

SUNWAY®

FROM VISION
TO REALITY



SUNWAY BERHAD

Ninth Annual General Meeting
20 June 2019

External environment

World economy ▼

Trade tensions



Crude oil

Brent price (Per barrel)

■ 2017 Average : \$ 54

■ 2018 Average : \$ 71

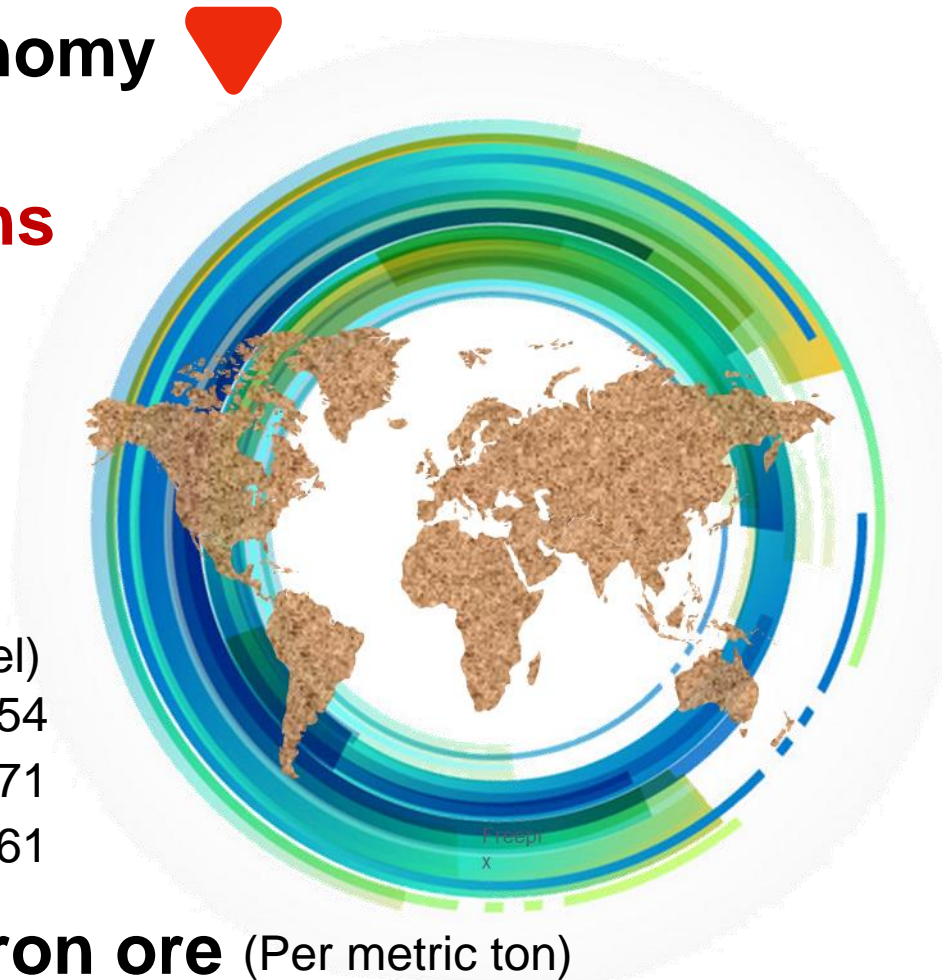
■ 12 June 2019 : \$ 61

Iron ore (Per metric ton)

■ 2017 Average : RMB 557

■ 2018 Average : RMB 505

■ 12 June 2019 : RMB 853



GE X14

SST

**Projects
proceeding with
reduced cost**

Strong Financial Performance

3.3% YoY



FY17:
RM5.24B

**FY18
REVENUE
RM5.41B**

4.8% YoY



FY17:
RM628M

**FY18
PATMI
RM658M**

6.5% YoY



FY17:
RM554M

**FY18
CORE PATMI
RM591M**



FY17:
13.04 sen

**FY18
BASIC EPS
13.32 sen**



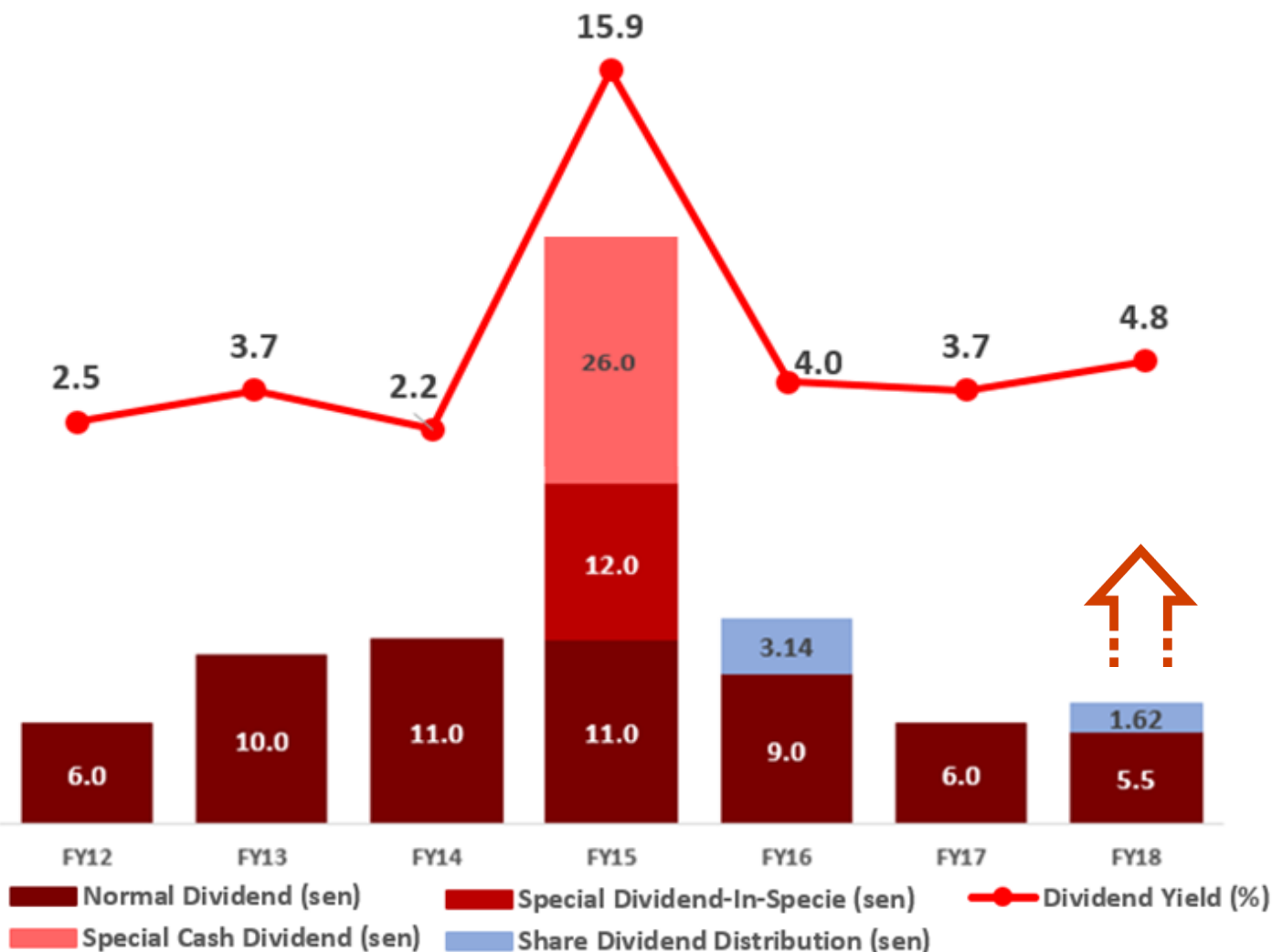
FY17:
0.39 times

**FY18
GEARING RATIO
0.41 times**

- PATMI = Profit After Tax and Minority Interests
- Gearing ratio = Net debt / Total equity [Total equity consists of Shareholders' funds, Non-controlling interests and Perpetual Sukuk]

Steady Dividend Yield

SUNWAY®



Dividend
Per Share
7.12 sen[#]
For FY18

Dividend Yield*
4.8%
As at 31 Dec 2018

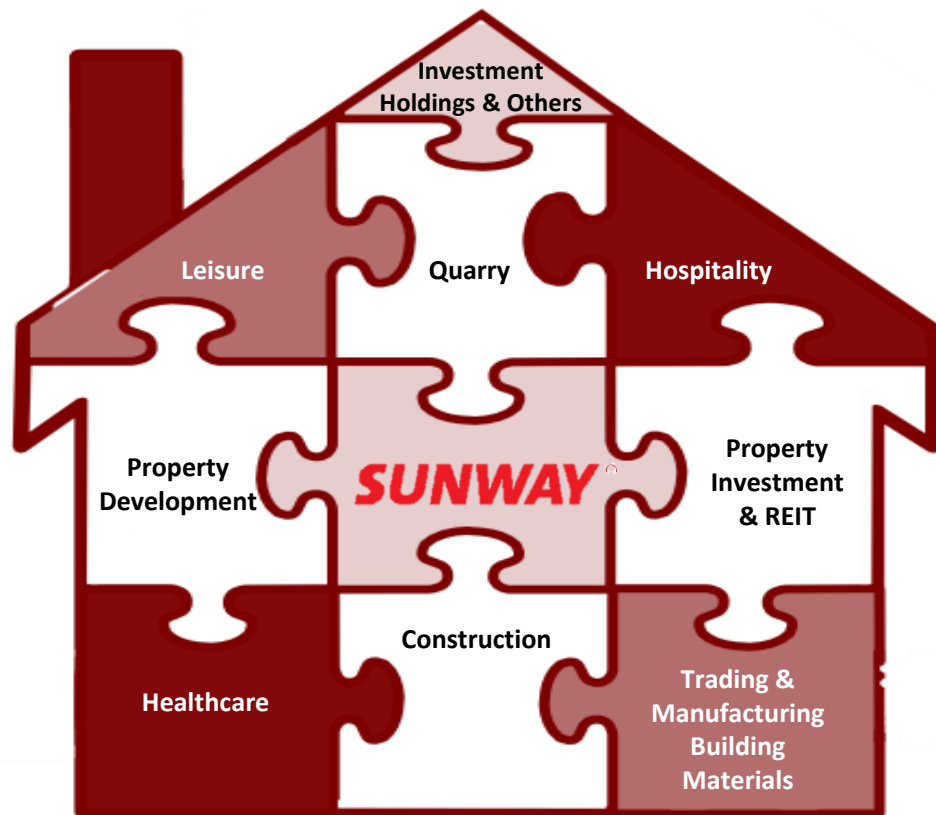
[#] Based on the market price of Sunway's share of RM1.62 as at the close of 28 February 2019, being the dividend declaration date.

* Dividend Yield is calculated at year-end market closing price.

- FYE 2017 dividend is based on the enlarged number of shares of the Group after the bonus issue. For comparison, the full year dividend of 6 sen per share is equivalent to 14 sen per share prior to the bonus issue, up from 12.14 sen in 2016.

BUILD, OWN, OPERATE

PROPERTY-CONSTRUCTION COLLABORATION*



STRONG brand heritage

DIVERSIFIED and
SYNERGISTIC businesses
working together for a
common goal

MARKET LEADER in
respective segments
with a proven track
record

Key Indicators



2018:

RM2.1B Launches
RM1.9B Sales

2019 target:

RM2.0B Launches
RM1.3B Sales



**Remaining landbank
@ 31 March 2019**

3,289 acres

Up to 15 years development
period

Property launches
in 2018

Take up rates were encouraging

Malaysia



GEOLake Residences,
Sunway City



Citrine Lakehomes
(Phase 2), Sunway
Iskandar, Johor



Sunway Velocity TWO
(Tower A), Kuala
Lumpur

Singapore
& China



Rivercove Residences,
Singapore



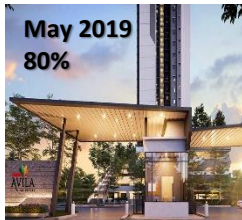
Sunway Gardens (Phase 2),
China

New property launches in 2019

Pend-up demand for projects at the right place and the right price



Sunway Velocity TWO
(Tower B), KL



Sunway Avila (Tower A),
Wangsa Maju, KL



Sunway Onsen Suites,
Ipoh

**Excellent take
up rates for our
2019 properties
launches so far**

>70%

Future launches:

- Sunway Geolake Townhouse, South Quay
- Sunway Citrine Lakehomes (Phase 3), Iskandar Johor
- Sunway Lenang Heights, Johor
- Brookvale, Singapore

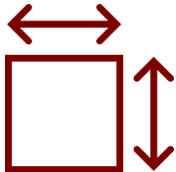
Key Indicators



Assets Under Management

REIT: RM7.3B

PI: RM2.6B



Nett Lettable Area (NLA):

REIT: 5.1M sqft

(excluding hotels & carparks)

PI: 5.1M sqft

Key Milestones

A stable and recurring income for the Group

Property Investment (PI):



Sunway Citrine Hub, Sunway Iskandar

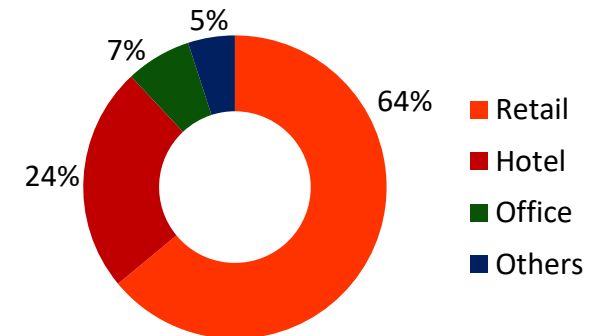
Opened in January 2018

71,000 sqft NLA

97% occupancy

REIT:

- One of the largest diversified REITs in Malaysia with **RM7.3B Asset Value as at 30 June 2018**



Portfolio expansion and enhancement

Growth sustainability for the division



Sunway Carnival Mall, Penang expansion
2020 completion

830,000 sqft NLA

9 storeys of retail space and 7 levels of carparks



Sunway Big Box Village, Sunway Iskandar
Q4 2019 completion
400,000 sqft NLA

First of its kind retail park in Malaysia featuring a big warehouse concept stores in an open-air strip mall environment

Key Indicators

**Construction
Order Book @
31 March 2019:
RM5.7B**



**New Contracts
Secured up to
31 March 2019:
RM1.0B**



Major projects completed in 2018

Commitment to Project Delivery



**Emerald Residence, Sunway
Iskandar**



**Emerald Boulevard 88,
Sunway Iskandar**



**International School of Kuala
Lumpur**



**Gas District Cooling Plant,
Putrajaya**



Parcel F, Putrajaya

Prospect – 2019 & beyond

Opportunities in Malaysia, ASEAN and India

Expansion plans to ASEAN and India:

- **Myanmar** – MoU with Capital Diamond Star Group for cross learning in Myanmar in April 2019
- **India** – Tendering for 3 rail and road projects via JV with local Indian contractor
- **Singapore** – Venturing into piling business

New products and services:

- Investing SGD 80 million to build a high tech **Integrated Construction Prefabrication Hub (ICPH)** to produce Prefabricated Prefinished Volumetric Construction (PPVC) products
 - Operational: July 2021
 - Capacity: > 100,000 m3
- Tendering for **Malaysia's Renewable Energy project** – RM2 billion Large Scale Solar 3 project as the Engineering, Procurement, Construction and Commissioning (EPCC) contractor



Key Indicators



Licensed Beds:
636



Operating Theatres:
12



Specialist Consultation Suites:
200

Achievements in 2018

World-class quality healthcare services

- Obtained for the 2nd cycle, a full 4-year accreditation from the Australia Council on Healthcare Standards (ACHSI)
- Medical Collaborations with Royal Papworth Hospital
 - Clinical Service Development and Training for Heart and Lung Specialties
- Global Health & Travel 2019 APAC Healthcare & Medical Tourism Awards - Medical Tourism Hospital of the Year in Asia Pacific 2019 – Joint Winner with Bangkok's Bumrungrad International Hospital (for two consecutive years)



Catalyst of Growth

New hospitals in the pipeline



Sunway Medical Centre Velocity, Kuala Lumpur

- Opening: **August 2019**
- **240 beds**

2020 - Seberang Jaya, Penang



2022 - Kota Damansara, Selangor



2022 - Iskandar, Johor



2023 - Ipoh, Perak



Key Indicators



Quarries
9

15%
Market share



Asphalt plants
23

30%
Market share

Achievements in 2018

Enhanced Product Mix

- **First to supply 'Fibre Reinforced Asphalt Concrete' for Senai-Desaru Expressway project**
- able to reduce the fracture and cost of road maintenance



Quarry Expansion in 2019

On the look out for strategic acquisition at key locations

Re-entered
quarry
business in
2005

Acquisition of
Dolomite Granite
Quarry Sdn Bhd
June 2019

Acquisition of Blacktop
Industries Sdn Bhd
March 2019

To be one of the **top quarry operators in the country**, growing our market share

Key Indicators

Leisure



**Total Park
Size**

128 acres



**Total
Visitors**

2.4M

Hospitality



**No. of Hotels &
Resorts Managed**

11



**No. of
Guestrooms**

3,386

Key Milestones

New attractions



- A new night park was added to Lost World of Tambun theme park – Luminous Forest
- Zulu, a male zebra was born at the Lost World Petting Zoo

Key Milestones

New services and offerings



The Grand ballroom, meeting and function rooms at Sunway Resort Hotel & Spa underwent **upgrades** and was reopened in November 2018

Sky Bar, a new restaurant set within the limestone cave at The Banjaran Hotsprings Retreat was opened in early 2019

2019 Strategy

Penetration into new markets

- To pursue greater market penetration into regional and international markets
- Collaboration with Tourism Malaysia in the run up to Visit Malaysia Year 2020
- Extensive publicity and promotions via airline companies
- Synergistic packaging of its products and services for visitors

Key Indicators

Trading & Manufacturing



Regional Presence
6
countries



Distribution Points
41

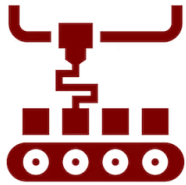


Agency Lines
166



Customer Base
13,000

Building Materials



No. of Manufacturing Facilities

8

(ICP 5, VCP 1, Spun Pile 2)

Key Milestones

Innovation and Growth

Trading & Manufacturing

- Partnership-oriented strategy partners with well-established global brands to bring more product range to the market, enhancing its reputation as a **one-stop centre** to meet the growing needs of its customers and partners
- Sunway Winstar successfully launched its in-house multi-purpose lubricant, **N10**, to prevent rusting, loosen rusted parts and reduce friction



Building Materials

- ICP Segment** launched M Series Pavers and Cobblepave 2.0 in 2018
- VCP Segment** – first manufacturer in Malaysia to upgrade its clay pipes standard from EN295:1991 to EN295:2013
- Spun Pile segment** successfully obtained ISO 14001:2015 accreditation and SIRIM Product Certification for its products



2019 Strategy

Business growth

- Both segments will continue to explore new target markets with innovative and efficient products

Our contribution to the United Nations



We stay committed to the 17 UNSDG goals



14 LIFE BELOW WATER



Lake rehabilitation project

at Sunway Lagoon lake
A water pump was installed just above the sediment layer to discharge nutrient-rich water. This is one of the actions that helped maintain the lake in a mesotrophic state.

11 SUSTAINABLE CITIES AND COMMUNITIES



Rehabilitation of 800 acres of abandoned and disused mining pools, transforming a wasteland to a wonderland, **Sunway City**



3 GOOD HEALTH AND WELL-BEING



Sunway aims to protect members of the public from exposure to second-hand smoke. **Smoking is prohibited** in all Sunway-owned buildings in Sunway City

6 CLEAN WATER AND SANITATION



State-of-the-art water treatment facility in Sunway South Quay with a targeted potable water capacity of **8 million litres** per day



7 AFFORDABLE AND CLEAN ENERGY



Ecowalk fitted with solar panels from Menara Sunway to Sunway Medical Centre, which completes the circuit route around Sunway City



We continue to win top awards...

...across all our business segments.... Property Development, Construction, Healthcare



← **StarProperty.my Awards 2018**

- The All-Star Award (Top Ranked Developers of the Year)
- The Five Elements Award (Best Comprehensive Township)



← **The Edge Malaysia Property Excellence Awards 2018**

- Top 10 Property Developers Award
- Pioneer Development Award – Sunway Medical Centre

BCI Asia Awards 2018 →

- Malaysia's Top 10 Property Developer – (8th year)



Global Health & Travel 2018 APAC Healthcare & Medical Tourism Awards →

- Medical Tourism Hospital of the Year in Asia Pacific
- Oncology Service Provider of the Year in Asia Pacific
- Neurology Service Provider of the Year in Asia Pacific



← **44th International Federation of Asian and Western Pacific Contractors' Associations (IFAWPCA) Convention 2018**

- Silver – Building Construction Category
- Silver – Civil Engineering Construction Category
- Yeoh Tiong Lay – IFAWPCA Award for Excellence



← **StarProperty.my Awards 2018: Jewels of Johor**

- The Best Comprehensive Township (Above 500 acres) - Excellence
- The Best Corporate Social Responsibility – Excellence
- The Best Quality and Finishing Development – Excellence
- The Best Choice Award

Setting high standards...



← 2018 Frost & Sullivan Asia Pacific Best Practices Awards

- Asia-Pacific Property Development Competitive Strategy Innovation and Leadership Award



← Putra Brand Awards 2018

- Gold Award – Property Development Category
- Gold Award – Education & Learning Category
- Bronze Award – Entertainment Category

Aon Best Employers Awards 2018 →

- Best Employer Malaysia – Sunway Building Materials Group, Sunway Hotel (Georgetown) Penang and Sunway IT Shared Services Centre



FIABCI Malaysia Property Award 2018 →

- FIABCI Malaysia Property Award 2018 – Retail Category



← HR Asia Best Companies to Work for in Asia 2018 Awards

- HR Asia Best Companies to Work for in Asia 2018



← 14th Frost & Sullivan Malaysia Excellence Awards

- Healthcare CSR Company of the Year

Digital Transformation Initiatives

SUNWAY GROUP



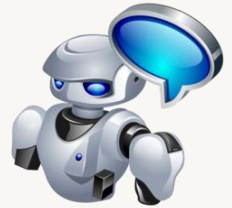
**SUNWAY
PRIVATE CLOUD**



**BIG DATA &
ANALYTICS**



E-INVOICING



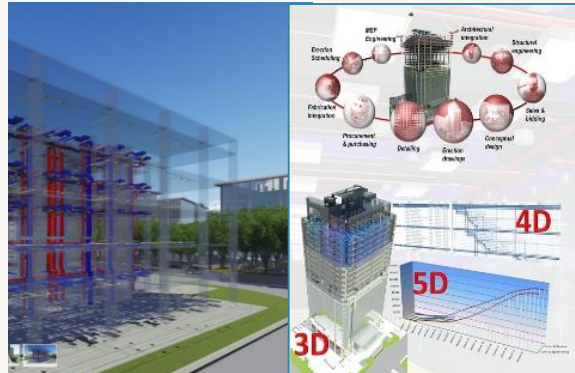
CHATBOT

HEALTHCARE



**Electronic
Medical
Record**

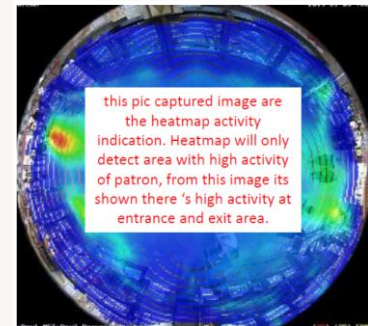
CONSTRUCTION



BIM

VDC

LEISURE



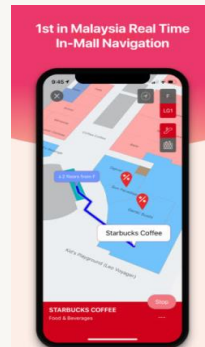
**AI
Monitoring
&
Counting**

EDUCATION

Facial Recognition Tracking



RETAIL



Indoor GPS



**License Plate
Recognition**

TRADING

**GPS Tracking for
Service Vehicles**



SUNWAY MONEY



Robotic transformation supports the group-wide goal of synergising all industries through the efficiency, productivity, auditability and scalability gains





2019 OUTLOOK

- Challenging external environment
 - Moderate domestic economy
 - On-going trade tensions
- Rising cost of doing business
- Growing competition in all segments
- Soft consumer demands

2019 STRATEGY

- Group continues to adopt a prudent approach in executing its business strategies
 - Analysing the market trends and innovation
 - Putting resources into R&D to stay ahead in the market
- Harness the multi-diversified and synergistic businesses in Malaysia by integrating digital transformation in the business
- Replicable business model
- Positioned for growth in Healthcare, Property and Quarry
- Maintain a strong financial and track records
- Stay resilient to the challenging business environment

Thank You



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.