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REVENUE UP BY 42% TO RM2.9 BILLION FOR THE FINANCIAL YEAR ENDED 2019 BACKED BY STRONG SETTLEMENT OF AUSTRALIAN PROJECTS; NET GEARING IMPROVED TO 0.32X

- *Property development contributed 81% of total revenue; its share of revenue up by 65% compared to FY2018;*
- *Aurora Melbourne Central and Conservatory main revenue contributors; and*
- *Net gearing improved from 0.50x to 0.32x; balance sheet healthy and strong.*

Digital Media: *UEM Sunrise delivers revenue of RM2,909 million for the financial year ended 31 December 2019, up by 42% compared to the preceding period with 81% contributed by property development revenue, driven by the completion and settlement of Aurora Melbourne Central and Conservatory. Balance sheet as at end FY2019 is healthy and strong in view of the improvements in net gearing from 0.50x compared to 0.32x in the preceding period.*

Full Release : KUALA LUMPUR, 24 February 2020 – UEM Sunrise Berhad (“UEM Sunrise” or the “Company”) today announced its financial results for the financial year ended 31 December 2019 (“FY2019”) where total revenue recorded for the year increased to RM2,909 million compared to RM2,044 million for the financial year ended 31 December 2018 (“FY2018”) mainly driven by the completion and settlement of Aurora Melbourne Central and Conservatory in Melbourne, Australia. At the local front, the construction progress of Residensi Solaris Parq, Residensi Astrea, and Kiara Kasih are underway, replenishing the revenue of previously completed projects.

Profit after tax and non-controlling interest (“PATANCI”) is RM224 million for FY2019. Excluding a one-off full impairment of RM51 million from its 40% equity interest in the Bio-XCell development in the Southern Industrial Logistics Cluster (“SILC”) in Iskandar Puteri,

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as well as costs related to organisation restructuring in 2019 and unrealised foreign exchange loss amongst others, PATANCI stood at RM303 million.

81% of the Company's total revenue is from property development activities; 69% from Aurora Melbourne Central and Conservatory, followed by 16% from Central, mainly Symphony Hills in Cyberjaya, Residensi Solaris Parq in Mont'Kiara and Serene Heights Bangi. The remaining 14% is from the Southern region mostly Serimbun, Aspira LakeHomes and Denai Nusantara, in Iskandar Puteri.

Sales for the year is RM1,134 million including the sale of five industrial plots in SILC. This is a shortfall to the RM1.2 billion sales mark as the FY2019 target included the sale of Mayfair in Melbourne. The Company divested the Mayfair's site for AUD107 million to unlock its value and free up cash for other investment and venture prospects.

In terms of sales breakdown, more than half of the sales is contributed from the Central region, mainly from Symphony Hills, Residensi Solaris Parq and Residensi Astrea. The Southern region contributed 44% largely from Aspira ParkHomes, Estuari Garden and commercial development 68 Avenue, while the remaining 2% is from Conservatory. The Company launched projects with a total Gross Development Value ("GDV") of RM1.2 billion in 2019 and as at 31 December 2019, its unbilled sales stood at RM1.8 billion.

Commenting on the financial results, Anwar Syahrin Abdul Ajib, Managing Director/Chief Executive Officer of UEM Sunrise said, "We are pleased with our results having improved our revenue by 42% to RM2.9 billion, largely supported by the strong settlement of Aurora Melbourne Central which accounted for RM1.3 billion of the total revenue, and a settlement rate of 97% to-date. We still have around AUD36 million pending settlement in

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addition to AUD125 million from the en-bloc disposal of its serviced residential component to Scape Australia Management Pty Ltd, the largest asset owner and investor of the Purpose-Built Student Accommodation sector in Australia, which is expected to complete in April 2020. We also plan to retain the retail component valued tentatively at AUD42 million for recurring income purposes. Conservatory is 99% sold with a settlement rate to-date of 89%. Around AUD43 million is still pending settlement. We are confident that we should be able to achieve full settlement for both Aurora Melbourne Central and Conservatory by year end”.

“Our gearing has improved tremendously with the completion of the Australian projects as the financing for both have been fully settled, improving the net gearing to 0.32x. Our prudent management of cash gave us a healthy cashflow allowing us to focus on other potential investments since we are in the position to take on bigger and more profitable ventures”.

Touching on sales contribution, “Sales for the period was mainly from local developments due to the cancellation of Mayfair in August last year. Despite the exclusion of Mayfair, we managed to rake in RM1.1 billion worth of local sales which we see as positive in light of the current property market sentiment. Furthermore, 35% of our total sales was from completed properties, proving that our inventory monetisation efforts have been successful as our inventories reduced by 21% compared to FY2018. The biggest interest was on our high-rise residential development Verdi Eco-dominium in Symphony Hills, Cyberjaya which saw a reduction of 51% in its inventories. The Home Ownership Campaign was also beneficial as it contributed 43% to our total sales. This year, we are targeting total sales of RM2.0 billion including the disposal of industrial plots in SILC”.

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He further shares his aspirations for Kiara Bay, “We plan to transform the area into an urban integrated livable ecosystem development applying our competencies and experience as master developers for Mont’Kiara and Iskandar Puteri in Kiara Bay. The first step we took was to join forces with AEON Big (M) Sdn Bhd, Starbucks Malaysia and four prominent 5G providers including Telekom Malaysia Berhad and Celcom Axiata Berhad in collaboration with WeChat as the technology platform provider. They are keen to provide their services in Kiara Bay. We have also commenced construction of a 1.3-km internal road which will eventually connect to Jalan Kepong improving connectivity as the road will lead to the Kepong Baru and Jinjang MRT stations. This benefits our future residents as the stations will be 5 minutes away from Kiara Bay. Our partner has also informed us that plans for the first interchange from MRR2 have been submitted and construction is targeted to commence before year end. These initiatives should pave the way for Kiara Bay to be the new heartbeat of Kuala Lumpur”.

On new project launches, “Last year we launched RM1.2 billion worth of projects, all landed mid-market properties priced from RM500,000 per unit except for high-rise Residensi AVA in Kiara Bay. For 2020, we are targeting to launch a total GDV of RM2.0 billion focusing on mid-market landed mainly the Aspira themed products and a new mid-market landed development, Senadi Hills, both in the Southern region, in addition to new phases at Serene Heights Bangi in Central. Sales for these products have always been encouraging. We will also be launching Residensi Allevia in Mont’Kiara and Residensi Equine 9 in Seri Kembangan, including Solaris Parq’s first office block. We take note of the prevailing market conditions, particularly the business and household sentiment, but we also believe in opportunities of new project launches to ensure the sustainability of our business”.

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He added, "Divestment of non-strategic lands and assets as well as land portfolio rebalancing, remain one of our key strategies. For this year, we have earmarked several assets for divestment purposes estimated between RM400 to RM500 million including our lands in Kajang and Seputeh as well as pocket lands in Southern and we target to channel the proceeds for new ventures and opportunities".

The Company takes cognisance of the soft property market in the year ahead and will exercise prudence in facing the challenging environment. It will also continue to consolidate margins through smart spending activities, and to keep ahead of market trends through customer-centric approaches.

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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; 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. Iskandar Puteri is envisioned to become the largest fully integrated urban development in Southeast Asia that will provide significant investment, financial and business opportunities to the economic growth and development of the region, 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 Melbourne, Australia, with its 42-storey Conservatory located on Mackenzie Street. 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 development Marina One and DUO in Singapore.

Please visit our website at www.uemsunrise.com

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