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**FOR IMMEDIATE RELEASE**

### **ROBUST REVENUE GROWTH GAVE RISE TO A PROFITABLE PERFORMANCE IN THE FIRST HALF OF 2022**

- *56% higher revenue compared to 1H 2021.*
- *Profit; RM39.7 million in 1H 2022 compared to a loss of RM11.7 million in 1H 2021.*
- *Earnings visibility backed by RM2.3 billion unbilled sales.*

**Digital Media:** *UEM Sunrise Berhad's revenue of RM781.5 million as of 30 June 2022 was up by 56% compared to the first half of 2021 mainly supported by local property development activities, sale of 19 industrial plots in phase 3 of the Southern Industrial and Logistics Clusters in Iskandar Puteri and divestments of few non-strategic lands. Operating profits improved by more than 100% compared to the first half of 2021 in tandem with higher gross profits and other income, leading to a profit after tax and non-controlling interests of RM39.7 million. Future earnings visibility is backed by its unbilled sales of RM2.3 billion.*

**Full Release: KUALA LUMPUR, 24 August 2022** – UEM Sunrise Berhad ("UEM Sunrise" or the "Company") today announced its financial results for the six months ended 30 June 2022. The Company continued to be profitable as it recorded a revenue of RM781.5 million compared to RM501.8 million in the first half of 2021 driven by higher progress billings and construction progress from local developments, mainly Residensi Solaris Parq in Dutamas, Serene Heights in Semenyih, Aspira ParkHomes in Gerbang Nusajaya, Senadi Hills in central Iskandar Puteri, Residensi Astrea in Mont'Kiara and higher sales of Estuari Gardens in Puteri Harbour. Revenue was also supported by the sale of 19 industrial plots in the Southern Industrial and Logistics Clusters and the divestments of few non-strategic lands; mainly the 431 acres of land in Mersing, Johor recognised in the reporting quarter. The transaction was executed in July last year.



## **MEDIA RELEASE**

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In tandem with the higher revenue, and improvements in other income and favourable share of results from associates and joint ventures, largely from Nusajaya Tech Park and Horizon Hills in Iskandar Puteri, UEM Sunrise recorded a significant improvement in its earnings position. It disclosed a profit after tax and non-controlling interests of RM39.7 million for the first half of 2022. This is a positive recovery in contrast to its performance in the same period last year, which was a loss of RM11.7 million.

UEM Sunrise introduced its three-pronged turnaround strategic plan in the fourth quarter of 2021 and has since embarked on several initiatives under its first stage; *Triage*, where amongst its plans was to stabilise the Company, restore investors' confidence and return to profitability. These initiatives are expected to be deployed towards the end of 2023, to prepare UEM Sunrise to enter into the *Stabilise* stage.

The launches of its product pipeline are on track. The Company has made plans to launch the second phase of KAIA Heights in Equine Park, new phases in Serene Heights and a proposal to introduce MK 31 in Mont'Kiara in the second half of this year. All these projects are in the Central region. In Southern, the Company plans to launch Aspira Gardens in Gerbang Nusajaya and Senadi Hills, whilst discussions are ongoing to unveil a new development in Collingwood, Melbourne.

Property sales in the first half of 2022 was RM439 million. 57% was contributed by projects in the Central region led by KAIA Heights, followed by Residensi Allevia in Mont'Kiara and Serene Heights, and 39% was from Southern mainly Estuari Gardens, Aspira LakeHomes in Gerbang Nusajaya and Teega in Puteri Harbour. The remaining 4% was from Conservatory in Melbourne; unsettled units which were re-sold to replacement buyers. To-date, only one unit remains for sale. The Company's unbilled sales as at 30 June 2022 is RM2.3 billion.



## **MEDIA RELEASE**

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Commenting on the financial results, Sufian Abdullah, Chief Executive Officer of UEM Sunrise said, "Our financial performance has been improving as evidenced from our profit in this financial period. This momentum is expected to continue throughout the remaining year. We are pleased that the initiatives carried out under the Triage segment of our strategy have been showing positive outcomes. Our emphasis was on improving cost structures, and resorting to bulk purchase of materials, bundling of service contracts and entering into vendor partnership programmes as means to achieve cost efficiencies. We are also leveraging on these initiatives to mitigate the increase in prices of materials".

"Our priority in the meantime is to strengthen our product pipeline and focus on property development activities. Plans to launch the targeted projects remain intact. We expect to launch them in the second half of 2022. Our planned development in Taman Connaught, Cheras will be deferred to next year with plans for launch in early 2023".

He continued, "To further reinforce our future pipeline, we acquired a 6.4-acre freehold land in Jalan Sultan Yahya Petra in early August. The land has a planning approval for a mixed commercial development comprising shopping complexes, offices, serviced apartments and hotels. We consider the acquisition as value for money as the land comes with an approved development order and is not subject to any affordable home requirement. The land is also very strategic in terms of location as it is situated at the intersection of Jalan Sultan Yahya Petra and Jalan Padang Tembak, and easily accessible to the Duta-Ulu Kelang Expressway or DUKE. We target to launch this new development in early 2024".

On the Company's strategy on the divestment of non-strategic lands and non-core businesses, "We have recognised some proceeds from the divestment of our non-strategic land in Mersing in this second quarter. We also divested about 107.8 acres of lands in Gerbang Nusajaya as part of an in-kind settlement of the 6.4-acre land acquired in Jalan Sultan Yahya Petra. Our latest divestment activity is the sale of our entire equity



## **MEDIA RELEASE**

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interest in our company in South Africa which held a 31-acre land in Durban together with the Durban municipal council for Rand 143 million, or RM38 million. This divestment is important for the group as it marks our historic exit from South Africa. With this, we are able to focus and plan the reallocation of our resources in areas and businesses where we have competence, presence and visibility”.

In terms of sales, “We have embarked on initiatives that focus on customer-centricity, with the Product Branding Series set to be unveiled soon – UEM Sunrise’s product segmentation to design and create spaces for customers in each of their life stage. The Triage stage is linked to the Product Branding Series in an effort to get back on track towards sustainable growth and develop products that offer value to our customers, which are relevant and applicable to various stages of their life cycle. We reward our buyers with unique value propositions, embedding sustainability features within each development and offering reasonable pricing. This strategy is a vital component of our long-term plan to transform UEM Sunrise into a competitive and balanced real estate player. Our latest sales and marketing programme is the ‘Inspiring Malaysia’ campaign where we offer selected properties with rebates, rewards and ready to move-in benefits. The offer is from 8 August to 18 September. We also partnered up with Affin Bank in the ‘Home Step Fast/i’ campaign specially tailored for fresh graduates, young homebuyers and investors, allowing them to pay low monthly repayments for the first five years upon project completion without a lock-in period and no early settlement fee. Meanwhile, our collaboration with Maybank continues with the successful HouzKEY campaign”.

The Company will continue with its three-prong strategy; Triage, Stabilise and Sustain, focusing on the planned initiatives under Triage. It supports the nation's transition into endemcity and will continue to execute deals and implement programmes for the benefit of its stakeholders. However, given the escalation of geopolitical conflicts and worsening supply chain disruptions, the likelihood of the sector being affected by these headwinds



## **MEDIA RELEASE**

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is inevitable, giving rise to a challenging outlook ahead. In the interim, it maintains its sales and GDV targets of RM1.5 billion and RM3.3 billion, respectively for 2022.

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## **MEDIA RELEASE**

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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 CHIEF (Caring, Honest, Involved, Enthusiastic, Fun-loving).

Please visit our website at [www.uemsunrise.com](http://www.uemsunrise.com) for more information.

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