



A member of **UEM Group**

11TH ANNUAL GENERAL MEETING

30 MAY 2019



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Financial performance 2018

The background of the slide features a close-up, artistic shot of several darts with black flights and silver barrels, some of which are embedded in a dartboard. The dartboard has a colorful, multi-colored star pattern. The lighting is dramatic, with strong highlights and shadows, creating a textured, metallic appearance.

Sales

RM1.43bil

↓ 4% vs. FY2017 : RM1.49bil

Revenue

RM2.04bil

↑ 10% vs. FY2017: RM1.86bil

PATANCI

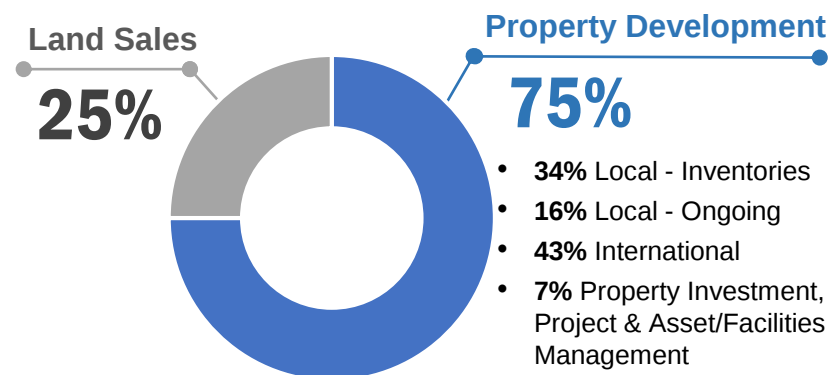
RM280mil

↑ 166% vs. FY2017: RM106mil

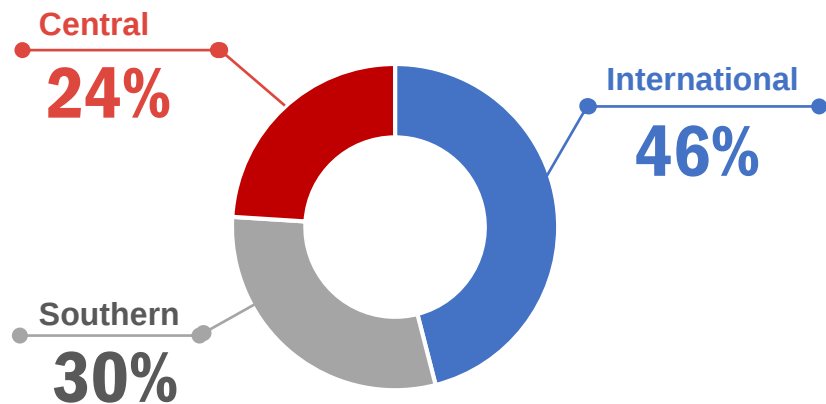
2018 Highlights

Revenue

Total Revenue
RM2,044mil
+10% vs. FY2017

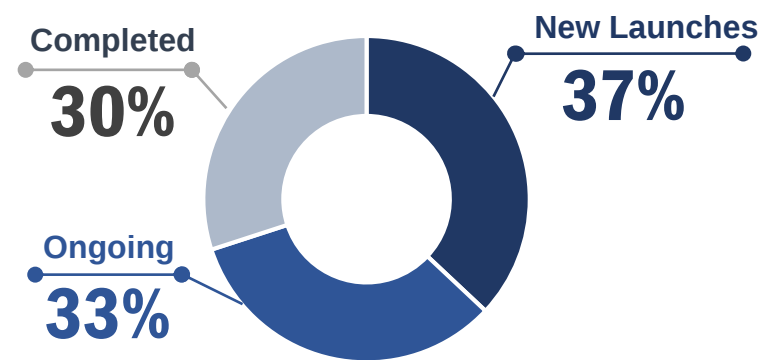


Contribution by Region (for Prop. Dev. Revenue)

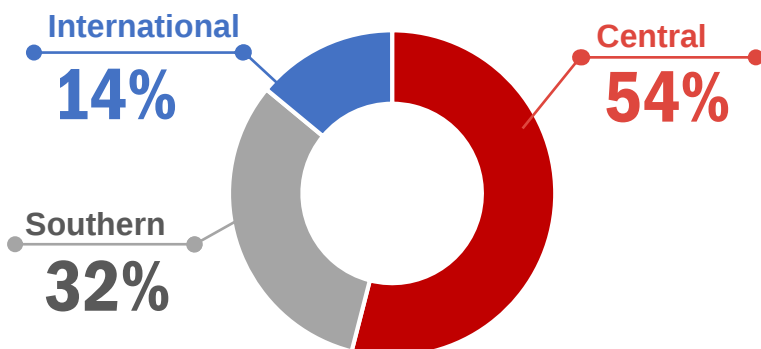


Sales

Total Sales
RM1,433mil
4% contraction vs. FY2017; +19% from 2018's sales target

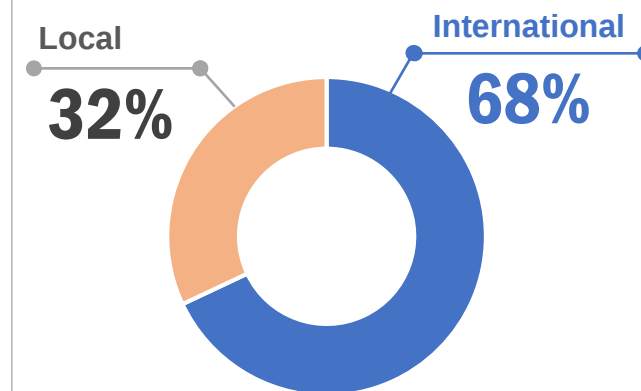


Contribution by Region (for Prop. Dev. Sales)



PATANCI
RM280mil
+166% vs. RM106mil in FY2017

Unbilled Sales
RM4.4bil
As at 31 December 2018



Launched GDV
RM907.9 mil
Target GDV for 2018 = RM1.0 bil

What did we do beyond the figures? (1/5)

Rebalance our portfolio - acquisition are all in Central, while divestment are all in Southern

Land acquisition - Central

Land cost of RM635.5 mil | Potential GDV of RM16.5 bil

Kepong



- 72.7 acres
- Land cost RM447 mil
- GDV RM15 bil
- Target launch Q4 2019 (1st phase)

Mont Kiara



- 5.87 acres
- Land cost RM79 mil
- GDV RM870 mil
- Target launch 2021

Equine Land



- 19.3 acres
- Land cost RM109.5 mil
- GDV RM722 mil
- Target launch Q4 2020

Asset divestment - Southern

Land value divestment of RM457 mil

Country View,

Lebuhraya Sultan Iskandar
(Near Kota Iskandar)

- 163.9 acres
- Value : RM310 mil

RA Suria,

Lebuhraya Sultan Iskandar
(Near Horizon Hills)

- 23.6 acres
- Value : RM49 mil

Landasan

Kejora, Lebuhraya Sultan
Iskandar (Near Horizon Hills)

- 10.2 acres
- Value : RM11 mil

Kimlun,

Jalan Nusa Sentral, Iskandar
Puteri (Near Horizon Hills)

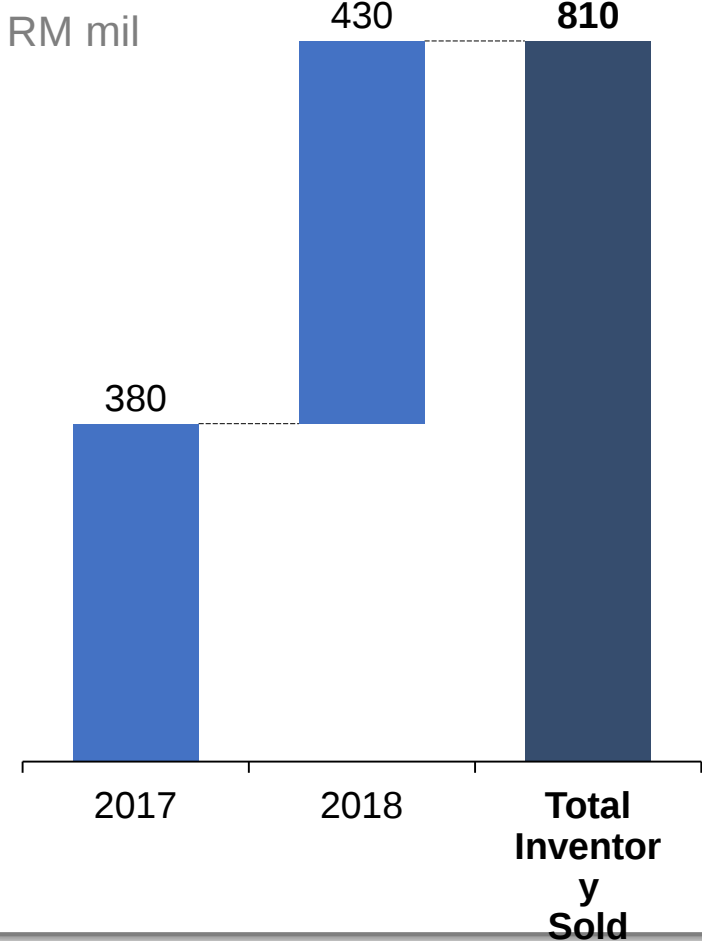
- 29.0 acres
- Value : RM87 mil

What did we do beyond the figures? (2/5)

Successfully monetising our inventories

2-year Inventory Sold (2017/18)

Total Inventory Sold in 2017 & 2018



Inventory valued @ RM889mil as at Q1 2019



What did we do beyond the figures? (3/5)

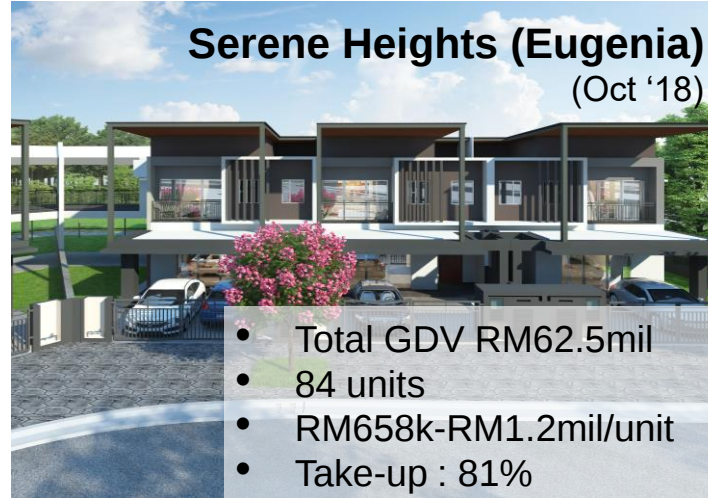
Continue our successful momentum of launches - RM1.2 bil (1,556 units) launched between March '18 and Jan '19

Note : Take up (bookings & sold) as of 27 May



Residensi Astrea
(Oct '18)

- Total GDV RM323.0mil
- 240 units
- From RM1.2 mil/unit
- Take-up : 59%



Serene Heights (Eugenia)
(Oct '18)

- Total GDV RM62.5mil
- 84 units
- RM658k-RM1.2mil/unit
- Take-up : 81%



Kiara Kasih
(Mar '18)

- Total GDV RM215.7mil
- 719 units
- RM300k/unit
- Take-up : 100%



Serimbun
(March '18)

- Total GDV RM139.0mil
- 215 units
- RM630k-RM1.4mil/unit
- Take-up : 76%



68 Avenue
(Dec '18)

- Total GDV RM167.7mil
- 136 units
- RM939k-RM4mil/unit
- Take-up : 59%



Aspira ParkHomes
(Jan '19)

- Total GDV RM287mil
- 396 units
- RM557k-RM944k/unit
- Take-up : 57%

What did we do beyond the figures? (4/5)

Make >3,700 home-owners happy

Serene Heights (Begonia)



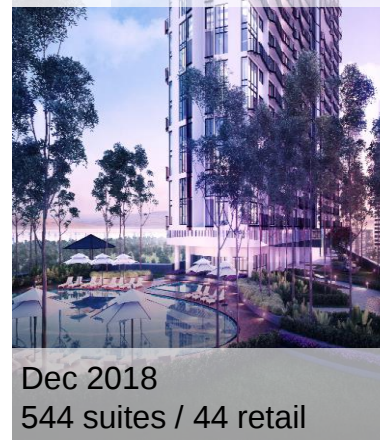
Serene Heights (Acacia)



Estuari Gardens



Almas



Radia (Blocks E & F)



Aurora



Denai Nusantara



Residensi Sefina



Almas (Retail)



Serene Heights (Camellia)



Aspira Lakehomes



Conservatory



What did we do beyond the figures? (5/5)

Improve our brand equity through awards & recognition

UEM Sunrise

THE **EDGE** *Top Property Developers Awards*
2018

2015

2016

2017

2018

7

10

9

7



PUTRA
BRAND AWARDS
— THE PEOPLE'S CHOICE —
BRONZE
2018



THE ALL-STAR AWARD
TOP RANKED DEVELOPERS OF THE YEAR



Solaris Parq



Other Developments



Arcoris



Gerbang Nusajaya



Mont Kiara Aman



Radia





Market Outlook

2019 remains a challenge for the property market but we are surgical about our launches

Mild recovery ahead?

Mild recovery in Malaysia's property market this year?

Rachel Chew / EdgeProp.my
January 08, 2019 15:22 pm +08

THE EDGE
MARKETS
MAKE BETTER DECISIONS



THE Star
ONLINE

PROPERTY

Wednesday, 9 Jan 2019

Property sector expected to recover in first half

Malaysian property market to further stagnate in 2019 — Rahim & Co

Tan Xue Ying / The Edge Financial Daily
February 20, 2019 10:39 am +08

Affordable housing issues still prevalent

THE EDGE
MARKETS
MAKE BETTER DECISIONS

Zuraida: Govt reviewing state-offered lands for affordable housing

Adam Aziz / The Edge Financial Daily
March 26, 2019 10:14 am +08

Ceiling price of affordable houses lowered to RM300,000

EE ANN NEE / 28 JAN 2019 / 23:09 H.

2019 Annual General Meeting

theSundaily
TELLING IT AS IT IS

Overhang still an issue

Big data to help solve property overhang issue: Zuraida

April 2, 2019 @ 3:56pm

NEW
STRAITS TIMES

Malaysia's property overhang — the frenzy, glut and cost

ALL BUSINESS DAILY
The Malaysian Reserve

Monday, February 25th, 2019

The push and pull of housing prices

EdgeProp

March 27, 2019

Unsold housing units may rise further but sharp price drops unlikely

THE Star
ONLINE

Saturday, 6 Apr 2019

House price conundrum

Global house prices, including in Malaysia, continue to moderate

EdgeProp

March 30, 2019

New housing policies

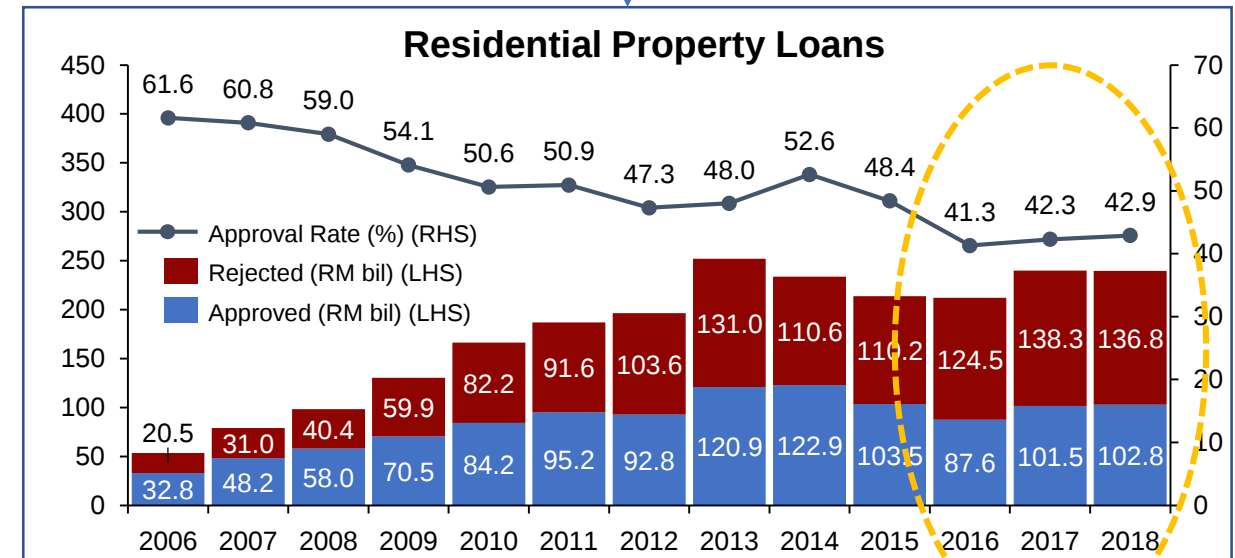
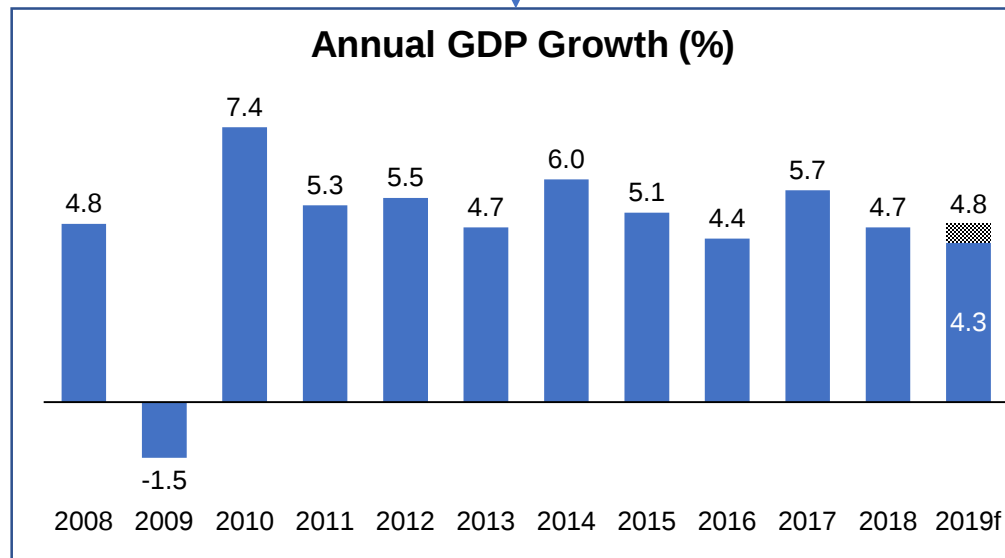
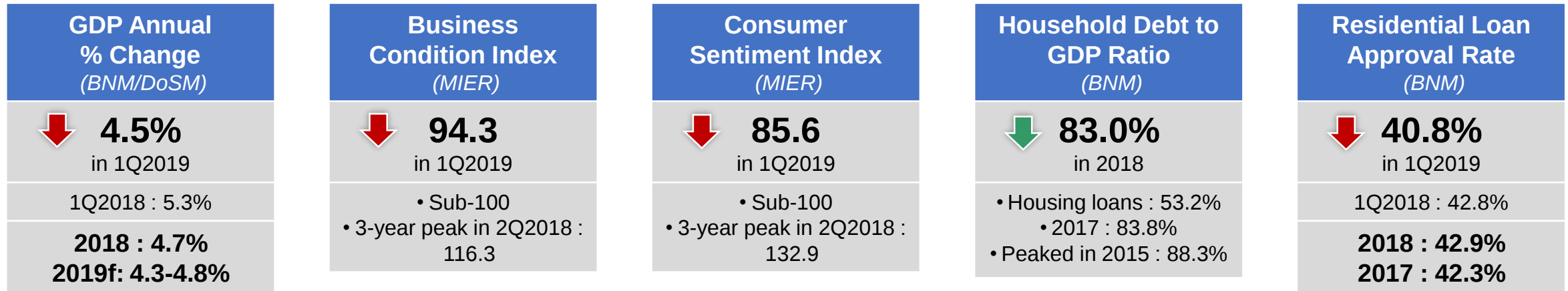
Budget 2019 and Its Impact on the Property Industry in Malaysia

hbw HENRY BUTCHER MALAYSIA
International Asset Consultants

The Effect of Malaysia's New Government First Budget 2019

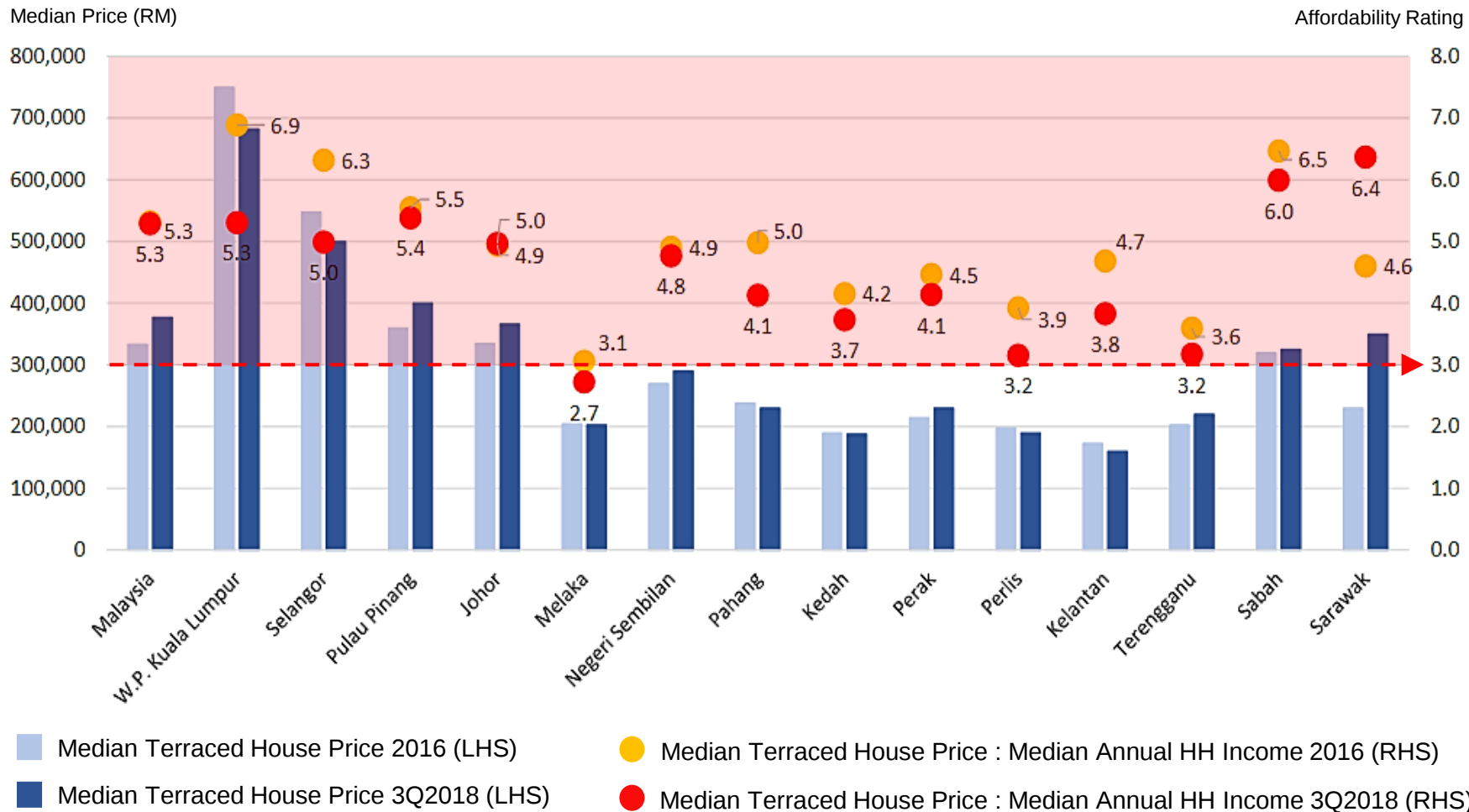
🕒 06-11-2018

What the macro indicators are saying...



Housing (un)affordability remains...there is a gap between the median house price and annual household income

Affordability – Median Terraced House Price : Annual Household Income



Source: DoSM & Rahim & Co.

- 1** KL, Selangor and Johor are severely / seriously unaffordable
- 2** Price correction for KL and Selangor, potentially due to
 - i. Cooling market
 - ii. New houses being launched further from the city centre at lower prices
- 3** Median price for:
 - Johor (RM350k),
 - KL (RM700k),
 - Selangor (RM500k)

House Price-to-Income Ratio	Affordability
3.0 and below	Affordable
3.1 – 4.0	Moderately Unaffordable
4.1 – 5.0	Seriously Unaffordable
5.1 and over	Severely Unaffordable

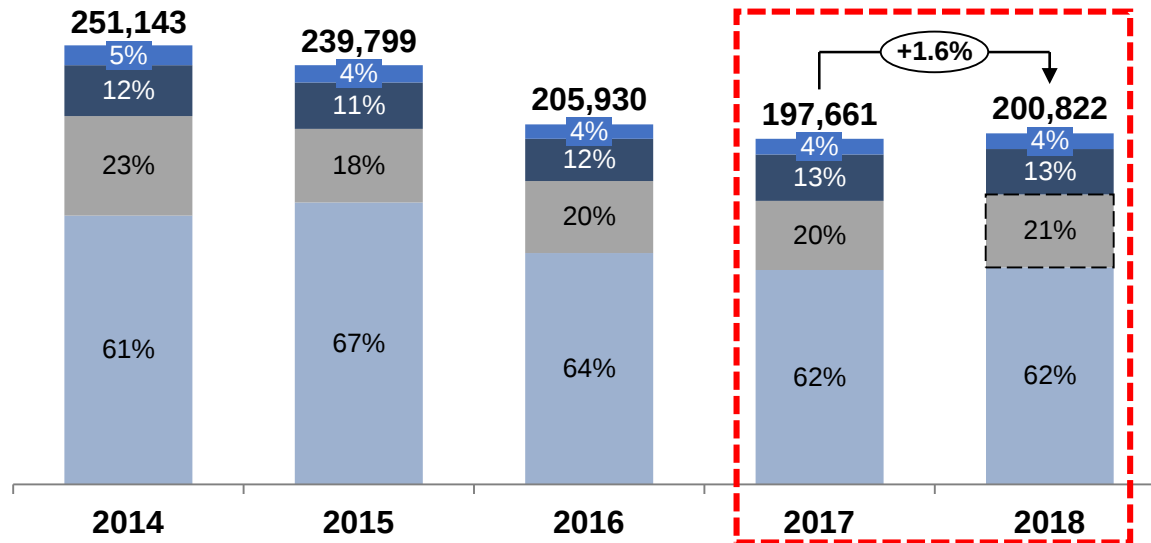
Source : Demographia International Housing Affordability Survey

However, some positive movements in Transaction activity; although undermined by the increase in Overhang and Unsold units

Transactions

Malaysia : Volume of Residential & Serviced Apt Transactions

Units



Source: NAPIC

Volume
200,822 units (+1.6% YoY)

Value
RM72.5b (+1.8% YoY)

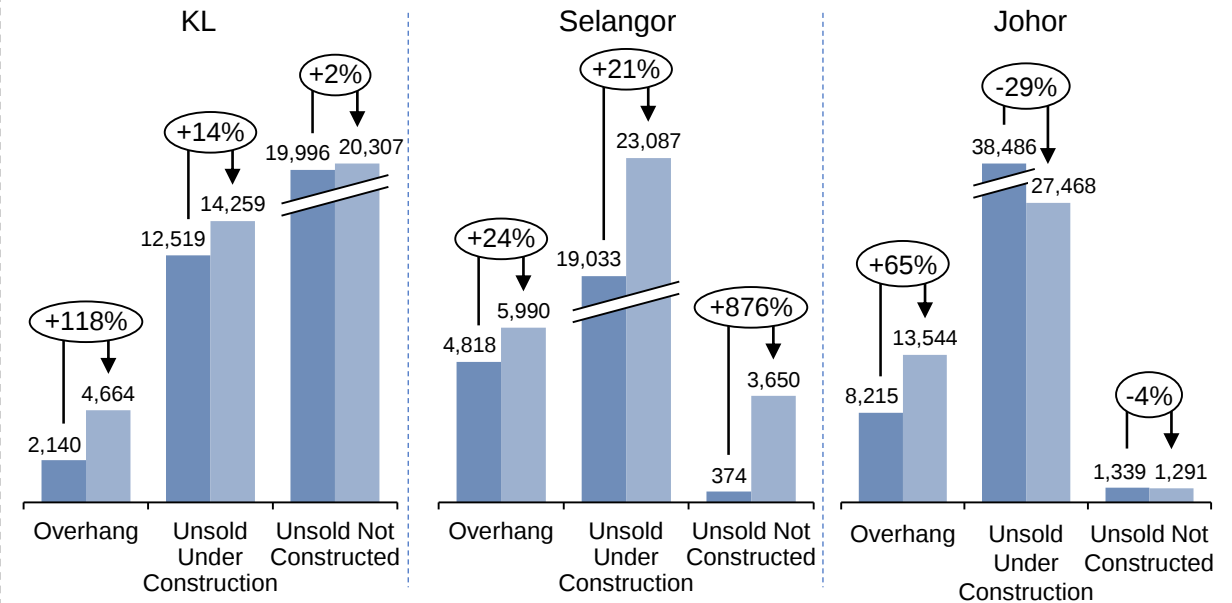
- Transactions in 2018 grew by 1.6% YoY after recording negative growth in the past 3 years
- Growth in the **>RM300k to RM500k** segment of 5.5%

Overhang and Unsold Units

Selected States : Unsold Residential & Serviced Apt Units

Units

2017 2018

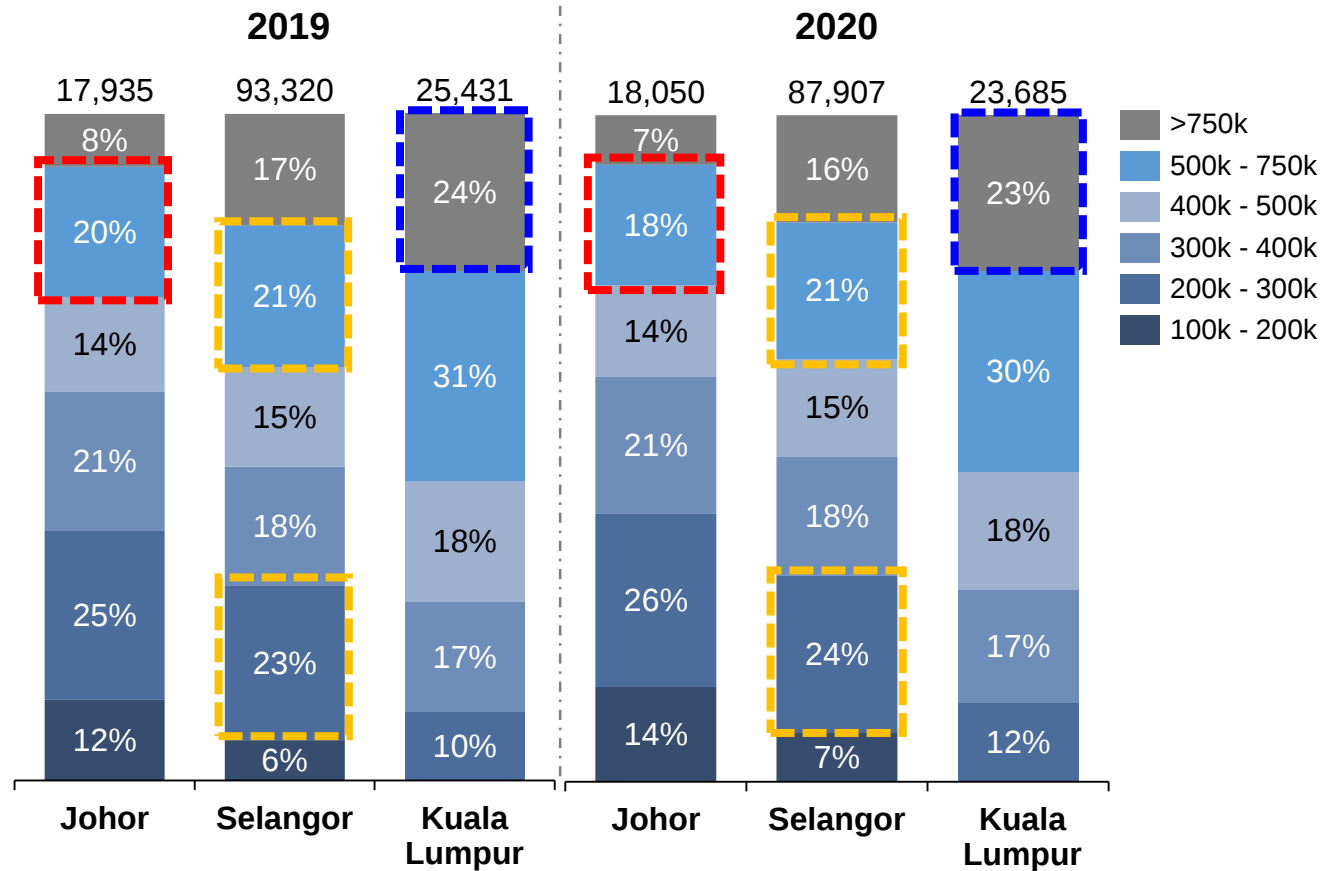


Source: NAPIC

- Overall, Johor has the largest total unsold supply at 42,303 units
- Johor also has the largest overhang of 13,544 units (31% of Malaysia's total), valued at RM9.3 bil (32% of Malaysia's total)
- Johor's overhang volume grew by 65% from last year

Against those headwinds, there are still opportunities for us to reap by addressing the effective demand

Effective Demand by Price No. of Units



* Assumption of 90% loan margin. Figures represent the number of new household formations forecast for each year based on population growth projections.

Source: UEMS Market Research

Where are they?

We target to capture up to 10% of the respective market segments
(selected projects in 2019-2020)

JOHOR
~20% in the
RM500k-RM750k
price segment

ASPIRA
Park Homes

396 units
@ RM600k-RM680k*

The Maris
Desaru Coast

260 units
@ RM620k-RM660k*

SELANGOR
Largely in the RM200k-
300k and RM500-750k
price segments

Serene Heights
Simple Pleasures Of Life Bangi

362 units
@ RM620k-RM780k*

Equine

300 units
@ RM780k

KL
Majority in the RM500-
1mil price segment

Kepong

870 units
@ RM500k-RM900k

*Average prices of multiple phases

Our portfolio over the next 25 years

Potential GDV of RM80.7bil across ~5,900 acres



	Mont Kiara	Kepong	Serene Heights	Gerbang Nusajaya	Puteri Harbour	International
Potential GDV (RM mil)	870	15,000	3,248	45,000	15,000	1,650[^] (Mayfair only)
	- Solaris Parq – Commercial - MK31 - Allevia	Kepong Metropolitan Park	- Phase 1F onwards - Phase 2 – Commercial	- Aspira Square/ Parkhomes/ Garden E. Ledang – Regent's Park & Semi-D - Harmony Heights	- Estuari – Phase 1B/2A/B/C - Almas Ph 2 – Commercial - Resi South	- Mayfair - Durban* * Masterplan is currently being developed
Total Acreage	5.87	73	193	4,537	1,037	31.09
Products	- RM0.75m – RM1.5m - High rise township	- RM0.5m – RM0.9m - High rise township	- RM0.5m – RM0.8m - Landed, terrace township	- RM0.6m – RM3.5m - Landed, terrace township	- RM1.0m – RM1.25m - High rise township	High rise
Key Advantages	- Proven location - Strong brand - Tested & successful launches	- Mature area - High rise township	- Mid-market - Affordable - Good quality	- HSR project - Low land cost - Targeted to demands	- High-rise township - Waterfront attraction - Proximity to tourism assets	- Highest resi-tower - Banking support

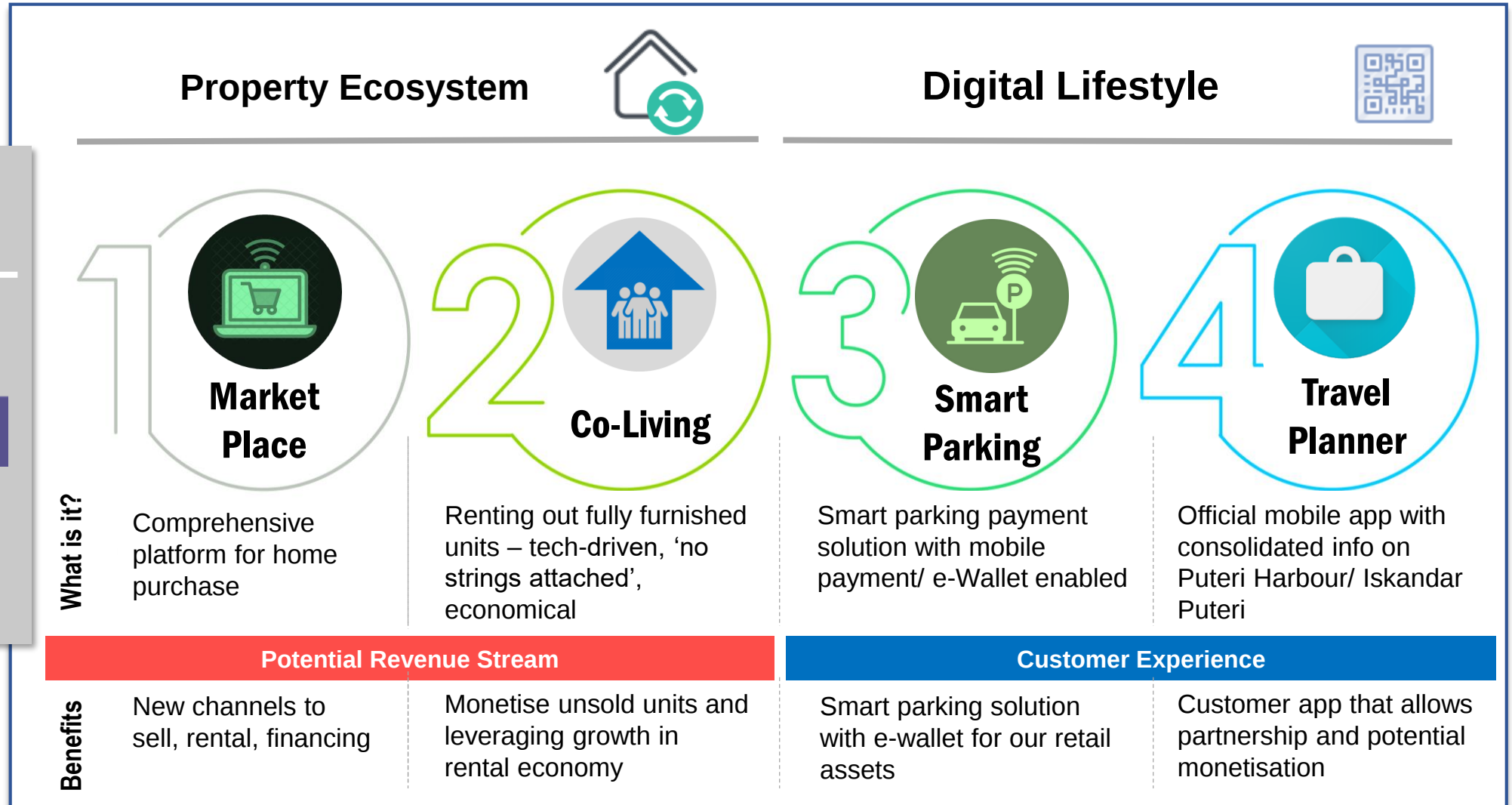
A photograph of five chess pieces on a wooden board. From left to right: a red pawn, a green king, a yellow pawn, a blue king, and a purple rook. The background is a soft-focus blue and pink gradient.

Our strategy

Our key thrusts moving forward



We are exploring innovative offerings to our customers



The values that drives us

E . V . E

Exciting | Value | Easy

The preferred lifestyle provider in Malaysia



**Best-in-Class
Product Design,
Development &
Community Living**



**Overall Cost &
Price Leadership**



**Ease of
Ownership**

Sustainability

We are committed to be a good corporate citizen

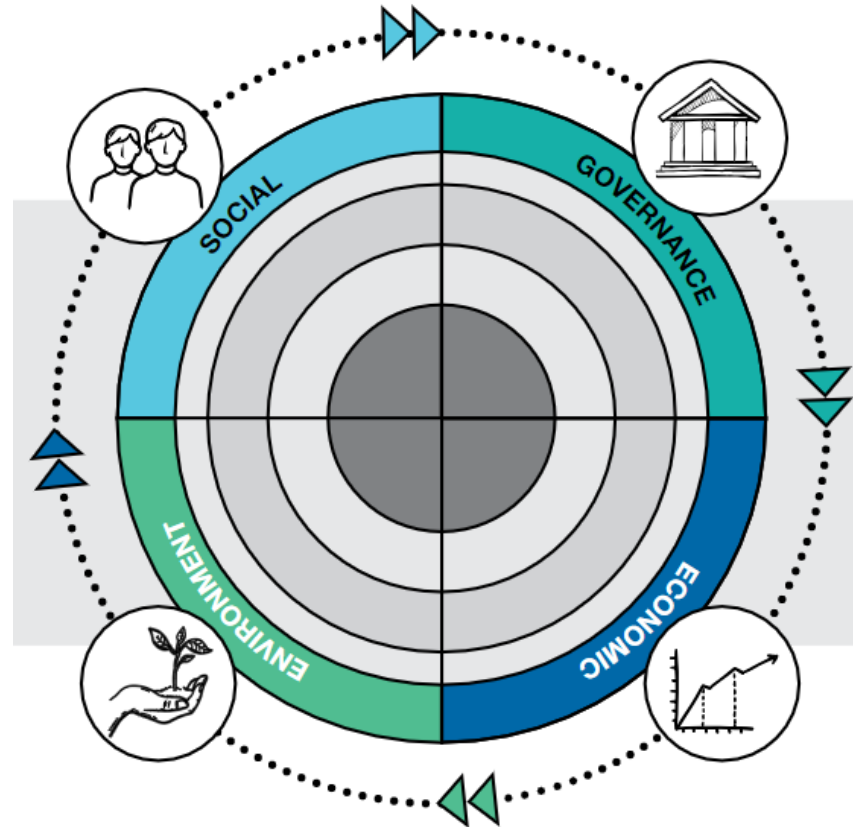
Social

- Set-up **3 BukuHub community libraries** with >2,000 books
- Adopted **25 schools** under PINTAR programme since 2008
- **5% Corporate Citizenship KPI** for all staff
- **0 fatalities** since 2016

Environment

- **Electricity** consumption reduced by **32%^**
- **CO2 emissions** dropped by **32%^**
- **Emissions** from business travel dropped by **11.7%**
- Green lungs, e.g., **343-acre SIREH Park** in Iskandar Puteri

^from 2016 to 2018



Governance

- **7 Independent** non-Executive Directors
- Established **4-member Board Governance & Risk Committee**
- **40% women Directors** on our Board (4/10) since 2018, increased from 22.2% (2/9)
- **Stakeholder engagement** framework cutting across **8 groups**

Economic

- Nation building – **Iskandar Puteri**
- **Affordable housing** –
 - **719 units** at Kondominium Kiara Kasih (RUMAWIP)
 - **4,752 units** in Gerbang Nusantara
 - **800 units** Rumah Selangorku in Serene Heights

Key takeaways



RM4.2 bil worth of **launches** in 2019/2020, incl. the activation of Kepong and Gerbang Nusajaya; with a total **sales target of RM3.3 bil**



We will continue to pursue **sizeable landbank** for **township development** in the **Central** region



We are **paring down debt and strengthening our cash position** through inventory monetisation and asset divestment



Our **Transformation** initiatives – Operational Excellence, Customer Experience, High Growth Culture and Digitalisation – will continue



We will assess **new revenue streams**, i.e., geographical expansion in secondary cities /towns, rental economy and industrials/logistics





A member of **UEM Group**

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30 MAY 2019

THANK YOU

