

A young plant in a field with a digital wireframe overlay. The plant is in the foreground, and the background is a blurred field with trees and a bright sun.

**Advancing Innovation,  
Accelerating Growth**

**SUNWAY®**

**SUNWAY BERHAD**

**Q4 FY2022 RESULTS  
BRIEFING PACK  
23 February 2023**

## 1) Year on Year

- Revenue increased 22.8%; while PBT increased by 15.3%.
- Revenue was higher in the current quarter mainly due to higher contribution from most business segments except from construction and others segments. As a result, profit before tax in the current quarter was also higher. However, several business segments such as construction, trading and manufacturing and others delivered lower profit contributions.
- Although the local economy is expected to grow at a moderate rate, the Group is cautiously optimistic that it can sustain its growth momentum going forward. In particular, the Group expects several of its business segments such as its leisure, hospitality and healthcare businesses to continue to benefit from the improving inbound leisure and medical-related tourism especially with the reopening of China's international borders which will boost further tourist arrivals.

## 2) Higher Dividends for the Year

- Second interim dividend of 3.50 sen per ordinary share declared under Dividend Reinvestment Scheme (DRS) where shareholders will be given the option to elect to reinvest a portion of 2.0 sen per ordinary share into new Sunway Shares with the remaining portion of 1.5 sen per ordinary share to be paid in cash.
- Full year dividend of 5.50 sen per share, up from 2.50 sen in 2021.

## 3) Key Indicators

- Property Sales : **RM 2.02 billion** (Effective: RM 1.76 billion)
- Property Unbilled Sales : **RM 4.31 billion** (Effective: RM 3.82 billion)
- Construction Outstanding Order Book : **RM 5.3 billion**
- YTD Q4 2022 Order Book Replenishment : **RM 2.6 billion**

# Overview of Key Performance Highlights

The key performance highlights are for Continuing Operations only:

RM'mil	Q4 FY 2022 Unaudited Oct - Dec 2022	Q4 FY 2021 Audited Oct - Dec 2021	Q3 FY 2022 Unaudited Jul – Sep 2022	YTD 2022 Unaudited Jan - Dec 2022	YTD 2021 Audited Jan - Dec 2021
<b><u>Continuing Operations</u></b>					
<b>Revenue</b>	<b>1,531.6</b>	<b>1,247.0</b>	<b>1,270.5</b>	<b>5,195.0</b>	<b>3,717.3</b>
EBIT	294.5	252.0	225.3	934.3	409.0
EBIT Margin	19.2%	20.2%	17.7%	18.0%	11.0%
<b>PBT</b>	<b>293.9</b>	<b>254.8</b>	<b>223.8</b>	<b>919.8</b>	<b>463.9</b>
PBT Margin	19.2%	20.4%	17.6%	17.7%	12.5%
<b>PATMI</b>	<b>203.0</b>	<b>153.9</b>	<b>164.7</b>	<b>676.7</b>	<b>293.5</b>
PATMI Margin	13.3%	12.3%	13.0%	13.0%	7.9%
Basic EPS (sen) *	3.46	2.62	2.80	10.66	4.50

\* 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)	Q4 2022		Q4 2021		Q3 2022		YTD 2022		YTD 2021	
	PBT	PATMI	PBT	PATMI	PBT	PATMI	PBT	PATMI	PBT	PATMI
Fair value loss (associates)	(55.3)	(55.3)	(23.1)	(23.1)	-	-	(47.8)	(47.8)	(23.1)	(23.1)
Fair value gain (I. Properties)	32.4	28.7	41.3	41.9	-	-	32.4	28.7	41.3	41.9
Net gain from disposal of PI assets	-	-	-	-	16.6	15.0	28.1	21.3	-	-
Net remeasurement gain of leases (MFRS 16) - Healthcare	36.7	36.7	-	-	-	-	36.7	36.7	-	-

# Balance Sheet and Gearing

RM'mil	31/12/2022 (Unaudited)	31/12/2021 (Audited)
Non-current Assets	18,179.0	17,085.6
Current Assets	7,879.4	7,998.7
<b>Total Assets</b>	<b>26,058.4</b>	<b>25,084.3</b>
Current Liabilities	7,603.8	6,706.2
Non-current Liabilities	4,892.5	5,255.8
<b>Total Liabilities</b>	<b>12,496.3</b>	<b>11,962.0</b>
Shareholders' Funds	12,529.1	12,030.4
Non-Controlling Interests	1,032.9	1,091.9
<b>Total Equity</b>	<b>13,562.0</b>	<b>13,122.3</b>
<b>Total Equity &amp; Liabilities</b>	<b>26,058.4</b>	<b>25,084.3</b>
Total Borrowings	9,056.2	8,715.5
Cash and bank balances	1,957.3	2,810.3
<b>Net Gearing Ratio ^</b>	<b>0.52</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>2.14</b>	<b>2.05</b>

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

# Property Development Segmental Review

	<u>Q4 2022</u>	<u>Q4 2021</u>	<u>Q3 2022</u>	<u>YTD Q4 2022</u>	<u>YTD Q4 2021</u>
Revenue (RM'mil)	442.7	184.1	278.1	1,165.3	625.7
Operating Profit (RM'mil)	65.9	51.1	25.2	120.1	122.8
OP Margin	14.9%	27.8%	9.0%	10.3%	19.6%
EBIT (incl. share of associates & JCE) (RM'mil)	73.6	68.7	39.2	173.8	159.8
EBIT Margin (incl. share of associates & JCE)	16.6%	37.3%	14.1%	14.9%	25.5%

## Review of 4th Quarter Performance

- YoY, revenue for the current quarter was higher mainly due to completion and handover of a local development project and revenue recognition from three joint venture companies which became subsidiaries in 2022. However, EBIT in the current quarter was only marginally higher compared to the previous corresponding quarter mainly due to lower profit contributions from local development projects.
- QoQ, Revenue and EBIT was higher in the current quarter mainly due to higher progress billings from on-going local development projects in the current quarter and higher recognition from the completion and handover of a local development project.

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 amounted to RM109.6 million, of which RM7.9 million was recorded in the current quarter, was not recognised.

# Property Investment Segmental Review

	<u>Q4 2022</u>	<u>Q4 2021</u>	<u>Q3 2022</u>	<u>YTD Q4 2022</u>	<u>YTD Q4 2021</u>
Revenue (RM'mil)	230.7	133.4	188.6	690.0	312.3
Operating Profit (RM'mil)	67.7	62.2	64.0	200.4	24.6
OP Margin	29.3%	46.7%	34.0%	29.0%	7.9%
EBIT (incl. share of associates & JCE) (RM'mil)	72.0	52.5	101.5	322.0	58.6
EBIT Margin (incl. share of associates & JCE)	31.2%	39.4%	53.8%	46.7%	18.8%

## Review of 4th Quarter Performance

- YoY, the higher revenue in the current quarter was due to strong recovery for the leisure and hospitality businesses with increased visitorships to the theme parks and higher occupancy rates at the Group's hotels and higher revenue from operations of property investment assets. As a result, EBIT was also higher despite recording an overall fair value loss of RM22.9 million, compared to an overall fair value gain of RM18.2 million for the various investment properties and assets owned by the Group in the corresponding quarter of the previous financial year.
- QoQ, the higher revenue in the current quarter was mainly contributed by improved performance of the leisure and hospitality segments which saw higher visitorships and higher occupancy rates. However, EBIT in the current quarter was lower mainly due to an overall fair value loss of RM22.9 million for the various investment properties and assets owned by the Group and lower contribution from its associate company, Sunway REIT.

# Construction Segmental Review

	<u>Q4 2022</u>	<u>Q4 2021</u>	<u>Q3 2022</u>	<u>YTD Q4 2022</u>	<u>YTD Q4 2021</u>
Revenue (RM'mil)	291.0	379.6	305.1	1,281.6	1,111.7
Operating Profit (RM'mil)	67.4	84.1	35.3	190.1	132.1
OP Margin	23.2%	22.1%	11.6%	14.8%	11.9%
EBIT (incl. share of associates & JCE) (RM'mil)	65.6	88.8	35.3	188.6	139.6
EBIT Margin (incl. share of associates & JCE)	22.6%	23.4%	11.6%	14.7%	12.6%

## Review of 4th Quarter Performance

- YoY, the financial performance in the current quarter was lower due to lower progress billings from local construction projects.
- QoQ, the lower revenue recorded in the current quarter was mainly due to lower progress billings for some local projects. However, EBIT was higher due to higher profit margins.



# Construction Order Book – RM 5.3 billion **SUNWAY**™

AS AT DEC-22 (RM MIL)	COMPLETION	CONTRACT SUM	O/S ORDERBOOK		AS AT DEC-22 (RM MIL)	COMPLETION	CONTRACT SUM	O/S ORDERBOOK	
<b>BUILDING</b>			1,794	34%	<b>INTERNAL - SUNWAY GROUP</b>			1,764	33%
PUTRAJAYA PARCEL F	Maintenance	1,610	12		SMC 4 + VO	3Q 2023	612	129	
TNB HQ CAMPUS (PH 2)	Completed	781	13		SUNWAY SERENE	4Q 2022	413	3	
PETRONAS LEADERSHIP CENTRE (PLC)	Completed	305	15		SUNWAY BELFIELD	4Q 2024	403	275	
IOI MALL (MEP)	Completed	68	5		SUNWAY VELOCITY 2	4Q 2022	352	17	
OXLEY TOWER (MEP)	4Q 2024	68	48		SOUTH QUAY SQUARE - SUPERSTRUCTURE	3Q 2024	557	515	
PNB118 PKG A&B (MEP)	1Q 2023	8	3		SUNWAY CARNIVAL MALL EXT.	1Q2023	286	8	
JHB1X0 - DATA CENTRE	3Q 2024	1,700	1,700		SUNWAY VELOCITY 2B	4Q 2023	253	168	
<b>INFRASTRUCTURE/PILING</b>			267	5%	SMC DAMANSARA	3Q 2023	240	185	
LRT 3 : PACKAGE GS07-08	1Q 2023	1,295	53		SMC IPOH	1Q 2024	150	59	
SENTUL WEST MRTUG ST. (MEP)	Completed	57	1		SW INTERNATIONAL SCHOOL (SIS)	4Q 2022	140	27	
CHAN SOW LIN MRTUG ST. (MEP)	Completed	54	3		SUNWAY VELOCITY 3C4	2Q 2023	100	27	
JALAN TAMBUN, IPOH	4Q 2022	14	6		BIG BOX OFFICE	4Q 2022	51	5	
BANGSAR RISING - PILING	4Q 2022	5	1		WELLNESS ROAD & DRAIN	Completed	1	0 #	
TASCO	Completed	9	0 #		SMC IPOH VO	1Q 2024	67	67	
LRT 3 : GS06 (Piling)	Completed	1	- #		SW FLORA	4Q 2025	278	278	
RTS LINK PACKAGE P2A	2Q 2025	112	104		<b>GRAND TOTAL @ DEC 2022</b>		12,142	5,305	
KB - Kuala Krai BR1-BR7 (Piling)	Completed	2	- #		<b>RED : SECURED IN 2022</b>		2,584	2,463	
LRT 3 : GS06	3Q 2023	191	100						
<b>INDIA</b>			562	11%					
THORAPALLI - JITTANDAHALLI (TJ)	4Q 2023	508	393						
MEENSURUTTI - CHIDAMBARAN (MC)	3Q 2023	315	169						
<b>SUSTAINABLE ENERGY</b>			437	8%					
ROOFTOP SOLAR - EXTERNAL	Various	29	9						
LSS4 GOPENG	4Q 2023	200	200						
LSS4 SHARP VENTURES	4Q 2023	185	185						
SOLAR - INTERNAL	Various	4	0 #						
NEW ORDER 2022 - EXTERNAL	Various	41	39						
NEW ORDER 2022 - INTERNAL	Various	7	5						
<b>SINGAPORE</b>			481	9%					
PRECAST	Various	504	313						
NEW ORDER 2022 - EXTERNAL	Various	168	168						



	<u>Q4 2022</u>	<u>Q4 2021</u>	<u>Q3 2022</u>	<u>YTD Q4 2022</u>	<u>YTD Q4 2021</u>
Share of results of joint ventures (RM'mil)	71.7	-	41.4	176.7	-
Profit from Discontinued Operations, net of tax (RM'mil)	-	2,319.7	-	-	2,390.5

## Review of 4th 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 in accordance with MFRS 128 under Continuing Operations.
- YoY, it should be noted that the profit for the current quarter includes a one-off net remeasurement gain of leases as per MFRS 16 of RM36.7 million. Whereas, the net profit in the corresponding quarter of the previous financial year included a one-off net gain arising from the partial divestment of Sunway Healthcare Group of RM2,286.1 million. Excluding these one-off net gains, the share of net operating profit in the current quarter was RM35.0 million compared to the net operating profit of RM33.6 million in the corresponding quarter of the previous year. Despite accounting for the share of start-up losses of RM8.4 million from the commencement of operation of SMC Penang in Nov 2022 and share of tax provision of RM6.7 million following the normalisation of SMC's tax paying status when its investment tax allowance (ITA) was fully exhausted in the first half of 2022, the share of net profit in the current quarter still managed to deliver commendable increase compared to the corresponding quarter of the previous year. The strong performance was due to higher number of patients treated at both SMC and SMCV in the current quarter.
- QoQ, the healthcare segment reported a share of net profit of RM71.7 million in the current quarter which was higher than the share of net profit of RM41.4 million in the preceding quarter by 73.0%. The financial performance in the current quarter recorded a share of one-off net remeasurement gain of leases as per MFRS 16 of RM36.7 million. Excluding the one-off gain and the share of additional operating loss of RM6.3 million for SMC Penang, the performance of the healthcare segment in the current quarter was comparable with the preceding quarter.

# Thank You

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**Next quarter announcement on 24 May 2023**

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