

SUNWAY BERHAD POSTS A 68% INCREASE IN PROFIT BEFORE TAX TO RM341 MILLION IN Q2 FY2024 AND DECLARES A FIRST INTERIM DIVIDEND OF 2.00 SEN PER SHARE

Sunway City Kuala Lumpur, 28 August 2024 – Sunway Berhad (“Sunway” or “Group”) today announced its second quarter financial results for the financial year ending 31 December 2024 (“Q2 FY2024”).

Sunway Berhad recorded commendable financial performance in Q2 FY2024. The Group’s revenue increased 7.6% to RM1,579.9 million in the current quarter, attributed to better performance from most segments. Profit before tax (“PBT”) increased at a faster pace of 68.0% to RM341.0 million, boosted by strong operating performance across all business segments and a gain from the redemption of an investment.

For the quarter ended 30 June 2024, the property development segment’s revenue improved 2.7% to RM371.9 million compared to RM362.1 million in the same quarter in the previous year. PBT increased from RM49.1 million to RM70.1 million in Q2 FY2024, representing an increase of 42.9%. The higher PBT was underpinned by higher progressive profit recognition from on-going local development projects, and one of the Group’s private condominium projects in Singapore. The Group’s executive condominium development, Parc Central Residences achieved its completion and handover in July 2024. The accumulated progressive profits related to the project of approximately RM123.0 million will be recognized in the third quarter of 2024.

The healthcare segment recorded a PBT¹ increase of 30.8% to RM49.3 million in Q2 FY2024. The strong growth was driven by higher revenue from the three operating hospitals on the back of the higher number of licensed beds and improved census performance. EBITDA grew by 32.9% as compared with the same quarter in the previous year contributed by higher occupancy rates at Sunway Medical Centre Kuala Lumpur and Sunway Medical Centre Velocity, and higher revenue per patient bed days across all operating hospitals. Looking ahead to the full year, all operating hospitals are expected to perform better than in the previous year.

The Group declared a single-tier first interim cash dividend of 2.00 sen per ordinary share and a preferential dividend of 5.25% per annum (based on the issue price of RM1.00) per irredeemable convertible preference share (“ICPS”) in respect of the financial period from 1 January 2024 to 30 June 2024.

Sunway Group’s President, Tan Sri Dato’ (Dr.) Chew Chee Kin commented, “Malaysia’s robust economic growth in the first half of the year has significantly bolstered the Group’s businesses. We remain positive on the prospects for the property development, healthcare, and construction segments as well as other business segments for the remaining part of the year.”

He added, “The healthcare segment continues to focus on increasing bed capacity at its three operating hospitals and the two new hospitals, targeting for opening in Q4 2024 and Q1 2025 respectively, to meet the growing demand for quality healthcare services from domestic patients and healthcare tourists. Healthcare tourism is anticipated to continue to increase progressively beyond 2024.”

¹ Healthcare’s contribution is based on equity accounting which accounts for the Group’s share of its net profit or loss.

He further added, “The prospect for the property market in the Southern region remains promising. The establishment of the Johor-Singapore Special Economic Zone (“JS-SEZ”), combined with robust infrastructure and enhanced connectivity between Singapore and Johor, namely the upcoming Rapid Transit System, augurs well for attracting foreign and domestic investments into Johor. The upcoming developments in Sunway City Iskandar Puteri (“SCIP”), including Sunway 103° Logistic Hub, Sunway Circuit, Puteri Hill, integrated healthcare facilities, tertiary education institution and Equalbase’s data centre will further complement SCIP’s vibrant ecosystem, elevating its appeal in attracting high-income professionals and global corporations looking to establish regional headquarters.”

He elaborated, “The strong flow of new contracts for the construction segment has been encouraging. The Construction segment exceeded its initial order book replenishment target of between RM2.5 billion to RM3.0 billion, after securing RM3.5 billion worth of orders up to August 2024. We have revised the order book replenishment target to a higher level of between RM4.0 billion to RM5.0 billion for 2024.”

He concluded, “The Group is fully confident of its performance for the financial year.”

###

Translations

Tan Sri Dato’ (Dr.) Chew Chee Kin, President, Sunway Group

丹斯里拿督周志坚博士, 双威集团总裁

Tan Sri Dato’ (Dr.) Chew Chee Kin, Presiden, Kumpulan Sunway

About Sunway Group

Established in 1974, Sunway Group is one of Malaysia’s largest conglomerates with core interests in real estate, construction, education and healthcare, with a unique build-own-operate business model.

Our 16,000-strong team across 50 locations worldwide is committed to transformative growth and sustainable progress through our 13 business divisions including real estate, construction, retail, hospitality, leisure, healthcare, education, trading and manufacturing, building materials and Real Estate Investment Trust (REIT).

We are committed to the 17 United Nations Sustainable Development Goals and continue to align our business strategies towards minimising environmental impact, and advancing economic and social progress. For more information, log on to www.sunway.com.my.

Important notice

Kindly read this media release in conjunction with the announcement released to Bursa Malaysia for a more comprehensive understanding of Sunway Berhad's financial results.

This media release 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.

For media enquiries, please email:

media@sunway.com.my or

sunwaycomms@voxeureka.com