

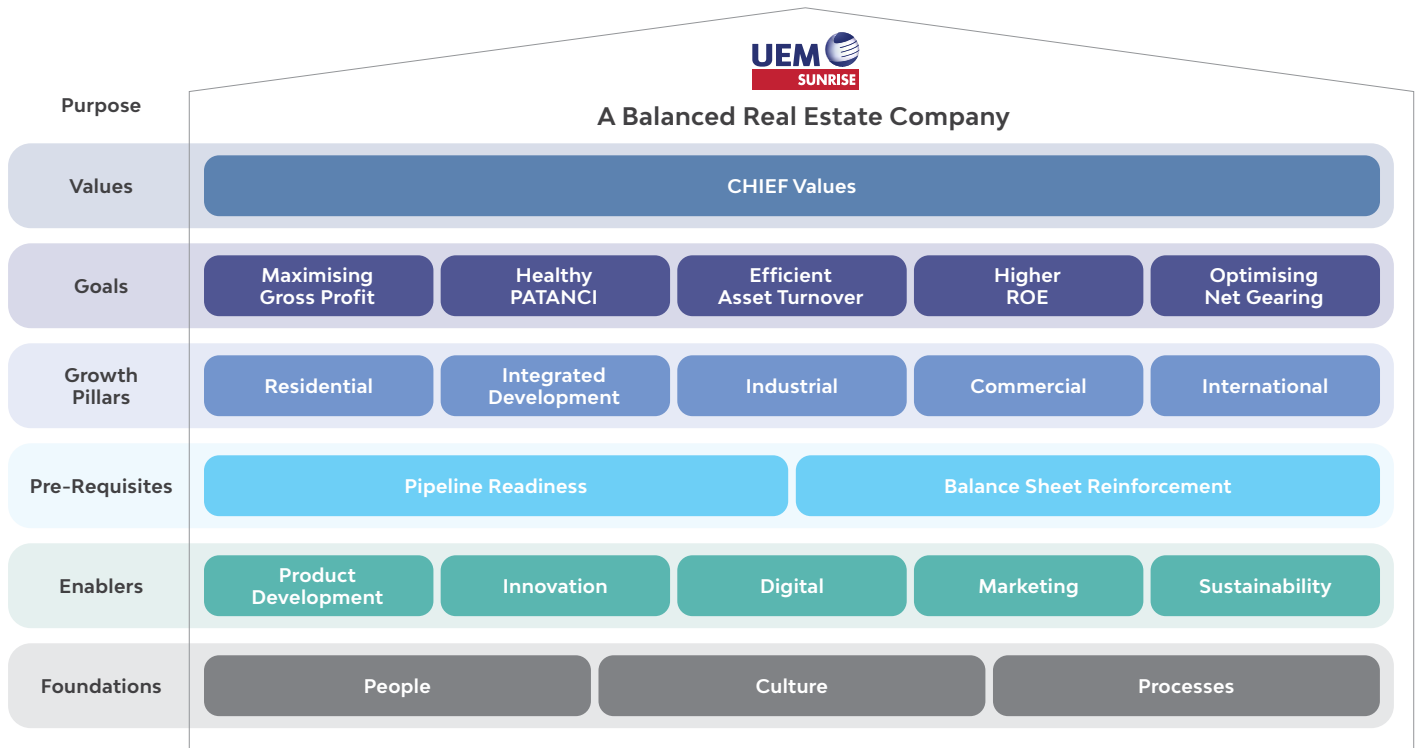
A Strategic Review

Our Strategic Roadmap

The U2030 Transformation Plan

In 2025, the U2030 Transformation Plan continued to anchor our, guiding our efforts to deliver sustainable growth, strengthen capital efficiency and enhance long-term value creation. Building on the groundwork laid in the previous year which centred on establishing the framework, aligning stakeholders and setting strategic direction, we shifted firmly towards disciplined execution and value realisation.

Keeping the strategic architecture and long-term priorities intact, we placed greater emphasis on strengthening ownership, sharpening prioritisation and reinforcing accountability across the organisation. We continued to make steady progress under U2030, reinforcing our confidence in the strategy's relevance and effectiveness. This has provided clearer direction for navigating market volatility and positioning the Group to capture opportunities aligned with our risk and return objectives.



The U2030 Strategy House remains the foundation of the Group's growth and long-term value creation agenda.

Throughout 2025, U2030's focus shifted from mobilisation to an execution-led phase. We strengthened delivery accountability, enhanced visibility over interdependencies and clarified decision-making across initiatives and functions. This shift signalled rising organisational maturity and kept value realisation firmly at the core of the Group's strategic agenda.

At the same time, we maintained a strong emphasis on Pipeline Readiness and Balance Sheet Reinforcement to enhance the Group's capacity to pursue growth while preserving financial strength. This disciplined approach delivered tangible results in growth preparedness, capital discipline and organisational alignment. Resources were directed towards areas with the highest strategic and financial impact while preserving flexibility to respond to evolving market conditions.

Concurrently, continued investment in people, systems and sustainability not only strengthened the Group's operating platform but also improved execution reliability and reinforced long-term resilience.

U2030: Value Creation and Performance Indicators

Strategic Focus	Strategic Intent	Value Creation Outcome	Value and Performance Indicators
Pipeline Readiness and Growth Execution	Maintain disciplined planning and launch sequencing	Improved launch readiness and pipeline visibility	Launch GDV, sales take-up rates, unbilled sales, GDV pipeline
Balance Sheet Reinforcement	Strengthen capital resilience and cash flow visibility	Enhanced capital discipline and prudent gearing management	Net gearing, operating cash flow
Asset and Margin Performance	Improve asset productivity and profitability	Stronger margin protection and asset turnover discipline	Development margins, asset turnover
Market and Customer Positioning	Enhance relevance while protecting value	More focused product and go-to-market positioning	Sales velocity, product mix
Organisational Capability and Resilience	Strengthen people, culture and processes	Greater execution reliability and governance integration	Productivity indicators, ESG performance, process cycle time improvements

Looking Forward

As U2030 enters its next phase, the Group will continue to prioritise disciplined growth, prudent capital allocation and further strengthening of its operating platform. The focus will increasingly shift towards sustained value realisation, closer integration into core governance processes and consistent execution across the organisation.

Over the long-term, the framework is expected to become progressively embedded in the organisation’s delivery and performance management, reinforcing disciplined execution as a core organisational capability.

With a clearer strategic focus and a more resilient foundation in place, UEM Sunrise is well-positioned to capture opportunities that drive long-term value creation while preserving financial and operational discipline as it progresses towards becoming a balanced real estate company by 2030.

Our Strategic Roadmap

Strategic Performance Review

ST1 Drive Sustainable Revenue Stream

Goal

Direct efforts towards developing core products and positioning the Property Development segment as our primary source of revenue.

Capitals:



Stakeholders:



Material Matters:



Risks:



Initiatives

- Activated existing landbank, reviewed land use and continuously refined existing masterplans to maximise site potential and optimise GDV.
- Broadened market reach by diversifying into new markets to widen our customer base and mitigate market risk.
- Strengthened our short-term to medium-term development plan.
- Implemented Year 2 of U2030 by reinforcing launch discipline and pipeline resilience, integrating industrial and township components and strengthening our presence in Australia.

Achievements

- Revenue of RM1.7 billion, 27% higher than 2024.
- PATANCI of RM71.0 million, after one-off adjustments. Adjusted PATANCI: RM121.5 million.
- Improved Pipeline Readiness for the Property Development segment.
- Achieved RM2.2 billion in new launch GDV, surpassing RM2.0 billion target.
- Improved Gross Profit ("GP") Margin for this segment via GDV uplift and cost savings.

Headline 2026 KPIs

Financial Metrics:

- Revenue
- GP Margin
- PATANCI
- Return On Equity ("ROE") and Net Gearing
- Sales Achieved

Operational Metrics:

- Launch Readiness
- Employee Productivity
- Customer Satisfaction
- Quality Score

Priorities for 2026

- Execute Year 3 of U2030 with continued focus on the Southern region, leveraging opportunities within JS-SEZ.
- Achieve new launch GDV of RM2.2 billion.
- Sustain disciplined launches and strengthen pipeline resilience to support targeted GDV delivery and revenue continuity for the Property Development segment.
- Enhance cost certainty and execution efficiency through stronger governance, standardisation and digital enablement.
- Prioritise capital allocation towards high-impact developments to maximise returns and operational focus.

Focus Areas

Short to Medium-Term Priorities

- Target new launch GDV of RM2.2 billion for 2026 and aim to sustain this level over the next three years.
- Activate existing land in the Central and Southern regions.

Long-Term Priorities

- Advance U2030 priorities by capitalising on emerging industrial markets, developing sustainable revenue-generating integrated developments from 2026 onwards from activation of existing land and selected landbank acquisitions.
- Pursue strategic activation of existing landbank while implementing selective land replenishment to secure long-term development continuity.
- Maintain close monitoring and tracking of the pre-development process to ensure pipeline readiness.

ST2 Catalyse Southern Region Potential

Goal

Strengthen Southern presence and activate our strategic assets with ready infrastructure.

Capitals:



Stakeholders:



Material Matters:



Risks:



Initiatives

- Re-examined the Gerbang Nusajaya masterplan to explore TOD development potential.
- Pursued the rejuvenation of Puteri Harbour, particularly Marina Walk as a destination linked to the Puteri Harbour International Ferry Terminal (“PHIFT”).
- Tailored developments to meet evolving lifestyle, needs and customer segments.
- Collaborated with strategic partners to integrate green energy solutions and sustainable practices.

Achievements

- Launched a new sales gallery, the UEM Sunrise Gallery at Gerbang Nusajaya.
- Strengthened connectivity in Iskandar Puteri through the Gerbang Nusajaya Interchange launch.
- Improved pipeline readiness for the Property Development segment.
- Average take-up rate as at 31 Dec 2025 for Aspira Hills Phases 2A1 & 2A2 (launched Jun 2025) is 69.8%.
- Achieved an average take-up rate of 88.1% as at Dec-2025 for all Southern ongoing projects.

Headline 2026 KPIs

Financial Metrics:

- Revenue
- GP Margin
- PATANCI
- Return On Equity (“ROE”) and Net Gearing
- Sales Achieved

Operational Metrics:

- Launch Readiness
- Employee Productivity
- Customer Satisfaction
- Quality Score

Priorities for 2026

- Accelerate value creation from the Johor landbank through disciplined launches and optimised product offerings.
- Drive industrial momentum by prioritising go-to-market efforts for the future Gerbang Nusajaya industrial project.
- Leverage key national projects including JS-SEZ, New Industrial Master Plan 2030 (NIMP 2030), MM2H and major transportation and connectivity projects such as the RTS.
- Revitalise retail and placemaking initiatives in Iskandar Puteri to strengthen vibrancy, footfall and recurring income potential.

Focus Areas

Short to Medium-Term Priorities

- Unlock value from Johor landbank through targeted launches.
- Leverage key national projects including JS-SEZ, NIMP 2030, MM2H and major transportation and connectivity projects such as the RTS.

Long-Term Priorities

- Strengthen the Southern region as a sustainable growth engine by leveraging improved connectivity and economic catalysts.
- Tap into the various government stimulus packages to support growth momentum.
- Capture opportunities in renewable energy via the National Energy Transition Roadmap, Budget 2026 commitments, NIMP 2030 incentives for infrastructure projects in the Southern region and the relaxation of MM2H guidelines.

Our Strategic Roadmap

ST3 Scale New Growth Segments

Goal

Scale up and expand our newer, high growth segments including Industrial and Commercial, reprioritise our asset portfolio and practice prudent financial management.

Capitals:



Stakeholders:



Material Matters:



Risks:



Initiatives

- Drive masterplanning for Industrial expansion in Gerbang Nusajaya.
- Pursue land acquisitions for Integrated developments in the Central region.
- Refresh the Puteri Harbour masterplan to rejuvenate Commercial and Retail assets.
- Partner with specialists and niche players while venturing into new markets.
- Balance growth objectives with prudent financial management (including debt reduction and strategic monetisation initiatives).

Achievements

- Commenced the placemaking and rejuvenation of Puteri Harbour Commercial and Retail assets.
- Commercialised RM344.2 million non-core land parcels via strategically planned and opportunistic disposals across the Group's portfolio.
- Implemented a debt management exercise, partly funded from proceeds from strategic commercialisation, positioning the Group for future expansion.

Headline 2026 KPIs

Financial Metrics:

- PATANCI
- Operating Cash Flow
- Return On Equity ("ROE")

Priorities for 2026

- Strategically commercialise non-core landbanks to pare down debt and optimise the balance sheet for development activities.
- Intensify reprioritisation via JV rationalisation and asset divestment.
- Strengthen balance sheet and cash management to enable an effective debt reduction exercise and lower total debt.

Focus Areas

Short to Medium-Term Priorities

- Roll out immediate planned launches and execute detailed remasterplanning of Gerbang Nusajaya to capitalise on current market demand.
- Deliver the first Industrial segment launch and integrate it with Southern township development.
- Activate integrated developments in the Central region while pursuing acquisition and exploration of new landbanks.
- Adopt a strategic build-to-core and exit approach for new developments including support elements for pure play, development CAPEX for the rehabilitation of selected assets for eventual divestment and an exit strategy for existing underperforming assets.

Long-Term Priorities

- Rebalance the landbank between the Southern and Central regions.
- Drive economic growth
 - Curate developments that cater to evolving lifestyles, needs and customer segments.
 - Balance growth objectives with prudent financial management.
 - Enable businesses to establish and flourish in key growth corridors such as Iskandar Puteri.
- Focus on investment and industrial growth.
 - Pursue a pure industrial play to strengthen competitive positioning.
 - Develop infrastructure and spaces required by industries to facilitate their growth and expansion.
 - Collaborate with strategic partners to support and integrate green energy solutions and sustainable practices.

ST4 Advance Sustainability Agenda

Goal

Carbon Neutrality 2050.

Capitals:



Stakeholders:



Material Matters:



Risks:



Initiatives

- Utilised Bursa Malaysia’s Centralised Sustainability Intelligence (“CSI”) solution to engage supply chain partners in assessing ESG maturity.
- Established Sustainability Blueprint 2.0 as a strategic framework guiding the delivery of sustainability commitments and strategic goals as the Group transitions towards a low-carbon future by 2030.
- Developed Version 3 of the Sustainability Policy as the overarching policy encompassing ESG principles and outlining the Group’s commitments to integrating sustainability principles across business operations.
- Strengthened sustainability governance by onboarding a sustainability working group comprising 28 champions from all departments across the Group’s.

Achievements

- Achieved 4.1 FTSE4Good score and 51 S&P Global ESG score.
- Identified and engaged with 50 vendors to complete the ESG survey.
- Approved Sustainability Blueprint 2.0.
- Approved Sustainability Policy (Version 3).
- Approved GHG Reduction Strategies and Decarbonisation Pathway.
- Approved Green Building Certification Policy.
- Approved Biodiversity Policy.
- Approved Human Rights and Diversity, Equity and Inclusion (“DEI”) Policy.
- Conducted a kick-off workshop for sustainability champions.
- Hosted the Sustainability Thought Hub on GHG emissions.

Headline 2026 KPIs

- FTSE4Good ESG Rating and S&P Global Corporate Sustainability Assessment (“CSA”).
- GHG Emissions Inventory Management.

Priorities for 2026

- GHG carbon management.
- Green building development.
- Biodiversity Management Plan.
- Circularity through reuse, resource efficiency and lifecycle thinking across developments.
- Labour standards.
- Reporting and disclosure standards.
- Responsible supply chain management.

Focus Areas

Short to Medium-Term Priorities

- GHG reduction strategies and decarbonisation pathway.
- Green Building Certification Policy.
- Biodiversity Policy.
- Waste Management Policy.
- Human Rights and DEI Policy.
- Progressive alignment with IFRS S1 and IFRS S2.
- Double Materiality Assessment.
- Sustainability learning and awareness campaign on labour rights.
- Climate risk assessment.

Long-Term Priorities

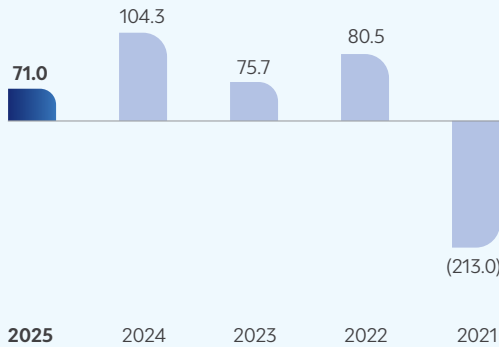
- Internal carbon pricing.
- Water Management Policy.
- Green procurement.
- Life cycle assessment (“LCA”).
- Green leases.

A Strategic Review

KPI Achievements

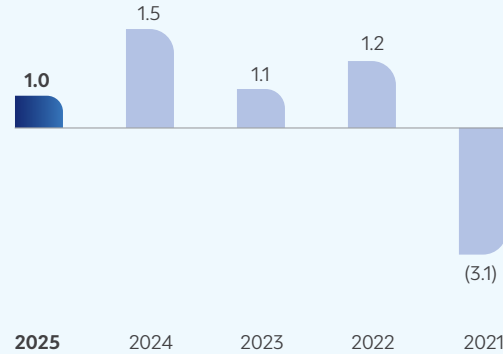
PATANCI (RM million)

To monitor and evaluate our effectiveness in generating sustainable returns



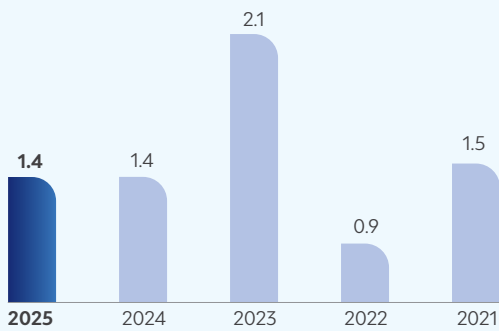
Return on Equity (%)

To improve return on shareholder's equity investment



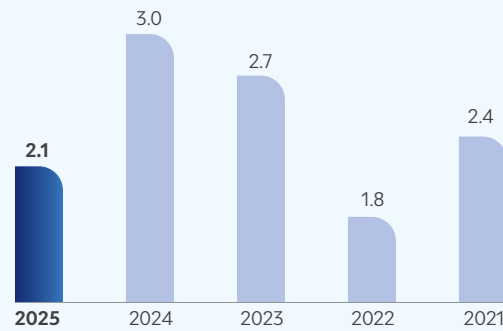
Sales (Property Development) (RM billion)

To monitor and quantify annual sales to drive improvements to revenue and profitability



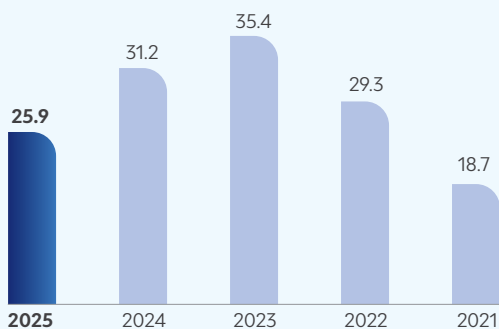
Unbilled Sales (RM billion)

To ensure strong earnings visibility for the next 18 to 36 months



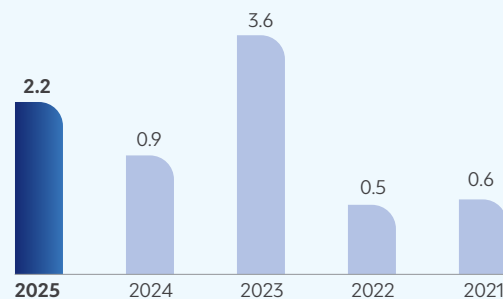
Gross Profit Margin (%)

To improve operational financial efficiency



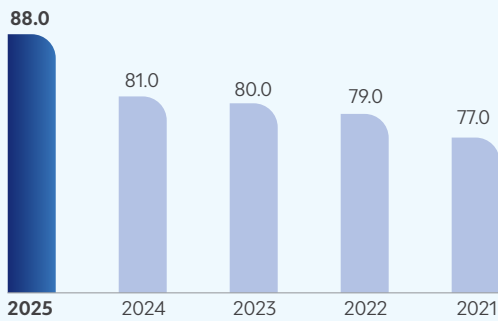
New Launch GDV (RM billion)

The annual GDV of new launches is a key indicator of the Group's ability to deliver long-term sustainable growth



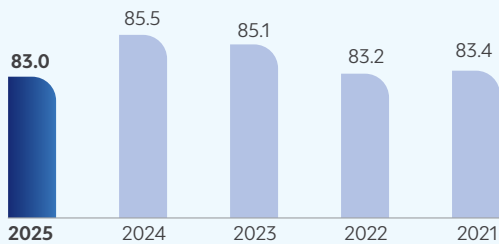
Customer Measurement Score (%)

Deliver quality and sustainable homes to ensure the satisfaction of our customers while enhancing customer journey, building lasting relationships, delivering value and earning their trust and loyalty



QLASSIC (%)

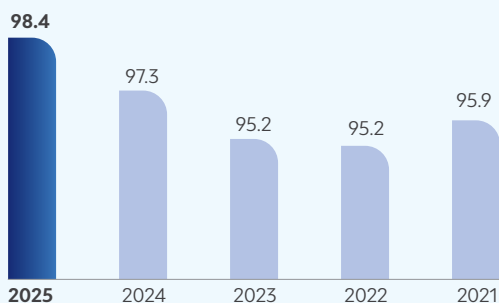
Deliver quality and sustainable homes to ensure the satisfaction of our customers while enhancing customer journey, building lasting relationships, delivering value and earning their trust and loyalty



Out of seven projects handed over in 2025, five scored 85% and above. Average of 83% was mainly due to delays at Residensi AVA resulting in a lower QLASSIC score for this project.

SHASSIC (%)

Provided safe working conditions for employees and developed a high-performing workforce



FTSE4Good

Sustainability Rankings

Align organisational practices with corporate strategy to mitigate adverse impacts on ESG aspects stemming from operational activities

