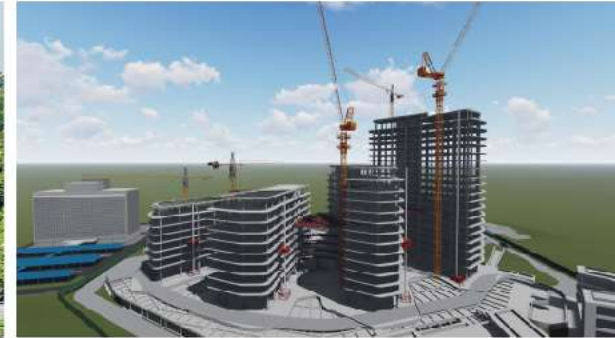


# Corporate Presentation

BURSA VIRTUAL MARKETPLACE FAIR | 10 July 2021

**SUNWAY**<sup>®</sup>  
CONSTRUCTION

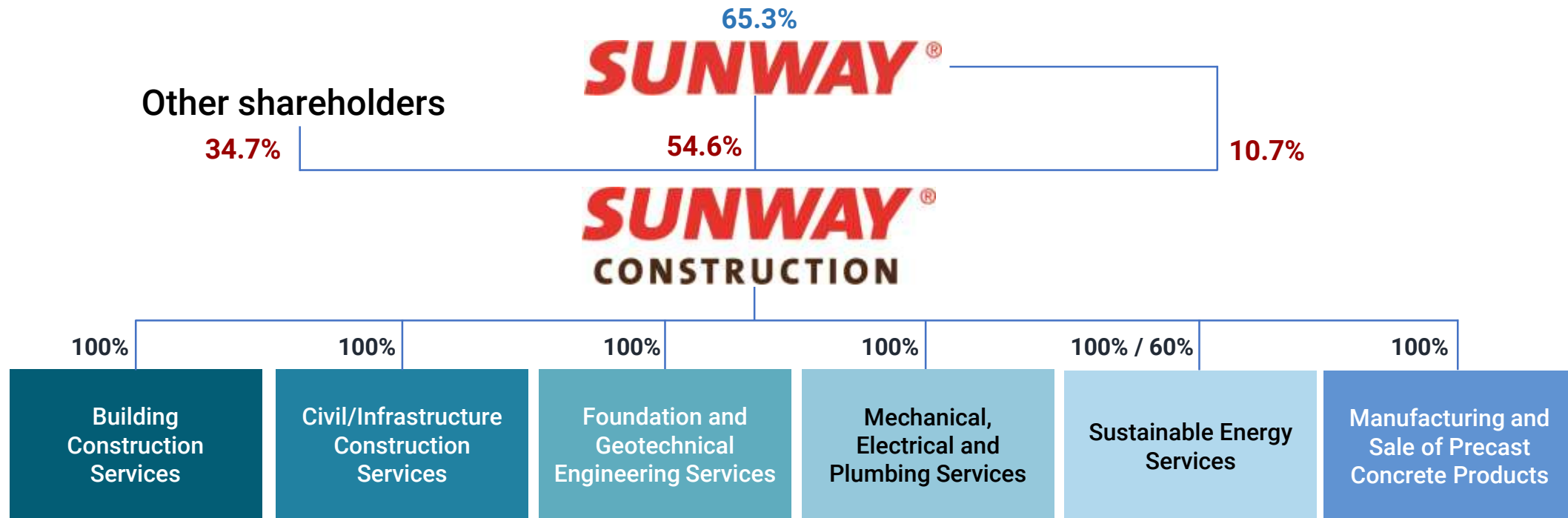


# CORPORATE PROFILE

- Incorporated in 1976 & commenced business in 1981
- First listing in year 1997 & delisted in year 2004
- Relisting under the construction sector of the Main Market of Bursa Malaysia on 28<sup>th</sup> July 2015
- Cumulative revenue since inception of RM40bil
- Market capitalization: Around RM2.1bil  
(June 2021 : 1.9% Foreigner; 47.8% Non Bumi and 50.3% Bumi)
- Top external shareholders (EPF 9.0%, Amanah Saham 6.6%, Great Eastern 4.0% , AIA, PNB)



## Tan Sri Dato Seri Dr Jeffrey Cheah



# FULLY INTEGRATED BUSINESS MODEL



**Building Construction Services**

- Design and construction service provider specializing in Building Information Modeling System (BIM /VDC)
- International portfolio includes projects in Singapore, UAE and Trinidad and Tobago
- Special Purpose Building Projects include Kuala Lumpur Convention Centre, Pinewood Studio, Sunway Medical Centre, Monash University Campus M'sia; Sunway Shopping Mall; Putrajaya Govt Agency Offices; International School of Kuala Lumpur



**Civil/Infrastructure Construction Services**

- Roads, highways, airports, bridges and rail transportation infrastructure projects over the last 30 years
- Local Projects include Ipoh Airport, SILK, Maju Expressway, SKVE, MRT, LRT and BRT
- Overseas Projects include 7 completed highways and bridges in India and 2 new HAM project secured in FYE 2020



**Foundation and Geotechnical Engineering Services**

- Core services include piling solutions and earth retaining systems
- Services cover all types of buildings such as residential, commercial, institutional, purpose-built or specialty buildings, and civil/infrastructure construction projects.



**Mechanical, Electrical and Plumbing Services**

- Main services are categorised into mechanical, electrical, plumbing and specialised engineering solutions
- Services offered to both internal and external clients as part of integrated services and on stand alone basis



**Sustainable Energy Services**

- Solar : Rooftop and Large Scale Solar (LSS)
- District Cooling System (DCS) – Gas District Cooling systems in Putrajaya and MOU with ENGIE Services
- Biomass system (BioExcel in Johor)



**Manufacturing and Sale of Precast Concrete Products**

- Develops, designs, manufactures and supplies precast concrete products with manufacturing plants located in Iskandar and Senai, Johor, Malaysia
- Precast concrete products manufactured, include Industrialised Building System ("IBS") components, for residential, commercial and infrastructure development projects

## PROJECT HIGHLIGHTS FOR 2020 - Completed Projects : Civil / Infrastructure

### MRT Putrajaya Line Package V201, Klang Valley

- Contract Value : RM1.392 billion
- Client : MRT Corp Sdn Bhd
- Completion Date : 15 Nov 2020



## PROJECT HIGHLIGHTS FOR 2020 - Completed Projects : Special Purpose Building

### Nippon Express Malaysia New Warehouse, Shah Alam

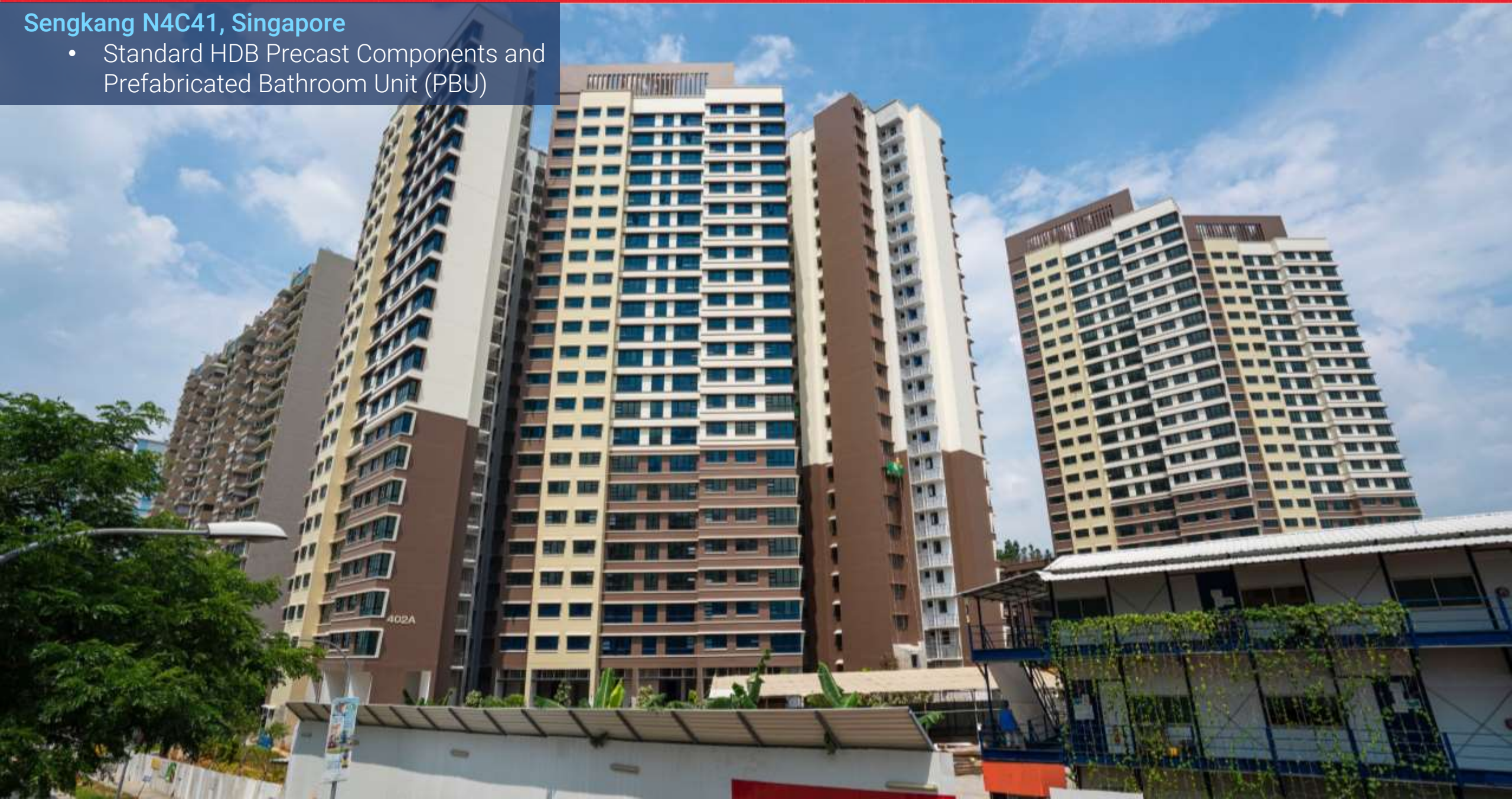
- Contract Value : RM139 million
- Client : Nippon Express Malaysia Sdn Bhd



## PROJECT HIGHLIGHTS FOR 2020 - Completed Projects : Precast

### Sengkang N4C41, Singapore

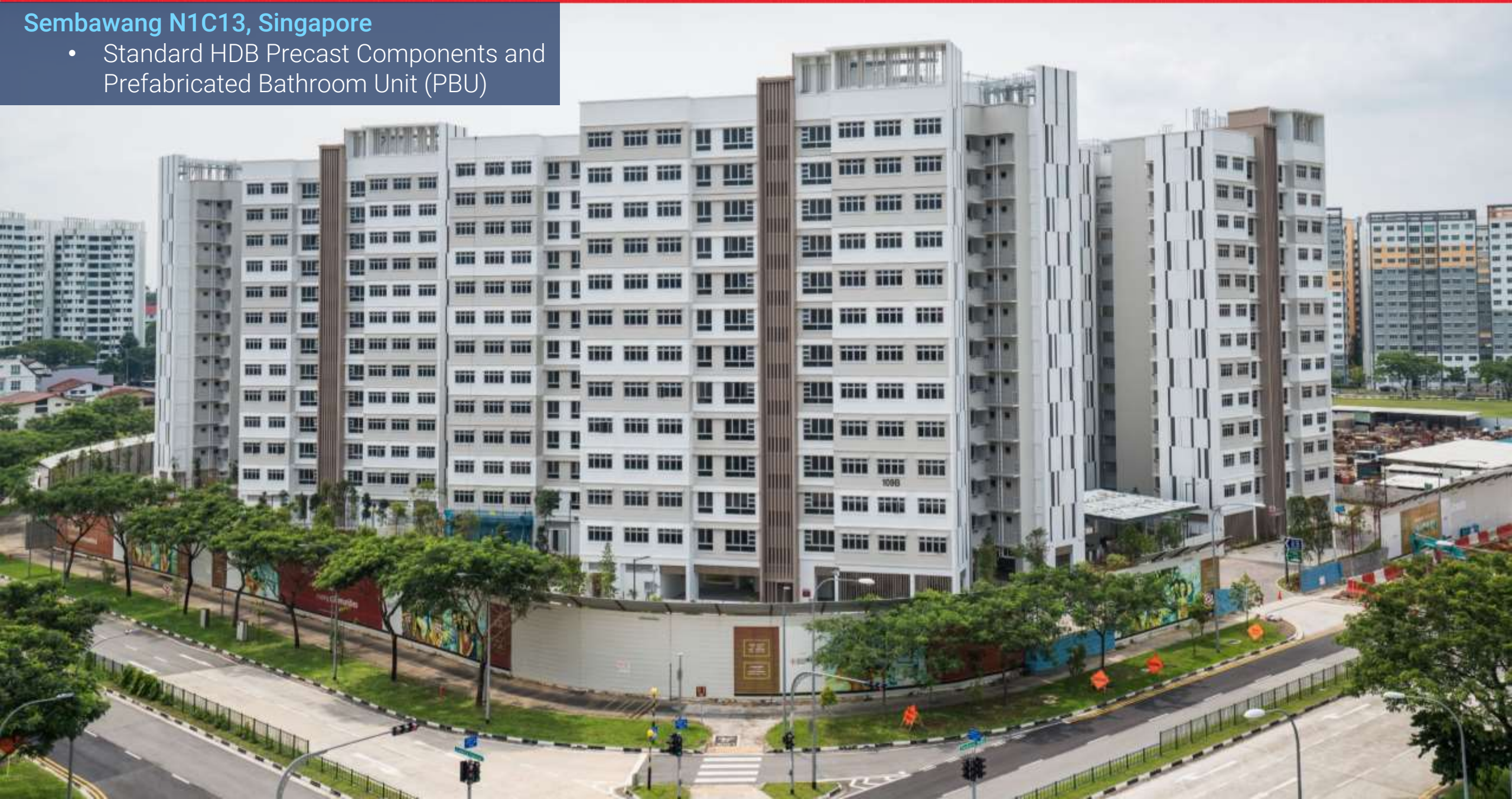
- Standard HDB Precast Components and Prefabricated Bathroom Unit (PBU)



## PROJECT HIGHLIGHTS FOR 2020 - Completed Projects : Precast

### Sembawang N1C13, Singapore

- Standard HDB Precast Components and Prefabricated Bathroom Unit (PBU)



## 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 GS07&08, Klang Valley

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



# PROJECT HIGHLIGHTS FOR 2020 – On-Going Projects : International



Secured in May 2020

**Thorapalli Agraharam – Jittandahalli  
Section of NH-844, Tamil Nadu**  
(Hybrid Annuity Model)  
37KM, RM508m(USD125m)

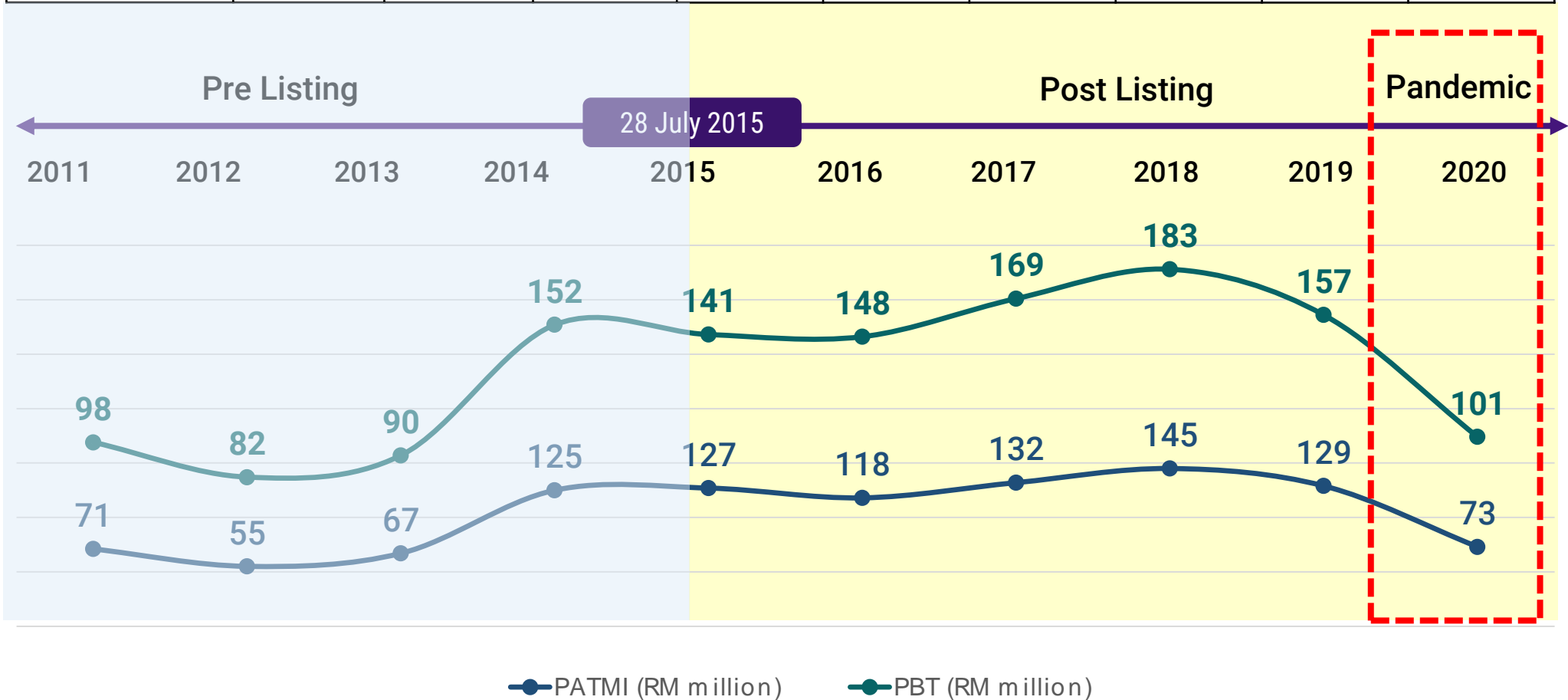
Secured in October 2020

**Meensurutti – Chidambaram  
Section of NH-227, Tamil Nadu**  
(Hybrid Annuity Model)  
32KM, RM315m(USD78m)

- LEGEND**
- Golden Quadrilateral
  - North-South Corridor
  - East-West Corridor
  - Bharatmala Pariyojana Phase-I

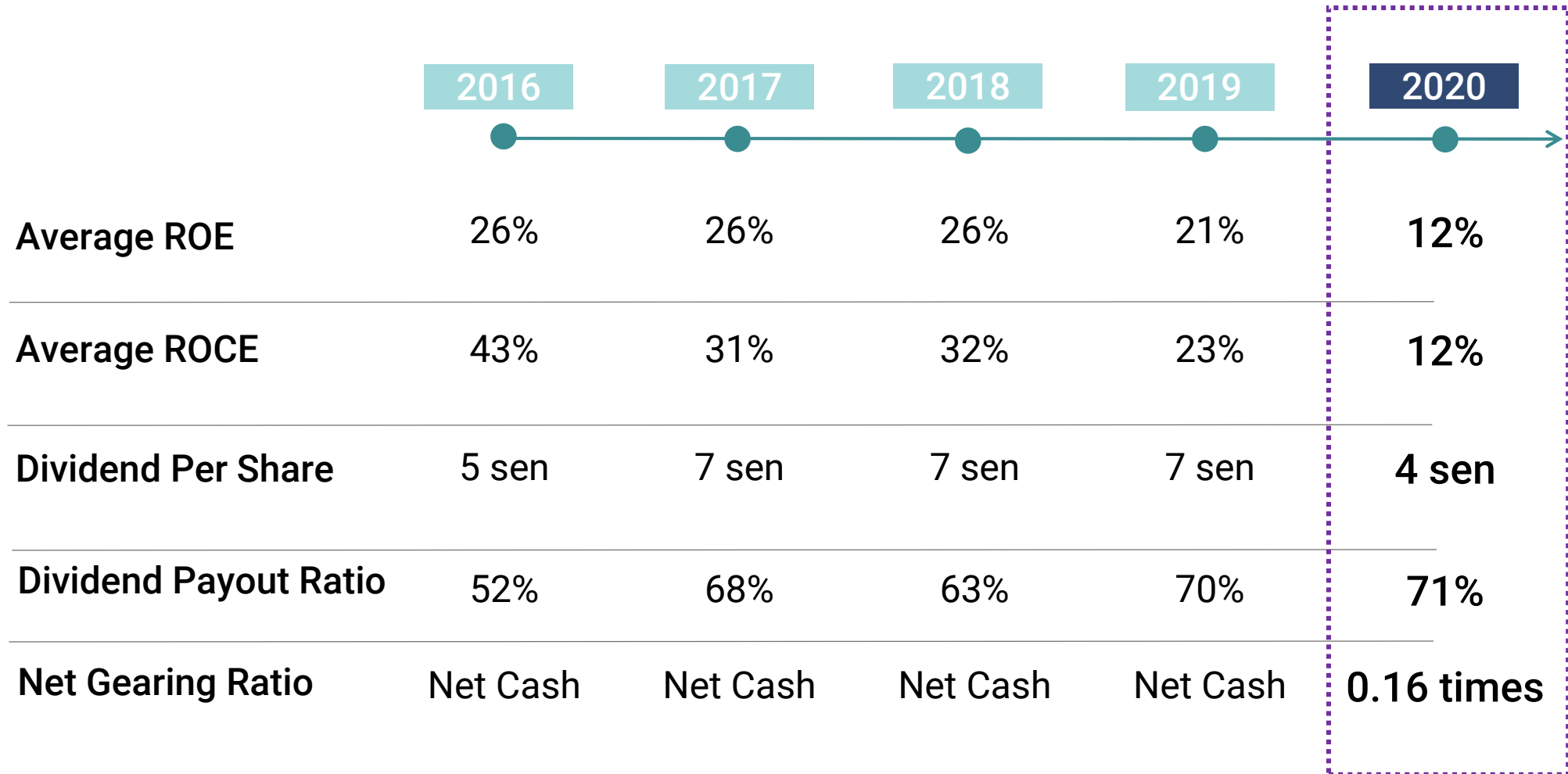
# PROVEN TRACK RECORD

	IPO (28.7.15)	29.12.17	31.12.18	31.12.19	31.3.20	30.6.20	30.9.20	31.12.20	31.3.21
Price (RM)	1.20	2.51	1.33	1.91	1.51	1.88	1.84	1.88	1.80
Market Cap	1.55b	>3.0b	1.72b	2.5b	2b	2.4b	2.4b	2.4b	2.3b



Note: 2011 to 2014 figures as per prospectus and circular and 2016 to 2019 have been restated for MFRS 9

## Balance Sheet Ratios



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.



## Embracing ESG as part of our business strategy



### **E**nvironmental

Managing Our  
Environmental Impacts

- Waste management
- Consumptions
- Emissions



### **S**ocial

Equitable  
Social Environment

- Safety & Health
- Quality Management
- Human Capital Development
- Innovation
- Community Engagement



### **G**overnance






Excellence in  
Corporate Governance

- Board leadership
- Vision & direction
- Enabling conditions
- Adoption of emerging recommendations and best practices

# EMBRACING ESG IN CONSTRUCTION

## SunCon Future Value 2030 Goals

Our Future Value goals are set to align our sustainability agenda with the UN Sustainable Development Goals.

		● ● ●	● ● ●	● ● ●
		Meeting interim target, maintain performance towards meeting 2030 target	Falling short of interim target for one year, review current practices	Falling short of interim target for more than two years, review and revise target (if necessary)
Future Value 2030 Goals	2030 Targets	Interim 2020 Annual Targets	FY2020 Performance	
<b>Goal 1: Sustainable construction</b>				
		Achieve reduction of Carbon Emissions Intensity per unit revenue by 10% from 2020 levels (Baseline: 98 tonnes CO <sub>2</sub> e/RM mil)	-	Baseline established
		Achieve reduction of Water Use Intensity per unit revenue by 10% from 2020 levels (Baseline: 253 m <sup>3</sup> /RM mil)	-	Baseline established
		Achieve 10% of waste diversion from landfill	-	In progress to establish a preliminary waste baseline
		Achieve 100% major commodity suppliers being ISO 14001-certified	-	In progress
		Achieve minimum 80% QLASSIC score for all building projects directly controlled by SunCon	80%	No QLASSIC assessments were undertaken

# EMBRACING ESG IN CONSTRUCTION

## SunCon Future Value 2030 Goals

Our Future Value goals are set to align our sustainability agenda with the UN Sustainable Development Goals.



Meeting interim target, maintain performance towards meeting 2030 target



Falling short of interim target for one year, review current practices



Falling short of interim target for more than two years, review and revise target (if necessary)

Future Value 2030 Goals	2030 Targets	Interim 2020 Annual Targets	FY2020 Performance
<b>Goal 2: Fair, safe and inclusive workplace</b>			
	Maintain zero bribery and corruption incidents across SunCon's core operations	Zero	<p>Zero bribery and corruption incidents</p>
	Maintain zero fatalities across all worksites directly controlled by SunCon	Zero	<p>2 fatal accidents</p>
	Achieve Accident Rate/Lost Time Injury Rate (LTIR) less than 0.3	0.55	<p>LTIR 0.54 with 4 occupational accidents</p>
	Maintain notice received from authorities on vector issues at 0.10 or below across all worksites directly controlled by SunCon	0.10	<p>Notice received ratio 0.36</p>
	Achieve an average of 40 Learning and Development (L&D) hours per employee	16 hours	<p>Average 16 L&amp;D training hours per employee</p>



## Environmental



**“One of the first few Malaysian companies to join over 1,700 organisations worldwide to support the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD)”.**

### Sunway among first in Malaysia to support climate-related financial disclosures

By NST Business - February 22, 2021 @ 11:37am



In 2020, the group was able to generate three per cent of electricity from solar panels, divert four per cent of waste from the landfill and reduce water intensity by 23 per cent from baseline year of 2015.

KUALA LUMPUR: Sunway Group's three public-listed companies namely Sunway Bhd, Sunway Construction Group Bhd and Sunway REIT have become one of the first few Malaysian companies to join over 1,700 organisations worldwide to support the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).

- NST, February 22, 2021 -



Environmental

## Our footprint in solar energy consumption



**98.6** MWh of energy consumed from solar generation

Senai Precast Plant equipped with solar photovoltaic panels , Johor Bharu



**57.7** tonnes of CO<sub>2</sub>e emissions avoided from solar consumption

SunCon's new machinery workshop equipped with solar photovoltaic panels in Sunway Enterprise Park, Puchong



Equivalent of planting **865** trees

*Note: 15 tree seedlings grown for 10 years will offset one tonne of CO<sub>2</sub>e*



## Environmental

### Water recycling initiative at Sunway Concrete Products

- Water treatment facilities on-site to treat effluent discharge from cement mixing plant
- Treated water is used for sanitary purpose
- Savings per year: **13,500m<sup>3</sup>**



## Navigating our operations during COVID-19 pandemic

> **1,300** employees are trained on SunCon Business Continuity Plan (BCP2)

> **95** virtual sessions with our business partners across all project sites on SunCon BCP2 requirements

> **12,500** COVID-19 tests conducted on staff and workers from June to December 2020

**Compliance audits** are conducted continually at project site and workers accommodations to prevent spread of virus



Social

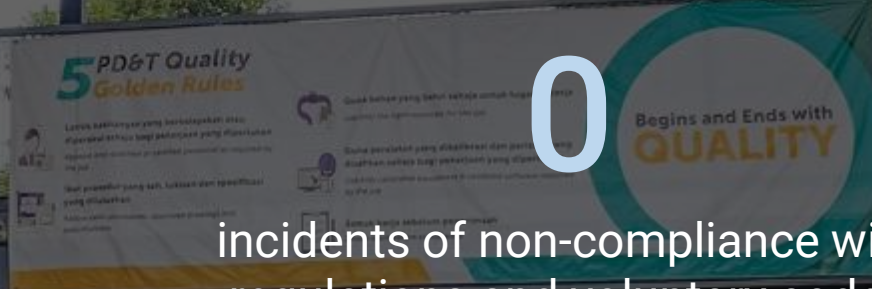
## Products safety and quality

96.1%

satisfaction score in the Annual Client/ Consultant Satisfaction Survey (CSS)

0

incidents of non-compliance with regulations and voluntary codes concerning health and safety







Social

## Human Capital Development



Our ratio of men to women pay equity is **EQUAL**



> **RM 276,000**  
invested in training & development



**0**  
incidents of human right's violation



### Community : Enriching lives for a better tomorrow

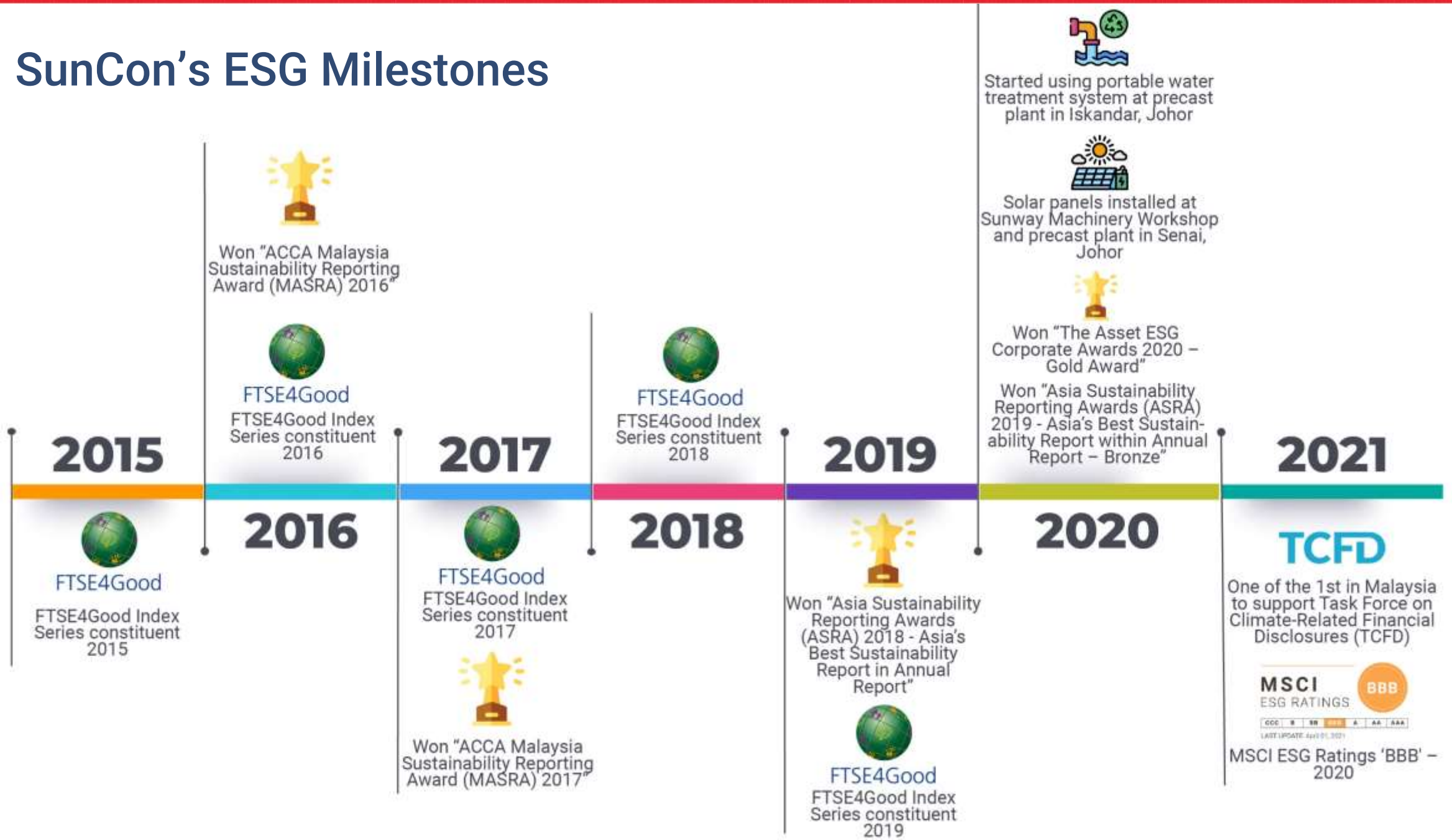
> **RM 594,000** in community projects :

- The National Disaster Relief Fund
- Jeffrey Cheah Foundation
- Orang Asli Community



Donation of essentials to 55 families from the Temuan and Semai tribes at Kampung Orang Asli Hulu Kuang in Selangor

# SunCon's ESG Milestones



# INVESTMENT HIGHLIGHTS



# INVESTMENT HIGHLIGHTS : 01 FULLY INTEGRATED COMPANY

## A Turnkey Contractor with a Full Range of Integrated Services & Products



Building Construction Services



Civil / Infrastructure Construction Services



Foundation & Geotechnical Engineering Services



Mechanical, Electrical and Plumbing Services

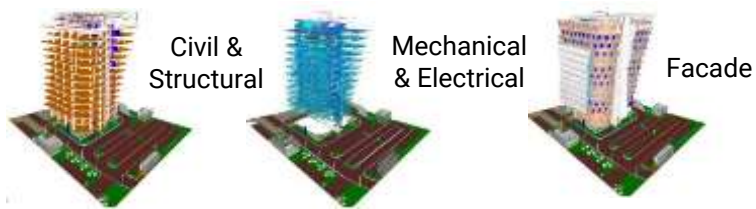


Sustainable Energy Services

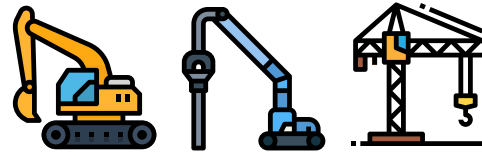


Manufacturing and Sale of Precast Concrete Products

### Range of Services Supported by Building Information Modelling, Large Asset Base & Best Practices

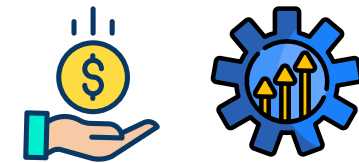


**Building Information Modelling = Improved visualization for clash analysis**



**Large Asset Base Allows Us to Maximize Economies of Scale**

- **26** Boring Rigs
- **18** Tower Cranes
- **3** Launching Girders
- **13** Crawler Cranes
- **17** Mobile Cranes
- **7** Passenger Hoist
- **27** Excavators
- **7** Sky lift
- **45,000m<sup>2</sup>** System Formworks

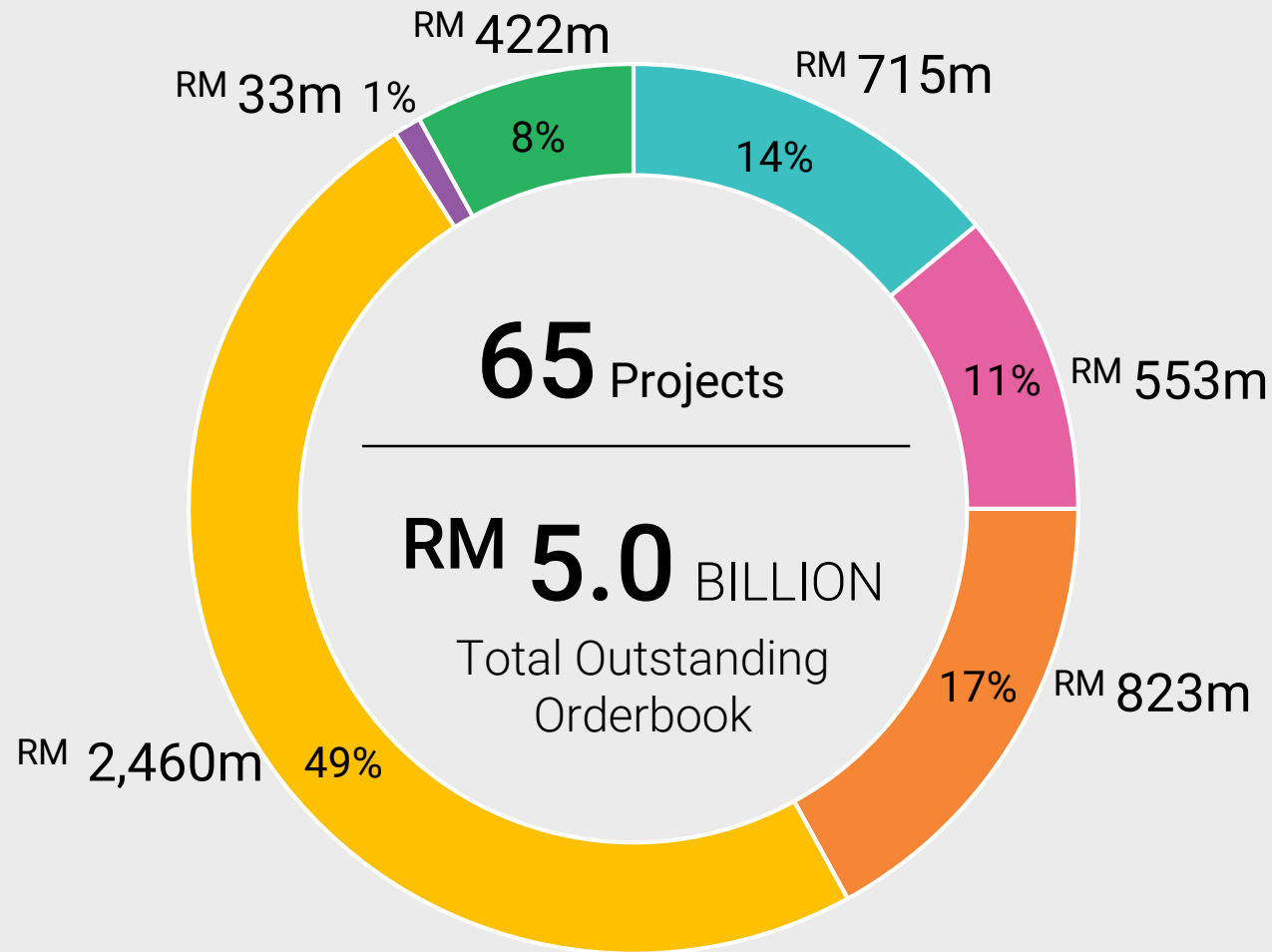


**Maximizing Cost Savings and Improved Operating Efficiencies = Enhanced Profitability**

- Quality Control
- Rationalising Functions
- Consolidating Management Functions
- Maximise Economies of Scale

**Well Positioned to Bid for and Undertake Large and Complex Projects Both Domestically & Internationally to Diversify Risk and Ensure Sustainable Development**

# INVESTMENT HIGHLIGHTS : 02 SOLID DIVERSIFIED ORDER BOOK



Building

Infrastructure/Piling

India

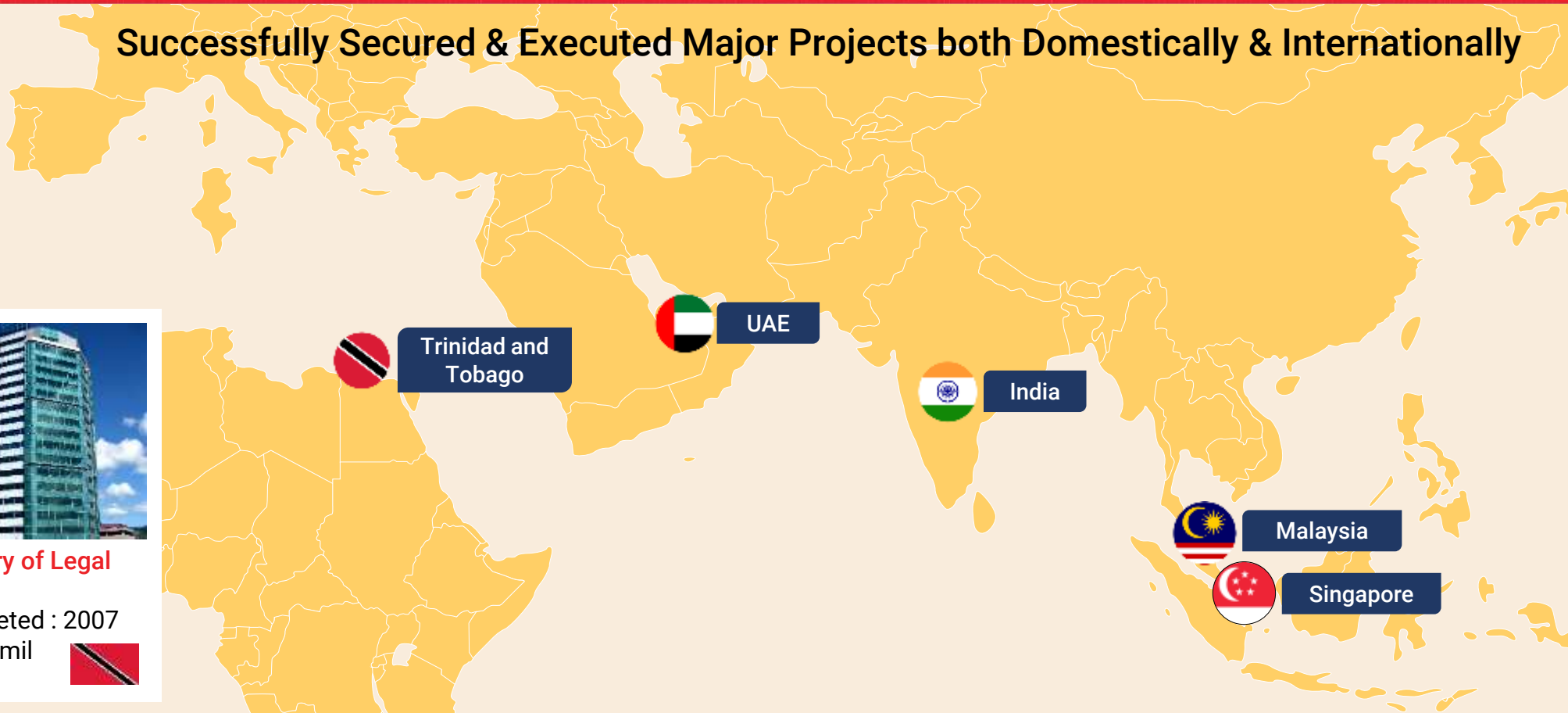
Internal

Renewable Energy

Singapore Precast

# INVESTMENT HIGHLIGHTS : 03 PROVEN TRACK RECORD

Successfully Secured & Executed Major Projects both Domestically & Internationally



**Parcel F, Putrajaya**  
Completed : 2019  
RM1,610mil



**MRT Package V4, Klang Valley**  
Completed : 2016  
RM1,172mil



**Ministry of Legal Affairs**  
Completed : 2007  
USD58mil



**Al-Reem Island Phase 1, Plot 1**  
Completed : 2009  
USD362mil



**Rihan Heights Phase 1A**  
Completed : 2010  
USD510mil



**HDB – Bukit Merah**  
Completed : 2016  
SGD31mil



**East-West Corridor Uttar Pradesh**  
Completed : 2008  
US67mil



**LRT Package B**  
Completed : 2015  
RM569mil



**Kuala Lumpur Convention Centre**  
Completed : 2005  
RM549mil



Proven Capabilities

Which Led to an Established Multi-Award Winning Brand

Proven  
Operating  
Success

**SUNWAY**  
CONSTRUCTION

40 Years  
Heritage

Excellent  
Reputation

Leverage on the  
**SUNWAY**  
brand

## 2020

- 19 Feb : Leadership Area –Based Demarcation (LeAD) Programme by Petronas – “Best Area Champion (Onshore Construction)”
- 6 Mar : 5<sup>th</sup> Asia Best Sustainability Reporting Awards (ASRA) Singapore – Asia’s Best Sustainability Report within Annual Report - “Bronze”
- 30 Sept : MSWG-ASEAN Corporate Governance Award 2019 – Industry Excellence Award
- 14 Dec : The Edge Billion Ringgit Club award – Construction Sector : Highest return on ROE
- 17 Dec : The ASSETS ESG Award – Gold Award
- 22 Dec : NACRA (National Annual Corp Report Award) – Platinum for market capitalisation < 2b

## 2021

- 9 April - Mechanical & Electrical Contractors award from MBAM
- 12 April – MSOSH 2019 OSH Award (Gold 1 – PNLC) (Gold 2 – TNB Campus)



SG50 Prestige  
Enterprise Award  
2015 / 2016



Singapore Successful  
Brand 2015



MCIEA Builder of The  
Year Award  
2018, 2013, 2005 & 2003



MCIEA International  
Achievement Award  
2012



Industry Excellence  
Awards 2010 – Export  
Excellence Award



MCIEA Project Award:  
Building-Major Scale –  
KL Convention Centre  
2006

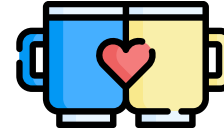


## Sunway Group Strategic Relationship

**SUNWAY®**

- ✓ Major property developer in Malaysia. Revenue = 2020:RM 0.5b (2019:RM0.6b; 2018:RM 0.6b; 2017: RM0.9b; 2016:RM1.2b) from its property development divisions
- ✓ Total gross development value of remaining landbank (3,362 acres) Johor 50%, Klang Valley 28%, Penang 6%, Singapore 12%, Others 4% – RM59 bil (15 years)
- ✓ 2021/2020 Launch Target : RM2.8b (2020:1.9b; 2019 : 1.2b, 2018 : 2.1b, 2017 : 1.1b,2016:0.65b,2015: 1.4 bil)
- ✓ Sales target 2021 : RM2.2b (2020 : 1.3b; 2019 : 1.55b; 2018 : 1.7b; : RM2017 : 1.2b; 2016 : 1.2b, 2015 : 1.2b)
- ✓ At least 51% stake in Suncon Group post IPO

**SUNWAY®**  
**CONSTRUCTION**



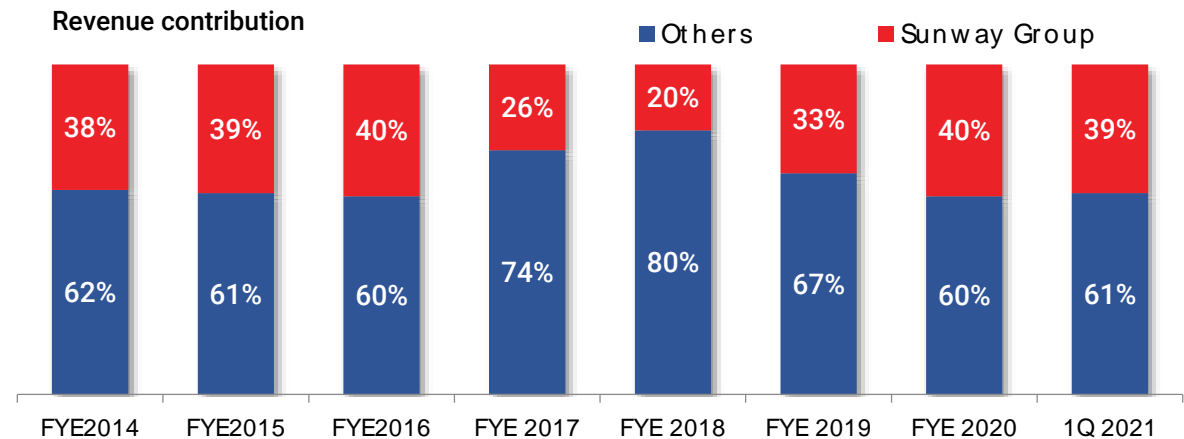
Bed rock orders even during a decline in the construction sector

- ✓ Competitive advantage in property development – design optimization, assurance on quality & timeliness
- ✓ Portfolio of diversified services across the construction sub-sector

### Our Key Developments with Sunway Group



### Sunway Group's Continued Support



**Symbiotic Relationship with Sunway Group Provides Stability During Periods of Downturn**

## INVESTMENT HIGHLIGHTS : 06 HIGHLY EXPERIENCED MANAGEMENT TEAM



**CHUNG SOO KIONG**

**Designation**

Group Managing Director

**Years in SunCon Group :** >20 years

**Construction Industry Experience :**  
Over 20 years



**LIEW KOK WING**

**Designation**

Managing Director

**Years in SunCon Group :** >20 years

**Construction Industry Experience**  
Over 20 years



**RICHARD WONG**

**Designation**

Deputy Managing Director

**Years in SunCon Group :** 20 years

**Construction Industry Experience**  
Over 28 years



**EVAN CHEAH**

**Designation**

Non-Independent Non-Executive  
Director

**Years in SunCon Group :** 20 years

**Construction Industry Experience**  
Over 15 years



**YIP LAI HUN**

**Designation**

Director Supply Chain &  
Contracts Mgmt

**Years in SunCon Group :** >25 years

**Construction Industry Experience**  
Over 27 years



**THOMAS SAMUEL**

**Designation**

Director Piling Division

**Years in SunCon Group :** Since 2015

**Construction Industry Experience**  
Over 33 years



**NG BEE LIEN**

**Designation**

Chief Financial Officer

**Years in SunCon Group :** 15 years

**Construction Industry Experience**  
20 years



**KWONG TZYY EN**

**Designation**

Director Precast Division

**Years in SunCon Group :** 20 years

**Construction Industry Experience**  
Over 20 years



**ERIC TAN CHEE HIN**

**Designation**

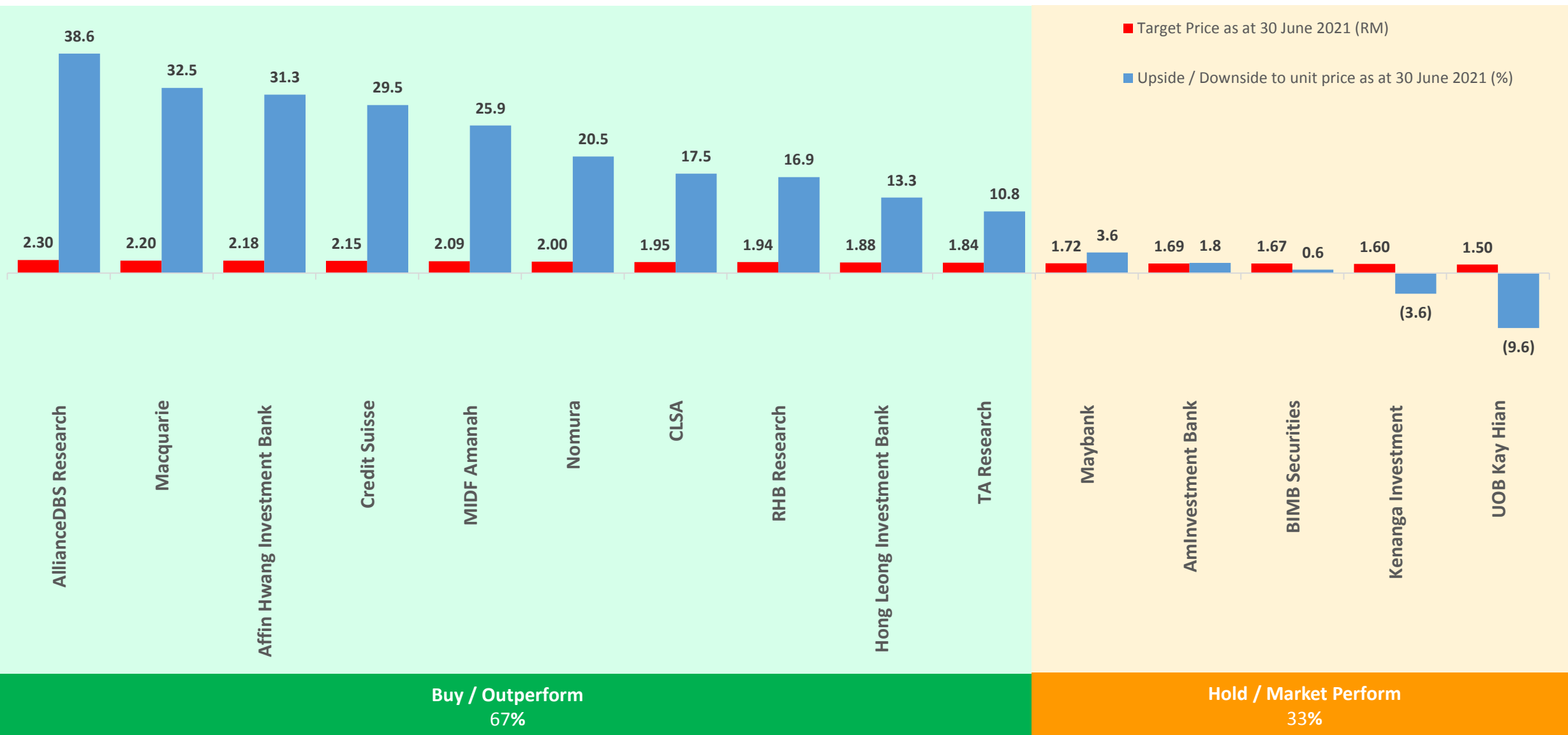
Director MEP Division

**Years in SunCon Group :** 20 years

**Construction Industry Experience**  
Over 19 years

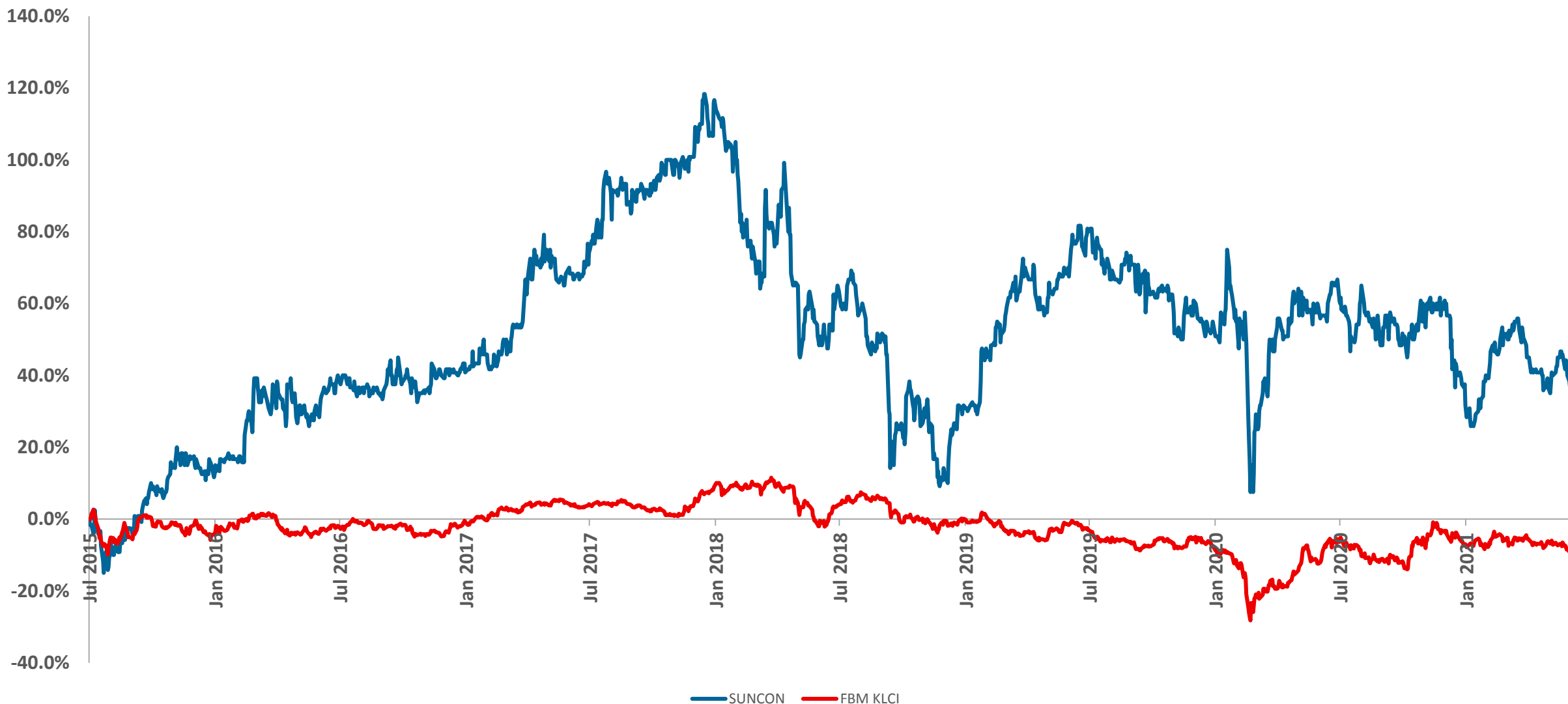
**Extensive Industry Expertise and Strong Execution Capability with  
an Average of Over 23 Years of Experience in the Construction Industry**

# ANALYSTS' RECOMMENDATION



# SHARE PRICE PERFORMANCE

## Sunway Construction versus FBM KLCI (Since IPO) (%)



Source: Bloomberg

## Fully integrated Construction Company

- Integrated business model providing end-to-end design and construction solutions
- VDC enabled
- Well supported by investment in capex and assets previously

## Solid Order Book

- Strong order book & tender book with diversified construction capabilities across various sub – segments of the construction sector
- Proven Track Record in the Local & International Stage
- History of repeat order from reputable clients with high credit worthiness

## Positioned for Growth

- The largest pure play listed construction company in Malaysia
- Top 3 construction group by turnover and profit
- Overseas venture to India (secured 2 HAM projects in FYE 2020)
- FY2020 : Revival of government pump priming projects such as the ECRL, HSR (M'sia portion), MRT3, LSS4
- Construction sector growth in 2020 : -19.4%; 2019: 0.1% 2018 : 4.2%; 2017 : 6.7%; 2016 : 7.4% ; 2015 : 8.2%
- Singapore Precast : Construction on ICPH plant is on-going (operational 2H 2022)

## Continuing Support from Sunway Group

- At least 51% stake in Suncon Group post IPO
- Bed rock orders even during a decline in the construction sector (past years 40% revenue)
- Treasury support from Sunway Bhd

## Financial

- High Return on Equity (> 20%)
- Sound balance sheet with net cash position
- 35% dividend policy (2015 : > 40%, 2016 : > 50%, 2017 : > 60%, 2018 : > 60%, 2019 : 70% : 2020 : 71%)



THANK YOU