

UEM Sunrise Berhad (UEMS MK - 5148)

RHB Invest Johor 2024

15 August 2024

Forest City Marina Hotel



PRESENTER



Mr. Hafizuddin Sulaiman
Chief Financial Officer

- Hafiz has 20 years of expertise in Finance, Strategic Planning, Venture Capital, Capital Markets, and Mergers & Acquisitions.
- Before joining UEM Sunrise, he served as the Group Head of Strategy at QSR Brands (M) Holdings Bhd.
- During his 14-year tenure at Khazanah Nasional Berhad, Hafiz held the position of Director of Finance, where he led financial reporting, systems, fundraising, and liquidity management.
- He also served as Chief Treasury Officer at Berjaya Corporation Berhad and as Head of Treasury at Permodalan Nasional Berhad.
- Hafiz began his career at Ernst & Young and has since held key roles in several leading Malaysian organizations.

MODERATOR



Christine Lau Fei Ling
*Head, Investor Relations, Corporate
Finance & Research*

Agenda

- 1 Overview of UEMS
- 2 2024 Highlights
- 3 Outlook and Strategy
- 4 Supplemental Information



UEMS Overview



Flagship Property And Township Development Company

Part of Khazanah Nasional and UEM Group Berhad



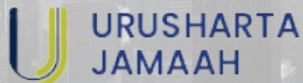
Shareholdings as at 31 July 2024



via



69.6%



3.2%



2.7%



Other local
shareholders

17.7%

Foreign
shareholdings

6.8%



RM5.2 bil

Market Cap as at 13/8/24

RM1.03

Share price as at 13/8/24



FTSE4Good

Score of **3.6**

#3 largest stock

on Kuala Lumpur
Property Index

Positive Share Price Momentum

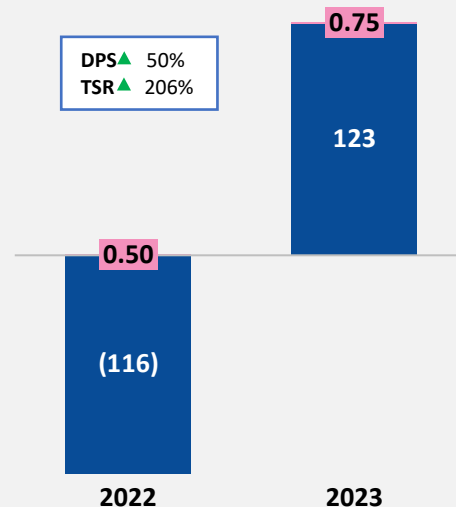


UEMS share price against FBMKLCI & KLPRP index
from 3 Jan 2023 to 9 August 2024



Highest shareholder returns post-Covid

DPS ▲ 50%
TSR ▲ 206%



■ Dividend per share (DPS) (sen)
■ Total shareholder return (TSR) (%)

Supportive Operating Landscape Underlining Robust Growth



Solid Performances in FY2023



**Launched
GDV**

RM3.6b

▲ 596% YoY

FY2022: RM517.0m

**Total
Revenue**

RM1.3b

▼ 9% YoY

FY2022: RM1.5b

**Gross
Profit
Margin**

35%

▲ 6ppts YoY

FY2022: 29%

**EBITDA
Margin**

21%

▲ 3ppts YoY

FY2022: 18%

PATANCI

RM75.7m

▼ 6% YoY

FY2022: RM80.5m

**Net
Gearing**

0.45x

▲ 0.03x

FY2022: 0.48x

**Cash
Balance**

RM1.1b

▲ 2% YoY

FY2022: RM1.07b

**Unbilled
Sales**

RM2.7b

▲ 50% YoY

FY2022: RM1.8b

**Unsold
Units**

RM127.4m

▲ 37% YoY

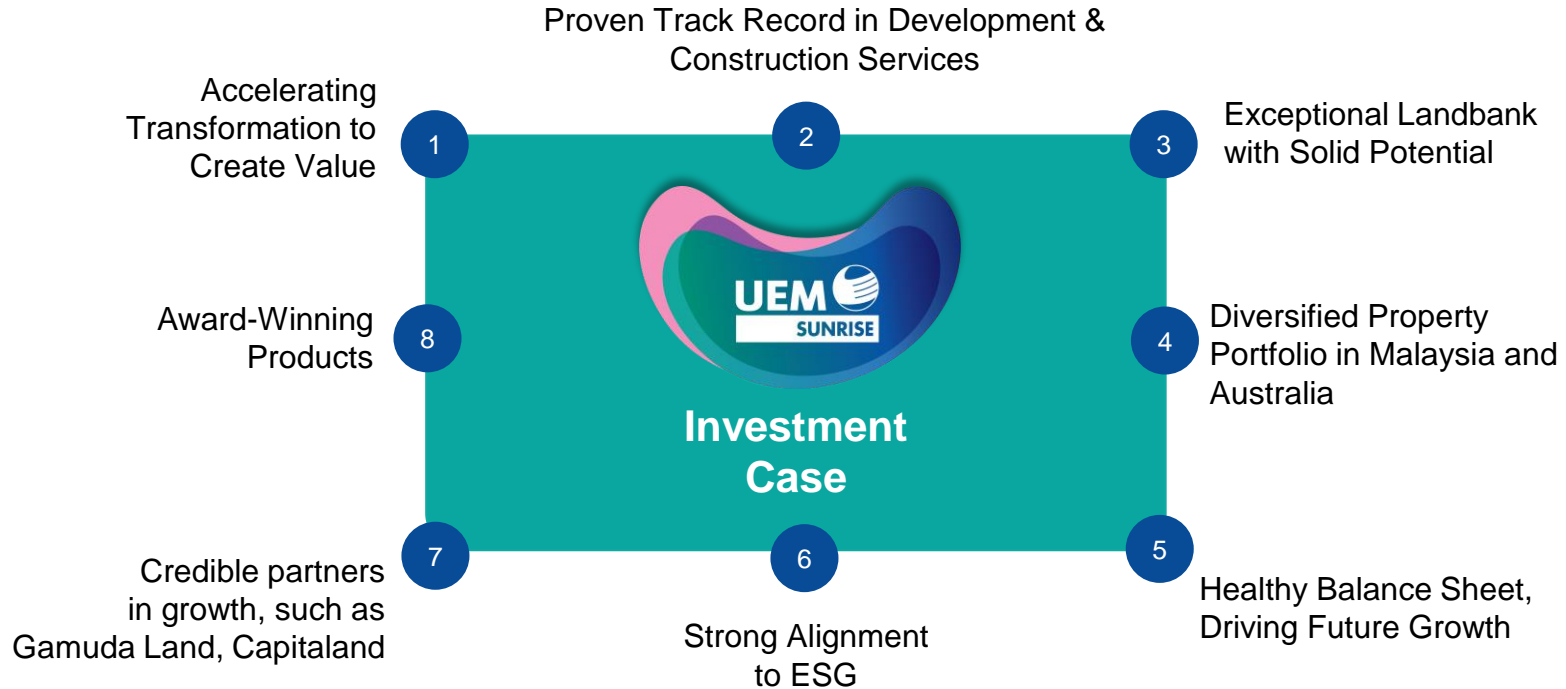
FY2022: RM203.0m

**Dividend
per share**

0.75sen

Payout ratio: 50%
Amount paid RM37.9m
(FY2022: 31%)

Compelling Investment Case with Positive Outlook



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

A Balanced Real Estate Player

Proven Track Record in Development & Construction Services



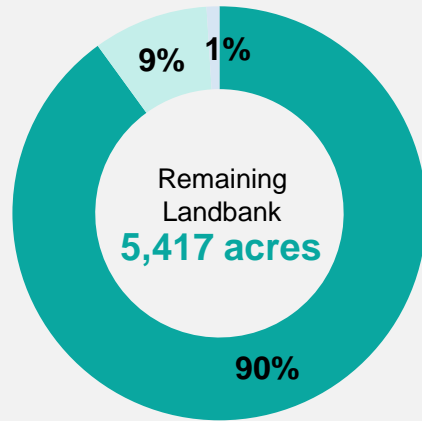
- a More than **50 years of reputation** and experiences as a **value-driven developer**
- b **Master Developer and Pioneer** in landmark developments across Malaysia



Exceptional Landbank with Solid Potential



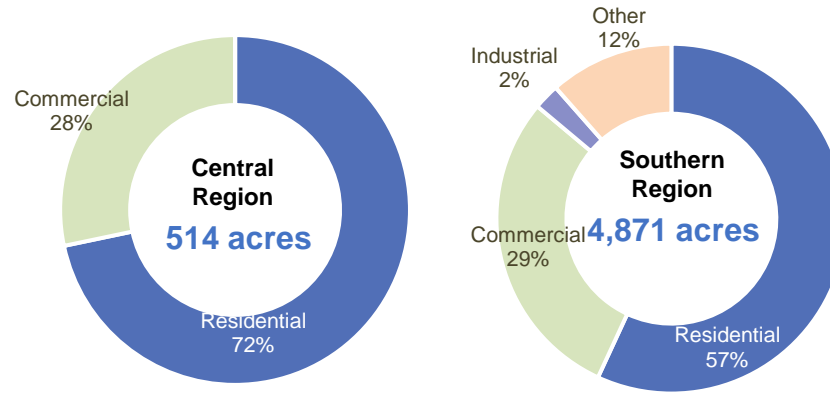
Breakdown of remaining landbank by region



- Central (514 acres)
- Southern (4,871 acres)
- International (32 acres)

*Note: Include JV projects. (JV: 1,784 acres, owned: 3,633 acres)

Breakdown of landbank by land use



*Note: Include JV projects. in Central region of 186 acres, Southern region of 1,567 acres and International of 31 acres

- Approx **5.4K** of remaining landbank with **RM91b** of GDV potential
- Connect investors and customers to **high-quality and strategic freehold** assets in Iskandar Puteri

Diversified Property Portfolio in Malaysia and Australia



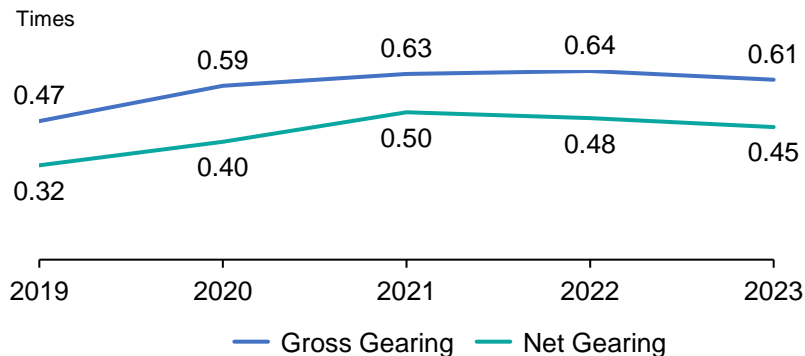
With deep core operating capabilities and competencies to deliver high-quality assets and strategic infrastructure

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

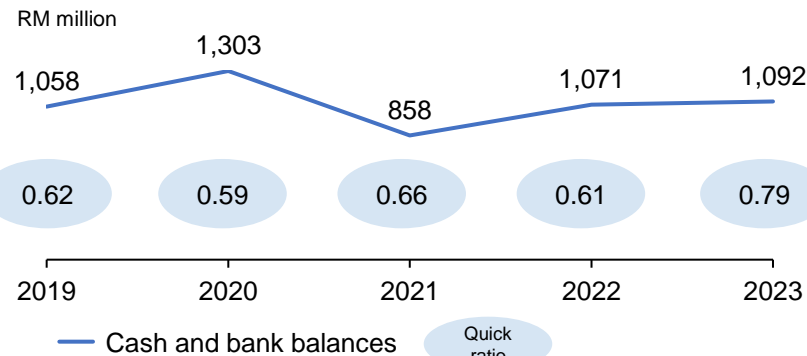
Healthy Balance Sheet Driving Future Growth



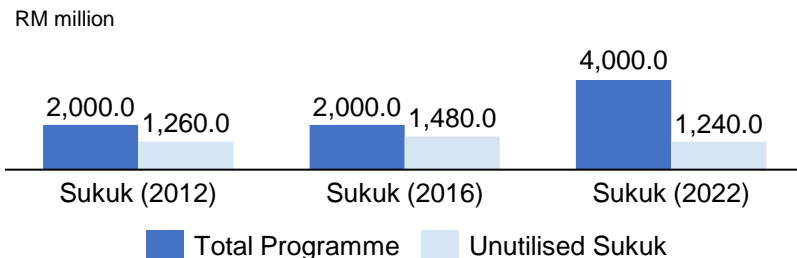
Managing leverage level driven by capital allocation discipline



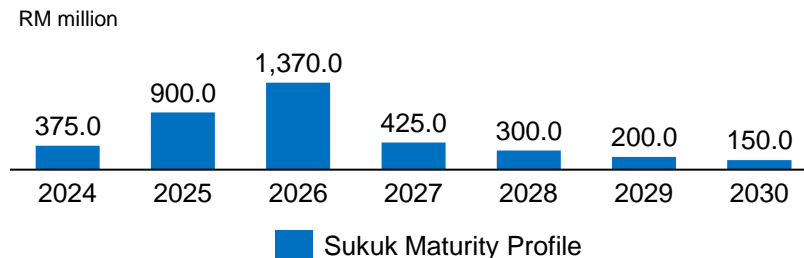
Improving short-term liquidity ensuring business stability



Sufficient Sukuk Programme to undertake future commitments



Debt maturity management in balancing growth and profitability



Strong Alignment towards ESG and Climate Action



Credible and Reputable Partners and Vendors in Growth



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

Award-Winning Products and Malaysia's Trusted Brand



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

The Edge Property Excellence Awards



StarProperty Real Estate Developer Awards



Malaysia Developer Awards



PropertyGuru Asia Awards Malaysia with iProperty



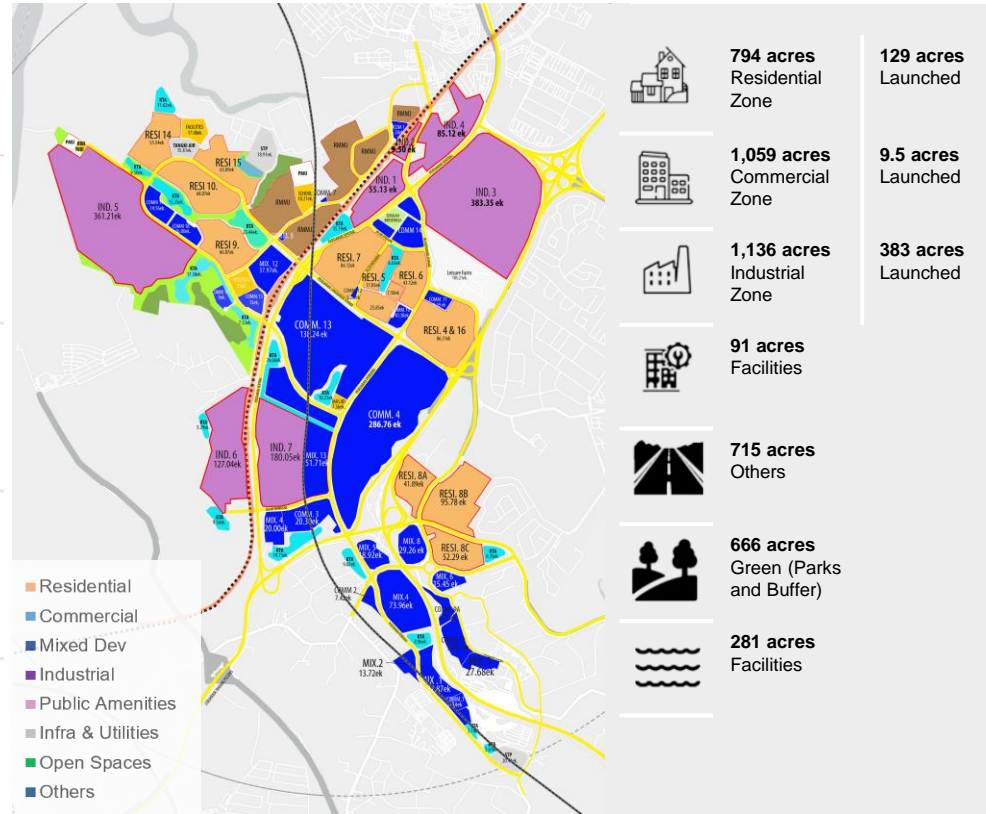
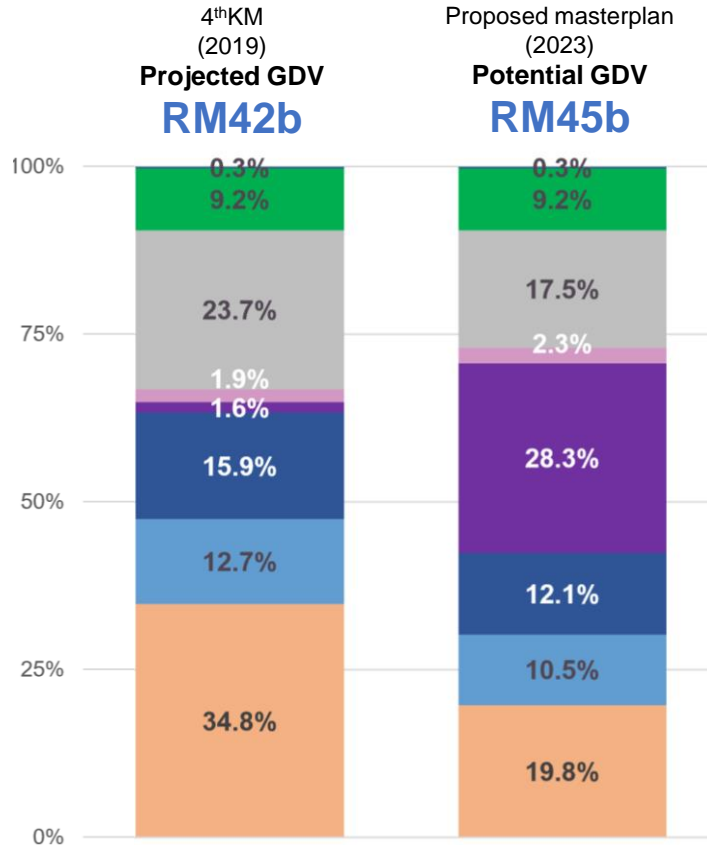
Putra Brands Award



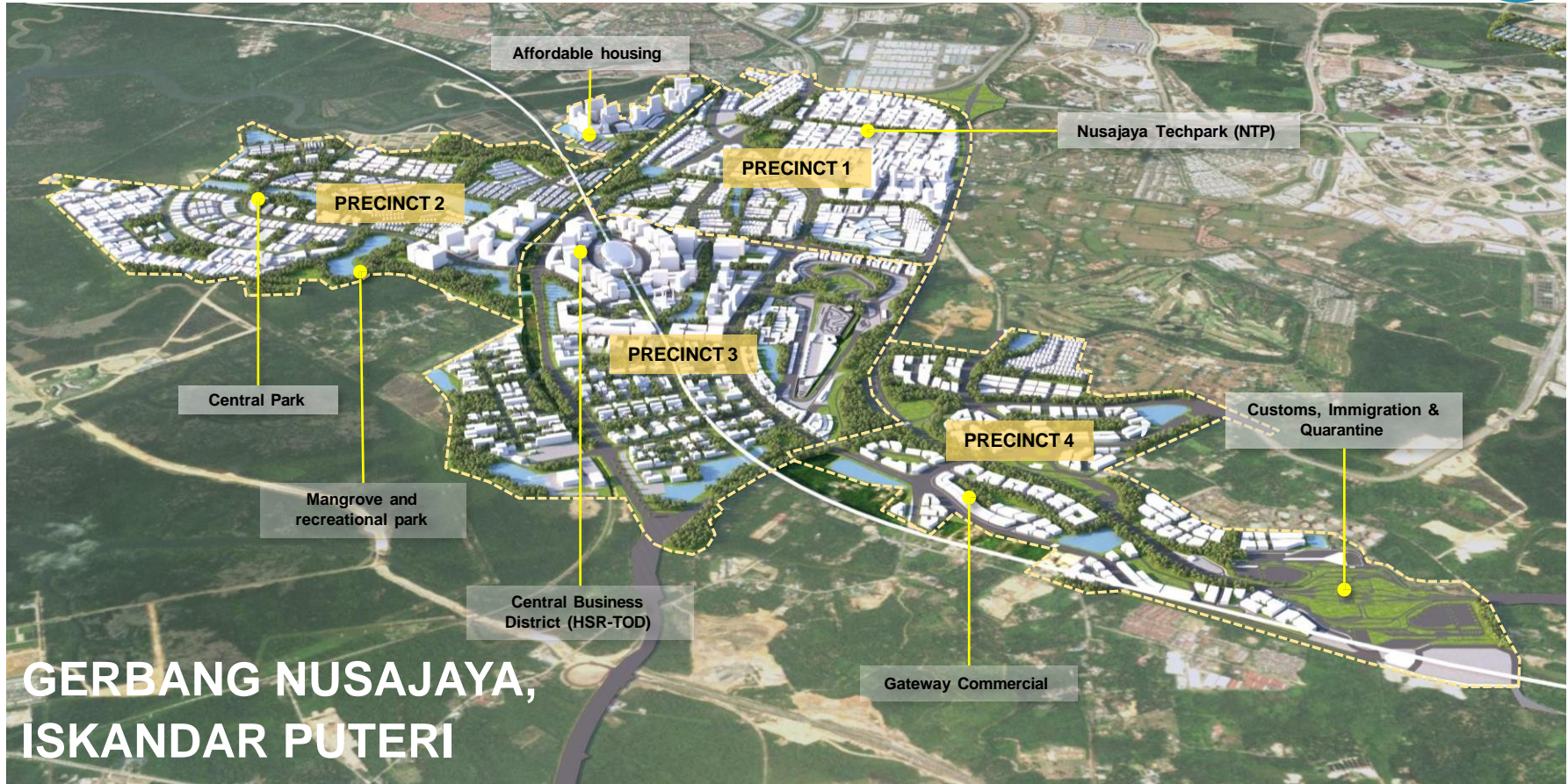
2024 Highlights



Revised Gerbang Nusajaya's master plan to address industrial demands



Total GDV Potential of RM45 billion for 4,471 acres

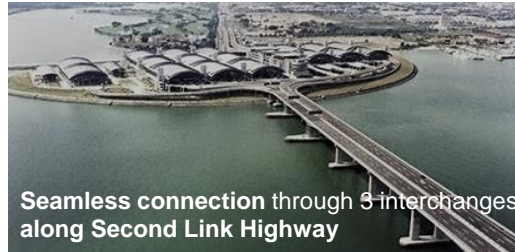
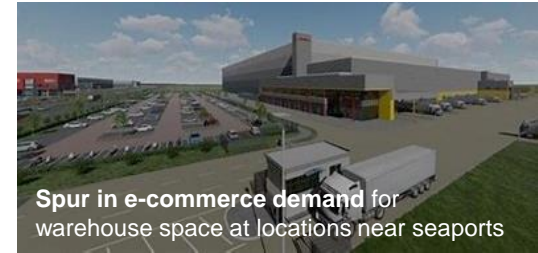
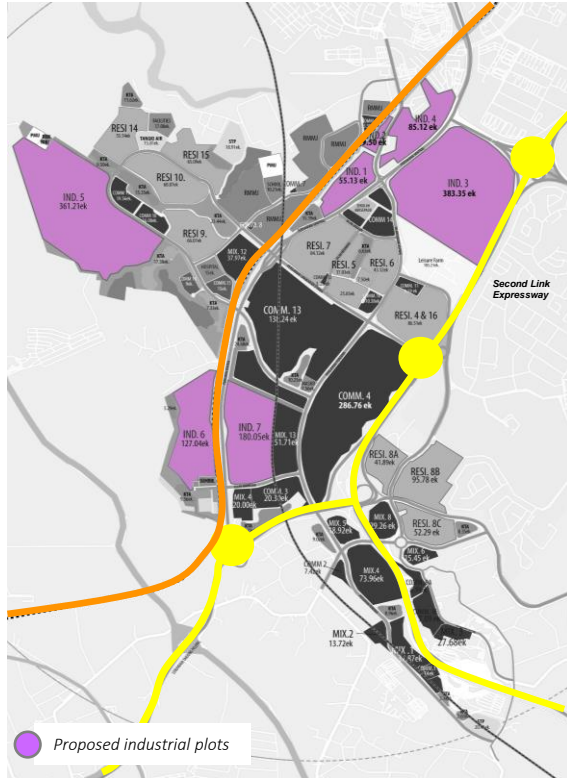


GERBANG NUSAJAYA, ISKANDAR PUTERI

Gerbang Nusajaya presents an unrivalled strategic rationale for industrial play



Readily available infrastructure and proximity to Singapore stimulates demand



Gerbang Nusajaya, Iskandar Puteri	
State	Johor Darul Takzim
Tenure	Freehold
Total Land Area	<ul style="list-style-type: none"> Gross Land Size : 4,471 acres Net Land Size : 2,989 acres (67%)

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Inked strategic MoU for Malaysia's First RE Industrial Park



27 July 2023



- UEM Group inked MoUs with ITRAMAS, CMECWUXI, Blueleaf Energy and Hexa Renewables.
- High-value national energy transition projects under the National Energy Transition Roadmap.

19 Jan 2024



- Agreements signed with ITRAMAS and Hexa Renewables to develop the 1st phase of 1GW, the 500MW hybrid solar power plant, to be located in Segamat, Johor.

15 May 2024

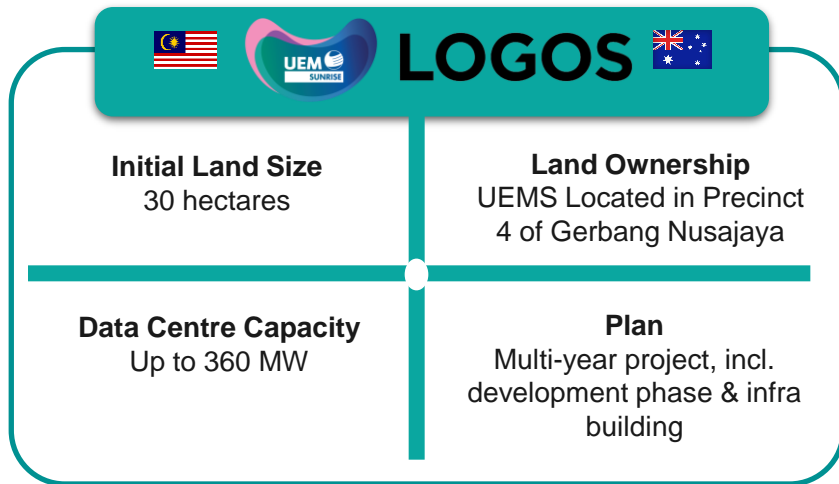


- MoU signed with ITRAMAS and CMEC for a development of Malaysia's first RE Industrial Park, measuring 40 acres in Gerbang Nusajaya, Iskandar Puteri, Johor.

Key Features of RE Industrial Park

- Potential GDV of over RM300 million in 5 years, expect to ground break in 2026
- A total of 40-acre (16.2 hectares) lot with 730,000sf GFA of factories
- Attract local and foreign investments across the RE and EV value chains
- Features a world class RE Hub
- Key growth catalyst of Gerbang Nusajaya

Formed Long-Term Partnership with LOGOS to Develop a World-Class Data Center Campus in Gerbang Nusajaya, Johor in June 2024



RATIONAL

- Expediting **industrial development** as part of **U2030 strategy** to capitalise on growth opportunities from **Renewable Energy, Data Centre, Logistics** and **other green economy**.
- Leverages Iskandar Malaysia's **strategic location** to elevate digital and high-tech industries, aligning with nation's **Madani Economic Framework** and **New Industrial Master Plan 2030**.
- Our potential role includes provide **end-to-end construction management for long-term lease built-to-suit developments**, technical work, and Government-related process, such as licensing applications and securing state approvals.

Higher Take-up Rates Across All Flagship Developments



THE
MINH



Launched GDV
RM981 million

Take up rate **50%**

(vs 4Q2023:
46%)

THE
CONNAUGHT
ONE



Launched GDV
RM748 million

Take up rate **37%**

(vs 4Q2023:
32%)

zig
KIARABAY



Launched GDV
RM724 million

Take up rate **13%**

(vs 4Q2023:
10%)

Senadi
Hills



Launched GDV
RM381 million

Take up rate **92%**

(vs 4Q2023:
74%)

*Take up rates as of 31 March 2024

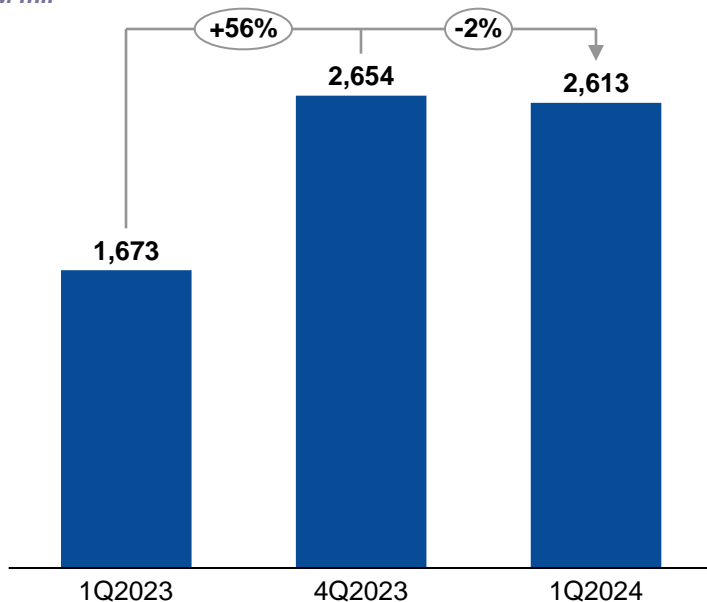
Central Southern

Sustained Unbilled Sales Of RM2.6 bil, To Be Substantially Recognised Within 18 - 36 Months



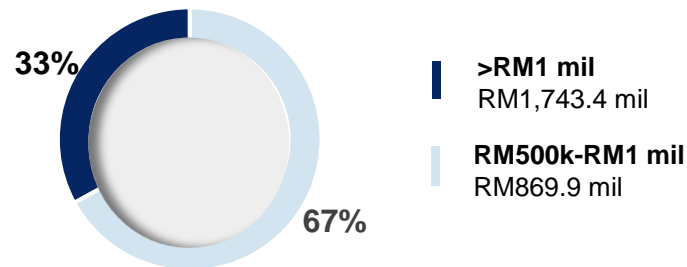
Unbilled Sales

RM mil

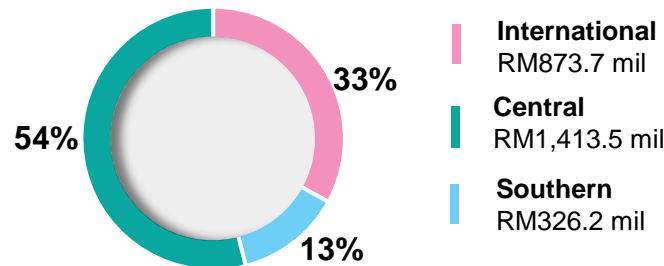


54% of the Unbilled Sales are from Central region, while Collingwood Project, Melbourne contributes 33% of total Unbilled Sales

By Product Range



By Region



Outlook & Strategy



Reaffirming Targets; Accelerating Industrial Segment



Sales Target
RM1.0 bil



Launch GDV Target
RM0.8 bil



- Industrial
- Masterplan approval
 - Land Monetisation
 - Strategic Partnerships

Upcoming Launches from Landed & Commercial

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



Aspira Hills Phase 1
Expected GDV: RM265.5 mil



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



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



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

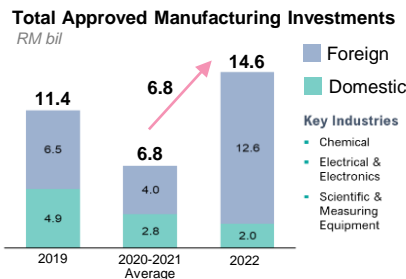
Robust Industrial Developments in Johor



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	21.3	13%	13.1	+62%

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)



"Industrial as key future growth engine"

46% of Launched GDV in FY22 from industrial or RM1.2b



"High growth for Industrial in 2022"

GDV of RM3b in Klang Valley for Eco Business Park 5

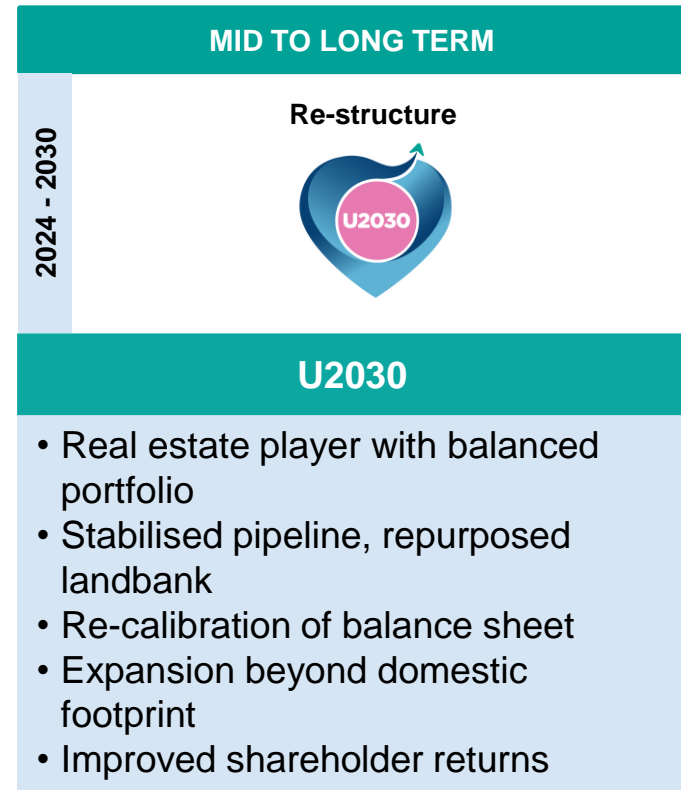
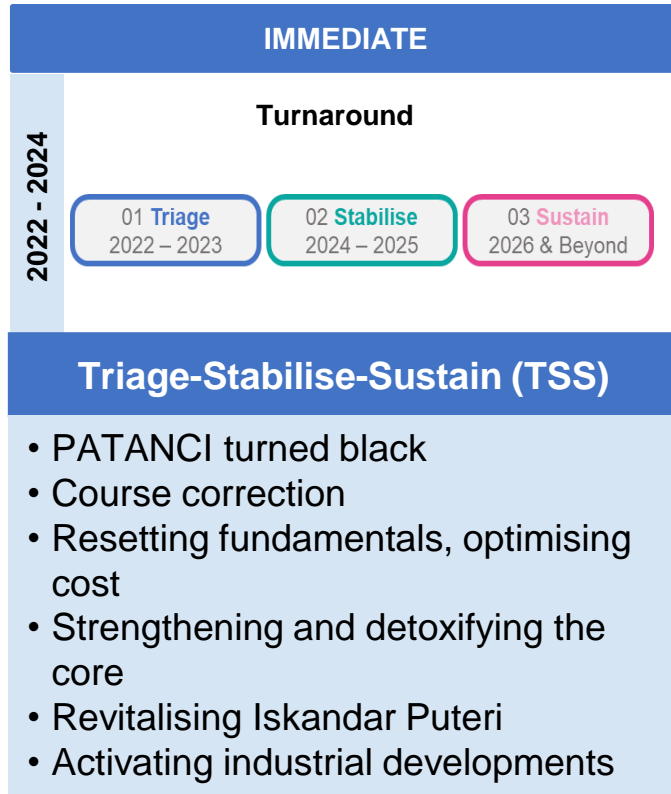


"Becoming a holistic property player by diversifying into the industrial"

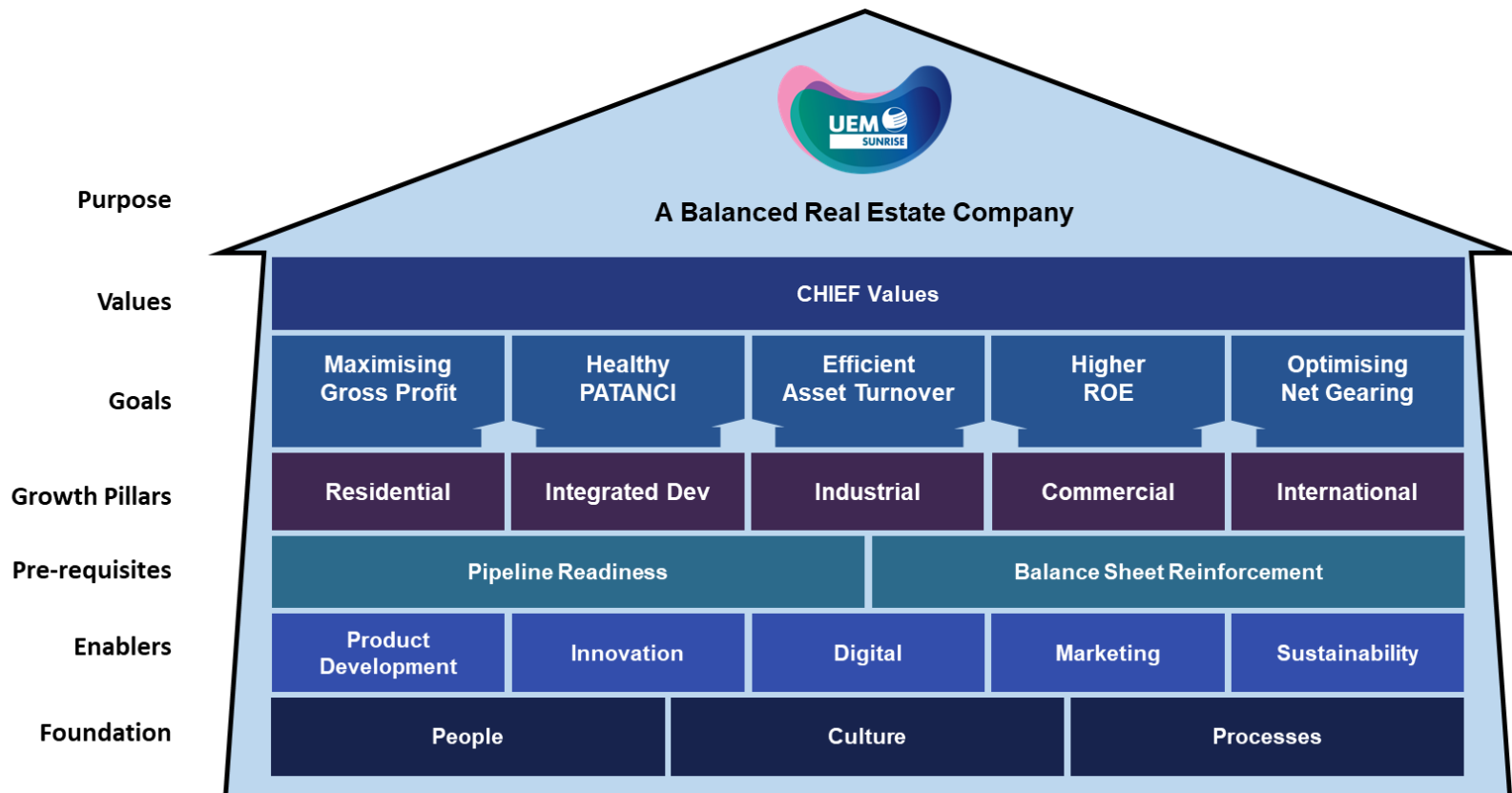
Planned launches RM24m in year 2023 (Total GDV RM6.17b)

- 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

Our transformation journey - a commitment to revitalisation and growth



Unveiling U2030 Strategy for Long-Term Resilience



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**

Summary: Investment Case Remains Intact



Key Takeaway

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**

Continuing our commitments to deliver **consistent earnings** and **strengthen financial position**

2024 Priorities



Implementing Launch Discipline



Accelerating Industrial Development



Enhancing Cost Optimisation



Unlocking Asset Monetisation & Divestments

Form to FUTURE



Real Estate Forum

Date

4 September 2024

Time

9.00 am - 6.00 pm

Venue

M Resort & Hotel
Kuala Lumpur



Form to FUTURE

Real Estate Forum

4 September 2024

9:00 am – 5:30 pm

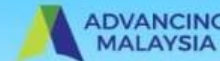
M Resort & Hotel Kuala Lumpur

Limited Seats Available

Register your interest and find more information at forum.uemsunrise.com
For enquiries, email to REF@uemsunrise.com



In Partnership with



Thank you.

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Supplemental: Financial Results & Project Updates



find your
happy



RM225.0m

▼ 7% YoY

1Q2023: RM240.8 mil

31%

▼ 13 ppts YoY

1Q2023: 44%

RM8.2m

▼ 47% YoY

1Q2023: RM15.4 mil

**Sales
Achieved**

RM232.6m

▲ 38% YoY

1Q2023: RM168.2 mil

**Unbilled
Sales**

RM2,613m

▲ 56% YoY

1Q2023: RM1,673m

**Net
Gearing**

0.47x

▶ YoY

1Q2023: 0.47x

**Cash & Bank
Balances**

RM1,005m

▼ 20% YoY

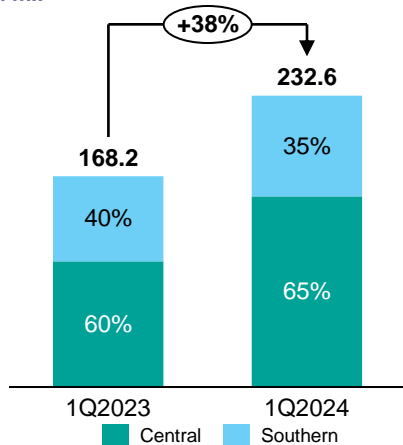
1Q2023: RM1,259m

Higher Sales Achieved YoY, Despite Challenging Market Conditions



Sales by region

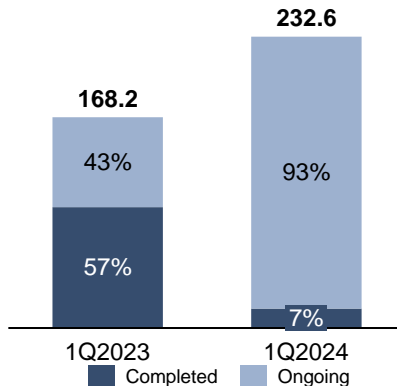
RM mil



- Higher sales YoY by RM64m, of which RM52m mainly from The MINH, The Connaught One, Residensi ZIG.
- 35% of sales from Southern region, with RM80m from new phases of Senadi Hills.

Sales by composition

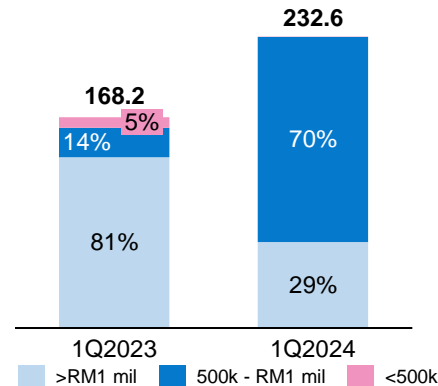
RM mil



- Largely driven by ongoing projects;
 - The MINH, Central region.
 - The Connaught One, Central region
 - Senadi Hills, Southern region.

Sales by price range

RM mil



- 70% of the sales recorded from attainable products within HAPPY+ RISE and NEST Series
- Senadi Hills, The Connaught One and Residensi ZIG which priced between RM500k to RM1 mil.

Solid Market Execution in Property Development



Allianz  Allianz Partners



- Launched the **New One-Stop Home Ownership Solution**, themed **“Happy+ Right Home. Right Now”** in March 2024

 **Harvey Norman** 
Be with ME



- **The Beat 2.0** groundbreaking and signing ceremony
- Signed partnerships with **Harvey Norman Malaysia** and **BM Green Energy**

KAIA
HEIGHTS
EQUINE



- **KAIA Heights Phase 1 Topping Out Ceremony** held in May 2024

Robust Commercial Momentum Observed

KIARA BAY KUALA LUMPUR



- Acquired **new tenants**, with **Village Grocer** as the anchor tenant



- 100% occupancy rate now**, as compared to 18% a year ago



- Arcoris retail's** occupancy rate rose to **98% in 1Q24** from 93% a year ago
- Higher hospitality demand drove **Hyatt House's occupancy rate in 1Q24 to 67%** (1Q23: 61%)

puteri HARBOUR INTERNATIONAL FERRY TERMINAL



- Puteri Harbour International Ferry Terminal's occupancy rate in 1Q24 at **87%** arising from **new tenancy of a convenience store** (1Q23: 66%)

Continuing Sustainability and ESG Focus



THE CONNAUGHT PLOT 1 ONE



SHASSIC
Score **100%**

K A I A H E I G H T S EQUINE PHASE 1



SHASSIC
Score **96.65%**

Enhanced ESG Disclosures




Download
[here](#)

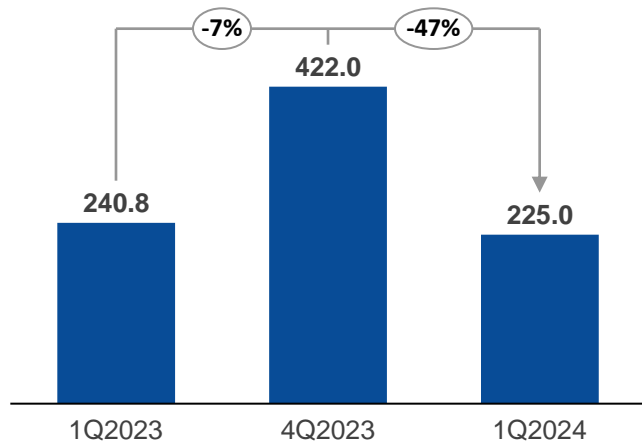
- A full **Materiality Assessment** in line with Bursa Sustainability Reporting Guide & flagged **17 material matters**
- Released our **first TCFD disclosures** in Integrated Annual Report 2023

Revenue In Line With Strategy Pathway



Revenue

RM mil



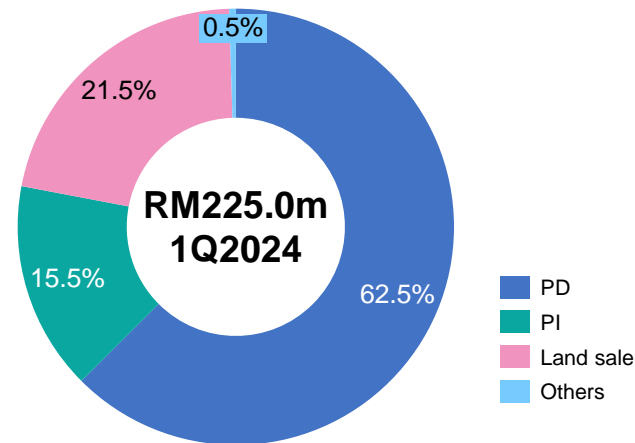
Sequential Quarter

- Lower sales recognition from non-strategic and pocket lands in 1Q24 (1Q24: RM48m vs 4Q23: RM150m).
- Property development contributed 63% of total revenue as compared to 58% in the immediate preceding quarter.

Year-on-Year

- Lower contribution from core activities, supported by higher land sales (1Q24: RM48m vs 1Q23: RM6m).

Revenue Breakdown



Property development (PD)

- 63% of revenue from Residensi Allevia and KAIA Heights Seri Kembangan.

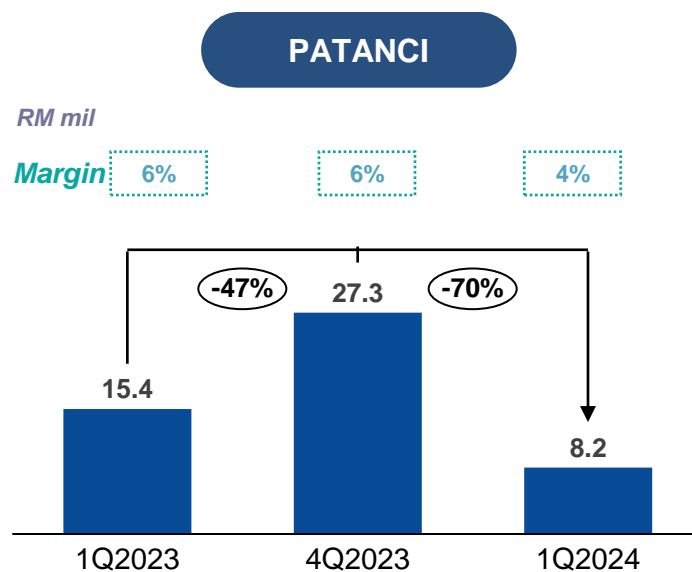
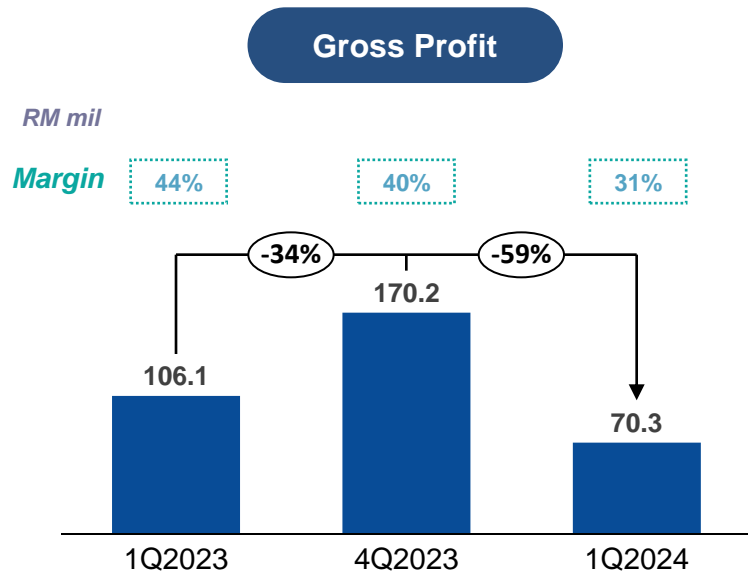
Property investment (PI)

- Increased rental income from Publika, Arcoris Retail & Aurora Retail, and hotel incomes generated by Hyatt House.

Land sale

- Land monetisation in Iskandar Puteri measuring 120 acres.

Moderated PATANCI Albeit Higher Shares Of JV/Assoc



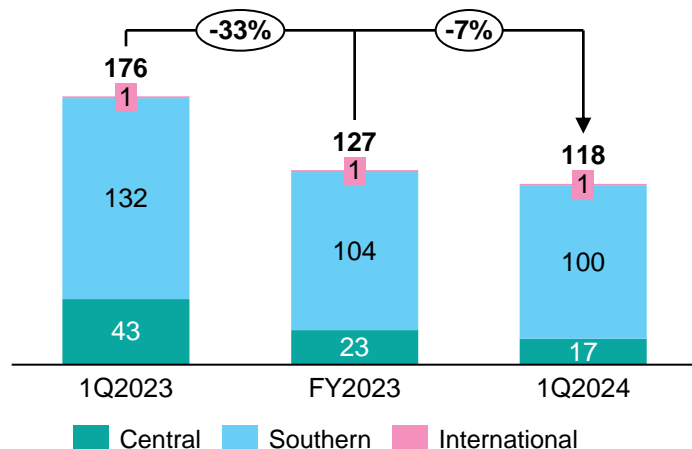
- **Gross Profit:** Declined both YoY and QoQ as previous corresponding period yielded 27% of project cost savings.
- **PATANCI:** Lower by 47% YoY in line with reduced Gross Profit, partially offset by lower finance costs and tax expenses, as well as a positive contribution from the share of results of JVs and associates.

Lower Inventory Supporting Resilient Balance Sheet



Inventories By Region

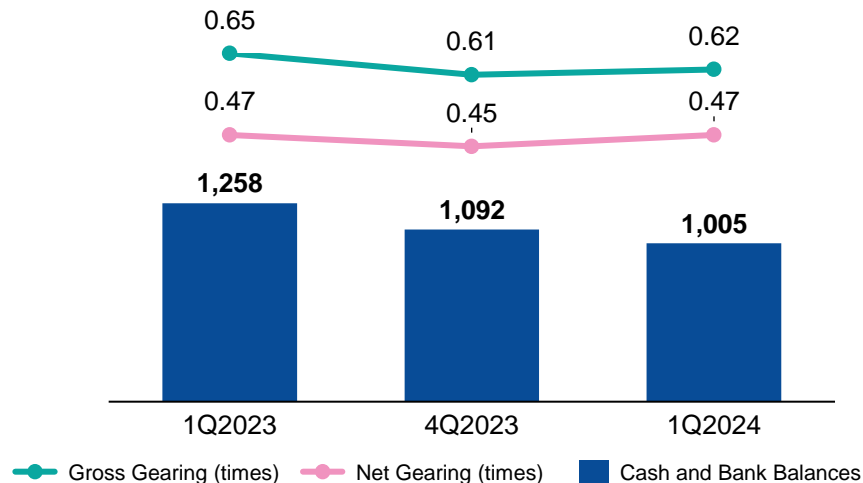
RM mil



- Inventories declined as real estate demand picked up on the back of attractive campaigns.
- Higher sales from Teega, Estuari, Aspira Square, Symphony Hills, Solaris Parq, Almas, East Ledang, 68° Avenue and Nusa Bayu.

Snapshot Of Balance Sheet

RM mil

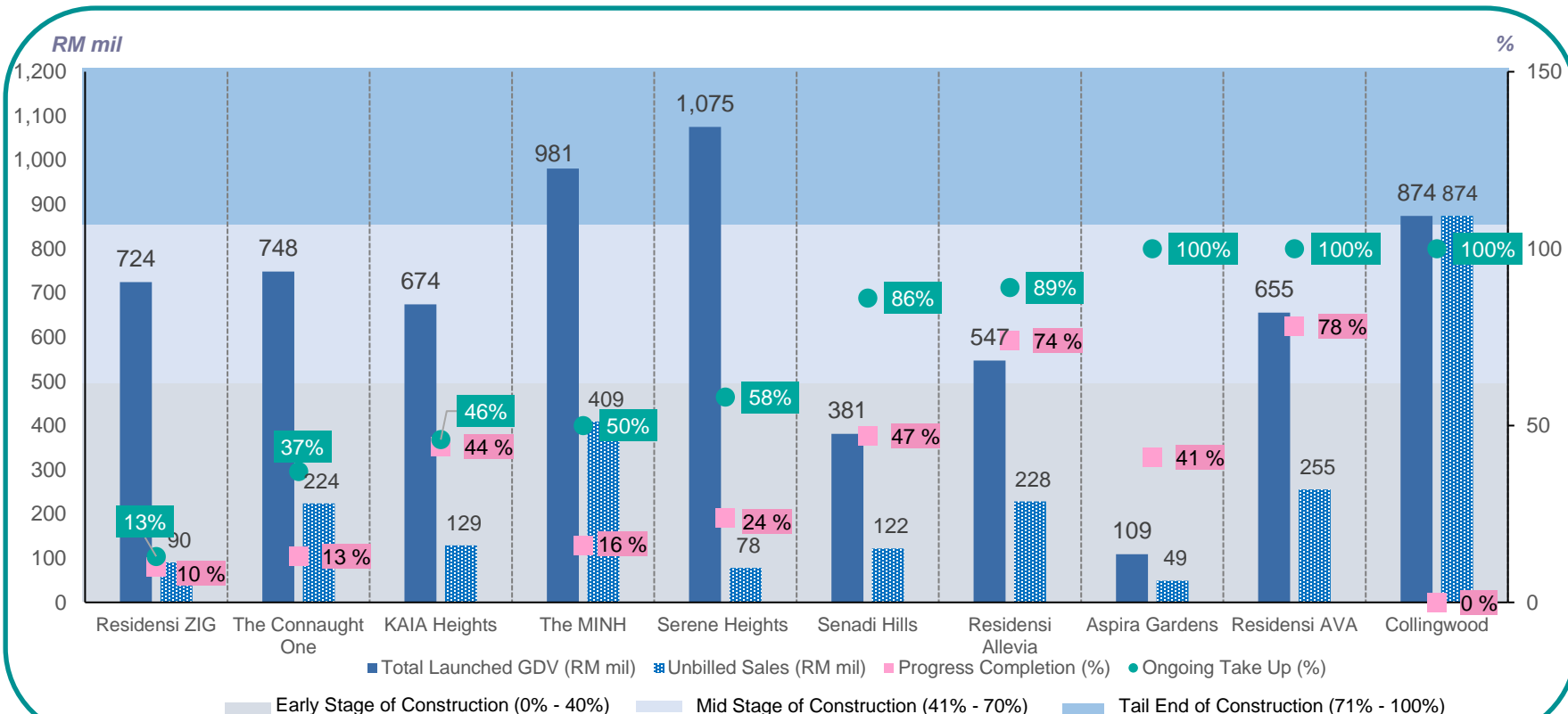


- Maintaining balanced leverage levels through disciplined capital allocation
- Short-term liquidity within comfortable range ensuring business stability

Ensuring Revenue Visibility and Future Cashflows



Project progress for flagship property



Note:

- Progress completion and take up rates as of 31 March 2024

In Central, targeting to complete and deliver 3 projects

RESIDENSI AVA KIARA BAY



Residensi AVA, Kiara Bay
GDV: RM655 mil | 870 units |
Take up: 99% | POC: 78%

ALLEVIA MONT'KIARA



Residensi Allevia, Mont'Kiara
GDV: RM547 mil | 294 units |
Take up: 89% | POC: 74%

KAIA HEIGHTS EQUINE



KAIA Heights (Phase 1), Seri Kembangan
GDV: RM351 mil | 517 units |
Take up: 74% | POC: 70%

Whilst In Southern, Target To Handover 2 Projects

Senadi SQUARE ISKANDAR FUTERI



Senadi Square (KKSIR)

GDV: RM7 mil | Take up: 100% | POC: 91%

ASPIRA GARDENS



Aspira Gardens Phase 2

GDV: RM75 mil | Take up: 100% | POC: 41%