

**SIME DARBY PROPERTY'S FY2020 SALES ACHIEVEMENT OF RM2.0 BILLION
EXCEEDS TARGET**

Targeting Sales of RM2.4 Billion on the back of New Launches of RM2.5 Billion for FY2021

ARA DAMANSARA, 25 FEBRUARY 2021 – Sime Darby Property Berhad (“Sime Darby Property” or “the Group”) posted revenue of RM2.1 billion and a Loss Before Interest and Tax (“LBIT”) of RM509.9 million for its full financial year ended 31 December 2020 in a market impacted by COVID-19.

Full year results also reflected asset impairment cost including the already announced impairment loss from the Battersea Power Station project, as well as write-down/write-off of inventories and provisions totalling RM620.3 million.

Excluding these impairments arising from COVID-19, Sime Darby Property was on target to post a Profit Before Interest and Tax (“PBIT”) of **RM110.4 million** for the full financial year ended 31 December 2020.

Fourth quarter revenue ending 31 December 2020, was pegged at RM705.2 million, 19% higher compared to the preceding quarter, with 95% of revenue arising from the Group’s Property Development division. This increase in revenue was due to higher property sales and on-site development activities such as KL East, KLGCC Resort, Taman Melawati, City of Elmina, Bandar Bukit Raja, Serenia City, Bandar Ainsdale, Nilai Utama and Senada Residences.

The quarter-on-quarter results also improved with LBIT narrowing down by 84.4% to RM53.3 million as compared to RM342.3 million in the preceding quarter on the back of lower impairments.

Excluding the write-down/write-off of inventories and provisions totalling RM93.4 million for the current quarter and RM436.6 million for the preceding quarter, the Group would have registered a PBIT of **RM40.1 million** and **RM94.3 million** for the respective quarters. Group performance was also impacted by the various Movement Control Orders which affected sales and marketing activities.

Higher sales achieved while navigating challenges in 2020.

The Group achieved total sales of **RM2.0 billion**, **43%** higher than the revised sales target of RM1.4 billion. About 36% of the total sales were generated in the fourth quarter itself, facilitated by the historically low Overnight Policy Rate (“OPR”) environment, as well as the re-introduction of the Home Ownership Campaign in June 2020.

The Group also successfully opened its first fully-owned retail mall, KL East Mall in November 2020 with over 200,000 visitors in the opening week.

“We have always put the customer first, which underpins our brand legacy. This has continued to drive our sales in a tough COVID-19 impacted economy, helping us beat our target by notching up RM2.0 billion in sales,” said Sime Darby Property Group Managing Director, Dato’ Azmir Merican.

He said that launches undertaken in FY2020 has seen a record average take-up of **88%** for new launches which underlines the Group’s strategy of having the right product mix at the right price points in well-located townships.

“In navigating the new environment, we varied our campaign methods by not just focusing on our products but also the importance of our communities through the #BERSAMA campaign, creating a sense of unison as well as celebrating everyday unsung heroes and frontliners.” said Azmir.

2021 outlook and launch plans.

The property market will continue to experience pressures arising from uncertain market sentiment accelerated by the COVID-19 pandemic; the temporary closures and economic limitations imposed to stem the spread of the virus have affected the Group’s performance in segments like retail and leisure (malls, golf courses, convention centre).

Sime Darby Property nevertheless has set a higher sales target of **RM2.4 billion**, as compared to 2020. For 2021, the Group will launch projects with a Gross Development Value (GDV) of approximately **RM2.5 billion**; this includes a product mix of both landed and high-rise residentials, as well as industrial and commercial offerings.

“Our focus now is to restore the Group’s profitability and achieve our ambitious sales target for 2021. We have identified areas where we can further harness business opportunities amidst the ongoing pandemic, are stepping up our customer experience efforts to meet customers’ needs for homes with the right price and sales experiences that are safe and convenient,” Azmir added.

Key launches in 2021 under the Industrial & Logistics segment include Stage 1 of Elmina Business Park comprising 303 industrial units and 78 commercial units with a GDV of **RM1.26 billion** in the second quarter of the year. The Group will also expand product offerings to include its first multi-tenant ready built warehouse with a GDV of **RM530 million** in Bandar Bukit Raja Industrial Gateway.

Under the residential segment, the Group will in March unveil the luxury high-rise Jendela Residences located in the flagship KLGCC Resort township, with a GDV of approximately **RM900 million**.

This will be the first of the Group's residential high-rise projects to be launched in 2021, which will diversify Sime Darby Property's residential product mix.

The Group's financial position remains resilient, underpinned by cash balances of RM801.8 million, healthy unbilled sales of RM1.58 billion and low net gearing ratio of 0.28 times as at 31 December 2020, as well as bookings of RM0.8 billion as at 14 February 2021.

ENDS

About Sime Darby Property Berhad

Sime Darby Property is a leading property developer with a strong success rate of developing sustainable communities for over 48 years. With 24 active townships/developments, Sime Darby Property has a wide reach that encompasses assets and operations across the country. It marks its presence in the UK as part of a Malaysian consortium to develop the iconic Battersea Power Station Project in central London.

As a responsible corporate player, Sime Darby Property and its philanthropic arm Yayasan Sime Darby (YSD) actively roll out various initiatives to assist the underprivileged communities living within and nearby its townships nationwide. A multi award-winning property group with numerous international and local accolades, Sime Darby Property is the only Malaysian property developer to be selected as an index component of Dow Jones Sustainability Indices (DJSI) for two consecutive years in 2018 and 2019.

It is also the first Malaysian property developer to be awarded the International FIABCI Prix d'Excellence Awards twice for its Subang Jaya and UEP Subang Jaya townships. The company bagged its 10th consecutive Gold at the Putra Brand Awards 2019 and its 9th Top 10 Developers Awards at the BCI Asia 2020.

Sime Darby Property has also been recognised as among the top developers in Malaysia in the annual The Edge Top Property Developers Awards, a recognition which the company consistently receives since 2009. For more information, log on to www.simedarbyproperty.com

MEDIA CONTACT:

*Izzat Alhadjri
Head, Corporate Communications
Sime Darby Property Berhad*

*E-mail: izzat.abdul.aziz@simedarbyproperty.com
Mobile: 019-218 0792*