

B Operational Review



Artist impression of One Oval, Subiaco East, Perth, Western Australia.

Australia

UEM Sunrise has built a solid presence in Melbourne and Perth, Australia, with a portfolio of premium residential and mixed-use developments designed for modern urban lifestyles. Across major cities, resilient housing demand, strengthening residential values and tight rental markets continued to provide a favourable backdrop for the Group's developments.



Ongoing Project

1



Total Ongoing Launched GDV

AUD450
million



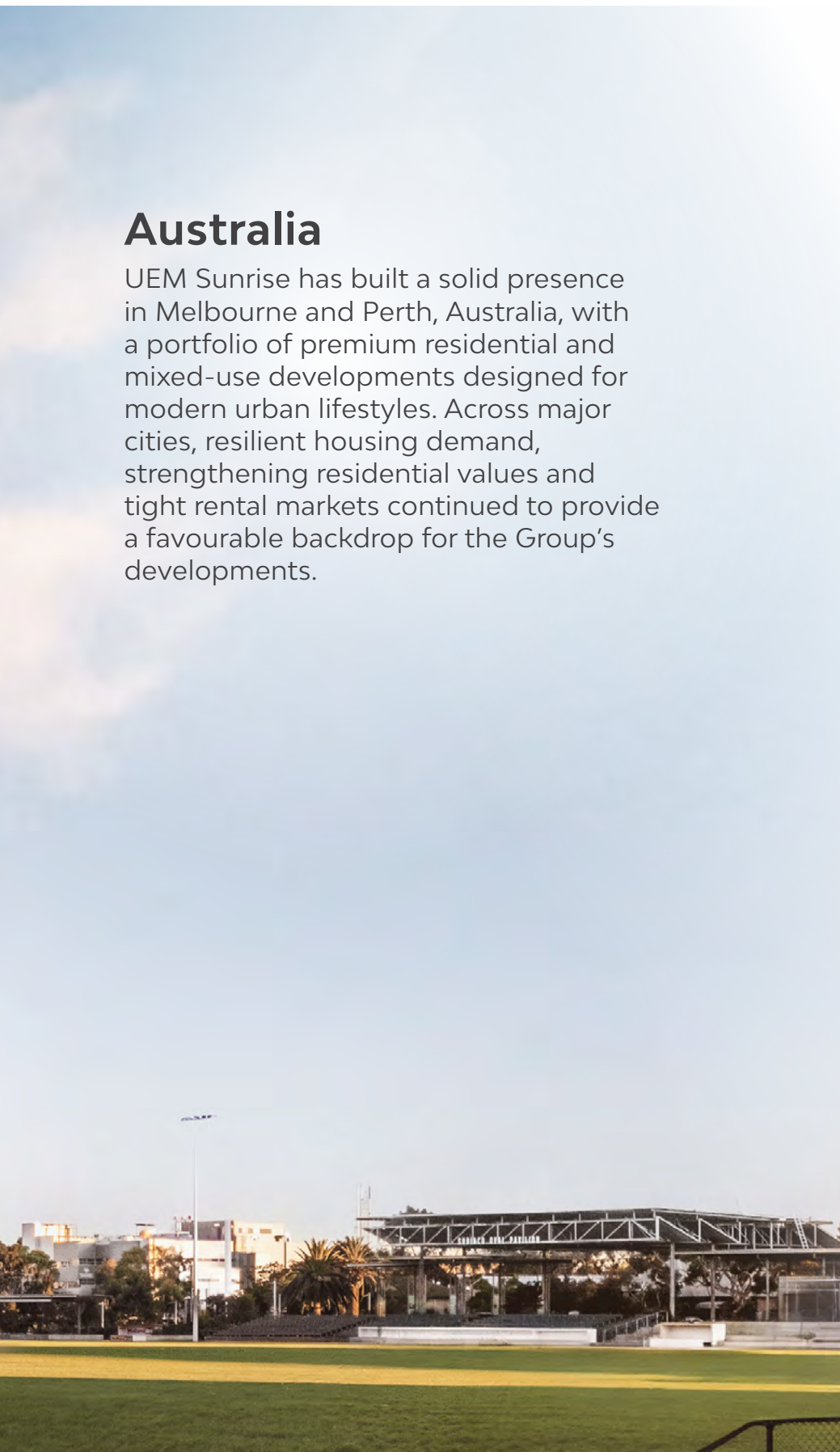
Remaining GDV

AUD315
million



Remaining Land Area

1.3
acres



Who We Are and What We Do

UEM Sunrise has built a strong foothold in Melbourne, while expanding its presence into Perth, Australia, with a focus on upscale residential and mixed-use developments in prime inner-city locations tailored for contemporary urban living. These developments cultivate vibrant and sustainable communities that prioritise lifestyle, connectivity, design excellence and long-term value for residents, investors and stakeholders.

Business Environment

The Australian property market remained active in FY2025, supported by stable economic conditions, although momentum moderated across selected segments. Residential values continued to rise with national house and unit prices increasing by 8.6% and 7.3% respectively, representing the strongest annual growth in home values since 2021.

Performance, nevertheless, varied across capital cities. Perth recorded the strongest growth among the mid-sized markets with dwelling values rising 15.9% over the 12 months ended December 2025. Melbourne experienced a more moderate but still healthy increase of 4.8% year-on-year.

Rental conditions stayed firm amid low vacancy levels. The national rental index rose 5.2% although the pace of rental increases moderated slightly. Meanwhile, interest rate movements continued to influence buyer behaviour. Financial pressure among mortgage holders eased following three interest rate cuts in 2025. Nevertheless, both owner-occupiers and investors remained cautious toward year-end as the Reserve Bank of Australia maintained a steady rate stance while uncertainty over future cash rate movements persisted.

Source: CBRE Australia, Cotality, KPMG.

2025 Achievements

Key Financial and Business Highlights

- Launched of the Group's first premium high-rise integrated development in Western Australia, strengthening UEM Sunrise's presence in Australia's property market.
- Launched One Oval in Subiaco East contributing approximately AUD450 million in launch GDV and serving as a key growth driver.
- Prioritised design-led development, land value optimisation, cross-border market expansion and disciplined cost management to drive sustainable growth.
- Embedded sustainability considerations across projects through energy-efficient design, responsible development practices and the creation of vibrant, community-focused environments that foster long-term value creation.

Sustainability Highlights

- Designed to achieve 5-star Green Star rating under the new Green Star v1.0 certification.
- Strengthened ESG integration in Australia by embedding sustainability principles into One Oval's design and development.
- Designed for a weighted average 7.5-star rating under Australia's Nationwide House Energy Rating Scheme ("NatHERS") for One Oval's residences, with no apartment below 6.5 stars.
- Targeted 10% reduction in potable water use and 20% lower embodied carbon compared with reference buildings.
- Delivered a fully electric development with solar-ready capability to enable renewable energy adoption.
- Provision of EV charging infrastructure in 5% of parking bays with capacity to expand to all parking bays as demand grows.
- Included affordable housing units to enhance housing diversity and inclusivity in the Subiaco East precinct.



One Oval architecture showcasing contemporary form and landscape integration.

Business Performance Review

Key Initiatives

- One Oval, Subiaco East: Unveiled Display Suites in July and held the Malaysia launch on 20 and 21 September 2025.
- International outreach: Expanded international market reach through roadshows in Singapore to drive buyer engagement and sales momentum.
- Built-to-Rent pipeline: Explored strategic collaboration for the proposed Collingwood development following planning approval secured in December 2024.

Achievements

- Recorded AUD450 million in GDV from the launch of One Oval in Subiaco East, Western Australia.
- Generated strong early-stage interest with substantial registrations from target owner-occupiers and right-sizers.

Challenges and Mitigation Actions

Challenges

- Executed the mutual termination of the Fund Through Agreement with previous investor for the Build-to-Rent development in Collingwood, Melbourne.
- Secured a new site to ensure business continuity and replenish the future project pipeline in Australia.

Mitigation Actions

- Reviewed the project structure, secured payment recovery from the previous investor following the termination and evaluated alternative options with prospective investors.
- Conducted due diligence on potential development sites in Melbourne and Perth in line with the Group's expansion strategy in Australia.

Outlook and Prospects

Short-term (1-3 years)

- Prioritise securing new investors for the Collingwood Build-to-Rent project.
- Drive pre-sales at One Oval Subiaco East and continue construction to keep delivery on track despite market volatility.
- Pursue selective site acquisitions and pipeline expansion to ensure future growth and sustain development momentum.

Medium-term (3-5 years)

- Pursue selective acquisitions to strengthen the project pipeline in Australia.

Long-term (> 5 years)

- Build a robust Australian development pipeline and deliver premium sustainable integrated precincts aligned with market trends and ESG priorities.
- Expand partnerships in the Build-to-Rent segment as part of the Group's long-term capital strategy.

Results

- Achieved full payment recovery, keeping the project on track while evaluating potential new investors and safeguarding projected returns.
- Identified viable site opportunities to strengthen the future development pipeline and support launches when market conditions improve.



An artist's impression of the apartment interior at One Oval.