based on the contract work certified to date over the estimated total contract sum.

In estimating the progress towards complete satisfaction of performance obligations, the Group considers the estimated contract work completed to date and the completeness and accuracy of its estimated total contract sum, including contract variations, claims and contingencies.

Independent Auditors' Report

To the Members of Sunway Construction Group Berhad
(Incorporated in Malaysia)

FINANCIAL STATEMENTS
Independent Auditors' Report
To the Members of Sunway Construction Group Berhad
(Incorporated in Malaysia)

KEY AUDIT MATTERS (CONTD.)

1. Revenue recognition from construction contracts (contd.)

Audit response

Our audit procedures included the following:

(a) inspected documentation to support the estimated total contract sum and correspondences from contract customers in relation to variations and claims to corroborate key judgements applied by management;

(b) inspected documentation certified by professional consultants to support the contract work performed by the Group to-date;

(c) recomputed the progress towards complete satisfaction of performance obligations determined by management for revenue recognition based on contract work certified to-date and budgeted total contract sum;

(d) inquired in-house operational and financial personnel of the Group to assess the merits of extension of time submitted to the contract customers for assessing the exposure to LAD; and

(e) inspected relevant correspondences and reports, including ongoing negotiations with contract customers for the late delivery of contract works.

We have determined that there are no key audit matters to communicate in our report in respect to the audit of the financial statements of the Company.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRSs, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company, or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control of the Group and of the Company.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

(d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

Independent Auditors' Report

To the Members of Sunway Construction Group Berhad
(Incorporated in Malaysia)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTD.)

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (contd.)

(f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 17 to the financial statements.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

BDO PLT
201906000013 (LLP0018825-LCA) & AF 0206
Chartered Accountants

Tan Seong Yuh
03314/07/2025 J
Chartered Accountant

Kuala Lumpur
28 March 2025

Statements of Profit or Loss and Other Comprehensive Income

For the Financial Year Ended 31 December 2024

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue	5	**3,521,690**	2,671,225	**57,701**	10,008
Cost of sales	6	**(3,043,651)**	(2,237,043)	**-**	-
Gross profit		**478,039**	434,182	**57,701**	10,008
Other income	7	**40,554**	54,021	**-**	-
Administrative expenses		**(261,965)**	(225,959)	**(3,548)**	(3,268)
Net reversal of impairment losses/(impairment losses) on financial assets	9(b)	**10,459**	(27,312)	**-**	-
Other expenses		**(4,924)**	(10,664)	**-**	-
Operating profit		**262,163**	224,268	**54,153**	6,740
Finance and other distribution income	8	**75,664**	26,444	**5,736**	7,979
Finance costs	8	**(65,163)**	(47,917)	**-**	-
Share of results of associates, net of tax		**-**	540	**-**	-
Share of results of joint ventures, net of tax		**298**	(14,689)	**-**	-
Profit before tax	9	**272,962**	188,646	**59,889**	14,719
Income tax expense	12	**(75,941)**	(42,799)	**1**	(3)
Profit for the financial year		**197,021**	145,847	**59,890**	14,716
Profit attributable to:					
Owners of the parent		**186,906**	145,109	**59,890**	14,716
Non-controlling interests		**10,115**	738	**-**	-
		197,021	145,847	**59,890**	14,716
Other comprehensive (loss)/income					
Items that may be reclassified subsequently to profit or loss:					
Foreign currency translations		**(14,797)**	836	**-**	-
Share of other comprehensive income of joint ventures		**(1,546)**	2,012	**-**	-
Net change in fair value for cash flow hedges		**1,969**	5,647	**-**	-
Other comprehensive (loss)/income for the financial year, net of tax		**(14,374)**	8,495	**-**	-
Total comprehensive income for the financial year		**182,647**	154,342	**59,890**	14,716
Total comprehensive income attributable to:					
Owners of the parent		**173,780**	153,965	**59,890**	14,716
Non-controlling interests		**8,867**	377	**-**	-
		182,647	154,342	**59,890**	14,716
Earnings per share attributable to owners of the parent (sen per share):					
Basic	13	**14.50**	11.25		
Diluted	13	**14.50**	11.25		

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Statements of Financial Position

As at 31 December 2024

	Note	Group 2024 RM'000	Group 2023 RM'000
Assets			
Non-current assets			
Property, plant and equipment	15	**85,134**	97,981
Intangible assets	16	**280**	576
Investment in an associate	18	**-**	-
Investments in joint arrangements	19	**224,375**	253,148
Other investment	20	**266**	266
Goodwill	21	**-**	-
Deferred tax assets	32	**21,760**	8,725
Long term receivables	23	**390,022**	482,916
		721,837	843,612
Current assets			
Other investments	20	**-**	111,788
Inventories	22	**43,252**	46,426
Trade receivables	23	**1,501,450**	1,241,348
Other receivables	24	**77,406**	168,900
Amount due from intermediate holding company	26	**31**	34
Amounts due from related companies	27	**214,816**	171,931
Amounts due from joint ventures	28	**1,415**	13,362
Tax recoverable		**20,260**	15,005
Cash and bank balances	30	**1,015,763**	470,393
		2,874,393	2,239,187
Total assets		**3,596,230**	3,082,799

Statements of Financial Position
As at 31 December 2024

	Note	Group 2024 RM'000	Group 2023 RM'000
Equity and liabilities			
Current liabilities			
Borrowings	31	**730,620**	438,235
Trade payables	33	**1,563,953**	921,082
Other payables	34	**241,711**	272,188
Amount due to intermediate holding company	26	**18**	188
Amounts due to related companies	27	**97,931**	42,861
Amounts due to joint ventures	28	**7,646**	3,340
Lease liabilities	35	**1,474**	2,872
Tax payable		**13,047**	19,053
Derivative liabilities	29	**155**	1,969
		2,656,555	1,701,788
Non-current liabilities			
Borrowings	31	**-**	487,724
Lease liabilities	35	**1,139**	1,004
Derivative liabilities	29	**36**	235
Deferred tax liabilities	32	**-**	91
		1,175	489,054
Total liabilities		**2,657,730**	2,190,842
Equity attributable to owners of the parent			
Share capital	36	**258,580**	258,580
Treasury shares	36	**(6,990)**	(6,990)
Merger reserve	37	**(37,894)**	(37,894)
Foreign currency translation reserve	37	**2,205**	17,300
Cash flow hedge reserve	37	**-**	(1,969)
Capital contribution by intermediate holding company	37	**641**	641
Other capital reserve	37	**471**	471
Retained earnings	37	**660,899**	590,036
		877,912	820,175
Non-controlling interests		**60,588**	71,782
Total equity		**938,500**	891,957
Total equity and liabilities		**3,596,230**	3,082,799

Statements of Financial Position

As at 31 December 2024

	Note	Company 2024 RM'000	Company 2023 RM'000
Assets			
Non-current assets			
Investments in subsidiaries	17	**258,580**	358,717
Current assets			
Other investments	20	**-**	2,969
Other receivables	24	**-**	2
Tax recoverable		**3**	-
Amounts due from subdiaries	25	**923**	121
Amount due from intermediate holding company	26	**14**	16
Amount due from a related company	27	**-**	1
Cash and bank balances	30	**136,704**	88,709
		137,644	91,818
Total assets		**396,224**	450,535
Equity and liabilities			
Current liabilities			
Other payables	34	**1,242**	1,143
Amount due to intermediate holding company	26	**1**	2
Amounts due to subsidiaries	25	**6,153**	4,407
Amount due to a related company	27	**-**	1
Tax payable		**-**	1
		7,396	5,554
Total liabilities		**7,396**	5,554
Equity attributable to owners of the parent			
Share capital	36	**258,580**	258,580
Treasury shares	36	**(6,990)**	(6,990)
Retained earnings	37	**137,238**	193,391
Total equity		**388,828**	444,981
Total equity and liabilities		**396,224**	450,535

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Statements of Changes in Equity

For the Financial Year Ended 31 December 2024

		Attributable to owners of the parent										
		Non-distributable							Distributable			
Group	Note	Share capital (Note 36) RM'000	Treasury shares (Note 36) RM'000	Merger reserve (Note 37) RM'000	Foreign currency translation reserve (Note 37) RM'000	Cash flow hedge reserve (Note 37) RM'000	Capital contribution by intermediate holding company (Note 37) RM'000	Other capital reserve (Note 37) RM'000	Retained earnings (Note 37) RM'000	Equity attributable to owners of the parent, total RM'000	Non-controlling interests RM'000	Equity, total RM'000
At 1 January 2024		258,580	(6,990)	(37,894)	17,300	(1,969)	641	471	590,036	820,175	71,782	891,957
Profit for the financial year		-	-	-	-	-	-	-	186,906	186,906	10,115	197,021
Other comprehensive (loss)/income, net of tax		-	-	-	(15,095)	1,969	-	-	-	(13,126)	(1,248)	(14,374)
Total comprehensive (loss)/income		-	-	-	(15,095)	1,969	-	-	186,906	173,780	8,867	182,647
Transactions with owners												
Dividends paid	14	-	-	-	-	-	-	-	(116,043)	(116,043)	-	(116,043)
Dissolution of a subsidiary		-	-	-	-	-	-	-	-	-	(34)	(34)
Acquisitions of equity interests in subsidiaries by non-controlling interests		-	-	-	-	-	-	-	-	-	9,211	9,211
Effects of subscriptions and redemptions of units in a structured entity by unit holders		-	-	-	-	-	-	-	-	-	(29,238)	(29,238)
Total transactions with owners		-	-	-	-	-	-	-	(116,043)	(116,043)	(20,061)	(136,104)
At 31 December 2024		258,580	(6,990)	(37,894)	2,205	-	641	471	660,899	877,912	60,588	938,500

Statements of Changes in Equity

For the Financial Year Ended 31 December 2024

Group	Note	Attributable to owners of the parent										
		Non-distributable							Distributable			
		Share capital (Note 36) RM'000	Treasury shares (Note 36) RM'000	Merger reserve (Note 37) RM'000	Foreign currency translation reserve (Note 37) RM'000	Cash flow hedge reserve (Note 37) RM'000	Capital contribution by intermediate holding company (Note 37) RM'000	Other capital reserve (Note 37) RM'000	Retained earnings (Note 37) RM'000	Equity attributable to owners of the parent, total RM'000	Non-controlling interests RM'000	Equity, total RM'000
At 1 January 2023		258,580	(6,990)	(37,894)	14,091	(7,616)	641	471	515,856	737,139	83,655	820,794
Profit for the financial year		-	-	-	-	-	-	-	145,109	145,109	738	145,847
Other comprehensive income, net of tax		-	-	-	3,209	5,647	-	-	-	8,856	(361)	8,495
Total comprehensive income		-	-	-	3,209	5,647	-	-	145,109	153,965	377	154,342
Transactions with owners												
Dividends paid	14	-	-	-	-	-	-	-	(70,915)	(70,915)	-	(70,915)
Dividends paid to non-controlling interests		-	-	-	-	-	-	-	-	-	(687)	(687)
Disposal of a subsidiary		-	-	-	-	-	-	-	(14)	(14)	(30)	(44)
Acquisitions of equity interests in subsidiaries by non-controlling interests		-	-	-	-	-	-	-	-	-	7,191	7,191
Effects of subscriptions and redemptions of units in a structured entity by unit holders		-	-	-	-	-	-	-	-	-	(18,724)	(18,724)
Total transactions with owners		-	-	-	-	-	-	-	(70,929)	(70,929)	(12,250)	(83,179)
At 31 December 2023		258,580	(6,990)	(37,894)	17,300	(1,969)	641	471	590,036	820,175	71,782	891,957

FINANCIAL STATEMENTS

Statements of Changes in Equity

For the Financial Year Ended 31 December 2024

Company	Note	Non-distributable		Distributable	
		Share capital (Note 36) RM'000	Treasury shares (Note 36) RM'000	Retained earnings (Note 37) RM'000	Equity, total RM'000
At 1 January 2024		**258,580**	**(6,990)**	**193,391**	**444,981**
Profit for the financial year		-	-	**59,890**	**59,890**
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income		-	-	**59,890**	**59,890**
Transactions with owners					
Dividends paid	14	-	-	**(116,043)**	**(116,043)**
Total transactions with owners		-	-	**(116,043)**	**(116,043)**
At 31 December 2024		**258,580**	**(6,990)**	**137,238**	**388,828**
At 1 January 2023		258,580	(6,990)	249,590	501,180
Profit for the financial year		-	-	14,716	14,716
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income		-	-	14,716	14,716
Transactions with owners					
Dividends paid	14	-	-	(70,915)	(70,915)
Total transactions with owners		-	-	(70,915)	(70,915)
At 31 December 2023		258,580	(6,990)	193,391	444,981

The accompanying accounting policies and explanatory information form an integral part of the financial statements

Statements of Cash Flows

For the Financial Year Ended 31 December 2024

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash flows from operating activities				
Profit before tax	**272,962**	188,646	**59,889**	14,719
Adjustments for:				
Accretion of financial assets and financial liabilities	**(1,558)**	(1,482)	**-**	-
Bad debts written off	**551**	47	**-**	-
Depreciation and amortisation of property, plant and equipment, intangible assets and right-of-use assets	**17,276**	21,011	**-**	-
Dividend income	**-**	-	**(57,701)**	(10,008)
Fair value gain on reclassification from property, plant and equipment to finance lease receivables	**-**	(719)	**-**	-
Fair value (gain)/loss on derivative financial instruments	**(32)**	230	**-**	-
Finance and other distribution income	**(75,664)**	(26,444)	**(5,736)**	(7,979)
Finance costs	**65,163**	47,917	**-**	-
Gain on disposal of a subsidiary	**-**	(16)	**-**	-
Gain on disposal of property, plant and equipment	**(7,263)**	(1,943)	**-**	-
Gain on liquidation of a subsidiary	**-**	(2)	**-**	-
Gain on reassessments and modifications of leases	**(189)**	(4)	**-**	-
Impairment losses on:				
- trade receivables	**9,998**	27,207	**-**	-
- other receivables	**107**	160	**-**	-
- amounts due from related companies	**85**	9	**-**	-
- quasi-equity loan advanced to a joint venture	**158**	415	**-**	-
- investment in a joint venture	**175**	18	**-**	-
Net inventories (written back)/written down	**(1,327)**	1,417	**-**	-
Net unrealised foreign exchange loss	**154**	112	**-**	-
Write-off of property, plant and equipment	**201**	1	**-**	-
Reversal of impairment losses on:				
- trade receivables	**(20,736)**	(196)	**-**	-
- other receivables	**(45)**	(254)	**-**	-
- amounts due from related companies	**(26)**	(29)	**-**	-
Share of results of associates	**-**	(540)	**-**	-
Share of results of joint ventures	**(298)**	14,689	**-**	-
Operating cash flows before working capital changes carried forward	**259,692**	270,250	**(3,548)**	(3,268)

Statements of Cash Flows

For the Financial Year Ended 31 December 2024

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash flows from operating activities (contd.)				
Operating cash flows before working capital changes brought forward	**259,692**	270,250	**(3,548)**	(3,268)
Changes in working capital:				
Inventories	**3,608**	6,109	**-**	-
Trade receivables	**(186,943)**	(784,819)	**-**	-
Other receivables	**76,713**	(29,671)	**2**	70
Trade payables	**644,786**	202,724	**-**	-
Other payables	**(27,406)**	99,614	**99**	(703)
Amounts due from subsidiaries	**-**	-	**943**	1,767
Amount due (to)/from intermediate holding company	**(167)**	133	**3**	2
Amounts due from related companies	**7,956**	2,401	**-**	-
Amounts due from/(to) joint ventures	**16,133**	(13,110)	**-**	-
Cash generated from/(used in) operations	**794,372**	(246,369)	**(2,501)**	(2,132)
Interest received	**75,664**	26,444	**5,736**	7,979
Interest paid	**(64,982)**	(47,602)	**-**	-
Tax refunded	**11,813**	663	**-**	-
Tax paid	**(100,441)**	(32,524)	**(4)**	(1)
Net cash from/(used in) operating activities	**716,426**	(299,388)	**3,231**	5,846
Cash flows from investing activities				
Proceeds from disposals of property, plant and equipment	**12,719**	2,459	**-**	-
Withdrawal/(Placement) of short term fund pledged to other financial institution	**6,928**	(2,477)	**6,928**	(2,477)
Acquisitions of:				
- Property, plant and equipment and intangible assets	**(9,409)**	(18,453)	**-**	-
- Other investments	**-**	(436)	**-**	-
Investment in a joint venture	**(6,146)**	(4,837)	**-**	-
Quasi-equity loan repaid by/(advanced to) a joint venture	**22,559**	(27,306)	**-**	-
Repayments from a joint venture	**-**	14,334	**-**	-
Net redemption of units in a structured entity under the control of the Company	**-**	-	**100,137**	56,366
Net redemptions/(placements) of units in a structured entity under the control of the intermediate holding company	**111,788**	(26,118)	**2,969**	314
Net cash from/(used in) investing activities carried forward	**138,439**	(62,834)	**110,034**	54,203

Statements of Cash Flows

For the Financial Year Ended 31 December 2024

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash flows from investing activities (contd.)				
Net cash from/(used in) investing activities brought forward	**138,439**	(62,834)	**110,034**	54,203
Net cash outflow from disposals of a subsidiary	**-**	(44)	**-**	-
Dividends received	**-**	-	**57,701**	10,008
Net cash from/(used in) investing activities	**138,439**	(62,878)	**167,735**	64,211
Cash flows from financing activities				
Acquisition of equity interests in subsidiaries by non-controlling interests	**9,211**	7,191	**-**	-
Drawdowns of term loans	**45,689**	233,241	**-**	-
Drawdowns of bills discounting	**1,041,783**	810,260	**-**	-
Drawdowns of revolving credits	**120,773**	393,708	**-**	-
Repayments of term loans	**(122,640)**	(39,020)	**-**	-
Repayments of bills discounting	**(1,142,725)**	(687,262)	**-**	-
Repayments of revolving credits	**(106,500)**	(284,000)	**-**	-
Payments of lease liabilities	**(3,535)**	(6,037)	**-**	-
Interest paid on lease liabilities	**(181)**	(315)	**-**	-
Dividends paid	**(116,043)**	(70,915)	**(116,043)**	(70,915)
Dividends paid to non-controlling interests of subsidiaries	**-**	(687)	**-**	-
Net redemptions of units in a structured entity by non-controlling interests	**(29,238)**	(18,724)	**-**	-
Net cash (used in)/from financing activities	**(303,406)**	337,440	**(116,043)**	(70,915)
Net increase/(decrease) in cash and cash equivalents	**551,459**	(24,826)	**54,923**	(901)
Effects of exchange rate changes on cash and cash equivalents	**839**	1,114	**-**	-
Cash and cash equivalents at beginning of financial year	**383,974**	407,686	**2,492**	3,393
Cash and cash equivalents at end of financial year	**936,272**	383,974	**57,415**	2,492

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

1. CORPORATE INFORMATION

Sunway Construction Group Berhad (the "Company") is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at Level 16, Menara Sunway, Jalan Lagoon Timur, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan. The principal place of business of the Company is located at Level 8, Menara Sunway, Jalan Lagoon Timur, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan.

The Directors of the Company regard Sungei Way Corporation Sdn. Bhd. and Active Equity Sdn. Bhd., both companies are incorporated in Malaysia, as its penultimate and ultimate holding companies respectively as Sungei Way Corporation Sdn. Bhd. and Active Equity Sdn. Bhd. continue to have control over Sunway Berhad and its subsidiaries within the definition of "control" as set out in Malaysian Financial Reporting Standard 10 "Consolidated Financial Statements", although their total shareholdings in Sunway Berhad was 48.50% as of 31 December 2024.

The immediate and intermediate holding companies are Sunway Holdings Sdn. Bhd. and Sunway Berhad respectively, both of which are incorporated in Malaysia. Sunway Berhad is listed on the Main Market of Bursa Malaysia Securities Berhad and produces financial statements available for public use. Related companies in these financial statements refer to companies within the Sunway Berhad group of companies.

The consolidated financial statements for the financial year ended 31 December 2024 comprise the Company and its subsidiaries and the interests of the Group in an associate and joint arrangements.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are set out in Note 17 to the financial statements.

The financial statements for the financial year ended 31 December 2024 were authorised for issue in accordance with a resolution of the Directors on 28 March 2025.

2. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

The new MFRSs and amendments to MFRSs adopted during the financial year are set out in Note 41(a) to the financial statements.

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

The financial statements are presented in Ringgit Malaysia ("RM"), which is also the functional currency of the Company. All financial information presented in RM has been rounded to the nearest thousand ("RM'000"), unless otherwise stated.

3. SEGMENT INFORMATION

For management purpose, the Group is organised into business units based on their products and services. In addition, the businesses are considered from a geographical perspective. The Group's reporting segments are as follows:

(i) Construction - turnkey, construction related design and build, civil engineering, building works, geotechnical services and related products, hire of heavy machineries, mechanical and engineering works, sustainable energy, facade engineering and consultancy services and transportation agent.

(ii) Precast concrete - construction engineering, sub-contracting works for precast fabrication, manufacturing and distribution of precast components and building materials.

3. SEGMENT INFORMATION (CONTD.)

Operating segments that have been aggregated to form the above reporting segments are as indicated as above. These operating segments are aggregated due to the similar nature and economic characteristics of the businesses.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise tax assets and liabilities, corporate assets, liabilities and expenses, if any.

Segment revenue, expenses and results include transfers between business segments. The inter-segment transactions have been entered into, on negotiated basis and are eliminated on consolidation. These policies have been applied consistently throughout the current and previous financial years.

Business segments

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segment:

	Construction RM'000	Precast concrete RM'000	Adjustments/ Eliminations RM'000	Note	Total RM'000
At 31 December 2024					
Revenue					
Sales to external customers	3,326,897	194,793	-		3,521,690
Inter-segment sales	947,564	83,130	(1,030,694)	A	-
Total revenue	4,274,461	277,923	(1,030,694)		3,521,690
Results					
Operating profit	239,694	22,469	-		262,163
Finance and other distribution income	75,417	247	-		75,664
Finance costs	(54,672)	(10,491)	-		(65,163)
Share of results of a joint venture	-	298	-		298
Profit before tax	260,439	12,523	-		272,962
Income tax expense	(72,654)	(3,287)	-		(75,941)
Profit for the financial year	187,785	9,236	-		197,021
Non-controlling interests	(10,115)	-	-		(10,115)
Attributable to owners of the parent	177,670	9,236	-		186,906

3. SEGMENT INFORMATION (CONTD.)

Business segments (contd.)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segment: (contd.)

	Construction RM'000	Precast concrete RM'000	Adjustments/ Eliminations RM'000	Note	Total RM'000
At 31 December 2024					
Assets					
Segment assets	3,997,901	342,879	(1,010,945)		3,329,835
Investments in joint ventures	16,112	208,263	-		224,375
Unallocated assets					42,020
Total assets					3,596,230
Liabilities					
Segment liabilities	2,739,258	352,052	(446,627)		2,644,683
Unallocated liabilities					13,047
Total liabilities					2,657,730
Other segment information					
Capital expenditure	3,847	5,562	-	B	9,409
Depreciation and amortisation	11,626	5,650	-		17,276

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

3. SEGMENT INFORMATION (CONTD.)

Business segments (contd.)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segment: (contd.)

	Construction RM'000	Precast concrete RM'000	Adjustments/ Eliminations RM'000	Note	Total RM'000
At 31 December 2023					
Revenue					
Sales to external customers	2,381,047	290,178	-		2,671,225
Inter-segment sales	626,969	200,793	(827,762)	A	-
Total revenue	3,008,016	490,971	(827,762)		2,671,225
Results					
Operating profit	179,212	45,056	-		224,268
Finance and other distribution income	26,437	7	-		26,444
Finance costs	(36,277)	(11,640)	-		(47,917)
Share of results of associates	540	-	-		540
Share of results of a joint venture	-	(14,689)	-		(14,689)
Profit before tax	169,912	18,734	-		188,646
Income tax expense	(35,686)	(7,113)	-		(42,799)
Profit for the financial year	134,226	11,621	-		145,847
Non-controlling interests	(738)	-	-		(738)
Attributable to owners of the parent	133,488	11,621	-		145,109
Assets					
Segment assets	3,402,645	444,142	(1,040,866)		2,805,921
Investments in joint ventures	10,141	243,007	-		253,148
Unallocated assets					23,730
Total assets					3,082,799
Liabilities					
Segment liabilities	2,029,279	502,566	(360,147)		2,171,698
Unallocated liabilities					19,144
Total liabilities					2,190,842
Other segment information					
Capital expenditure	4,741	13,712	-	B	18,453
Depreciation and amortisation	15,948	5,063	-		21,011

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

3. SEGMENT INFORMATION (CONTD.)

Geographical segments

The following table provides an analysis of the Group's revenue, profit before tax, net profit, profit attributable to owners of the parent and assets by geographical segment:

	Revenue from contracts with customers RM'000	Profit/(Loss) before tax RM'000	Net profit/ (loss) RM'000	Profit/ (Loss) attributable to owners of the parent RM'000	Segment assets	
					Non-current RM'000	Current RM'000
At 31 December 2024						
Malaysia	**3,246,932**	**274,139**	**204,793**	**196,908**	**57,108**	**2,518,154**
Singapore	**194,793**	**(7,587)**	**(7,622)**	**(7,724)**	**36,792**	**119,442**
India	**79,965**	**6,461**	**(99)**	**(2,227)**	**333,820**	**264,380**
Trinidad & Tobago	**-**	**-**	**-**	**-**	**-**	**26**
United Arab Emirates	**-**	**(51)**	**(51)**	**(51)**	**-**	**113**
	3,521,690	**272,962**	**197,021**	**186,906**	**427,720**	**2,902,115**
At 31 December 2023						
Malaysia	2,016,665	160,864	125,314	124,290	154,629	1,827,197
Singapore	290,178	(13,324)	(13,801)	(13,796)	35,053	197,709
India	364,382	41,111	34,339	34,620	392,057	199,129
Trinidad & Tobago	-	-	-	-	-	27
United Arab Emirates	-	(3)	(3)	(3)	-	120
Myanmar	-	(2)	(2)	(2)	-	-
	2,671,225	188,646	145,847	145,109	581,739	2,224,182

Note **Nature of eliminations to arrive at amounts reported in the consolidated financial statements**

A Inter-segment revenues are eliminated on consolidation.

B Capital expenditures consist of:

	2024 RM'000	2023 RM'000
Property, plant and equipment (exclude right-of-use buildings)	**9,409**	17,656
Software	**-**	797
	9,409	18,453

3. SEGMENT INFORMATION (CONTD.)

Major customers

Revenue from three (3) customers (2023: one (1) customer) from the construction segment represent approximately RM1,810,363,000 (2023: RM360,063,000) of the Group's revenue.

The following are major customers with revenue equal or more than ten percent (10%) of Group's revenue:

	Revenue	
	2024 RM'000	2023 RM'000
Customer A	**1,042,532**	*
Customer B	**425,295**	*
Customer C	**342,536**	*
Customer D	*	360,063
	1,810,363	360,063

* Represents revenue not disclosed as the revenue is less than 10% of Group's revenue.

4. CAPITAL, INSURANCE AND FINANCIAL RISK MANAGEMENT

(a) Capital management

The primary objective of the Group's and of the Company's capital management is the maintenance of a strong credit rating and healthy capital ratio, in order to support the Group's and the Company's businesses and maximise shareholders' value.

The Group and the Company manage their capital structure by ensuring that financial commitments are met as and when they fall due. In addition, divestment of the Group's and of the Company's non-core assets which provide low returns are also made to optimise the capital structure of the Group and of the Company.

The Group and the Company monitor capital utilisation using the gearing ratio. This ratio is used to assess the appropriateness of the Group's and of the Company's debt level, hence its capital structure. The ratio is calculated as net debt divided by total equity. Net debt includes total borrowings less cash and bank balances.

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Borrowings (Note 31)	**730,620**	925,959	**-**	-
Cash and bank balances (Note 30)	**(1,015,763)**	(470,393)	**(136,704)**	(88,709)
Net (cash)/debt	**(285,143)**	455,566	**(136,704)**	(88,709)
Equity attributable to owners of the parent	**877,912**	820,175	**388,828**	444,981
Gearing ratio	**N/A**	56%	**N/A**	N/A

4. CAPITAL, INSURANCE AND FINANCIAL RISK MANAGEMENT (CONTD.)

(a) Capital management (contd.)

Pursuant to the requirements of Practice Note No. 17/2005 of the Bursa Malaysia Securities Berhad, the Group is required to maintain a consolidated shareholders' equity of more than 25% of the issued and paid-up capital (excluding treasury shares) and such shareholders' equity is not less than RM40.0 million. The Group has complied with this requirement for the financial year ended 31 December 2024.

(b) Insurance and financial risk management objectives and policies

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its interest rate risks (both fair value and cash flow), foreign currency risk, liquidity risk, credit risk, market risk and insurance risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below. It is, and has been throughout the current financial year and previous financial year, the Group's policy that no trading in derivative financial instruments shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient.

Interest rate risk

The Group's and the Company's interest rate risk arises primarily from interest-bearing trade receivables, interest-bearing deposits with licensed banks, borrowings and lease liabilities.

The interest rate profile and sensitivity analysis of interest rate risk have been disclosed in Notes 23, 30, 31 and 35 to the financial statements respectively.

Foreign currency risk

The Group is not significantly exposed to foreign currency risk as the majority of the Group's transactions, assets and liabilities are denominated in Ringgit Malaysia ("RM") except for foreign currency risk arising from the countries in which certain foreign subsidiaries operate. The currencies giving rise to this risk are Singapore Dollar ("SGD") and India Rupee ("INR").

Approximately 8% (2023: 25%) of the Group's sales are denominated in foreign currencies whilst almost 3% (2023: 3%) of costs are denominated in the respective functional currencies of the Group entities.

The Group maintains a natural hedge, whenever possible, by borrowing in the currency of the country in which the property or investment is located or by borrowing in currencies that match the revenue stream to be generated from its investments.

The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes. At the end of the reporting period, such foreign currency balances amounted to RM109,616,000 (2023: RM90,449,000).

In relation to its investments in foreign subsidiaries whose net assets are exposed to currency translation risks and which are held for long term investment purposes, the differences arising from such translation are recorded under the foreign currency translation reserve. These translation differences are reviewed and monitored on a regular basis.

4. CAPITAL, INSURANCE AND FINANCIAL RISK MANAGEMENT (CONTD.)

(b) Insurance and financial risk management objectives and policies (contd.)

Foreign currency risk (contd.)

Foreign currency risk exposure

The currency risk exposure profiles for each class of financial instruments are as follows:

Group	INR RM'000	SGD RM'000	Others RM'000
At 31 December 2024			
Financial assets in foreign currencies			
Cash and bank balances	**85,842**	**21,888**	**1,886**
Trade and other receivables	**512,344**	**82,247**	**16**
Financial liabilities in foreign currencies			
Trade and other payables	**(41,533)**	**(43,420)**	**-**
Borrowings	**(387,833)**	**(161,474)**	**-**
Net exposure	**168,820**	**(100,759)**	**1,902**
At 31 December 2023			
Financial assets in foreign currencies			
Cash and bank balances	71,857	16,682	1,910
Trade and other receivables	518,398	158,754	21
Financial liabilities in foreign currencies			
Trade and other payables	(45,583)	(33,061)	-
Borrowings	(372,484)	(232,532)	-
Net exposure	172,188	(90,157)	1,931

Company

At 31 December 2024/2023

The currency risk exposure profile of the Company is not presented as there is no exposure to foreign currency at the end of the reporting period.

4. CAPITAL, INSURANCE AND FINANCIAL RISK MANAGEMENT (CONTD.)

(b) Insurance and financial risk management objectives and policies (contd.)

Foreign currency risk (contd.)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit net of tax to a reasonably possible change in the foreign exchange rates against the functional currency of the Group, with all other variables held constant.

	Group Profit net of tax	
	2024 RM'000	2023 RM'000
INR/RM		
- strengthened 0.57% (2023: 0.03%)	**674**	39
- weakened 0.57% (2023: 0.03%)	**(674)**	(39)
SGD/RM		
- strengthened 0.86% (2023: 1.44%)	**(719)**	(1,078)
- weakened 0.86% (2023: 1.44%)	**719**	1,078

The exposure to the other currencies except for INR and SGD, are not significant, hence the effects of the changes in the exchange rates are not presented.

The sensitivity of the Group's equity to a reasonably possible change in the foreign exchange rates against the functional currency of the Group is not presented as the effects are immaterial.

Liquidity risk

The Group manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities at a reasonable level to its overall debt position. As far as possible, the Group raises committed funding from both capital markets and financial institutions and balances its portfolio with some short term funding so as to achieve overall cost effectiveness.

The analysis of financial instruments by remaining contractual maturities have been disclosed in Notes 25, 26, 27, 28, 29, 31, 33, 34 and 35 to the financial statements respectively.

The notional amounts of performance guarantee contracts of the Group and of the Company that are payable on demand are set out below:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Performance guarantee contracts	**101,315**	119,958	**101,315**	119,958

4. CAPITAL, INSURANCE AND FINANCIAL RISK MANAGEMENT (CONTD.)

(b) Insurance and financial risk management objectives and policies (contd.)

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including investment securities and cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The credit risk concentration profiles have been disclosed in Notes 23 and 24 to the financial statements.

Market risk

Market risk is the risk that the fair value or future cash flows of the financial instruments of the Group would fluctuate because of changes in market prices (other than interest or exchange rates).

The Group is exposed to equity price risks arising mainly from investments in wholesale funds held by the Group. These investments are classified as financial assets designated at fair value through profit or loss.

The sensitivity analysis of market risk has been disclosed in Notes 20 and 30 to the financial statements.

Insurance risk

The most significant risks arising from the performance guarantees contracts are compensation for delays in delivery of construction contracts that result in a decline in profit margins from the construction contracts of the Group. Since the guarantee extends to more than a year, there is also inflation risk.

As at the end of the reporting period, there is no significant exposure of insurance risk of the Group and of the Company as the expected future cash outflows arising from performance guarantee contracts are negligible.

5. REVENUE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue from contracts with customers				
- Construction contracts	**3,326,004**	2,380,204	**-**	-
- Sale of goods and services	**194,793**	290,178	**-**	-
Other revenue				
Dividend income from a subsidiary	**-**	-	**57,701**	10,008
Finance lease income	**893**	843	**-**	-
	3,521,690	2,671,225	**57,701**	10,008

Disaggregation of revenue from contracts with customers

Revenue from contracts with customers is disaggregated in the table below by primary geographical market, major products and service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the reportable segments of the Group.

Group	India RM'000	Malaysia RM'000	Singapore RM'000	Total RM'000
31 December 2024				
Major products and service lines				
Revenue from construction contracts	**79,965**	**3,246,039**	**-**	**3,326,004**
Sale of goods and services	**-**	**-**	**194,793**	**194,793**
Revenue from external customers	**79,965**	**3,246,039**	**194,793**	**3,520,797**
Timing of revenue recognition				
Services transferred over time	**79,965**	**3,246,039**	**117,122**	**3,443,126**
Products transferred at a point in time	**-**	**-**	**77,671**	**77,671**
Revenue from external customers	**79,965**	**3,246,039**	**194,793**	**3,520,797**

FINANCIAL STATEMENTS
Notes to the Financial Statements
For the Financial Year Ended 31 December 2024

5. REVENUE (CONTD.)

Disaggregation of revenue from contracts with customers (contd.)

Group	India RM'000	Malaysia RM'000	Singapore RM'000	Total RM'000
31 December 2023				
Major products and service lines				
Revenue from construction contracts	364,382	2,015,822	-	2,380,204
Sale of goods and services	-	-	290,178	290,178
Revenue from external customers	364,382	2,015,822	290,178	2,670,382
Timing of revenue recognition				
Services transferred over time	364,382	2,015,822	87,324	2,467,528
Products transferred at a point in time	-	-	202,854	202,854
Revenue from external customers	364,382	2,015,822	290,178	2,670,382

(a) Revenue from construction contracts

Construction contracts with customers may include multiple promises to customers and therefore accounted for as separate performance obligations. In this case, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices.

Revenue from construction contracts is measured at the fixed transaction price agreed under the agreement.

The Group determines the transaction price of a contract after considering the effect of variable consideration, constraining estimates of variable consideration, effect of significant financing component, non-cash consideration and consideration payable to customer.

When the fair value of variable consideration is uncertain, the Group estimates the amount of consideration by using the most likely amount method and only recognises to the extent that is highly probable that a significant reversal in cumulative revenue will not occur.

Revenue is recognised as and when control of the asset is transferred to the customer and it is probable that the Group would collect the consideration to which it will be entitled in exchange for the asset that would be transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the performance of the Group does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation using the output method. The output method recognises revenue based on contract work certified to date which depicts the basis of direct measurements of value to the customers of the construction work performed to date relative to the remaining construction work promised under the contract.

5. REVENUE (CONTD.)

(a) Revenue from construction contracts (contd.)

If control of the asset transfers at a point in time, revenue is recognised at a point in time when the customer obtains control of the asset.

Significant judgement is required in estimating the progress towards complete satisfaction of performance obligations and in assessing the exposures to liquidated ascertained damages ("LAD") based on the facts and circumstances of the relevant construction projects, including projects that had been served with certificates of non-achievement for project delays. In making these judgements, the Group evaluates based on experience and by relying on the work of specialists. The progress towards complete satisfaction of performance obligations is measured using the output method, which is based on the contract work certified to date over the estimated total contract sum.

(b) Sale of goods and services

Revenue is recognised as and when control of the asset is transferred or the services have been rendered to the customers and it is probable that the Group would collect the consideration to which it will be entitled in exchange for the asset that would be transferred and services rendered to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the performance of the Group does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation using the output method. The output method recognises revenue on the basis of direct measurements of value to the customers of goods transferred or services rendered to date relative to the remaining goods or services promised under the contract.

If control of the asset transfers at a point in time, revenue is recognised at a point in time when the goods have been transferred or the services have been rendered to the customer and coincide with the delivery of goods and services and acceptance by customers.

Revenue from services rendered is recognised over time when the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

There is no right of return and warranty provided to the customers on the sale of products.

(c) Finance lease income

Finance lease income is recognised on the effective yield basis method.

(d) Dividend income

Dividend income is recognised when the right of the Company to receive payment is established.

6. COST OF SALES

	Group	
	2024 RM'000	2023 RM'000
Construction contract costs	**2,882,674**	2,002,701
Cost of goods sold	**160,977**	234,342
	3,043,651	2,237,043

7. OTHER INCOME

Included in other income are the following:

	Group	
	2024 RM'000	2023 RM'000
Rental income	**1,640**	1,692
Bad debts recovered	**-**	187
Gain on disposal of property, plant and equipment	**7,263**	1,943
Income arising from settlement scheme	**5,932**	20,811
Write back of inventories previously written down to net realisable value (Note 22)	**1,845**	-
Gain on liquidation of a subsidiary	**-**	2
Gain on disposal of a subsidiary	**-**	16
Gain on reassessments and modifications of leases	**189**	4
Accretion of financial assets	**1,588**	2,266
Fair value gain on derivative financial instruments	**32**	-
Fair value gain on reclassification from property, plant and equipment to finance lease receivables	**-**	719
Foreign exchange gain:		
- realised	**807**	3,990
- unrealised	**869**	148

Rental income is accounted for on a straight-line basis over the lease term of an ongoing lease.

FINANCIAL STATEMENTS
Notes to the Financial Statements
For the Financial Year Ended 31 December 2024

8. FINANCE AND OTHER DISTRIBUTION INCOME AND FINANCE COSTS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Finance and other distribution income				
Finance and other distribution income from:				
Deposits with licensed banks	**3,980**	2,197	**-**	-
Short term funds	**9,261**	3,615	**3,895**	2,347
Structured entities controlled by its intermediate holding company	**5,260**	9,720	**1,834**	5,620
Interest-bearing trade receivables	**50,554**	4,088	**-**	-
Others	**6,609**	6,824	**7**	12
	75,664	26,444	**5,736**	7,979
Finance costs				
Interest expense in relation to:				
Lease liabilities	**(181)**	(315)	**-**	-
Bank borrowings	**(63,373)**	(45,566)	**-**	-
Others	**(1,609)**	(2,036)	**-**	-
	(65,163)	(47,917)	**-**	-

Interest income from short term deposits, structured entities controlled by its intermediate holding company and advances are recognised on an accrual basis, using the effective interest method.

9. PROFIT BEFORE TAX

(a) Other than those disclosed elsewhere in the financial statements, the following amounts have been included in arriving at profit before tax:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Auditors' remuneration:				
- statutory audits	**812**	699	**21**	12
- under provision in prior years	**3**	2	**-**	4
- other services	**8**	73	**8**	8
Foreign exchange losses:				
- realised	**359**	3,842	**-**	-
- unrealised	**1,023**	260	**-**	-
Fair value loss on derivative financial instruments	**-**	230	**-**	-
Accretion of financial liabilities	**30**	784	**-**	-
Bad debts written off	**551**	47	**-**	-
Impairment loss on investment in a joint venture (Note 19)	**175**	18	**-**	-
Write-off of property, plant and equipment (Note 15)	**201**	1	**-**	-
Written down of inventories (Note 22)	**518**	1,417	**-**	-
Rental expenses:				
- short term lease expenses	**3,257**	278	**-**	-
- lease expense for low value assets	**336**	332	**-**	-
- variable lease payment expense	**53**	133	**-**	-
Management fees paid to a related company (Note 40)	**17,630**	17,344	**-**	-
Management fees paid to a subsidiary (Note 40)	**-**	-	**1,641**	1,706
Service level agreement fees paid to related companies (Note 40)	**3,681**	3,641	**5**	5

9. PROFIT BEFORE TAX (CONTD.)

(b) Net (reversal of impairment lossess)/impairment losses on financial assets recognised in profit or loss were as follows:

	Group	
	2024 RM'000	2023 RM'000
Impairment losses on:		
- trade receivables (Note 23)	**9,998**	27,207
- other receivables (Note 24)	**107**	160
- amounts due from related companies (Note 27)	**85**	9
- quasi-equity loan advanced to a joint venture (Note 19)	**158**	415
	10,348	27,791
Reversal of impairment losses on:		
- trade receivables (Note 23)	**(20,736)**	(196)
- other receivables (Note 24)	**(45)**	(254)
- amounts due from related companies (Note 27)	**(26)**	(29)
	(20,807)	(479)
Net (reversal of impairment lossess)/impairment losses on financial assets	**(10,459)**	27,312

10. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Wages, salaries, allowances and bonuses	**175,825**	141,110	**-**	-
Social security contributions	**1,256**	1,131	**-**	-
Contributions to defined contribution plan	**11,495**	10,123	**-**	-
Other benefits	**7,886**	6,607	**64**	51
	196,462	158,971	**64**	51

Included in employee benefits expense of the Group are Executive Directors' remuneration amounting to RM6,195,000 (2023: RM4,554,000) as further disclosed in Note 11 to the financial statements.

11. DIRECTORS' REMUNERATION

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Executive Directors' remuneration:				
Salaries and bonuses	**5,531**	4,066	**-**	-
Contribution to defined contribution plan	**664**	488	**-**	-
Total Executive Directors' remuneration excluding benefits-in-kind (Note 10)	**6,195**	4,554	**-**	-
Estimated money value of benefits-in-kind	**73**	63	**-**	-
Total Executive Directors' remuneration including benefits-in-kind (Note 40)	**6,268**	4,617	**-**	-
Non-Executive Directors' remuneration:				
Fees	**772**	780	**772**	780
Other emoluments	**194**	80	**194**	80
	966	860	**966**	860
Total Directors' remuneration including benefits-in-kind	**7,234**	5,477	**966**	860

The number of Directors of the Company whose total remuneration during the financial year fell within the following bands is analysed below:

	Number of Directors	
	2024	2023
Executive Directors:		
RM3,500,001 - RM4,500,000	**1**	-
RM2,500,001 - RM3,500,000	**-**	1
RM1,500,001 - RM2,500,000	**1**	1
Non-Executive Directors:		
RM150,001 - RM200,000	**1**	1
RM100,000 - RM150,000	**5**	6
Below RM100,000	**3**	-

Included in Executive Directors, is the Alternate Director.

Notes to the Financial Statements
For the Financial Year Ended 31 December 2024

12. INCOME TAX EXPENSE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current income tax:				
Malaysian income tax	**46,343**	42,542	**2**	3
Foreign tax	**5,773**	7,438	**-**	-
	52,116	49,980	**2**	3
Under/(Over) provision in prior years:				
Malaysian income tax	**35,537**	(1,192)	**(3)**	-
Foreign tax	**1,548**	(759)	**-**	-
	37,085	(1,951)	**(3)**	-
	89,201	48,029	**(1)**	3
Deferred tax (Note 32):				
Relating to origination and reversal of temporary differences	**18,439**	(4,207)	**-**	-
Over provision in prior years	**(31,699)**	(1,023)	**-**	-
	(13,260)	(5,230)	**-**	-
Total income tax expense	**75,941**	42,799	**(1)**	3

(a) Domestic current income tax is calculated at the Malaysian statutory tax rate of 24% (2023: 24%) of the estimated assessable profit for the year.

(b) Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

FINANCIAL STATEMENTS

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

12. INCOME TAX EXPENSE (CONTD.)

(c) A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

	Group	
	2024 RM'000	2023 RM'000
Profit before tax	**272,962**	188,646
Tax at Malaysian statutory tax rate of 24% (2023: 24%)	**65,511**	45,275
Different tax rates in other countries	**1,037**	185
Income not subject to tax	**(4,549)**	(8,084)
Expenses not deductible for tax purposes	**8,952**	4,952
Utilisation of deferred tax assets previously not recognised	**(702)**	(591)
Deferred tax assets not recognised in respect of unused tax losses, unabsorbed capital allowances and other deductible temporary differences	**378**	641
Effect of share of results of associates	**-**	(130)
Effect of share of results of joint ventures	**(72)**	3,525
Under/(Over) provision of income tax in prior years	**37,085**	(1,951)
Over provision of deferred tax in prior years	**(31,699)**	(1,023)
Income tax expense for the year	**75,941**	42,799

	Company	
	2024 RM'000	2023 RM'000
Profit before tax	**59,889**	14,719
Tax at Malaysian statutory tax rate of 24% (2023: 24%)	**14,373**	3,533
Income not subject to tax	**(15,221)**	(4,314)
Expenses not deductible for tax purposes	**850**	784
Under provision of income tax in prior years	**(3)**	-
Income tax expense for the year	**(1)**	3

(d) There is no tax effect on other comprehensive income of the Group and of the Company during the financial year.

13. EARNINGS PER SHARE

(a) Basic

Basic earnings per share amounts are calculated by dividing profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2024	2023
Profit attributable to owners of the parent (RM'000)	**186,906**	145,109
Weighted average number of ordinary shares in issue ('000)	**1,289,359**	1,289,359
Basic earnings per ordinary share (sen)	**14.50**	11.25

(b) Diluted

Diluted earnings per share equals basic earnings per ordinary share because there were no dilutive ordinary shares as at the end of reporting period.

14. DIVIDENDS

	Group/Company			
	Dividends in respect of year		Dividends recognised in year	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Interim dividend for 2022:				
Single-tier dividend of 2.50 sen per ordinary share	**-**	-	**-**	32,234
Interim dividend for 2023:				
Single-tier dividend of 3.00 sen per ordinary share	**-**	38,681	**-**	38,681
Single-tier dividend of 3.00 sen per ordinary share	**-**	38,681	**38,681**	-
Interim dividend for 2024:				
Single-tier dividend of 3.50 sen per ordinary share	**45,128**	-	**45,128**	-
Single-tier dividend of 2.50 sen per ordinary share	**32,234**	-	**32,234**	-
Single-tier dividend of 2.50 sen per ordinary share	**32,234**	-	**-**	-
	109,596	77,362	**116,043**	70,915

On 20 February 2025, the Board of Directors had declared a third interim single-tier dividend of 2.50 sen per ordinary share for the financial year ended 31 December 2024. The total dividend payable amounted to RM32,233,978. The dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2025.

The Board of Directors does not recommend any final dividend for the financial year ended 31 December 2024.

15. PROPERTY, PLANT AND EQUIPMENT

Group At 31 December 2024	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Office equipment, furniture and fittings RM'000	Capital work-in-progress RM'000	Right-of-use buildings RM'000	Total RM'000
Cost								
At beginning of financial year	**8,538**	**18,324**	**275,103**	**25,377**	**9,271**	**964**	**28,911**	**366,488**
Additions	**-**	**156**	**5,600**	**324**	**1,469**	**1,985**	**3,079**	**12,613**
Write-offs	**-**	**-**	**(18,039)**	**(35)**	**(3,113)**	**-**	**(3,672)**	**(24,859)**
Disposals	**-**	**-**	**(43,041)**	**(2,058)**	**-**	**-**	**-**	**(45,099)**
Reassessment and modification of leases	**-**	**-**	**-**	**-**	**-**	**-**	**(1,486)**	**(1,486)**
Reclassifications	**-**	**965**	**-**	**-**	**-**	**(965)**	**-**	**-**
Exchange differences	**-**	**-**	**(2,153)**	**(19)**	**(136)**	**-**	**(26)**	**(2,334)**
At end of financial year	**8,538**	**19,445**	**217,470**	**23,589**	**7,491**	**1,984**	**26,806**	**305,323**
Accumulated depreciation								
At beginning of financial year	**-**	**9,223**	**204,149**	**23,177**	**6,633**	**-**	**25,325**	**268,507**
Depreciation charge for the financial year	**-**	**1,097**	**10,905**	**597**	**1,122**	**-**	**3,384**	**17,105**
Write-offs	**-**	**-**	**(17,839)**	**(35)**	**(3,112)**	**-**	**(3,672)**	**(24,658)**
Disposals	**-**	**-**	**(38,027)**	**(1,616)**	**-**	**-**	**-**	**(39,643)**
Reassessment and modification of leases	**-**	**-**	**-**	**-**	**-**	**-**	**(881)**	**(881)**
Exchange differences	**-**	**-**	**(142)**	**(8)**	**(77)**	**-**	**(14)**	**(241)**
At end of financial year	**-**	**10,320**	**159,046**	**22,115**	**4,566**	**-**	**24,142**	**220,189**
Net carrying amount	**8,538**	**9,125**	**58,424**	**1,474**	**2,925**	**1,984**	**2,664**	**85,134**

15. PROPERTY, PLANT AND EQUIPMENT (CONTD.)

Group At 31 December 2023	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Office equipment, furniture and fittings RM'000	Capital work-in-progress RM'000	Right-of-use buildings RM'000	Total RM'000
Cost								
At beginning of financial year	8,538	18,138	275,911	24,533	8,247	16,336	32,654	384,357
Additions	-	186	13,835	1,209	818	1,608	1,739	19,395
Write-offs	-	-	(6,931)	(3)	(72)	-	(4,270)	(11,276)
Disposals	-	-	(17,868)	(374)	(91)	-	-	(18,333)
Reassessment and modification of leases	-	-	-	-	-	-	(1,303)	(1,303)
Reclassifications	-	-	8,931	-	342	(9,273)	-	-
Transfer to finance lease receivables	-	-	-	-	(78)	(8,016)	-	(8,094)
Exchange differences	-	-	1,225	12	105	309	91	1,742
At end of financial year	8,538	18,324	275,103	25,377	9,271	964	28,911	366,488
Accumulated depreciation								
At beginning of financial year	-	8,266	216,293	22,674	5,891	-	23,712	276,836
Depreciation charge for the financial year	-	958	12,094	877	855	-	5,910	20,694
Write-offs	-	-	(6,930)	(3)	(72)	-	(4,270)	(11,275)
Disposals	-	-	(17,353)	(374)	(90)	-	-	(17,817)
Reassessment and modification of leases	-	-	-	-	-	-	(109)	(109)
Exchange differences	-	(1)	45	3	49	-	82	178
At end of financial year	-	9,223	204,149	23,177	6,633	-	25,325	268,507
Net carrying amount	8,538	9,101	70,954	2,200	2,638	964	3,586	97,981

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

15. PROPERTY, PLANT AND EQUIPMENT (CONTD.)

(a) Right-of-use buildings represent right-of-use assets arising from lease arrangements that do not meet the definition of investment property.

(b) All items of property, plant and equipment (excluding right-of-use assets) are initially recorded at cost. After initial recognition, property, plant and equipment (excluding right-of-use assets) are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

	%
Buildings	2 - 15
Plant and machinery	10 - 33
Motor vehicles	10 - 20
Office equipment, furniture and fittings	10 - 33

Freehold land has an unlimited useful life and therefore is not depreciated. Capital work-in-progress included in property, plant and equipment are not depreciated as these assets are not yet available for use.

The useful lives and residual values of other components of property, plant and equipment (excluding right-of-use assets) are estimated based on common life expectancies and commercial factors applied in the various respective industries.

Changes in expected level of usage, occupancy rates and economic development could impact the economic useful lives and the residual values of these assets, and hence future depreciation charges on such assets could be revised.

(c) The right-of-use assets under property, plant and equipment are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases.

After initial recognition, right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses and adjusted for any re-measurement of the lease liabilities.

The right-of-use assets are depreciated on the straight-line basis over the end of the lease term. The principal depreciation periods are as follows:

Buildings over the lease period from 2 to 12 years

(d) During the financial year, the Group made the following cash payments to purchase property, plant and equipment:

	Group	
	2024 RM'000	2023 RM'000
Additions of property, plant and equipment	**12,613**	19,395
Additions via lease liabilities	**(3,079)**	(1,739)
Capitalisation of right-of-use asset depreciation	**(125)**	-
Cash outflow for acquisition of property, plant and equipment	**9,409**	17,656

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

15. PROPERTY, PLANT AND EQUIPMENT (CONTD.)

(d) The breakdown of depreciation charge are as follows:

	Group	
	2024 RM'000	2023 RM'000
Depreciation of property, plant and equipment during the financial year	**17,105**	20,694
Less: Depreciation of right-of-use asset capitalised to property, plant and equipment	**(125)**	-
Total depreciation charge included in Statements of Cash Flows	**16,980**	20,694

16. INTANGIBLE ASSETS

	Group	
Software	2024 RM'000	2023 RM'000
Cost		
At beginning of financial year	**19,167**	18,370
Additions	**-**	797
Write-offs	**(12,817)**	-
At end of financial year	**6,350**	19,167
Accumulated amortisation		
At beginning of financial year	**18,591**	18,274
Amortisation charge for the year	**296**	317
Write-offs	**(12,817)**	-
At end of financial year	**6,070**	18,591
Net carrying amount	**280**	576

Intangible assets are initially measured at cost. After initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets with finite lives are amortised on a straight-line basis over the estimated economic useful lives. The amortisation expense on intangible assets with finite life is included within the other expenses line item.

Software

Software that does not form an integral part of the related hardware is treated as intangible asset with finite life and is amortised over its estimated useful life of three (3) years (2023: three (3) years).

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

FINANCIAL STATEMENTS

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

17. INVESTMENTS IN SUBSIDIARIES

	Company	
	2024 RM'000	2023 RM'000
At cost		
Unquoted ordinary shares	**258,580**	258,580
At fair value		
Quoted units in a wholesale fund	**-**	100,137
	258,580	358,717

(a) Investments in subsidiaries other than quoted units in a wholesale fund are stated in the separate financial statements of the Company at cost less impairment losses, if any.

Quoted units in a wholesale fund were classified as financial assets measured at fair value through profit or loss pursuant to MFRS 9 *Financial Instruments*. The fair value of quoted units in wholesale fund was categorised as Level 2 in the fair value hierarchy. The fair value of quoted units in a wholesale fund was determined based on net asset value of the fund at close of business on the reporting date.

(b) All components of non-controlling interests shall be measured at their acquisition-date fair values, unless another measurement basis is required by MFRSs. The choice of measurement basis is made on an combination-by-combination basis. Subsequent to initial recognition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

(c) The Group and the Company determined that their placements in a wholesale fund is in substance, a structured entity under their control in accordance with MFRS 10 *Consolidated Financial Statements*, taking into consideration their power over the wholesale fund, exposure or rights to variable returns from their involvement with the wholesale fund and their ability to use their power over the wholesale fund to affect the amount of their returns.

The Group and the Company invested in the wholesale fund with the objective of achieving short term to long term income for their treasury management purposes. The fund was managed by the fund manager, who applies various investment strategies to accomplish its investment objectives. The operation was financed through the creation of investee fund units, which in turn entitles the holders to variable returns and fair values in the wholesale fund's net assets.

In the previous financial year, the Group and the Company held 84.60% directly and indirectly in a wholesale fund which was established in Malaysia. The Group and the Company were exposed to, or have rights to variable returns from their involvements in these funds. Accordingly, this fund was deemed as a subsidiary of the Group and of the Company and had been consolidated in the financial statements of the Group.

On 1 July 2024, the Group fully redeemed the remaining units in Maybank Shariah Institutional Income Fund ("MSIIF"), a wholesale fund which was established in Malaysia. The redemption on 1 July 2024 amounted to RM53,654,142. As a result, MSIIF creased to be a subsidiary of the Group. There is no gain or loss arising from this redemption.

17. INVESTMENTS IN SUBSIDIARIES (CONTD.)

(c) (contd.)

The details of the deemed disposal are as follows:-

	At date of disposal RM'000
Cost of investment	330,960
Share of post acquisition reserve	14,436
Redemption of investment post acquisition	(291,742)
Share of interest in subsidiary	53,654
Fair value of interest held	(53,654)
Fair value gain on deemed disposal	-

(d) During the financial year, the Group completed the following subscription and acquisition of shares, incorporation and dissolutions of companies:

(i) On 13 May 2024, Sunway Engineering Sdn. Bhd. ("SESB"), a wholly-owned subsidiary of the Company had subscribed for an additional 600,000 ordinary shares in the share capital of Sunway Pekat Solar Sdn. Bhd. ("SPSSB") for a total cash consideration of RM600,000. Subsequently, on 19 July 2024, SESB subscribed for additional 600,000 ordinary share capital of SPSSB for a total cash consideration of RM600,000.

(ii) On 18 June 2024, SESB had incorporated a 70%-owned subsidiary known as Sunway ENGIE DC Sdn. Bhd. ("SEDSB") with paid-up share capital of RM100 comprising 100 ordinary shares. SEDSB had further increased its paid-up capital to RM10,000,100 subsequent to its incorporation.

(iii) On 29 August 2024, the Group via Sunway Construction Sdn. Bhd. ("SCSB"), a wholly-owned subsidiary of the Company had acquired additional equity shares, representing 5,540 shares in Sunway RNSIL MC Private Limited, an existing indirect subsidiary, for a total cash consideration of INR145,809,136 (approximately equivalent to RM8,116,290). The effective shareholding interest of the Group in Sunway RNSIL MC Private Limited remained at 60%.

(iv) In September 2024, the Company had received an official de-registration certificate from the Registrar General of Companies of Trinidad and Tobago, confirming that Sunway Construction (Caribbean) Limited had been officially struck off and dissolved in accordance with the Companies Act, Chapter 81:01 of the Republic of Trinidad and Tobago on 30 November 2023.

17. INVESTMENTS IN SUBSIDIARIES (CONTD.)

(e) In the previous financial year, the Group completed the following subscription and acquisition of shares, share capital reduction and dissolutions of companies:

(i) On 7 February 2023, SCSB had entered into a share sale agreement to dispose its 60% shares in Facade Teknik Sdn. Bhd. (formerly known as Sunway Facade Network Sdn. Bhd.) ("FTSB") for a total consideration of RM45,618. Subsequently, FTSB was disposed off on 27 March 2023. The disposal of FTSB did not have any material financial effect to the financial statements of the Group as at 31 December 2023.

(ii) On 24 July 2023, the Group, via SCSB had acquired additional equity shares, representing 1,735 shares in Sunway RNSIL MC Private Limited, an existing indirect subsidiary, for a total cash consideration of INR45,544,982 (approximately equivalent to RM2.5 million). Subsequently on 14 September 2023 and 26 December 2023, the Group acquired additional equity shares, representing 1,734 shares for a total cash consideration of INR45,518,731 (approximately equivalent to RM2.5 million) and 3,900 shares for a total cash consideration of INR102,161,436 (approximately equivalent to RM5.6 million) respectively. The effective shareholding interest of the Group in Sunway RNSIL MC Private Limited remains at 60%.

(iii) On 15 September 2023, SCSB had incorporated a wholly-owned subsidiary known as Sunway RE Sdn. Bhd. with paid-up share capital of RM100 comprising 100 ordinary shares.

(f) Summarised information of companies with non-controlling interests that are material to the Group is set out below. The summarised financial information presented below is the amount before inter-company elimination. The non-controlling interests of the other companies are not material to the Group.

(i) Summarised statements of financial position

	Sunway RNS TJ Private Limited RM'000	Sunway RNSIL MC Private Limited RM'000	Total RM'000
At 31 December 2024			
Non-current assets	**217,187**	**165,088**	**382,275**
Current assets	**76,390**	**78,587**	**154,977**
Total assets	**293,577**	**243,675**	**537,252**
Non-current liabilities	**-**	**-**	**-**
Current liabilities	**237,211**	**176,953**	**414,164**
Total liabilities	**237,211**	**176,953**	**414,164**
Net assets	**56,366**	**66,722**	**123,088**
Equity attributable to owners of the parent	**33,820**	**40,033**	**73,853**
Non-controlling interests	**22,546**	**26,689**	**49,235**
Total equity	**56,366**	**66,722**	**123,088**

FINANCIAL STATEMENTS
Notes to the Financial Statements
For the Financial Year Ended 31 December 2024

17. INVESTMENTS IN SUBSIDIARIES (CONTD.)

(f) (contd.)

(i) Summarised statements of financial position (contd.)

	Sunway RNS TJ Private Limited RM'000	Sunway RNSIL MC Private Limited RM'000	Maybank Shariah Institutional Income Fund RM'000	Total RM'000
At 31 December 2023				
Non-current assets	198,428	193,518	-	391,946
Current assets	78,153	52,522	192,056	322,731
Total assets	276,581	246,040	192,056	714,677
Non-current liabilities	192,206	180,369	-	372,575
Current liabilities	28,171	14,523	-	42,694
Total liabilities	220,377	194,892	-	415,269
Net assets	56,204	51,148	192,056	299,408
Equity attributable to owners of the parent	33,722	30,689	192,056	256,467
Non-controlling interests	22,482	20,459	-	42,941
Total equity	56,204	51,148	192,056	299,408

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

FINANCIAL STATEMENTS

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

17. INVESTMENTS IN SUBSIDIARIES (CONTD.)

(f) (contd.)

(ii) Summarised statements of profit or loss and other comprehensive income

	Sunway RNS TJ Private Limited RM'000	Sunway RNSIL MC Private Limited RM'000	Total RM'000
At 31 December 2024			
Revenue	**67,890**	**6,966**	**74,856**
Profit for the year	**3,247**	**2,073**	**5,320**
Other comprehensive income	**-**	**-**	**-**
Total comprehensive income	**3,247**	**2,073**	**5,320**
Profit attributable to:			
- owners of the parent	**1,948**	**1,244**	**3,192**
- non-controlling interests	**1,299**	**829**	**2,128**
Total comprehensive income attributable to:			
- owners of the parent	**1,948**	**1,244**	**3,192**
- non-controlling interests	**1,299**	**829**	**2,128**

	Sunway RNS TJ Private Limited RM'000	Sunway RNSIL MC Private Limited RM'000	Maybank Shariah Institutional Income Fund RM'000	Total RM'000
At 31 December 2023				
Revenue	202,626	157,437	7,803	367,866
Profit for the year	(235)	(468)	7,675	6,972
Other comprehensive income	-	-	-	-
Total comprehensive income	(235)	(468)	7,675	6,972
Profit attributable to:				
- owners of the parent	(141)	(281)	6,353	5,931
- non-controlling interests	(94)	(187)	1,322	1,041
Total comprehensive income attributable to:				
- owners of the parent	(141)	(281)	6,353	5,931
- non-controlling interests	(94)	(187)	1,322	1,041

17. INVESTMENTS IN SUBSIDIARIES (CONTD.)

(f) (contd.)

(iii) Summarised statements of cash flows

	Sunway RNS TJ Private Limited RM'000	Sunway RNSIL MC Private Limited RM'000	Total RM'000
At 31 December 2024			
Net cash (used in)/generated from:			
- operating activities	**(19,949)**	**9,462**	**(10,487)**
- investing activities	**-**	**785**	**785**
- financing activities	**12,585**	**(4,730)**	**7,855**
Net (decrease)/increase in cash and cash equivalents	**(7,364)**	**5,517**	**(1,847)**
Effects of foreign exchange rates changes	**(541)**	**(1,393)**	**(1,934)**
Cash and cash equivalents at beginning of the year	**16,005**	**22,732**	**38,737**
Cash and cash equivalents at end of the year	**8,100**	**26,856**	**34,956**

	Sunway RNS TJ Private Limited RM'000	Sunway RNSIL MC Private Limited RM'000	Maybank Shariah Institutional Income Fund RM'000	Total RM'000
At 31 December 2023				
Net cash (used in)/generated from:				
- operating activities	(110,157)	(81,603)	-	(191,760)
- investing activities	-	(796)	6,797	6,001
- financing activities	105,330	87,018	(88,734)	103,614
Net (decrease)/increase in cash and cash equivalents	(4,827)	4,619	(81,937)	(82,145)
Effects of foreign exchange rates changes	687	614	-	1,301
Cash and cash equivalents at beginning of the year	20,145	17,499	231,736	269,380
Cash and cash equivalents at end of the year	16,005	22,732	149,799	188,536

17. INVESTMENTS IN SUBSIDIARIES (CONTD.)

(i) Details of the subsidiaries are as follows:

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of ownership interest held by Group 2024 %	Group 2023 %	Non-controlling interest 2024 %	Non-controlling interest 2023 %
Subsidiary of Sunway Construction Group Berhad						
Sunway Construction Sdn. Bhd.	Malaysia	Building and civil engineering works with capabilities in turnkey, design and build construction	**100.00**	100.00	**-**	-
Subsidiaries of Sunway Construction Sdn. Bhd.						
Sunway Innopave Sdn. Bhd.	Malaysia	Dormant	**100.00**	100.00	**-**	-
Sunway Machinery Sdn. Bhd.	Malaysia	Renting of machinery and site equipment undertaking of sub-contract work and transportation agent	**100.00**	100.00	**-**	-
Sunway Engineering Sdn. Bhd.	Malaysia	Provision of mechanical, engineering works and solar photovoltaic investment and related activities	**100.00**	100.00	**-**	-
Sunway Industrial Products Sdn. Bhd.	Malaysia	Investment holding	**100.00**	100.00	**-**	-
Sunway Construction India Pte. Ltd. **	India	Construction of civil and building works	**100.00**	100.00	**-**	-
Sunway Machineries Services Sdn. Bhd.	Malaysia	Dormant	**100.00**	100.00	**-**	-
Sunway Precast Industries Sdn. Bhd.	Malaysia	Manufacturing of precast concrete building components, undertaking of precast concrete building contracts and construction activities, as well as acting as transportation agent	**100.00**	100.00	**-**	-

17. INVESTMENTS IN SUBSIDIARIES (CONTD.)

(i) Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of ownership interest held by Group 2024 %	Group 2023 %	Non-controlling interest 2024 %	Non-controlling interest 2023 %
Subsidiaries of Sunway Construction Sdn. Bhd. (contd.)						
Sunway Builders Sdn. Bhd.	Malaysia	Construction of building and civil works	**100.00**	100.00	**-**	-
Sunway Construction (Caribbean) Limited @	Trinidad and Tobago	Dormant	**-**	100.00	**-**	-
Sunway RNS TJ Private Limited **	India	Concessionarie	**60.00**	60.00	**40.00**	40.00
Sunway RNSIL MC Private Limited **	India	Concessionarie	**60.00**	60.00	**40.00**	40.00
Sunway Geotechnics (M) Sdn. Bhd.	Malaysia	Providing geotechnical services and related products and hire of heavy machineries	**100.00**	100.00	**-**	-
Sunway SK Sdn. Bhd.	Malaysia	Construction of building and civil works	**100.00**	100.00	**-**	-
Sunway Visioneering Sdn. Bhd.	Malaysia	Providing building information modelling (BIM) end-to-end solutions for project lifecycle	**100.00**	100.00	**-**	-
Sunway Concrete Products (M) Sdn. Bhd.	Malaysia	Manufacture of prefabricated structural and metal components for building or civil engineering of cement, concrete or artificial stones	**100.00**	100.00	**-**	-
Sunway Innopave (S) Pte. Ltd. *	Singapore	Investment holding company and renting of construction and civil engineering machinery and equipment	**100.00**	100.00	**-**	-

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

17. INVESTMENTS IN SUBSIDIARIES (CONTD.)

(i) Details of the subsidiaries are as follows: (contd.)

Name of companies	Principal place of business/ Country of incorporation	Principal activities	% of ownership interest held by Group 2024 %	Group 2023 %	Non-controlling interest 2024 %	Non-controlling interest 2023 %
Subsidiaries of Sunway Construction Sdn. Bhd. (contd.)						
Sunway RE Sdn. Bhd.	Malaysia	Investment in solar photovoltaic plant and provision of engineering, procurement, construction and commissioning for solar photovoltaic systems	**100.00**	100.00	**-**	-
Subsidiaries of Sunway Engineering Sdn. Bhd.						
Sunway Pekat Solar Sdn. Bhd.	Malaysia	Installation of non-electric solar energy collectors	**60.00**	60.00	**40.00**	40.00
Sunway ENGIE DC Sdn. Bhd.	Malaysia	Design, supply, delivery construction, installation, erection and completion of mechanical and electrical system including all associated ancillary works	**70.00**	-	**30.00**	-
Subsidiary of Sunway Geotechnics (M) Sdn. Bhd.						
Sunway CT Geotechnics Pte. Ltd. *~	Singapore	Dormant	**-**	55.00	**-**	45.00
Subsidiary of Sunway Industrial Products Sdn. Bhd.						
Sunway Concrete Products (S) Pte. Ltd. *	Singapore	Manufacturing, sales, and distribution of precast concrete building components, and subcontracting works for precast fabrication	**100.00**	100.00	**-**	-

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

17. INVESTMENTS IN SUBSIDIARIES (CONTD.)

(i) Details of the subsidiaries are as follows: (contd.)

Structured entity under the control of Sunway Construction Group Berhad	Principal activities	% of ownership interest held by Group 2024 %	Group 2023 %	Non-controlling interest 2024 %	Non-controlling interest 2023 %
Maybank Shariah Institutional Income Fund **^	Investment in shariah-compliant equities, Sukuk, Islamic deposits, Islamic money market instruments, Islamic collective investment schemes	**-**	84.60	**-**	15.40

* Audited by BDO Member Firms.

** Audited by firms of auditors other than BDO PLT in Malaysia and BDO Member Firms.

^ The wholesale fund was a deemed subsidiary of the Group as this wholesale fund was in substance, structured entity under the control of the Group in accordance with MFRS 10 *Consolidated Financial Statements*.

@ Officially struck off on 30 November 2023.

~ In the midst of striking off pursuant to Section 344A of the Singapore Companies Act 1967.

18. INVESTMENT IN AN ASSOCIATE

	Group 2024 RM'000	Group 2023 RM'000
At cost:		
Unquoted:		
Cost of investment	**-**	-
Share of post-acquisition profits and other comprehensive income, net of dividend income	**1,091**	1,091
	1,091	1,091
Less: Accumulated impairment loss	**(1,091)**	(1,091)
	-	-

(a) Investment in an associate is stated at cost less any accumulated impairment loss in the separate financial statements and it is accounted for using the equity method of accounting in the consolidated financial statements.

(b) The financial year end of the associate is coterminous with the financial year end of the Group.

18. INVESTMENT IN AN ASSOCIATE (CONTD.)

(c) Details of the associate are as follows:

Name of associate	Principal place of business	Principal activity	Proportion of ownership interest 2024 %	2023 %
Associate of Sunway Builders Sdn. Bhd.				
ISZL Consortium *	Unincorporated Abu Dhabi	Construction	**25.00**	25.00

* Audited by firm of auditors other than BDO PLT in Malaysia and BDO Member Firms.

(d) The Group does not have any associate which is individually material to the Group at the end of the reporting period.

19. INVESTMENTS IN JOINT ARRANGEMENTS

	Group	
	2024 RM'000	2023 RM'000
Unquoted shares at cost	**55,471**	49,325
Share of post-acquisition profits and other comprehensive income, net of dividends received	**(8,001)**	(6,753)
	47,470	42,572
Less: Impairment loss	**(193)**	(18)
	47,277	42,554
Quasi-equity loan	**178,530**	211,948
Less: Impairment loss	**(1,432)**	(1,354)
	177,098	210,594
	224,375	253,148

19.1 Investments in joint ventures

(a) Investments in joint ventures are stated at cost less accumulated impairment losses in the separate financial statements. The Group recognises its interest in a joint venture as an investment and accounts for that investment using the equity method.

(b) The Group has determined that all of its joint arrangements structured through separate vehicles provide rights to the net assets and are therefore, classified as joint ventures.

(c) The financial year end of the joint ventures are coterminious with the financial year end of the Group.

19. INVESTMENTS IN JOINT ARRANGEMENTS (CONTD.)

19.1 Investments in joint ventures (contd.)

(d) Unquoted investment in a joint venture with a carrying amount of RM31,165,000 (2023: RM32,413,000) has been charged to licensed bank for credit facilities granted to the subsidiary as disclosed in Note 31(d) to the financial statements.

(e) Quasi-equity loan is unsecured, interest-free and has the unconditional right to avoid settlement of the loan in cash and is considered to be part of the investment of the Group in providing the joint venture with a long term source of additional capital.

(f) Impairment for quasi-equity loan is recognised based on the general approach within MFRS 9 using the forward looking expected credit loss ("ECL") model as disclosed in Note 24(d) to the financial statements.

The reconciliation of movements in allowance for impairment accounts of quasi-equity loan is as follows:

	Group 12 months ECL	
	2024 RM'000	2023 RM'000
At beginning of financial year	**1,354**	879
Charge for the year	**158**	415
Exchange differences	**(80)**	60
At end of financial year	**1,432**	1,354

(g) During the financial year, impairment loss of RM175,000 on investment in a joint venture had been recognised within other expenses in the statement of profit or loss of the Group due to declining net asset value.

19. INVESTMENTS IN JOINT ARRANGEMENTS (CONTD.)

19.1 Investments in joint ventures (contd.)

(h) Details of the joint ventures are as follows:

Name of joint ventures	Principal activities	Effective interest in equity 2024 %	Effective interest in equity 2023 %
Joint venture of Sunway Engineering Sdn. Bhd.			
GME-SE Joint Venture (STW) **	Provision of mechanical and engineering works	**50.00**	50.00
Joint venture of Sunway Geotechnics (M) Sdn. Bhd.			
Sunway Aneka Pertama Geotechnics (PH) Inc. **^~	Construction	**43.00**	43.00
Joint venture of Sunway Concrete Product (S) Pte. Ltd.			
HL-Sunway JV Pte. Ltd. **^	Manufacturing and sales of precast concrete components	**49.00**	49.00
Joint venture of Sunway SK Sdn. Bhd.			
ENGIE-SUNWAY DCS Sdn. Bhd. **^	Engineering, financing, construction, operations and maintenance of district cooling system	**40.00**	40.00

~ In the process of liquidation.
** Audited by firms of auditors other than BDO PLT in Malaysia and BDO Member Firms.
^ These entities are considered joint ventures as the Group and the ventures have joint control and have rights to the net assets of the arrangements.

19. INVESTMENTS IN JOINT ARRANGEMENTS (CONTD.)

19.1 Investments in joint ventures (contd.)

(i) Summarised information of joint ventures of the Group is set out below. The summarised information represents the amounts in the MFRS financial statements of the joint ventures (translated to Ringgit Malaysia, where applicable, based on exchange rates as at the end of the reporting period) and does not reflect the Group's proportionate share in those amounts.

(i) Summarised statements of financial position

At 31 December 2024	GME-SE Joint Venture (STW) RM'000	Sunway Aneka Pertama Geotechnics (PH) Inc. RM'000	HL-Sunway JV Pte. Ltd. RM'000	ENGIE-SUNWAY DCS Sdn. Bhd. RM'000	Total RM'000
Non-current assets	-	-	440,873	31,546	472,419
Cash and cash equivalents	7,880	586	3,892	3,451	15,809
Other current assets	7,704	60	13,573	4,166	25,503
Current assets	15,584	646	17,465	7,617	41,312
Total assets	15,584	646	458,338	39,163	513,731
Non-current liabilities	-	-	32,255	11,191	43,446
Trade and other payables and provisions	5,398	113	362,480	514	368,505
Current liabilities	5,398	113	362,480	514	368,505
Total liabilities	5,398	113	394,735	11,705	411,951
Net assets	10,186	533	63,603	27,458	101,780

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

19. INVESTMENTS IN JOINT ARRANGEMENTS (CONTD.)

19.1 Investments in joint ventures (contd.)

(i) (contd.)

(i) Summarised statements of financial position (contd.)

At 31 December 2023	GME-SE Joint Venture (STW) RM'000	Sunway Aneka Pertama Geotechnics (PH) Inc. RM'000	HL-Sunway JV Pte. Ltd. RM'000	ENGIE-SUNWAY DCS Sdn. Bhd. RM'000	Total RM'000
Non-current assets	-	-	492,926	16,322	509,248
Cash and cash equivalents	10,942	630	1,314	10,835	23,721
Other current assets	3,288	360	6,409	46	10,103
Current assets	14,230	990	7,723	10,881	33,824
Total assets	14,230	990	500,649	27,203	543,072
Non-current liabilities	-	-	798	3,926	4,724
Trade and other payables and provisions	4,342	110	433,702	11,185	449,339
Current liabilities	4,342	110	433,702	11,185	449,339
Total liabilities	4,342	110	434,500	15,111	454,063
Net assets	9,888	880	66,149	12,092	89,009

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

19. INVESTMENTS IN JOINT ARRANGEMENTS (CONTD.)

19.1 Investments in joint ventures (contd.)

(i) (contd.)

(ii) Summarised statements of profit or loss and other comprehensive income

At 31 December 2024	GME-SE Joint Venture (STW) RM'000	Sunway Aneka Pertama Geotechnics (PH) Inc. RM'000	HL-Sunway JV Pte. Ltd. RM'000	ENGIE-SUNWAY DCS Sdn. Bhd. RM'000	Total RM'000
Revenue	**4,307**	**-**	**89,961**	**-**	**94,268**
Cost of sales	**(4,069)**	**-**	**(72,402)**	**-**	**(76,471)**
Other expenses	**-**	**(11)**	**(19,110)**	**(37)**	**(19,158)**
Other income	**-**	**-**	**2,159**	**-**	**2,159**
Profit/(Loss) before tax	**238**	**(11)**	**608**	**(37)**	**798**
Taxation	**-**	**-**	**-**	**(2)**	**(2)**
Profit/(Loss) after tax	**238**	**(11)**	**608**	**(39)**	**796**
Other comprehensive loss, net of tax	**-**	**-**	**(3,155)**	**-**	**(3,155)**
Total comprehensive income/(loss)	**238**	**(11)**	**(2,547)**	**(39)**	**(2,359)**
Dividend received from joint venture during the financial year	**-**	**-**	**-**	**-**	**-**

19. INVESTMENTS IN JOINT ARRANGEMENTS (CONTD.)

19.1 Investments in joint ventures (contd.)

(i) (contd.)

(ii) Summarised statements of profit or loss and other comprehensive income (contd.)

At 31 December 2023	GME-SE Joint Venture (STW) RM'000	Sunway Aneka Pertama Geotechnics (PH) Inc. RM'000	HL-Sunway JV Pte. Ltd. RM'000	ENGIE-SUNWAY DCS Sdn. Bhd. RM'000	Total RM'000
Revenue	2,594	-	15,035	-	17,629
Cost of sales	(2,196)	-	(28,673)	-	(30,869)
Other expenses	-	(20)	(18,136)	(28)	(18,184)
Other income	-	-	1,796	-	1,796
Profit/(Loss) before tax	398	(20)	(29,978)	(28)	(29,628)
Taxation	-	-	-	-	-
Profit/(Loss) after tax	398	(20)	(29,978)	(28)	(29,628)
Other comprehensive income, net of tax	-	-	4,107	-	4,107
Total comprehensive income/(loss)	398	(20)	(25,871)	(28)	(25,521)
Dividend received from joint venture during the financial year	-	-	-	-	-

19. INVESTMENTS IN JOINT ARRANGEMENTS (CONTD.)

19.1 Investments in joint ventures (contd.)

(i) (contd.)

(iii) Reconciliation of the summarised financial information presented above to the carrying amount of interest in joint ventures of the Group

At 31 December 2024	GME-SE Joint Venture (STW) RM'000	Sunway Aneka Pertama Geotechnics (PH) Inc. RM'000	HL-Sunway JV Pte. Ltd. RM'000	ENGIE-SUNWAY DCS Sdn. Bhd. RM'000	Total RM'000
Net assets at end of financial year	**10,186**	**533**	**63,603**	**27,458**	**101,780**
Interest in joint ventures as at year end	**50%**	**43%**	**49%**	**40%**	
	5,093	**229**	**31,165**	**10,983**	**47,470**
Less: Impairment loss	**-**	**(175)**	**-**	**(18)**	**(193)**
Carrying value of Group's interest in joint ventures	**5,093**	**54**	**31,165**	**10,965**	**47,277**

At 31 December 2023	GME-SE Joint Venture (STW) RM'000	Sunway Aneka Pertama Geotechnics (PH) Inc. RM'000	HL-Sunway JV Pte. Ltd. RM'000	ENGIE-SUNWAY DCS Sdn. Bhd. RM'000	Total RM'000
Net assets at end of financial year	9,888	880	66,149	12,092	89,009
Interest in joint ventures as at year end	50%	43%	49%	40%	
	4,944	378	32,413	4,837	42,572
Less: Impairment loss	-	-	-	(18)	(18)
Carrying value of Group's interest in joint ventures	4,944	378	32,413	4,819	42,554

(j) In the previous financial year, Sunway Aneka Pertama Geotechnics (PH). Inc ("SAPGEO"), a 43%-owned joint venture company of Sunway Geotechnics (M) Sdn. Bhd., which in turn was an indirect wholly-owned subsidiary of the Group, had convened a Special Meeting to conclude the dissolution of SAPGEO.

FINANCIAL STATEMENTS
Notes to the Financial Statements
For the Financial Year Ended 31 December 2024

19. INVESTMENTS IN JOINT ARRANGEMENTS (CONTD.)

19.1 Investments in joint ventures (contd.)

(k) On 3 April 2024, Sunway SK Sdn. Bhd. ("SK"), a wholly-owned subsidiary of Sunway Construction Sdn. Bhd., which in turn was an indirect subsidiary of the Group, had subscribed for an additional 3,049,340 ordinary shares in the share capital of ENGIE-SUNWAY DCS Sdn. Bhd. ("ENGIE-SUNWAY") for a total cash consideration of RM3,049,340. Subsequently, on 30 August 2024 and 4 December 2024, SK had further subscribed for an additional 2,796,996 and 299,968 ordinary shares in the share capital of ENGIE-SUNWAY for cash considerations of RM2,796,996 and RM299,968 respectively. The Group's effective shareholding in ENGIE-SUNWAY remained at 40%.

In the previous financial year, SK had subscribed for 4,836,936 ordinary shares in the share capital of ENGIE-SUNWAY representing 40% equity shares in the share capital of ENGIE-SUNWAY for a total cash consideration of RM4,836,936.

19.2 Investments in joint operations

(a) Taisei-Sunway Joint Venture and Kajima-Suncon Joint Venture are deemed to be joint operations of the Group, which are joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

(b) When the Group undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

(i) its assets, including its share of any assets held jointly;
(ii) its liabilities, including its share of any liabilities incurred jointly;
(iii) its revenue from the sale of its share of the output arising from the joint operation;
(iv) its share of the revenue from the sale of the output by the joint operation; and
(v) its expenses, including its share of any expenses incurred jointly.

When the Group transacts with a joint operation in which the Group is a joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the joint operation.

When the Group transacts with a joint operation in which the Group is a joint operator (such as a purchase of assets), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

19. INVESTMENTS IN JOINT ARRANGEMENTS (CONTD.)

19.2 Investments in joint operations (contd.)

(c) Details of the joint operations are as follows:

Name of Joint Operations	Principal place of business	Principal activities	Participating interest 2024 %	Participating interest 2023 %
Joint operations of Sunway Construction Sdn. Bhd.				
Taisei-Sunway Joint Venture *	Unincorporated Malaysia	Construction works	**50.00**	50.00
Kajima-Suncon Joint Venture #	Unincorporated Malaysia	Construction works	**50.00**	50.00

* Statutory audit not required as at 31 December 2024.
# Audited by firm of auditors other than BDO in Malaysia and BDO Member Firms.

(d) In the previous financial year, the Group, via Sunway Construction Sdn. Bhd. has entered into an agreement with Kajima (Malaysia) Sdn. Bhd. to form a joint operation known as Kajima-Suncon JV on a 50:50 basis to jointly tender for the proposed design and construction of Daiso Global Distribution Centre Warehouse.

20. OTHER INVESTMENTS

	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Non-current				
Corporate membership	**266**	266	-	-
Current				
Unquoted corporate bonds	-	41,443	-	
Placement in funds	-	70,345	-	2,969
Total current	-	111,788	-	2,969

(a) The other investments are financial assets and measured at fair value through profit or loss pursuant to MFRS 9 *Financial Instruments*.

(b) In the previous financial year, placement in funds were in respect of investment in wholesale funds, which were structured entities controlled by its intermediate holding company in accordance with MFRS 10 *Consolidated Financial Statements*.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

20. OTHER INVESTMENTS (CONTD.)

(c) The fair value of corporate membership, unquoted corporate bonds and placement in funds of the Group are categorised as Level 2 in the fair value hierarchy. The fair value measurements of unquoted corporate bonds were based on indicative prices from an accredited bond pricing agency while the fair value measurements of corporate memberships are based on market prices of similar instruments. The fair value of placement in funds were determined based on net asset value of the funds at close of business on the reporting date.

(d) There is no transfer between levels in the hierarchy during the financial year.

(e) Sensitivity analysis on placement in funds

A change of 1% in funds' prices, assuming all other variables constant, at the end of the reporting period would resulted in the profit net of tax of the Group and Company to be higher/(lower) by RM Nil (2023: RM703,000) and RM Nil (2023: RM30,000) respectively.

21. GOODWILL

	Group	
	2024 RM'000	**2023 RM'000**
Cost		
At beginning/end of financial year	**35,397**	35,397
Accumulated impairment losses		
At beginning/end of financial year	**(35,397)**	(35,397)
Net carrying amount		
At beginning/end of financial year	**-**	-

The carrying amount of goodwill allocated to the Group's cash-generating unit (CGU) is as follows:

	Group 2024/2023 RM'000
Precast concrete	-

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

22. INVENTORIES

	Group	
	2024 RM'000	**2023 RM'000**
At cost		
Properties stocks	**453**	453
Raw materials	**8,447**	12,797
Finished goods	**34,276**	32,325
Spare parts	**76**	88
	43,252	45,663
At net realisable value		
Spare parts	**-**	763
	-	763
	43,252	46,426

(a) Properties stocks comprise properties received from trade receivables as settlement of debts in the ordinary course of business.

(b) Cost of raw materials and finished goods is determined on a first-in, first-out basis. Cost comprises costs of purchase, cost of conversion plus other costs incurred in bringing the inventories to their present location and condition.

(c) Cost of spare parts is determined on a weighted average basis. Cost comprises costs of purchase plus other costs incurred in bringing the inventories to their present location and condition.

(d) During the current financial year, inventories of the Group recognised as cost of sales amounted to RM61,828,000 (2023: RM169,849,000).

(e) During the financial year, the Group has written down inventories to net realisable value amounted to RM518,000 (2023: RM1,417,000).

(f) During the financial year, the Group has written back RM1,845,000 (2023: RM Nil) in respect of inventories written down in the previous financial years that was subsequently not required as the Group was able to sell those inventories at their carrying amount.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

23. TRADE RECEIVABLES

	Group	
	2024 RM'000	2023 RM'000
Non-current		
Third parties	**384,226**	477,577
Finance lease receivables	**8,363**	8,532
Less: Impairment losses	**(2,567)**	(3,193)
	390,022	482,916
Current		
Third parties	**1,249,887**	982,877
Related parties	**32,005**	37,706
Retention sums	**291,982**	303,801
Finance lease receivables	**169**	153
	1,574,043	1,324,537
Less: Impairment losses	**(72,593)**	(83,189)
	1,501,450	1,241,348
Total trade receivables	**1,891,472**	1,724,264

(a) Total trade receivables are classified as financial assets measured at amortised cost.

(b) The Group's primary exposure to credit risk arises through its trade receivables. The Group's trading terms with its customers are mainly on credit. The credit period is generally for a period of 30 days to 90 days (2023: 30 days to 90 days). Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest bearing except as stated in Note 23(k) to the financial statements.

(c) Included in retention sums of the Group are amounts owing from related parties of RM80,087,000 (2023: RM77,674,000).

FINANCIAL STATEMENTS

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

23. TRADE RECEIVABLES (CONTD.)

(d) The repayment terms of finance lease receivables are as follows:

	Group	
	2024 RM'000	2023 RM'000
Finance lease receivables:		
Less than one (1) year	**1,046**	1,046
One (1) to two (2) years	**1,046**	-1,046
Two (2) to three (3) years	**1,046**	1,046
Three (3) to four (4) years	**1,046**	1,046
Four (4) to five (5) years	**1,046**	1,046
More than five (5) years	**14,340**	15,386
Less: Unearned interest	**(11,038)**	(11,931)
	8,532	8,685
Representing finance lease receivables:		
Less than one (1) year	**169**	153
One (1) to two (2) years	**186**	169
Two (2) to three (3) years	**206**	186
Three (3) to four (4) years	**227**	206
Four (4) to five (5) years	**252**	227
More than five (5) years	**7,492**	7,744
	8,532	8,685

(e) The reconciliation of movements in the carrying amounts of finance lease receivables is as follows:

	Group	
	2024 RM'000	2023 RM'000
Finance lease receivables:		
At beginning of financial year	**8,685**	-
Transfer from property, plant and equipment	**-**	8,094
Fair value gain on reclassification from property, plant and equipment to finance lease receivables	**-**	719
Interest income	**893**	843
Lease payments received	**(1,046)**	(971)
At end of financial year	**8,532**	8,685

23. TRADE RECEIVABLES (CONTD.)

(f) Impairment for trade receivables is recognised based on the simplified approach using the lifetime expected credit losses ("ECL").

Impairment of trade receivables that contain significant financing component such as finance lease receivables are recognised based on the general approach within MFRS 9 using the forward looking expected credit loss model as disclosed in Note 24(d) to the financial statements.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

The Group considers historical credit loss experience and observable data such as current changes and future forecasts in economic conditions to estimate the amount of expected credit loss. The methodology and assumptions including any forecasts of future economic conditions are reviewed regularly.

During this process, the probability of non-payment by the trade receivables is adjusted by forward-looking information and multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. The Group has identified the Gross Domestic Product, Non-performing Loan, Unemployment Rate and Inflation Rate as the key macroeconomic factors of the forward-looking information. For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised in the statements of profit or loss and other comprehensive income. On confirmation that the trade receivable would not be collectable, the gross carrying value of the asset would be written off against the associated impairment.

Individual assessment of impairment of trade receivables are separately assessed when it is probable that cash due will not be received in full.

It requires management to exercise significant judgement in determining the probability of default by trade receivables and appropriate forward-looking information.

(g) The reconciliation of movements in impairment losses for trade receivables is as follows:

	Group		
	Lifetime ECL - not credit impaired RM'000	Lifetime ECL - credit impaired RM'000	Total RM'000
At 31 December 2024			
At beginning of financial year	**10,798**	**75,584**	**86,382**
Charge for the financial year	**2,660**	**7,338**	**9,998**
Reversal of impairment losses	**(3,294)**	**(17,442)**	**(20,736)**
Exchange differences	**(484)**	**-**	**(484)**
At end of financial year	**9,680**	**65,480**	**75,160**

23. TRADE RECEIVABLES (CONTD.)

(g) The reconciliation of movements in impairment losses for trade receivables is as follows: (contd.)

	Group		
	Lifetime ECL - not credit impaired RM'000	Lifetime ECL - credit impaired RM'000	Total RM'000
At 31 December 2023			
At beginning of financial year	7,074	52,156	59,230
Charge for the financial year	3,779	23,428	27,207
Reversal of impairment losses	(196)	-	(196)
Exchange differences	141	-	141
At end of financial year	10,798	75,584	86,382

Credit impaired refers to individually determined debtors who are in significant financial difficulties and have defaulted on payments as at the financial year end.

(h) The ageing analysis of the Group's trade receivables are as follows:

	2024		
Group	Gross RM'000	Impaired RM'000	Total RM'000
Current	**1,808,808**	**(8,709)**	**1,800,099**
1 to 30 days past due	**46,605**	**(282)**	**46,323**
31 to 60 days past due	**16,960**	**(99)**	**16,861**
61 to 90 days past due	**73**	**-**	**73**
91 to 120 days past due	**400**	**(3)**	**397**
121 days to 150 days past due	**21,374**	**(6,623)**	**14,751**
More than 150 days past due	**72,412**	**(59,444)**	**12,968**
	157,824	**(66,451)**	**91,373**
	1,966,632	**(75,160)**	**1,891,472**

23. TRADE RECEIVABLES (CONTD.)

(h) The ageing analysis of the Group's trade receivables are as follows: (contd.)

	2023		
	Gross RM'000	Impaired RM'000	Total RM'000
Current	1,546,430	(9,238)	1,537,192
1 to 30 days past due	66,074	(302)	65,772
31 to 60 days past due	42,273	(199)	42,074
61 to 90 days past due	52,957	(269)	52,688
91 to 120 days past due	8,007	(5)	8,002
121 days to 150 days past due	17,706	(524)	17,182
More than 150 days past due	77,199	(75,845)	1,354
	264,216	(77,144)	187,072
	1,810,646	(86,382)	1,724,264

(i) The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's total trade receivables at the end of the reporting period are as follows:

	Group			
	2024		2023	
	RM'000	% of total	RM'000	% of total
By country:				
Malaysia	**1,340,774**	**70.9%**	1,123,457	65.2%
Singapore	**73,668**	**3.9%**	153,409	8.9%
India	**477,030**	**25.2%**	447,398	25.9%
	1,891,472	**100.0%**	1,724,264	100.0%
By segment:				
Construction	**1,817,740**	**96.1%**	1,570,855	91.1%
Precast concrete	**73,732**	**3.9%**	153,409	8.9%
	1,891,472	**100.0%**	1,724,264	100.0%

Exposure to credit risk

Concentration of credit risk relating to trade receivables is limited due to the Group's many varied customers. These customers are engaged in a wide spectrum of activities and sell in a variety of end markets. The Group's historical experience in the collection of accounts receivable falls within the recorded allowances. Due to these factors, management believes that no additional credit risk beyond amounts provided for collection losses is inherent in the Group's trade receivables.

23. TRADE RECEIVABLES (CONTD.)

(j) The non-current and current trade receivables of the Group are unsecured, bear interest at rates ranging from 4.95% to 17.33% (2023: 4.50% to 17.33%) per annum and the non current trade receivables are not expected to be repayable within the next twelve months in cash and cash equivalents.

(k) At the end of the reporting period, the interest rate profile of the interest-bearing trade receivables was:

	Group	
	2024 RM'000	2023 RM'000
Fixed rate	**8,532**	8,685
Variable rate	**657,404**	850,850

Sensitivity analysis for fixed rate trade receivables at the end of the reporting period is not presented as it is not affected by changes in interest rates.

For variable rate trade receivables, a change of 25 basis points in interest rates, assuming all other variables remained constant, at the end of the reporting period would result in the profit net of tax of the Group to be higher/(lower) by RM1,249,000 (2023: RM1,617,000).

(l) The carrying amounts of non-current finance lease receivables approximate their fair values as their interest rates are priced at a reasonable approximation of the market interest rates as at the end of the reporting period.

(m) The fair values of finance lease receivables are catogorised as Level 3 in the fair value hierarchy, which are estimated based on expected cash flows discounted at the market rate of interests as at the end of the reporting period. There is no transfer between levels in the fair value hierarchy during the financial year.

24. OTHER RECEIVABLES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Deposits	**10,723**	11,609	**-**	-
Prepayments	**12,028**	76,529	**-**	-
Sundry receivables	**56,186**	82,259	**-**	2
	78,937	170,397	**-**	2
Less: Impairment losses	**(1,531)**	(1,497)	**-**	-
Total other receivables	**77,406**	168,900	**-**	2

(a) Total other receivables, net of prepayments are classified as financial assets measured at amortised cost.

(b) Included in other receivables of the Group are amounts due from related parties of RM8,400 (2023: RM82,000).

24. OTHER RECEIVABLES (CONTD.)

(c) The amounts due from related parties are unsecured, non-interest bearing and repayable based on credit terms granted. The credit period is generally for a period of 30 days to 90 days (2023: 30 days to 90 days).

(d) Impairment for trade receivables with significant financing component, quasi-equity loan, non-trade amounts due from subsidiaries, intermediate holding company, related companies and joint ventures and other receivables is recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. At the end of the reporting period, the Group and the Company assess whether there has been a significant increase in credit risk for financial assets by comparing the risk of default occurring over the expected life with the risk of default since initial recognition. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve-month expected credit losses along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while twelve-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the twelve months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

The Group defined significant increase in credit risk based on operating performance of the receivables, changes to contractual terms, payment trends and past due information.

The probability of non-payment by other receivables, amounts due from subsidiaries, intermediate holding company, related companies, joint ventures and quasi-equity loan is adjusted by forward-looking information and multiplied by the amount of the expected loss arising from default to determine the twelve-month or lifetime expected credit loss for other receivables, amounts due from subsidiaries, intermediate holding company, related companies, joint ventures and quasi-equity loan. The Group has identified the Gross Domestic Product, Nonperforming Loan, Unemployment Rate and Inflation Rate as the key macroeconomic factors of the forward-looking information.

It requires management to exercise significant judgement in determining the probability of default by quasi-equity loan, non-trade amounts due from subsidiaries, intermediate holding company, related companies, joint ventures and other receivables, appropriate forward-looking information and significant increase in credit risk.

No expected credit losses are recognised arising from other receivables of the Company because the probability of default by other receivables is negligible.

(e) The Group and the Company have no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors.

24. OTHER RECEIVABLES (CONTD.)

(f) The reconciliation of movements in impairment losses for other receivables of the Group is as follows:

	Group		
	12-month ECL RM'000	Lifetime ECL credit impaired RM'000	Total RM'000
At 31 December 2024			
At beginning of financial year	**650**	**847**	**1,497**
Charge for the financial year	**107**	**-**	**107**
Reversal of impairment losses	**(45)**	**-**	**(45)**
Exchange differences	**(28)**	**-**	**(28)**
At end of financial year	**684**	**847**	**1,531**

	Group		
	12-month ECL RM'000	Lifetime ECL credit impaired RM'000	Total RM'000
At 31 December 2023			
At beginning of financial year	677	894	1,571
Charge for the financial year	160	-	160
Reversal of impairment losses	(207)	(47)	(254)
Exchange differences	20	-	20
At end of financial year	650	847	1,497

Credit impaired refers to individually determined debtors who are in significant financial difficulties and have defaulted on payments as at the financial year end.

FINANCIAL STATEMENTS
Notes to the Financial Statements
For the Financial Year Ended 31 December 2024

25. AMOUNTS DUE FROM/(TO) SUBSIDIARIES

	Company	
	2024 RM'000	2023 RM'000
Current assets		
Amounts due from subsidiaries (non-trade)	**923**	121
Current liabilities		
Amounts due to subsidiaries (non-trade)	**6,153**	4,407

(a) Amounts due from/(to) subsidiaries are classified as financial asset/(liabilities) measured at amortised cost.

(b) Amounts due from/(to) subsidiaries (non-trade) are unsecured, interest-free and the terms of repayment are within next twelve (12) months in cash and cash equivalents.

(c) The maturity profile of amounts due to subsidiaries of the Company at the end of the reporting period based on contractual undiscounted repayment obligations is payable on demand or within one year.

(d) Impairment for amounts due from subsidiaries is recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model as disclosed in Note 24(d) to the financial statements.

No expected credit loss is recognised arising from amounts due from subsidiaries because the probability of default by the subsidiaries is negligible.

26. AMOUNTS DUE FROM/(TO) INTERMEDIATE HOLDING COMPANY

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current asset				
Amount due from intermediate holding company (non-trade)	**31**	34	**14**	16
Current liability				
Amount due to intermediate holding company (non-trade)	**18**	188	**1**	2

(a) Amounts due from/(to) intermediate holding company are classified as financial asset/(liability) measured at amortised cost.

(b) Amounts due from/(to) intermediate holding company (non-trade) are unsecured, interest-free and the terms of repayment are within next twelve (12) months in cash and cash equivalents.

26. AMOUNTS DUE FROM/(TO) INTERMEDIATE HOLDING COMPANY (CONTD.)

(c) The maturity profile of amount due to intermediate holding company of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligations are payable on demand or within one year.

(d) Impairment for amount due from intermediate holding company of the Group and of the Company is recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model as disclosed in Note 24(d) to the financial statements.

No expected credit loss is recognised arising from amount due from intermediate holding company of the Group and of the Company because the probability of default by the intermediate holding company is negligible.

27. AMOUNTS DUE FROM/(TO) RELATED COMPANIES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current assets				
Amounts due from related companies				
- trade	**213,742**	171,705	**-**	-
- non-trade	**1,186**	277	**-**	1
	214,928	171,982	**-**	1
Less: Impairment losses	**(112)**	(51)	**-**	-
Net carrying amount of amounts due from related companies	**214,816**	171,931	**-**	1
Current liabilities				
Amounts due to related companies				
- trade	**92,930**	36,820	**-**	-
- non-trade	**5,001**	6,041	**-**	1
	97,931	42,861	**-**	1

(a) Amounts due from/(to) related companies are classified as financial assets/(liabilities) measured at amortised cost.

(b) Amounts due from/(to) related companies (trade) are unsecured, interest-free and the credit period is generally for a period of 30 days to 90 days (2023: 30 days to 90 days).

Included in amounts due from related companies (trade) are retention sum of RM133,650,000 (2023: RM112,772,000).

(c) Amounts due from/(to) related companies (non-trade) are unsecured, interest-free and the terms of repayment are within next twelve (12) months in cash and cash equivalents.

27. AMOUNTS DUE FROM/(TO) RELATED COMPANIES (CONTD.)

(d) The maturity profile of amounts due to related companies of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligations are payable on demand or within one year.

(e) Impairment for amounts due from related companies (trade) is recognised based on the simplified approach using the lifetime expected credit losses as disclosed in Note 23(f) to the financial statements and impairment for amounts due from related companies (non-trade) is recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model as disclosed in Note 24(d) to the financial statements.

The reconciliation of movements in impairment losses for amounts due from related companies (trade) is as follows:

Group	Lifetime ECL - not credit impaired 2024 RM'000	Lifetime ECL - not credit impaired 2023 RM'000
At beginning of financial year	**51**	74
Charge for the financial year	**85**	9
Reversal of impairment losses	**(26)**	(29)
Exchange differences	**2**	(3)
At end of financial year	**112**	51

No expected credit loss is recognised arising from amounts due from related companies (non-trade) because it is negligible.

28. AMOUNTS DUE FROM/(TO) JOINT VENTURES

	Group 2024 RM'000	Group 2023 RM'000
Current assets		
Amounts due from joint ventures		
- trade	**102**	6,712
- non-trade	**1,313**	6,650
Net carrying amount of amounts due from joint ventures	**1,415**	13,362
Current liabilities		
Amounts due to joint ventures		
- trade	**7,646**	3,340

(a) Amounts due from/(to) joint ventures are classified as financial assets/(liabilities) measured at amortised cost.

(b) Amounts due from/(to) joint ventures (trade) are unsecured, interest-free and the credit period is generally for a period of 30 days to 90 days (2023: 30 days to 90 days).

28. AMOUNTS DUE FROM/(TO) JOINT VENTURES (CONTD.)

(c) Amounts due from joint ventures (non-trade) are unsecured, interest-free and the terms of repayment is within next twelve (12) months in cash and cash equivalents.

(d) The maturity profile of amounts due to joint ventures of the Group at the end of the reporting period based on contractual undiscounted repayment obligations is payable on demand or within one year.

(e) Impairment for amounts due from joint ventures (trade) is recognised based on the simplified approach using the lifetime expected credit lossess as disclosed in Note 23(f) to the financial statement and impairment for amounts due from joint venture (non-trade) is recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model as disclosed in Note 24(d) to the financial statements.

No expected credit loss is recognised arising from amounts due from joint ventures because it is negligible.

29. DERIVATIVE LIABILITIES

	2024 Contract/ Notional amount RM'000	2024 Liabilities RM'000	2023 Contract/ Notional amount RM'000	2023 Liabilities RM'000
Group				
Interest rate swaps	**67,320**	**191**	34,110	235
Forward currency contracts	**7,527**	**-**	8,813	1,969
Total derivatives liabilities		**191**		2,204
Less: Current portion		**(155)**		(1,969)
Non-current portion		**36**		235

(a) Derivatives are classified as fair value through profit or loss, and subsequently remeasured to fair value with changes in fair value being recognised in profit or loss.

(b) Interest rate swap and foreign currency forward contracts are categorised as Level 2 in the fair value hierarchy. There is no transfer between levels in the fair value hierarchy during the financial year.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

29. DERIVATIVE LIABILITIES (CONTD.)

(c) The Group entered into derivatives as follows:

(i) Interest rate swap

An interest rate swap is a derivative in which one party exchanges a stream of interest payments for another party's stream of cash flow. The Group entered into interest swaps to exchange floating interest rate for fixed interest rates in order to minimise the exposure from fluctuation of interest rate. This interest rate swaps received floating interest rate equals to Singapore Overnight Rate Average ("SORA") per annum and paid fixed rate of interest of 2.61% and 3.29% (2023: 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 were 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 including the credit quality of counterparties and interest rate curves.

(ii) Foreign currency forward contracts

The Group enters 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 hedged portion 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. The Group sold the contracts in the quarter ended 30 September 2024.

(d) The maturity profile of the Group's derivative liabilities at the end of the reporting period based on contractual undiscounted repayment obligations is summarised in the table below:

	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
Group				
As at 31 December 2024				
Derivatives - settled net	**155**	**36**	**-**	**191**
As at 31 December 2023				
Derivatives - settled net	1,969	235	-	2,204

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

30. CASH AND BANK BALANCES

	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Cash and bank balances				
Cash at banks and on hand	**218,745**	87,692	**1,022**	621
Deposits with licensed banks	**92,575**	78,094	**-**	-
Short term funds				
- Money market funds	**704,443**	304,607	**135,682**	88,088
Cash and bank balances	**1,015,763**	470,393	**136,704**	88,709

(a) Deposits with licensed banks of the Group had maturity days from 1 to 365 days (2023: 1 to 365 days) and were subject to fixed weighted average effective interest rate ranging from 2.80% to 5.97% (2023: 4.20%).

(b) For the purpose of the statements of cash flows, cash and cash equivalents comprise the following as at the end of the reporting period:

	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Cash and bank balances	**1,015,763**	470,393	**136,704**	88,709
Less: Deposits with licensed banks with maturity of more than 3 months	**(202)**	(202)	**-**	-
Less: Short term fund pledged to other financial institution	**(79,289)**	(86,217)	**(79,289)**	(86,217)
Total cash and cash equivalents	**936,272**	383,974	**57,415**	2,492

(c) Included in the short term funds of the Group and Company is an amount of RM79,289,000 (2023: RM86,217,000) pledged to other financial institution as securities for banking facilities granted to a subsidiary as disclosed in Note 31(d) to the financial statements.

(d) Sensitivity analysis for fixed rate deposits with licensed banks at the end of the reporting period is not presented as they are not affected by changes in interest rates.

(e) Cash and bank balances (excluding short term funds) are financial assets measured at amortised cost.

(f) No expected credit loss is recognised arising from cash at bank and deposits with licensed banks because the probability of default by these financial institutions is negligible.

(g) Short term funds of the Group and of the Company represent investments in highly liquid money market instruments, which are readily convertible to known amounts of cash and are subject to an insignificant risk changes in value.

FINANCIAL STATEMENTS

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

30. CASH AND BANK BALANCES(CONTD.)

(h) Short term funds of the Group and of the Company are classified as financial assets at fair value through profit or loss are categorised as Level 1 in the fair value hierarchy. Fair value of short term funds are determined by reference to the quoted prices at the close of business at the end of each reporting period.

(i) Sensitivity analysis for market price risk

Short term funds of the Group and of the Company are exposed to changes in market quoted prices. However, the volatility of these funds' prices is considered low, and hence, sensitivity analysis for equity price risk is not presented.

(j) There is no transfer between levels in the fair value hierarchy during the financial year.

31. BORROWINGS

	Group	
	2024 RM'000	2023 RM'000
Long term borrowings		
Secured:		
Term loans	-	487,724
	-	487,724
Short term borrowings		
Secured:		
Term loans	**496,624**	28,415
	496,624	28,415
Unsecured:		
Term loans	-	87,135
Revolving credits	**133,996**	121,708
Bills discounting	**100,000**	200,977
	233,996	409,820
	730,620	438,235
Total borrowings	**730,620**	925,959
Total borrowings		
Term loans	**496,624**	603,274
Revolving credits	**133,996**	121,708
Bills discounting	**100,000**	200,977
	730,620	925,959

31. BORROWINGS (CONTD.)

(a) Borrowings are classified as financial liabilities carried at amortised cost.

(b) The Group has entered into interest rate swap contracts to hedge the floating rate interest payable on some of its borrowings. The contracts entitle the Group to pay interest at fixed rates on notional principal amounts and oblige it to receive interest at floating rates on the same amounts. Under the swaps, the Group agrees with the other parties to exchange, the difference between fixed rate and floating rate interest amounts calculated by reference to the agreed notional principal amounts.

(c) The weighted average interest rates per annum of borrowings that were effective as at the end of the reporting period were as follows:

	Group	
	2024 %	2023 %
Long term borrowings		
Term loans (SGD denominated)	-	4.86
Term loans (INR denominated)	-	10.11
Short term borrowings		
Secured term loans (SGD denominated)	**4.70**	4.86
Secured term loans (INR denominated)	**10.21**	-
Unsecured term loans (SGD denominated)	-	5.06
Unsecured revolving credits (MYR denominated)	**3.98**	3.88
Unsecured revolving credits (SGD denominated)	**4.92**	-
Unsecured bills discounting (MYR denominated)	**3.71**	3.50
Unsecured bills discounting (SGD denominated)	-	5.31

(d) The secured term loans of the Group are secured by way of:

(i) A short term fund as disclosed in Note 30(c) to the financial statements.

(ii) A legal charge over the equity interest in a joint venture as disclosed in Note 19.1(d) to the financial statements.

(iii) A first floating charge over the Operating Account and a first fixed charge over the Financial Service Reserve Account.

(iv) A fresh deed of subordination of all presents and future shareholders' and/or related companies advances and loans.

(v) 30% of the issued and paid-up share capital of the subsidiaries.

(vi) A first charge by way of hypothecation created by the subsidiaries over the presents and future rights, titles, interests and benefits of the hypothecated assets.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

31. BORROWINGS (CONTD.)

(e) At the end of the reporting period, the interest rate profile of the borrowings was:

	Group	
	2024 RM'000	2023 RM'000
Fixed rate	**233,996**	322,685
Floating rate	**496,624**	603,274

Sensitivity analysis for fixed rate borrowings at the end of the reporting period is not presented as it is not affected by the changes in interest rates.

A change of 25 basis points in interest rates, assuming all other variables remained constant, at the end of the reporting period would result in the profit net of tax of the Group to be lower/(higher) by RM943,500 (2023: RM1,146,000).

(f) The maturity profile of the Group's borrowings at the end of the reporting period based on contractual undiscounted repayment obligations is summarised in the table below:

Group	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
As at 31 December 2024	**752,611**	**-**	**-**	**752,611**
As at 31 December 2023	484,080	509,783	-	993,863

(g) The maturity periods of revolving credits and bills discounting are on demand or within one year. The maturity period for term loans is as follows:

	Group	
	2024 RM'000	2023 RM'000
Not later than 1 year	**496,624**	115,550
Later than 1 year and not later than 5 years	**-**	487,724
Later than 5 years	**-**	-
	496,624	603,274

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

31. BORROWINGS (CONTD.)

(h) Reconciliation of liabilities arising from financing activities

	Group			
	1.1.2024 RM'000	Cash flows RM'000	Non-cash changes RM'000	31.12.2024 RM'000
Term loans	**603,274**	**(76,951)**	**(29,699)**	**496,624**
Revolving credits	**121,708**	**14,273**	**(1,985)**	**133,996**
Bills discounting	**200,977**	**(100,942)**	**(35)**	**100,000**
	925,959	**(163,620)**	**(31,719)**	**730,620**

	1.1.2023 RM'000	Cash flows RM'000	Non-cash changes RM'000	31.12.2023 RM'000
Term loans	390,893	194,221	18,160	603,274
Revolving credits	12,000	109,708	-	121,708
Bills discounting	77,827	122,998	152	200,977
	480,720	426,927	18,312	925,959

32. DEFERRED TAX

	Group	
	2024 RM'000	2023 RM'000
At beginning of financial year	**8,634**	3,381
Recognised in profit or loss (Note 12)	**13,260**	5,230
Exchange differences	**(134)**	23
At end of financial year	**21,760**	8,634
Presented after appropriate offsetting as follows:		
Deferred tax assets, net *	**21,760**	8,725
Deferred tax liabilities, net *	**-**	(91)
	21,760	8,634

* The amount of set-off between deferred tax assets and deferred tax liabilities was RM2,220,000 (2023: RM3,173,000) for the Group.

32. DEFERRED TAX (CONTD.)

(a) The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:

Deferred tax assets of the Group:

	Construction contracts RM'000	Others RM'000	Total RM'000
At 1 January 2023	4,055	3,324	7,379
Recognised in profit or loss	1,000	3,405	4,405
Exchange difference	-	23	23
At 31 December 2023/1 January 2024	5,055	6,752	11,807
Recognised in profit or loss	3,049	9,258	12,307
Exchange difference	-	(134)	(134)
At 31 December 2024	**8,104**	**15,876**	**23,980**

Deferred tax liabilities of the Group:

	Property, plant and equipment RM'000	Total RM'000
At 1 January 2023	3,998	3,998
Recognised in profit or loss	(825)	(825)
At 31 December 2023/1 January 2024	3,173	3,173
Recognised in profit or loss	(953)	(953)
At 31 December 2024	**2,220**	**2,220**

Notes to the Financial Statements
For the Financial Year Ended 31 December 2024

32. DEFERRED TAX (CONTD.)

(b) Deferred tax assets have not been recognised in respect of the following items:

	Group 2024 RM'000	Group 2023 RM'000
Unused tax losses		
- Expires by 31 December 2028	**438**	438
- Expires by 31 December 2030	**-**	421
- Expires by 31 December 2032	**995**	995
- Expires by 31 December 2033	**781**	781
- Expires by 31 December 2034	**1,998**	-
Unabsorbed capital allowances	**10,387**	14,097
Other deductible temporary differences	**(641)**	(1,424)
	13,958	15,308

The Group has assessed the likelihood of sufficient future profit available to recover the amounts of deductible temporary differences. Deferred tax assets have not been recognised in respect of these items as they have arisen in subsidiary companies that have a recent history of losses or in subsidiary companies where future taxable profits may be insufficient to trigger the utilisation of these items.

The amount and availability of these items to be carried forward up to the periods as disclosed above are subject to the agreement of the respective local tax authorities. Unutilised tax losses of the subsidiary companies incorporated in Malaysia can be carried forward up to 10 consecutive years of assessment immediately following the assessment under the tax legislation of Inland Revenue Board.

(c) During the 2024 Budget Announcement on 13 October 2023, the Minister of Finance announced that the Global Minimum Tax ("GMT") would be implemented in Malaysia. On 29 December 2023, the parliament has gazetted the GMT legislation via the Finance Act (No. 2) 2023 and the said rules will come into effect from financial years beginning on or after 1 January 2025. GMT shall apply if a group has annual revenue of seven hundred and fifty million euro or more as specified in the Consolidated Financial Statements of the Ultimate Parent Entity ("UPE") in at least two of the four consecutive financial years immediately preceding tested financial year. The assessment need to be carried out for each tested financial year to determine whether the group is within the scope or not. Based on the past years annual revenue recorded in the Consolidated Financial Statements of the UPE, the Group is within the scope of the enacted GMT legislation for financial year 2025. However, the Group applies the exception to recognise and disclose information about deferred tax assets and liabilities related to GMT.

Under the GMT legislation, the Group is liable to pay top-up tax for the difference between the minimum rate of 15% and the Group's jurisdictional effective tax rate determined under the GMT rules (GloBE ETR) for each jurisdiction where the Group has operation therein. Due to uncertainties surrounding when and how each jurisdiction will enact the legislations, the quantitative impact of the enacted or substantively enacted legislation is not yet reasonably estimable. The Group is currently working with tax specialists to assess the impact of the GMT legislation on the Group.

33. TRADE PAYABLES

	Group	
	2024 RM'000	2023 RM'000
Third parties	**1,563,953**	921,082

(a) Trade payables are classified as financial liabilities carried at amortised cost.

(b) The normal trade credit terms granted to the Group range from 14 days to 60 days (2023: 14 days to 60 days).

(c) The maturity profile of the trade payables of the Group at the end of the reporting period based on contractual undiscounted repayment obligations is payable on demand or within one year.

34. OTHER PAYABLES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Sundry payables	**26,925**	80,555	**4**	4
Advances received on contracts	**66,048**	107,743	**-**	-
Accruals	**148,738**	83,890	**1,238**	1,139
	241,711	272,188	**1,242**	1,143

(a) Other payables are classified as financial liabilities carried at amortised cost.

(b) The maturity profile of other payables of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligations is payable on demand or within one year.

(c) Included in other payables of the Group is amounts due to related parties of RM3,000 (2023: RM300,000).

(d) Included in the advances received on contracts are advances received in relation to eight (8) (2023: five (5)) construction contracts awarded to the Group.

(e) Included in the accruals of the Group is payroll related accruals amounting to RM67,976,000 (2023: RM39,383,000).

35. LEASE LIABILITIES

	Group	
	2024 RM'000	2023 RM'000
Non-current liabilities	**1,139**	1,004
Current liabilities	**1,474**	2,872
Total lease liabilities	**2,613**	3,876

35. LEASE LIABILITIES (CONTD.)

(a) Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date.

After initial recognition, lease liabilities are measured by increasing the carrying amounts to reflect interest on the lease liabilities, reducing the carrying amounts to reflect the lease payments made and remeasuring the carrying amounts to reflect any reassessment or lease modifications.

The corresponding right-of-use assets of the lease liabilities are presented as property, plant and equipment as disclosed in Note 15 to the financial statements.

Variable lease payments, lease payments associated with short term leases and low value assets

The Group recognises variable lease payments when the condition that triggers those payments occur while lease payments associated with short term leases (leases with lease term of 12 months or less) and low value assets (leases for which the underlying asset is RM20,000 and below) are recognised on a straight-line basis over the lease terms. The variable lease payments and lease payments associated with short term leases and low value assets are recognised in profit or loss as rental expenses as disclosed in Note 9 to the financial statements.

Extension and termination options

Extension and termination options are included in certain property leases of the Group, which are negotiated for purposes such as providing operational flexibility to the Group. The extension and termination options are mainly exercisable by the Group and not by the respective lessors.

The Group determines the lease term of a lease as the non-cancellable period of the lease, together with periods covered by an option to extend or to terminate the lease if the Group is reasonably certain to exercise the relevant options. Management has considered the relevant facts and circumstances that create an economic incentive for the Group to either exercise the option to extend the lease, or to exercise the option to terminate the lease. Any differences in expectations from the original estimates would impact the carrying amounts of the lease liabilities of the Group.

During the current financial year, the Group had reassessed the lease terms of certain property leases in relation to the likelihood of exercising of extension options, taking into consideration the current relevant facts and circumstances. There were also modifications on the terms and conditions of certain property leases of the Group during the current financial year.

The effects of the lease reassessments and modifications during the current financial year was a decrease in recognised lease liabilities of RM794,000 (2023: RM1,198,000) and right-of-use assets of RM605,000 (2023: RM1,194,000) (Note 15) as well as a gain on reassessments and modifications of leases of RM189,000 (2023: RM4,000) recognised in profit or loss.

35. LEASE LIABILITIES (CONTD.)

(b) The maturity profile of the Group's lease liabilities at the end of the reporting period based on contractual undiscounted repayment obligations is summarised in the table below:

	Group	
	2024 RM'000	**2023 RM'000**
Not later than 1 year	**1,582**	3,016
Later than 1 year and not later than 2 years	**970**	569
Later than 2 years and not later than 3 years	**219**	176
Later than 3 years and not later than 4 years	**-**	176
Later than 4 years and not later than 5 years	**-**	176
Later than 5 years	**-**	-
Total undiscounted lease payments	**2,771**	4,113
Less: Future finance charges	**(158)**	(237)
Present value of lease liabilities	**2,613**	3,876
Analysis of present value of lease liabilities		
Not later than 1 year	**1,474**	2,872
Later than 1 year and not later than 2 years	**923**	528
Later than 2 years and not later than 3 years	**216**	151
Later than 3 years and not later than 4 years	**-**	159
Later than 4 years and not later than 5 years	**-**	166
Later than 5 years	**-**	-
	2,613	3,876
Less: Amount due within 12 months	**(1,474)**	(2,872)
Amount due after 12 months	**1,139**	1,004

(c) The lease payments are discounted using the Group's annual incremental borrowing rate of 2.92% to 5.12% (2023: 2.92% to 5.22%).

(d) Lease liabilities are fixed rate instruments. Sensitivity analysis at the end of the reporting period is not presented as it is not affected by changes in interest rates.

35. LEASE LIABILITIES (CONTD.)

(e) Reconciliation of liabilities from financing activities to the statements of financial position and statements of cash flows are as follows:

	Group	
	2024 RM'000	**2023 RM'000**
At beginning of financial year	**3,876**	9,364
Cash flows		
- Payments of lease liabilities	**(3,535)**	(6,037)
- Payments of lease interests	**(181)**	(315)
Non-cash flows		
- Additions	**3,079**	1,739
- Reassessments and modifications	**(794)**	(1,198)
- Exchange differences	**(13)**	8
- Interest expense	**181**	315
At end of financial year	**2,613**	3,876

(f) The following are total cash outflows for leases as a lessee:

	Group	
	2024 RM'000	**2023 RM'000**
Included in net cash from operating activities		
- Payments relating to short-term leases and low value assets	**3,593**	610
- Payments relating to variable lease payment not included in the measurement of lease liabilities	**53**	133
	3,646	743
Included in net cash from financing activities		
- Payments of lease liabilities	**3,535**	6,037
- Interests paid in relation to lease liabilities	**181**	315
	3,716	6,352
Total cash outflows for leases	**7,362**	7,095

FINANCIAL STATEMENTS

Notes to the Financial Statements
For the Financial Year Ended 31 December 2024

36. SHARE CAPITAL AND TREASURY SHARES

	Group/Company			
	Number of shares		Amount	
	2024 ‘000	2023 ‘000	2024 RM’000	2023 RM’000
Ordinary shares				
Issued and fully paid with no par value:				
At beginning/end of financial year	**1,292,900**	1,292,900	**258,580**	258,580

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. All ordinary shares rank equally with regard to the Company’s residual assets.

As at 31 December 2024, the Company held a total of 3,540,900 (2023: 3,540,900) ordinary shares as treasury shares out of its total issued and paid up share capital of 1,292,900,010 ordinary shares. Such treasury shares are recorded at a carrying amount of RM6,989,694 (2023: RM6,989,694). None of the treasury shares repurchased had been sold as at 31 December 2024.

37. RESERVES

		Group		Company	
	Note	2024 RM’000	2023 RM’000	2024 RM’000	2023 RM’000
Non-distributable:					
Capital contribution by intermediate holding company	(a)	**641**	641	**-**	-
Merger reserve	(b)	**(37,894)**	(37,894)	**-**	-
Foreign currency translation reserve	(c)	**2,205**	17,300	**-**	-
Cash flow hedge reserve	(d)	**-**	(1,969)	**-**	-
Other capital reserve	(e)	**471**	471	**-**	-
		(34,577)	(21,451)	**-**	-
Distributable:					
Retained earnings		**660,899**	590,036	**137,238**	193,391
		626,322	568,585	**137,238**	193,391

The movements in each category of reserves are disclosed in the statements of changes in equity.

37. RESERVES (CONTD.)

The natures of each category of reserves are as follows:

(a) Capital contribution by intermediate holding company

Capital contribution by intermediate holding company represents the equity-settled share options granted to employees. The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options.

(b) Merger reserve

The merger reserve represents the following:

(i) Premium on the issue of shares for the acquisition of the remaining shares in Sunway Builders Sdn. Bhd.; and

(ii) The excess of the consideration paid over the share capital and capital reserves of Sunway Construction Sdn. Bhd. and its subsidiaries as at the acquisition date under the pooling of interest method of accounting.

(c) Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the presentation currency of the Group.

(d) Cash flow hedge reserve

Cash flow hedge reserve represents the net gains or losses, net of tax, on effective cash flow hedging instruments that will be recycled to the profit or loss when the hedged transaction affects profit or loss.

(e) Other capital reserve

The other capital reserve represents the bonus issue of shares undertaken by a subsidiary.

38. CAPITAL COMMITMENTS

	Group	
	2024 RM’000	2023 RM’000
Capital expenditure:		
Approved and contracted for property, plant and equipment	**121**	59
Approved and contracted for investment in India concessionaire	**395**	417
Approved but not contracted for property, plant and equipment	**-**	4
	516	480

39. CONTINGENT LIABILITIES

(a) Material outstanding litigations

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

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

The Claimant has failed to carry out its obligations under the work order and SunCon has terminated the work order and cashed the Bank Guarantees. The Claimant had filed an application in the Supreme Court of India for the appointment of an arbitrator to arbitrate upon the disputes 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 RM48.6 million) in addition to interest and cost.

In the counterclaim, SunCon is seeking for Rs.781.4 million (approximately equivalent to RM42.6 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 had 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 had 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 RM7.0 million).

SunCon had 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 RM7.4 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.

39. CONTINGENT LIABILITIES (CONTD.)

(a) Material outstanding litigations (contd.)

(i) (contd.)

On 27 August 2020, the Court directed the release of Rs.67.2 million (approximately equivalent to RM3.7 million) on the basis of a corporate guarantee to be furnished by Srei Infrastructure Finance Ltd. ("SIFL"). The balance to be released upon the Claimant providing 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.

On 20 July 2023, SIFL 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 SIFL ("Respondents"). The application was listed on 22 December 2023 and the Court has duly issued notice to the Respondents. The matter was part heard and the next hearing date was scheduled for 17 March 2025. However, due to an abrupt change in the Delhi High Court Roster effective from 17 March 2025, the sitting judge previously assigned to the matter has been reassigned to a different determination. As a result, the case will now be heard by a new judge, and the next hearing date has yet to be fixed.

(ii) PNSB Acmar Sdn. Bhd. ("Plaintiff") had 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 files a claim trespass and encroachment, negligence, private and public nuisance against the Defendants for the sum for RM711,367,434.46. The 2nd Defendant's filed its Defence on 02 January 2020 disputing the Plaintiff's claim. The Plaintiff amend 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. ("the Third Party") and claimed against the Third Party for indemnity and/or contribution for any sum that may be due from the SunCon to the Plaintiff. On 03 September 2021, the Third Party issued its Defence and Counterclaim.

39. CONTINGENT LIABILITIES (CONTD.)

(a) Material outstanding litigations (contd.)

(ii) (contd.)

On 01 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 Court has fixed the trial dates on 9 June 2025 to 13 June 2025, 6 October 2025 and 7 October 2025, 17 November 2025 to 20 November 2025, 6 April 2026 to 9 April 2026, 27 April 2026 and 28 April 2026, 4 May 2026 to 7 May 2026 and 22 June 2026 to 25 June 2026, 7 August 2026, 14 August 2026, 21 August 2026 and 28 August 2026 and 4 September 2026, 11 September 2026, 18 September 2026 and 25 September 2026.

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. The Third Party is to indemnify SunCon in the event SunCon is found liable towards the Plaintiff.

40. RELATED PARTY DISCLOSURES

(a) Significant related party transactions

In addition to the transactions and balances detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year:

Group	2024 RM'000	2023 RM'000
Rental income of plant and machinery from:		
Related companies:		
Emerald Tycoon Sdn. Bhd.	**2**	8
Sunway Marketing Sdn. Bhd.	**87**	91
Sunway Monash U Residence Sdn. Bhd.	**-**	2
Related parties:		
Sunway Nursery and Landscape Sdn. Bhd. ^	**-**	5
Sunway Real Estate Investment Trust *	**-**	3

40. RELATED PARTY DISCLOSURES (CONTD.)

(a) Significant related party transactions (contd.)

In addition to the transactions and balances detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year: (contd.)

Group (contd.)	2024 RM'000	2023 RM'000
Contract revenue from:		
Related companies:		
Deco Style Sdn. Bhd.	**17,710**	6,752
Sunway Belfield Sdn. Bhd.	**138,201**	162,737
Sunway Flora Sdn. Bhd.	**109,516**	45,747
Sunway Integrated Properties Sdn. Bhd.	**595**	25,000
Sunway Lagoon Sdn. Bhd.	**396**	-
Sunway Lost World Water Park Sdn. Bhd. (Mall Division)	**55,096**	-
Sunway PFM Sdn. Bhd.	**3,129**	565
Sunway Resort Hotel Sdn. Bhd.	**-**	312
Sunway Serene Sdn. Bhd.	**353**	8,684
Sunway South Quay Sdn. Bhd.	**425,295**	249,919
Sunway Velocity Mall Sdn. Bhd.	**-**	1,000
Sunway Velocity Two Sdn. Bhd.	**76,601**	127,929
Related parties:		
Directors of the group	**-**	76
Gopeng Berhad *	**47,899**	158,520
Paradigm Fairview Sdn. Bhd. ^	**73,984**	100,000
Sunway Marketplace Sdn. Bhd. ^	**3,634**	3,087
Sunway Medical Centre (Ipoh) Sdn. Bhd. ^	**85,721**	103,180
Sunway Medical Centre (Penang) Sdn. Bhd. (formerly known as Alliance Parade Sdn. Bhd.) ^	**2,027**	2,445
Sunway Medical Centre Sdn. Bhd. ^	**36,163**	86,748
Sunway Real Estate Investment Trust *	**135,559**	108,459

40. RELATED PARTY DISCLOSURES (CONTD.)

(a) Significant related party transactions (contd.)

In addition to the transactions and balances detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year: (contd.)

Group (contd.)	2024 RM'000	2023 RM'000
Distribution income from:		
Structured entities controlled by its intermediate holding company:		
Kenanga Money Extra Fund II	**2,561**	2,457
Maybank Shariah Institutional Income Fund	**2,162**	6,353
Management fees charged by: (Note 9)		
Related company:		
Sunway Services Sdn. Bhd.	**(17,630)**	(17,344)
Rental of land charged by:		
Related party:		
Sunway Iskandar Sdn. Bhd. ^	**(627)**	(600)
Rental of office space charged by:		
Related companies:		
Emerald Tycoon Sdn. Bhd.	**(2,907)**	(2,907)
Rich Worldclass Sdn. Bhd.	**(11)**	(9)
Sunway Marketing (Vietnam) Co Ltd	**(16)**	(7)
Sunway Pyramid Development Sdn. Bhd.	**(31)**	(36)
Sunway Services Sdn. Bhd.	**(103)**	(89)
Tanda Warisan Sdn. Bhd.	**-**	(16)
Related party:		
Sunway Real Estate Investment Trust *	**(1,387)**	(1,388)

Notes to the Financial Statements
For the Financial Year Ended 31 December 2024

40. RELATED PARTY DISCLOSURES (CONTD.)

(a) Significant related party transactions (contd.)

In addition to the transactions and balances detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year: (contd.)

Group (contd.)	2024 RM'000	2023 RM'000
Service level agreement fees paid to: (Note 9)		
Related companies:		
Sunway FSSC Sdn. Bhd.	**(797)**	(818)
Sunway HR Shared Services Sdn. Bhd.	**(1,010)**	(951)
Sunway Shared Services Sdn. Bhd.	**(1,874)**	(1,872)
Purchases of goods/services from:		
Intermediate holding company:		
Sunway Berhad	**(31)**	(421)
Related companies:		
Credit Bureau Malaysia Sdn.Bhd.	**(7)**	(11)
Deco Style Sdn. Bhd.	**(21,168)**	(9,749)
Emerald Tycoon Sdn. Bhd.	**(36)**	(29)
Fame Parade Sdn. Bhd.	**(1,266)**	(1,128)
Kinta Sunway Resort Sdn. Bhd.	**(3)**	-
Pasir Mas Holdings Sdn. Bhd.	**(375)**	(353)
Pyramid Bowl Sdn. Bhd.	**-**	(2)
Sunway City (JB) Sdn. Bhd.	**(9)**	(432)
Sunway Coating Solutions Sdn. Bhd.	**(1,862)**	(4,475)
Sunway Design Sdn. Bhd.	**(42)**	-
Sunway Enterprise (1988) Sdn. Bhd.	**(85)**	(3)
Sunway FSSC Sdn. Bhd.	**(2)**	-
Sunway Geo Sdn. Bhd.	**(4)**	-
Sunway HR Shared Services Sdn. Bhd.	**(299)**	(315)
Sunway Hotel Seberang Jaya Sdn. Bhd.	**(1)**	(1)
Sunway Integrated Parking Sdn. Bhd.	**(117)**	-
Sunway Integrated Properties Sdn. Bhd.	**(33)**	(39)

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

40. RELATED PARTY DISCLOSURES (CONTD.)

(a) Significant related party transactions (contd.)

In addition to the transactions and balances detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year: (contd.)

Group (contd.)	2024 RM'000	2023 RM'000
Purchases of goods/services from: (contd.)		
Related companies: (contd.)		
Sunway Lagoon Club Bhd.	**(141)**	(132)
Sunway Lagoon Sdn. Bhd.	**(443)**	(371)
Sunway Leadership Center Sdn. Bhd.	**(13)**	(72)
Sunway Leasing Sdn. Bhd.	**(6)**	(3)
Sunway Little Sunshine Child Care Centre Sdn. Bhd.	**(2)**	-
Sunway Lost World Water Park Sdn. Bhd.	**(24)**	(13)
Sunway Lost World Hotel Sdn. Bhd.	**(1)**	-
Sunway Management Sdn. Bhd.	**(79)**	(88)
Sunway Marketing Sdn. Bhd.	**(94,204)**	(87,931)
Sunway Material Handling Sdn. Bhd.	**(115)**	(153)
Sunway Money Sdn. Bhd.	**-**	(1)
Sunway Paving Solutions Sdn. Bhd.	**(3,425)**	(1,628)
Sunway Pharma Sdn. Bhd.	**-**	(1)
Sunway Quarry Industries Sdn. Bhd.	**(1,498)**	(1,202)
Sunway Resort Hotel Sdn. Bhd.	**(174)**	(118)
Sunway Risk Management Sdn. Bhd.	**(166)**	(1,805)
Sunway Serene Sdn. Bhd.	**-**	(140)
Sunway Services Sdn. Bhd.	**(107)**	(70)
Sunway Shared Services Sdn. Bhd.	**(2,585)**	(1,504)
Sunway South Quay Sdn. Bhd.	**(11)**	20
Sunway Sustainability Solutions Sdn. Bhd.	**(33)**	(37)
Sunway Travel Sdn. Bhd.	**(174)**	(164)
Sunway Treasury Sdn. Bhd.	**(303)**	221
Sunway United Star Sdn. Bhd.	**(924)**	(1,263)
Sunway Velocity Two Sdn. Bhd.	**(4)**	(65)
Sunway Velocity Three Sdn. Bhd. (formerly known as Tanda Warisan Sdn. Bhd.) ^	**(56)**	-

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

40. RELATED PARTY DISCLOSURES (CONTD.)

(a) Significant related party transactions (contd.)

In addition to the transactions and balances detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year: (contd.)

Group (contd.)	2024 RM'000	2023 RM'000
Purchases of goods/services from: (contd.)		
Related parties:		
Hitachi Sunway Information Systems Sdn. Bhd. +	**(13)**	(355)
SunMed Velocity Sdn. Bhd. ^	**(263)**	(15)
Sunway Big Box Hotel Sdn. Bhd. ^	**(29)**	(25)
Sunway Computer Services Sdn. Bhd. +	**(12,652)**	(140)
Sunway Digital Wave Sdn. Bhd. +	**(125)**	(361)
Sunway Iskandar Sdn. Bhd. ^	**(230)**	(350)
Sunway Medical Centre Sdn. Bhd. ^	**(9,154)**	(699)
Sunway Medical Centre (Penang) Sdn. Bhd. (formerly known as Alliance Parade Sdn. Bhd.) ^	**(1)**	-
Sunway Real Estate Investment Trust *	**245**	126

Company	2024 RM'000	2023 RM'000
Distribution income from: (Note 8)		
Structured entities controlled by its intermediate holding company:		
Kenanga Money Extra Fund II	**200**	87
Maybank Shariah Institutional Income Fund	**1,634**	5,533
Management fees charged by:		
Subsidiary:		
Sunway Construction Sdn. Bhd. (Note 9)	**(1,641)**	(1,706)

40. RELATED PARTY DISCLOSURES (CONTD.)

(a) Significant related party transactions (contd.)

In addition to the transactions and balances detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year: (contd.)

Company(contd.)	2024 RM'000	2023 RM'000
Service level agreement fee paid to:		
Related company:		
Sunway FSSC Sdn. Bhd. (Note 9)	**(5)**	(5)
Purchases of goods/services from:		
Intermediate holding company:		
Sunway Berhad	**(2)**	(2)
Related companies:		
Sunway FSSC Sdn. Bhd.	**(5)**	-
Sunway Management Sdn. Bhd.	**(45)**	(43)
Sunway Services Sdn. Bhd.	**(1)**	-
Sunway Shared Services Sdn. Bhd.	**(1)**	-
Sunway Travel Sdn. Bhd.	**(7)**	-
Related party:		
Sunway Big Box Hotel Sdn. Bhd.	**(4)**	-

* Sunway Real Estate Investment Trust and Gopeng Berhad are associates of the intermediate holding company.

^ Sunway Medical Centre Sdn. Bhd., Sunway Nursery and Landscape Sdn. Bhd., Paradigm Fairview Sdn. Bhd., SunMed Velocity Sdn. Bhd., Sunway Medical Centre (Ipoh) Sdn. Bhd., Sunway Medical Centre (Penang) Sdn. Bhd. (formely known as Alliance Parade Sdn. Bhd.), Sunway Iskandar Sdn. Bhd., Sunway Velocity Mall Sdn. Bhd., Sunway Big Box Hotel Sdn. Bhd., Sunway Velocity Three Sdn. Bhd. (formerly known as Tanda Warisan Sdn. Bhd.) and Sunway Marketplace Sdn. Bhd. are joint ventures of Sunway City Sdn. Bhd..

+ Sunway Computer Services Sdn. Bhd., Sunway Digital Wave Sdn. Bhd. and Hitachi Sunway Information Systems Sdn. Bhd. are companies in which a Director of the Company has deemed substantial interests.

The related party transactions described above were carried out on terms and conditions not materially different from those obtainable from transactions with unrelated parties.

FINANCIAL STATEMENTS
Notes to the Financial Statements
For the Financial Year Ended 31 December 2024

40. RELATED PARTY DISCLOSURES (CONTD.)

(b) Remuneration of key management personnel

Key management personnel are persons who have authorities and responsibilities for planning, directing and controlling the activities of the Group or the Company either directly or indirectly. This includes any Director, whether executive or otherwise, of the Group and of the Company.

The remuneration of the Executive Directors and other members of key management during the financial year are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Short-term employee benefits	**15,932**	14,160	**-**	-
Post-employment benefits:				
- Defined contribution plan	**1,600**	1,357	**-**	-
Estimated money value of benefits-in-kind	**170**	175	**-**	-
	17,702	15,692	**-**	-

Included in the total key management personnel are:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Executive Director's remuneration (Note 11)	**6,268**	4,617	**-**	-

41. ADOPTION OF MFRSS AND AMENDMENTS TO MFRSS

(a) New MFRSs adopted during the financial year

The accounting policies adopted are consistent with those of the previous financial year except as follows:

During the financial year, the Group and the Company adopted the following Amendments that are mandatory for annual financial periods beginning on or after 1 January 2024.

Title	Effective date
Amendments to MFRS 16 *Lease liability in a Sale and Leaseback*	1 January 2024
Amendments to MFRS 101 *Classification of Liabilities as Current or Non-current*	1 January 2024
Amendments to MFRS 101 *Non-current Liabilities with Covenants*	1 January 2024
Amendments to MFRS 107 *Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures Supplier Finance Arrangements*	1 January 2024

Adoption of the above Amendments did not have any material effect on the financial performance or position of the Group and of the Company.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

41. ADOPTION OF MFRSS AND AMENDMENTS TO MFRSS (CONTD.)

(b) New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2025

The Amendments and Standards that are issued but not yet effective up to the date of issuance of financial statements of the Group and of the Company are disclosed below. The Group and the Company intend to adopt these Amendments and Standards, if applicable, when they become effective.

Title	Effective date
Amendments to MFRS 121 *Lack of Exchangeability*	1 January 2025
Amendments to MFRS 9 and MFRS 7 *Amendments to the Classification and Measurement of Financial Instruments*	1 January 2026
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
Amendments to MFRS 9 and MFRS 7 *Contracts Referencing Nature-dependent Electricity*	1 January 2026
MFRS 18 *Presentation and Disclosure in Financial Statements*	1 January 2027
MFRS 19 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Deferred

The Group and the Company are in the process of assessing the impact of implementing these Amendments and Standards, since the effects would only be observable for the future financial years.

Directors' Interests in Shares

Based on the Register of Directors' Shareholdings

As at 28 March 2025

DIRECTORS' INTEREST IN THE COMPANY
SUNWAY CONSTRUCTION GROUP BERHAD

Name of Directors	Ordinary Shares	
	No.	%
Direct interest		
Datuk Kwan Foh Kwai	100,816	0.01
Tan Sri Dato' (Dr) Chew Chee Kin	1,041,600	0.08
Evan Cheah Yean Shin	13,435	#
Deemed interest		
Dato' Ir Goh Chye Koon [a]	5,000	#
Datuk Kwan Foh Kwai [b]	222,785	0.02
Evan Cheah Yean Shin [c]	855,115,118	66.30

Name of Directors	Share Options over Ordinary Shares
	No. of Share Options Held
Direct interest	
Liew Kok Wing	1,440,000
Wong Kwan Song	840,000

DIRECTORS' INTEREST IN INTERMEDIATE HOLDING COMPANY
SUNWAY BERHAD

Name of Directors	Ordinary Shares	
	No.	%
Direct interest		
Datuk Kwan Foh Kwai	1,030,896	0.02
Tan Sri Dato' (Dr) Chew Chee Kin	8,294,631	0.13
Evan Cheah Yean Shin	5,304,474	0.09
Liew Kok Wing	352,450	0.01
Dato' Tan Kia Loke	12,985,770	0.21
Deemed interest		
Dato' Ir Goh Chye Koon [a]	133,921	#
Datuk Kwan Foh Kwai [d]	1,146,665	0.02
Tan Sri Dato' (Dr) Chew Chee Kin [d]	232,986	#
Evan Cheah Yean Shin [e]	3,657,807,848	59.21

Directors' Interests in Shares

Based on the Register of Directors' Shareholdings

As at 28 March 2025

DIRECTORS' INTEREST IN INTERMEDIATE HOLDING COMPANY SUNWAY BERHAD (CONTD.)

Name of Directors	Irredeemable Convertible Preference Shares	
	No.	%
Direct interest		
Datuk Kwan Foh Kwai	300,054	0.06
Tan Sri Dato' (Dr) Chew Chee Kin	3,972,196	0.81
Evan Cheah Yean Shin	419,520	0.09
Liew Kok Wing	28,563	0.01
Dato' Tan Kia Loke	1,222,966	0.25
Deemed interest		
Dato' Ir Goh Chye Koon [a]	12,020	#
Datuk Kwan Foh Kwai [d]	162,233	0.03
Tan Sri Dato' (Dr) Chew Chee Kin [d]	232,986	0.05
Evan Cheah Yean Shin [e]	359,609,264	73.56

DIRECTOR'S INTEREST IN PENULTIMATE HOLDING COMPANY SUNGEI WAY CORPORATION SENDIRIAN BERHAD

Name of Directors	Ordinary Shares	
	No.	%
Deemed interest		
Evan Cheah Yean Shin [f]	20,000,000	100.00

Name of Directors	Non-Cumulative Redeemable Preference Shares	
	No.	%
Deemed interest		
Evan Cheah Yean Shin [g]	1,606,800,000	100.00

SHAREHOLDING INFORMATION

Directors' Interests in Shares

Based on the Register of Directors' Shareholdings

As at 28 March 2025

DIRECTOR'S INTEREST IN ULTIMATE HOLDING COMPANY ACTIVE EQUITY SDN. BHD.

Name of Director	Ordinary Shares	
	No.	%
Direct interest		
Evan Cheah Yean Shin	25,500	15.00
Deemed interest		
Evan Cheah Yean Shin [g]	102,000	60.00

Name of Director	Non-Cumulative Redeemable Preference Shares	
	No.	%
Deemed interest		
Evan Cheah Yean Shin [g]	848,000,000	100.00

DIRECTOR'S INTEREST IN RELATED COMPANY SUNWAY GLOBAL LIMITED

Name of Director	Ordinary Shares of HKD1.00 each	
	No.	%
Direct interest		
Tan Sri Dato' (Dr) Chew Chee Kin	689,183	0.24

Notes:

- \# *Negligible*
- a *Deemed interest by virtue of Section 8 of the Companies Act 2016 (Act) held through Affin Hwang Trustee Berhad GCK Family Trust.*
- b *Deemed interest by virtue of Section 59(11)(c) of the Act held through spouse and children.*
- c *Deemed interest by virtue of Section 8 of the Act held through Active Equity Sdn. Bhd., Sungei Way Corporation Sendirian Berhad, Sunway Berhad, Sunway Holdings Sdn. Bhd. and parent.*
- d *Deemed interest by virtue of Section 59(11)(c) of the Act held through spouse.*
- e *Deemed interest by virtue of Section 8 of the Act held through Active Equity Sdn. Bhd., Sungei Way Corporation Sendirian Berhad, Jef-San Enterprise Sdn. Bhd. and parent.*
- f *Deemed interest by virtue of Section 8 of the Act held through Active Equity Sdn. Bhd. and parent.*
- g *Deemed interest by virtue of Section 8 of the Act held through parent.*

Analysis of Shareholdings

As at 28 March 2025

Issued Share : 1,293,304,510 ordinary shares
Treasury shares : 3,540,900 treasury shares held by the Company
Class of Shares : Ordinary shares
Voting Rights : One vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shareholdings
Less than 100	3,331	21.80	144,669	0.01
100 - 1,000	6,573	43.02	2,865,209	0.23
1,001 - 10,000	4,248	27.80	16,181,137	1.25
10,001 - 100,000	852	5.57	26,187,055	2.03
100,001 - 64,488,179 (Less than 5% of issued shares)	272	1.78	542,127,114	42.03
64,488,180 (5% and above of issued shares)	4	0.03	702,258,426	54.45
	15,280	100.00	1,289,763,610*	100.00

Note:
* *Exclude a total of 3,540,900 treasury shares retained by the Company as per record of depositors as at 28 March 2025.*

THIRTY LARGEST SHAREHOLDERS AS PER RECORD OF DEPOSITORS

(without aggregating the securities from different securities accounts belong to the same person)

	Name of Shareholders	No. of Shares	%
1	**Sunway Holdings Sdn. Bhd.**	355,532,609	27.57
2	**RHB Nominees (Tempatan) Sdn. Bhd.** - Malaysian Trustees Berhad Pledged Securities Account for Sunway Holdings Sdn. Bhd.-T8	121,000,000	9.38
3	**RHB Nominees (Tempatan) Sdn. Bhd.** - Pledged Securities Account-Sumitomo Mitsui Banking Corporation Malaysia Berhad for Sunway Holdings Sdn. Bhd.	120,000,000	9.30
4	**Sungei Way Corporation Sendirian Berhad**	55,520,000	4.30
5	**Sungei Way Corporation Sendirian Berhad**	50,205,817	3.89
6	**RHB Nominees (Tempatan) Sdn. Bhd.** - Malaysian Trustees Berhad Pledged Securities Account for Sunway Holdings Sdn. Bhd.-T18	40,000,000	3.10
7	**UOBM Nominees (Tempatan) Sdn. Bhd.** - United Overseas Bank Ltd (Labuan Branch) for Sunway Holdings Sdn. Bhd.	39,000,000	3.02
8	**Citigroup Nominees (Tempatan) Sdn. Bhd.** - Employees Provident Fund Board	37,941,285	2.94
9	**Citigroup Nominees (Tempatan) Sdn. Bhd.** - Employees Provident Fund Board (ISLAMIC)	26,981,170	2.09
10	**Permodalan Nasional Berhad**	24,067,700	1.87

Analysis of Shareholdings

As at 28 March 2025

THIRTY LARGEST SHAREHOLDERS AS PER RECORD OF DEPOSITORS (CONTD.)

(without aggregating the securities from different securities accounts belong to the same person)

	Name of Shareholders	No. of Shares	%
11	**HLB Nominees (Tempatan) Sdn. Bhd.** - Pledged Securities Account for Sunway Holdings Sdn. Bhd. (PJCAC)	23,000,000	1.78
12	**Tan Sri Sir Dr Jeffrey Cheah Fook Ling KBE AO**	21,556,692	1.67
13	**Citigroup Nominees (Tempatan) Sdn. Bhd.** - Exempt AN for AIA Bhd.	19,791,000	1.54
14	**Citigroup Nominees (Tempatan) Sdn. Bhd.** - Employees Provident Fund Board (NOMURA)	13,128,600	1.02
15	**HSBC Nominees (Tempatan) Sdn. Bhd.** - Pledged Securities Account for Sungei Way Corporation Sendirian Berhad	13,000,000	1.01
16	**RHB Capital Nominees (Tempatan) Sdn. Bhd.** - Pledged Securities Account for Sungei Way Corporation Sendirian Berhad	11,300,000	0.88
17	**Amanahraya Trustees Berhad** - Public Islamic Dividend Fund	9,239,500	0.72
18	**HSBC Nominees (Asing) Sdn. Bhd.** - Morgan Stanley & Co. International PLC (Firm A/C)	8,566,955	0.67
19	**Amanahraya Trustees Berhad** - Amanah Saham Bumiputera 3 - Didik	8,000,000	0.62
20	**Citigroup Nominees (Asing) Sdn. Bhd.** - UBS AG	7,654,464	0.59
21	**HSBC Nominees (Asing) Sdn. Bhd.** - JPMCB NA for JPMorgan ASEAN Fund (BK EASTASIA TST)	5,723,900	0.44
22	**Amanahraya Trustees Berhad** - Amanah Saham Bumiputera 2	5,619,800	0.44
23	**Lim Suan**	5,444,050	0.42
24	**Citigroup Nominees (Tempatan) Sdn. Bhd.** - Employees Provident Fund Board (CGS CIMB)	5,350,600	0.41
25	**Citigroup Nominees (Tempatan) Sdn. Bhd.** - Great Eastern Life Assurance (Malaysia) Berhad (LSF)	5,219,000	0.41
26	**Amanahraya Trustees Berhad** - Public Islamic Select Enterprises Fund	5,175,400	0.40
27	**Citigroup Nominees (Tempatan) Sdn. Bhd.** - Great Eastern Life Assurance (Malaysia) Berhad (LBF)	5,165,100	0.40
28	**HSBC Nominees (Asing) Sdn. Bhd.** - JPMCB NA For Vanguard Total International Stock Index Fund	5,014,900	0.39
29	**RHB Nominees (Tempatan) Sdn. Bhd.** - Malaysian Trustees Berhad Pledged Securities Account for Sunway Holdings Sdn. Bhd.-T16	5,000,000	0.39
30	**Citigroup Nominees (Tempatan) Sdn. Bhd.** - Great Eastern Life Assurance (Malaysia) Berhad (PAR 3)	4,962,300	0.38
Total Shareholdings		**1,058,160,842**	**82.04**

Substantial Shareholders

Based on the Register of Substantial Shareholders
As at 28 March 2025

	Name of Substantial Shareholders	DIRECT No. of Shares	DIRECT %	DEEMED No. of Shares	DEEMED %
1	Sunway Berhad	-	-	703,532,609[a]	54.55
2	Sunway Holdings Sdn. Bhd.	703,532,609	54.55	-	-
3	Tan Sri Sir Dr Jeffrey Cheah Fook Ling KBE AO	21,556,692	1.67	833,629,588[b]	64.63
4	Puan Sri Datin Seri Dr Susan Cheah Seok Cheng	-	-	855,186,280[c]	66.31
5	Datin Paduka Sarena Cheah Yean Tih S.M.S.	57,727	*	855,115,216[d]	66.30
6	Evan Cheah Yean Shin	13,435	*	855,115,118[e]	66.30
7	Adrian Cheah Yean Sun	-	-	855,115,118[e]	66.30
8	Sungei Way Corporation Sendirian Berhad	130,025,817	10.08	703,532,609[f]	54.55
9	Active Equity Sdn. Bhd.	-	-	833,558,426[g]	64.63
10	Employees Provident Fund Board	88,309,555	6.85	-	-

Notes:
- * *Negligible*
- a *Deemed interest by virtue of Section 8 of the Companies Act 2016 (Act) held through Sunway Holdings Sdn. Bhd.*
- b *Deemed interest by virtue of Section 8 of the Act held through Active Equity Sdn. Bhd., Sungei Way Corporation Sendirian Berhad, Sunway Berhad, Sunway Holdings Sdn. Bhd. and children.*
- c *Deemed interest held through spouse and children.*
- d *Deemed interest by virtue of Section 8 of the Act held through Active Equity Sdn. Bhd., Sungei Way Corporation Sendirian Berhad, Sunway Berhad, Sunway Holdings Sdn. Bhd., spouse and parent.*
- e *Deemed interest by virtue of Section 8 of the Act held through Active Equity Sdn. Bhd., Sungei Way Corporation Sendirian Berhad, Sunway Berhad, Sunway Holdings Sdn. Bhd. and parent.*
- f *Deemed interest by virtue of Section 8 of the Act held through Sunway Berhad and Sunway Holdings Sdn. Bhd.*
- g *Deemed interest by virtue of Section 8 of the Act held through Sungei Way Corporation Sendirian Berhad, Sunway Berhad and Sunway Holdings Sdn. Bhd.*

Corporate Directory

SUNWAY CONSTRUCTION GROUP BERHAD 201401032422 (1108506-W)

BUILDING AND CIVIL / INFRASTRUCTURE SERVICES

SUNWAY CONSTRUCTION SDN. BHD.
197601001216 (27175-V)
Head Office
Levels 7, 8, 9, Menara Sunway
Jalan Lagoon Timur, Bandar Sunway
47500 Subang Jaya, Selangor Darul Ehsan
T (603) 5639 9696
F (603) 5639 9530
W sunwayconstruction.com.my
E enquirysuncon@sunway.com.my

Penang Office
No. 12 (2F), Jalan Todak 3
Pusat Bandar Seberang Jaya
13700 Perai, Penang

Ipoh Office
No. R-S-02 & R-S-03
Apartment Sunway Onsen
Jalan Onsen 2
Sunway City Ipoh
31150 Ipoh, Perak

Johor Office
Suite 23-01, Level 23, Menara Jland
Johor Bahru City Centre (JBCC)
Jalan Tun Abdul Razak
80000 Johor Bahru, Johor

India Office
No. 20, 2nd Floor, Uniworth Plaza
Sankey Road, Bengaluru
Karnataka, 560020 India

SUNWAY RNS TJ PRIVATE LIMITED
CIN NO.: U45202KA2020FTC136307
SUNWAY RNSIL MC PRIVATE LIMITED
CIN NO.: U45209KA2020FTC141025
Naveen Complex, 7th Floor
14, M.G. Road, Bengaluru
Karnataka, 560001 India

SUNWAY CONSTRUCTION INDIA PTE. LTD.
CIN NO.: U45203KA2001PTC029947
No. 20, 2nd Floor, Uniworth Plaza
Sankey Road, Bengaluru
Karnataka, 560020 India

MECHANICAL, ELECTRICAL & PLUMBING SERVICES

SUNWAY ENGINEERING SDN. BHD.
199501012685 (341887-W)
Level 9, Menara Sunway
Jalan Lagoon Timur, Bandar Sunway
47500 Subang Jaya, Selangor Darul Ehsan
T (603) 5639 9696
F (603) 5639 9530

SUSTAINABLE ENERGY

SUNWAY RE SDN. BHD.
202301036163 (1530086-A)
Level 9, Menara Sunway
Jalan Lagoon Timur, Bandar Sunway
47500 Subang Jaya, Selangor Darul Ehsan
T (603) 5639 9696
F (603) 5639 9530

FOUNDATION AND GEOTECHNICAL ENGINEERING SERVICES

SUNWAY GEOTECHNICS (M) SDN. BHD.
199601041661 (414014-W)
Level 7, Menara Sunway
Jalan Lagoon Timur, Bandar Sunway
47500 Subang Jaya, Selangor Darul Ehsan
T (603) 5639 9696
F (603) 5639 9530

SUNWAY GEOTECHNICS (M) SDN. BHD.
BRANCH OFFICE SINGAPORE
(T19FC0124L)
10, Punggol Barat Lane #04-01
Singapore 797359
T (65) 6582 8089
F (65) 6581 0482

MANUFACTURING AND SALE OF PRECAST CONCRETE PRODUCTS

SUNWAY PRECAST INDUSTRIES SDN. BHD.
199201000271 (231775-X)
Senai, Johor
No. 18, Jalan Idaman 1/1
Taman Perindustrian Senai
81400 Senai, Johor Darul Takzim
T (607) 5955 222

SUNWAY CONCRETE PRODUCTS (M) SDN. BHD.
201601039388 (1210329-A)
Iskandar, Johor
Plot 5, Lots PTD 200684 & PTD 200685
Medini Zone F
Bandar Medini Iskandar Malaysia
79250 Iskandar Puteri, Johor Darul Takzim
T (607) 5955 222

SUNWAY CONCRETE PRODUCTS (S) PTE. LTD.
(199409213Z)
10, Punggol Barat Lane #04-01
Singapore 797359
T (65) 6582 8089
F (65) 6581 0482

INTEGRATED CONSTRUCTION AND PREFABRICATION HUB (ICPH)
10, Punggol Barat Lane #04-01
Singapore 797359

Corporate Information

BOARD OF DIRECTORS

Independent
Non-Executive Chairman

- **Dato' Ir Goh Chye Koon**

Senior Independent
Non-Executive Director

- **Dr Sarinder Kumari A/P Oam Parkash**

Independent
Non-Executive Director

- **Dato' Siow Kim Lun**
- **Tan Ler Chin**
- **Datuk Kwan Foh Kwai**
- **Norchahya Binti Ahmad**

Non-Independent
Non-Executive Director

- **Tan Sri Dato' (Dr) Chew Chee Kin**
- **Evan Cheah Yean Shin**
  (Alternate Director: Dato' Tan Kia Loke)

Group Managing Director
Non-Independent Executive Director

- **Liew Kok Wing**
  (Alternate Director: Wong Kwan Song)

AUDIT COMMITTEE

- **Dato' Siow Kim Lun** *(Chairman)*
- **Dr Sarinder Kumari A/P Oam Parkash**
- **Tan Ler Chin**
- **Datuk Kwan Foh Kwai**
- **Norchahya Binti Ahmad**

NOMINATION AND REMUNERATION COMMITTEE

- **Dr Sarinder Kumari A/P Oam Parkash** *(Chairperson)*
- **Dato' Siow Kim Lun**
- **Tan Ler Chin**
- **Tan Sri Dato' (Dr) Chew Chee Kin**
- **Evan Cheah Yean Shin**
- **Datuk Kwan Foh Kwai**
- **Norchahya Binti Ahmad**

RISK MANAGEMENT COMMITTEE

- **Tan Ler Chin** *(Chairperson)*
- **Dato' Ir Goh Chye Koon**
- **Dr Sarinder Kumari A/P Oam Parkash**
- **Dato' Siow Kim Lun**
- **Evan Cheah Yean Shin**
- **Datuk Kwan Foh Kwai**
- **Norchahya Binti Ahmad**

SUSTAINABILITY COMMITTEE

- **Tan Ler Chin** *(Chairperson)*
- **Dr Sarinder Kumari A/P Oam Parkash**
- **Datuk Kwan Foh Kwai**
- **Eric Tan Chee Hin**

EMPLOYEES' SHARE OPTION SCHEME COMMITTEE

- **Dato' Ir Goh Chye Koon** *(Chairman)*
- **Dato' Siow Kim Lun**
- **Evan Cheah Yean Shin**
- **Liew Kok Wing**
- **Lim Vin Tze**

COMPANY SECRETARIES

- **Tan Kim Aun** (MAICSA 7002988)
  (SSM PC No. 202008001249)
- **Chang Mei Yee** (MAICSA 7064078)
  (SSM PC No. 201908000539)

REGISTERED OFFICE

Level 16, Menara Sunway
Jalan Lagoon Timur
Bandar Sunway, 47500 Subang Jaya
Selangor Darul Ehsan, Malaysia
T (603) 5639 8889
F (603) 5639 9507
E enquirysuncon@sunway.com.my

SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn. Bhd. Registration No. 197101000970 (11324-H)
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Wilayah Persekutuan, Malaysia
T (603) 2783 9299
F (603) 2783 9222
E is.enquiry@vistra.com
W www.vistra.com

AUDITORS

BDO PLT Registration No. 201906000013
(LLP0018825-LCA & AF0206)
Chartered Accountants

Level 8, BDO @ Menara CenTARa
360 Jalan Tuanku Abdul Rahman
50100 Kuala Lumpur
Wilayah Persekutuan, Malaysia
T (603) 2616 2888
F (603) 2616 3190 / 3191

SOLICITORS

- **Wong Kian Kheong**
- **Harold & Lam Partnership**
- **Sanjay Mohan**

PRINCIPAL BANKERS

- **HSBC Bank Malaysia Berhad**
- **Standard Chartered Bank Malaysia Berhad**
- **Malayan Banking Berhad**

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Name SUNCON
Stock Code 5263
Shariah Compliant

WEBSITE ADDRESS

www.sunwayconstruction.com.my

INVESTOR RELATIONS

Crystal Teh
T (603) 5639 8864

Angelynn Low
T (603) 5639 9684

E irsuncongroup@sunway.com.my
F (603) 5639 9530

BURSA MALAYSIA'S ENHANCED SUSTAINABILITY REPORT REQUIREMENTS

Indicator	Measurement Unit	2022	2023	2024
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Senior Management	Percentage	100.00	100.00	100.00
Management	Percentage	100.00	100.00	100.00
Executive	Percentage	100.00	100.00	100.00
Non-executive	Percentage	100.00	100.00	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	-	85.00	74.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
Bursa (Community/Society)				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	2,090,000.00	2,630,000.00	2,856,135.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	22,548	18,350	12,066
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Overall Under 30	Percentage	29.00	29.00	28.00
Overall Between 30-50	Percentage	60.00*	60.00	62.00
Overall Above 50	Percentage	11.00*	11.00	10.00
Senior Management Under 30	Percentage	0.00	0.00	0.00
Senior Management Between 30-50	Percentage	28.00	22.00	33.00
Senior Management Above 50	Percentage	72.00	78.00	67.00
Management Under 30	Percentage	0.00	0.00	0.00
Management Between 30-50	Percentage	78.00	73.00	78.00
Management Above 50	Percentage	22.00	27.00	22.00
Executive Under 30	Percentage	28.00	35.00	38.00
Executive Between 30-50	Percentage	59.00	54.00	52.00
Executive Above 50	Percentage	13.00	11.00	10.00
Non-Executive Under 30	Percentage	33.00*	31.00*	27.00
Non-Executive Between 30-50	Percentage	59.00*	62.00	66.00
Non-Executive Above 50	Percentage	8.00	7.00*	7.00
Gender Group by Employee Category				
Overall Male	Percentage	85.00*	85.00*	84.00
Overall Female	Percentage	15.00*	15.00*	16.00
Senior Management Male	Percentage	94.00	94.00	89.00
Senior Management Female	Percentage	6.00	6.00	11.00
Management Male	Percentage	72.00	71.00	67.00
Management Female	Percentage	28.00	29.00	33.00
Executive Male	Percentage	66.00	64.00	67.00
Executive Female	Percentage	34.00	36.00	33.00
Non-Executive Male	Percentage	95.00	96.00	96.00
Non-Executive Female	Percentage	5.00	4.00	4.00
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	75.00	75.00	67.00
Female	Percentage	25.00	25.00	33.00
Under 60	Percentage	25.00	25.00	22.00
Between 61-70	Percentage	37.50	37.50	33.00
Above 71	Percentage	37.50	37.50	44.00

BURSA MALAYSIA'S ENHANCED SUSTAINABILITY REPORT REQUIREMENTS

Indicator	Measurement Unit	2022	2023	2024
Bursa (Energy management)				
Bursa C4(a) Total energy consumption	Megawatt	32,841.00	37,406.00	57,644.00
Bursa (Health and safety)				
Bursa C5(a) Number of work-related fatalities	Number	1	1	0
Bursa C5(b) Lost Time Incident Rate ("LTIR")	Rate	0.44	0.15	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	1,647*	1,820*	1,887
Bursa (Labour practices and standards)				
Bursa C6(a) Total hours of training by employee category				
Senior Management	Hours	812	689	664
Management	Hours	5,617	7,036	7,156
Executive	Hours	14,614	22,360	26,325
Non-executive	Hours	2,132	7,684	9,058
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	47.00	53.00*	56.00
Bursa C6(c) Total number of employee turnover by employee category				
Senior Management	Number	5	1	2
Management	Number	34	20	25
Executive	Number	112	111	108
Non-executive	Number	87	48	73
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
Bursa (Supply chain management)				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	93.00	61.00	98.60
Bursa S6(a) Assessment of New Suppliers	Percentage	100.00	100.00	100.00
Bursa S6(b) No. Suppliers Assessed for Environmental Impact	Number	-	-	330
Bursa S7(a) Assessment of New Suppliers	Percentage	100.00	100.00	100.00
Bursa S7(b) No. of Suppliers Assessed for Social Impact	Number	-	475	330
Bursa S5(a) Total Materials Used	Metric tonnes	416,912.00	669,255.00	784,179.00
Bursa (Data privacy and security)				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0
Bursa (Water)				
Bursa C9(a) Total volume of water used	Megalitres	354.660000	340.080000	315.100000
Bursa S8(a) Total water discharged	Megalitres	-	-	0.403
Bursa (Waste management)				
Bursa C10(a) Total waste generated	Metric tonnes (MT)	11,980.00	14,079.00	46,896.00
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes (MT)	2,696.00	10,312.00*	32,729.00
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes (MT)	9,284.00	3,767.00*	14,167.00
Bursa (Emissions management)				
Bursa C11(a) Scope 1 emissions in tonnes of CO_2e	Metric tonnes CO_2e (MT)	6,998.00	7,440.00	12,283.00
Bursa C11(b) Scope 2 emissions in tonnes of CO_2e	Metric tonnes CO_2e (MT)	6,007.00	6,997.00	6,729.00
Bursa C11(c) Scope 3 emissions in tonnes of CO_2e (at least for the categories of business travel and employee commuting)	Metric tonnes CO_2e (MT)	168,888.00	314,414.00	248,952.00
Bursa (Biodiversity)				
Bursa S1(a) Operations Assessed for Biodiversity Risks	Percentage	-	-	50.00
Other Matter[a]				
Bursa S6(b) No. Suppliers Assessed for Environmental Impacts	Percentage	-	-	-
Bursa S7(b) No. of Suppliers Assessed for Social Impacts	Percentage	-	-	-

Notes
1. Figures stated may not add up due to rounding of decimals.
2. The data and information provided have been prepared to the best of our ability in ensuring completeness, accuracy and reliability.
3. "-" refers to data not available

[a] Sector-specific indicators S6(b) and S7(b) under "Other Matter" appear blank. The same indicators are reported under "Bursa (Supply Chain Management)" with updated measurement unit

Internal assurance	External assurance	No assurance	(*) Restated

Key Performance Data

Air Monitoring – TSP

Project Site	Compliance Limit (μg/m³)	AverageBaseline (μg/m³)	AverageReading (μg/m³)	Maximum (μg/m³)	Minimum (μg/m³)
LRT3 GS06	260	70.0	33.3	49.0	20.0
Sunway Square	260	66.7	61.5	250.0	11.6
Belfield	260	32.0	42.0	53.0	32.0
SMCD	260	47.0	55.8	72.0	42.0
SMC4	260	38.7	-	-	-
SMCI	260	55.0	57.5	59.0	56.0
SV2PB	260	27.5	35.7	43.0	30.0

Air Monitoring – $PM_{2.5}$

Project Site	Compliance Limit (μg/m³)	AverageBaseline (μg/m³)	AverageReading (μg/m³)	Maximum (μg/m³)	Minimum (μg/m³)
Belfield	35	16.0	12.1	15.0	6.0
SFBJ	35	4.6	11.5	23.2	<1
SMCD	35	11.5	21.5	25.0	13.0
SV2PB	35	13.0	10.7	17.0	6.0
SMCI	35	26.0	23.5	26.0	21.0
K2	35	16.0	23.4	33.0	10.0
RTS	35	<5.0	18.2	48.0	5.0
SCIM	35	17.0	18.8	20.0	17.0
KUL03	35	15.3	17.4	25.0	10.0
DAISO	35	7.0	8.9	10.7	7.0
JHB1X0	35	15.0	14.0	17.0	11.0
KUL072	35	19.0	19.0	26.0	15.0
KUL070	35	24.7	23.1	27.0	20.0
Sunway Square	35	-	16.0	25.0	9.9

Requirement: New Malaysian Ambient Air Quality Standard (2020)

Key Performance Data

Air Monitoring – PM_{10}

Project Site	Compliance Limit	2022		2023		2024			
		Minimum (µg/m³)	Maximum (µg/m³)	Minimum (µg/m³)	Maximum (µg/m³)	Average Baseline (µg/m³)	Average Reading (µg/m³)	Minimum (µg/m³)	Maximum (µg/m³)
BELFIELD	100	15.0	49.0	16.0	39.0	8.0	25.3	20.0	33.0
Sunway Square	100	7.2	34.5	5.4	60.5	-	22.4	9.5	86.0
SMCD	100	15.0	30.0	16.0	30.0	27.0	37.3	21.0	48.0
SV2PB	100	16.0	47.0	22.0	44.0	24.0	24.2	22.0	26.0
SFBJ	100	-	-	5.8	12.9	14.7	17.7	3.8	33.2
SMCI	100	43.0	45.0	35.0	45.0	14.0	41.5	37.0	46.0
JHB1X0	100	-	-	26.0	86.0	69.0	41.0	35.0	47.0
K2	100	-	-	28.0	50.0	29.5	48.5	27.0	68.0
RTS	100	27.0	53.0	15.0	80.0	9.6	41.2	16.0	85.0
SC1R	100	-	-	47.0	47.0	47.0	59.0	44.0	77.0
LSS Kapar	100	-	-	26.0	95.0	-	-	-	-
LSS Gopeng	100	-	-	27.0	67.0	-	-	-	-
SCIM	100	-	-	-	-	33.0	35.5	33.0	38.0
KUL03	100	-	-	-	-	26.7	35.9	21.0	59.0
DAISO	100	-	-	-	-	15.0	19.0	15.0	25.0
KUL072	100	-	-	-	-	30.5	30.8	24.0	38.0
KUL070	100	-	-	-	-	46.3	45.1	42.0	50.0

Requirement: New Malaysian Ambient Air Quality Standard (2020)

ADDITIONAL INFORMATION

Key Performance Data

Air Monitoring – SO_x

Project Site	Compliance Limit	2022		2023		2024			
		Minimum (µg/m³)	Maximum (µg/m³)	Minimum (µg/m³)	Maximum (µg/m³)	Average Baseline (µg/m³)	Average Reading (µg/m³)	Minimum (µg/m³)	Maximum (µg/m³)
BELFIELD	80	<5	<5	< 5	< 5	<5	<5	<5	<5
SFBJ	80	-	-	< 20	< 20	<20	<20	<20	<20
SMCD	80	<5	<5	< 5	< 5	<5	<5	<5	<5
SV2PB	80	7.0	9.0	< 5	< 5	<5	<5	<5	<5
SMCI	80	< 2.619	< 2.619	0.0	0.0	<2.619	ND<2.619	ND<2.619	ND<2.619
JHB1X0	80	-	-	< 5	< 6	<5	<5	<5	<5
K2	80	-	-	0.0	0.0	<5	<5	<5	<5
RTS	80	-	-	< 5	10.0	-	5.0	<5	5.0
LSS Gopeng	80	-	-	< 5	16.0	-	-	-	-
SCIM	80	-	-	-	-	ND(<1)	ND(<1)	ND(<1)	ND(<1)
KUL03	100	-	-	-	-	<5	<5	<5	<5
DAISO	80	-	-	-	-	3.6	4.2	3.6	5.2
KUL072	100	-	-	-	-	ND(<1)	ND(<1)	ND(<1)	ND(<1)
KUL070	80	-	-	-	-	ND(<1)	ND(<1)	ND(<1)	ND(<1)

Note:
** ND indicates Not Detected.*

Requirement: New Malaysian Ambient Air Quality Standard (2020)

Key Performance Data

Air Monitoring – NO_x

Project Site	Compliance Limit	2022		2023		2024			
		Minimum (µg/m³)	Maximum (µg/m³)	Minimum (µg/m³)	Maximum (µg/m³)	Average Baseline (µg/m³)	Average Reading (µg/m³)	Minimum (µg/m³)	Maximum (µg/m³)
LRT3 GS07&08	70	<0.5	<0.5	< 0.5	< 0.5	-	-	-	-
LRT3 GS06	70	-	-	< 0.5	3.6	<2	1.6	1.0	2.1
BELFIELD	70	<0.5	<0.5	< 0.5	< 0.5	<0.5	<0.5	<0.5	<0.5
SFBJ	70	-	-	6.7	30.8	26.1	<6.0	<6.0	<6.0
SMCD	70	< 0.5	< 0.5	< 0.5	< 0.5	<0.5	<0.5	<0.5	<0.5
SV2PB	70	3.0	6.0	< 0.5	< 0.5	<0.5	<0.5	<0.5	<0.5
SMCI	70	<1.882	<1.882	ND	< 1.882	<1.882	ND<1.882	ND<1.882	ND<1.882
JHB1X0	70	-	-	ND	< 0.5	<0.5	<0.5	<0.5	<0.5
K2	70	-	-	< 0.5	< 0.5	<0.5	<0.5	<0.5	<0.5
RTS	70	8.0	38.0	2.0	11.0	-	1.7	<0.5	4.5
LSS Gopeng	70	-	-	1.2	7.7	-	-	-	-
SCIM	70	-	-	-	-	ND(<40)	ND(<40)	ND(<40)	ND(<40)
KUL03	70	-	-	-	-	<0.5	<0.5	<0.5	<0.5
DAISO	70	-	-	-	-	10.9	8.7	3.85	11.3
KUL072	70	-	-	-	-	ND(<1)	ND(<1)	ND(<1)	ND(<1)
KUL070	70	-	-	-	-	ND(<1)	ND(<1)	ND(<1)	ND(<1)

Note:
* *ND indicates Not Detected.*

Requirement: New Malaysian Ambient Air Quality Standard (2020)

ADDITIONAL INFORMATION

Key Performance Data

Air Monitoring – CO_x

Project Site	Compliance Limit	2022		2023		2024			
		Minimum (µg/m³)	Maximum (µg/m³)	Minimum (µg/m³)	Maximum (µg/m³)	Average Baseline (µg/m³)	Average Reading (µg/m³)	Minimum (µg/m³)	Maximum (µg/m³)
LRT3 GS07&08	30	1.0	3.3	0.7	3.6	-	-	-	-
LRT3 GS06	30	-	-	2.1	5.0	0.0	2.9	2.1	3.6
BELFIELD	10	0.3	1.4	0.7	1.4	0.9	0.8	0.7	1.1
SFBJ	10	-	-	< 5	< 5.7	<5	<5.7	<5.7	<5.7
SMCD	10	0.7	1.4	0.7	1.7	1.7	1.4	1.4	1.4
SV2PB	10	0.7	1.4	0.78	1.4	3.3	1.4	1.4	1.4
SMCI	10	<2.29	<2.29	ND	< 2.29	<2.29	ND<2.29	ND<2.29	ND<2.29
JHB1X0	10	-	-	1.4	3.3	2.3	2.7	2.1	3.1
K2	10	-	-	2.9	4.0	3.5	3.3	1.4	4.2
RTS	10	1.2	6.4	1.4	8.6	<0.2	6.2	1.9	8.6
LSS Gopeng	10	-	-	0.7	4.3	-	-	-	-
SCIM	10	-	-	-	-	1.4	1.2	1.0	1.4
KUL03	10	-	-	-	-	0.7	0.9	0.7	1.4
DAISO	10	-	-	-	-	3.1	3.0	2.5	3.5
KUL072	10	-	-	-	-	1.25	1.225	1.1	1.4
KUL070	10	-	-	-	-	1.4	1.3	1.1	1.4

Note:
* *ND indicates Not Detected.*

Requirement: New Malaysian Ambient Air Quality Standard (2020)

Key Performance Data

ADDITIONAL INFORMATION

Key Performance Data

Water Monitoring – Inland Water

Project Site	Compliance Limit (µg/m³)	AverageBaseline (µg/m³)	AverageReading (µg/m³)	Maximum (µg/m³)	Minimum (µg/m³)
LRT3 GS06	50	29.0	17.2	46.0	<2
SMCI	150	16.5	11.1	19.0	6.0
Sunway Square	50 (Drainage)	11.0	16.1	42.8	<5
	150 (River Water)	-	12.9	16.7	<5
SFBJ	150	98.0	26.7	101.0	7.0
SMCD	150	48.5	33.3	70.0	9.0
RTS	150	49.6	7.5	12.0	3.0
SC1R	50	-	18.3	45.0	5.0
DAISO	100	-	113.8	505.0	25.0
JHB1X0	100	30.0	92.7	505.0	10.0
SCIM	150	8.5	9.8	12.0	7.0
KUL072	150	18.4	17.17	21.0	10.0
KUL070	150	19.8	16.63	37.0	7.0
KUL03	150	-	30.5	59.0	5.0

Water Monitoring – Silt Trap

Project Site	Compliance Limit (µg/m³)	AverageReading (µg/m³)	Maximum (µg/m³)	Minimum (µg/m³)
Sunway Square	100	-	No Discharge	No Discharge
Belfield	100	19.9	38.0	9.0
SV2PB	100	21.4	54.0	<2
SMC4	100	16.0	16.0	16.0
SFBJ	50	26.6	81.5	4.0
K2	150	90.2	228.0	41.0
SCIM	150	19.4	78.0	4.0
KUL03	150	23.8	59.0	5.0
JHB1X0	100	123.7	316.0	7.0
KUL072	50	13.3	18.0	7.0
KUL070	50	19.4	42.0	8.0
DAISO	100	53.8	284.0	10.0

Sunway Square – No discharge from silt trap and permanent drainage was completed since January 2024.

Noise Monitoring

Project Site	Day		Night	
	Avg Baseline - LAeq - dB(A)	Average Reading - LAeq - dB(A)	Avg Baseline - LAeq - dB(A)	Average Reading - LAeq - dB(A)
LRT3 GS06	65.9	65.0	60.2	59.3
Sunway Square	66.5	64.8	63.1	56.8
Belfield	63.7	60.8	59.0	57.2
SFBJ	62.8	62.9	57.7	53.5
SMCD	73.1	68.2	68.4	65.6
SMC4	64.1	-	59.1	-
SV2PB	68.0	66.0	58.3	61.5
SMCI	64.8	66.9	58.2	57.6
K2	63.6	60.1	61.4	56.8
RTS	64.0	66.0	59.7	63.6
SC1R	68.4	66.9	68.4	61.2
SCIM	57.3	57.2	46.0	49.5
KUL03	61.0	59.1	58.9	55.7
DAISO	59.7	60.5	54.2	55.2
JHB1X0	60.5	60.3	62.3	57.2
KUL072	60.5	58.0	54.35	50.0
KUL070	57.0	61.7	53.5	55.5

Key Performance Data

	Measurement	2022	2023	2024
ENVIRONMENT				
WATER				
Total Water Use	Megalitres	**354.66**	**340.08**	**315.10**
- Worksites	Megalitres	-	319.77	273.53
- Accommodations	Megalitres	-	20.31	41.57
Water Use Intensity	Megalitres/RM mil'	0.16	0.13	0.09
ENERGY MANAGEMENT				
Diesel Consumption	mil' litres	2.33	2.63	4.51
Electricity Consumption	MWh	7,701	8,970	9,077
- Worksites	MWh	-	8,634	8,465
- Accommodations	MWh	-	336	612
Total Energy Consumed	MWh	32,841	37,406	57,644
Energy Intensity	MWh/RM mil'	15.24	13.87	16.27
EMISSION MANAGEMENT				
Scope 1:				
GHG Emissions from Company-Owned Vehicles and Machinery	Metric tonnes CO_2e	6,998	7,440	12,283
Scope 2:				
Indirect emissions from purchased electricity	Metric tonnes CO_2e	6,007	6,997	6,729
Scope 3: Indirect Emissions from:				
- Business Travel (Land)				
CO_2e	Metric tonnes (MT)	84	427	450
CO_2	Metric tonnes (MT)	65	333	351
CH_4	Metric tonnes (MT)	0	1	1
N_2O	Metric tonnes (MT)	0	1	1
- Business Travel (Air)				
CO_2e	Metric tonnes (MT)	17	43	44
CO_2	Metric tonnes (MT)	17	42	36
CH_4	Metric tonnes (MT)	0	0	0
N_2O	Metric tonnes (MT)	0	0	0
- Employee Commuting	Metric tonnes CO_2e (MT)	-	1,368	1,243
- Waste Generation	Metric tonnes CO_2e (MT)	2,393	1,784	6,800
- Purchased Goods	Metric tonnes CO_2e (MT)	166,394	310,792	239,808
- Upstream Transportation	Metric tonnes CO_2e (MT)	-	-	482
- Downstream Transportation	Metric tonnes CO_2e (MT)	-	-	124

Key Performance Data

	Measurement	2022	2023	2024
ENVIRONMENT				
EMISSION MANAGEMENT				
Total Scope 3:				
CO_2e	Metric tonnes (MT)	168,888	314,414	248,952
Total GHG Emission				
- GHG Emissions: Scope 1 & 2	Metric tonnes CO_2e (MT)	13,005	14,437	19,011
- Total GHG Emissions: Scope 1, 2 & 3	Metric tonnes CO_2e (MT)	181,893	328,851	267,963
WASTE MANAGEMENT				
- Total waste generated	Metric tonnes (MT)	**11,980**	**14,079**	**46,896**
- Total waste diverted from landfills	Metric tonnes (MT)	**2,696**	**10,312***	**32,729**
Concrete	Metric tonnes (MT)	-	215	4,769
Timber	Metric tonnes (MT)	-	108	473
Steel	Metric tonnes (MT)	2,687	2,484	5,857
Construction	Metric tonnes (MT)	-	7,089	20,172
Domestic	Metric tonnes (MT)	-	415	368
Reuse	Metric tonnes (MT)	-	-	1,046
Others#	Metric tonnes (MT)	9	1	45
- Total waste disposed to landfills	Metric tonnes (MT)	**9,284**	**3,767***	**14,167**
Concrete	Metric tonnes (MT)	4,862	489	2,092
Timber	Metric tonnes (MT)	893	188	1,270
Construction	Metric tonnes (MT)	2,856	2,947	9,811
Domestic	Metric tonnes (MT)	673	144	994
BIODIVERSITY				
Operations Assessed for Biodiversity Risks	Percentage	-	-	50
Size and Location of Habitat Areas Protected or Restored	Number	-	-	-
Total Number of IUCN Red List Threatened Species with Habitats in Areas Affected by Operations	Number	-	-	-
EFFLUENTS				
Total Water Discharged	Megalitres	-	-	0.403

Note: Figures may not add up due to rounding of decimals

* *Restated*

\# *3R is restated as Others starting FY2024*

Key Performance Data

	Measurement	2022	2023	2024
SOCIAL – SUPPLY CHAIN MANAGEMENT				
MATERIALS				
Total Materials Used:	Metric tonnes (MT)	**416,912**	**669,225**	**784,179**
Steel Bar	Metric tonnes (MT)	36,346	64,760	47,337
Cement	Metric tonnes (MT)	34,578	38,810	19,412
Sand	Metric tonnes (MT)	77,262	81,627	61,296
Ready Mixed Concrete	Metric tonnes (MT)	124,524	359,061	473,992
Quarry	Metric tonnes (MT)	143,443	124,586	181,703
Premix	Metric tonnes (MT)	759	410	440
SUPPLY CHAIN MANAGEMENT				
Proportion of Spending on Local Suppliers	Percentage	93	61	98.6
SUPPLIER ENVIRONMENTAL ASSESSMENT				
Assessment of New Suppliers	Percentage	100	100	100
No. Suppliers Assessed for Environmental Impacts	Number	-	-	330
SUPPLIER SOCIAL ASSESSMENT				
Assessment of New Suppliers	Percentage	100	100	100
No. of Suppliers Assessed for Social Impacts	Number	-	475	330
SOCIAL - WORKPLACE				
DIVERSITY				
Total Number of Employees	Number	1,647*	1,820*	1,887
Percentage of Employees by Gender and Age:				
- Age Group - Overall				
< 30	Percentage	29	29	28
30 – 50	Percentage	60*	60	62
> 50	Percentage	11*	11	10
- Age Group by Employee Category				
Senior Management:				
< 30	Percentage	0	0	0
30 – 50	Percentage	28	22	33
> 50	Percentage	72	78	67
Management:				
< 30	Percentage	0	0	0
30 – 50	Percentage	78	73	78
> 50	Percentage	22	27	22

ADDITIONAL INFORMATION

Key Performance Data

	Measurement	2022	2023	2024
SOCIAL - WORKPLACE				
DIVERSITY				
Percentage of Employees by Gender and Age:				
- Age Group by Employee Category				
Executive				
< 30	Percentage	28	35	38
30 – 50	Percentage	59	54	52
> 50	Percentage	13	11	10
Non-Executive				
< 30	Percentage	33*	31*	27
30 – 50	Percentage	59*	62	66
> 50	Percentage	8	7*	7
- Gender Group - Overall				
Male	Percentage	85*	85*	84
Female	Percentage	15*	15*	16
- Gender Group by Employee Category				
Senior Management:				
Male	Percentage	94	94	89
Female	Percentage	6	6	11
Management:				
Male	Percentage	72	71	67
Female	Percentage	28	29	33
Executive:				
Male	Percentage	66	64	67
Female	Percentage	34	36	33
Non-Executive:				
Male	Percentage	95	96	96
Female	Percentage	5	4	4
Number of Physically Challenged Employees	Number	2	2	4

Key Performance Data

	Measurement	2022	2023	2024
SOCIAL - WORKPLACE				
DIVERSITY				
Percentage of Directors by Gender and Age Group				
Gender:				
Male	Percentage	75	75	67
Female	Percentage	25	25	33
Age:				
< 60	Percentage	25.0	25.0	22
61 – 70	Percentage	37.5	37.5	33
> 71	Percentage	37.5	37.5	44
Ethnicity:				
Malay	Percentage	12.5	12.5	11
Chinese	Percentage	75.0	75.0	78
Indian	Percentage	12.5	12.5	11
LABOUR PRACTICES AND STANDARDS				
TRAINING				
Total Spent on Training	RM	486,208	780,605	1,046,690
Employee Participation in Training	Number	863	1,239	1,297
Total Training Hours	Hours	23,175	37,769	43,203
- Training Hours by Employment Type				
Permanent Staff	Hours	21,660	32,851	32,135
Contract or Temporary Staff	Hours	1,515	4,918	11,068
- Training Hours by Employee Category:				
Senior Management	Hours	812	689	664
Management	Hours	5,617	7,036	7,156
Executive	Hours	14,614	22,360	26,325
Non-Executive	Hours	2,132	7,684	9,058
Average Man-Days of Training per Employee	Days	2.97	4.47	4.70
Average Training Hours per Employee	Hours	23.8	35.7	37.6
Percentage of Employees with a Minimum of 3 Man Days of Training	Percentage	34	52	60
Percentage of Employees that are Contractors or Temporary Staff	Percentage	47	53*	56

ADDITIONAL INFORMATION

Key Performance Data

	Measurement	2022	2023	2024
SOCIAL - WORKPLACE				
LABOUR PRACTICES AND STANDARDS				
EMPLOYEE TURNOVER RATES				
Industry Average	Percentage	17.7	17.7	17.7
Attrition Rates	Percentage	22.0	18.5	19.8
- Voluntary	Percentage	17.9	17.5	19.0
- Involuntary	Percentage	4.1	1.0	0.8
Employee Turnover:				
- Gender				
Male	Number	186	139	166
Female	Number	52	41	42
- Age				
< 30	Number	78	66	67
30 – 50	Number	124	80	104
> 50	Number	36	34	37
- Employee Category				
Senior Management	Number	5	1	2
Management	Number	34	20	25
Executive	Number	112	111	108
Non-Executive	Number	87	48	73
Number of Substantiated Complaints on Human Rights Violation	Number	0	0	0

	Measurement	2022	2023	2024
SOCIAL – PARENTAL LEAVE				
PARENTAL LEAVE				
Employees Exercised Paternity Leave	Number	34	22	22
Employees Exercised Maternity Leave	Number	8	9	12
Return to Work Rates (Return to work after parental leave period)				
- Male	Percentage	100	100	100
- Female	Percentage	100	100	100

Key Performance Data

	Measurement	2022	2023	2024
SOCIAL - COMPARISION OF PAY				
COMPARISON OF PAY				
Total Men Basic Salary	RM	56,897,646	62,748,390	69,491,778
Average Annual Men Basic Salary	RM	80,592	81,386	85,205
Average Number of Men Paid	Number	706	771	816
Total Women Basic Salary	RM	18,746,518	21,814,020	24,163,531
Average Annual Women Basic Salary	RM	74,097	77,630	81,427
Average Number of Women Paid	Number	253	281	297
Ratio of Men to Women Pay Equity	Ratio	1.00 : 0.92	1.00 : 0.95	1.00 : 0.96
REMUNERATION DATA DISCLOSURE (ANNUAL PAY)				
Group MD Annual Total Remuneration to Median Annual Total Remuneration	Ratio	32.6 : 1.0	30.2 : 1.0	40.2 : 1.0
Mean Pay	RM	111,147	130,367	137,081
Median Pay	RM	81,814	96,178	100,619
Lowest total pay	RM	20,203	24,077	24,285
Highest total pay*	RM	1,600,480	1,653,120	2,188,253

* *Highest total pay excludes remuneration of Group Managing Director (GMD)*

	Measurement	2022	2023	2024
SOCIAL – OCCUPATIONAL HEALTH AND SAFETY				
HEALTH & SAFETY				
Total Worked Man-hours	Manhours	17,393,348	16,156,813	23,187,220
Work-related Fatal Accidents	**Number**	**1**	**1**	**0**
Employee	Number	0	0	0
Temporary Employee	Number	0	0	0
Contractor Employee	Number	1	1	0
Lost Time Injury Accidents	**Number**	**2**	**0**	**0**
Employee	Number	1	0	0
Temporary Employee	Number	1	0	0
Contractor Employee	Number	0	0	0
Total No. of Reportable Accidents	Number	3	2	1
Lost Time Incident Rate (LTIR)	Rate	0.44	0.15	0.00
Accident Frequency Rate (AFR)	Rate	0.17	0.06	0.00
No. of Employees Trained on Health & Safety Standards	Number	1,647*	1,820*	1,887

	Measurement	2022	2023	2024
COMMUNITY/SOCIETY				
Total Amount Invested for External Beneficiaries	RM	2.09 million	2.63 million	2.86 million
Total No. of Beneficiaries of the Investment in Communities	Number	22,548	18,350	12,066

	Measurement	2022	2023	2024
GOVERNANCE				
ANTI-CORRUPTION				
- Employees Trained on Anti-corruption				
Senior Management	Percentage	100	100	100
Management	Percentage	100	100	100
Executive	Percentage	100	100	100
Non-Executive	Percentage	100	100	100
- Operations Assessed for Corruption Risk	Percentage	-	85	74
- Confirmed Incidents of Corruption	Number	0	0	0
DATA PRIVACY AND SECURITY				
No. of Substantiated Breaches Incidents	Number	0	0	0
Whistleblowing Information				
Number of Whistleblowing Incident	Number	0	1 But not substantiated	0

IFRS S1 INDEX

	Recommended Disclosures	IFRS S1 Location / Explanation
GOVERNANCE	a) Board Oversight b) Management's Role	SunCon's Sustainability Governance Structure can be found in pages 94-95, where roles, responsibilities, and structure can be found. This involves the role of the Board in its oversight and the Sustainability Committee (SC) and Sustainability Working Group (SWG) in role delegation and control implementation. The oversight responsibility of sustainability related matters are clearly embedded in the Terms of Reference for the SC, which can be found here: https://ir2.chartnexus.com/suncon/doc/cg/Terms-of-Reference-of-Sustainability-Committee.pdf ESG KPI and target linkage to remuneration is as outlined on page 94. Details on Director training (including ESG related programmes), remuneration, and nomination can be found on pages 161-164.
STRATEGY	a) Risks and Opportunities b) Impact on Business Model and Value Chain c) Strategy and Decision-making	SunCon's material sustainability matters are identified through its materiality assessment (pages 60-61), which reflects both stakeholder expectations and business impact. Each material matter carries sustainability risk or opportunity that could reasonably be expected to affect SunCon's business model and value chain. While a formal risk-based assessment of these matters (e.g. severity, likelihood, and time horizon of impacts) has not yet been undertaken, the Group continues to monitor developments that may influence their relative significance. Further elaboration of the impact on operations and value creation, as well as SunCon's strategic responses to each material sustainability matter, are described under their respective disclosures (pages 92-134). These responses include both ongoing initiatives and future action plans.
	d) Financial Position e) Resilience of Strategy	While detailed quantification is limited, the Sustainability Statement (pages 92-134) discusses the business and operational implications of each material matter, including potential impacts on investment priorities, cost structures, and value delivery. SunCon's approach to managing uncertainty and building resilience through operational controls, strategic planning, and ESG integration, is also reflected in the governance processes and metrics tracked, outlined in pages 94-95 and 204-220 respectively.
RISK MANAGEMENT	a) Risk ID and Assessment Processes b) Risk Management Processes c) Integration into Overall Risk Management	SunCon's materiality assessment (pages 60-61) forms the primary basis for identifying sustainability-related risks and opportunities, reflecting both stakeholder perspectives and business relevance. While a formal risk-based evaluation of each material matter (e.g. assessment of severity, likelihood, and time horizon) has not yet been conducted, this is being considered as part of the Group's future ESG risk management enhancements. Sustainability-related risks are increasingly being integrated into SunCon's broader enterprise risk management framework (pages 69-72). This includes quarterly updates of a Group-wide Risk Register based on inputs from business divisions and review by the Risk Management Committee (RMC) and Board. The framework draws on ISO 31000 principles and operates through a structured, triple-tiered oversight model. Further information on the Group's risk governance structure and internal controls, including the roles of the RMC, Risk Working Committee (RWC), Audit Committee (AC), and Internal Audit Department (IAD), is provided in the Statement on Risk Management and Internal Control (pages 183-189).
METRICS & TARGETS	a) Metrics Used b) Performance Data c) Targets Set	Metrics and performance indicators relevant to each material sustainability matter are disclosed throughout the Sustainability Statement on page 86-134. Each thematic pillar begins with an ESG Targets table (pages 92, 101, and 120) that summarises key metrics and targets set, and SunCon's progress and performance against them, providing a consolidated view of the Group's ambitions and progress markers. Supporting narrative, metrics and performance updates are presented within the respective material matter sections. A summarised table with all quantitative key performance data, including those mandated by Bursa Malaysia's Enhanced Sustainability Report Requirements, are presented on pages 204-220.

GRI Content Index

STATEMENT OF USE : Sunway Construction Group Berhad has reported the information cited in this GRI content index for the period 1 January 2024 to 31 December 2024 with reference to the GRI Standards.

GRI 1 USED : GRI 1: Foundation 2021

GRI Standard	GRI Code	GRI Disclosure	Bursa SRG3 Alignment	F4GBM Alignment	SASB Alignment	UNSDG Alignment	UNGC Alignment	Page reference and reasons for omissions, if applicable
GRI 2: General Disclosures 2021	**PILLAR: ORGANISATIONAL OVERVIEW**							
	2-1	Organisational details	-	-	-	-	-	About SunCon (pages 8 to 12)
	2-2	Entities included in the organisation's sustainability reporting	Scope and Basis of Scope	-	-	-	-	Basis of Preparation, Scope and Boundary (page 87)
	2-3	Reporting period, frequency and contact point	Scope and Basis of Scope	-	-	-	-	Basis of Preparation (page 87)
	2-4	Restatements of information	Scope and Basis of Scope	-	-	-	-	Manufacturing and Sale of Precast Concrete Products (page 41); Key Performance Data (page 214)
	2-5	External assurance	Assurance	-	-	-	-	About This Report (page 4)
	2-6	Activities, value chain and other business relationships	-	-	-	-	-	Value Creation Model (pages 46 to 47); Our Business Model (page 48)
	2-7	Employees	Labour Practices & Standards C6(b)	Labour Standards	-	SDG5, 8	Principle 6	Employee Management (pages 120 to 123)
	2-8	Workers who are not employees	Labour Practices & Standards C6(b)	Labour Standards	-	SDG5, 8	Principle 6	Employee Management (pages 120 to 123)
	PILLAR: SUSTAINABILITY GOVERNANCE							
	2-9	Governance structure and composition	Sustainability Governance	Corporate Governance	-	SDG16, 17	Principle 10	SunCon ESG Governance Structure (pages 94 to 95); Profile of Board of Directors (pages 136 to 143); Board Committees (page 153); Sustainability Committee Statement (pages 160 to 161)
	2-10	Nomination and selection of the highest governance body	Sustainability Governance	Corporate Governance	-	SDG16, 17	Principle 10	Nomination and Remuneration Committee Statement (pages 157 to 159)
	2-11	Chair of the highest governance body	Sustainability Governance	Corporate Governance	-	SDG16, 17	Principle 10	Corporate Governance Overview Statement (pages 147 to 167)
	2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Governance	Corporate Governance	-	SDG16, 17	Principle 10	Corporate Governance Overview Statement (pages 147 to 167)
	2-13	Delegation of responsibility for managing impacts	Sustainability Governance	Corporate Governance	-	SDG16, 17	Principle 10	Corporate Governance Overview Statement (pages 147 to 167)
	2-14	Role of the highest governance body in sustainability reporting	Sustainability Governance	Corporate Governance	-	SDG16, 17	Principle 10	Board Responsibility Statement (page 5); Material Matters (pages 60 to 61)
	2-15	Conflicts of interest	Sustainability Governance	Corporate Governance	-	SDG16, 17	Principle 10	Conflicts of Interest (pages 143 & 165)

GRI Content Index

GRI Standard	GRI Code	GRI Disclosure	Bursa SRG3 Alignment	F4GBM Alignment	SASB Alignment	UNSDG Alignment	UNGC Alignment	Page reference and reasons for omissions, if applicable
GRI 2: General Disclosures 2021	2-16	Communication of critical concerns	Sustainability Governance	Corporate Governance	-	SDG16, 17	Principle 10	Risks and Mitigation Strategies (pages 69 to 72); Task Force on Climate-Related Financial Disclosures (pages 73 to 85); SunCon ESG Governance Structure (pages 94 to 95); Whistleblowing Policy and Procedures (pages 97 to 98)
	2-17	Collective knowledge of the highest governance body						Annual Board and Board Committees Evaluation (page 159); Directors' Onboarding, Training and Development (pages 161 to 163)
	2-18	Evaluation of the performance of the highest governance body						
	2-19	Remuneration policies						Directors' Remuneration (page 164)
	2-20	Process to determine remuneration						
	2-21	Annual total compensation ratio						Key Performance Data (page 219)
	2-22	Statement on sustainable development strategy		Risk Management; Human Rights & Community			Principle 1, 2, 3, 7, 10	Chairman's Statement (pages 14 to 20); Sustainable Energy Service (pages 42 to 43); Progressing on Sustainability Journey (pages 88 to 91); KPIs and Targets (pages 92, 101, 120)
	2-23	Policy commitments						Governance and Ethical Business (pages 93 to 99)
	2-24	Embedding policy commitments						
	2-25	Processes to remediate negative impacts						Risks and Mitigation Strategies (pages 69 to 72); Task Force on Climate-Related Financial Disclosures (pages 73 to 85)
	2-26	Mechanisms for seeking advice and raising concerns						Whistleblowing Policy and Procedures (pages 97 to 98); Maintaining a Safe Workplace and Grievance Mechanism (pages 126 to 127)
	2-27	Compliance with laws and regulations			IF-EN-160a.1			Risk and Regulatory Compliance (pages 86 to 97)
	PILLAR: STAKEHOLDER							
	2-28	Membership associations	Sustainability Governance	Risk Management; Human Rights & Community	-	SDG16, 17	Principle 1, 2, 3, 7, 10	Membership of Associations (page 91)
	2-29	Approach to stakeholder engagement						Stakeholder Engagement (pages 54 to 59)
	2-30	Collective bargaining agreements		Labour Standards				Collective Bargaining (page 126)
GRI 3: Material Topics 2021	**PILLAR: MATERIALITY**							
	3-1	Process to determine material topics	Materiality Assessment	-	-	-	-	Material Matters (pages 60 to 61)
	3-2	List of material topics						

GRI Content Index

GRI Standard	GRI Code	GRI Disclosure	Bursa SRG3 Alignment	F4GBM Alignment	SASB Alignment	UNSDG Alignment	UNGC Alignment	Page reference and reasons for omissions, if applicable
GRI 201: Economic Performance 2016	**PILLAR: ECONOMIC**							
	3-3	Management of material topics	Management Approach	-	IF-EN-410b.1; IF-EN-410b.2; IF-EN-410b.3; IF-EN-000.A; IF-EN-000.B; IF-EN-000.C	SDG1, 8, 10, 13	-	Management Discussion and Analysis (pages 21 to 45); Value Creation Model (pages 46 to 47); Our Business Model (page 48)
	201-1	Direct economic value generated and distributed	-					
	201-2	Financial implications and other risks and opportunities due to climate change	TCFD Aligned Disclosure					Task Force on Climate-Related Financial Disclosures (pages 73 to 85)
	201-3	Defined benefit plan obligations and other retirement plans	-					Competitive Remuneration and Benefits (page 124)
	201-4	Financial assistance received from government	-					Not applicable
GRI 202: Market Presence 2016	3-3	Management of material topics	Management Approach	Human Rights & Community	-	SDG5, 8, 10	Principle 6	SunCon at a Glance (page 11); External Trends and Developments (page 55); Profile of Key Management (pages 144 to 145); Key Performance Data (page 219)
	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	-					
	202-2	Proportion of senior management hired from the local community						
GRI 203: Indirect Economic Impacts 2016	3-3	Management of material topics	Management Approach	Human Rights & Community	-	SDG4, 7, 8, 9, 11	-	Value Creation Model (pages 46 to 47); Our Business Model (page 48); Public Sector Infrastructure Expenditure (page 51); Management Discussion and Analysis (pages 34 to 39)
	203-1	Infrastructure investments and services supported	-					
	203-2	Significant indirect economic impacts						
GRI 204: Procurement Practices 2016	3-3	Management of material topics	Management Approach	Human Rights & Community	-	SDG8 SDG17	-	Supporting Local Economy (page 134); Key Performance Data (page 215)
	204-1	Proportion of spending on local suppliers	Supply Chain Management C7(a)					
GRI 205: Anti-corruption 2016	**PILLAR: GOVERNANCE**							
	3-3	Management of material topics	Management Approach	Anti-Corruption	IF-EN-510a.1; IF-EN-510a.2; IF-EN-510a.3	SDG4 SDG16	Principle 10	Bribery and Corruption Risk (page 70); Anti-Bribery and Corruption (pages 95 to 98); Responsible Supply Chain (page 99); Key Performance Data (page 220)
	205-1	Operations assessed for risks related to corruption	Anti-Corruption C1(a) C1(b) C1(c)					
	205-2	Communication and training about anti-corruption policies and procedures						
	205-3	Confirmed incidents of corruption and actions taken						

GRI Content Index

GRI Standard	GRI Code	GRI Disclosure	Bursa SRG3 Alignment	F4GBM Alignment	SASB Alignment	UNSDG Alignment	UNGC Alignment	Page reference and reasons for omissions, if applicable
GRI 206: Anti-competitive Behavior 2016	3-3	Management of material topics	Management Approach	-	-	SDG8, 10, 16	Principle 10	Code of Conduct and Business Ethics & Whistleblowing Policy (page 165)
	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	-					
GRI 207: Tax 2019	3-3	Management of material topics	Management Approach	Tax Transparency	-	SDG10, 16, 17	-	SunCon's Approach to Tax (pages 26 to 27); Tax Transparency (page 98)
	207-1	Approach to tax	-					
	207-2	Tax governance, control, and risk management						
	207-3	Stakeholder engagement and management of concerns related to tax						
	207-4	Country-by-country reporting						
GRI 301: Materials 2016	**PILLAR: ENVIRONMENTAL**							
	3-3	Management of material topics	Management Approach	Pollution & Resources	IF-EN-410a.1	SDG12	Principle 7, 8, 9	Task Force on Climate-Related Financial Disclosure (page 77); Circular Economy (pages 109 to 114); Key Performance Data (page 215)
	301-1	Materials used by weight or volume	Materials S5(a)					
	301-2	Recycled input materials used						
	301-3	Reclaimed products and their packaging materials						
GRI 302: Energy 2016	3-3	Management of material topics	Management Approach	Climate Change	IF-EN-410a.2	SDG7, 12, 13	Principle 7, 8, 9	Sustainable Energy Services (pages 42 to 43); Introduction of Net Zero / Carbon Regulations (page 52); Climate Action (pages 101 to 109); Key Performance Data (page 213)
	302-1	Energy consumption within the organisation	Energy Management C4(a)					
	302-2	Energy consumption outside of the organisation						
	302-3	Energy intensity						
	302-4	Reduction of energy consumption						
	302-5	Reductions in energy requirements of products and services						
GRI 303: Water and Effluents 2018	3-3	Management of material topics	Management Approach	Water Use Pollution & Resources	-	SDG6, 12	Principle 7, 8, 9	Water Protection (pages 114 to 117); Key Performance Data (pages 211 & 213 to 214)
	303-1	Interactions with water as a shared resource	Water C9(a) Effluents S8(a)					
	303-2	Management of water discharge-related impacts						
	303-3	Water withdrawal						
	303-4	Water discharge						
	303-5	Water consumption						

ADDITIONAL INFORMATION

GRI Content Index

GRI Standard	GRI Code	GRI Disclosure	Bursa SRG3 Alignment	F4GBM Alignment	SASB Alignment	UNSDG Alignment	UNGC Alignment	Page reference and reasons for omissions, if applicable
GRI 304: Biodiversity 2016	3-3	Management of material topics	Management Approach	Biodiversity	IF-EN-160a.2	SDG14, 15	Principle 7, 8, 9	Biodiversity (pages 117 to 118); Key Performance Data (page 214)
	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity S1(a) S1(b) S1(c)					
	304-2	Significant impacts of activities, products and services on biodiversity						
	304-3	Habitats protected or restored						
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations						
GRI 305: Emissions 2016	3-3	Management of material topics	Management Approach	-	-	SDG7, 12, 13	Principle 7, 8, 9	Task Force on Climate-Related Financial Disclosures (pages 73 to 85); Climate Action (pages 101 to 109); Key Performance Data (pages 213 to 214)
	305-1	Direct (Scope 1) GHG emissions	Emissions Management C11(a) C11(b) C11(c)	Climate Change				
	305-2	Energy indirect (Scope 2) GHG emissions						
	305-3	Other indirect (Scope 3) GHG emissions						
	305-4	GHG emissions intensity						
	305-5	Reduction of GHG emissions						
	305-6	Emissions of ozone-depleting substances (ODS)	Emissions - Air Quality/ Pollution S4(a)	Pollution & Resources				Key Performance Data (pages 206 to 212)
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions						
GRI 306: Waste 2020	3-3	Management of material topics	Management Approach	Pollution & Resources	-	SDG6, 12	Principle 7, 8, 9	Circular Economy (pages 109 to 114); Key Performance Data (page 214)
	306-1	Waste generation and significant waste-related impacts	Waste Management C10(a) C10(a)(i) C10(a)(ii)					
	306-2	Management of significant waste-related impacts						
	306-3	Waste generated						
	306-4	Waste diverted from disposal						
	306-5	Waste directed to disposal						

GRI Content Index

GRI Standard	GRI Code	GRI Disclosure	Bursa SRG3 Alignment	F4GBM Alignment	SASB Alignment	UNSDG Alignment	UNGC Alignment	Page reference and reasons for omissions, if applicable
GRI 308: Supplier Environmental Assessment 2016	3-3	Management of material topics	Management Approach	Supply Chain (Environment)	IF-EN-160a.1; IF-EN-160a.2	SDG8, 11, 12, 16	Principle 7, 8	Responsible Supply Chain (page 99); Key Performance Data (page 215)
	308-1	New suppliers that were screened using environmental criteria	Supply Chain (Env) S6(a) S6(b)					
	308-2	Negative environmental impacts in the supply chain and actions taken						
GRI 401: Employment 2016	**PILLAR: SOCIAL**							
	3-3	Management of material topics	Management Approach	Labour Standards	-	SDG5, 8	Principle 6	Employee Management (pages 120 to 127); Key Performance Data (pages 218 to 219)
	401-1	New employee hires and employee turnover	Labour Practices and Standards C6(c)					
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees						
	401-3	Parental leave						
GRI 402: Labour / Management Relations 2016	3-3	Management of material topics	Management Approach	-	-	SDG8	-	Fair Labour Practice (pages 125 to 127)
	402-1	Minimum notice periods regarding operational changes	-					
GRI 403: Occupational Health and Safety 2018	3-3	Management of material topics	Management Approach	Health & Safety	IF-EN-320a.1	SDG3, 4, 8	-	Occupational Safety and Health (pages 127 to 130); Key Performance Data (page 219)
	403-1	Occupational health and safety management system	Health and Safety C5(a) C5(b) C5(c)					
	403-2	Hazard identification, risk assessment, and incident investigation						
	403-3	Occupational health services						
	403-4	Worker participation, consultation, and communication on occupational health and safety						
	403-5	Worker training on occupational health and safety						
	403-6	Promotion of worker health						

GRI Content Index

GRI Standard	GRI Code	GRI Disclosure	Bursa SRG3 Alignment	F4GBM Alignment	SASB Alignment	UNSDG Alignment	UNGC Alignment	Page reference and reasons for omissions, if applicable
GRI 403: Occupational Health and Safety 2018	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety C5(a) C5(b) C5(c)	Health & Safety	IF-EN-320a.1	SDG3, 4, 8	-	Occupational Safety and Health (pages 127 to 130); Key Performance Data (page 219)
	403-8	Workers covered by an occupational health and safety management system						
	403-9	Work-related injuries						
	403-10	Work-related ill health						
GRI 404: Training and Education 2016	3-3	Management of material topics	Management Approach	Labour Standards	-	SDG4, 5, 8	-	Employee Management (pages 120 to 127); Key Performance Data (page 217)
	404-1	Average hours of training per year per employee	Labour Practices and Standards C6(a)					
	404-2	Programmes for upgrading employee skills and transition assistance programmes						
	404-3	Percentage of employees receiving regular performance and career development reviews						
GRI 405: Diversity and Equal Opportunity 2016	3-3	Management of material topics	Management Approach	Labour Standards	-	SDG5, 8, 10	Principle 6	Employee Management (pages 120 to 127); Key Performance Data (pages 218 to 219)
	405-1	Diversity of governance bodies and employees	Diversity C3(a) C3(b)					
	405-2	Ratio of basic salary and remuneration of women to men						Key Performance Data (page 219)
GRI 406: Non-discrimination 2016	3-3	Management of material topics	Management Approach	Labour Standards	-	SDG5, 8, 10, 16	Principle 6	Fair Labour Practice (pages 125 to 127)
	406-1	Incidents of discrimination and corrective actions taken	-					
GRI 407: Freedom of Association and Collective Bargaining 2016	3-3	Management of material topics	Management Approach	Labour Standards	-	SDG8, 10, 16	Principle 1, 2, 3	Fair Labour Practice (pages 125 to 127)
	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	-					
GRI 408: Child Labour 2016	3-3	Management of material topics	Management Approach	Labour Standards	-	SDG8, 10, 16	Principle 1, 2, 5	Responsible Supply Chain (page 99); Fair Labour Practice (pages 125 to 127)
	408-1	Operations and suppliers at significant risk for incidents of child labour	-					

GRI Content Index

GRI Standard	GRI Code	GRI Disclosure	Bursa SRG3 Alignment	F4GBM Alignment	SASB Alignment	UNSDG Alignment	UNGC Alignment	Page reference and reasons for omissions, if applicable
GRI 409: Forced or Compulsory Labour 2016	3-3	Management of material topics	Management Approach	Labour Standards	-	SDG8, 10, 16	Principle 1, 2, 4	Responsible Supply Chain (page 99); Fair Labour Practice (pages 125 to 127)
	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	-					
GRI 413: Local Communities 2016	3-3	Management of material topics	Management Approach	Human Rights & Community	-	SDG1, 2, 3, 4, 5, 7, 8, 9, 10, 11, 16, 17	-	Public Sector Infrastructure Expenditure (page 55); General Public and Communities (page 55); Community Enrichment (pages 133 to 134); Key Performance Data (page 220)
	413-1	Operations with local community engagement, impact assessments, and development programmes	Community/ Society C2(a) C2(b)					
	413-2	Operations with significant actual and potential negative impacts on local communities						
GRI 414: Supplier Social Assessment 2016	3-3	Management of material topics	Management Approach	Supply Chain (Social)	-	SDG8, 10, 11, 16	Principle 1, 2	General Public and Communities (page 55); Responsible Supply Chain (page 99); Community Enrichment (pages 133 to 134); Key Performance Data (page 215)
	414-1	New suppliers that were screened using social criteria	Supply Chain (Social) S7(a) S7(b)					
	414-2	Negative social impacts in the supply chain and actions taken						
GRI 415: Public Policy 2016	3-3	Management of material topics	Management Approach	Anti-Corruption	-	SDG16	Principle 10	Financial and Non-Monetary Contributions to Society (page 134)
	415-1	Political contributions	-					
GRI 418: Customer Privacy 2016	3-3	Management of material topics	Management Approach	Human Rights & Community	-	SDG16	-	Data Privacy and Security (page 98); Key Performance Data (page 220)
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Privacy and Security C8(a)					

Notice of 11th Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the 11th Annual General Meeting of SUNWAY CONSTRUCTION GROUP BERHAD [201401032422 (1108506-W)] (**Company**) will be held physically at Grand Congress, Level 12, Sunway Resort Hotel, Persiaran Lagoon, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan, Malaysia on **Friday**, **30 May 2025** at **3.00 p.m.** for the following purposes:

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Directors' and Auditors' Reports thereon.
(Please refer to Explanatory Note No. 1)

2. To approve the following fees to Non-Executive Directors:

2.1 Payment of Directors' fees amounting to RM772,349.74 for the financial year ended 31 December 2024. *(Ordinary Resolution 1)*

2.2 Proposed increase of the Board Committees' fees to RM106,653.01 and the payment of the said fees for the financial year ended 31 December 2024. *(Ordinary Resolution 2)*

3. To approve the payment of benefits payable to Non-Executive Directors of up to RM230,000 for the period from 31 May 2025 until the conclusion of the next Annual General Meeting of the Company to be held in 2026. *(Ordinary Resolution 3)*

4. To re-elect the following Directors:

4.1 Ms Tan Ler Chin who retires by rotation pursuant to Clause 106(1) of the Company's Constitution and being eligible, offers herself for re-election. *(Ordinary Resolution 4)*

4.2 Mr Liew Kok Wing who retires by rotation pursuant to Clause 106(1) of the Company's Constitution and being eligible, offers himself for re-election. *(Ordinary Resolution 5)*

4.3 Datuk Kwan Foh Kwai who retires pursuant to Clause 89 of the Company's Constitution and being eligible, offers himself for re-election. *(Ordinary Resolution 6)*

4.4 Puan Norchahya Binti Ahmad who retires pursuant to Clause 89 of the Company's Constitution and being eligible, offers herself for re-election. *(Ordinary Resolution 7)*

Dato' Siow Kim Lun who retires by rotation pursuant to Clause 106(1) of the Company's Constitution, has expressed his intention not to seek for re-election. Hence, he will retain office until the close of the 11th Annual General Meeting.

5. To re-appoint Messrs BDO PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. *(Ordinary Resolution 8)*

Notice of 11th Annual General Meeting

AS SPECIAL BUSINESS

To consider and if thought fit, to pass with or without modification(s), the following Resolutions:

6. **ORDINARY RESOLUTION:**
Authority to Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016

"THAT subject always to the Companies Act 2016 (**Act**), the Main Market Listing Requirements (**Listing Requirements**) of Bursa Malaysia Securities Berhad (**Bursa Securities**), the Company's Constitution and the approvals of the relevant government and / or regulatory authorities, the Board of Directors (the **Board** or the **Directors**) be and is hereby empowered pursuant to Sections 75 and 76 of the Act to issue and allot new shares in the Company at any time at such price, upon such terms and conditions, for such purposes and to such person(s) whomsoever as the Directors may in their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being AND THAT the Directors be and are also empowered to obtain the approval from Bursa Securities for the listing of and quotation for the additional shares so issued AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.

THAT pursuant to Section 85 of the Act, read together with Clause 49(1) of the Company's Constitution, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares in the Company arising from the allotment and issuance of new shares pursuant to the exercise of authority granted pursuant to Sections 75 and 76 of the Act AND THAT the Board is exempted from the obligation to offer such new shares first to the existing shareholders of the Company, provided however that if following the passing of this resolution, this paragraph is or is found to be in any way void, invalid or unenforceable, then this paragraph shall be ineffective to the extent of such voidness, invalidity or unenforceability and the remaining provisions of this resolution shall remain in full force and effect." *(Ordinary Resolution 9)*

7. **ORDINARY RESOLUTION:**
Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

"THAT approval be and is hereby given to the Company and its subsidiaries to enter into recurrent related party transactions from time to time, which are necessary for the day-to-day operations as set out in Section 2D of Part A of the Company's Circular to Shareholders dated 30 April 2025 which are of a revenue or trading nature and carried out in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company, subject to the compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, Companies Act 2016 (**Act**), the Company's Constitution and all other applicable laws, guidelines, rules and regulations.

THAT such authority shall commence upon the passing of this resolution and shall continue to be in force until:

(a) the conclusion of the next Annual General Meeting (**AGM**) of the Company at which time the mandate will lapse, unless by a resolution passed at the next AGM, the mandate is renewed; or

(b) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

(c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier.

AND THAT authority be and is hereby given to the Directors of the Company to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and / or authorised by this Ordinary Resolution." *(Ordinary Resolution 10)*

8. **ORDINARY RESOLUTION:**
Proposed Renewal of Share Buy-Back Authority

"THAT subject to the Companies Act 2016 (**Act**), rules, regulations and orders made pursuant to the Act, provisions of the Company's Constitution, the Main Market Listing Requirements (**Listing Requirements**) of Bursa Malaysia Securities Berhad (**Bursa Securities**) and any other relevant authorities, the Company be and is hereby authorised to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company PROVIDED THAT:

(a) the aggregate number of ordinary shares in the Company (**SunCon Shares**) which may be purchased and / or held by the Company shall not exceed 10% of the total number of issued shares in the ordinary share capital of the Company at any point of time, subject to a restriction that the share capital of the Company does not fall below the applicable minimum share capital requirements of the Listing Requirements of Bursa Securities;

(b) the maximum funds to be allocated by the Company for the purpose of purchasing the SunCon Shares shall not exceed the Company's audited retained profits at any point of time;

Notice of 11th Annual General Meeting

(c) the authority conferred by this resolution will commence immediately upon passing of this Ordinary Resolution and will continue to be in force until:

(i) the conclusion of the next Annual General Meeting (**AGM**) at which time it shall lapse unless by Ordinary Resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or

(ii) the expiration of the period within which the next AGM after that date is required by law to be held; or

(iii) revoked or varied by Ordinary Resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first; and

(d) upon completion of the purchase(s) of the SunCon Shares by the Company, the Directors of the Company be and are hereby authorised to cancel the SunCon Shares so purchased or to retain the SunCon Shares so purchased as treasury shares (of which may be dealt with in accordance with Section 127(7) of the Act), or to retain part of the SunCon Shares so purchased as treasury shares and cancel the remainder and in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act, the Listing Requirements of Bursa Securities and any other relevant authorities for the time being in force.

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise or to effect the purchase(s) of the SunCon Shares with full powers to assent to any conditions, modifications, variations and / or amendments as may be required or imposed by the relevant authorities and to do all such acts and things (including executing all documents) as the Directors may deem fit and expedient in the best interest of the Company." *(Ordinary Resolution 11)*

By Order of the Board

TAN KIM AUN (MAICSA 7002988) (SSM PC No. 202008001249)
CHANG MEI YEE (MAICSA 7064078) (SSM PC No. 201908000539)
Company Secretaries

Bandar Sunway
30 April 2025

ADDITIONAL INFORMATION

Notice of 11th Annual General Meeting

NOTES:

1) *For the purpose of shareholders who shall be entitled to attend, speak and vote (collectively, **participate**) at the 11th Annual General Meeting (**AGM**), the Company shall be requesting the Record of Depositors as of 23 May 2025. Only shareholders whose names appear in the Record of Depositors on 23 May 2025, shall be entitled to participate at the 11th AGM.*

2) *A shareholder of the Company who is entitled to participate at the 11th AGM, may appoint more than 1 proxy to participate on his / her behalf. A proxy may but need not be a shareholder.*

3) *Where a shareholder is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least 1 proxy in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.*

4) *Where a shareholder is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in 1 securities account (**Omnibus Account**), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.*

5) *Where a shareholder appoints more than 1 proxy, the appointment shall be invalid unless he / she specifies the proportions of his / her shareholdings to be represented by each proxy. A proxy appointed to participate at the 11th AGM shall have the same rights as the shareholder to participate at the 11th AGM.*

6) *If a shareholder has appointed a proxy to participate at the 11th AGM and subsequently, he / she decides to participate at the 11th AGM instead of the proxy, he / she has to revoke the appointment in writing / email which must reach Boardroom Share Registrars Sdn. Bhd. (**Boardroom**), the Poll Administrator of the Company's 11th AGM, not later than 24 hours before the 11th AGM. The appointed proxy shall therefore be null and void.*

7) *The instrument appointing a proxy shall be in writing under the hand of the appointer or of his / her attorney duly authorised in writing, or if such appointer is a corporation, either under its common seal or the hand of its officer or attorney duly authorised.*

8) *The appointment of proxy may be submitted in a hardcopy form or by electronic means as specified below not less than 24 hours before the time appointed for the taking of the poll or no later than Thursday, 29 May 2025 at 3.00 p.m.:*

(i) In hardcopy form
The proxy form shall be completed and deposited at the office of Boardroom at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

(ii) By electronic means
*The proxy form shall be completed and lodged electronically with Boardroom via Boardroom Smart Investor Portal at http://investor.boardroomlimited.com(**e-Proxy Lodgement**). For further information on the e-Proxy Lodgement, please refer to the Administrative Notes for the 11th AGM. Alternatively, the proxy form can be emailed to Boardroom at bsr.helpdesk@boardroomlimited.com.*

EXPLANATORY NOTES:

Ordinary Business

1. To Receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Directors' and Auditors' Reports thereon

The Audited Financial Statements are for discussion only as they do not require shareholders' approval pursuant to the provision of Section 340(1) of the Companies Act 2016 (**Act**). As such, this agenda will not be put for voting.

2. Ordinary Resolutions 1 to 3

Section 230(1) of the Act provides amongst others, that fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting. Pursuant thereto, shareholders' approval is sought for the payment of fees and benefits payable to the Non-Executive Directors (**NEDs**), in three (3) separate resolutions as follows:

Notice of 11th Annual General Meeting

ADDITIONAL INFORMATION

Notice of 11th Annual General Meeting

(a) Ordinary Resolution 1 – Directors' fees to the NEDs amounting to RM772,349.74 for the financial year ended 31 December 2024

The Company has adopted the following Directors' fees structure for the NEDs:

Directors' Fee	Chairman (RM / annum)	Member (RM / annum)
Board	180,000	100,000

There is no revision to the proposed Directors' fees.

(b) Ordinary Resolution 2 – Proposed increase of the Board Committees' fees to RM106,653.01 and the payment of the said fees for the financial year ended 31 December 2024

The Board had upon the recommendation of the Nomination and Remuneration Committee (**NRC**) in August 2024, reviewed the remuneration of the Board Committees as the existing remuneration quantum is below the market median of the comparable public listed companies and is not reflective of the level of workload and responsibilities assumed by them. In view of that, it is recommended that the Board Committees' fees be revised as follows:

Audit Committee (AC)	Existing (RM / annum)	Proposed (RM / annum)
Chairman	6,000	10,000
Member	3,000	5,000

Board Committees (Other than AC)	Proposed Fees (RM / annum)	
	Chairman / Chairperson	Member
NRC	10,000	5,000
Risk Management Committee	10,000	5,000
Sustainability Committee	10,000	5,000

The recommendation for the proposed revised Board Committees' fees is to commensurate with their duties, responsibilities, commitment and contribution in accordance with the terms of reference of the respective Board Committee.

In addition, on 23 December 2024, the Board approved the establishment of the Employees' Share Option Scheme (**ESOS**) Committee to assist the Board in implementing and administering the ESOS, in accordance with the By-Laws of the ESOS. The Board has proposed that an annual fee of RM10,000 for the Chairman and RM5,000 for each member, applicable only to the NEDs.

(c) Ordinary Resolution 3 – Benefits payable to the NEDs for the period from 31 May 2025 until the conclusion of the next AGM of the Company to be held in 2026 (Current Period)

The Board had upon the recommendation of the NRC in August 2024, reviewed the meeting allowance for the Board and Board Committees and had increased the meeting allowance from RM500 to RM1,000 per meeting for attending the Board or Board Committees Meetings.

The benefits payable to the NEDs of the Company currently comprises the meeting allowance of RM1,000 per meeting for attending the Board or Board Committees Meetings.

The total amount of benefits payable to the NEDs is estimated to be up to RM230,000 for the Current Period taking into account the number of scheduled and special meetings for the Board and Board Committees, the number of NEDs involved in these meetings including the provisional sum as a contingency for future appointment of NEDs on the Board Committees and the new establishment of the ESOS Committee. The payment of the NEDs' benefits payable for the Current Period will be paid as and when they are incurred.

The payment of the Directors' fees and Board Committees' fees for the financial year ended 31 December 2024 will be made upon the shareholders' approval for the proposed Ordinary Resolutions 1 and 2 have been passed at the 11th Annual General Meeting (**AGM**). The Board opined that the payments to the NEDs are just and equitable taking into account their roles and responsibilities towards the Group and the services that they have rendered to the Group.

NEDs who are shareholders of the Company will abstain from voting on the aforesaid resolutions concerning remuneration to the NEDs at the 11th AGM.

3. Ordinary Resolutions 4 and 7 – Re-election of Directors

Clause 106(1) of the Company's Constitution provides that one-third or the number nearest to one-third of the Directors of the Company (including Managing Director) for the time being shall retire by rotation at each AGM of the Company. Each Director shall retire from office once at least in each three (3) years but shall be eligible for re-election.

Ms Tan Ler Chin and Mr Liew Kok Wing, who retire by rotation in accordance with Clause 106(1) of the Company's Constitution, being eligible, have offered themselves for re-election at the 11th AGM.

Dato' Siow Kim Lun who retires by rotation in accordance with Clause 106(1) of the Company's Constitution has expressed his intention not to seek for re-election at the 11th AGM as a Director of the Company. Hence, he will hold office as Director of the Company until the conclusion of the 11th AGM.

Clause 89 of the Company's Constitution provides that Directors appointed by the Board shall hold office only until the next AGM of the Company and shall be eligible for re-election. Datuk Kwan Foh Kwai and Puan Norchahya Binti Ahmad who were appointed on 10 October 2024 are standing for re-election as Directors and being eligible, have offered themselves for re-election at the 11th AGM. Both Datuk Kwan Foh Kwai and Puan Norchahya Binti Ahmad have completed the Mandatory Accreditation Programme in accordance with the Main Market Listing Requirements (**Listing Requirements**) of Bursa Malaysia Securities Berhad (**Bursa Securities**).

The NRC has assessed the performance and the contribution of the Directors who are subject to re-election at the 11th AGM (**Retiring Directors**) including their skills, experience, character, integrity, competency, commitment and contribution as well as the independence of the Independent Directors who are seeking for re-election to determine their eligibility to stand for re-election at the 11th AGM. The NRC has also considered the fitness and propriety of the Retiring Directors in accordance with the Company's Fit and Proper Policy.

Based on the findings of the Directors' Self & Peer Evaluation, Board and Board Committees Evaluations for financial year 2024 carried out by the Company Secretary, the performance and contribution of Ms Tan Ler Chin and Mr Liew Kok Wing were found to be satisfactory and they are competent and able to discharge their fiduciary duties as Directors of the Company.

The NRC is satisfied that the Retiring Directors meet the fit and proper criteria as set out in the Company's Fit and Proper Policy. The Retiring Directors do not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Group.

Furthermore, the NRC asserts that the Independent Directors who are seeking for re-election remain uncompromised in their exercise of independent judgement and capacity to act in the Company's best interests when making decisions. The Board benefits from their seasoned experience, which have yielded valuable insights into the Company. The Independent Directors also consistently engage in effective and constructive challenges to Management, actively express their views and objectively participate in the deliberations and decision-making of the Board. The Independent Directors also have complied and satisfied the independence criteria mandated by the Listing Requirements of Bursa Securities.

Based on the above, the Board had endorsed the NRC's recommendation to seek shareholders' approval for the re-election of the Retiring Directors at the 11th AGM.

The detailed profile of each Retiring Director is set out in the Profile of the Board of Directors on pages 138 to 143 of the Company's Integrated Annual Report 2024.

The Retiring Directors had abstained from all deliberations and decisions on their own eligibility to stand for re-election at the relevant NRC and / or Board Meetings. Any Retiring Director who is a shareholder of the Company will abstain from voting on the resolution in respect of his / her re-election at the 11th AGM.

Notice of 11th Annual General Meeting

ADDITIONAL INFORMATION

Notice of 11th Annual General Meeting

4. **Ordinary Resolution 8 – Re-appointment of Messrs BDO PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration**

   Based on the results of the External Auditors Evaluation for the financial year ended 31 December 2024 and at the recommendation of the Audit Committee, the Board had at its meeting on 28 March 2025 approved the re-appointment of Messrs BDO PLT (**BDO**) as Auditors of the Company on the basis that BDO had satisfactorily performed their audit and that BDO had discharged their professional responsibilities in accordance to the rules on professional conduct and ethics of BDO and the By-Laws (on Professional Ethics, Conducts and Practice) issued by the Malaysian Institute of Accountants.

   The Board was also satisfied that the provisions of non-audit services by BDO to the Company for the financial year ended 31 December 2024 did not in any way impair their objectivity and independence as External Auditors of the Company.

Special Business

5. **Ordinary Resolution 9 - Authority to Issue Shares**

   The Company is always on the lookout for investment opportunities to enhance the earnings potential of the Company. If any investment opportunities involve the issue of new shares, the Directors, under present circumstances, would have to convene a general meeting to approve the issue of new shares even though the number involved may be less than 10% of the total number of issued shares of the Company.

   In order to avoid any delay and costs involved in convening a general meeting to approve such issue of shares, it is thus considered appropriate that the Directors be empowered to issue new shares in the Company, up to an amount not exceeding in total 10% of the total number of issued shares of the Company at any time, for such purpose. This authority, unless revoked or varied at a general meeting, will expire at the next AGM of the Company. By voting in favour of Ordinary Resolution 9, the shareholders of the Company will agree to waive their statutory pre-emptive rights under Section 85 of the Act read together with Clause 49(1) of the Company's Constitution to allow the Directors to issue new shares which rank equally to existing issued shares of the Company, to any person without having to offer the new shares to all existing shareholders of the Company prior to issuance of new shares under this general mandate.

   The renewal of this mandate will provide flexibility to the Company for any potential fund raising activities, including but not limited to placement of shares, for purpose of funding future investments, working capital and / or any acquisition.

   At this juncture, there is no decision to issue new shares under this general mandate. Should there be a decision to issue new shares after the authorisation is sought, the Company will make an announcement of the actual purpose and utilisation of proceeds arising from such issuance of shares.

   The Company did not issue any new shares under the general mandate which was approved at its 10th AGM held on 20 June 2024.

6. **Ordinary Resolution 10 - Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

   The details on the proposed renewal of existing shareholders' mandate for recurrent related party transactions of a revenue or trading nature are set out in Part A of the Company's Circular to Shareholders dated 30 April 2025.

7. **Ordinary Resolution 11 - Proposed Renewal of Share Buy-Back Authority**

   The details on the Proposed Renewal of Share Buy-Back Authority by the Company are set out in the Share Buy-Back Statement in Part B of the Company's Circular to Shareholders dated 30 April 2025.

PERSONAL DATA PRIVACY

By lodging a completed Proxy Form of the Company for appointing a proxy(ies) and / or representative(s) to participate at the 11th AGM and / or any adjournment thereof, a shareholder of the Company is hereby:-

*(i) consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed for the 11th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 11th AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and / or guidelines (collectively, the "**Purposes**"),*

(ii) warrants that where the shareholder discloses the personal data of the shareholder's, proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and

(iii) agrees that the shareholder will fully indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.

For the purposes of this paragraph, "personal data" and "processing" shall have the same meaning given in Section 4 of the Personal Data Protection Act 2010.

Assurance Statements

ADDITIONAL INFORMATION
Assurance Statements

SIRIM QAS INTERNATIONAL SDN BHD
INDEPENDENT ASSURANCE STATEMENT

To Board of Directors, Stakeholders, and Interested Parties,

SIRIM QAS International Sdn. Bhd. was engaged by Sunway Construction Group Berhad (hereafter referred to as SunCon) to perform an independent verification and provide assurance of SunCon Sustainability Statement 2024. The main objective of the verification process is to provide assurance to SunCon and its stakeholders on the accuracy and reliability of the information as presented in this statement. The verification by SIRIM QAS International pertains to sustainable performance information (subject matter) within the assurance scope which is included in SunCon Sustainability Statement 2024.

The management of SunCon was responsible for the preparation of the Sustainability Statement. The objective and impartiality of this statement is assured as no member of the verification team and no other employee of SIRIM QAS International was involved in the preparation of any part of the SunCon's Sustainability Statement, and the Integrated Annual Report 2024.

The assurance engagement was designed to provide limited assurance in accordance with the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information, and BURSA Sustainability Reporting Guide, irrespective of the organization's ability to achieve its objectives, targets or expectations on their subject matter and sustainability-related issues. The assurance activity evaluates the adequacy of SunCon Sustainability Statement and its overall presentation against respective frameworks such as UN-SDGs, GRI Standards requirement, and other relevant frameworks. The assurance process involves verification of specific subject matters presented through the Environment, Social and Governance Section, respectively. In addition to this, we also review and verify the sustainability indicators outlined by Bursa Malaysia to ensure the accuracy, completeness, and reliability of the reported information. The results of this verification process have been systematically tabulated in Appendix 1 and the Report to Management, with further details provided therein.

The verification was carried out by SIRIM QAS International between March and April 2025, with the following methodologies:

- Reviewing and verifying the traceability, consistency and accuracy of information collected from various sources; internal and external documentation made available during the assessment.
- Verifying the data presented in the Sustainability Statement, which includes a detailed review of the sampled data.
- Interviewing key personnel responsible for collating information and developing various sections of the report to substantiate the veracity of the claims.

The verification process was subjected to the following limitations:

- The scope of work did not involve verification of other information reported in the SunCon's Integrated Annual Report 2024.
- The review excluded all financial-related data, as these are subjected to the company's financial audit.
- As part of this assurance engagement, the verification team visited SunCon's corporate office at Menara Sunway, Sunway City KL. However, the verification process did not include physical inspections of any of SunCon's buildings, offices and sites.
- The verification team did not assess or verify any data related to contractors or third parties.

Conclusion

SIRIM QAS International, a Conformity Assessment Body in Malaysia, is accredited to both ISO/IEC 17021-1:2015 and ISO/IEC 17065:2012 covering all our operational activities. The appointed assessors performing the assurance engagement were selected appropriately based on our internal qualifications, training and experience. The verification process is reviewed by management to ensure that the approach and assurance are strictly followed and operated transparently. During the verification process, issues were raised, and clarifications were sought from the management of SunCon relating to the accuracy of some of the information contained in the report. In response to the findings raised, the Sustainability Statement was subsequently reviewed and revised by SunCon. It is confirmed that changes that have been incorporated into the final version of the report have satisfactorily addressed all issues. Based on the scope of the assessment process and evidence obtained, nothing has come to our attention that causes us to believe that SunCon has not complied, in all material respects, with the referred assurance standard and guide. The following represents SIRIM QAS International's opinion:

- The level of data accuracy included in SunCon Sustainability Statement 2024 is fairly stated;
- The level of disclosure of the specific sustainability performance information presented in the report was found to be properly prepared;
- The personnel responsible were able to demonstrate the origin(s) and interpretation of data contained in the report;
- The Sustainability Statement offers a reasonable and balanced presentation of SunCon's sustainability performance.

List of Assessors.

1)	Ms. Aernida Abdul Kadir	:	Team Leader
2)	Ms. Kamini Sooriamoorthy	:	Team Member
3)	Ms. Nur Ruzaini Ab. Bakar	:	Team Member
4)	Ms. Suzalina Kamaralarifin	:	Team Member
5)	En. Azhar Mustapha	:	Team Member

Statement Prepared by:

AERNIDA BINTI ABDUL KADIR
Team Leader
Management System Certification Department
SIRIM QAS International Sdn. Bhd.
Date: 11 April 2025

Statement Approved by:

AMINUDIN BIN ABD AZIZ
Acting Senior General Manager
Management System Certification Department
SIRIM QAS International Sdn. Bhd
Date: 15 April 2025

Note 1: This Independent Assurance Statement has been issued based on the content verified prior to the approval date. SIRIM QAS International Sdn Bhd does not express an opinion on, nor guarantee the integrity and/or accuracy of the information provided with the view that the conclusion was conducted post verification assessment, hence not verified. SIRIM QAS International shall not be responsible for any changes or additions made after the referred date (11 April 2025).

Assurance Statements

ADDITIONAL INFORMATION

Assurance Statements

Appendix 1
BURSA Performance Data

Indicator	Measurement Unit	2024
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Senior Management	Percentage	100.00
Management	Percentage	100.00
Executive	Percentage	100.00
Non-executive	Percentage	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	74.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	2,856,135.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	12,066
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Overall Under 30	Percentage	28
Overall Between 30-50	Percentage	62
Overall Above 50	Percentage	10
Senior Management Under 30	Percentage	-
Senior Management Between 30-50	Percentage	33
Senior Management Above 50	Percentage	67
Management Under 30	Percentage	-
Management Between 30-50	Percentage	78
Management Above 50	Percentage	22
Executive Under 30	Percentage	38
Executive Between 30-50	Percentage	52
Executive Above 50	Percentage	10
Non-Executive Under 30	Percentage	27
Non-Executive Between 30-50	Percentage	66
Non-Executive Above 50	Percentage	7
Gender Group by Employee Category		
Overall Male	Percentage	84
Overall Female	Percentage	16
Senior Management Male	Percentage	89
Senior Management Female	Percentage	11
Management Male	Percentage	67
Management Female	Percentage	33
Executive Male	Percentage	67
Executive Female	Percentage	33
Non-Executive Male	Percentage	96
Non-Executive Female	Percentage	4
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	67.00
Female	Percentage	33.00
Under 60	Percentage	22.00
Between 61-70	Percentage	33.00
Above 71	Percentage	44.00
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	57,644.00
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	-
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	-
Bursa C5(c) Number of employees trained on health and safety standards	Number	1,887
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Senior Management	Hours	664
Management	Hours	7,156
Executive	Hours	26,325
Non-executive	Hours	9,058
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	56
Bursa C6(c) Total number of employee turnover by employee category		
Senior Management	Number	2
Management	Number	25
Executive	Number	108
Non-executive	Number	73
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	-
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	99
Bursa S6(a) Assessment of New Suppliers	Percentage	100
Bursa S6(b) No. Suppliers Assessed for Environmental Impacts	Number	330
Bursa S7(a) Assessment of New Suppliers	Percentage	100
Bursa S7(b) No. of Suppliers Assessed for Social Impacts	Number	330
Bursa S5(a) Total Materials Used	Metric tonnes	784,179
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	315.10
Bursa S8(a) Total Water Discharged	Megalitres	403.00
Bursa (Waste management)		
Bursa C10(a) Total waste generated	Metric tonnes (MT)	46,896
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes (MT)	32,729
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes (MT)	14,167
Bursa (Emissions management)		
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes CO_2e (MT)	12,283
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes CO_2e (MT)	6,729
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes CO_2e (MT)	248,952
Bursa (Biodiversity)		
Bursa S1(a) Operations Assessed for Biodiversity Risks	Percentage	50.00
Bursa S1(b) Size and Location of Habitat Areas Protected or Restored	Number	-
Bursa S1(c) Total Number of IUCN Red List Threatened Species with Habitats in Areas Affected by Operations	Number	-

Appendix 2 The topics and subject matters covered in this assessment are tabulated below:	**CLASSIFICATION OF DATA**			
	HIGH	**MEDIUM**	**LOW**	**UN SUBSTANTIATED**
SunCon ESG Framework				
Governance				
Governance and Ethical Business				
Anti-Bribery and Corruption				
Data Privacy and Security				
Responsible Supply Chain				
Risk and Regulatory Compliance				
Environmental				
Climate Action				
Circular Economy				
Water Protection				
Biodiversity				
Social				
Employee Management				
Fair Labour Practice				
Occupational Safety and Health				
Product Quality and Responsibility				
Community Enrichment				
Key Performance Data				

Note 1:
This Independent Assurance Statement has been issued based on the content verified prior to the approval date. SIRIM QAS International Sdn Bhd shall not be responsible for any changes or additions made after the referred date (11 April 2025).
Note 2:
The assurance involves activity aims to obtain sufficient appropriate evidence to express a conclusion designed to enhance the degree of confidence of the intended users other than the responsible party, about the subject matter information. It comprises of activities carried out to assess the quality and credibility of the qualitative and quantitative information reported by the organization. This assurance is different from activities used to assess or validate the organization's performance, such as compliance assessments or the issuing of certifications against specific standards.
Note 3:
Definition of HIGH, MEDIUM, LOW and UNSUBSTANTIATED Classification of Data in the Management Report.
HIGH: The data and information reviewed has been confirmed with the direct owners. The source of the data origin was provided during the conduct of the assessment.
MEDIUM: Data and information have been confirmed with the direct owners. However, the source of the data has been based on secondary data, where the data origin is not accessible by the verifiers during the conduct of the assessment.
LOW: Data and information reviewed has been based on information endorsed by the data owners. Verifiers did not have access to the source of the data origin. It has been identified as one of the limitations during the conduct of the assessment.
UNSUBSTANTIATED: The sources of data and information disclosed were not made available during the assessment review period due to reasons like confidentiality, unattainable data source and unavailable data owner. It has been identified as one of the limitations during the conduct of the assessment.

This page is intentionally left blank.

PROXY FORM

11th Annual General Meeting

Number of share(s) held	
CDS Account No.	

SUNWAY CONSTRUCTION

SUNWAY CONSTRUCTION GROUP BERHAD
Registration No.: 201401032422 (1108506-W)
(Incorporated in Malaysia)

*I / We (Full Name) ______________________________, *NRIC No. / Passport No. / Registration No. ____________________,

of (Full Address) ____

____

having Tel. / Mobile No. ______________________ and email address ______________________________

being a shareholder of **SUNWAY CONSTRUCTION GROUP BERHAD** (**Company**) and entitled to vote, hereby appoint:

Full Name	NRIC No. / Passport No.	Proportion of Shareholdings Represented	
Tel. / Mobile No.	Email Address	No. of Shares	%

and / or failing *him / her,

Full Name	NRIC No. / Passport No.	Proportion of Shareholdings Represented	
Tel. / Mobile No.	Email Address	No. of Shares	%

or failing *him / her, the CHAIRMAN OF THE MEETING as *my / our proxy to participate and vote for *me / us on *my / our behalf at the 11th Annual General Meeting of the Company to be held physically at Grand Congress, Level 12, Sunway Resort Hotel, Persiaran Lagoon, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan, Malaysia on **Friday, 30 May 2025** at **3.00 p.m.** and at any adjournment thereof. My / our proxy / proxies shall vote as follows:

** Strike out whichever not applicable*

NO.	ORDINARY RESOLUTIONS	FOR	AGAINST
1.	To approve the payment of Directors' fees to the Non-Executive Directors (NEDs)		
2.	To approve proposed increase of Board Committees' fees and payment of the said fees to the NEDs		
3.	To approve the payment of benefits payable to the NEDs		
4.	To re-elect Ms Tan Ler Chin as Director		
5.	To re-elect Mr Liew Kok Wing as Director		
6.	To re-elect Datuk Kwan Foh Kwai as Director		
7.	To re-elect Puan Norchahya Binti Ahmad as Director		
8.	To re-appoint Messrs BDO PLT as Auditors and to authorise the Directors to fix their remuneration		
9.	To authorise the Directors to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016		
10.	To approve the Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature		
11.	To approve the Proposed Renewal of Share Buy-Back Authority		

Please indicate with an "**X**" in the spaces provided above as to how you wish your votes to be cast. If no specific direction as to voting is given, the proxy / proxies will vote or abstain from voting on the resolutions at his / her / their discretion.

Dated this __________ day of ____________________ 2025

Common Seal

Signature of Shareholder ________________________

NOTES:

1) *For the purpose of shareholders who shall be entitled to attend, speak and vote (collectively, **participate**) at the 11th Annual General Meeting (**11th AGM**), the Company shall be requesting the Record of Depositors as of 23 May 2025. Only shareholders whose names appear in the Record of Depositors on 23 May 2025, shall be entitled to participate at the 11th AGM.*

2) *A shareholder of the Company who is entitled to participate at the 11th AGM, may appoint more than 1 proxy to participate on his / her behalf. A proxy may but need not be a shareholder.*

3) *Where a shareholder is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least 1 proxy in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.*

4) *Where a shareholder is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in 1 securities account (**Omnibus Account**), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.*

5) *Where a shareholder appoints more than 1 proxy, the appointment shall be invalid unless he / she specifies the proportions of his / her shareholdings to be represented by each proxy. A proxy appointed to participate at the 11th AGM shall have the same rights as the shareholder to participate at the 11th AGM.*

6) *If a shareholder has appointed a proxy to participate at the 11th AGM and subsequently, he / she decides to participate at the 11th AGM instead of the proxy, he / she has to revoke the appointment in writing / email which must reach Boardroom Share Registrars Sdn. Bhd. (**Boardroom**), the Poll Administrator of the Company's 11th AGM, not later than 24 hours before the 11th AGM. The appointed proxy shall therefore be null and void.*

7) *The instrument appointing a proxy shall be in writing under the hand of the appointer or of his / her attorney duly authorised in writing, or if such appointer is a corporation, either under its common seal or the hand of its officer or attorney duly authorised.*

8) *The appointment of proxy may be submitted in a hardcopy form or by electronic means as specified below not less than 24 hours before the time appointed for the taking of the poll or no later than Thursday, 29 May 2025 at 3.00 p.m.:*

   (i) ***In hardcopy form***
   The proxy form shall be completed and deposited at the office of Boardroom at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

   (ii) ***By electronic means***
   *The proxy form shall be completed and lodged electronically with Boardroom via Boardroom Smart Investor Portal at http://investor.boardroomlimited.com (**e-Proxy Lodgement**). For further information on the e-Proxy Lodgement, please refer to the Administrative Notes for the 11th AGM. Alternatively, the proxy form can be emailed to Boardroom at bsr.helpdesk@boardroomlimited.com.*

PLEASE FOLD HERE

STAMP

Poll Administrator
SUNWAY CONSTRUCTION GROUP BERHAD
Registration No. 201401032422 (1108506-W)
c/o Boardroom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia

PLEASE FOLD HERE

PERSONAL DATA PRIVACY

By lodging a completed Proxy Form of the Company for appointing a proxy(ies) and / or representative(s) to participate at the 11th AGM and / or any adjournment thereof, a shareholder of the Company is hereby:-

(i) *consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed for the 11th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 11th AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and / or guidelines (collectively, the "**Purposes**"),*

(ii) *warrants that where the shareholder discloses the personal data of the shareholder's, proxy(ies) and / or representative(s) to the Company (or its agents or service providers), the shareholder has obtained the prior consent of such proxy(ies) and / or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and / or representative(s) for the Purposes; and*

(iii) *agrees that the shareholder will fully indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.*

For the purposes of this paragraph, "personal data" and "processing" shall have the same meaning given in Section 4 of the Personal Data Protection Act 2010.

Choose Sustainability. Go Digital. Reduce Environmental Footprint.

We wish to encourage readers to download a digital copy of IAR2024 rather than request a hard copy. A printed copy consumes more energy, water, paper and production processes and has a higher embodied carbon profile. Thank you for helping to reduce our carbon profile.

Here's how we continue to strive towards reducing resource consumption and environmental footprint:

Application of resource **friendly design** approaches towards **reducing pages and colour.**

7.71 $kgCO_2e$
that's the carbon footprint of each printed copy of this report.
Go digital. Think before you print.

As much as possible, we strive to use **recycled paper or paper produced from FSC certified sustainable forestry schemes.**

SUNWAY CONSTRUCTION GROUP BERHAD
Registration No. 201401032422 (1108506-W)

www.sunwayconstruction.com.my

Tel : 603 5639 9696

Fax : 603 5639 9530

Email : enquirysuncon@sunway.com.my

FSC
www.fsc.org
MIX
Paper | Supporting responsible forestry
FSC® C104284

Cover:
Printed on FSC Mix Credit 256gsm Xtella Brilliant White

Text:
Printed on FSC Mix Credit 105gsm Xtella Brilliant White