

## QUARTERLY REPORT

On the consolidated results for the first quarter ended 31 March 2022

The Directors hereby announce the following:

### Unaudited Condensed Consolidated Statement of Profit or Loss Amounts in RM thousand unless otherwise stated

	Note	Quarter ended 31 March		% + / (-)
		2022	2021 Restated	
Revenue	A8	480,327	588,769	(18.4)
Cost of sales		(347,083)	(424,330)	
Gross profit		133,244	164,439	(19.0)
Other income		4,758	3,628	
Selling and marketing expenses		(11,923)	(20,708)	
Administrative expenses		(50,814)	(37,922)	
Operating profit		75,265	109,437	
Share of results of joint ventures		536	(2,281)	
Share of results of associates		882	(152)	
Other gains/(losses)		7,019	(3,233)	
<b>Profit before interest and tax</b>	A7	<b>83,702</b>	103,771	(19.3)
Finance income		24,166	26,010	
Finance costs		(24,697)	(28,917)	
<b>Profit before tax</b>		<b>83,171</b>	100,864	(17.5)
Tax expense	B6	(26,991)	(28,950)	
<b>Profit for the period</b>		<b>56,180</b>	71,914	(21.9)
<b>Attributable to:</b>				
- owners of the Company		51,837	66,044	(21.5)
- non-controlling interests		4,343	5,870	
<b>Profit for the period</b>		<b>56,180</b>	71,914	(21.9)
<b>Basic and diluted earnings per share attributable to owners of the Company (sen)</b>	B10	<b>0.8</b>	1.0	(21.5)

The unaudited Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 31 December 2021.

**SIME DARBY PROPERTY BERHAD**  
**Registration No: 197301002148 (15631-P)**

**Unaudited Condensed Consolidated Statement of Comprehensive Income**  
**Amounts in RM thousand unless otherwise stated**

	Quarter ended 31 March		%
	2022	2021 Restated	+/(-)
<b>Profit for the period</b>	<u><b>56,180</b></u>	<u>71,914</u>	(21.9)
<b>Other comprehensive income</b>			
<b>Items which will subsequently be reclassified to profit or loss (net of tax):</b>			
Currency translation differences	(47,181)	96,712	
Reclassified to profit or loss:			
Currency translation differences on disposal of a subsidiary	(1,654)	–	
<b>Items which will not subsequently be reclassified to profit or loss (net of tax):</b>			
Share of other comprehensive gain of an associate	<u>1,828</u>	<u>–</u>	
Other comprehensive (loss)/income for the period	<u>(47,007)</u>	<u>96,712</u>	(148.6)
<b>Total comprehensive income for the period</b>	<u><b>9,173</b></u>	<u>168,626</u>	(94.6)
<b>Attributable to:</b>			
- owners of the Company	<u>4,836</u>	162,457	(97.0)
- non-controlling interest	<u>4,337</u>	<u>6,169</u>	
<b>Total comprehensive income for the period</b>	<u><b>9,173</b></u>	<u>168,626</u>	(94.6)

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 31 December 2021.

**SIME DARBY PROPERTY BERHAD**  
**Registration No: 197301002148 (15631-P)**

**Unaudited Condensed Consolidated Statement of Financial Position**  
**Amounts in RM thousand unless otherwise stated**

	Note	Unaudited As at 31 March 2022	Restated As at 31 December 2021	Restated As at 1 January 2021
<b><u>Non-current assets</u></b>				
Property, plant and equipment		604,199	615,247	626,178
Investment properties		983,693	987,286	922,085
Inventories (Note 1)		3,850,066	3,869,520	4,474,282
Joint ventures		3,323,453	3,252,413	2,541,778
Associates		154,258	145,068	145,177
Investments		53,418	53,418	56,276
Intangible assets		7,554	7,258	5,721
Deferred tax assets		623,209	620,605	614,928
Receivables		68,784	84,189	91,133
Contract assets		1,234,820	1,248,336	1,255,602
		<b>10,903,454</b>	<b>10,883,340</b>	<b>10,733,160</b>
<b><u>Current assets</u></b>				
Inventories (Note 1)		1,906,177	1,922,797	1,760,043
Receivables		581,610	716,198	625,377
Contract assets		1,208,665	1,097,673	1,123,772
Prepayment		27,129	15,468	7,794
Tax recoverable		30,733	31,607	32,203
Cash held under Housing Development Accounts		300,342	291,466	345,486
Bank balances, deposits and cash		555,413	618,198	456,351
		<b>4,610,069</b>	<b>4,693,407</b>	<b>4,351,026</b>
<b>Total assets</b>	A7	<b>15,513,523</b>	<b>15,576,747</b>	<b>15,084,186</b>
<b><u>Equity</u></b>				
Share capital		6,800,839	6,800,839	6,800,839
Fair value reserve		33,546	31,718	35,151
Exchange reserve		56,216	105,045	42,560
Retained profits		2,550,819	2,498,982	2,407,207
<b>Attributable to owners of the Company</b>		<b>9,441,420</b>	<b>9,436,584</b>	<b>9,285,757</b>
Non-controlling interests		192,097	189,664	182,288
<b>Total equity</b>		<b>9,633,517</b>	<b>9,626,248</b>	<b>9,468,045</b>
<b><u>Non-current liabilities</u></b>				
Payables		78,529	82,831	79,184
Borrowings	B8	2,655,726	2,756,363	3,033,927
Lease liabilities		39,552	45,936	66,057
Provisions		138,321	136,612	131,188
Contract liabilities		243,582	243,757	244,937
Deferred tax liabilities		207,602	205,076	193,110
		<b>3,363,312</b>	<b>3,470,575</b>	<b>3,748,403</b>

**SIME DARBY PROPERTY BERHAD**  
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**Unaudited Condensed Consolidated Statement of Financial Position (continued)**  
**Amounts in RM thousand unless otherwise stated**

	Unaudited As at 31 March 2022	Restated As at 31 December 2021	Restated As at 1 January 2021
<b><u>Current liabilities</u></b>			
Payables	970,623	1,016,242	1,248,094
Borrowings	1,137,792	1,075,237	292,542
Lease liabilities	19,843	20,812	16,880
Provisions	108,519	110,101	116,681
Contract liabilities	259,889	230,757	134,241
Tax provision	20,028	26,775	59,300
	<u>2,516,694</u>	<u>2,479,924</u>	<u>1,867,738</u>
<b>Total liabilities</b>	<u>5,880,006</u>	<u>5,950,499</u>	<u>5,616,141</u>
<b>Total equity and liabilities</b>	<u>15,513,523</u>	<u>15,576,747</u>	<u>15,084,186</u>
Net assets per share attributable to owners of the Company (RM)	<u>1.39</u>	<u>1.39</u>	<u>1.37</u>

**Note:**

**1. Inventories**

Ongoing development	1,604,000	1,592,449	1,184,936
Completed development units	301,509	329,572	573,640
Others	668	776	1,467
	<u>1,906,177</u>	<u>1,922,797</u>	<u>1,760,043</u>
Not within normal operating cycle	3,850,066	3,869,520	4,474,282
	<u>5,756,243</u>	<u>5,792,317</u>	<u>6,234,325</u>

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 31 December 2021.

**SIME DARBY PROPERTY BERHAD**  
**Registration No: 197301002148 (15631-P)**

**Unaudited Condensed Consolidated Statement of Changes in Equity**  
**Amounts in RM thousand unless otherwise stated**

	Note	Share capital	Fair value reserve	Exchange reserve	Retained profits	Attributable to owners of the Company	Non-controlling interests	Total equity
<b>Quarter ended 31 March 2022</b>								
<b>At 1 January 2022</b>								
- as previously stated		6,800,839	31,718	104,133	2,204,704	9,141,394	185,143	9,326,537
- effect of the adoption of fair value model for investment properties	A1(d)	–	–	912	294,278	295,190	4,521	299,711
- as restated		6,800,839	31,718	105,045	2,498,982	9,436,584	189,664	9,626,248
Profit for the period		–	–	–	51,837	51,837	4,343	56,180
Other comprehensive income/(loss)		–	1,828	(47,175)	–	(45,347)	(6)	(45,353)
Disposal of a subsidiary		–	–	(1,654)	–	(1,654)	–	(1,654)
Total comprehensive income/(loss) for the period		–	1,828	(48,829)	–	(47,001)	(6)	(47,007)
Transaction with owners:								
- Disposal of a subsidiary		–	–	–	–	–	(1,904)	(1,904)
<b>At 31 March 2022</b>		<b>6,800,839</b>	<b>33,546</b>	<b>56,216</b>	<b>2,550,819</b>	<b>9,441,420</b>	<b>192,097</b>	<b>9,633,517</b>
<b>Quarter ended 31 March 2021</b>								
<b>Restated</b>								
<b>At 1 January 2021</b>								
- as previously stated		6,800,839	35,151	42,046	2,135,808	9,013,844	179,529	9,193,373
- effect of the adoption of fair value model for investment properties	A1(d)	–	–	514	271,399	271,913	2,759	274,672
- as restated		6,800,839	35,151	42,560	2,407,207	9,285,757	182,288	9,468,045
Profit for the period		–	–	–	66,044	66,044	5,870	71,914
Total comprehensive income for the period		–	–	96,413	–	96,413	299	96,712
At 31 March 2021		6,800,839	35,151	138,973	2,473,251	9,488,214	188,457	9,636,671

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 31 December 2021.

**SIME DARBY PROPERTY BERHAD**  
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**Unaudited Condensed Consolidated Statement of Cash Flows**  
**Amounts in RM thousand unless otherwise stated**

Note	Quarter ended	
	2022	2021 Restated
<b>Cash flow from operating activities</b>		
Profit for the period	56,180	71,914
Adjustments for:		
Share of results of joint ventures and associates	(1,418)	2,433
Depreciation and amortisation	8,452	8,855
Fair value loss on investment properties	3,173	2,481
Impairment of receivables	764	830
Gain on disposal of a subsidiary	(8,948)	–
Finance income	(24,166)	(26,010)
Finance costs	24,697	28,917
Tax expense	26,991	28,950
Others	(1,279)	(31)
	<u>84,446</u>	<u>118,339</u>
<b>Changes in working capital:</b>		
- inventories, receivables and other assets	108,674	89,552
- payables, provisions and other liabilities	(25,448)	(156,727)
<b>Cash from operations</b>	<u>167,672</u>	<u>51,164</u>
Tax paid	(32,393)	(36,174)
Dividend received from an investment	153	–
<b>Net cash from operating activities</b>	<u>135,432</u>	<u>14,990</u>
<b>Cash flow from investing activities</b>		
Finance income received	1,912	1,899
Net cash inflow from disposal of a subsidiary	9,714	–
Purchase/addition of:		
- property, plant and equipment	(2,219)	(1,405)
- investment properties	(894)	(4)
- intangible assets	(919)	(15)
Subscription of shares in joint ventures	(132,669)	(121,272)
Advances to an associate	(5,856)	(775)
<b>Net cash used in investing activities</b>	<u>(130,931)</u>	<u>(121,572)</u>
<b>Cash flow from financing activities</b>		
Finance costs paid	(23,181)	(23,868)
Net (repayments)/proceeds from borrowings	(30,185)	78,842
Repayments of lease liabilities	(4,849)	(4,156)
<b>Net cash (used in)/from financing activities</b>	<u>(58,215)</u>	<u>50,818</u>
<b>Net changes in cash and cash equivalents</b>	<u>(53,714)</u>	<u>(55,764)</u>
Foreign exchange differences	(195)	241
Cash and cash equivalents at beginning of the period	<u>909,664</u>	<u>801,837</u>
<b>Cash and cash equivalents at end of the period</b>	<u>855,755</u>	<u>746,314</u>

For the purpose of the Condensed Consolidated Statement of Cash Flows, cash and cash equivalents comprised the following:

Cash held under Housing Development Accounts	300,342	334,431
Bank balances, deposits and cash	555,413	411,883
	<u>855,755</u>	<u>746,314</u>

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 31 December 2021.

**SIME DARBY PROPERTY BERHAD**  
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Explanatory Notes on the Quarterly Report – 31 March 2022  
Amounts in RM thousand unless otherwise stated

**EXPLANATORY NOTES**

This interim financial report is prepared in accordance with the requirements of Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and complied with the requirements of the Malaysian Financial Reporting Standard (“MFRS”) 134 – Interim Financial Reporting and other MFRS issued by the Malaysian Accounting Standards Board (“MASB”).

The interim financial report is unaudited and should be read in conjunction with the Group’s audited consolidated financial statements for the financial year ended 31 December 2021.

**A. EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A1. Basis of Preparation**

The accounting policies and presentation adopted for this interim financial report are consistent with those adopted for the audited consolidated financial statements for the financial year ended 31 December 2021 except as described below.

- a. Accounting pronouncements that have been newly adopted for this interim financial period:

Amendments to MFRS 3	Reference to Conceptual Framework
Amendments to MFRS 116	Property, Plant and Equipment – Proceeds before Intended Use
Amendments to MFRS 137	Onerous Contracts – Cost of Fulfilling a Contract
Annual Improvements to MFRS 1	Subsidiary as First-time Adopter
Annual Improvements to MFRS 9	Fees in the ‘10 percent’ Test for Derecognition of Financial Liabilities
Annual Improvements to Illustrative Example accompanying MFRS 16	Leases: Lease Incentives
Annual Improvements to MFRS 141	Taxation in Fair Value Measurements

The adoption of the above did not result in any significant changes to the Group’s results and financial position.

- b. Accounting pronouncements that are not yet effective are set out below:

MFRS 17 and related amendments	Insurance Contracts
Amendments to MFRS 17 Insurance Contracts	Initial Application of MFRS 17 and MFRS 9 – Comparative Information
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current
Amendments to MFRS 101, MFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

- c. Accounting pronouncement where the effective date has been deferred to a date to be determined by the MASB is set out below:

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to MFRS 10 and MFRS 128)

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Explanatory Notes on the Quarterly Report – 31 March 2022  
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**A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (continued)**

**A1. Basis of Preparation (continued)**

- d. Adoption of fair value model on investment properties (“FV model for IP”) and reclassification

During the financial period, the Group had reassessed the current accounting policy for investment properties and has changed its accounting policy on the measurement of the Group’s investment properties from the cost model to the fair value model. The fair value model provides better financial performance measures, makes the Group’s results more comparable with its peers which adopt the fair value model, and is in line with the Group’s business strategy to grow its assets under management.

Under the fair value model, investment properties of the Group are measured at fair value except for investment properties under construction which are measured at cost until either the fair value becomes reliably determinable or when construction is completed, whichever is earlier. Fair value is based on active market prices, adjusted if necessary for differences in the nature, location or condition of the specific asset. Changes in fair values are recognised in profit or loss.

Along with the change to fair value model, the Group has also affected certain reclassifications to more appropriately reflect the nature of the cost capitalised and expensed off as follows:

- reclassification of fit-out costs from investment properties to non-current and current lease receivables; and consequently,
- reclassification of the amortisation of fit-out costs as lease incentives from cost of sales to revenue.

The reclassifications have no effect on (1) the profit for the current and previous financial year; and (2) retained earnings.



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Explanatory Notes on the Quarterly Report – 31 March 2022  
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**A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (continued)**

**A1. Basis of Preparation (continued)**

- d. Adoption of fair value model on investment properties (“FV model for IP”) and reclassification (continued):

The change in accounting policy to the FV model for IP and the above-mentioned reclassification was applied retrospectively and the effects of this change on the results for the first quarter ended 31 March 2021 and the financial positions as at 1 January 2021 and 31 December 2021 are presented below:

- (i) Reconciliation of statement of profit or loss for the quarter ended 31 March 2021

	<b>Quarter ended 31 March 2021</b>			
	Pre- adoption of FV model for IP	Effects of adoption of FV model for IP	Reclassi- -fication	Post- adoption of FV model for IP
Revenue	589,487	–	(718)	588,769
Cost of sales	(431,322)	6,274	718	(424,330)
Gross profit	158,165	6,274	–	164,439
Other income	3,628	–	–	3,628
Selling and marketing expenses	(20,708)	–	–	(20,708)
Administrative expenses	(37,998)	76	–	(37,922)
Operating profit	103,087	6,350	–	109,437
Share of results of joint ventures	(4,273)	1,992	–	(2,281)
Share of results of associates	(152)	–	–	(152)
Other losses	(752)	(2,481)	–	(3,233)
Profit before interest and tax	97,910	5,861	–	103,771
Finance income	26,010	–	–	26,010
Finance costs	(28,917)	–	–	(28,917)
Profit before tax	95,003	5,861	–	100,864
Tax expense	(28,950)	–	–	(28,950)
Profit for the period	66,053	5,861	–	71,914
Attributable to:				
- owners of the Company	60,607	5,437	–	66,044
- non-controlling interests	5,446	424	–	5,870
Profit for the period	66,053	5,861	–	71,914
Basic and diluted earnings per share attributable to owners of the Company (sen)	0.9	0.1	–	1.0

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Explanatory Notes on the Quarterly Report – 31 March 2022  
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**A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (continued)**

**A1. Basis of Preparation (continued)**

- d. Adoption of fair value model on investment properties (“FV model for IP”) and reclassification (continued):

The change in accounting policy to the FV model for IP and the above-mentioned reclassification was applied retrospectively and the effects of this change on the results for the first quarter ended 31 March 2021 and the financial positions as at 1 January 2021 and 31 December 2021 are presented below: (continued)

- (ii) Reconciliation of statement of financial position as at 1 January 2021

	Pre-adoption of FV model for IP	Effects of adoption of FV model for IP	Reclassi- -fication	Post-adoption of FV model for IP
<u>Non-current assets</u>				
Investment properties	709,030	226,115	(13,060)	922,085
Joint ventures	2,476,101	65,677	–	2,541,778
Associates	139,142	6,035	–	145,177
Deferred tax assets	617,535	(2,607)	–	614,928
Receivables	80,790	–	10,343	91,133
Other non-current assets	6,418,059	–	–	6,418,059
	<u>10,440,657</u>	<u>295,220</u>	<u>(2,717)</u>	<u>10,733,160</u>
<u>Current assets</u>				
Receivables	622,660	–	2,717	625,377
Other current assets	3,725,649	–	–	3,725,649
	<u>4,348,309</u>	<u>–</u>	<u>2,717</u>	<u>4,351,026</u>
Total assets	<u>14,788,966</u>	<u>295,220</u>	<u>–</u>	<u>15,084,186</u>
<u>Equity</u>				
Attributable to owners of the Company	9,013,844	271,913	–	9,285,757
Non-controlling interests	179,529	2,759	–	182,288
	<u>9,193,373</u>	<u>274,672</u>	<u>–</u>	<u>9,468,045</u>
<u>Non-current liabilities</u>				
Deferred tax liabilities	172,562	20,548	–	193,110
Other non-current liabilities	3,555,293	–	–	3,555,293
	<u>3,727,855</u>	<u>20,548</u>	<u>–</u>	<u>3,748,403</u>
Current liabilities	<u>1,867,738</u>	<u>–</u>	<u>–</u>	<u>1,867,738</u>
Total liabilities	<u>5,595,593</u>	<u>20,548</u>	<u>–</u>	<u>5,616,141</u>
Total equity and liabilities	<u>14,788,966</u>	<u>295,220</u>	<u>–</u>	<u>15,084,186</u>

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**A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (continued)**

**A1. Basis of Preparation (continued)**

- d. Adoption of fair value model on investment properties (“FV model for IP”) and reclassification (continued):

The change in accounting policy to the FV model for IP and the above-mentioned reclassification was applied retrospectively and the effects of this change on the results for the first quarter ended 31 March 2021 and the financial positions as at 1 January 2021 and 31 December 2021 are presented below: (continued)

- (iii) Reconciliation of statement of financial position as at 31 December 2021

	Pre-adoption of FV model for IP	Effects of adoption of FV model for IP	Reclassi- -fication	Post-adoption of FV model for IP
<u>Non-current assets</u>				
Investment properties	774,002	225,236	(11,952)	987,286
Joint ventures	3,161,988	90,425	–	3,252,413
Associates	138,035	7,033	–	145,068
Deferred tax assets	623,212	(2,607)	–	620,605
Receivables	75,152	–	9,037	84,189
Other non-current assets	5,793,779	–	–	5,793,779
	<u>10,566,168</u>	<u>320,087</u>	<u>(2,915)</u>	<u>10,883,340</u>
<u>Current assets</u>				
Receivables	713,283	–	2,915	716,198
Other current assets	3,977,209	–	–	3,977,209
	<u>4,690,492</u>		<u>2,915</u>	<u>4,693,407</u>
<b>Total assets</b>	<b><u>15,256,660</u></b>	<b><u>320,087</u></b>	<b><u>–</u></b>	<b><u>15,576,747</u></b>
<u>Equity</u>				
Attributable to owners of the Company	9,141,394	295,190	–	9,436,584
Non-controlling interests	185,143	4,521	–	189,664
	<u>9,326,537</u>	<u>299,711</u>	<u>–</u>	<u>9,626,248</u>
<u>Non-current liabilities</u>				
Deferred tax liabilities	184,700	20,376	–	205,076
Other non-current liabilities	3,265,499	–	–	3,265,499
	<u>3,450,199</u>	<u>20,376</u>	<u>–</u>	<u>3,470,575</u>
<b>Current liabilities</b>	<b><u>2,479,924</u></b>	<b><u>–</u></b>	<b><u>–</u></b>	<b><u>2,479,924</u></b>
<b>Total liabilities</b>	<b><u>5,930,123</u></b>	<b><u>20,376</u></b>	<b><u>–</u></b>	<b><u>5,950,499</u></b>
<b>Total equity and liabilities</b>	<b><u>15,256,660</u></b>	<b><u>320,087</u></b>	<b><u>–</u></b>	<b><u>15,576,747</u></b>

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**A2. Seasonal or Cyclical Factors**

The Group's operations are not affected by seasonal or cyclical factors.

**A3. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no material unusual items affecting the Group's assets, liabilities, equity, net income, or cash flows during the financial period under review.

**A4. Material Changes in Estimates**

There were no material changes in the estimates of amounts reported in prior financial years that have a material effect on the results for the current period under review.

**A5. Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial period under review.

The Company has 6,800,839,377 ordinary shares in issue as at 31 March 2022.

**A6. Dividend Paid**

No dividend was declared and paid during the first quarter ended 31 March 2022.

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**A7. Segment Information**

The Group has three (3) reportable business segments - property development, investment and asset management and leisure. The Senior Management of the Group reviews the operations and performance of the respective business segments on a regular basis and their respective performances are as follows:

**a. Segment results**

	Property Development	Investment and Asset Management	Leisure	Elimination	Total
<b>Quarter ended 31 March 2022</b>					
<b>Revenue:</b>					
External	435,747	25,244	19,336	-	480,327
Inter-segment	83	1,999	1,211	(3,293)	-
	<b>435,830</b>	<b>27,243</b>	<b>20,547</b>	<b>(3,293)</b>	<b>480,327</b>
Cost of sales	(324,895)	(12,783)	(10,307)	902	(347,083)
Gross profit	110,935	14,460	10,240	(2,391)	133,244
Other income	4,717	31	74	(64)	4,758
Selling and marketing expenses	(11,567)	(208)	(148)	-	(11,923)
Administrative expenses	(37,322)	(4,967)	(10,980)	2,455	(50,814)
Operating profit/(loss)	66,763	9,316	(814)	-	75,265
Share of results of joint ventures and associates	(1,012)	2,430	-	-	1,418
Segment results	65,751	11,746	(814)	-	76,683
Other gains/(losses)	196	(2,239)	9,062	-	7,019
Profit before interest and tax	65,947	9,507	8,248	-	83,702
Finance income	1,094	23,023	49	-	24,166
Finance costs	(8,791)	(15,724)	(182)	-	(24,697)
Profit before tax	58,250	16,806	8,115	-	83,171
Tax expense	(22,149)	(3,707)	(1,135)	-	(26,991)
Profit for the period	<b>36,101</b>	<b>13,099</b>	<b>6,980</b>	<b>-</b>	<b>56,180</b>

Included in other gains/(losses) are:

Fair value loss on investment properties	-	(3,173)	-	-	(3,173)
Gain on disposal of a subsidiary	-	-	8,948	-	8,948

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**A7. Segment Information (continued)**

**a. Segment results (continued)**

	Property Development	Investment and Asset Management	Leisure	Elimination	Total
<b>Quarter ended 31 March 2021</b>					
<b>Restated</b>					
<b>Revenue:</b>					
External	552,990	21,728	14,051	–	588,769
Inter-segment	88	1,999	1,276	(3,363)	–
	<u>553,078</u>	<u>23,727</u>	<u>15,327</u>	<u>(3,363)</u>	<u>588,769</u>
Cost of sales	(404,582)	(11,301)	(8,682)	235	(424,330)
Gross profit	148,496	12,426	6,645	(3,128)	164,439
Other income	3,587	42	47	(48)	3,628
Selling and marketing expenses	(18,944)	(1,725)	(39)	–	(20,708)
Administrative expenses	(26,018)	(5,310)	(9,770)	3,176	(37,922)
Operating profit/(loss)	107,121	5,433	(3,117)	–	109,437
Share of results of joint ventures and associates	(1,993)	(440)	–	–	(2,433)
Segment results	105,128	4,993	(3,117)	–	107,004
Other losses	(660)	(2,564)	(9)	–	(3,233)
Profit/(Loss) before interest and tax	104,468	2,429	(3,126)	–	103,771
Finance income	2,594	23,131	285	–	26,010
Finance costs	(12,380)	(16,234)	(303)	–	(28,917)
Profit/(Loss) before tax	94,682	9,326	(3,144)	–	100,864
Tax expense	(24,950)	(3,979)	(21)	–	(28,950)
Profit/(Loss) for the period	<u>69,732</u>	<u>5,347</u>	<u>(3,165)</u>	<u>–</u>	<u>71,914</u>
Included in other losses are:					
Fair value loss on investment properties	–	(2,481)	–	–	(2,481)
Changes in fair value of quoted investments	31	–	–	–	31

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**A7. Segment Information (continued)**

**b. Segment assets**

	Property Development	Investment and Asset Management	Leisure	Elimination	Total
<b>As at 31 March 2022</b>					
Operating assets	9,088,861	2,695,980	521,647	(924,618)	11,381,870
Joint ventures and associates	3,228,156	280,540	–	(30,985)	3,477,711
	<u>12,317,017</u>	<u>2,976,520</u>	<u>521,647</u>	<u>(955,603)</u>	<u>14,859,581</u>
Tax assets					653,942
Total assets					<u>15,513,523</u>
<b>As at 31 December 2021</b>					
<b>Restated</b>					
Operating assets	9,242,799	2,707,700	519,015	(942,460)	11,527,054
Joint ventures and associates	3,152,715	275,751	–	(30,985)	3,397,481
	<u>12,395,514</u>	<u>2,983,451</u>	<u>519,015</u>	<u>(973,445)</u>	<u>14,924,535</u>
Tax assets					652,212
Total assets					<u>15,576,747</u>

**A8. Revenue**

	Quarter ended 31 March	
	2022	2021 Restated
Revenue comprise the following:		
Revenue from contracts with customers	458,942	573,747
Revenue from rental income	21,385	15,022
	<u>480,327</u>	<u>588,769</u>
Disaggregation of the Group's revenue from contracts with customers:		
<b>Geographical market</b>		
- Malaysia	458,942	573,657
- Vietnam	–	90
	<u>458,942</u>	<u>573,747</u>
<b>Timing of revenue recognition</b>		
- over time	409,018	443,722
- at point in time	49,924	130,025
	<u>458,942</u>	<u>573,747</u>

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**A9. Capital Commitments**

	As at 31 March 2022	As at 31 December 2021
Contracted capital commitments:		
- property, plant and equipment	1,205	1,418
- investment properties	8,050	8,203
- intangible assets	395	655
	<u>9,650</u>	<u>10,276</u>

In addition, the Group's estimated commitment to subscribe for shares in joint ventures and provide advances to an associate pursuant to the respective shareholders' agreements on joint ventures and an associate, and/or as approved by the Board of Directors are as follows:

	As at 31 March 2022	As at 31 December 2021
- Battersea Project Holding Company Limited (31 March 2022: £15.2 million; 31 December 2021: £38.0 million)	83,980	213,989
- Others	75,095	73,884
	<u>159,075</u>	<u>287,873</u>

**A10. Significant Related Party Transactions**

Significant related party transactions during the year ended 31 March 2022 are as follows:

	Quarter ended 31 March	
	2022	2021
<b>a. Transactions between subsidiaries and their owners of non-controlling interests</b>		
Turnkey works rendered by Brunfield Engineering Sdn Bhd to Sime Darby Brunfield Holding Sdn Bhd group, companies in which Tan Sri Dato' Ir Gan Thian Leong and Encik Mohamad Hassan Zakaria are substantial shareholders	(13,205)	(63,864)
Maintenance of district cooling system and supply of cooling energy to Sime Darby Property Selatan Satu Sdn Bhd ("SDPS1") by Tunas Cool Energy Sdn Bhd ("TCE"), a company in which Sin Heng Chan (Malaya) Berhad is the ultimate holding company of TCE and an indirect shareholder of SDPS1	<u>(3,756)</u>	<u>–</u>
<b>b. Transactions with joint ventures</b>		
<u>Aster Real Estate Investment Trust 1</u> Rental expense	<u>(4,749)</u>	<u>(4,365)</u>



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**A10. Significant Related Party Transactions (continued)**

**c. Transactions with shareholders and Government**

Permodalan Nasional Berhad (“PNB”) and the funds managed by its subsidiary, Amanah Saham Nasional Berhad (“ASNB”), together own 58.14% as at 31 March 2022 of the issued share capital of the Company. PNB is an entity controlled by the Malaysian Government through Yayasan Pelaburan Bumiputra (“YPB”). The Group considers that, for the purpose of MFRS 124 – Related Party Disclosures, YPB and the Malaysian Government are in the position to exercise significant control over it. As a result, the Malaysian Government and Malaysian Government’s controlled bodies (collectively referred to as government-related entities) are related parties of the Group and the Company.

All the transactions entered by the Group with shareholders and related parties are conducted in the ordinary course of the Group’s businesses.

Significant transactions entered with shareholders and government-related entities during the financial period include:

	Quarter ended 31 March	
	2022	2021
<u>Yayasan Sime Darby</u>		
Contribution paid/payable to Yayasan Sime Darby	(5,000)	(10,000)
<u>Sime Darby Berhad group</u>		
Rental income	3,448	2,979
<u>Sime Darby Plantation Berhad group</u>		
Rental income	<u>3,490</u>	<u>2,540</u>

**A11. Material Events Subsequent to the End of the Financial Year**

There was no material event subsequent to the end of the current quarter under review to 17 May 2022, being a date not earlier than 7 days from the date of issue of the quarterly report.

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**A12. Effect of Significant Changes in the Composition of the Group**

There were no significant changes in the composition of the Group for the financial period ended 31 March 2022, other than disclosed below.

- a. On 10 February 2022, the Group via its wholly owned subsidiary, Sime Darby Property (Vietnam) Pte Ltd completed the disposal of its entire 65% equity interest in OSC Sunrise Apartment Company Limited for a cash consideration of VND60.0 billion (approximately RM10.8 million). The Group registered a gain on disposal of RM8.9 million.

Details of net assets and net cash inflow arising from the disposal of the subsidiary is as follows:

	<b>Quarter ended 31 March 2022</b>
Property, plant and equipment	5,437
Non-controlling interests	(1,904)
Net assets disposed	<u>3,533</u>
Gain on disposal	7,294
Less: Proceeds to be collected	(1,066)
Proceeds from disposal, net of transaction costs	<u>9,761</u>
Less: Cash and cash equivalent in the subsidiary disposed	(47)
Net cash inflow from disposal of the subsidiary during the period	<u><u>9,714</u></u>
Gain on disposal before income tax and reclassification of foreign currency translation reserve	7,294
Reclassification of foreign currency translation reserve to profit or loss	<u>1,654</u>
	8,948
Tax expense on gain on disposal	(1,137)
Gain on disposal after income tax	<u><u>7,811</u></u>

- b. On 24 and 25 February 2022, Sime Darby Property Ventures (MY) Sdn Bhd (“SDP Ventures”) and Sime Darby Property (MY Holdings) Sdn Bhd (“SDP MY Holdings”) were incorporated in Malaysia, respectively, with their entire share capital of RM1 held by Sime Darby Property Berhad. The principal activity of SDP Ventures and SDP MY Holdings are both investment holding.
- c. On 28 February 2022, Sime Darby Property (IDF Holdings) Pte Ltd, a wholly owned subsidiary of the Group, transferred the entire share capital of the following companies which were set up under the Industrial Development Fund structure to Sime Darby Property (MY Holdings) Sdn Bhd:
- (i) Sime Darby Property (Industrial Asset I) Sdn Bhd
  - (ii) Sime Darby Property (Industrial Asset II) Sdn Bhd
  - (iii) Sime Darby Property (Industrial Asset III) Sdn Bhd
  - (iv) Sime Darby Property (Industrial Development I) Sdn Bhd
  - (v) Sime Darby Property (Industrial Development II) Sdn Bhd
  - (vi) Sime Darby Property (Industrial Development III) Sdn Bhd
- d. On 7 March 2022, the Group acquired Highlands & Lowlands Berhad (“H&L”) and Sime UEP Properties Berhad (“Sime UEP”) from Sime Darby Berhad for cash considerations of RM1 and RM2, respectively. The principal activity of H&L and Sime UEP are investment holding.

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**A13. Contingent Liabilities - unsecured**

	<b>As at 31 March 2022</b>	<b>As at 31 December 2021</b>
Claims pending against the Group	<u>82,009</u>	<u>82,009</u>

**A14. Financial Instruments**

The carrying amounts of financial instruments measured at amortised cost approximate their fair values due to the relatively short-term nature of these financial instruments.

The fair values of financial instruments measured at Fair Value through Other Comprehensive Income ("FVOCI") are as follows:

	<b>As at 31 March 2022</b>	<b>As at 31 December 2021</b>
Investments - unquoted shares	<u>53,418</u>	<u>53,418</u>

Unquoted shares are measured at FVOCI at Level 3 of the fair value hierarchy. The fair values of the unquoted shares are determined using valuation technique based on inputs other than quoted prices.

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**B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. Review of Group Performance**

	Quarter ended 31 March		% +/(-)
	2022	2021 Restated	
<b>Segment revenue</b>			
Property development	435,747	552,990	(21.2)
Investment and asset management	25,244	21,728	16.2
Leisure	19,336	14,051	37.6
<b>Revenue</b>	<b>480,327</b>	<b>588,769</b>	<b>(18.4)</b>
<b>Segment results:</b>			
Property development	65,751	105,128	(37.5)
Investment and asset management	11,746	4,993	135.2
Leisure	(814)	(3,117)	73.9
	76,683	107,004	(28.3)
Other gains/(losses)	7,019	(3,233)	
Profit before interest and tax	83,702	103,771	(19.3)
Finance income	24,166	26,010	
Finance costs	(24,697)	(28,917)	
<b>Profit before tax ("PBT")</b>	<b>83,171</b>	<b>100,864</b>	<b>(17.5)</b>
Tax expense	(26,991)	(28,950)	
<b>Profit for the period</b>	<b>56,180</b>	<b>71,914</b>	<b>(21.9)</b>
<b>Attributable to:</b>			
- owners of the Company	51,837	66,044	(21.5)
- non-controlling interests	4,343	5,870	
<b>Profit for the period</b>	<b>56,180</b>	<b>71,914</b>	<b>(21.9)</b>

The Group registered revenue of RM480.3 million and a PBT of RM83.2 million for the first quarter ended 31 March 2022 as compared to a revenue of RM588.8 million and a PBT of RM100.9 million in the corresponding period of the previous year. The decline in the current quarter's performance as compared to last year's corresponding period was due to a decrease in contribution from property development segment. This was mitigated by improved financial performance from both investment and asset management, and leisure segments as well as the gain on disposal of the Group's 65% equity interest in OSC Sunrise Apartment Company Limited ("OSC Sunrise") totaling RM8.9 million.

The results of each business segment are analysed below:

**a) Property development**

The property development segment remains to be the major contributor to the Group, bringing in 90.7% of the Group's total revenue. The segment registered lower revenue by 21.2% from RM553.0 million to RM435.7 million as compared to the corresponding period of the previous year.

The decrease in revenue is mainly due to lower development activities in City of Elmina, Serenia City, Bukit Jelutong and KLGCC Resort, coupled with lower sales of completed inventories in KLGCC Resort, Taman Melawati and KL East township, resulting in a lower profit contribution in the current quarter.

**B1. Review of Group Performance (continued)**

**a) Property development (continued)**

In addition, the recent labour shortage in the country, which remains to be a focus area that is being monitored closely, has put a limit on the acceleration of site progress which in turn affected the revenue and profit recognition in the current quarter.

**b) Investment and asset management**

The investment and asset management segment saw an increase in segment revenue to RM25.2 million with higher operating revenue from KL East Mall, as compared to RM21.7 million in the corresponding period of the previous year. As at 31 March 2022, KL East Mall's occupancy rate stood at 79.7% as compared to 72.3% in the corresponding period of the previous year.

The segment recorded a profit of RM11.7 million as compared to RM5.0 million in the corresponding period of the previous year. The improvement is mainly contributed by KL East Mall in line with the increase in retail activities and higher footfall with the easing of lockdown and travel restrictions as compared to a year ago. Similarly, share of results from Melawati Mall has also improved this year.

**c) Leisure**

Leisure segment registered a segment revenue of RM19.3 million as compared to RM14.1 million in the corresponding period of the previous year. The segment registered lower losses of RM0.8 million as compared to a loss of RM3.1 million in the previous year.

Contribution from events and functions, food and beverages and golfing activities has improved following the uplift of lockdowns and resumption of business activities in the fourth quarter of 2021, the effects of which continues into the quarter under review.

In addition, the disposal of OSC Sunrise has also marginally reduced segment losses following its deconsolidation upon completion of disposal.

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**B2. Material Changes in Profit for the Current Quarter as Compared to the Preceding Quarter**

	Quarter ended 31 March 2022	31 December 2021 Restated	% +/(–)
<b>Segment revenue</b>			
Property development	435,747	692,368	(37.1)
Investment and asset management	25,244	28,298	(10.8)
Leisure	19,336	17,778	8.8
<b>Revenue</b>	<b>480,327</b>	<b>738,444</b>	<b>(35.0)</b>
<b>Segment results:</b>			
Property development	65,751	119,671	(45.1)
Investment and asset management	11,746	17,486	(32.8)
Leisure	(814)	2,075	(139.2)
	<b>76,683</b>	<b>139,232</b>	<b>(44.9)</b>
Other gains/(losses)	7,019	(20,474)	
Profit before interest and tax	83,702	118,758	(29.5)
Finance income	24,166	25,665	
Finance costs	(24,697)	(21,547)	
<b>Profit before tax (“PBT”)</b>	<b>83,171</b>	<b>122,876</b>	<b>(32.3)</b>
Tax expense	(26,991)	(46,308)	
<b>Profit for the period</b>	<b>56,180</b>	<b>76,568</b>	<b>(26.6)</b>
<b>Attributable to:</b>			
- owners of the Company	51,837	73,937	(29.9)
- non-controlling interests	4,343	2,631	
<b>Profit for the period</b>	<b>56,180</b>	<b>76,568</b>	<b>(26.6)</b>

Revenue for the current quarter was 35.0% lower than the preceding quarter. In turn, PBT has decreased by 32.3% from a PBT of RM122.9 million in the preceding quarter to a PBT of RM83.2 million in the current quarter. All three segments registered lower contribution in the current quarter.

The current quarter performance was enhanced by the gain on disposal of the Group’s 65% equity interest in OSC Sunrise totalling RM8.9 million as captured within “other gains”, whilst the restated preceding quarter “other losses” included fair value loss on investment properties of RM18.0 million upon adoption of the fair value model as detailed in note A1. The fair value loss in the previous quarter mainly arose from a right-of-use investment property as its fair value decreases with passage of time given a finite lease term and rent concessions granted to a tenant for a commercial asset. The aforesaid fair value loss was mitigated by a share of net fair value gain on investment properties under the Group’s joint venture and associates amounting to RM11.3 million recognised within the segment results of RM139.2 million above.

The results of each business segment are analysed below:

**a) Property development**

Revenue from property development registered a drop of 37.1% to RM435.7 million in the current quarter. Accordingly, the segment profit for the current quarter decreased to RM65.8 million from RM119.7 million in the preceding quarter mainly due to the discontinuation of the Home Ownership Campaign (“HOC”) on 31 December 2021, which drove revenue and profit in the preceding quarter with a counter-effect in the current quarter as demand tapers down subsequent to the spike in sales in the previous quarter.

The recent labour shortage in the country, which remains to be a focus area that is being monitored closely, has put a limit on the acceleration of site progress which in turn has also affected revenue and profit recognition in the current quarter. The preceding quarter’s performance was enhanced by new sales achieved with the year-to-date work progress being recognised in that quarter, and higher level of activities at site upon full resumption of construction.

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**B2. Material Changes in Profit for the Current Quarter as Compared to the Preceding Quarter (continued)**

The results of each business segment are analysed below: (continued)

**b) Investment and asset management**

The investment and asset management segment registered a segment revenue of RM25.2 million, lower than that of the preceding quarter by 10.8%. The segment contributed lower profit of RM11.7 million as compared RM17.5 million in the preceding quarter mainly driven by lower facility management income in current quarter, and a reversal of impairment of receivables under concessions in the Pagoh Education Hub in the preceding quarter.

In addition, contribution from the segment decreased in the current quarter partly due to lower contribution from Melawati Mall, a joint venture of the Group.

**c) Leisure**

The leisure segment registered revenue of RM19.3 million, higher than that of the preceding quarter by 8.8% along with increased activities in banqueting and events, and golfing. Operational costs remain high relative to the moderate volume of business during this recovery phase, and as such, the segment recognised a marginal loss of RM0.8 million in the quarter under review.

**B3. Prospects**

The Group has a positive outlook for the real estate market going forward, particularly in the residential and industrial segments. This is prompted by the easing of restrictions in the endemic phase introduced since 1 April 2022, supported by an encouraging population vaccination rate and reopening of international borders. Furthermore, Bank Negara Malaysia has forecasted Malaysia's economy to grow between 5.3% and 6.3% in FY2022, after a moderate expansion of 3.1% in FY2021.

In FY2022, the Group will drive efforts to expand its portfolio in the real estate industry by accelerating recurring income streams, while continuing to offer innovative and sustainable products in the residential and industrial & logistics sectors. These efforts will be supported by targeted offline and online marketing & sales activities. Additionally, the Group will continue to maintain its corporate priorities in preserving its financial discipline, as well as land bank management and monetisation.

The Group has recorded a notable year-to-date achievement of RM888.9 million sales. As at 8 May 2022, bookings are registered at RM1.5 billion, while the Group has also secured preliminary commitments of 50% for the first close of its inaugural Industrial Development Fund ("IDF") at US\$250 million. The IDF is set to make its maiden contribution to the Group this year.

As at 31 March 2022, the Group has maintained a healthy unbilled sales of RM2.9 billion and moderate net gearing ratio of 0.31 times. The Group's resilience is underpinned by its full year launch pipeline of RM2.8 billion.

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**B4. Variance of Actual Profit from Profit Forecast or Profit Guarantee**

Not applicable as there was no profit forecast or profit guarantee issued.

**B5. Profit Before Tax**

	Quarter ended 31 March	
	2022	2021 Restated
Included in profit before tax are:		
Depreciation and amortisation	(8,452)	(8,855)
Impairment of receivables	<u>(764)</u>	<u>(830)</u>
Included in other gains/(losses) are:		
Fair value loss on investment properties	(3,173)	(2,481)
Gain on disposal of a subsidiary	8,948	–
Changes in fair value of quoted investments	–	31
Net foreign exchange gain/(loss)	<u>310</u>	<u>(783)</u>

**B6. Tax Expense**

	Quarter ended 31 March	
	2022	2021
In respect of the current period:		
- current tax	25,765	25,581
- deferred tax	<u>(1,315)</u>	<u>691</u>
	24,450	26,272
In respect of prior years:		
- current tax	756	(3,940)
- deferred tax	<u>1,785</u>	<u>6,618</u>
	<u>26,991</u>	<u>28,950</u>

The effective tax rate for the current quarter ended 31 March 2022 of 30% is higher than statutory tax rate of 24% as certain expenses are disallowed for tax deduction and deferred tax asset is not recognised for losses incurred by certain subsidiaries.

**B7. Status of Corporate Proposal**

There was no corporate proposal announced but not completed as at 17 May 2022, being a date not earlier than 7 days from the date of issue of the quarterly report .



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**B8. Group Borrowings**

The breakdown of the borrowings as at 31 March 2022 is as follows:

	Secured	Unsecured	Total
<u>Long-term borrowings</u>			
Term loans	464,583	–	464,583
Islamic financing	629,077	–	629,077
Syndicated Islamic financing	532,763	–	532,763
Islamic medium term notes	–	799,134	799,134
Amounts due to non-controlling interests	–	230,169	230,169
	<u>1,626,423</u>	<u>1,029,303</u>	<u>2,655,726</u>
<u>Short-term borrowings</u>			
Term loans due within one year	47,163	–	47,163
Islamic financing due within one year	199,318	–	199,318
Syndicated Islamic financing	84,232	–	84,232
Islamic medium term notes	–	8,797	8,797
Revolving credits	–	798,282	798,282
	<u>330,713</u>	<u>807,079</u>	<u>1,137,792</u>
Total borrowings	<u>1,957,136</u>	<u>1,836,382</u>	<u>3,793,518</u>

The breakdown of borrowings between the principal and interest portion are as follows:

	Secured	Unsecured	Total
Borrowings			
- principal	1,950,318	1,826,260	3,776,578
- interest	6,818	10,122	16,940
Total borrowings	<u>1,957,136</u>	<u>1,836,382</u>	<u>3,793,518</u>

The Group borrowings in RM equivalent analysed by currency are as follows:

	Long-term borrowings	Short-term borrowings	Total
Ringgit Malaysia	2,655,726	367,510	3,023,236
Sterling Pound	–	770,282	770,282
Total borrowings	<u>2,655,726</u>	<u>1,137,792</u>	<u>3,793,518</u>

Certain borrowings are secured by fixed and floating charges over property, plant and equipment, investment property and other assets of certain subsidiaries.

## **B9. Material Litigations**

Changes in material litigations since the date of the last audited annual statement of financial position up to 17 May 2022, being a date not earlier than 7 days from the date of issue of the quarterly report are as follows:

### **a) Claim against Sime Darby Property (Ara Damansara) Sdn Bhd (“SDPAD”)**

A civil suit was commenced by 72 purchasers (reduced to 71 purchasers pursuant to the Plaintiffs’ amendment application which was allowed in parts on 15 November 2021 as stated below) of Ara Hill (“Plaintiffs”) against SDPAD, claiming general and specific damages of approximately RM40.0 million and specific performance arising from SDPAD’s alleged breaches of the terms of the sale and purchase agreements (“SPAs”) and the provisions of various statutes including, the Uniform Building By-Laws 1984 and the Street, Drainage and Building Act 1974.

The Plaintiffs alleged that the breaches by SDPAD have, amongst others, caused the delay in delivery of strata titles, which caused the Plaintiffs to suffer loss and damage, including indirect losses (which have not been proven by the Plaintiffs). The dispute was referred to mediation and the parties explored possible settlement proposals. However, the parties were unable to reach a global settlement. The trial commenced on 16 April 2018. A site visit was held on 7 April 2021 together with the Judge and the Plaintiffs. On 28 April 2021, the court allowed the Plaintiffs’ application to add the Joint Management Body of Ara Hill as a co-defendant to this suit. On 15 November 2021, the court allowed the Plaintiffs’ amendments to their claim in part with costs to be paid by the Plaintiffs to SDPAD. Further trial dates have been fixed in July, August, October and December 2022.

The Plaintiffs’ claim is divided into various allegations leveled against SDPAD. These claims and allegations have yet to be proven by the Plaintiffs and it would be speculative, at this juncture, to ascertain SDPAD’s potential liability to the Plaintiffs in respect of this civil suit.

### **b) Arbitration between Bumimetro Construction Sdn Bhd (“BCSB”) v Sime Darby Property (KL East) Sdn Bhd (“SDPKE”)**

BCSB (“Claimant”), the main contractor of a development in Melawati, Kuala Lumpur (“Project”) has referred disputes arising from the Project and the construction contract (“Contract”) with SDPKE (“Respondent”) to arbitration, pursuant to the Letter of Acceptance/Contract by issuing a notice of arbitration (“Notice”) on 20 September 2018. In the Notice, the Claimant is claiming for specific damages of approximately RM40.0 million. The Respondent had disputed the claims by the Claimant, in its written response to the Notice (“Response”) on 22 October 2018.

The parties have filed its Statement of Claim, Statement of Defence and Counterclaim and replies thereto. On 3 March 2021, the Claimant filed an amendment to its claim where it had, amongst others, amended its claim for specific damages from approximately RM41.9 million (pursuant to its Statement of Claim of 19 June 2020) to approximately RM42 million. In response, the Respondent made consequential amendments to its Statement of Defence and Counterclaim (which also consists of a claim for specific damages of approximately RM17.5million) and filed its revised Statement of Defence and Counterclaim on 12 March 2021.

The arbitration proceedings are being held in accordance with the rules of the Asian International Arbitration Centre before a single arbitrator. The hearing commenced on 15 June 2020 and continued for another 28 days on various dates between June 2020 to March 2021. Further hearing dates have been fixed in June, August and September 2022.

Solicitors for the Respondent are of the view that there are tenable grounds on the positions taken by the Respondent in resisting the claim subject to documentary and evidentiary proof.

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**B9. Material Litigations (continued)**

Changes in material litigations since the date of the last audited annual statement of financial position up to 17 May 2022, being a date not earlier than 7 days from the date of issue of the quarterly report are as follows:  
(continued)

**c) Compulsory Land Acquisition by Lembaga Lebuhraya Malaysia/West Coast Expressway of the lands owned by Sime Darby Property (Klang) Sdn Bhd (“SDP Klang”)**

On 26 June 2015, SDP Klang was awarded an aggregate compensation of RM169.3 million (“LA’s Award”) by the Land Administrator (“Respondent”) in respect of the acquisition by Lembaga Lebuhraya Malaysia/West Coast Expressway (collectively “Acquiring Authority”) of certain plots of lands owned by SDP Klang situated in Mukim Kapar, District of Klang, Selangor (“Lands”) for the construction of the West Coast Expressway project, which consists of the aggregate compensation for market value of the Lands (“MV”) of RM90.7 million and the aggregate compensation for severance and injurious affection (“IA”) of RM78.6 million.

The Acquiring Authority’s and SDP Klang’s respective objections to the LA’s Award were later referred to the High Court of Malaya (“High Court”), and heard simultaneously, despite not being consolidated. On 22 March 2017, the High Court held, inter alia, that the MV is to be maintained at RM90.7 million, whilst the IA is to be reduced to RM72.9 million. Consequently, two separate High Court Orders were drawn up, each hereby referred to as “SDP Klang Order” and “Acquiring Authority Order”. No appeal was filed in respect of the SDP Klang Order whilst the Acquiring Authority chose to appeal against the Acquiring Authority Order.

On 22 October 2018, the Court of Appeal upon hearing the Acquiring Authority’s appeal, remitted the Acquiring Authority’s Land Reference to the High Court to be re-heard before a new Judge (“Re-Hearing”). The hearing date for the Re-Hearing has been fixed from 8 to 10 June 2022.

On 21 September 2020, the Acquiring Authority filed an Originating Summons (“OS”) to set aside the SDP Klang Order, which was allowed by the High Court on 21 September 2021 (“OS Decision”). On 18 October 2021, SDP Klang filed an appeal to the Court of Appeal against the OS Decision (“Appeal”). The hearing date of the Appeal has been fixed on 3 October 2022.

At this juncture, the solicitors for SDP Klang are of the view that there is an even chance that the High Court Judge in the Re-Hearing may arrive at a similar decision made by the earlier High Court Judge on 22 March 2017 (as reflected in the SDP Klang Order/ Acquiring Authority Order), namely that the Award of compensation for IA to SDP Klang would be in the region of approximately RM72.9 million.

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**B10. Earnings Per Share**

	<b>Quarter ended</b>	
	<b>31 March</b>	
	<b>2022</b>	<b>2021</b>
		<b>Restated</b>
Basic earnings per share attributable to owners of the Company are computed as follows:		
Profit for the period	<u>51,837</u>	<u>66,044</u>
Number of ordinary shares in issue (thousand)	<u>6,800,839</u>	<u>6,800,839</u>
Basic earnings per share (sen)	<u>0.8</u>	<u>1.0</u>

The basic and diluted earnings per share are the same as there is no potential ordinary shares in issue as at the end of the financial period.

Selangor Darul Ehsan  
24 May 2022

By Order of the Board  
Noreen Melini Muzamli  
LS0008290  
Group Company Secretary