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UEM SUNRISE ANNOUNCES RESULTS FOR THE FINANCIAL YEAR ENDED 2018 SALES TARGET EXCEEDED, AUSTRALIAN PROJECTS DELIVERED ON TRACK

- *Sales of RM1.4 billion exceeded target by 19%.*
- *Revenue growth of 10% sustained by local and international property development activities and non-strategic asset divestment.*
- *Profit after tax and non-controlling interest more than doubled compared to FY2017 driven by higher revenue, gains from development cost savings, lower operating expenses and non-strategic asset divestment.*

Digital Media: *The company's financial year ended 31 December 2018 recorded revenue of RM2.0 billion, up by 10% sustained by local and international property development activities and non-strategic asset divestment. Profit after tax and non-controlling interest increased by 166% compared to last year driven by higher revenue, development cost savings, lower operating expenses and non-strategic asset divestment. Property sales exceeded target with 54% contributed by the Central region.*

Full Release: KUALA LUMPUR, 26 February 2019 – UEM Sunrise Berhad (“UEM Sunrise” or the “Company”) today announced its financial results for the financial year ended 31 December 2018 (“FY2018”) where total revenue recorded for the year increased to RM2,044.0 million compared to RM1,860.6 million reported for the financial year ended 31 December 2017 (“FY2017”) driven by the recognition of ongoing local developments, completion and partial settlement of Conservatory and Aurora Melbourne Central and non-strategic asset divestment. Profit after tax and non-controlling interests for the year increased to RM280.3 million, an increase of approximately 166% compared to RM105.6 million for FY2017 on the back of strong revenue growth, development cost savings and contribution from non-strategic asset divestment.

Property development activities accounted for 70% of total revenue, an improvement of 14% compared to FY2017 with 46% contributed from international projects followed by 30% from the

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southern region and 24% central. The largest contributor was Conservatory followed by Aurora Melbourne Central, both in Melbourne and Almas in Puteri Harbour, Iskandar Puteri. In line with the Company's land portfolio rebalancing strategy, UEM Sunrise has also recognised land disposal amounted to RM457.4 million. Its unbilled sales as at 31 December 2018 stood at RM4.4 billion.

Property development sales for the year was RM1,433.0 million, higher by 19% than its RM1.2 billion sales target. Slightly more than half of the sales was contributed from the central region mainly from its developments in Mont'Kiara led by Residensi Solaris Parq, Kondominium Kiara Kasih and the recently launched Residensi Astrea. 32% of the total property sales was from the southern region headed by Serimbun, Estuari Gardens in Puteri Harbour and the Company's first commercial development launched in December last year, 68^o Avenue, all located in Iskandar Puteri. The remaining 14% was from projects in Melbourne, particularly Mayfair. UEM Sunrise launched projects with total Gross Development Value ("GDV") of RM907.9 million in 2018.

Commenting on the financial results, Anwar Syahrin Abdul Ajib, Managing Director/Chief Executive Officer of UEM Sunrise said, "2018 saw the completion of several major projects especially in the second half of the year contributing to a stronger revenue compared to last year. We delivered the fully-sold Acacia and Begonia, the first two phases of our prized mid-market residential development in Serene Heights Bangi followed by premium landed Estuari Gardens and high-rise Almas both in Puteri Harbour. In January this year, we completed and delivered Denai Nusantara, a Rumah Mampu Biaya Johor in Iskandar Puteri and plan to deliver Sefina Residences in Mont'Kiara as well as Camellia of Serene Heights Bangi".

"In Australia, we completed 207 units of the first separable portion of Aurora Melbourne Central, SP3 totaling a GDV of AUD115.1 million as well as 421 units of Conservatory, SP1 and SP2 with total GDV of AUD298.5 million. The handover of the completed units is on track and as at 15 February 2019, we are pleased to reveal that 201 units of Aurora Melbourne Central have been handed over to the respective buyers, a settlement rate of over 97%; while for Conservatory, 289 units have been handed over, reflecting a settlement rate of 68%. We have also obtained the required

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settlement proceeds to repay the entire project financing loan for Conservatory. The remaining separable portions for both projects will be completed and delivered progressively throughout 2019”.

Touching on sales contribution, “We have exceeded our sales target amidst the challenging property market environment. We view the outlook to remain challenging but offerings with unique value proposition and within strategic locations in combination with attractive pricing packages, should continue to encourage demand and create sales. We successfully launched five new projects with GDV of RM907.9 million. In Mont’ Kiara, Residensi Astrea, a high-rise residential development comprising 240 units with GDV of RM323.0 million was launched in October achieving a take-up of 52% whilst Kondominium Kiara Kasih, 719 units of affordable homes, with GDV of RM215.7 million launched in March 2018 achieved a take-up of 91%. We also launched Eugenia, Serene Heights Bangi’s latest phase, GDV of RM62.5 million with take-up of 57% to-date. In addition to the successful launches, the Group’s emphasis on inventory monetisation has proven to be effective with RM433.3 million sales derived from completed properties driven by smart marketing, re-pricing strategy as well as sundry offers, that further enhanced the properties’ value proposition”.

On new project launches, “For 2019, we are targeting to launch a total GDV of RM1.2 billion focusing on mid-market and reasonably sized pocket launches in mature locations. We started the year with the launch of Aspira ParkHomes, 162 units of mid-market double-storey homes with GDV of RM101.8 million in Gerbang Nusajaya with further phase planned in the second half of this year. We are also looking at launching another Serimbun 2 in Iskandar Puteri in view of the positive interest of the initial Serimbun launched in February last year. And due to the continued interest on Serene Heights Bangi, additional phases are slated to be launched throughout 2019. A rather sizeable project to be launched this year is our new development in Kepong, Kuala Lumpur. We target to initially launch two residential towers before the end of the year”.

On asset divestment strategy, “Asset divestment remains one of the Company’s key strategies. In line with our land portfolio rebalancing strategy, land disposal totalling RM457.4 million was

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undertaken in Iskandar Puteri. More recently another pocket land also in Iskandar Puteri, has been slated for disposal for RM24.8 million, which we expect to complete in the second quarter of 2019. We plan to continue with our asset divestment plan in 2019 and has earmarked several non-strategic assets for divestment amounting to RM300.0 million”.

He added, “In terms of new businesses, we unveiled Hyatt House Kuala Lumpur Mont’Kiara in December 2018 within the Arcoris development in Mont’Kiara. The 298-room residentially inspired extended stay hotel with restaurant and state-of-the-art facilities, is the first of its kind in South East Asia. In Puteri Harbour, as part of its rejuvenation plan, we are excited at the prospect of the development of the private marina, One^o 15 Puteri Harbour Marina and clubhouse together with our partner, ONE15 Marina Holdings Pte Ltd of Singapore. Construction is expected to commence towards the end of this year’s first quarter”.

The Company takes cognisance of the soft property market in the year ahead and will exercise prudence in facing the challenging environment. It remains pragmatic in its targets for 2019, despite exceeding sales target of RM1.2 billion and achieving RM1.43 billion in 2018. Its sales target for 2019 remains at RM1.2 billion whilst its GDV launches target is RM1.2 billion. Nonetheless, the Company is ready to activate further launches for 2019 depending on market conditions and opportunities. Its unbilled sales remain healthy at RM4.4 billion as at end of 2018.

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About UEM Sunrise

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; as well as property management and project & construction services.

UEM Sunrise is the master developer of Iskandar Puteri, one of the five flagship zones of Iskandar Malaysia and is currently undertaking the development of the area into a regional city which includes Gerbang Nusajaya, a 4,551-acre project with components such as lifestyle & retail parks, campus offices & industrial parks as well as residential precincts. Iskandar Puteri is envisioned to become the largest fully integrated urban development in Southeast Asia, once fully completed.

In the Central Region, the Company is renowned for its award-winning and up-market high-rise residential, commercial and mixed-use developments, located largely in the affluent Mont’Kiara enclave, Serene Heights Bangi, Bukit Jelutong in Shah Alam, Symphony Hills in Cyberjaya and Seremban as well as the creative retail in Solaris Dutamas, known as Publika.

Internationally, the Company extends into Vancouver, Canada with its completed mixed-use development, Quintet at Minoru Boulevard City; in Melbourne, Australia, with its 92-storey *Aurora Melbourne Central*-the tallest development in the Central Business District; the 42-storey *Conservatory* located on Mackenzie Street; and *Mayfair* located on the prestigious St Kilda Road. In Durban, South Africa, the Company has 30 acres of joint venture beachfront mix development land. UEM Sunrise is also the appointed Project Manager, responsible for development and marketing management of the mega mixed-use developments of Marina One and DUO in Singapore.

Please visit our website at www.uemsunrise.com



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