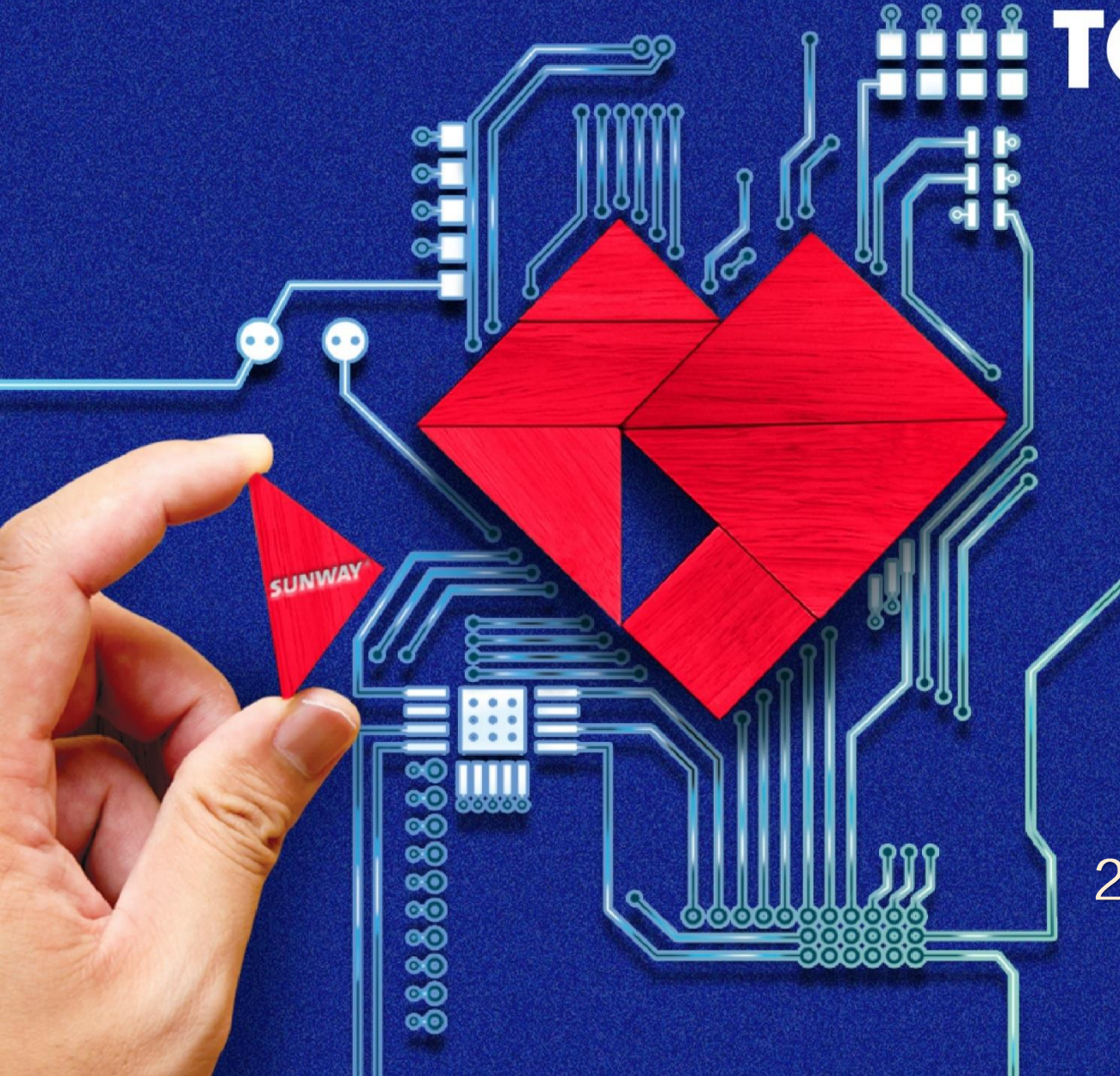


SUNWAY®

TOGETHER
WITH YOU



SUNWAY BERHAD
Q3 2021 RESULTS
BRIEFING PACK
25 NOVEMBER 2021

1) Year on Year

- Revenue increased 19.3%; while PBT also improved by 12.5%.
- The Group's financial performance continued to improve as the business units adjust and adapt their business operations to the new standard operating procedures ("SOP").
- It is encouraging to note that the COVID-19 infection rates have started to trend downwards, which can be attributed to the successful mass vaccination roll-out and the strict SOP compliance. As a result, the government has started to progressively allow more economic sectors to reopen in the latter part of the third quarter. The Group expects the recovery to strengthen further in the fourth quarter as most economic activities have resumed, especially social and local tourism-related activities. This augurs well for the Group, particularly our leisure and hospitality operations which were severely impacted by the extended lockdowns.

2) Quarter on Quarter

- The improved financial performance correlates with the gradual reopening of the economy with less restrictive containment measures.

3) Key Indicators

- Property Sales : **RM 2.17 billion** (Effective: RM 2.08 billion)
- Property Unbilled Sales : **RM 3.83 billion** (Effective: RM 3.38 billion)
- Construction Outstanding Order Book : **RM 4.7 billion**
- YTD Q3 2021 Order Book Replenishment : **RM 796 million**

Overview of Key Performance Highlights

RM'mil	Q3 FY 2021	Q3 FY 2020	Q2 FY 2021	YTD 2021	YTD 2020
	Unaudited	Restated	Unaudited	Unaudited	Restated
	Jul - Sep 2021	Jul - Sep 2020	Apr - Jun 2021	Jan - Sep 2021	Jan - Sep 2020
Revenue	1,065.0	1,027.2	967.9	3,049.7	2,555.3
EBIT	104.1	164.6	59.1	235.9	278.7
EBIT Margin	9.8%	16.0%	6.1%	7.7%	10.9%
PBT	113.8	156.3	79.0	280.0	248.9
PBT Margin	10.7%	15.2%	8.2%	9.2%	9.7%
PATMI	81.1	116.0	70.5	210.1	158.0
PATMI Margin	7.6%	11.3%	7.3%	6.9%	6.2%
EPS (sen) *	1.38	2.37	1.20	3.58	3.22

* 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)	Q3 2021		Q3 2020		Q2 2021		YTD 2021		YTD 2020	
	PBT	PATMI	PBT	PATMI	PBT	PATMI	PBT	PATMI	PBT	PATMI
Fair value loss (Associate)	-	-	-	-	-	-	-	-	16.5	16.5
Fair value loss (I. Properties)	-	-	-	-	-	-	-	-	-	-

Balance Sheet and Gearing

RM'mil	30/9/2021 (Unaudited)	31/12/2020 (Restated)
Non-current Assets	14,589.0	14,055.8
Current Assets	7,332.7	7,038.0
Total Assets	21,921.7	21,093.9
Current Liabilities	6,690.1	7,948.5
Non-current Liabilities	4,741.6	2,834.1
Total Liabilities	11,431.7	10,782.6
Shareholders' Funds	9,683.2	9,513.9
Non-Controlling Interests	806.7	797.4
Total Equity	10,489.9	10,311.3
Total Equity & Liabilities	21,921.7	21,093.9
Total Borrowings (including Perpetual Sukuk*)	8,382.0	7,511.8
Cash and bank balances	2,529.5	2,238.4
Net Gearing Ratio[^]	0.56[@]	0.51
Share Capital	5,393.9	5,393.7
Number of Ordinary Shares <i>(includes the ordinary shares that will be issued upon mandatory conversion of ICPS)</i>	5,866.8	5,866.7
Net Assets Per Share	1.65	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 0.50.

	<u>Q3 2021</u>	<u>Q3 2020[^]</u>	<u>Q2 2021</u>	<u>YTD 2021</u>	<u>YTD 2020[^]</u>
Revenue (RM'mil)	208.1	168.0	200.6	579.3	442.3
Operating Profit (RM'mil)	31.8	19.5	30.0	78.9	6.5
OP Margin	15.3%	11.6%	14.9%	13.6%	1.5%
EBIT (RM'mil) (incl. share of associates & JCE)	31.8	19.5	30.0	78.9	6.5
EBIT Margin (incl. share of associates & JCE)	15.3%	11.6%	14.9%	13.6%	1.5%

[^] Based on restated figures

Review of 3rd Quarter Performance

- Yoy, revenue was higher due to strong recovery in hospital activities with higher number of admissions and outpatient treatments at both 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 to RM0.6 million in the current quarter, compared to the loss of RM6.6 million in the previous corresponding quarter.
- Qoq, revenue was marginally higher due to higher number of admissions at SMCV.
- Qoq, operating profit and EBIT were also marginally higher in line with the higher revenue. The performance of SMCV continues to improve as it lower its operating loss from RM4.3 million in the preceding quarter to RM0.6 million in the current quarter. However, the performance at SMC moderated due to lower admissions and outpatient treatments as a result of the extended movement controls imposed.

Property Development Segmental Review

	<u>Q3 2021</u>	<u>Q3 2020[^]</u>	<u>Q2 2021</u>	<u>YTD 2021</u>	<u>YTD 2020[^]</u>
Revenue (RM'mil)	197.1	103.4	147.4	441.6	310.8
Operating Profit (RM'mil)	43.0	3.8	15.6	71.7	50.2
OP Margin	21.8%	3.7%	10.6%	16.2%	16.2%
EBIT (RM'mil) (incl. share of associates & JCE)	45.6	12.0	24.3	91.1	66.4
EBIT Margin (incl. share of associates & JCE)	23.1%	11.6%	16.5%	20.6%	21.4%

[^] Based on restated figures

Review of 3rd Quarter Performance

- Yoy, revenue for the current period was higher due to higher contribution from the completion and handover of a local development project and higher sales and progress billings from other on-going local development projects.
- Yoy, operating profit and EBIT were higher in line with the higher revenue.
- Qoq, revenue was higher mainly due to higher contribution from the completion and handover of a local development project.
- Qoq, operating profit and EBIT were higher in line with the higher revenue.

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 as at the end of the current quarter of RM40.0 million, of which RM22.3 million was recorded in the current quarter.

Property Investment Segmental Review

	<u>Q3 2021</u>	<u>Q3 2020[^]</u>	<u>Q2 2021</u>	<u>YTD 2021</u>	<u>YTD 2020[^]</u>
Revenue (RM'mil)	58.0	98.1	62.3	179.0	287.9
Operating Profit/(Loss) (RM'mil)	-14.0	56.7	-9.3	-37.6	76.4
OP Margin	-24.2%	57.8%	-14.9%	-21.0%	26.5%
EBIT (RM'mil) (incl. share of associates & JCE)	0.4	74.8	4.4	6.1	123.8*
EBIT Margin (incl. share of associates & JCE)	0.7%	76.3%	7.0%	3.4%	43.0%

* Includes fair value loss of investment properties of Sunway REIT

[^] Based on restated figures

Review of 3rd Quarter Performance

- Yoy, the financial performance was lower due to the additional losses incurred from the leisure and hospitality segments as a result of the extended movement controls imposed and lower rental income resulting from the sale of The Pinnacle Sunway in the fourth quarter of last year. The operating profit in the previous corresponding quarter was mainly attributed to the one-off remeasurement gain of RM57.5 million under MFRS 16.
- Qoq, revenue in the current quarter was lower mainly due to lower contribution from the theme park segment which had to stop its operations as a result of the extended movement controls imposed.
- Qoq, operating loss and EBIT were lower in line with the lower revenue. However, EBIT in the current quarter was partially mitigated by the improved contributions from the REIT assets

Construction Segmental Review

	<u>Q3 2021</u>	<u>Q3 2020[^]</u>	<u>Q2 2021</u>	<u>YTD 2021</u>	<u>YTD 2020[^]</u>
Revenue (RM'mil)	192.7	255.0	218.1	732.1	565.6
Operating Profit (RM'mil)	16.1	33.9	5.7	48.1	57.8
OP Margin	8.3%	13.3%	2.6%	6.6%	10.2%
EBIT (RM'mil) (incl. share of associates & JCE)	18.9	33.9	5.7	50.8	58.0
EBIT Margin (incl. share of associates & JCE)	9.8%	13.3%	2.6%	6.9%	10.3%

[^] Based on restated figures

Review of 3rd Quarter Performance

- Yoy, revenue was lower mainly due to lower progress billings from local construction projects as a result of the suspension of construction activities for a period of four weeks in the month of July due to the nationwide lockdown.
- Yoy, operating profit and EBIT were lower in line with the lower revenue.
- Qoq, revenue was lower mainly due to lower progress billings from local construction projects.
- Qoq, operating profit and EBIT were higher due to improved margin from the segment's local rail infrastructure project.

Construction Order Book – RM4.7 billion

As at 30 September 2021 RM'mil	Contract Sum	O/S Order Book
Infrastructure/Piling		
LRT 3: Package GS07-08	1,295	295
Sentul West Station	57	16
Chan Sow Lin KVMRT (MEP)	54	16
Jalan Tambun upgrading works	14	14
Bangsar Rising - Piling	5	5
Building		
Putrajaya Parcel F	1,610	16
TNB HQ Campus	781	373
PETRONAS Leadership Centre	305	104
Oxley Tower	68	51
IOI Mall MEP Works	68	16
Internal		
Sunway Medical Centre 4	612	387
Sunway Iskandar - Big Box Office	51	47
Sunway Serene - Serviced Residences	413	120
Sunway Carnival Mall Extension	286	81
Sunway Medical Centre Seberang Jaya	196	106
Sunway Medical Centre Damansara	240	238
Sunway Medical Centre Ipoh	150	150
Sunway Velocity TWO (Plot A Project)	352	137
Sunway Velocity TWO (Plot B Project)	253	239
Sunway Velocity 3C4	100	46
Sunway South Quay CP2	463	351
Sunway International School	140	112
Sunway Belfield	403	374
Hotel Guestroom Renovation	81	36
Butterworth-Kulim Expressway	4	4
Drainage work	1	1
Sustainable Energy		
External	29	16
India		
Thorapalli Agraharam - Jittandahalli Highway	508	508
Meensurutti - Chidambarm	315	310
Singapore		
Precast	629	504
	9,482	4,669

19%



TNB HQ Campus

52%



PETRONAS Leadership Centre

0%



SMC Seberang Jaya

28%

Projects	Contract Sum (RM mil)
Sunway Medical Centre Damansara	240
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
Solar Photovoltaic System	2
Drainage work	1
Precast	298
Total	796

Thank You

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Next quarter announcement on 25 February 2022

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.