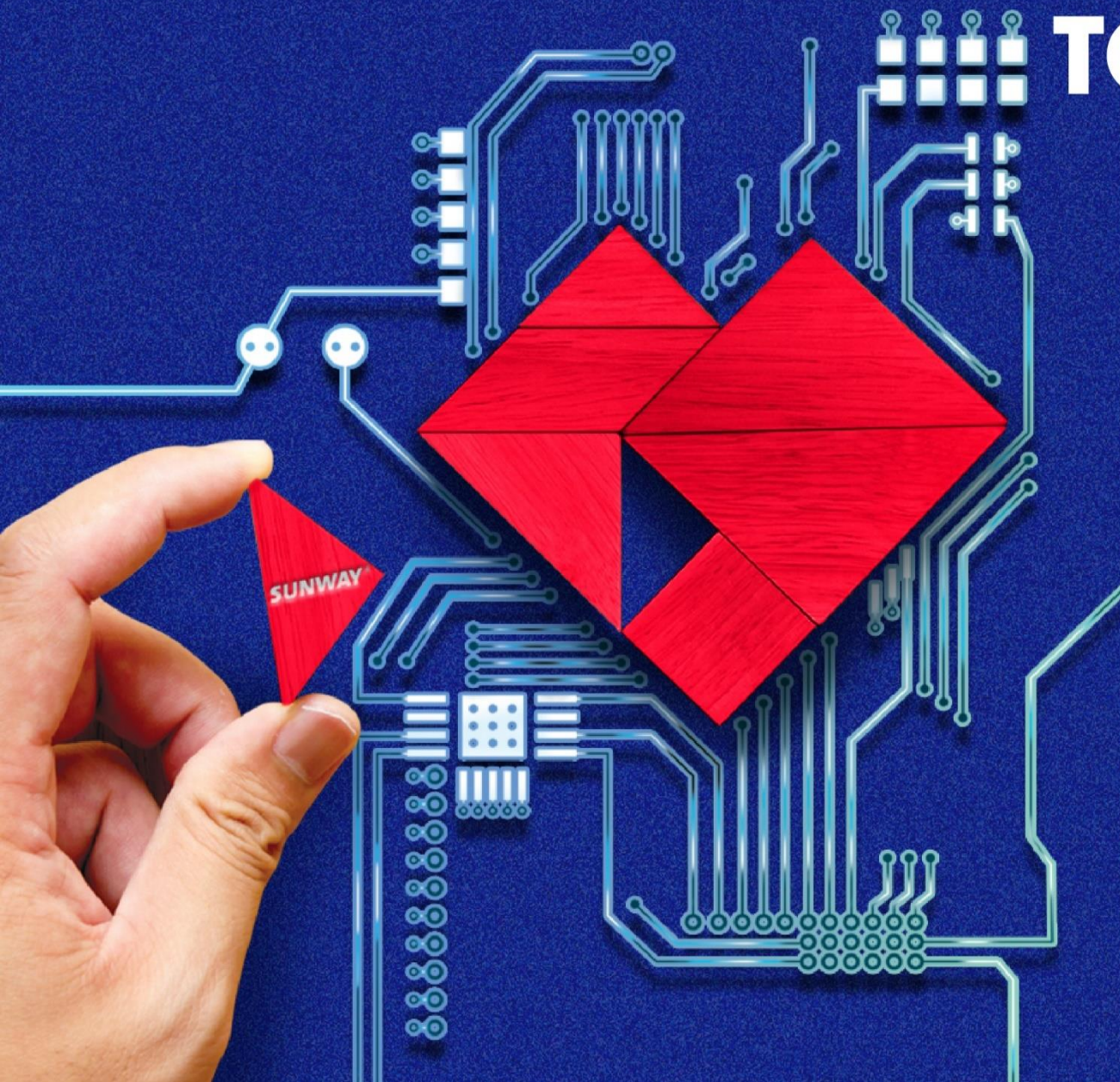


SUNWAY®

TOGETHER
WITH YOU



SUNWAY BERHAD
Q1 2021 RESULTS
BRIEFING PACK
25 MAY 2021

1) Year on Year

- Revenue increased 4.7%; while PBT declined by 6.7%.
- Most of the business segments are gradually recovering from the fallout of the pandemic. However, the hospitality and leisure businesses under the Property Investment segment continued to be impacted in the current quarter due to the resurgence of COVID-19 cases and the reinstatement of the Movement Control Order (“MCO 2.0”) from 13 January to 4 March 2021, which called for the closure of the theme park operations, more stringent social distancing requirements and restriction in interstate travels.
- It should be noted that the development profits on two of the Group’s Singapore property development projects which were launched recently will only be recognised upon completion and handover of the projects due to the adoption of MFRS 15.

2) Quarter on Quarter

- The MCO 2.0 period which was declared from 13 January to 4 March 2021 impacted the performance of the current quarter.

3) Key Indicators

- Property Sales : **RM 1.16 billion** (Effective: RM 1.13 billion)
- Property Unbilled Sales : **RM 3.3 billion** (Effective: RM 2.8 billion)
- Construction Outstanding Order Book : **RM 5.0 billion**
- Q1 2021 Order Book Replenishment : **RM 462 million**

Overview of Key Performance Highlights

RM'mil	Q1 FY 2021 Unaudited Jan - Mar 2021	Q1 FY 2020 Restated Jan - Mar 2020	Q4 FY 2020 Restated Oct - Dec 2020
Revenue	1,016.7	971.4	1,273.8
EBIT	72.7	105.1	215.4
EBIT Margin	7.1%	10.8%	16.9%
PBT	87.2	93.5	259.1
PBT Margin	8.6%	9.6%	20.3%
PATMI	58.5	62.4	199.8
PATMI Margin	5.7%	6.4%	15.7%
EPS (sen) *	1.01	1.27	3.88

The following items were included in the calculation of the profit of the Group:

(RM'mil)	Q1 2021		Q1 2020		Q4 2020	
	PBT	PATMI	PBT	PATMI	PBT	PATMI
Fair value loss/(gain) (associate)	-	-	-	-	-	-
Fair value loss/(gain) (I. Properties)	-	-	-	-	47.9	47.2

* Based on weighted average number of shares on respective dates.

Balance Sheet and Gearing

RM'mil	31/3/2021 (Unaudited)	31/12/2020 (Restated)
Non-current Assets	14,212.1	14,055.8
Current Assets	6,557.3	7,038.0
Total Assets	20,769.3	21,093.9
Current Liabilities	8,120.4	7,948.5
Non-current Liabilities	2,246.2	2,834.1
Total Liabilities	10,366.6	10,782.6
Shareholders' Funds	9,606.5	9,513.9
Non-Controlling Interests	796.3	797.4
Total Equity	10,402.8	10,311.3
Total Equity & Liabilities	20,769.3	21,093.9
Total Borrowings (including Perpetual Sukuk*)	7,421.7	7,511.8
Cash and bank balances	1,944.1	2,238.4
Net Gearing Ratio ^	0.53	0.51
Share Capital	5,393.7	5,393.7
Number of Ordinary Shares	4,888.9	4,888.9
Net Assets Per Share	1.96	1.95

^ Net Gearing = (Total Borrowings – Cash and bank balances) / Total Equity

* Perpetual Sukuk treated as financial liability as it does not meet the definition of equity in accordance with MFRS 132 *Financial Instruments: Presentation*. If Perpetual Sukuk was treated as equity, the net gearing would have been 0.47.

	<u>Q1 2021</u>	<u>Q1 2020[^]</u>	<u>Q4 2020[^]</u>
Revenue (RM'mil)	170.6	149.2	178.0
Operating Profit (RM'mil)	17.1	-0.9	25.2
OP Margin	10.0%	-0.6%	14.1%
EBIT (RM'mil) (incl. share of associates & JCE)	17.1	-0.9	25.2
EBIT Margin (incl. share of associates & JCE)	10.0%	-0.6%	14.1%

[^] Based on restated figures

Review of 1st Quarter Performance

- Yoy, revenue was higher due to strong recovery in hospital activities at Sunway Medical Centre and Sunway Medical Centre Velocity after the MCO2.0 was lifted in early March.
- Yoy, operating profit and EBIT were higher in line with the higher revenue. The performance of Sunway Medical Centre Velocity continued to improve in the current quarter, registering a lower operating loss of RM4.2 million compared to the loss of RM11.9 million in the corresponding quarter of the previous financial year.
- Qoq, revenue was lower due to the impact of reinstatement of MCO which resulted in lower revenue at Sunway Medical Centre.
- Qoq, operating profit and EBIT were lower in line with the lower revenue. The performance of Sunway Medical Centre Velocity in the current quarter was stable compared to the preceding quarter.

Property Development Segmental Review

	<u>Q1 2021</u>	<u>Q1 2020[^]</u>	<u>Q4 2020[^]</u>
Revenue (RM'mil)	97.2	139.2	183.9
Operating Profit (RM'mil)	13.1	30.4	49.5
OP Margin	13.5%	21.9%	26.9%
EBIT (RM'mil) (incl. share of associates & JCE)	21.2	36.9	224.1
EBIT Margin (incl. share of associates & JCE)	21.8%	26.5%	121.9%

[^] Based on restated figures

Review of 1st Quarter Performance

- Yoy, revenue was lower mainly due to higher profit recognition in the corresponding quarter of the previous financial year from the completion and handover of a local development project.
- Yoy, operating profit was lower in line with the lower revenue.
- Qoq, revenue was lower mainly due to lower progress billings from local development projects.
- Qoq, operating profit and EBIT were lower in line with the lower revenue. It should be noted that operating profit and EBIT in the preceding quarter was further boosted by the full recognition of the balance of the development profits for one of the Singapore and China property development projects which amounted to RM182.5 million and a gain on land disposal of RM7.7 million.

	<u>Q1 2021</u>	<u>Q1 2020[^]</u>	<u>Q4 2020[^]</u>
Revenue (RM'mil)	58.7	134.3	42.2
Operating (Loss)/Profit (RM'mil)	-14.3	29.7	-49.0
OP Margin	-24.4%	22.1%	-116.1%
EBIT/(LBIT) (RM'mil) (incl. share of associates & JCE)	1.3	60.6	-60.0 *
EBIT/LBIT Margin (incl. share of associates & JCE)	2.3%	45.1%	-142.0%

* Includes fair value gain/(loss) of investment properties of Sunway Berhad

[^] Based on restated figures

Review of 1st Quarter Performance

- Yoy, financial performance of the leisure and hospitality businesses continued to be impacted by stringent COVID-19 containment measures. Revenue in the current quarter was also lower due to lower rental income after the disposal of The Pinnacle Sunway to Sunway REIT, which was completed on 20 November 2020. Further, the performance of our associate company, Sunway REIT was also affected due to lower rental income from its retail and hotel segments.
- Qoq, revenue in the current quarter was higher due to improvement in the performance of the leisure business from higher numbers of visitors to the theme parks. However, travel restrictions and more stringent social distancing environment continue to impact the occupancy rates for the hospitality business.
- Qoq, operating loss and EBIT were improving in line with the higher revenue. It should be noted that the higher operating loss and LBIT in the preceding quarter was compounded by the fair value loss from revaluation of investment properties and impairment of assets which amounted to RM47.9 million and RM12.3 million respectively, even though it recorded a gain on disposal of The Pinnacle Sunway building of RM16.0 million.

	<u>Q1 2021</u>	<u>Q1 2020[^]</u>	<u>Q4 2020[^]</u>
Revenue (RM'mil)	321.4	218.0	424.6
Operating Profit (RM'mil)	26.3	19.8	36.1
OP Margin	8.2%	9.1%	8.5%
EBIT (RM'mil) (incl. share of associates & JCE)	26.3	19.9	36.1
EBIT Margin (incl. share of associates & JCE)	8.2%	9.1%	8.5%

[^] Based on restated figures

Review of 1st Quarter Performance

- Yoy, revenue was higher mainly due to higher progress billings from local construction projects and lower intra-group eliminations.
- Yoy, operating profit and EBIT was higher in line with the higher revenue.
- Qoq, revenue was lower mainly due to lower progress billings from local construction projects.
- Qoq, operating profit and EBIT were lower in line with the lower revenue.

Construction Order Book – RM5.0 billion

As at 31 March 2021 RM'mil	Contract Sum	O/S Order Book
Infrastructure/Piling		
LRT 3: Package GS07-08	1,295	465
Sentul West Station	57	35
Chan Sow Lin KVMRT (MEP)	54	39
Jalan Tambun upgrading works	14	14
Building		
Putrajaya Parcel F	1,610	17
TNB HQ Campus	781	449
PETRONAS Leadership Centre	305	168
Oxley Tower	68	54
IOI Mall MEP Works	68	28
Internal		
Sunway Medical Centre 4	612	430
Sunway Iskandar - Big Box Hotel	100	3
Sunway Iskandar - Big Box Office	51	48
Sunway Serene - Serviced Residences	413	162
Sunway Geo Lake	223	13
Sunway Carnival Extension	286	112
Sunway Medical Centre Seberang Jaya	196	120
Sunway Medical Centre Damansara	180	180
Sunway Velocity TWO (Plot A Project)	352	173
Sunway Velocity TWO (Plot B Project)	253	246
Sunway Velocity 3C4	100	50
Sunway South Quay CP2	463	369
Sunway International School	136	118
Sunway Belfield	403	387
Hotel Guestroom Renovation	81	46
BKE (Seberang Jaya)	4	4
Renewable Energy		
Internal	12	7
External	26	26
India		
Thorapalli Agraharam - Jittandahalli Highway	508	508
Meensurutti - Chidambarm	315	315
Singapore		
Precast	516	422
	9,482	5,006

25%



TNB HQ Campus

49%



PETRONAS Leadership Centre

1%



MRT V201

25%

Projects	Contract Sum (RM mil)
Sunway Medical Centre Damansara	180
Sunway Medical Centre Seberang Jaya (Variation Order)	16
Sunway International School (Variation Order)	15
Big Box Office	51
Jalan Tambun upgrading works	14
Precast projects	185
Solar Photovoltaic System projects	0.4
Total	462

Thank You

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Next quarter announcement on 24 August 2021

This presentation may contain certain forward looking statements due to a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions; interest rate trends; cost of capital and capital availability including availability of financing in the amounts and the terms necessary to support future business; availability of real estate properties; competition from other companies; changes in operating expenses including employee wages, benefits and training, property expenses, government and public policy changes. You are cautioned not to place undue reliance on these forward looking statements which are based on Management's current view of future events. Past performance is not necessarily indicative of its future performance.