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FOR IMMEDIATE RELEASE

UEM SUNRISE RETURNS TO PROFITABILITY DRIVEN BY STRONG REVENUE CONTRIBUTION

- *65% higher revenue compared to 1Q 2021.*
- *Profit; RM19 million in 1Q 2022 compared to a loss of RM4.3 million in 1Q 2021.*
- *Earnings visibility backed by RM2.2 billion unbilled sales.*
- *On track to reinforce launches of new projects in 2022.*

Digital Media: *UEM Sunrise Berhad's ("UEM Sunrise") revenue of RM417 million as of 31 March 2022 was up by 65% compared to the first quarter of 2021 ("1Q 2021") supported mainly by local property development activities and the sale of 19 industrial plots in phase 3 of the Southern Industrial and Logistics Clusters in Iskandar Puteri. Operating profits improved more than 100% compared to 1Q 2021 in tandem with the higher gross profits, which led to a profit after tax and non-controlling interest of RM19 million. Future earnings visibility is backed by its unbilled sales of RM2.2 billion. In anticipation of a sturdier economy, UEM Sunrise is positive on the nation's transition into endemicity.*

Full Release: KUALA LUMPUR, 25 May 2022 – UEM Sunrise Berhad ("UEM Sunrise" or the "Company") today announced its financial results for the first quarter ended 31 March 2022. The Company recorded a revenue of RM417 million compared to the first quarter of 2021's revenue of RM253 million, driven by higher progress billings and construction progress from local developments, mainly Residensi Solaris Parq in Dutamas, Aspira ParkHomes in Gerbang Nusajaya, Serene Heights Bangi, Senadi Hills in central Iskandar Puteri, Residensi Astrea in Mont'Kiara as well as the higher sales of Estuari Gardens in Puteri Harbour, in addition to the revenue recognition of the sale of 19 industrial plots in the Southern Industrial and Logistics Clusters, executed in December 2020.



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In tandem with the higher gross profits, together with improvements in its share of results from associates and joint ventures, mainly from Nusajaya Tech Park and Horizon Hills in Iskandar Puteri, as well as the higher foreign exchange gain, UEM Sunrise recorded a significant improvement in its earnings position and revealed a profit after tax and non-controlling interest of RM19 million for this first quarter of 2022; a stark contrast to its performance in the same quarter last year, which reflected a loss of RM4.3 million.

Property development activities recorded sales of RM110 million in the current quarter; with 64% contributed by projects in the Central region mainly Serene Heights Bangi, KAIA Heights in Equine Park, Seri Kembangan and Residensi Allevia in Mont'Kiara, with the remaining 36% from Southern mainly from Estuari Gardens, Aspira LakeHomes in Gerbang Nusajaya and Senadi Hills. It launched the second and final phase of Aspira Gardens in Gerbang Nusajaya featuring 80 units of double-storey clusters and semi-detached valued at RM74 million in March. Its unbilled sales as at 31 March 2022 is RM2.2 billion.

Commenting on the financial results, Sufian Abdullah, Chief Executive Officer of UEM Sunrise said, "We are thrilled to return to the black, and pleased to disclose an improved revenue of RM417 million, which was up by 65% compared to the first quarter of last year, and a profit of RM19 million for the first quarter of this year following two years of less than stellar results".

He continued, "We target to maintain this profitability position throughout 2022 and continue to carry out the initiatives identified during its *Triage* period; which is the first of a 3-step transformation program to return UEM Sunrise to realise its core potential in creating value through property development. The period includes streamlining core capabilities, building pipeline of products that deliver value, driving existing launch programs, improving balance sheet quality and returning to profitability. *Triage* is the initial part of UEM Sunrise's three-pronged strategy to transform the Company into a balanced



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real estate player. *Stabilise* which will take place between 2023 to 2025 (reorganisation and transformation of our people, process and portfolio) and *Sustain* which is 2026 and beyond (income diversification for sustained revenue), should become effective when we have laid a stronger foundation during *Triage*".

Touching on sales, "In the absence of the Home Ownership Campaign, we have devised sales campaigns of our own starting with the Chinese New Year 'Happy Duo Duo' campaign from 16 January to 22 March 2022, followed by the 'Ini Baru Raya' campaign which takes place from 22 April to 22 June 2022. The campaigns have been effective thus far raking in bookings of approximately RM250 million as at mid-May. Apart from the sales that we have secured from our continuous digital efforts, we see more sales secured from non-digital sources as the economy gradually reopens and the nation shifts to an endemic phase; contributing 58% to our total sales as at 18 May, which is a good sign as buyers are returning to our sales galleries and actively exploring opportunities to buy our properties. In relation to the recent hike in the OPR, we are not expecting a significant impact on sales as the rate is still low in comparison to pre-pandemic level. Furthermore, the majority of the products available in the market have been competitively priced, while most buyers are owner occupiers. Taking advantage of the current environment, we are reinforcing the launches of our new product pipelines and will continue to provide attainable products for our buyers and market at large".

The Company will continue its landbank portfolio rebalancing and embed the sustainability agenda within the organisation to future-proof new launches and future products. It is positive on the nation's transition into endemicity; however, in view of the global political uncertainties which may impede economic activities, and the rising raw materials cost, it retains a cautiously optimistic stance. Despite the challenges, the Company maintains its sales and GDV targets of RM1.5 billion and RM3.3 billion, respectively for 2022.

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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"). The Company has 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 the largest fully integrated urban development in Southeast Asia. The Company is also renowned as the pioneer developer of award-winning and upmarket developments, located largely in the affluent Mont'Kiara enclave as well as surrounding neighbourhoods in Greater Kuala Lumpur area. UEM Sunrise has extended its mark internationally with acclaimed properties in Singapore, Australia, Canada and South Africa.

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

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

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