

# UEM Sunrise Berhad (UEMS MK)

Management Roadshow with RHB

23, 24 & 26 April 2024, Kuala Lumpur



# Agenda

- 1 Compelling Investment Case
- 2 Key Performance Highlights
- 3 Outlook and Strategy
- 4 Supplemental Information



# Compelling Investment Case



# Flagship Property And Township Development Company

Part of Khazanah Nasional and UEM Group Berhad



## Shareholdings as at 29 March 2024



KHAZANAH  
NASIONAL

via



69.6%



2.4%



2.3%



Other local  
shareholders

17.2%

Foreign  
shareholdings

8.5%



**RM5.2 bil**

Market Cap as at 19/4/24

**RM1.01**

Share price as at 19/4/24



FTSE4Good


Score of **3.6**

**#3 largest stock**

on Kuala Lumpur  
Property Index

# Compelling Investment Case with Positive Outlook



<p>1</p> <p>Accelerating Transformation to Create Value</p>	<p>2</p> <p>Proven Track Record in Development &amp; Construction Services</p>	<p>3</p> <p>Exceptional Landbank with Solid Potential</p>
<p>4</p> <p>Diversified Property Portfolio in Malaysia and Australia</p>	 A central graphic with a teal background. At the top is the UEM Sunrise logo. Below it, the words "Investment Case" are written in white, bold, sans-serif font. <p>Investment Case</p>	<p>5</p> <p>Healthy Balance Sheet, Driving Future Growth</p>
<p>6</p> <p>Strong Alignment towards ESG and Climate Action</p>	<p>7</p> <p>Credible and Reputable partners and vendors in growth</p>	<p>8</p> <p>Award-Winning Products and Malaysia's Trusted Brand</p>

# Accelerating Transformation to Create Value



2010s

- Merged with UEM Land in 2011 to create Malaysia's largest Property company with RM5b in assets
- Market cap peaked at RM16b in 2013
- Macroeconomic and sectoral challenges deterred value enhancements

	<u>FY19</u>
GP Margin	28%
PATANCI	RM222m
Net asset/ share	RM1.60

2020-2021

- Navigated Covid impacts
- Aggressive inventory reduction plan
- Repurposed landbank to overcome legacy issues
- Optimised operational efficiency via resource consolidation
- Divested non-core assets

	<u>FY21</u>
GP Margin	19%
PATANCI	(RM213m)
Net asset/ share	RM1.32

2022

- Significant strategic turnaround - risk based project planning
- Cost optimisation
- Streamlined product DNA
- PATANCI turned black with margin of 6%

	<u>FY22</u>
GP Margin	29%
PATANCI	RM81m
Net asset/ share	RM1.34

2023

- Solid 2023 performance, surpassed targets
- Revitalising Iskandar Puteri
- Extending international presence
- Enhancing value creation

	<u>FY23</u>
GP Margin	35%
PATANCI	RM76m
Net asset/ share	RM1.35

2024

- Revised dividend policy with clearer near to long-term strategies
- Unlocking Industrial play
- Becoming country's proxy for Iskandar Malaysia's development

U2030

TOWARDS  
BECOMING  
A  
BALANCED  
REAL  
ESTATE  
PLAYER IN  
MALAYSIA



# Proven Track Record in Development & Construction Services



## MONT'KIARA



**40.6**

Remaining Acres

**RM3.4 bil**

Remaining GDV

... since 1991

## puteri HARBOUR



**313.6**

Remaining Acres

**RM5.2 bil**

Remaining GDV

... since 2011

## ISKANDAR PUTERI



**3,095**

Remaining Acres  
*(excl. 1.4K held via JVs)*

**RM32.4 bil**

Remaining GDV  
*(excl. RM20.9b from JVs)*

... since 1998

## KIARA BAY KUALA LUMPUR



**59.1**

Remaining Acres

**RM15.9 bil**

Remaining GDV

... since 2019

a

More than **50 years of reputation** and experiences as a **value-driven developer**

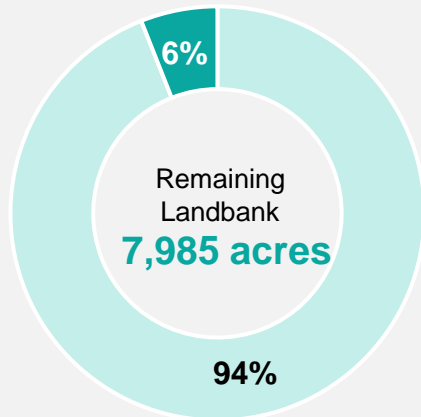
b

**Master Developer and Pioneer** in landmark developments across Malaysia

# Exceptional Landbank with Solid Potential



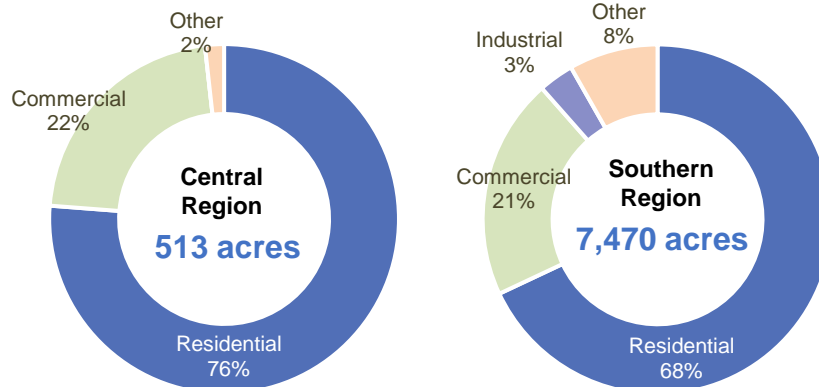
Breakdown of remaining landbank by region



- Central (514 acres)
- Southern (7,470 acres)
- International (1.2 acres)

\*Note: Include JV projects. (JV: 4,253 acres, owned: 3,732 acres)

Breakdown of landbank by land use



\*Note: Include JV projects. in Central region of 186 acres and Southern region of 4,067 acres

- a Approx **8K** of remaining landbank with **RM106b** of **GDV** potential
- b Connect investors and customers to **high-quality and strategic freehold** assets in Iskandar Puteri



# Diversified Property Portfolio in Malaysia and Australia



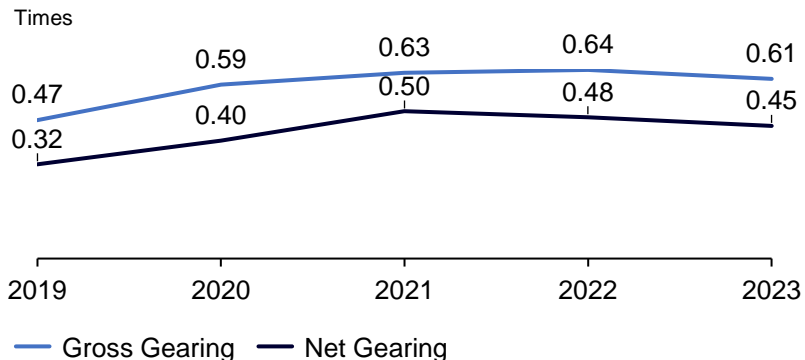
With deep core operating capabilities and competencies to deliver high-quality assets and strategic infrastructure

Residential	Communities	Integrated	Industrial	Commercial
<p><b>Proven track record</b> for Klang Valley condominiums</p>	<p><b>Master Developer</b> for Iskandar Puteri &amp; Kiara Bay; pioneered Mont'Kiara</p>	<p><b>Successfully curated development</b> SMK &amp; SD, soon Dutch Lady &amp; Parq B</p>	<p><b>Highly successful</b> Nusajaya Tech Park</p>	<p><b>Premium developments;</b> Publika, Plaza Mont'Kiara</p>
				

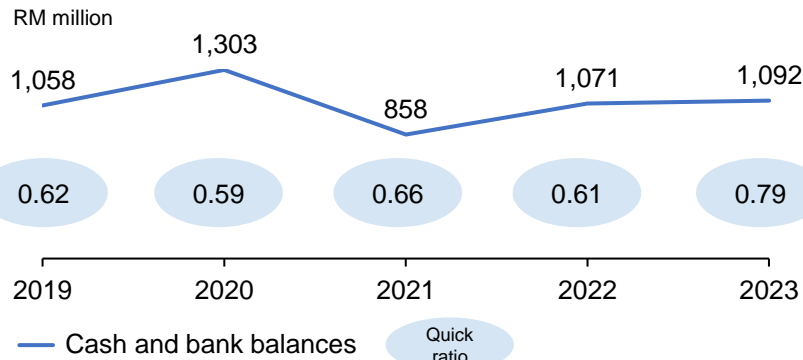
# Healthy Balance Sheet Driving Future Growth



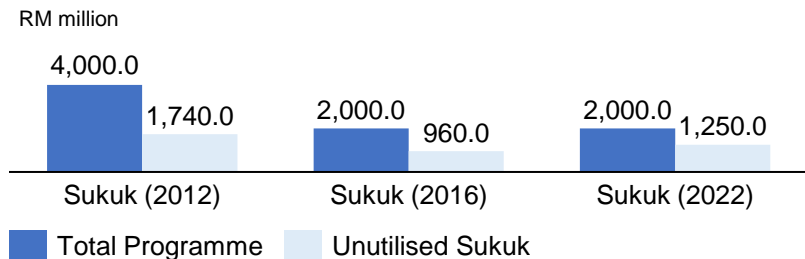
Managing leverage level driven by capital allocation discipline



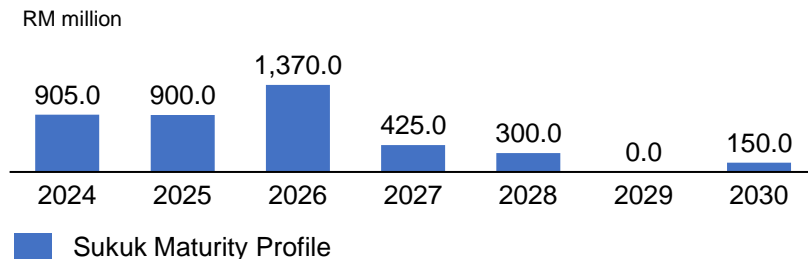
Improving short-term liquidity ensuring business stability



Sufficient Sukuk Programme to undertake future commitments



Careful debt maturity management in balancing growth and profitability



# Strong Alignment towards ESG and Climate Action



## Active Joint Ventures, Associates and Vendors



Horizon Hills  
Development Sdn. Bhd.



Nusajaya Tech Park  
Sdn. Bhd.



Sunrise MCL Land  
Sdn. Bhd.



Desaru North Course  
Residences Sdn. Bhd.



Setia Haruman  
Sdn. Bhd.



Cahaya Jauhar  
Sdn. Bhd.



Nusajaya Premier  
Sdn. Bhd.



Sime Darby Property  
Sunrise Development  
Sdn. Bhd.



Haute Property  
Sdn. Bhd.



## Strategic Advantages

- a Leverage JV partners and associates' niche and expertise to **access new markets and introduce new solutions**  
E.g: Nusajaya Tech Park with CapitaLand
- b Vendor Partnership Programme enables **cost optimisation initiatives** and further enhancements in **marketing and innovation**

## Focus Plans

- a Strategic portfolio review to **identify JV projects with growth catalysts**
- b **Land activation plans** in **Southern** region with JV partners



Underpinning our commitment to deliver innovative designs, sustainable practices, and high-quality assets

### StarProperty Real Estate Developer Awards

#### The Edge Property Excellence Awards



#### Malaysia Developer Awards



### PropertyGuru Asia Awards Malaysia with iProperty



#### Putra Brands Award



# Key Performance Highlights





# 2023 Performance Highlights



## Launched GDV

**RM3.5b**

▲ 597% YoY

## Revenue

**RM1.3b**

▼ 9% YoY

## GP Margin

**35%**

▲ 6ppts YoY

## EBITDA Margin

**21%**

▲ 3ppts YoY

## PATANCI

**RM75.7m**

▼ 6% YoY

## Net Gearing

**0.45x**

FY2022: 0.48x

## Cash balance

**RM1.1b**

▲ 2% YoY

## Unbilled Sales

**RM2.7b**

▲ 50% YoY

## Inventory

**RM127.4m**

▼ 37% YoY

## Dividend payout

**0.75 sen**

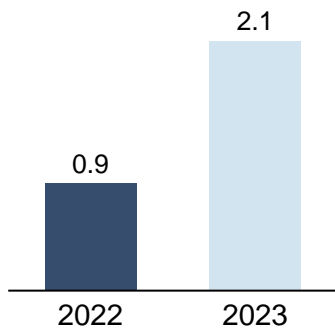
Dividend payout ratio: 50%,  
Total amount RM37.9 mil  
(FY2022: 31%)

# Sales Achievement and Launched GDV surpassed internal targets

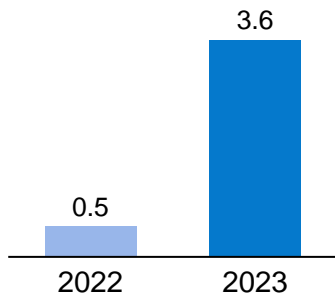


Driven by new launches of The MINH, The Connaught One, Residensi ZIG, new phases in Senadi Hills and Collingwood BTR, Australia

Sales Achieved (RM bil)



Launched GDV (RM bil)



**CLUB**  
Edition

**THE MINH**  
High-Rise  
The CLUB Edition by UEM Sunrise

The MINH  
GDV: RM981mil | Take up: 46%

**RISE**  
Series

**THE CONNAUGHT ONE**

The Connaught One  
GDV: RM747 mil | Take up: 32%

**NEST**  
Series

**Senadi Hills**  
SUNSHINE ESTATE

Senadi Hills Phase 2A  
GDV: RM62 mil | Take up: 92%

**RISE**  
Series

**zig**  
SUNSHINE

Residensi ZIG  
GDV: RM723 mil | Take up: 10%

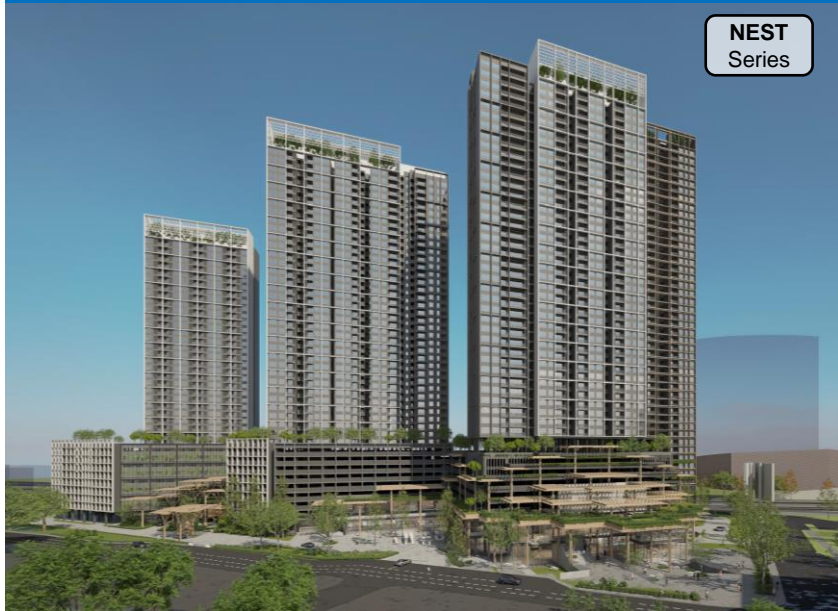
**NEW**  
Product

Collingwood, Melbourne BTR  
GDV: RM874 mil | Take up: 100%

# Strategic expansion in Central region and Australia amounted to RM2.4b



A mixed development in mature area



NEST  
Series

**Land acquisition in SS6, Kelana Jaya (Central region)**

Expected GDV **RM1.1b**, scheduled for **2025 launch**

- 9.05-acre land acquired in June 2023 @ RM155m

Further reinforcing our position in Australia

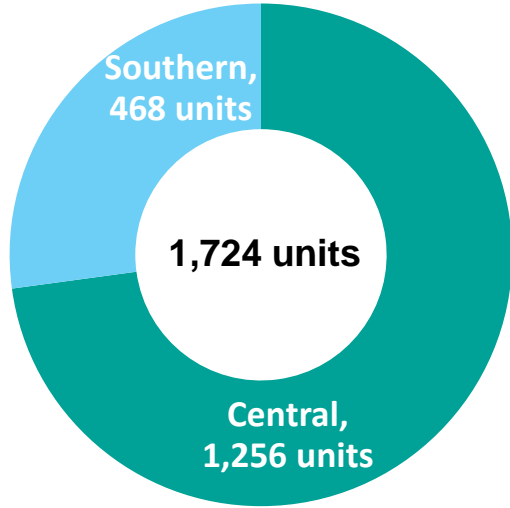


**Subiaco, Perth, Australia**

Expected GDV **RM1.3b**, scheduled for **2026 launch**

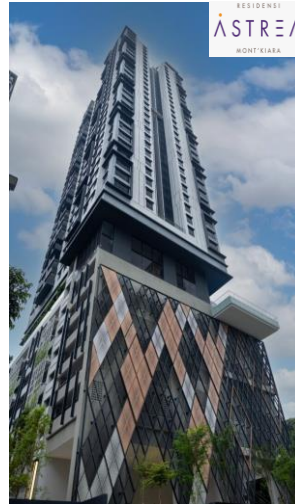
- 1.22-acre land acquired in August 2023 @ AUD22m

# Handed over a total of 1,724 properties in 2023 from 13 developments



- Handed over 8 projects in Central region and 5 projects in Southern region

## Central



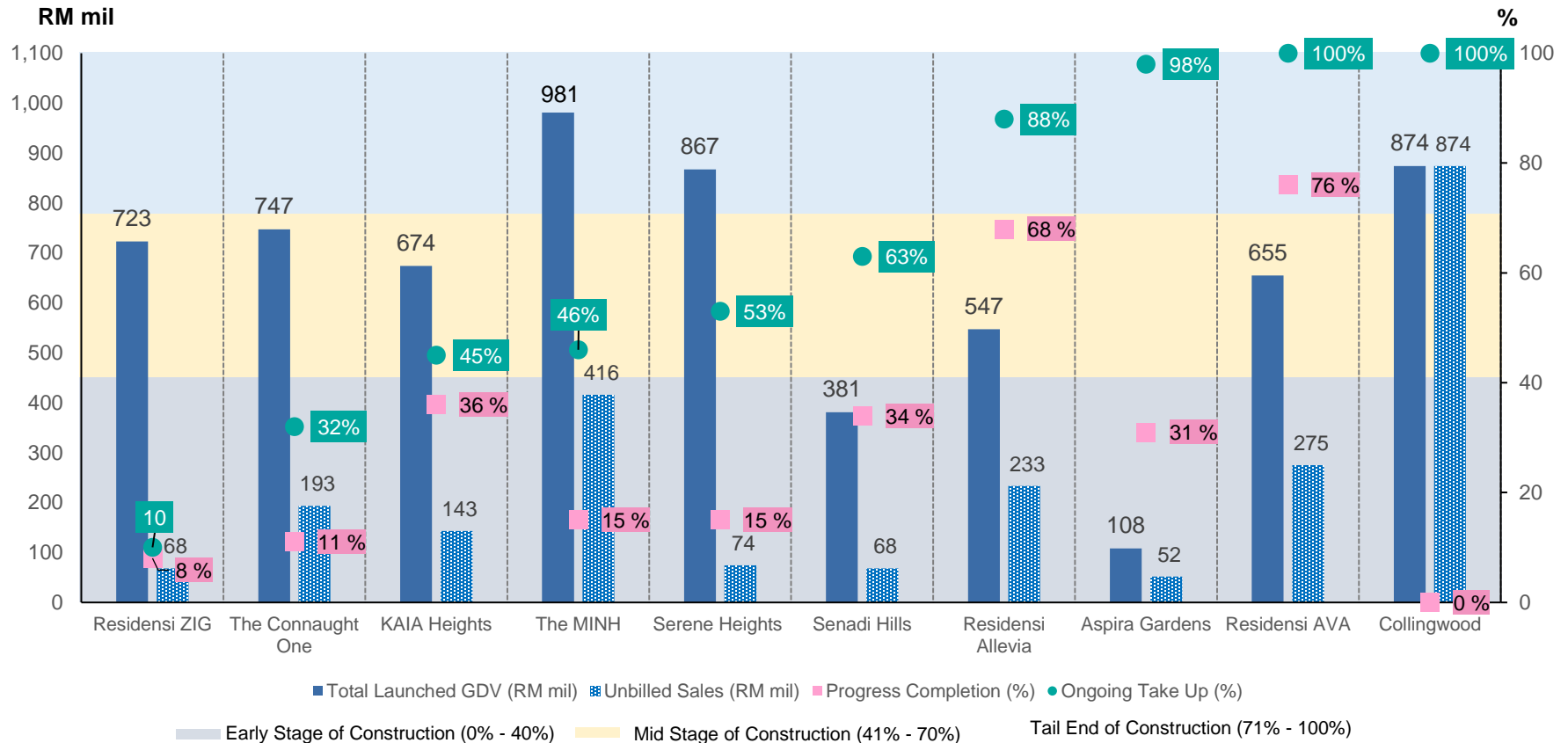
## Southern





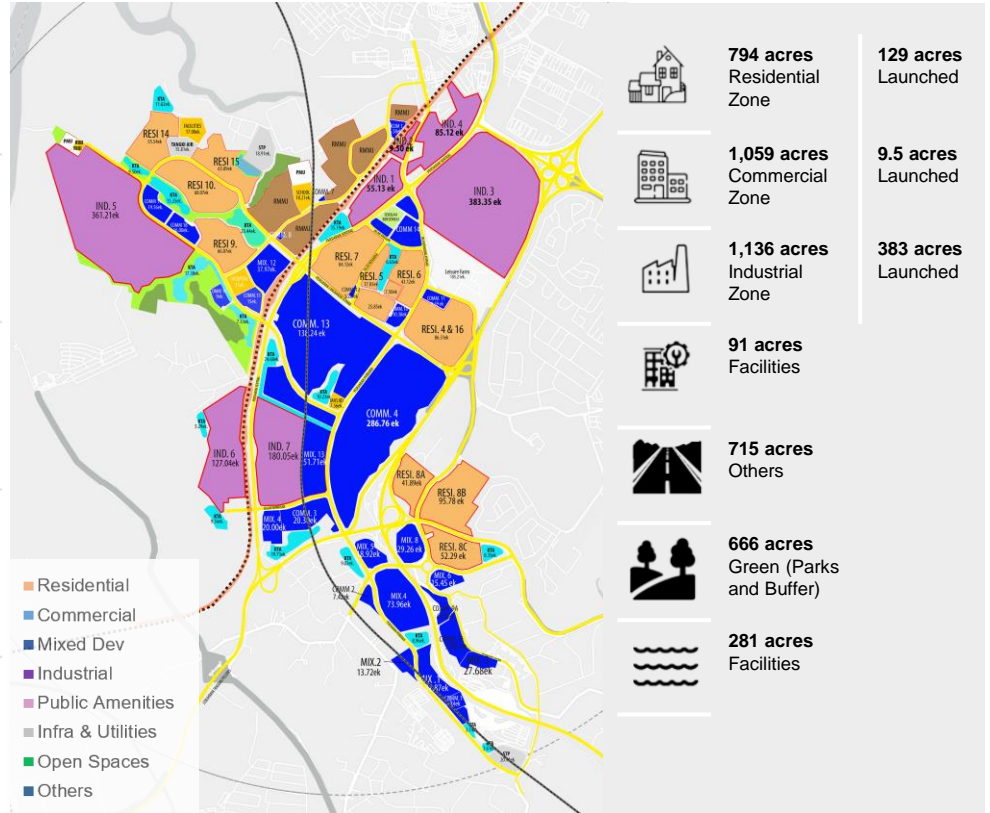
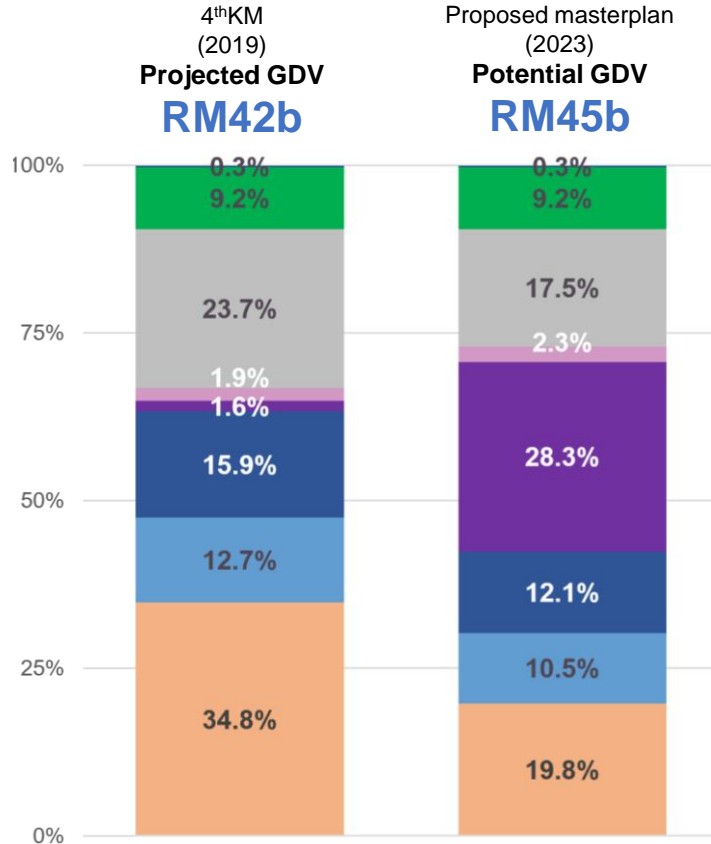
# A steady stream of revenue and future cashflows;

With 4 projects > 80% sold while remaining 6 projects are primed for growth



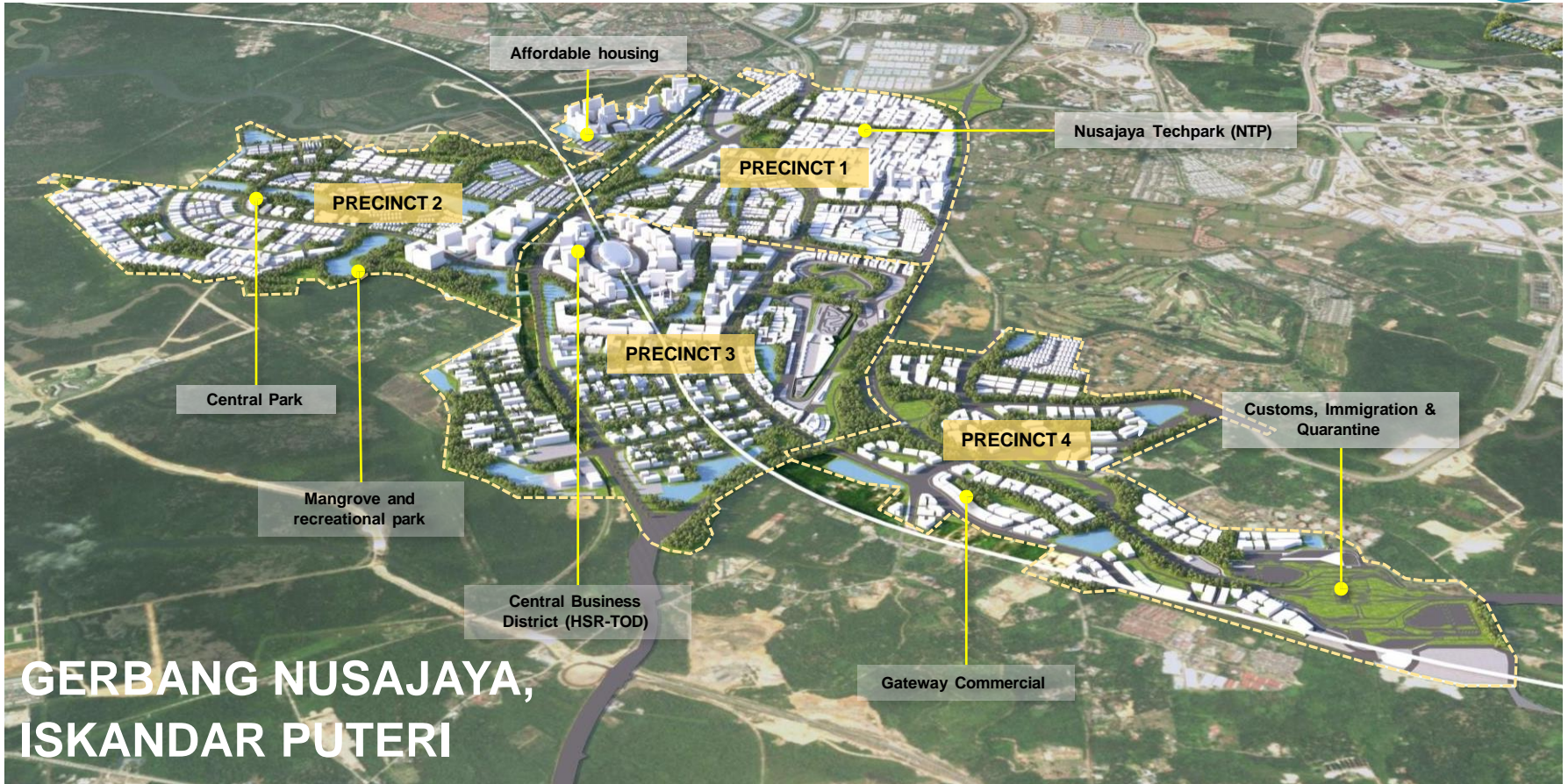
Note:  
 - Progress completion as of the end of December 2023  
 - Take up as of 31 December 2023

# Revised Gerbang Nusajaya's master plan to address industrial demands





# Total GDV Potential of RM45 billion



## GERBANG NUSAJAYA, ISKANDAR PUTERI

# Outlook & Strategy



# Committed to deliver on our 2024 targets



Sales Target  
**RM1.0 bil**



GDV Target  
**RM0.8 bil**



# A series of landed and commercial developments to launch in 2024



## Central



Serene Heights Phase 3A3  
Expected GDV: RM78.3 mil



Symphony Hills Plot 4 & 6  
Expected GDV: RM138.4 mil

## Southern



DiReka Square, Laman DiReka  
Expected GDV: RM164.6 mil



Estuari ParkHomes Phase 2C-1  
Expected GDV: RM123.3 mil



Aspira Hills Phase 1  
Expected GDV: RM265.5 mil



Estuari Greens Phase 1B1  
Expected GDV: RM65.0 mil

# Beyond 2024: Preparing Launch Pipeline in Strategic Locations (1/2)



**The Minh Plot 2,  
Mont'Kiara**

Estimated GDV of **RM854.6m** – Scheduled for **2Q2025** launch

Low density luxury development with 495 units



**Dutch Lady Land Mixed Development, Section 13,  
Petaling Jaya**

Estimated GDV of **RM1.38b** – Scheduled for **3Q2025** launch

9.93-acre land acquired in Sept 2021 @ RM200m



# Beyond 2024: Preparing Launch Pipeline in Strategic Locations (2/2)



## KMP6 Mixed Development in Kiara Bay, Kepong

Estimated GDV of RM1.0b – Scheduled for 3Q2025 launch

5.44-acre land which offers both residential and retail mall



## Solaris Parq Plot B Mixed Development, Mont'Kiara

Estimated GDV of RM2.4b – Scheduled for 2026 launch

7-acre land which offers retail mall, office, residential towers and a 2-acres park



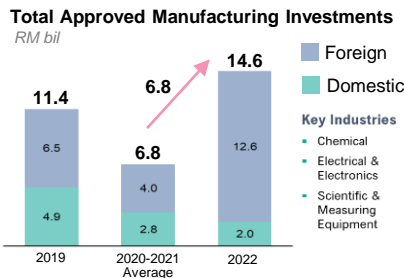
# Robust Industrial Developments in Johor



## Positive business investment intentions over the last 5-years

	2022 Transaction Value (RM bil)	CAGR Last 5 years (2017-2022)	Pre-Covid 5yr Ave. (2015-2019) (RM bil)	Variance 2022 vs. Pre-Covid 5yr Ave.
Residential	94.3	7%	69.7	+35%
Commercial	32.6	5%	29.3	+11%
Industrial	<b>21.3</b>	<b>13%</b>	<b>13.1</b>	<b>+62%</b>

## Higher Manufacturing Investments



## Other Industrial Hot Spots in Peninsular Malaysia



**Industrials (Manufacturing) and Logistics:**  
The most attractive Industry sub-sectors in Malaysia 2023

## Strength of the Industrial Play driven by the growth of the ecosystem

### Key Enablers (Game Changers):

1. New Industrial Master Plan (NIMP) 2030
2. National Energy Transition Roadmap (NETR) / Renewable Energy (RE) Initiaves
3. 5G Network Roll Out Plan
4. High Speed Rail (HSR) Project

### Industrial Current Key Sectors in Johor



F&B / Halal Hub Mid-Hi End 'E&E'

### Industrial New Rising Sectors in Johor



Data Center (DC) Logistics Hub

### Industry Key Players in Johor



## Industrial Player Trends 2022/23 (Competitors)

**Slime Darby Property**  
"Industrial as key future growth engine"  
46% of Launched GDV in FY22 from industrial or RM1.2b

**ECOWORLD**  
"High growth for Industrial in 2022"  
GDV of RM3b in Klang Valley for Eco Business Park 5

**Setia**  
"Becoming a holistic property player by diversifying into the industrial"  
Planned launches RM24m in year 2023 (Total GDV RM6.17b)

- Strong demand within the industrial subsector
- Becoming a balance property developer by having a presence along the entire real estate value chain
- Product & income diversification for long-term growth

# Strategic pivot and diversification into Industrial Play

In alignment with government policies, pursuing green financing and partnerships in the RE sector



## UEM Group issuance of RM7 bil green sukuk for green sector initiatives

**UEM Group to issue RM7bil sukuk for green sector initiatives**

The group's diversification into green industries will be led by UEM Leitra Bhd, its new subsidiary.

17 Shares



UEM Group managing director Jazali Ghani said the group intends to lead the government's decarbonisation agenda. (UEM Group pic)

PETALING JAYA: Khazanah Nasional Bhd's subsidiary UEM Group Bhd is planning to raise RM7 billion through the issuance of sustainable sukuk to mark its diversification into green industries.

Over the next five years, the group intends to expand its presence in the green sector, nurture local green players and form strategic alliances to undertake projects in renewables and storage, integrated energy solutions, green or electric mobility, and waste management.

## MOU between UEM Group & ITRAMAS for hybrid solar PV plant to power RE industrial park

TOPICS : StarExtra Flood Alert StarESG Urban Biodiversity True or Not SOBA 2023 C >

**UEM Group partners with ITRAMAS for 1GW hybrid solar PV plant**

17 Shares

**CORPORATE NEWS**

Thursday, 27 Jul 2023 5:41 PM MYT

PETALING JAYA: UEM Group Bhd, the wholly-owned subsidiary of Khazanah Nasional Bhd, has tied up with local and foreign investors to develop a 1 GW hybrid solar photovoltaic power plant integrated with a renewable energy (RE) industrial park in Malaysia.

The project will be developed by UEM Group in collaboration with local investor ITRAMAS Corp Sdn Bhd, which is currently the largest vertically integrated solar plant developer, as well as engineering, procurement, construction and commissioning and service provider in Malaysia.

The collaboration will see both parties leveraging complementary expertise, resources and networks to achieve synergies that will ensure greater success for the project.

The project has also attracted renowned foreign strategic investors which include the likes of Blueleaf Energy and ITRAMAS' existing partners, China Machinery Engineering Wuxi Co Ltd (CMECWUXI) and HEXA Renewables.

In a joint statement yesterday, UEM Group, ITRAMAS, Blueleaf Energy, CMECWUXI and HEXA Renewables said the Project is in line with the strategic and high-value national flagship energy transition projects under the National Energy Transition Roadmap (NETR).

## UEM Group's commitment to National Energy Transition

Reading Time 4 mins

**UEM Group's Strategic Partnerships To Accelerate Malaysia's Transition to Renewable Energy**

By Pezja Chandak · 5th July 2023

519



Representational image. Credit: Canva

UEM Group Berhad (UEM Group, the Company), a wholly-owned subsidiary and the green investment platform of Khazanah Nasional Berhad (Khazanah) will be taking a proactive

# Key Beneficiary of Johor Singapore Special Economic Zones (JS-SEZ)



## 1) Sectors & Sub-sectors

## 2) Locations & Flagship Zones

## 3) Ease of Doing Business

## 4) Ease of Movement

## 5) Human Resources

## 6) Fiscal & Non-Fiscal

## 7) Governance

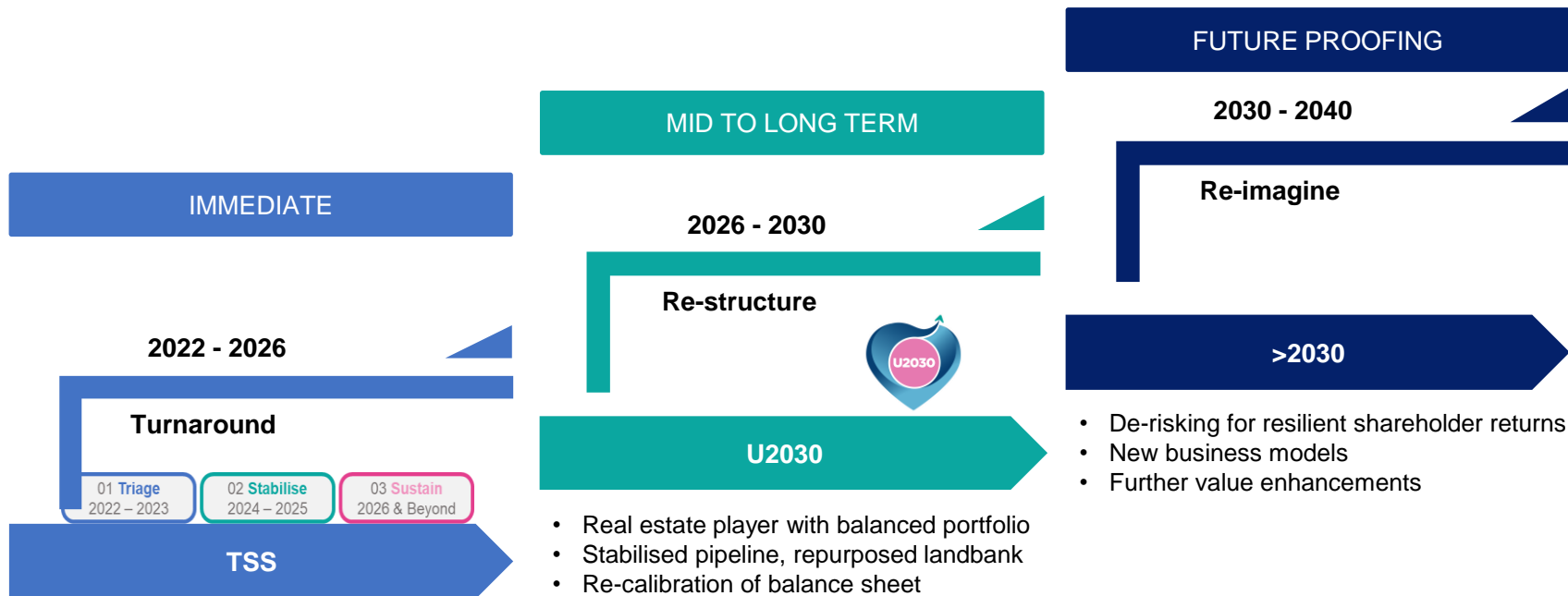
### JS-SEZ Feasibility Study (FS) Plan

- |   |   |   |  |  |   |   |
|---|---|---|--|--|---|---|
| <ul style="list-style-type: none"> <li>• 10 Main sectors &amp; 30 Sub-sectors that are aligned with NIMP</li> </ul> | <ul style="list-style-type: none"> <li>• Mapping of the sectors by selected main location &amp; flagship zones, districts &amp; municipal categories</li> </ul> | <ul style="list-style-type: none"> <li>• Establish support unit, streamline regulatory process, introduce digital platforms and conduct survey</li> </ul> | <ul style="list-style-type: none"> <li>• Facilitate seamless transportation and cargo management via digitalisation &amp; cross-border integration strategies</li> </ul> | <ul style="list-style-type: none"> <li>• Talent development with upskilling efforts via industry-tailored training, academic-industry collaborations, etc</li> </ul> | <ul style="list-style-type: none"> <li>• Proposed incentives are tailored to 10 targeted sectors that align with JS-SEZ objectives &amp; development goals</li> </ul> | <ul style="list-style-type: none"> <li>• Establish governance framework to foster alignment &amp; coordination</li> </ul> |
|---|---|---|--|--|---|---|

### Targeted Plans Moving Forward By The State Government & Potential Impact to UEMS

- |  |  |  |   |   |   |
|--|--|--|---|---|---|
| <ul style="list-style-type: none"> <li>• 3 key sectors likely to be beneficial i.e. healthcare, digital economy &amp; education</li> <li>• <b>To explore further on infrastructure opportunities for UEMS</b></li> </ul> | <ul style="list-style-type: none"> <li>• <b>Main beneficiary as our landbank - GN, PH and SILC are among the areas to be developed</b></li> <li>• Potential zones for more Industrial &amp; Data Centers beyond Iskandar Puteri</li> </ul> | <ul style="list-style-type: none"> <li>• Continuous engagement with potential investors in driving the growth of the ecosystem</li> <li>• <b>Prioritise ESG alignment in line with our U2030 Transformation Plan</b></li> <li>• Propose specific study on <b>Infrastructures &amp; Utilities developments</b> to ensure full support for both Ease of Doing Business &amp; Ease of Movement</li> </ul> | <ul style="list-style-type: none"> <li>• Ongoing dialogues with all stakeholders involved to finalise the JS-SEZ plans</li> <li>• <b>Positive spillover impact to UEMS' product launches given the influx of workforce and investments</b></li> </ul> | <ul style="list-style-type: none"> <li>• Ongoing study and analysis of regional economic zones such as <i>Vietnam and China</i></li> <li>• Finalising JS-SEZ incentives with special rates for <b>ESG-focused businesses</b></li> </ul> | <ul style="list-style-type: none"> <li>• Establish JS-SEZ taskforce &amp; review agenda</li> <li>• Consultants to assist on the qualified personnel to be appointed for the taskforce.</li> </ul> |
|--|--|--|---|---|---|

# Our transformation journey - a commitment to revitalisation and growth

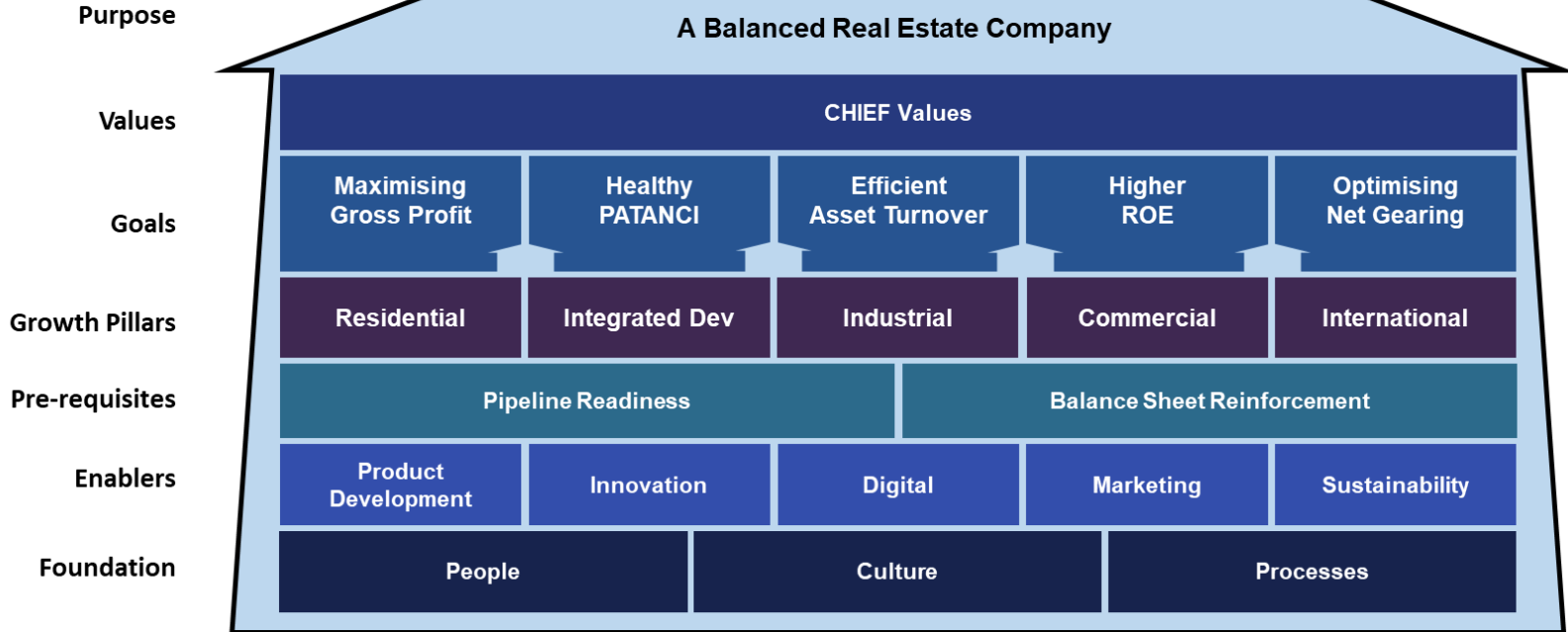


- PATANCI turned black
- Course correction
- Resetting fundamentals, optimising cost
- Strengthening and detoxifying the core
- Revitalising Iskandar Puteri
- Activating industrial developments

- Real estate player with balanced portfolio
- Stabilised pipeline, repurposed landbank
- Re-calibration of balance sheet
- Expansion beyond domestic footprint
- Improved shareholder returns

- De-risking for resilient shareholder returns
- New business models
- Further value enhancements

# Unveiling U2030 Strategy for Long-Term Resilience





## REVISED DIVIDEND PAYOUT POLICY

# 40% - 60%

of its PATANCI

*Previously 20% to 40% payout ratio*

- ✓ Leveraging current growth momentum
- ✓ Continuous focus on efficiency and cost optimisation
- ✓ Strategic execution on all priorities



# Key Takeaway: Well-positioned to create sustainable value



Accelerating transformation agenda to create long term growth



Malaysia's trusted developer with strong operating capabilities



Right place and right time to seize opportunities from energy transition, urbanization and digitalisation, especially in Iskandar Puteri



Continuing our commitments to drive cost optimisation initiatives and discipline capital allocation

# Supplemental Information



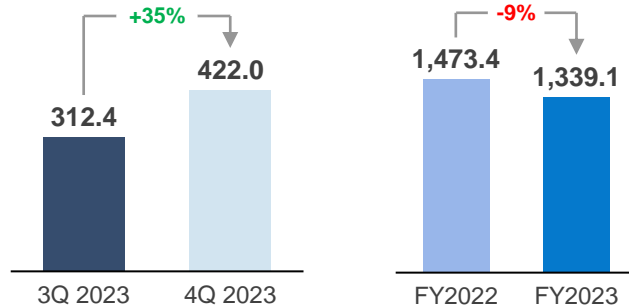
# Financial Results & Project launches



# Revenue largely driven by property development and land sales



## Revenue RM mil



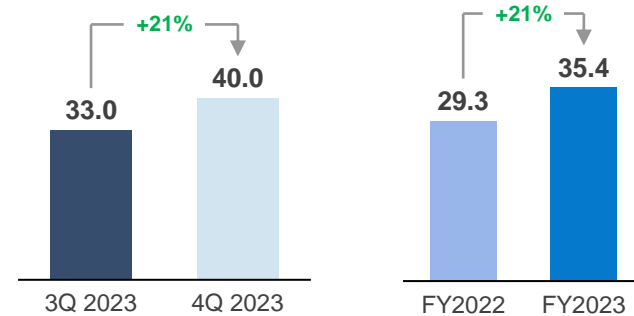
### Sequential Quarter

Higher revenue in December 2023 was mainly supported by construction progress of ongoing projects. Additionally, divestment of non-strategic land sales and petrol land sales contributed to the increase in revenue.

### Year-on-Year

Revenue declined mainly due to lower contributions from property development in FY2023.

## Gross Profit Margin (GPM) %



### Sequential Quarter

GPM improved mainly due to higher land sale revenue in the current quarter.

### Year-on-Year

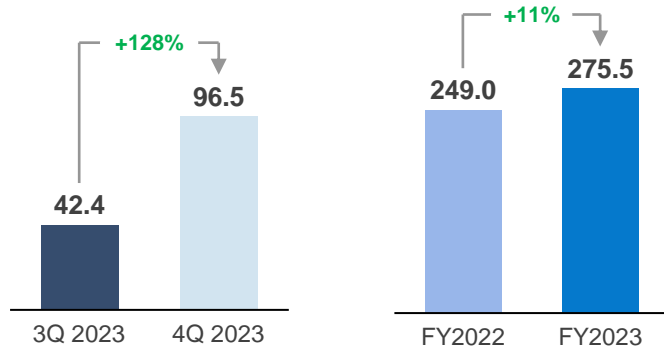
Stronger GPM mainly driven by project cost savings from Central and Southern projects and higher margin from land sales.



# Achieved higher operating profit while the profit after NCI recorded RM76 mil

## Operating Profit

RM mil

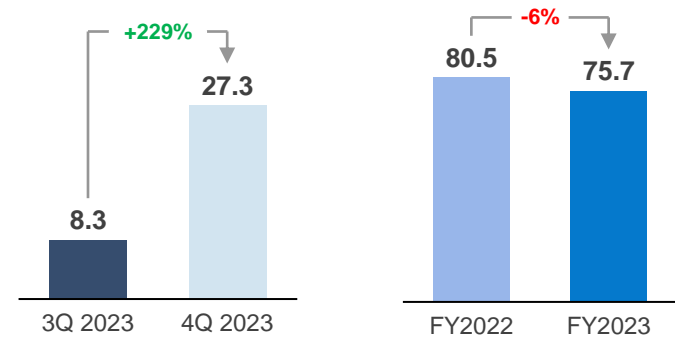


### Sequential Quarter & Year-on-Year

Registered higher operating profit due to higher profit from land sales and cost savings from completed projects.

## Profit after NCI

RM mil



### Sequential Quarter

PATANCI increased despite lower profit attributable to NCI (4Q 2023: RM4.0 mil vs 3Q 2023: RM0.08 mil)

### Year-on-Year

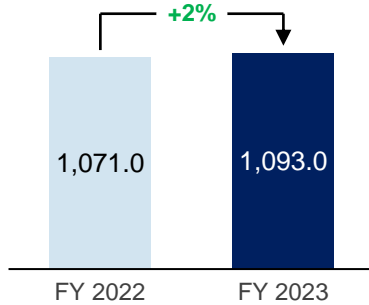
Lower PATANCI accounting for higher profit attributable to NCI (FY2023: RM10.2 mil vs FY2022: RM1.5 mil).

# Strong balance sheet position supports sustainable value creation



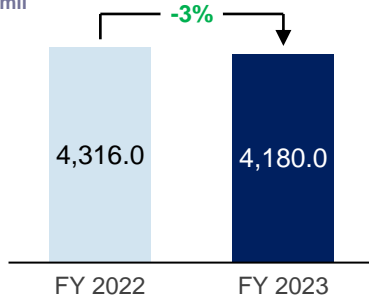
## Cash and Bank

RM mil



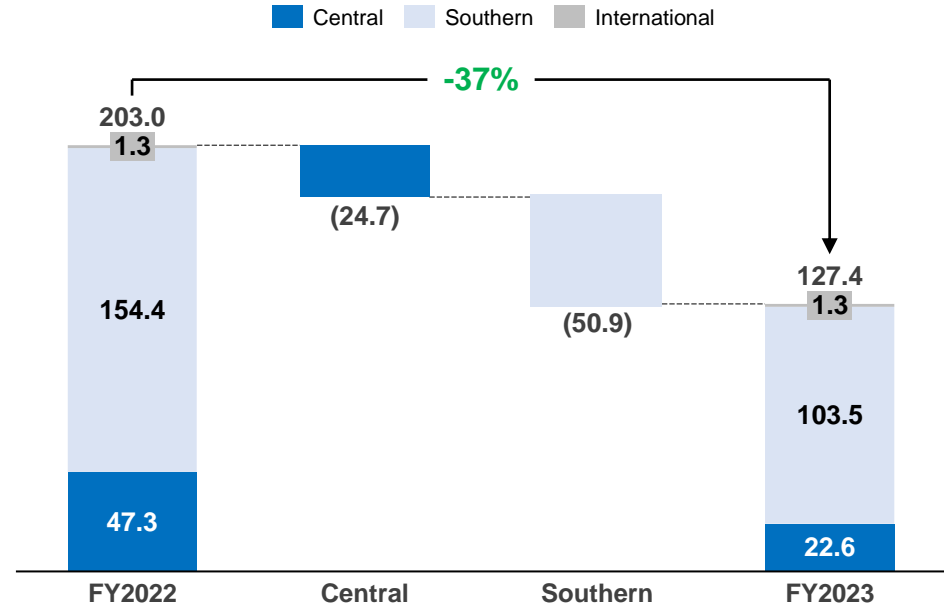
## Borrowings

RM mil



## Inventories (By Region)

RM mil



\*Inventories as of 31 Dec 2022: RM203.0 mil

# In Central, targeting to complete and deliver 4 projects in 2024



# Whilst in Southern, target to complete and deliver 2 projects





Thank you.

# UEM SUNRISE BERHAD

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