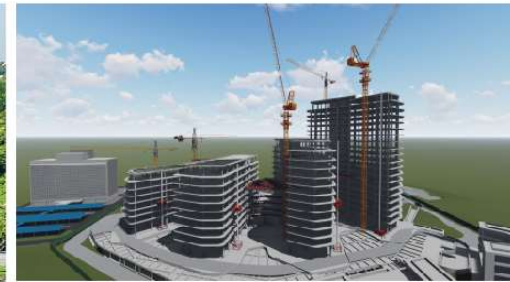


Corporate Presentation

Q2 2021 Results Review Pack | 19 August 2021

SUNWAY[®]
CONSTRUCTION





Entitlements

Dividend Distribution

1st interim dividend for FYE 2021 at 1.25 cents

> 56% of 1H PATMI



Operations

Significant Events

- **Malaysia :** On 15 Aug 2021, announcement was made to enable construction industry under Phase 1 of NRP to operate with capacity based on the percentage fully vaccinated workers. SunCon has more than 55% fully vaccinated workers.
- **India :** MC project obtained work order on 9 Aug 2021. TJ project achieved financial close 20 May 2021



Financials

2Q 2021 vs 2Q 2020

- **Revenue :** 375m vs 140m (↑ >100%)
- **PBT :** 9.5m vs 2.3m (↑ >100%)
- **Outstanding Order Book :** RM 4.8bil with RM 620mil new orders secured (O/s as at Mar 21: RM 5.0bil)
- **Active Tender Book :** RM 8.3bil (32% overseas tender)

OVERVIEW OF KEY FINANCIAL – FINANCIAL PERFORMANCE

	2Q2021	1Q2021	YTD2021	4Q2020	3Q2020	2Q2020	1Q2020	FY2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	RM mil	RM mil	RM mil	RM mil	RM mil	RM mil	RM mil	RM mil
Revenue	375.3	455.2	830.5	627.2	419.4	140.2	365.8	1,552.6
PBT	9.5	27.3	36.8	41.6	36.0	2.3	21.6	101.5
PBT %	2.5%	6.0%	4.4%	6.6%	8.6%	1.7%	5.8%	6.5%
PATMI	8.3	20.2	28.6	30.2	24.0	2.2	16.4	72.8
PATMI %	2.2%	4.4%	3.4%	4.8%	5.7%	1.6%	4.5%	4.7%
EP\$* (sen)	0.65	1.57	2.22	2.34	1.86	0.17	1.27	5.64

*Note: Based on weighted average number of shares

RM mil Unaudited	Q2 FY 2021		Q1 FY 2021		YTD Q2'2021		Q4 FY 2020		Q3 FY 2020		Q2 FY 2020		Q1 FY 2020		YTD 2020	
	PBT	PATMI	PBT	PATMI	PBT	PATMI	PBT	PATMI	PBT	PATMI	PBT	PATMI	PBT	PATMI	PBT	PATMI
Profit as Announced	9.5	8.3	27.2	20.2	36.8	28.6	41.6	30.2	36.0	24.0	2.3	2.2	21.6	16.3	101.5	72.8
Special Items:																
Disposal (gain)/loss	(0.2)	(0.2)	(1.2)	(1.2)	(1.4)	(1.4)	1.1	1.1	(3.7)	(3.7)	0.0	0.0	(0.0)	(0.0)	(2.5)	(2.5)
Impairment (reversal)/prov	(0.0)	(0.0)	0.4	0.4	0.4	0.4	5.5	5.5	5.0	5.0	1.4	1.4	0.5	0.5	12.3	12.3
Write off (gain)/loss			0.0	0.0	0.0	0.0					(0.1)	(0.1)			(0.1)	(0.1)
Foreign exchange (gain)/loss	0.0	0.0	0.0	0.0	0.1	0.1	(0.3)	(0.3)	0.2	0.2	0.0	0.0	(0.1)	(0.1)	(0.2)	(0.2)
Translation (gain)/loss on foreign			-	-	-	-	0.8	0.8	2.3	2.3	-	-	-	-	3.1	3.1
Fair value (gain)/loss	(0.0)	(0.0)	-	-	(0.0)	(0.0)	(0.4)	(0.4)	0.1	0.1	0.9	0.9	0.9	0.9	1.5	1.5
Accretion of financial (assets)/liabilities	(0.3)	(0.3)	0.9	0.9	0.6	0.6	0.6	0.6	0.2	0.2	0.2	0.2	0.0	0.0	1.0	1.0
Realised (gain)/loss on derivatives							0.4	0.4							0.4	0.4
Goodwill (reversal)/prov									3.6	3.6					3.6	3.6
Profit (Net of Special Items)	9.1	7.9	27.4	20.3	36.4	28.2	49.3	37.9	43.8	31.9	4.8	4.6	22.8	17.6	120.7	92.0

OVERVIEW OF KEY FINANCIAL – FINANCIAL POSITION

Balance Sheet Ratios

	2016	2017	2018	2019	2020
Average ROE	26%	26%	26%	21%	12%
Average ROCE	43%	31%	32%	23%	12%
Dividend Per Share	5 sen	7 sen	7 sen	7 sen	4 sen
Dividend Payout Ratio	52%	68%	63%	70%	71%
Net Gearing Ratio	Net Cash	Net Cash	Net Cash	Net Cash	0.16 times

Note: Following the reassessment of the Group's investment in its wholesales funds, it was determined that its placement are in substance structured entities under its control / significant control and as such has been treated as subsidiary / associate. The above figures have been restated to reflect this accounting treatment.

CONSTRUCTION SEGMENT REVIEW

<u>Construction</u>	<u>Q2 21</u>	<u>Q1 21</u>	<u>YTD Q2 21</u>	<u>Q2 20</u>	<u>Q1 20</u>	<u>YTD Q2 20</u>
Revenue (RM'mil)	349.2	421.3	770.5	137.2	329.6	466.8
PBT (RM'mil)	9.5	23.7	33.2	5.8	20.8	26.7
PBT Margin	2.7%	5.6%	4.3%	4.2%	6.2%	5.7%

Revenue → Reported revenue of RM349.2 million and profit before tax of RM9.5 million compared to revenue of RM137.2 million and profit before tax of RM5.8 million in the corresponding quarter of the preceding financial year. Higher revenue recorded in the current quarter as the Full MCO 3.0 only affected month of June's productivity compared to the corresponding quarter of the preceding financial period which saw approximately 2 months of complete non activity from MCO 1.0.

PBT → The higher margin in corresponding quarter of the preceding financial year was mainly due lower overhead from removal of bonus provision and certain cost rationalization.

Prospect → The construction sector grew by 40.3% (1Q 21: -10.4%, FY 20: -19.4%) due to low base in 2Q 2020 where the MCO 1.0 were implemented. The news on the revival of mass infrastructure project such as MRT3 sets as a strong catalyst for the local construction sector. SunCon will continue to secure more projects overseas and focus on the in-house pipeline projects by its immediate holding company, Sunway Group as well as expanding the sustainable energy segment. On a separate note, the industry has also placed great emphasis in the mass vaccination drive for the construction sites across the whole country as vaccination is key to the reopening of economy. Through initiatives by CIDB under Construction Industry Vaccination Program (CIVac) and MITI's Program Imunisasi Industri Covid-19 Kerjasama Awam-Swasta (PIKAS), more than 88% workers have already received their first dose with approximately 55% already fully vaccinated. The announcement made on the 15 August 2021 to enable construction industry players under Phase 1 of the NRP to begin operations based on percentage of fully vaccinated workers comes in well with us.

PRECAST SEGMENT REVIEW

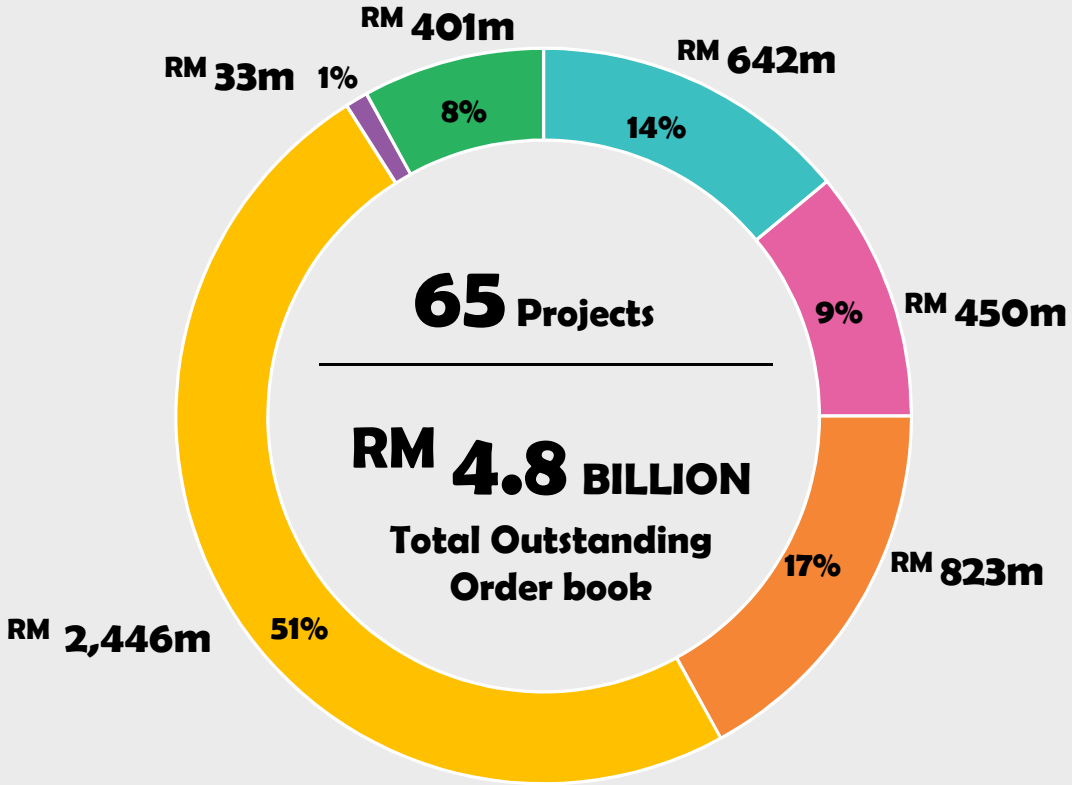
<u>Precast Concrete</u>	<u>Q2 21</u>	<u>Q1 21</u>	<u>YTD Q2 21</u>	<u>Q2 20</u>	<u>Q1 20</u>	<u>YTD Q2 20</u>
Revenue (RM'mil)	26.1	33.9	60.0	3.0	36.2	39.2
PBT (RM'mil)	(0.0)	3.6	3.6	(3.5)	0.8	(2.7)
PBT Margin	-0.1%	10.6%	6.0%	>(100%)	1.9%	-6.9%

Revenue → Reported revenue of RM26.1 million with profit before tax of RM0 million compared to revenue of RM3.0 million with loss before tax of RM3.5 million in the corresponding quarter of the preceding quarter. Higher revenue recorded in the current quarter as the Full MCO 3.0 only affected month of June's productivity compared to the corresponding quarter of the preceding financial period which saw approximately 2 months of complete non activity from MCO 1.0.

PBT → Decrease in loss before tax due to higher revenue recorded in the current quarter.

Prospect → Singapore's economy grew by 14.7% year-on-year in the second quarter of 2021, faster than the 1.5% growth in the previous quarter as announced by Ministry of Trade and Industry (MTI) on 11 August 2021. The MTI also upgraded the Singapore's GDP forecast for 2021 to 6% to 7% from 4% to 6% announced previously. The construction sector grew by 106.2% (1Q 21: -23.2%, FY20: -35.9%), a sharp recovery from the previous quarter as both public and private sector construction works expanded. The Housing and Development Board (HDB) has launched a total of 4,989 flats for sale in August 2021 Build-to-Order (BTO) exercise. This stacks up to about 12,529 units of BTO flats launched to date in 2021. Additionally, HDB is also expecting to offer another 3,100 to 3,600 BTO flats in November 2021. This is in line with HDB's BTO launched target of about 17,000 units in 2021 (2020: 16,752 units, 2019: 15,491 units, 2018: 15,811 units). Singapore HDB flats comprised of more than 90% of our precast segment sales and our prospect is largely dependent on these launches. With the ICPH plant scheduled to be in operations by 2H 2022, SunCon foresees that our precast segment will contribute more to the group's financials in the near future.

SOLID DIVERSIFIED ORDER BOOK - SUMMARY



Building	Infrastructure/Piling	India
Internal	Renewable Energy	Singapore Precast

SOLID DIVERSIFIED ORDER BOOK – DETAILED

AS AT JUNE-2021 (RM MIL)	COMPLETION	CONTRACT SUM	O/S ORDERBOOK		AS AT JUNE-2021 (RM MIL)	COMPLETION	CONTRACT SUM	O/S ORDERBOOK	
BUILDING			642	14%	INTERNAL - SUNWAY GROUP			2,446	51%
PUTRAJAYA PARCEL F	Maintenance	1,610	17		SMC 4 + VO	2Q 2022	612	401	
TNB HQ CAMPUS (PH 2)	3Q 2022	781	404		SUNWAY SERENE	3Q 2022	413	137	
PETRONAS LEADERSHIP CENTRE (PLC)	4Q 2021	305	148		SUNWAY BELFIELD	4Q 2024	403	379	
IOI MALL (MEP)	4Q 2021	68	22		SUNWAY VELOCITY 2	2Q 2022	352	149	
OXLEY TOWER (MEP)	2Q 2022	68	51		SOUTH QUAY CP2 - SUPERSTRUCTURE	4Q 2023	344	344	
INFRASTRUCTURE/PILING			450	9%	SUNWAY CARNIVAL MALL EXT.	1Q 2022	286	96	
LRT 3 : PACKAGE GS07-08	2Q 2022	1,295	368		SUNWAY VELOCITY 2B	4Q 2023	253	241	
SENTUL WEST MRTUG ST. (MEP)	4Q 2021	57	30		SMC DAMANSARA	1Q 2023	180	179	
CHAN SOW LIN MRTUG ST. (MEP)	4Q 2021	54	33		SMC SEBERANG JAYA	1Q 2022	180	91	
JALAN TAMBUN, IPOH	4Q 2022	14	14		SMC SEBERANG JAYA - VO	1Q 2022	16	16	
BANGSAR RISING - PILING	4Q 2021	5	5		SMC IPOH		150	150	
INDIA			823	17%	SW INTERNATIONAL SCHOOL (SIS)	3Q 2022	121	95	
THORAPALLI - JITTANDAHALLI (TJ)	TBA	508	508		SIS - VO	3Q 2022	19	19	
MEENSURUTTI - CHIDAMBARAN (MC)	3Q 2023	315	315		SOUTH QUAY CP2 - PILING	2Q 2021	119	11	
SUSTAINABLE ENERGY			33	1%	SUNWAY VELOCITY 3C4	3Q 2022	100	47	
SOLAR - EXTERNAL	2021	26	26		SUNWAY HOTEL RENOVATION	2Q 2021	81	38	
SOLAR - INTERNAL	2021	12	7		BIG BOX OFFICE	2Q 2022	51	48	
SINGAPORE			401	8%	BUTTERWORTH-KULIM EXPRESSWAY	2Q 2021	4	4	
PRECAST	Various	331	216		GRAND TOTAL @ JUNE 2021		9,317	4,796	
NEW ORDER 2021 - EXTERNAL	Various	185	185		RED : SECURED IN 2021		620	616	

SOLID DIVERSIFIED ORDER BOOK – DETAILED

Projects (2021 new awards)	Client	Duration (months)	Contract Sum (RM'mil)
Sunway International School – Bandar Sunway (Add VO)	Sunway Education Group Sdn Bhd	30	15.0
Big Box Office	Sunway Marketplace Sdn Bhd	14	51.4
Tengah Park C2	Chiu Teng Construction Co. Pte Ltd	23	114.3
Sunway Medical Centre – Damansara Giza	Paradigm Fairview Sdn Bhd	24	180.0
DD Plastic (SIRIM)	SIRIM Berhad	3	0.4
Tengah C7	LBD Engineering Pte Ltd	27	35.1
Ang Mo Kio N2C23A	Right Construction Pte Ltd	27	35.7
Jalan Tambun	Majlis Bandaraya Ipoh	18	13.7
Sunway Medical Centre – Seberang Jaya (VO)	Paradigm Fairview Sdn Bhd	6	16
Secured in 1Q 2021			462
SMC Ipoh	Sunway Medical Centre Ipoh	27	150.0
Bangsar - Piling	Bangsar Rising Sdn Bhd	6	4.6
Secured in 1Q 2021			155
Total – FY2021			620
	M'sia - Inhouse		67%
	M'sia - External		3%
	S'pore - External		30%

Target NEW order book → FYE 2021 : RM2b

New order 2020 : 2.3b; 2019 : 1.8b; 2018 : 1.6b, 2017 : 4.0b, 2016 : 2.7b, 2015 : 2.6b, 2014 : 0.8b, 2013 : 2.9b, 2012 : 1.9b

Outstanding Order book 2020 : 5.1b 2019 : 5.2b; 2018 : 5.2b, 2017 : 6.6b, 2016 : 4.8b, 2015 : 3.8b, 2014 : 3.0b, 2013 : 3.2b, 2012 : 4.1b

PROJECT HIGHLIGHTS FOR 2020 – On-Going Projects : External

TNB HQ Campus Phase 2, Bangsar

- Contract Value : RM781 million
- Client : Tenaga Nasional Berhad



PROJECT HIGHLIGHTS FOR 2020 – On-Going Projects : External

Petronas New Leadership Centre, Bangi

- **Contract Value : RM310 million**
- **Client : Petronas**



PROJECT HIGHLIGHTS FOR 2020 – On-Going Projects : Residential

Sunway Serene, Kelana Jaya

- Contract Value : RM342 million
- Client : Sunway Bhd



PROJECT HIGHLIGHTS FOR 2020 – On-Going Projects : Medical Centre

Sunway Medical Centre Phase 4, Sunway City

- Contract Value : RM612 million
- Client : Sunway Medical Centre Sdn Bhd



PROJECT HIGHLIGHTS FOR 2020 – On-Going Projects : Medical Centre

Sunway Medical Centre Seberang Jaya Phase 1, Penang

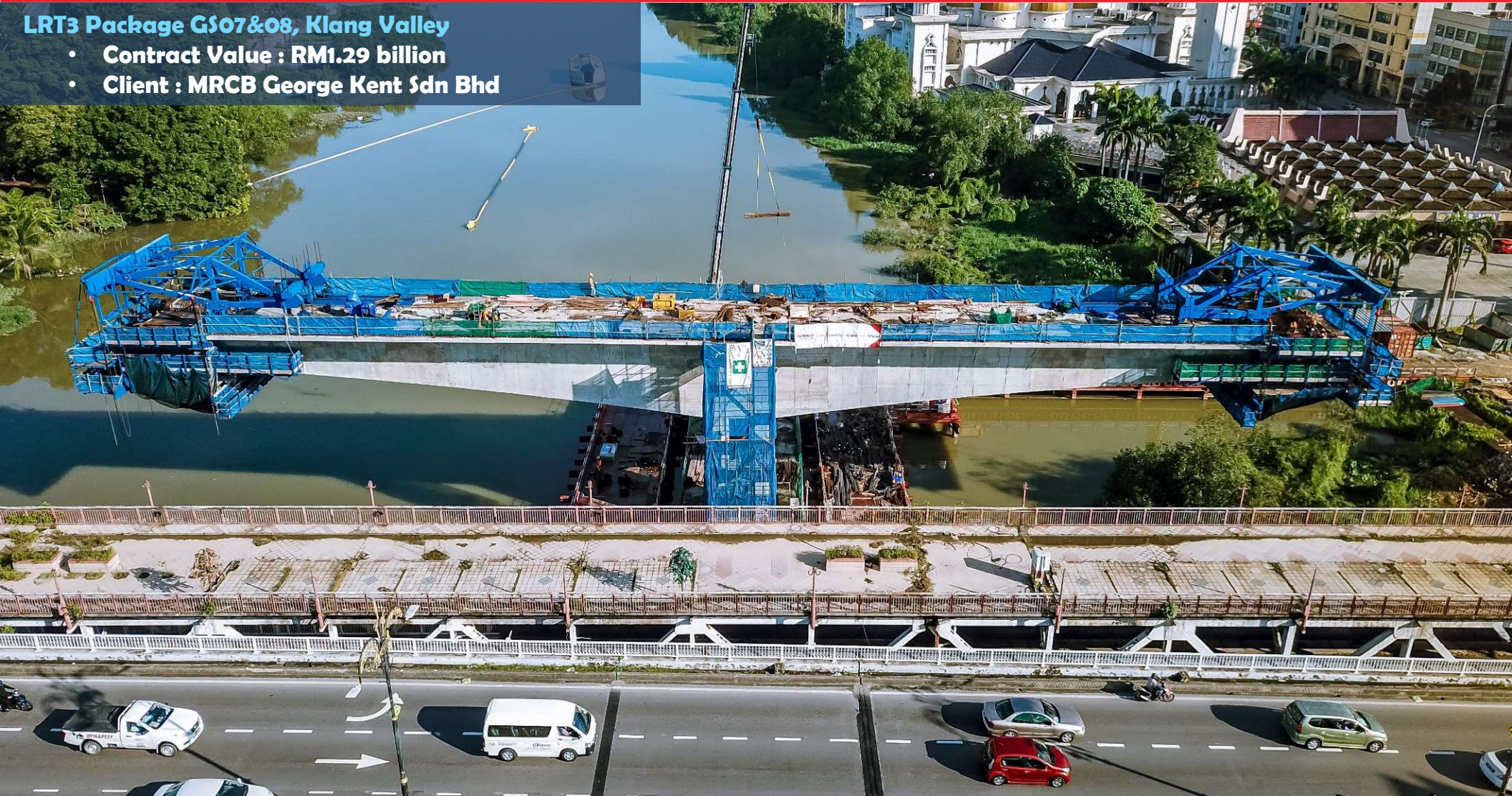
- Contract Value : RM180 million
- Client : Alliance Parade Sdn Bhd



PROJECT HIGHLIGHTS FOR 2020 – On-Going Projects : Infrastructure

LRT3 Package G507&08, Klang Valley

- Contract Value : RM1.29 billion
- Client : MRCB George Kent Sdn Bhd





THANK YOU

Next quarter announcement on 17th Nov 2021