

**city&  
country**  
REAL ESTATE  
MATTERS

## New beginnings at UEM Sunrise

CEO Sufian Abdullah, who took the helm in February, sees the pandemic as an opportunity for the property developer to reset itself and explore different things to bring to the market, such as more attainable products and better planned developments. **E Jacqui Chan** has more on the architect by training and his plans on Page 4.

**UEM**   
**SUNRISE**

member of **UEM Group**





# Creating a collective consciousness

BY E JACQUI CHAN  
city.country@bizedge.com

In a different time and place, Sufian Abdullah would have become an astronaut. "It was impossible at the time [to be an astronaut], so I went for the next best thing. I read an article in *GQ* magazine that architect is the sexiest profession — that was it. Forget about being an astronaut," he says with a hearty laugh during our virtual interview.

Born in Kota Baru, Kelantan, Sufian is the youngest of seven children. "I was the only one of my siblings to be born in Kelantan. My father was a policeman and he was posted to several places, including Singapore and Taiping, so my siblings were born in different towns," says the CEO of UEM Sunrise Bhd, who assumed the role on Feb 2.

Ever the artist, he grew up making models and figurines out of plasticine and, being a Star Wars nerd, he even made a model of the *Millennium Falcon*. "Back then, it was hard to get Mattel toys, especially in Kota Baru. I had to use my imagination and that imagination has stayed with me and led me to architecture."

Despite taking on a different role now, Sufian has never seen it as moving away from architecture. "I like to think that I am always practising architecture but on a slightly different platform. The progression and application from design to commercial real estate has been a full circle for me. I have put myself on both sides of the fence. It's not a perspective many people would have.

"When I was a consultant, I got frustrated when clients didn't understand my design, and had to wrestle between design intent and commercial intent. Here, I am in a position to have a bit of both and balance between the two," he continues.

"No matter how good your design is, if it is not going to fulfil your commercial ambitions, you have already failed half of your total intent. You need to hear what your clients want and what your designer wants and then respond to that. By doing so, you will be able to get the best out of everyone and find the best response."

A pandemic that came with lockdown variants is an unusual time to take over the helm of a major property development company. More than four months have passed since then and Sufian has yet to meet 75% of the staff.

"It's surreal, walking into an empty office. But the last four months have been a period of learning and absorption for me and I hope it is the same for everyone as well. I think there is a greater understanding of what UEM Sunrise is all about in its entire culture and ambition," he says.

Sufian was the CEO of KWEST Sdn Bhd, the property arm of Kumpulan Wang Persaraan (Diperbadankan), before joining UEM Sunrise. He had also worked at Sime Darby Property.

While the pandemic has been challenging for many businesses, including UEM Sunrise, it also offers a unique opportunity for the property developer.

"I see it as an opportunity for us to reset, looking at where we have been, what we can improvise on, and explore new things that we can bring to the market. We are at a transformative point where there are opportunities that have come out of adversity. There are several things we are in the midst of designing and working out.

"We are in a good position to respond to how people live, move, connect and how businesses behave.

“We are in a good position to respond to how people live, move, connect and how businesses behave. What kind of solutions can we put forth? This will be reflected in our future product portfolio.”

— Sufian



ZAHID IZZANI/THE EDGE

What kind of solutions can we put forth? This will be reflected in our future product portfolio," says Sufian.

"It allows us to rethink the type of materials we use, the level of ventilation that we need to introduce for our houses. It pushes us to stimulate the performance of our houses and see the level of air change and natural light that comes into the room as well as the level of interaction one would have when picking up packages."

The rethinking also involves construction which, Sufian suggests, may have a greater degree of pre-fabrication in the future to minimise workers interacting in close proximity.

"This involves a controlled environment where there is a lot of precision engineering and much of this will need to be completed to a certain degree before reaching the site. So, the pandemic has allowed us to ask a broader and deeper set of questions on how we design, produce and construct," he notes.

The developer recently conducted a design workshop for its team in the southern region, which has had a productive outcome, says Sufian. The workshop was done both virtually and in person.

"It was 2½ days of total immersion. Everyone had to walk through the site. Some members of the team had never experienced the site, so it was quite refreshing for them. Now they can see things on the ground level and humanise the perspective rather than just looking at the master plan. This process had been somewhat lost within the organisation and we want to bring it back as a connective effort, so everyone will have a collective consciousness on what needs to be done rather than tackling things in bits and pieces," shares Sufian.

## Continued momentum

As 2021 dawned, cautious optimism was in the air, partly brought on by the improved market sentiment and performance in the second half of 2020.

"This year, we want to continue the momentum we have gained in the last two quarters. It has been a period of recovery and the sales numbers have been very encouraging. We are also very encouraged by how well we have been able to adapt and improvise in engaging our customers," says Sufian.

UEM Sunrise posted a net loss of RM4.32 million for the first quarter ended March 31, down from a net loss of RM22.15 million a year ago. Its revenue rose 29.02% to RM252.69 million, driven by higher progressive billings and construction progress of local developments. The developer has a sales target of RM1.2 billion for 2021.

The group has a "modest launch plan" this year, featuring more affordable and attainable products. It targets to launch projects with a total gross development value (GDV) of RM943 million in the central region, and projects with a total GDV of RM320 million in the southern region. Sufian believes there is still a need in the market for housing for the middle-income and lower-middle-income groups, hence the developer launched the leasehold KAIA Heights in Seri Kembangan in April.

The 19.24-acre hilltop high-rise residence in Equine Park has a GDV of RM350 million and comprises 924 units spread over four blocks. It features six acres of preserved nature and eight acres of landscape and facilities. With built-ups of 972 to 1,437 sq ft, the units are priced from RM567,800. Phase 1 will have two 30-storey towers with a total of 517 units.

## Upcoming launches

PROJECT NAME	LOCATION	PRODUCT TYPE	BUILT-UPS (SQ FT)	GDV (RM MIL)	SELLING PRICE (RM)	LAUNCH DATE
Phase 1J2, Serene Heights	Bangi	2-storey twin villas	2,126	NA	Tentatively from 1.119 mil	Tentatively 2H2021
Phase 1J1, Serene Heights	Bangi	2-storey garden cluster houses	2,126	NA	Tentatively from 848,800	Tentatively 2H2021
Senadi Kedai Kos Sederhana	Iskandar Puteri, Johor	1-storey terraced shops	926 and 1,052	NA	200,000 to 240,000	NA
Serassa Greens	Iskandar Puteri, Johor	2-storey terraced houses	From 1,750	394	From 480,000	Tentatively 3Q2021
TBA	Taman Pertama, Cheras	High-rise residences	866 to 1,100	473	432,500 to 549,000	Tentatively 4Q2021



“KAIA Heights is an exciting new adventure for us because it is our first project in Seri Kembangan. We hope it will be the introduction to our more attainable product range in the Klang Valley because we have always been associated with the Mont’Kiara type of properties.

“We are targeting a market segment that is looking for an accommodating residential property with an affordable price range, good services, and located in a mature community with all the amenities and services. We are coming in to complement what is already there. In the first month, we had 30% registered sales — double the leads we had hoped to convert. That’s pretty encouraging,” says Sufian.

A much-talked-about project is Kiara Bay in Kepong, a 73-acre township that is a joint venture with Melati Ehsan Group. The development has a GDV of RM15 billion and will comprise three main districts — The Waters, The Walk and The Village. The Walk will house the commercial component while The Village will be a compact community cluster. The Waters will be a lakefront district with landmark towers and a waterfront dining and leisure space. An interim waterfront retail space called The Beat will be opened later this year. It will have 22 retail units, a grocer and a Starbucks drive-thru.

The first phase of Kiara Bay, Residensi AVA, was launched at end-2019. Located at The Walk, it comprises 870 units spread across two 41-storey towers, with built-ups of 813 to 1,285 sq ft and priced from RM567,800. Scheduled for completion in 2024, both towers have a take-up rate of 70%.

Sufian notes that some people have said Kiara Bay is like Mont’Kiara 2.0 and a banker even asked him if the developer will be bringing in Korean and Japanese expatriates to Kepong.

“Not necessarily. Mont’Kiara was something we built over time. Here, we have the chance to build in a more organised fashion. It is an opportunity for us to see how an urban community can live, especially surrounded by an already mature population. We knew exactly the kind of services we would need to curate, the offerings we would put forth and the level of amenities we would be introducing to the area. So, there are a lot of lessons learnt from Mont’Kiara,” he shares.

The developer is also building its land bank in the central region to fulfil its rollout plan for the next five years. “We have identified several products that we think will be something new for us and the market. This will be seen in the future master plan we will be developing for the parcel in Section 13, Petaling Jaya,” says Sufian.

UEM Sunrise acquired a 9.93-acre leasehold piece of factory land from Dutch Lady Milk Industries Bhd for RM200 million in March. The developer plans to build a RM1.3 billion mixed-use development there. It has also acquired land in the vicinity of transit stations to develop targeted products for young professionals.

In Cheras, the group acquired a 6.86-acre parcel for RM197 million in June. Located close to the



Taman Connaught MRT station, it is slated for a development with a GDV of over RM1 billion that will be launched in two phases, with the first phase kicking off in 2H2022.

UEM Sunrise has a total land bank of 634.2 acres with a GDV of RM30.2 billion in the central region, including Seremban, and 8,627 acres with a GDV of RM77.4 billion in the southern region.

“We are focusing on our land bank and it involves a rebalancing. Some of the assumptions that we had when we first embarked on the projects, we now need to objectively determine if they are still valid. We are having a total relook at our portfolio to see how we can improve the value proposition of the projects,” says Sufian.

### Staying agile

One of the first things Sufian did when he joined UEM Sunrise was to have an in-depth discussion with its risk manager. “We came to an agreement that given the current situation, we should prepare ourselves in the event of a lockdown. Now there is a level of preparedness, consciousness, agility and nimbleness.”

He cites the recent temporary closure of several malls, including Publika, that were identified as high-risk facilities under the government’s Hotspot Identification for Dynamic Engagement (HIDE) system as an example.

“The retail team knew exactly what to do. Within six hours, we had a total shutdown of the mall. Moving forward, the risk assessment will gain a level of complexity that will allow us to have a bit more foresight on how it will impact our profit and loss,” says Sufian.

He is well aware of the challenges that await the company, especially in an uncertain environment. “We are conscious of the fact that realistic returns in general are being compromised and when that happens, there is a domino effect on residential



The group’s developments in Greater Kuala Lumpur include KAIA Heights in Seri Kembangan (top) and Verna Park Terrace in Serene Heights, Bangi (above)

Below: The 73-acre Kiara Bay in Kepong has a GDV of RM15 billion



products. So, you have to ask yourself, do you want to take the risk [of buying a property] or just put your money in a fixed deposit or unit trust and the like? Our customers will weigh their options.”

Sufian recalls a report he read back in 2011, which showed that close to 70% of the urban population cannot afford to buy a home. “These are the people who don’t qualify for low-cost housing but they don’t earn enough to pay mortgages. And rental is almost cost-prohibitive. There is currently a positive trend in buying properties, leveraging the low interest rate — but with returns getting lower and lower, you have to ask yourself if it’s worth it and what would make it worthwhile. That is where we come in.”

It is evident from Sufian’s optimism and cheerfulness that he relishes the role he has taken on. He has a clear management style — one that is inclusive and collaborative.

“I have several commandments that I live by. One is to surround yourself with smart people. Second, you can’t always think you’re the smartest person in the room, and third, there is always a positive outcome from collective effort. Everyone should put their best ideas forward and drop their ego. You may have the skills and ideas but it means squat if you can’t put it into action, as to do that would require contribution from other people. I welcome input and participation from everyone and welcome the spirit of putting your best foot forward. This can create a collective level of consciousness.”

And what does the newly minted CEO do in his downtime? Cover Taylor Swift’s songs with his daughter, of course. “I try to play the guitar and my daughter does all the singing,” he chuckles.

Photography is one of his passions. Judging by the photos showcased on his Instagram, which features a mix of landscape, architecture and shots of everyday life, it is something he excels at.

“On my 40th birthday, my kids wanted to dig up old photos of my student days in the UK but all they could find were photos of buildings. All I did was take photos of buildings!” he laughs.

Before signing off, Sufian summarises his approach to work and life in one phrase — *carpe diem*. It would appear that he is indeed seizing the day and has hit the ground running as CEO of UEM Sunrise. **E**