


A photograph of a young plant growing in a lush green field. A digital wireframe overlay, resembling a stylized plant or a network structure, is superimposed on the real plant. The background shows a bright sun and trees, creating a sense of growth and innovation.

**Advancing Innovation,  
Accelerating Growth**

**SUNWAY®**

**SUNWAY BERHAD**

**Q1 2022 RESULTS  
BRIEFING PACK  
26 MAY 2022**

A solid green background with a white geometric network pattern in the bottom right corner. The pattern consists of interconnected lines and dots, forming a series of triangles and polygons, symbolizing technology and innovation.

## 1) Year on Year

- Revenue increased 31.5%; while PBT increased by 155.6%.
- Revenue was higher in the current quarter due to the stronger revenue recorded from most business segments except trading and manufacturing and quarry segments. Profit before tax in the current quarter was higher due to stronger operating performance from most business segments due to the easing of COVID-19 containment measures and strong pent-up demand, which offset the lower contribution from trading and manufacturing segment, which was impacted by COVID-19 lockdowns in China.
- It should be noted that the performance of the corresponding quarter of the previous financial year was impacted by the reinstatement of the Movement Control Order 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.
- The Group is cautiously optimistic that it can benefit from the continuous normalisation of the local economy, which will be boosted by the full reopening of the country's international borders.

## 2) Quarter on Quarter

- Q1 results are traditionally weaker than Q4.

## 3) Key Indicators

- Property Sales : **RM 447 million** (Effective: RM 400 million)
- Property Unbilled Sales : **RM 4.18 billion** (Effective: RM 3.71 billion)
- Construction Outstanding Order Book : **RM 4.4 billion**
- YTD Q1 2022 Order Book Replenishment : **RM 266 million**

## 4) Material changes in the current quarter

- The financial results of the healthcare segment in 2021 were reported separately under Discontinued Operations in accordance with MFRS 5 due to the completion of the initial closing conditions related to the partial divestment of Sunway Healthcare Group in December 2021. With effect from 1 January 2022, the Group will only recognise its share of results in the healthcare segment under Continuing Operations.

# Overview of Key Performance Highlights

The key performance highlights are for Continuing Operations only:

RM'mil	Q1 FY 2022 Unaudited Jan - Mar 2022	Q1 FY 2021 Unaudited Jan - Mar 2021	Q4 FY 2021 Unaudited Oct - Dec 2021
<b><u>Continuing Operations</u></b>			
<b>Revenue</b>	<b>1,112.5</b>	<b>846.1</b>	<b>1,247.0</b>
EBIT	171.3	55.6	252.0
EBIT Margin	15.4%	6.6%	20.2%
<b>PBT</b>	<b>187.1</b>	<b>73.2</b>	<b>254.8</b>
PBT Margin	16.8%	8.6%	20.4%
<b>PATMI</b>	<b>140.1</b>	<b>44.6</b>	<b>153.9</b>
PATMI Margin	12.6%	5.3%	12.3%
Basic EPS (sen) *	2.39	0.77	2.62

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

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

(RM'mil)	Q1 2022		Q1 2021		Q4 2021	
	PBT	PATMI	PBT	PATMI	PBT	PATMI
Fair value loss / (gain) (associate)	*(7.5)	-	-	-	23.1	23.1
Fair value loss / (gain) (I. Properties)	-	-	-	-	(41.3)	(43.1)
Fair value gain (Others)	-	-	-	-	(0.2)	(0.2)
Net gain on partial divestment of Sunway Healthcare Group	-	-	-	-	-	(2,266.9)
Reversal of deferred tax liabilities on Pinnacle	-	-	-	-	-	(9.0)

\* Share of valuation gain pursuant to Sunway REIT's acquisition of an investment property

# Balance Sheet and Gearing

RM'mil	31/3/2022 (Unaudited)	31/12/2021 (Audited)
Non-current Assets	17,410.8	17,085.6
Current Assets	7,954.2	7,998.7
<b>Total Assets</b>	<b>25,365.0</b>	<b>25,084.3</b>
Current Liabilities	6,355.4	6,706.2
Non-current Liabilities	5,481.8	5,255.8
<b>Total Liabilities</b>	<b>11,837.2</b>	<b>11,962.0</b>
Shareholders' Funds	12,205.8	12,030.4
Non-Controlling Interests	1,322.0	1,091.9
<b>Total Equity</b>	<b>13,527.8</b>	<b>13,122.3</b>
<b>Total Equity &amp; Liabilities</b>	<b>25,365.0</b>	<b>25,084.3</b>
Total Borrowings	8,378.2	8,715.5
Cash and bank balances	2,133.0	2,810.3
<b>Net Gearing Ratio <sup>^</sup></b>	<b>0.46</b>	<b>0.45</b>
Share Capital	5,393.9	5,393.9
Number of Ordinary Shares	5,866.9	5,866.8
<b>Net Assets Per Share</b>	<b>2.08</b>	<b>2.05</b>

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

# Property Development Segmental Review

	<u>Q1 2022</u>	<u>Q1 2021</u>	<u>Q4 2021</u>
Revenue (RM'mil)	158.2	97.2	184.1
Operating Profit (RM'mil)	4.4	13.1	51.1
OP Margin	2.8%	13.5%	27.8%
EBIT (incl. share of associates & JCE) (RM'mil)	27.9	21.2	68.7
EBIT Margin (incl. share of associates & JCE)	17.7%	21.8%	37.3%

## Review of 1<sup>st</sup> Quarter Performance

- Yoy, revenue for the current quarter was higher due to higher sales and progress billings from on-going local development projects and revenue recognition from two joint venture companies which became subsidiaries in the current quarter. Higher EBIT in the current quarter was due to higher progressive profit recognition from one of the Group's Singapore private condominium projects, which more than offset the lower profit contribution from local development projects.
- Qoq, the financial performance in the current quarter was lower. It should be noted that better performance in the preceding quarter was due to higher contribution from the completion and handover of a local project and higher sales and progress billings from other on-going development projects.

Due to the adoption of MFRS 15, the development profit on two of the Group's Singapore property development projects will only be recognised upon completion and handover of the projects. The accumulated progressive profit of these projects not recognised as at the end of the current quarter amounted to RM69.9 million, of which RM18.2 million was recorded in the current quarter.

# Property Investment Segmental Review

	<u>Q1 2022</u>	<u>Q1 2021</u>	<u>Q4 2021</u>
Revenue (RM'mil)	121.1	58.7	133.4
Operating Profit (RM'mil)	14.8	-14.3	62.2
OP Margin	12.2%	-24.4%	46.7%
EBIT (incl. share of associates & JCE) (RM'mil)	61.7	1.3	52.5 *
EBIT Margin (incl. share of associates & JCE)	50.9%	2.3%	39.4%

\* Includes fair value loss of investment properties of Sunway REIT

## Review of 1<sup>st</sup> Quarter Performance

- Yoy, it should be noted that the operating performance for the corresponding quarter of the previous financial year was impacted by the reinstatement of the movement control order from 13 January to 4 March 2021 which resulted in closure of the theme park operations, more stringent social distancing requirements and restriction in interstate travels. Higher revenue in the current quarter was attributed to the higher visitorship to the theme parks and higher occupancy at the Group's hotels which managed to lower the operating losses of the two segments. EBIT in the current quarter was also boosted by recovery in the performance of our associate company, Sunway REIT.
- Qoq, the lower contribution in the current quarter was partly due to the seasonality factor, as the leisure and hospitality segments usually delivered stronger performance in the last quarter of the year. However, EBIT improved in the current quarter due to stronger performance of our associate company, Sunway REIT. EBIT in the preceding quarter also recorded a fair value gain on revaluation on investment properties of RM41.3 million, offset by share of fair value loss from the revaluation of Sunway REIT properties of RM23.1 million.

	<u>Q1 2022</u>	<u>Q1 2021</u>	<u>Q4 2021</u>
Revenue (RM'mil)	368.6	321.4	379.6
Operating Profit (RM'mil)	43.5	26.3	84.1
OP Margin	11.8%	8.2%	22.1%
EBIT (incl. share of associates & JCE) (RM'mil)	43.6	26.3	88.8
EBIT Margin (incl. share of associates & JCE)	11.8%	8.2%	23.4%

^ Based on restated figures

## Review of 1<sup>st</sup> Quarter Performance

- Yoy, the financial performance in the current quarter was better due to higher progress billings from local construction projects which contributed to the higher profit. It should be noted that the operating performance for the corresponding quarter of the previous financial year was impacted by the closure of the construction sites due to the movement control order as mentioned earlier.
- Qoq, higher operating profit and EBIT recorded in the preceding quarter was boosted by higher profit contribution from some local projects which were nearing completion.



# Construction Order Book – RM 4.4 billion

**SUNWAY®**

AS AT MAR-22 (RM MIL)	COMPLETION	CONTRACT SUM	O/S ORDERBOOK	
<b>BUILDING</b>			304	7%
PUTRAJAYA PARCEL F	Maintenance	1,610	11	
TNB HQ CAMPUS (PH 2)	3Q 2022	781	197	
PETRONAS LEADERSHIP CENTRE (PLC)	Completed	305	28	
IOI MALL (MEP)	2Q 2022	68	8	
OXLEY TOWER (MEP)	4Q 2024	68	52	
PNB118 PKG A&B (MEP)	3Q 2022	8	7	
<b>INFRASTRUCTURE/PILING</b>			284	6%
LRT 3 : PACKAGE GS07-08	4Q 2022	1,295	137	
SENTUL WEST MRTUG ST. (MEP)	2Q 2022	57	4	
CHAN SOW LIN MRTUG ST. (MEP)	2Q 2022	54	6	
JALAN TAMBUN, IPOH	4Q 2022	14	11	
BANGSAR RISING - PILING	3Q 2022	5	5	
TASCO	3Q 2022	9	8	
RTS LINK PACKAGE P2A	2Q 2025	112	112	
LRT: GS06	2Q 2022	1	1	
<b>INDIA</b>			755	17%
THORAPALLI - JITTANDAHALLI (TJ)	4Q 2023	508	488	
MEENSURUTTI - CHIDAMBARAN (MC)	3Q 2023	315	266	
<b>SUSTAINABLE ENERGY</b>			406	9%
SOLAR - EXTERNAL	Various	414	397	
SOLAR - INTERNAL	Various	4	1	
NEW ORDER 2022 - INTERNAL	Various	8	8	
<b>SINGAPORE</b>			555	12%
PRECAST	Various	584	427	
NEW ORDER 2022 - EXTERNAL	Various	128	128	
<b>INTERNAL - SUNWAY GROUP</b>			2,137	48%
SMC 4 + VO	3Q 2023	612	265	
SUNWAY SERENE	4Q 2022	413	61	
SUNWAY BELFIELD	4Q 2024	403	346	
SUNWAY VELOCITY 2	4Q 2022	352	80	
SOUTH QUAY CP2 - SUPERSTRUCTURE	4Q 2023	557	555	
SUNWAY CARNIVAL MALL EXT.	2Q 2022	286	28	
SUNWAY VELOCITY 2B	4Q 2023	253	213	
SMC DAMANSARA	1Q 2023	240	222	
SMC SEBERANG JAYA	2Q 2022	196	44	
SMC IPOH	1Q 2024	150	142	
SW INTERNATIONAL SCHOOL (SIS)	4Q 2022	140	51	
SOUTH QUAY CP2 - PILING	2Q 2022	198	45	
SUNWAY VELOCITY 3C4	3Q 2022	100	30	
SUNWAY HOTEL RENOVATION	3Q 2022	81	24	
BIG BOX OFFICE	3Q 2022	51	28	
BUTTERWORTH-KULIM EXPRESSWAY	2Q 2022	4	2	
DRAINAGE WORKS	4Q 2022	1	1	
WELLNESS ROAD & DRAIN	2Q 2022	1	1	
<b>GRAND TOTAL @ MAR 2022</b>		<b>10,384</b>	<b>4,441</b>	
<b>RED : SECURED IN 2022</b>		<b>266</b>	<b>265</b>	



LRT3 GS07&08



PETRONAS Leadership Centre



SMC 4

	<u>Q1 2022</u>	<u>Q1 2021</u>	<u>Q4 2021</u>
<b>Share of results of joint ventures (RM'mil)</b>	<b>28.2</b>	<b>-</b>	<b>-</b>
<b>Profit from Discontinued Operations, net of tax (RM'mil)</b>	<b>-</b>	<b>14.0</b>	<b>2,319.7</b>

## Review of 1<sup>st</sup> Quarter Performance

- The financial results of the healthcare segment in 2021 were reported separately under Discontinued Operations in accordance with MFRS 5 due to the completion of the initial closing conditions related to the partial divestment of Sunway Healthcare Group in December 2021. With effect from 1 January 2022, the Group will only recognise its share of results in the healthcare segment under Continuing Operations.
- Yoy, the healthcare segment reported a share of net profit of RM28.2 million in the current quarter which was higher than the net profit of RM14.0 million in the corresponding quarter of the previous financial year by 102.3%. The strong performance in the current quarter was due to higher number of patients treated at both Sunway Medical Centre (“SMC”) and Sunway Medical Centre Velocity (“SMCV”).
- Qoq, the healthcare segment reported a share of net profit of RM28.2 million in the current quarter which was lower than the net profit of RM2,319.7 million in the preceding quarter. Excluding the one-off net gain arising from the partial divestment of Sunway Healthcare Group of RM2,286.1 million in the preceding quarter, the operating net profit was RM33.6 million before adjusting for the partial divestment. The operating performance of the healthcare group in the current quarter was comparable to the preceding quarter despite lower number of patients treated during this seasonally slower quarter.

# Thank You

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**Next quarter announcement on 24 August 2022**

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