MANAGEMENT DISCUSSION AND ANALYSIS

In FY2022, SunCon continued to register an improved financial performance as reflected in growth in both revenue and earnings. The Group's balance sheet was also strengthened and it maintains a healthy fiscal position going forward.

STATEMENT OF FINANCIAL PERFORMANCE

CONDENSED FINANCIAL STATEMENT

	2022 RM'000	2021 RM'000	2020 RM'000	2019 RM'000	2018 RM'000
Revenue	2,155,231	1,729,155	1,552,652	1,768,727	2,256,835
Profit Before Tax	184,057	152,245	101,504	157,925	182,731
Income Tax Expense	(45,318)	(41,495)	(27,777)	(27,066)	(37,966)
Profit Net of Tax	138,739	110,750	73,727	130,859	144,765
Profit Attributable to:					
- Non-Controlling Interest	3,558	(1,836)	941	1,535	339
- Owners of the Parent	135,181	112,586	72,786	129,324	144,426
FINANCIAL RATIOS					
Gross Profit Margin (%)	17.0%	20.7%	17.4%	21.4%	19.7%
Profit Before Tax Margin (%)	8.5%	8.8%	6.5%	8.9%	8.1%
Effective Tax Rate (%)	24.6%	27.3%	27.4%	17.1%	20.8%
Basic Earnings Per Share (sen)	10.48	8.73	5.64	10.02	11.18
Staff Productivity (Revenue / staff cost)	15.6	12.7	13.1	11.3	12.7
Average Return on Capital Employed (%)	21%	16%	12%	23%	32%
Average Return on Equity (%)	18%	17%	12%	21%	26%

SEGMENTAL REVENUE

	2022 RM'000	%	2021 RM'000	%	2020 RM'000	%	2019 RM'000	%	2018 RM'000	%
Building Construction	1,349,610	68%	1,060,586	66%	901,424	62%	1,033,113	64%	1,377,444	65%
Civil and Infrastructure	532,438	27%	400,536	25%	416,961	29%	460,830	28%	570,042	27%
Foundation and Geotechnical Engineering	102,532	5%	58,138	4%	143,620	10%	237,954	15%	252,752	12%
Mechanical, Electrical and Plumbing	425,083	22%	437,450	27%	367,995	25%	330,176	20%	510,555	24%
Sustainable Energy	9,692	0%	22,946	1%	9,050	1%	-	-	-	-
Others	4,778	0%	5,024	0%	1,871	0%	2,151	0%	6,669	0%
Consolidated Adjustment	(450,485)	-22%	(378,432)	-23%	(385,695)	-27%	(445,310)	-27%	(594,300)	-28%
Total Construction	1,973,648	100%	1,606,248	100%	1,455,226	100%	1,618,914	100%	2,123,162	100%
Total Precast	181,583		122,907		97,426		149,813		133,673	
Total Turnover	2,155,231		1,729,155		1,552,652		1,768,727		2,256,835	

SEGMENTAL PROFIT

	2022		2021		2020		2019		2018	
GROSS PROFIT MARGIN										
Construction	17.4%		21.5%		18.0%		22.4%		20.6%	
Precast	12.8%		9.4%		9.9%		9.9%		4.8%	
Total	17.0%		20.7%		17.4%		21.4%		19.7%	
PROFIT BEFORE TAX	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Construction	173,341	8.8%	148,784	9.3%	98,775	6.8%	155,172	9.6%	181,764	8.6%
Precast	10,716	5.9%	3,461	2.8%	2,729	2.8%	2,753	1.8%	967	0.7%
Total	184,057	8.5%	152,245	8.8%	101,504	6.5%	157,925	8.9%	182,731	8.1%

Revenue in 2022
RM2,155 million

Profit Before Tax
RM184 million

GROSS PROFIT MARGIN (%)
2022 17.0
2021 20.7
↓ 3.7%

PROFIT BEFORE TAX MARGIN (%)
2022 8.5
2021 8.8
↓ 0.3%

EFFECTIVE TAX RATE (%)
2022 24.6
2021 27.3
↓ 2.7%

BASIC EARNINGS PER SHARE (SEN)
2022 10.48
2021 8.73
↑ 1.75 sen

STAFF PRODUCTIVITY (REVENUE / STAFF COST)
2022 15.6
2021 12.7
↑ 22.8%

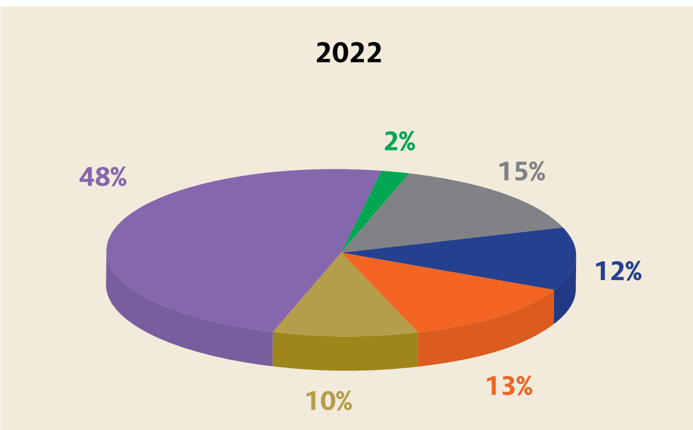
AVERAGE RETURN ON CAPITAL EMPLOYED (%)
2022 21
2021 16
↑ 5.0%

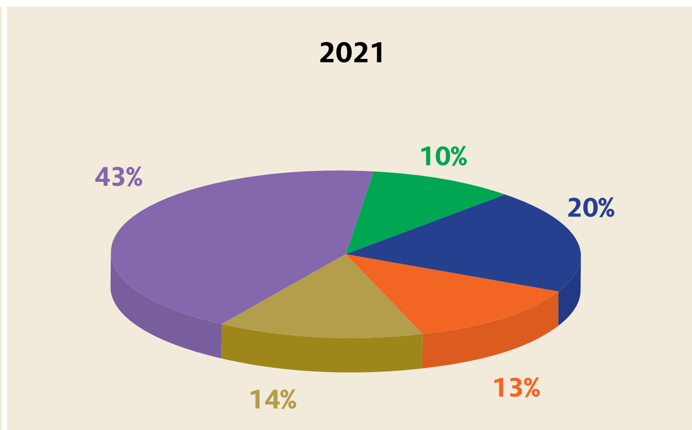
AVERAGE RETURN ON EQUITY (%)
2022 18
2021 17
↑ 1.0%

MANAGEMENT DISCUSSION AND ANALYSIS

MAJOR CUSTOMERS

	2022 RM'000	2021 RM'000
Tenaga National Berhad	265,308	210,453
Setia Utama LRT3 Sdn Bhd	233,603	329,000
National Highway Authority of India	289,190	-
Petronas Management Training Sdn Bhd	45,181	152,871
In-House	938,252	695,940
Others	202,114	217,984
Total Construction Turnover	**1,973,648**	1,606,248





Revenue

	2022 RM'000	2021 RM'000
Construction	1,973,648	1,606,248
Precast	181,583	122,907
Total	**2,155,231**	1,729,155

CONSTRUCTION SEGMENT

Revenue improved in this current financial year due to contribution from projects in India as well as resumption of economic activities in full as compared to the preceding financial year where productivity was affected by various pandemic-related movement control orders across various states.

Changes:

⬆ 22.9%

PRECAST SEGMENT

Revenue recorded for the current year improved compared to the previous year as FY2021 was affected more severely by both the MCO in Malaysia and the Circuit Breaker in Singapore. Further to that, there was also a brief period of total closure in both our precast plants in Johor during the third quarter of the preceding financial year.

Changes:

⬆ 47.7%

MANAGEMENT DISCUSSION AND ANALYSIS

Gross Profit Margin

	2022	2021
Construction	17.4%	21.5%
Precast	12.8%	9.4%

CONSTRUCTION SEGMENT

Gross profit margin for the previous year ended was much higher due to finalisation of accounts and re-calibration of margin for projects which were approaching the completion stage as certainty of margins were more visible.

⬇ 4.1%

PRECAST SEGMENT

Gross profit margin for the current year ended increased in tandem with the increase in revenue. Further to that, there was also reversal of provision on raw materials for completed projects.

⬆ 3.4%

Profit Before Tax

	2022 RM'000	%	2021 RM'000	%
Construction	173,341	8.8%	148,784	9.3%
Precast	10,716	5.9%	3,461	2.8%
Total	**184,057**	**8.5%**	152,245	8.8%

CONSTRUCTION SEGMENT

The higher profit before tax in this current year ended was in tandem with the increase in revenue even though there was an increase in administrative expenses compared to previous financial year due to normalisation of expenses.

⬆ 16.5%

PRECAST SEGMENT

Precast profit before tax improved in the current financial year in line with the higher gross profit margin and revenue.

⬆ >100%

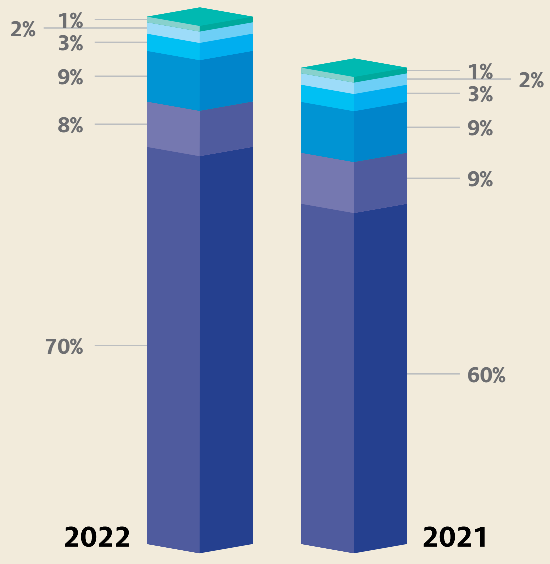
Other Income

Other income FY2022 was at RM23.0 million (2021: RM21.3 million). The slight increase in other income was due to the reversal of provision made for certain legal cases on prudence ground. We also continued to receive COVID-19 assistance from the Singapore Government in FY2022. Apart from that, there were also gains recorded on disposal of assets and scrap.

MANAGEMENT DISCUSSION AND ANALYSIS

MANAGEMENT DISCUSSION AND ANALYSIS

Administrative Expenses



- Traveling Expense
- Maintenance Cost
- Rental of Premise
- Management and Shared Services
- Depreciation and Amortisation
- Staff Related Expenses

Administrative Expenses decreased by 14.6% from RM218.6 million in FY2021 to RM186.6 million in FY2022 mainly due to:

a) Group staff strength continued to consolidate in FY2022 with a 10% reduction in the number of staff (excluding direct workers) in line with the Group's continuous effort to improve staff productivity.
b) Reduction in depreciation cost by 21% as some of our assets were already fully depreciated.
c) Reduction in professional cost more than doubled as there was upfront bank charges incurred for India HAM projects financial close in FY2021.
d) Provision for certain legal cases on prudence ground in FY2021.

Net Impairment Losses on Financial Assets and Other Expenses

The total net impairment losses on financial assets and other expenses amounted to RM15.6 million (2021: RM20.9 million). These expenses were mainly the allowance for MFRS 9.

Finance Income and Finance Cost

Malaysia: Finance income for FY2022 was at RM11.3 million (2021: RM4.1 million). Malaysia's Overnight Policy Rate (OPR) during FY2022 increased by 1% from 1.75% to 2.75%. As a result, FY2021's effective interest rate was lower than that of FY2022. Finance income is mainly tax exempt as it is placed with money market instruments with special tax exemption. Despite the higher weighted average OPR rate in FY2022, the Malaysia operations managed to maintain its interest expense at RM2.6 million (2021: RM2.8 million) due to effective financial instruments management.

Singapore: In FY2022, Singapore's overnight rate increased from 0.2% to 2.53%. As a result of this rate hike, the interest expense has increased to RM4.3 million (2021: RM1.2 million).

India: India's rate is at an average of 8.74% where the interest expense is at RM10.6 million.

Further details on SunCon's Capital Management on page 29 is presented as part of the Management Discussion and Analysis section.

2022

Finance Income	
Cash and bank	2,556
Structured entities	8,867
Others	2,451

Finance Cost	
MYR	(2,634)
SGD	(4,337)
India	(10,625)
MFRS 16	(429)

2021

Finance Income	
Cash and bank	3,170
Structured entities	489
Others	494

Finance Cost	
MYR	(2,797)
SGD	(1,242)
India	-
MFRS 16	(544)

2022

Finance Income Rate
1.85% to 2.63%

Finance Cost Rate - Malaysia
2.44% to 2.67%

Finance Cost Rate - Singapore
2.32% to 5.03%

Finance Cost Rate - India
8.74%

2021

Finance Income Rate
1.62% to 2.55%

Finance Cost Rate - Malaysia
2.18% to 2.33%

Finance Cost Rate - Singapore
0.70% to 0.95%

Taxation

Effective Tax Rate	
2022	24.6%
2021	27.3%

The effective tax rate for FY2022 is slightly higher than the Malaysia statutory tax rate of 24% due to a slight under provision of tax in the prior year. In FY2021, the higher effective tax rate of 27.3% was mainly due to non deductibility of expenses from a general provision made on a legal case.

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 the 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 agents assisting us including local JV partners who are more familiar with complex foreign tax laws (eg, India).

For the 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 / under estimation of tax payable.

MANAGEMENT DISCUSSION AND ANALYSIS

STATEMENT OF FINANCIAL POSITION

KEY BALANCE SHEET

	Note	2022 RM'000	2021 RM'000	2020 RM'000	2019 RM'000	2018 RM'000
Property, Plant and Equipment	1	107,521	124,668	107,321	138,507	176,468
Investments in Joint Arrangements	2	223,131	126,601	44,805	44,261	44,739
Other Non Current Assets	3	268,034	598,150	451,637	12,411	9,673
Total Non Current Assets		598,686	849,419	603,763	195,179	230,880
Trade Receivables	4	677,726	600,607	866,397	817,936	884,359
Cash and Bank and Placement	*	491,628	98,845	200,071	614,605	493,615
Intercompany		175,459	189,243	143,395	123,190	83,516
Tax Recoverable	5	18,897	19,710	19,720	21,721	22,100
Other Current Assets (inventory + other debtors + financial assets)	6	273,652	106,391	72,717	229,700	216,361
Total Current Assets		1,637,362	1,014,796	1,302,300	1,807,152	1,699,951
Total Assets		2,236,048	1,864,215	1,906,063	2,002,331	1,930,831
Trade Payables	7	716,220	766,656	836,187	674,640	656,182
Borrowings and Lease Liabilities	*	178,159	97,708	235,620	235,907	117,267
Intercompany		24,812	25,393	13,347	14,408	62,460
Other Current Liabilities		184,138	102,254	108,840	195,252	226,840
Total Current Liabilities		1,103,329	992,011	1,193,994	1,120,207	1,062,749
Borrowings and Lease Liabilities	*	311,925	152,547	72,729	61,553	10,739
Intercompany		-	-	-	95,833	96,314
Other Non Current Liabilities		-	2,886	730	2,273	6,536
Total Non Current Liabilities		311,925	155,433	73,459	159,659	113,589
Total Liabilities		1,415,254	1,147,444	1,267,453	1,279,866	1,176,338
Total Equity		820,794	716,771	638,610	722,465	754,493
Total Liabilities and Equity		2,236,048	1,864,215	1,906,063	2,002,331	1,930,831

** Please refer to Capital Management on page 29.*

FINANCIAL RATIOS

	Note	2022	2021	2020	2019	2018
Precast Segment						
Trade Receivables Turnover (Days)	4	172	148	185	190	127
Trade Payables Turnover (Days)	7	74	118	77	88	76
Inventory Turnover (Days)	6	104	139	143	65	85
Construction Segment						
Trade Receivables Turnover (Days)	4	98*	99	162	132	103
Trade Payables Turnover (Days)	7	61	102	125	91	84
Net working capital days		37	5	34	64	42

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

MANAGEMENT DISCUSSION AND ANALYSIS

Note 1 : PROPERTY, PLANT AND EQUIPMENT

Net Book Value (NBV) in RM'000	2022		2021	
Freehold Land	8,538	8%	8,538	7%
Buildings	9,872	9%	10,929	9%
Plant and Machinery	59,618	56%	58,889	47%
Motor Vehicles	1,859	2%	4,001	3%
Office Equipment	2,356	2%	1,831	1%
Capital Work in Progress	16,336	15%	28,545	23%
Right of Use Assets	8,942	8%	11,935	10%
Total	107,521		124,668	

There is an additional acquisition of RM27.0 million (2021: RM34.8 million) and total disposal of NBV of RM24.5 million (2021: RM0.9 million) in this financial year. Most of the acquisition spent was for plant and machineries to be utilised for production in the ICPH plant. These plant and machinery will subsequently be disposed to the JV consortium once it is completely installed for use.

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

The net book value of RM9.9 million under the Buildings category consists of our casting yards and site offices for both our Iskandar and Senai precast plant. Both the precast plants are located in Johor, Malaysia.

In terms of Motor Vehicles, SunCon owns a fleet of four-wheeled drives and motorcycles that are 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 will be disposed-off or used by our own project team at the end of the contractual period.

Office equipment, furnitures and fittings of RM2.4 million is mainly IT equipment in the likes of hardware and specialised software.

Note 2 : INVESTMENT IN JOINT ARRANGEMENTS

Investment in joint arrangements 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 the current financial year mainly comprises the 60% of the construction work done for our two Hybrid Annuity Model (HAM) projects in India which will only be paid after the completion of construction over an annuity payment of 15 years. As for FY2021, the other non current assets are mainly due to our investment in Maybank Shariah Institutional Fund and Kenanga Money Extra Fund 2.

Note 4 : TRADE RECEIVABLES

Trade receivables turnover for the construction segment is relatively the same for both FY2022 and FY2021 after the recovery from the COVID-19 pandemic impact in the fourth quarter of FY2021.

Trade receivable turnover for precast segment is generally higher due to the longer duration required for settlement as the process for final account tends to drag pending resolutions of issues at the main contractor level.

Note 5 : TAX RECOVERABLE

Total tax recoverable amounted to RM18.9 million (2021: RM19.7 million). Amount recoverable from India's tax authorities amounted to RM10.6 million (2021: RM11.0 million) are mostly under legal proceeding. SunCon continues to pursue its recoverability of taxes from the tax authorities in India. The legal proceedings were largely delayed and postponed due to the COVID-19 pandemic.

The balance of the tax recoverable are with the Inland Revenue Board of Malaysia of which, the majority are for over payment of taxes with respect to tax audit for year of assessment in which we received written confirmation of settlement and are of the opinion the amount can be recovered soon.

Note 6 : INVENTORY

Precast Segment's inventory turnover mainly comprised of finished goods (2022: 81%; 2021: 67%). The level of finished goods is very dependent on the ability of our client to take delivery of our precast component as per schedule. For the current financial year, we saw improvement in the holding days for inventory from 139 days to 104 days mainly due to recovery of construction progress in Singapore after the relaxation in border restriction and easing of entry of migrant workers.

Note 7 : TRADE PAYABLES

Precast Division: Despite longer receivables turnover period, precast pays its creditor obligation timely (2022: 74 days; 2021: 118 days) in order to receive rebates for prompt payment. Further to that, higher payable days in the previous financial year was mainly due to higher steel bar purchase in the last month of the year to take advantage of the lower steel bar prices.

Construction Division: Payment terms to our creditors improved in line with better trade debtors collection (2022: 61 days; 2021: 102 days).

STATEMENT OF CASH FLOWS

CONDENSED CASH FLOW STATEMENT

	Financial Year Ended				
	2022 RM'000	2021 RM'000	2020 RM'000	2019 RM'000	2018 RM'000
Dividend from Joint Venture	-	211	110	790	731
Other operating cash flows	(215,024)	238,499	87,692	193,333	196,062
Total Operating Cash Flows	(215,024)	238,710	87,802	194,123	196,793
Acquisition of Property, Plant and Equipment	(27,114)	(34,819)	(3,393)	(8,312)	(56,169)
Disposal of Property, Plant and Equipment	25,208	3,290	1,537	3,564	1,393
Disposal / (Acquisition) of Investment	472,027	(147,550)	(359,017)	3,216	(73,219)
Net cashflow from equity contribution of non-controlling interest	20,050	18,043	10,633	(66,052)	162,817
Net cashflow from loss of control of structured equity	-	-	(5,890)	-	-
(Placement in) / Withdrawal of funds	-	-	-	(24,490)	24,125
(Placement) / Withdrawal of deposits pledged to licensed banks	(45,695)	43,986	181,753	(263,784)	-
Other investing cash flows	(20,706)	(56,961)	1,200	-	237
Total Investing Cash Flows	423,770	(174,011)	(173,177)	(355,858)	59,184
Dividend	(90,255)	(51,574)	(61,245)	(90,357)	(96,918)
(Repayment to) / Advanced received from related Company	-	-	(95,833)	(46,618)	24,413
Other financing cash flows	232,945	(70,804)	9,783	156,459	(29,574)
Total Financing Cash Flows	142,690	(122,378)	(147,295)	19,484	(102,079)

Operating Cash Flows

Operating cashflow was at negative in the current financial year mainly due to the 2 HAM (Hybrid Annuity Model) projects in India, whereby 60% of the receivables will only be paid post project completion over 15 years on an annuity basis.

Investing Cash Flows

This financial year saw an increase in disposal of investment mainly due to the accounting treatment change for Maybank Shariah Institutional Income Fund from associate to subsidiary after an increase in the placement that had exceeded 50% of the total fund size.

Capital expenditure was higher in this financial year due to the plant and machinery spent for our ICPH plant. Some of the plant and machinery spent for ICPH plant was subsequently disposed of to the JV Consortium which thus lead to higher disposal of property, plant and equipment in current financial year.

Financing Cash Flows

The positive financing activities for this financial year was mainly from the drawdown of Singapore loan to finance the balance ICPH construction and plant and machineries, as well as drawdown of India loan to finance the 60% construction which will only be paid post project completion over 15 years on an annuity basis.

CAPITAL MANAGEMENT

	2022 RM'000	2021 RM'000	2020 RM'000	2019 RM'000	2018 RM'000
Term Loans - Long term	308,541	145,390	67,203	52,656	-
Term Loans - Short term	82,352	-	76,367	76,270	-
Loan Bills Discounting	77,827	65,524	107,345	157,124	107,544
Revolving Credits	12,000	27,000	50,000	-	6,087
Total Borrowings	480,720	237,914	300,915	286,050	113,631
Total Finance Cost (financial institute only)	13,608	4,039	5,750	7,729	4,177
Total Finance Income (financial institute only)	2,556	3,170	5,944	12,363	15,170
Net Finance Income	(11,052)	(869)	194	4,634	10,993
FINANCIAL RATIOS					
Net Gearing Ratio (Times)	Net Cash	0.19	0.16	← Net Cash →	
Interest Coverage Ratio	14	35	16	18	42

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

The Group's objective is to optimise internal funds and to minimise external borrowings and to also source for the most reasonable rate for both placements and borrowings. SunCon's manages its funds by planning payment ahead of time to ensure that we keep a minimum bank balance at all times. This enables the placement of excess funds in quest to obtain a higher return. With this, the Group is able to arbitrage between placement and borrowing rates differential.

Payment and collection are mostly transacted in Ringgit Malaysia, Singapore Dollars for our precast business in Singapore and Indian Rupees for India projects. SunCon undertakes constant monitoring on its foreign currency exposure and ensures that it is hedged accordingly when opportunity arises.

Debt Management

SunCon has borrowings of RM77.8 million (2021: RM65.5 million) from Loan Bill Discounting where monthly project progress certificates are used as an instrument for lending with maturity tenures ranging from 30 to 120 days. These short term borrowings are mainly used to manage the 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 consists of term loan for our Singapore precast division's ongoing ICPH plant expansion and the India HAM projects financing.

Due to accounting treatment of the placement in Maybank Shariah Institutional Income Fund to investment in subsidiaries and Kenanga Money Extra Fund 2 to other investments, SunCon registered a net cash position in this financial year as opposed to the previous financial year's net gearing position of 0.19 times when both wholesale funds were recognised as investment in associate.

Invoice Factoring

In any construction job, cash turnaround is of great importance. As such, SunCon strives to ensure that payments to subcontractors and suppliers are on a timely basis so that they have sufficient cash flow. 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 2022, a total RM111 million (2021: RM52 million) was financed through Sunway Credit Factoring.

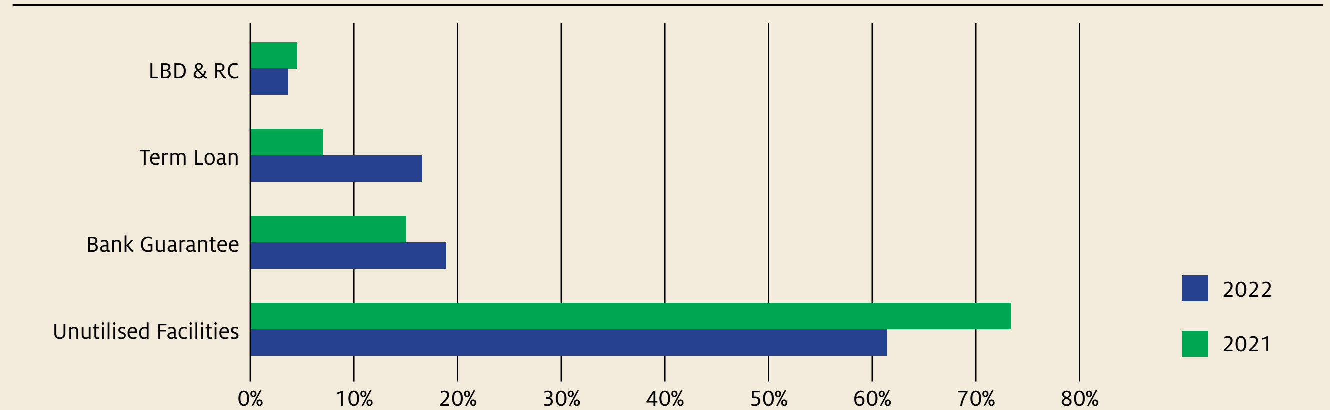
Shariah Compliant Funds

SunCon has cash under conventional accounts and investments of RM535.2 million (2021: RM98.8 million), the ratio of cash under conventional accounts and instruments over total assets was at 24% (2021: 5%) hence satisfying the regulatory compliance 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 2022 amounted to RM2,236.0 million (2021: RM1,864.2 million).

Credit Facilities

It is important to ensure that SunCon has sufficient credit facilities on hand to seize any job opportunity in the market. SunCon's 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 2022, SunCon utilised 37% (2021: 27%) of its credit facilities.

Credit Facilities



VALUE CREATION

Financial Year Ended	2022 RM'000		2021 RM'000	
VALUE ADDED				
Revenue	2,155,231		1,729,155	
Purchases of goods and services	(1,781,987)		(1,416,826)	
	373,244		312,329	
Share of profits of associates	3,699		8,621	
Share of profits of joint ventures	(1,999)		4,639	
Adjustment arising from MFRS 9	(11,878)		(15,456)	
Financing Cost	(18,025)		(4,583)	
Other Income and Expenses	19,267		15,855	
TOTAL VALUE ADDED	364,308		321,405	
RECONCILIATION:				
Profit for the year	135,181		112,586	
Add: Depreciation and amortisation	23,760		27,417	
Finance cost	18,025		4,583	
Staff costs	138,466		137,160	
Taxation	45,318		41,495	
Minority Interests	3,558		(1,836)	
TOTAL VALUE ADDED	364,308		321,405	
Value Distributed				
Employees				
Salaries and other staff costs	138,466	38%	137,160	43%
Government				
Corporate Taxation	45,318	12%	41,495	13%
Providers of Capital				
Dividends	90,255	25%	51,574	16%
Finance costs	18,025	5%	4,583	1%
Minority Interest	3,558	1%	(1,836)	-1%
Reinvestment and growth				
Depreciation and amortisation	23,760	7%	27,417	9%
Income retained by the Group	44,926	12%	61,012	19%
TOTAL DISTRIBUTED	364,308	100%	321,405	100%