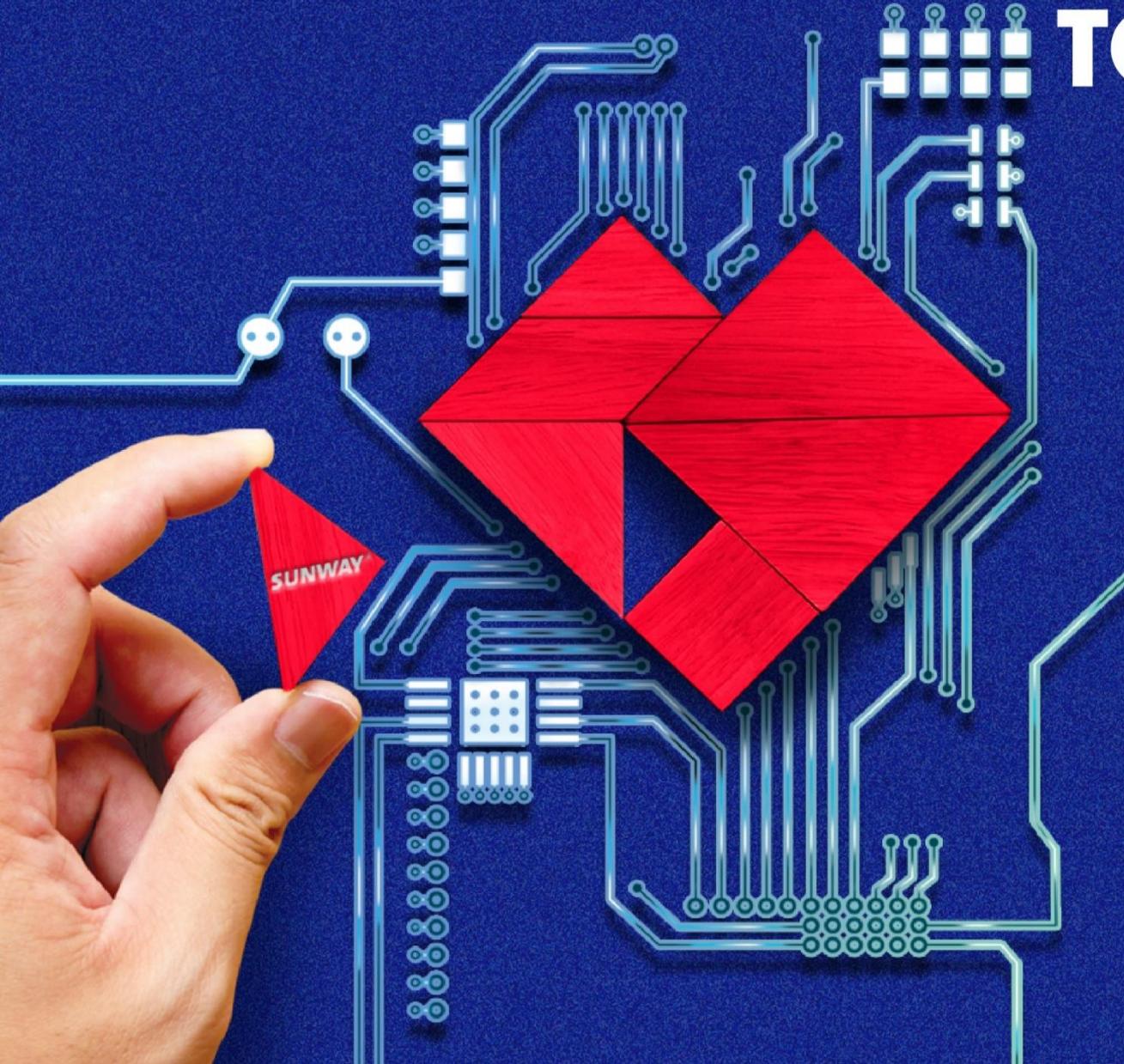


SUNWAY[®]

TOGETHER
WITH YOU



SUNWAY BERHAD
Q2 2021 RESULTS
BRIEFING PACK
24 AUGUST 2021

1) Year on Year

- Revenue increased 73.9%; while PBT improved significantly from a loss-making position.
- The overall improvement in the Group's financial performance in the current quarter was mainly due to the business units being able to adjust and adapt their business operational process to continue operating, albeit at a lower capacity, when the Movement Control Order "MCO") was reinstated due to the resurgence of COVID-19 cases.
- This was unlike the previous corresponding quarter whereby most of the economic activities came to a standstill as businesses were unprepared for MCO 1.0 when it was implemented.
- However, the hospitality and leisure businesses under the property investment segment continued to be impacted by the consequences of the MCO.

2) Quarter on Quarter

- Surging COVID-19 cases and the re-imposition of nationwide containment measures, starting from 3 May 2021, continue to impact the performance of the current quarter.

3) Key Indicators

- Property Sales : **RM 1.64 billion** (Effective: RM 1.56 billion)
- Property Unbilled Sales : **RM 3.6 billion** (Effective: RM 3.1 billion)
- Construction Outstanding Order Book : **RM 4.8 billion**
- YTD Q2 2021 Order Book Replenishment : **RM 620 million**

Overview of Key Performance Highlights

RM'mil	Q2 FY 2021	Q2 FY 2020	Q1 FY 2021	YTD 2021	YTD 2020
	Unaudited	Restated	Unaudited	Unaudited	Restated
	Apr - Jun 2021	Apr - Jun 2020	Jan - Mar 2021	Jan - Jun 2021	Jan - Jun 2020
Revenue	967.9	556.6	1,016.7	1,984.7	1,528.1
EBIT	59.1	8.9	72.7	131.8	114.0
EBIT Margin	6.1%	1.6%	7.1%	6.6%	7.5%
PBT / (LBT)	79.0	(0.9)	87.2	166.2	92.6
PBT Margin	8.2%	-0.2%	8.6%	8.4%	6.1%
PATMI / (LATMI)	70.5	(20.4)	58.5	129.0	42.0
PATMI Margin	7.3%	-3.7%	5.7%	6.5%	2.7%
EPS / (LPS) (sen) *	1.20	(0.42)	1.01	2.20	0.86

* 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)	Q2 2021		Q2 2020		Q1 2021		YTD 2021		YTD 2020	
	PBT	PATMI	PBT	PATMI	PBT	PATMI	PBT	PATMI	PBT	PATMI
Fair value loss (Associate)	-	-	16.5	16.5	-	-	-	-	16.5	16.5
Fair value loss (I. Properties)	-	-	-	-	-	-	-	-	-	-

Balance Sheet and Gearing

RM'mil	30/6/2021 (Unaudited)	31/12/2020 (Restated)
Non-current Assets	14,374.8	14,055.8
Current Assets	6,282.0	7,038.0
Total Assets	20,656.8	21,093.9
Current Liabilities	5,608.5	7,948.5
Non-current Liabilities	4,634.7	2,834.1
Total Liabilities	10,243.2	10,782.6
Shareholders' Funds	9,623.6	9,513.9
Non-Controlling Interests	790.0	797.4
Total Equity	10,413.6	10,311.3
Total Equity & Liabilities	20,656.8	21,093.9
Total Borrowings (including Perpetual Sukuk*)	7,346.4	7,511.8
Cash and bank balances	1,456.6	2,238.4
Net Gearing Ratio ^	0.57 @	0.51
Share Capital	5,393.7	5,393.7
Number of Ordinary Shares <i>(includes the ordinary shares that will be issued upon mandatory conversion of ICPS)</i>	5,866.7	5,866.7
Net Assets Per Share	1.64	1.62

^ 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 0.51.

Healthcare Segmental Review

	<u>Q2 2021</u>	<u>Q2 2020[^]</u>	<u>Q1 2021</u>	<u>YTD 2021</u>	<u>YTD 2020[^]</u>
Revenue (RM'mil)	200.6	125.1	170.6	371.2	274.3
Operating Profit/(Loss) (RM'mil)	30.0	-12.1	17.1	47.1	-13.1
OP Margin	14.9%	-9.7%	10.0%	12.7%	-4.8%
EBIT/(LBIT) (RM'mil) (incl. share of associates & JCE)	30.0	-12.1	17.1	47.1	-13.1
EBIT/(LBIT) Margin (incl. share of associates & JCE)	14.9%	-9.7%	10.0%	12.7%	-4.8%

[^] Based on restated figures

Review of 2nd Quarter Performance

- Yoy, revenue was higher due to strong recovery in hospital activities with higher number of admissions and outpatient treatments at Sunway Medical Centre (“SMC”) and Sunway Medical Centre Velocity (“SMCV”).
- Yoy, operating profit and EBIT were higher in line with the higher revenue. The profit of SMC rebounded strongly, while the operating loss of SMCV reduced from RM9.5 million to RM4.3 million in the current quarter.
- Qoq, revenue was higher due to higher admission and outpatient treatments at SMC.
- Qoq, operating profit and EBIT were higher in line with the higher revenue. The performance of SMCV in the current quarter was stable compared to the preceding quarter.

Property Development Segmental Review

	<u>Q2 2021</u>	<u>Q2 2020[^]</u>	<u>Q1 2021</u>	<u>YTD 2021</u>	<u>YTD 2020[^]</u>
Revenue (RM'mil)	147.4	68.1	97.2	244.5	207.3
Operating Profit (RM'mil)	15.6	15.9	13.1	28.7	46.3
OP Margin	10.6%	23.3%	13.5%	11.7%	22.4%
EBIT (RM'mil) (incl. share of associates & JCE)	24.3	17.4	21.2	45.5	54.4
EBIT Margin (incl. share of associates & JCE)	16.5%	25.6%	21.8%	18.6%	26.2%

[^] Based on restated figures

Review of 2nd Quarter Performance

- YTD, revenue for the current period was higher due to higher sales and progress billings from local development projects.
- YTD, EBIT and operating profit were lower mainly due to higher profit recognition in the corresponding period of the previous financial year from the completion and handover of a local development project.
- Qoq, revenue was higher mainly due to higher sales and progress billings from local development projects.
- Qoq, operating profit and EBIT were higher in line with the higher revenue.

Property Investment Segmental Review

	<u>Q2 2021</u>	<u>Q2 2020[^]</u>	<u>Q1 2021</u>	<u>YTD 2021</u>	<u>YTD 2020[^]</u>
Revenue (RM'mil)	62.3	55.5	58.7	121.0	189.8
Operating Profit/(Loss) (RM'mil)	-9.3	-10.0	-14.3	-23.6	19.7
OP Margin	-14.9%	-18.0%	-24.4%	-19.5%	10.4%
EBIT/(LBIT) (RM'mil) (incl. share of associates & JCE)	4.4	-11.6*	1.3	5.7	49.0*
EBIT/(LBIT) Margin (incl. share of associates & JCE)	7.0%	-20.9%	2.3%	4.7%	25.8%

* Includes fair value loss of investment properties of Sunway REIT

[^] Based on restated figures

Review of 2nd Quarter Performance

- Yoy, the financial performance of the leisure and hospitality businesses continued to be impacted by the consequences of the MCO. In comparison, the higher LBIT in the corresponding quarter of the previous financial year was mainly due to the share of fair value loss from the Sunway REIT properties which amounted to RM16.5 million, which did not recur in the current quarter.
- Qoq, revenue in the current quarter was marginally higher than the preceding quarter due to improved occupancy rates for the hotels.
- Qoq, operating loss and EBIT improved in line with the higher revenue. However, as mentioned above, travel restrictions and stringent social distancing requirements continued to impact the leisure and hospitality businesses.

Construction Segmental Review

	<u>Q2 2021</u>	<u>Q2 2020[^]</u>	<u>Q1 2021</u>	<u>YTD 2021</u>	<u>YTD 2020[^]</u>
Revenue (RM'mil)	218.1	92.6	321.4	539.4	310.6
Operating Profit (RM'mil)	5.7	4.1	26.3	32.0	23.9
OP Margin	2.6%	4.5%	8.2%	5.9%	7.7%
EBIT (RM'mil) (incl. share of associates & JCE)	5.7	4.3	26.3	32.0	24.2
EBIT Margin (incl. share of associates & JCE)	2.6%	4.6%	8.2%	5.9%	7.8%

[^] Based on restated figures

Review of 2nd Quarter Performance

- Yoy, revenue was higher mainly due to higher progress billings from local construction projects.
- 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 – RM4.8 billion

As at 30 June 2021 RM'mil	Contract Sum	O/S Order Book
Infrastructure/Piling		
LRT 3: Package GS07-08	1,295	368
Sentul West Station	57	30
Chan Sow Lin KVMRT (MEP)	54	33
Jalan Tambun upgrading works	14	14
Bangsar Rising - Piling	5	5
Building		
Putrajaya Parcel F	1,610	17
TNB HQ Campus	781	404
PETRONAS Leadership Centre	305	148
Oxley Tower	68	51
IOI Mall MEP Works	68	22
Internal		
Sunway Medical Centre 4	612	401
Sunway Iskandar - Big Box Office	51	48
Sunway Serene - Serviced Residences	413	137
Sunway Carnival Mall Extension	286	96
Sunway Medical Centre Seberang Jaya	196	107
Sunway Medical Centre Damansara	180	179
Sunway Medical Centre Ipoh	150	150
Sunway Velocity TWO (Plot A Project)	352	149
Sunway Velocity TWO (Plot B Project)	253	241
Sunway Velocity 3C4	100	47
Sunway South Quay CP2	463	355
Sunway International School	140	114
Sunway Belfield	403	379
Hotel Guestroom Renovation	81	38
Butterworth-Kulim Expressway	4	4
Sustainable Energy		
Internal	12	7
External	26	26
India		
Thorapalli Agraharam - Jittandahalli Highway	508	508
Meensurutti - Chidambarm	315	315
Singapore		
Precast	516	401
	9,317	4,796

23%



51%



1%



26%

Projects	Contract Sum (RM mil)
Sunway Medical Centre Damansara	180
Sunway Medical Centre Ipoh	150
Sunway Medical Centre Seberang Jaya (Variation Order)	16
Sunway International School (Variation Order)	19
Big Box Office	51
Jalan Tambun upgrading works	14
Bangsar Rising - Piling	5
Precast	185
Solar Photovoltaic System	0.4
Total	620

Thank You

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Next quarter announcement on 25 November 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.