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UEM SUNRISE BERHAD ANNOUNCES STRONGER EARNINGS OUTLOOK IN ITS THIRD QUARTER 2023 FINANCIAL RESULTS

- *Launched RM3.4 billion GDV to date; surpassed FY2023 target of RM2.5 billion.*
- *RM1.8 billion sales secured, exceeded the sales target of RM1.5 billion; 82% of sales derived from newly launched projects.*
- *Total revenue of RM917 million as of 30 September 2023; 76% derived from property development activities.*
- *Strengthened earnings visibility with unbilled sales of RM2.7 billion.*
- *Profit after tax and non-controlling interests is RM48 million; operating profit improved by 3% year-on-year ("yoy").*

Digital Media: UEM Sunrise Berhad has achieved a revenue of RM917 million as of 30 September 2023, with 76% deriving from property development activities. Operating profit improved by 3%, leading to a profit after tax and non-controlling interests of RM48 million for the nine months under review. Earnings visibility is backed by its unbilled sales of RM2.7 billion. The Company has unveiled RM3.4 billion worth of GDV with the launches of The MINH, The Connaught One, Residensi ZIG, Intrika in Serene Heights, new phases in Senadi Hills and Collingwood, Melbourne. It has achieved RM1.8 billion in sales and has exceeded this year's sales target. The Company has entered its second stage of **Triage**, which forms part of its three-phase strategic turnaround plan and is poised for further growth.

Full Release: KUALA LUMPUR, 15 November 2023 – UEM Sunrise Berhad ("UEM Sunrise" or the "Company") today announced its financial results for the nine months ended 30 September 2023 ("YTD 3Q 2023"), with reported revenue of RM917 million driven mainly by its Central developments namely Residensi AVA in Kiara Bay, Residensi Allevia in Mont'Kiara, Serene Heights in Semenyih, and supported by its Southern developments such as Aspira ParkHomes, Senadi Hills and Aspira Gardens in Iskandar Puteri.

The Company's gross profit margin has improved to 33% in YTD 3Q 2023 compared to 27% in the corresponding period of 2022 arising from project cost savings. In tandem



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with a higher gross profit margin, the operating profit has improved by 3% (compared to YTD 3Q 2022) and the Company recorded a profit after tax and non-controlling interests of RM48 million for YTD 3Q 2023.

Notably, the Company's inventories have reduced from RM203 million at the end of the last financial year to RM136 million, as of 30 September 2023. Its gross and net gearing of 0.62x and 0.46x, respectively, remained moderate, with cash balances of RM1.1 billion as of 30 September 2023. Its unbilled sales of RM2.7 billion will be substantially recognised in the next 18 to 48 months.

As of 30 September 2023, the Company has recorded property sales of approximately RM1.8 billion, with 41% from Central, mainly from The MINH and Residensi Allevia, both located in Mont'Kiara and The Connaught One in Cheras, while sales from the Southern region, contributed around 10%, mostly from Senadi Hills, Estuari Gardens and Almas Suites, all in Iskandar Puteri. International projects contributed 49% of secured sales during the review period with the sale of the Collingwood development in Melbourne, Australia, to Greystar Real Estate Partners amounting to AUD277.3 million (or RM873.7 million).

Robust turnaround plan

The Company continues to focus on its three-phase strategic turnaround plan: **Triage**, **Stabilise** and **Sustain**, and has moved into the second stage of **Triage** this year. **Triage** is the first phase of UEM Sunrise's three-phase strategic turnaround plan and takes place from 2022 to 2023, followed by **Stabilise** (2024 to 2025) and **Sustain** (2026 and beyond).

Observing the current market conditions, sentiment and its latest quarterly results, UEM Sunrise Chief Executive Officer Sufian Abdullah said: "The Company's latest financial results are a reflection of our hard work and dedication in realising our turnaround plan."

"Our plan involves offloading inventories, non-strategic lands, and non-core assets; whilst improving retail income and occupancy," shared Sufian. "Notwithstanding the progress we have made, there's a lot more to be done and we are confident that we will achieve our goal of moving into the next phase of our transformation journey", he added.



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Increasing demand for RISE Series

In the coming quarters, UEM Sunrise plans to reactivate more of its remaining land in Johor. “Our intention is to activate more Southern land banks for development, especially with the renewed interest in Johor. We have plans to launch more residential projects in Gerbang Nusajaya and new phases within the Estuari, Puteri Harbour, to name a few. A new 100-acre mixed development called Puteri Harbour Avenue will also see its first launch in 2024.”

During the review period, the Company has witnessed mostly encouraging results and has been capitalising on new opportunities in the Central region and internationally.

Sufian said: “The MINH and The Connaught One have contributed significantly to our FY2023 launches. Both developments are also the first of their kind in our Happy+ product series; The MINH is under the CLUB Edition while The Connaught One is under the RISE Series.”

“In 3Q 2023, we launched Residensi ZIG, which is our third Happy+ product this year with a biophilic design concept as well as being the second phase of our flagship township in Kepong called Kiara Bay, under a JV with Melati Ehsan Group. The three-tower development features 1,126 residential units with sizes ranging between 42 m² to 140 m² (450 ft² to 1,508 ft²). With an estimated GDV of RM646 million, this is our second RISE series product this year after The Connaught One.”

Expansion plans in Perth, Australia

On the international front, the Company’s developments in Australia have contributed a significant portion towards secured sales during this review period, with the sale of its Collingwood development in Melbourne, Australia, to Greystar Real Estate Partners amounting to AUD277.3 million (or RM873.7 million).

The Company also acquired its first residential development site in Subiaco East in Perth, Western Australia, for AUD22.2 million (or RM66.4 million) and will deliver two landmark apartment buildings as part of the state’s most significant urban redevelopment project at the iconic former Subiaco Oval.



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The upcoming mixed-use residential precinct will comprise the delivery of sleek dual towers with approximately 430 apartments, subject to development approval, with further details to be firmed up. The project will include up to 12% affordable housing as well. Construction is expected to commence in 2026.

Moving forward, with the upcoming developments and land activations in FY2024, UEM Sunrise is certain to remain financially sound and will be on a firmer footing in anticipating moderate market outlook.

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About UEM Sunrise Berhad

UEM Sunrise Berhad ("UEM Sunrise" or the "Company") is a public-listed company and one of Malaysia's leading property developers. It is the flagship company for township and property development businesses of UEM Group Berhad ("UEM Group") and Khazanah Nasional Berhad ("Khazanah"). With core competencies in macro township development, high-rise residential, commercial, retail and integrated developments, UEM Sunrise is the master developer of Iskandar Puteri, Johor, envisioned to become Southeast Asia's largest fully integrated urban development. The Company is also renowned as the pioneer developer of award-winning and upmarket properties, mainly located in the affluent Mont'Kiara enclave as well as surrounding neighbourhoods in the Greater Kuala Lumpur area. UEM Sunrise has extended their mark internationally, including Singapore, Canada and, most notably, Australia.

Inspired by the ethos and tagline "Find Your Happy", the Company endeavours to inspire joy and happiness one space at a time with their people driven by the core values of CHIEF (Caring, Honest, Involved, Enthusiastic, Fun-loving).

Please visit our website at www.uemsunrise.com for more information.

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