



Property

Q1 FY2022

FINANCIAL RESULTS

VIRTUAL BRIEFING SESSION





Property

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Q1 FY2022 Key Highlights (Financial)

Revenue of RM480.3m and PBT of RM83.2m, translating into PATAMI of RM51.8m in Q1 FY2022

Financial Performance Snapshot

Revenue
RM480.3m

PBT
RM83.2m

PATAMI
RM51.8m

Financial Position

Cash Balances
RM855.8m

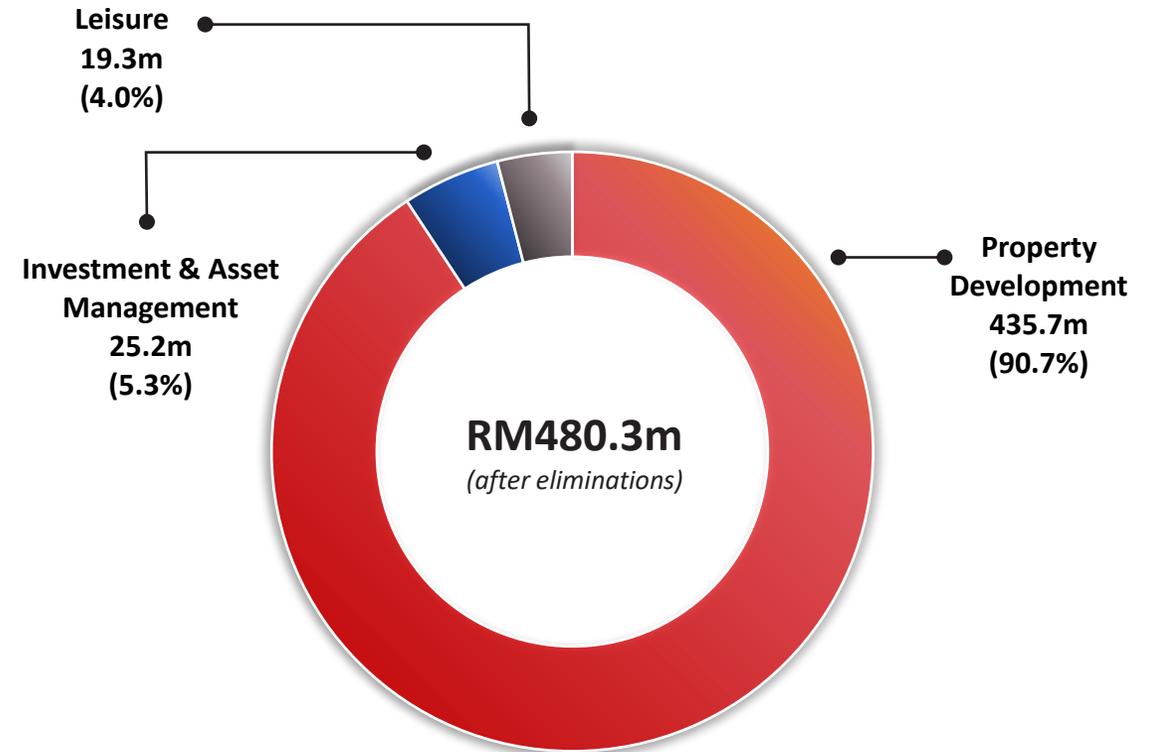
Total Equity
RM9,633.5m

Net Assets per Share Attributable to Owners of the Company
RM1.39

Gross Gearing
40.0%

Net Gearing
31.0%

Segment Revenue



Q1 FY2022 Key Highlights (Operational)

Achieved RM888.9m sales in Q1, industrial products as second largest sales contributor of ~31% after residential landed; On track to meet FY2022 sales target of RM2.6b



Operational Highlights



RM888.9m sales achieved with 908 units sold
(~88% from FY2021 launches)

Q1 FY2022 Launches
RM383.5m GDV with 533 units

RM2.9b unbilled sales
(as at 31 March 2022)

RM1.5b total bookings
(as at 8 May 2022)

Average take-up rates:
(Q1 new launches)

- All products (excl. statutory): **98%**
- Industrial: **100%**
- Residential (excl. statutory): **96%**



100% take-up for all 3 new industrial products
(XME Phase 2B, Nilai Impian and i5 & i10, Elmina Business Park)

Industrial products emerged as second largest sales contributor (~31% of Q1 FY2022 sales achieved)

YTD FY2022 Key Highlights (Industrial)

Industrial GDV has grown 75% across 2 years from RM307m (2019) to RM1.5b (cumulative as at Q1 FY2022); Secured 100% take-up rates for recent launches; A key growth engine for years to come



Industrial Highlights

CAGR of ~75% over 2 years for GDV launched from FY2019 to FY2021

Launched ~RM1.5b GDV of industrial products (FY2019 – Q1FY22)

Range of Products & Solutions
Incl. 1st Industrial Fund by Malaysian public-listed property co.

31% of Q1FY22 sales achieved contributed by industrial products

Top 3 Contributors – Q1FY22 Industrial Sales:
The Detached Factories, BBR2 (~RM112m); The Twin Factories 2, Elmina Business Park (~RM48m); Plot 2B, Hamilton (~RM43m)



Ready Built Warehouse & Factories

Build-to-Suit Facilities

Industrial Lots



Elmina Business Park

Bandar Bukit Raja

Hamilton Nilai City

Presence in 6 townships

XME Business Park, Nilai Impian

Serenia City

Bandar Universiti Pagoh Business Park

Strategically located along key economic corridors and infrastructure across west coast of Peninsular Malaysia



YTD FY2022 Key Highlights (Industrial)

Sime Darby Property and LOGOS Property JV secured preliminary commitments of 50% for first close of its industrial development fund; 177 acres to create ~8 mil sq. ft. in GLA

Partnership with LOGOS Property



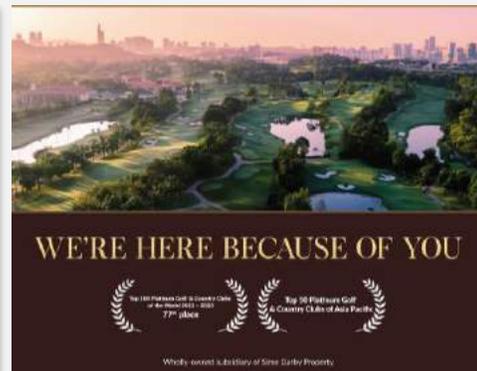
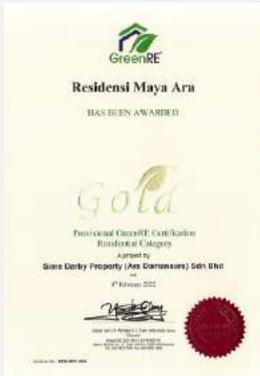
- The JV's inaugural Industrial Development Fund, which will be Shariah-compliant, has a fund size of up to **US\$250 million (~RM1 billion)** – anchored by leading institutional investors
- Its maiden development, **the E-Metro Logistics Park**, is set to deliver logistics solutions with **world-class facilities equipped with sustainable green features** in **Bandar Bukit Raja** – construction & planning for 2 facilities commenced in end-March 2022

YTD FY2022 Key Highlights (Corporate)

Multiple awards and recognitions as well as milestones achieved; enhanced credentials as a testament to our sustainability commitment



Key Corporate Awards & Recognitions



- Ranks 77th on Top 100 Platinum Golf & Country Clubs of the World 2022-2023 (KLGCC)
- Top 50 Platinum Golf & Country Club of Asia Pacific Category, with '5-Star Platinum Club' status (KLGCC)
- Green Real Estate (GreenRE) Provisional Gold Certification in Residential Category (Maya Ara Residences)
- Young Landscape Architect Awards – LAr. Anith Ahmad Rosli
- Developer & GLC Category Landscape Master Plan Awards (City of Elmina Master Plan & The Leaf Landscape Master Plan – Honour Award)
- Professional Category (Malaysian) Landscape Analysis & Study Awards (Elmina Sport Park – Excellence Award; The Living Canal BBR2 – Honour Award)
- Cantara Residences Living Sky Bridge recognised as 'The Longest Residential Sky Bridge' in Malaysia Book of Records

Key Corporate Developments



- MoU signed with Netherlands Maritime University College ("NMUC")
- SDP Concept Home 2030 Competition Winners Announced
- Partnership with UNICEF – Launched Malaysia's First Inclusive Playground at the City of Elmina
- Battersea Power Station welcomes first residents to Prospect Place by Gehry Partners
- Published 2021 Integrated Annual Report ₇



Property

Financial Performance

First Quarter ended 31 March 2022 (Q1 FY2022)

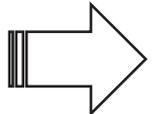
Adoption of the Fair Value Model for Investment Properties

Effective 1 January 2022 the Group has changed its accounting policy on the measurement of investment properties (“IP”) from the cost model to the **fair value model**, applied retrospectively, and the effects of the change on the results for the financial year ended 31 December 2021 (by quarters) and the financial positions as at 1 January 2021 and 31 December 2021 are to be restated.



- Rationale for the change to fair value model:
 - Provides a **more current and relevant financial performance measure**: investment properties are reflected at its **current market value (as opposed to historical cost)** in the Group’s balance sheet. P&L of the Group will also reflect how well or otherwise the IPs are performing through annual fair value adjustments.
 - The Group’s results are **more comparable with its peers** which adopt the fair value model, and
 - In line with the Group’s **business strategy** to grow its assets under management.
- With the said adoption, **fair value adjustments** are being recognized in the profit or loss (under “other gains/losses”), in place of **depreciation charge** (mainly in “cost of sales”).
- Impact to the balance sheet is illustrated below:

COST MODEL



FAIR VALUE MODEL

*Statement of financial position
(As at 31 December 2021)*

	RM'000
Investment properties	774,002
Total asset	15,256,660
Retained earnings	2,204,704
Net assets or total equity	9,326,537

	RM'000
Investment properties	987,286
Total asset	15,576,747
Retained earnings	2,498,982
Net assets or total equity	9,626,248



Total equity and total asset increased respectively post adoption as a result of net fair value uplift on the IPs, which are included as part of retained earnings

Profit & Loss Performance

Coming off a strong year end in FY2021; momentum to recover in upcoming quarters

Impacted by lower contribution from Property Development (“PD”), mitigated by improved I&AM and Leisure businesses



RM mil	Q1 FY2022	Q1 FY2021 (restated)	YoY (%)	Q4 FY2021 (restated)	QoQ (%)
Revenue	480.3	588.8	(18.4)	738.4	(35.0)
Gross Profit	133.2	164.4	(19.0)	217.4	(38.7)
% Margin	27.7%	27.9%		29.4%	
PBIT	83.7	103.8	(19.3)	118.8	(29.5)
PBT	83.2	100.9	(17.5)	122.9	(32.3)
% Margin	17.3%	17.1%		16.6%	
PATAMI	51.8	66.0	(21.5)	73.9	(29.9)
% Margin	10.8%	11.2%		10.0%	
Basic Earnings Per Share (sen)	0.8	1.0	(21.5)	1.1	(29.9)

Key Takeaways

Q1 FY2022 vs Q1 FY2021 (YoY)

- **Registered revenue of RM480.3m** – 18.4% decrease YoY due to lower contribution from the PD segment, resulting from lower site progress and lower sales of completed stocks (currently at a new low of RM301.5m)
- **PBT of RM83.2m, enhanced by gain on disposal** of the Group’s 65% equity interest in a non-core asset in Vietnam **amounting to RM8.9m**
- **PATAMI reduced by 21.5% YoY** to RM51.8m from RM66.0m last year
- Gross Profit, PBT and PATAMI margins recorded marginal variances

Q1 FY2022 vs Q4 FY2021 (QoQ)

- Revenue reduced by 35% QoQ due to **strong Q4 FY21 performance** driven by high sales achievement of RM1.0bn – supported by the HOC incentives (*has been discontinued*) and increased on-site development activities;
- **All 3 segments remained profitable (PBT-level)** in Q1 FY22;
- Despite decrease in Q1 FY22 performance, the **Group managed to preserve margins through strong financial discipline**

Note: Adoption of the fair value model for Investment Properties (“IP”) in FY2022. With the said adoption, the Group’s IPs are carried at fair value with the fair value adjustments being recognised in the profit or loss, in place of depreciation charge. Fair value loss of RM3.2m (Q1FY21:RM2.5m) is included in “Other gains/(losses)” under the fair value model

Segmental Revenue and PBT Analysis for Q1 FY2022

Property Development ("PD") remained as the key contributor to Group's revenue at 90.7%, though its contribution was adversely impacted by lower site progress from major townships



Property Development (PD)

	Q1 FY2022	Q1 FY2021 (Restated)	
Revenue	RM435.7m	RM553.0m	▼ 21.2%
PBT	RM58.3m	RM94.7m	▼ 38.5%

Q1 FY2022 vs Q1 FY2021_(restated) (YoY)

- **Revenue reduced by 21.2% YoY** to RM435.7m from RM553.0m last year; **PBT reduced by 38.5%** to RM58.3m from last year's RM94.7m:
 - The decrease was 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
 - Development activities was exacerbated by the **labour shortage issue that put a limit on the acceleration of site progress** which in turn affected the revenue and profit recognition in the current quarter

Segmental Revenue and PBT/(LBT) Analysis for Q1 FY2022

The uplift of lockdowns and resumption of business activities benefited our I&AM and Leisure segment; Both segments recorded YoY and QoQ profits



Investment & Asset Management

	Q1 FY2022	Q1 FY2021 (Restated)	
Revenue	RM25.2m	RM21.7m	▲ 16.2%
PBT	RM16.8m	RM9.3m	▲ 80.2%

Q1 FY2022 vs Q1 FY2021_(restated) (YoY)

- On a YoY basis, revenue increased by 16.2% or RM3.5m; while PBT increased significantly by 80.2% or RM7.5m driven by:
 - Stronger performance from **KL East Mall** in line with **higher occupancy rate** (Q1 FY22: 79.7% vs Q1 FY21: 72.3%) and **footfall**
 - Improved share of results from Melawati Mall** (Q1 FY22: RM1.1m vs Q1 FY21: -RM0.7m). Occupancy rate of Melawati Mall improved to 79.0% as at 31 March 2022 (Q1 FY21: 78.2%)

Leisure

	Q1 FY2022	Q1 FY2021 (Restated)	
Revenue	RM19.3m	RM14.1m	▲ 37.6%
PBT/(LBT)	RM8.1m	(RM3.1m)	▲ 358.1%

Q1 FY2022 vs Q1 FY2021 (YoY)

- Significant increase in revenue and PBT by 37.6% to RM19.3m and >100% to RM8.1m respectively YoY, contributed by
 - Increased contribution from events/functions following ease of SOPs and resumption of business activities
 - Greater efficiencies and cost savings arising from consolidation of operations between KLGCC/SDCC

Cash and Debt as at 31 March 2022

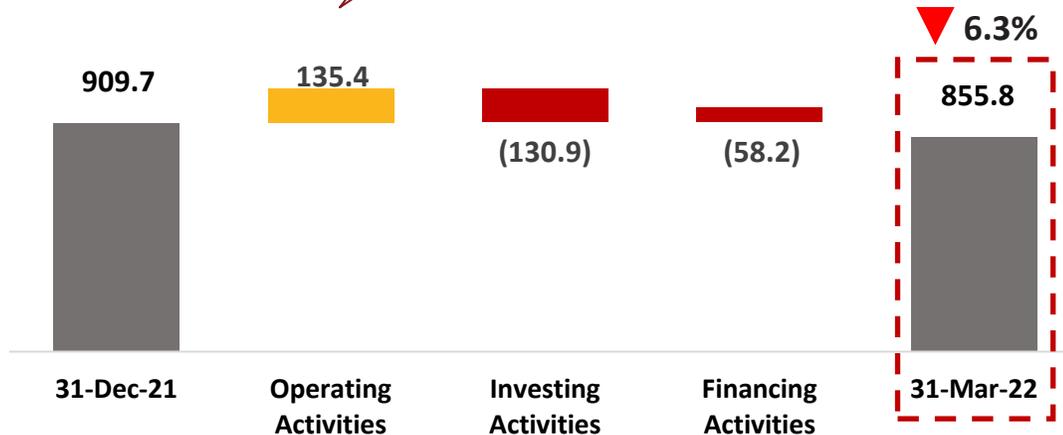
Well-capitalised to support future growth – Strong cash balances; net gearing healthy at 31.0%; ~70% non-current debt & low average borrowing cost of 3.4%; Final injection for BPS post Q1 FY2022 (£15.2m)

Cash & Cash Equivalents

(RM mil)

Net operating cash inflow remains positive:

- Positive net cash inflow from operating activities via collection from development projects



Net investing cash outflow:

- Mainly related to equity injection into Battersea Power Station project of RM132.4m

Net financing cash inflow:

- Net drawdown from borrowings
- Offset by:
 - Loan repayment & interest paid of RM191m

Group Debt

(RM mil)

31 Mar 2022

RM3,852.9m

31 Dec 2021
(Restated)

RM3,898.3m

▼ 1.2%

Debt maturity profile:

- 30% within 1 year
- 19% >3 to 5 years
- 32% >5 years

Leases

59.4

Amount due to NCI
230.2

External Borrowings
3,563.3

Leases

66.7

Amount due to NCI
228.8

External Borrowings
3,602.8

Gross Gearing Ratio
(without BPS)

40.0%
(32.0%)

40.5%
(33.7%)

Net Gearing Ratio
(without BPS)

31.0%
(23.1%)

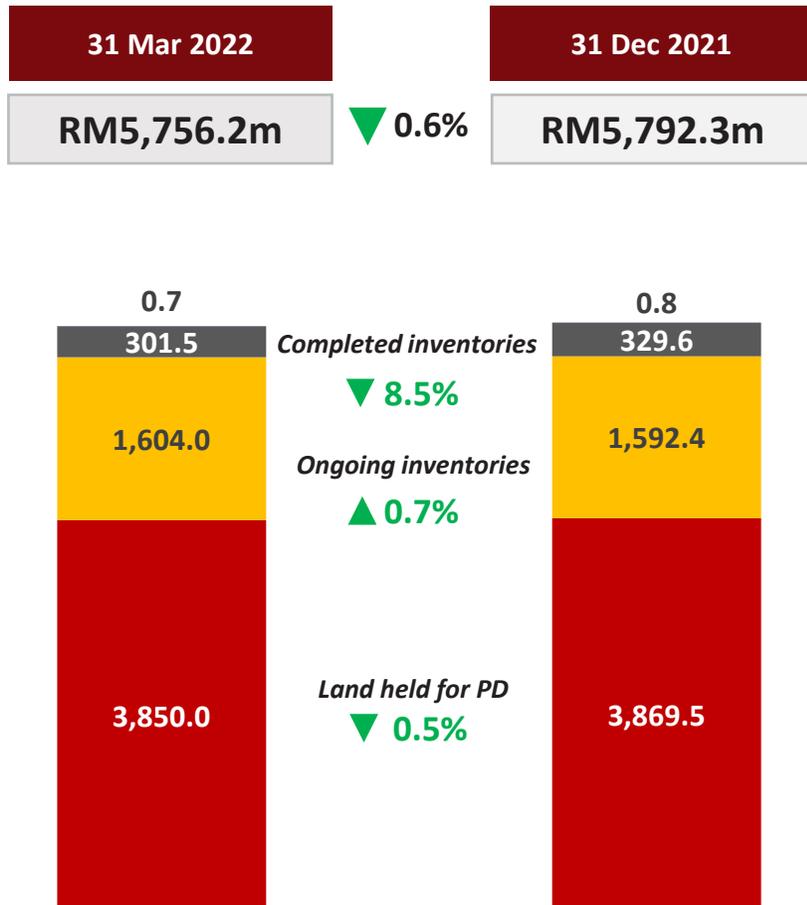
31.0%
(24.3%)

Weighted avg. cost of borrowing @ 3.4%

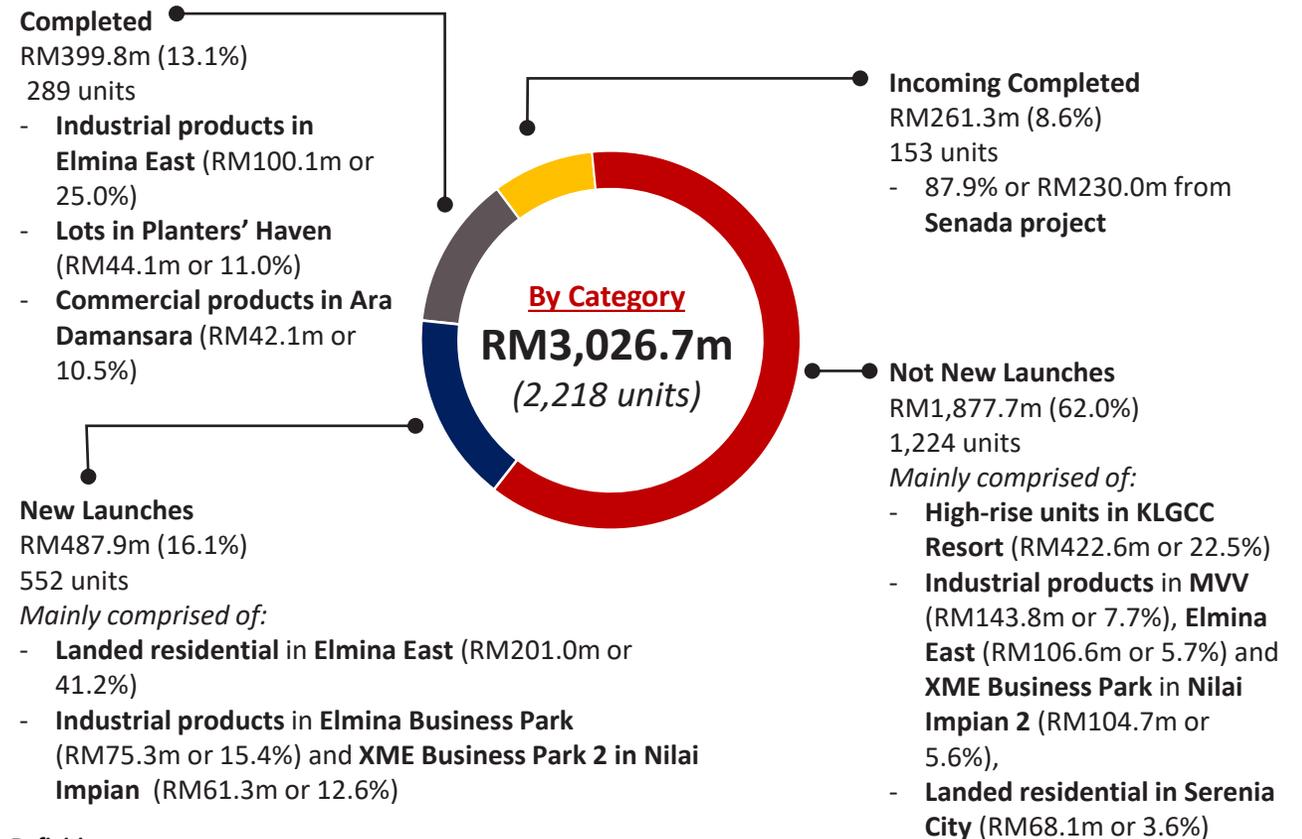
Property Development Inventories

Continued trend of completed inventories reducing to new lows and ongoing inventories increasing with increased development

Inventories in Carrying Value



Inventories in GDV & Units



Definitions:

- Completed – Projects completed as at 1 Jan 2022
- Incoming Completed – Projects to be completed in FY2022
- Not New Launches – Target completion after FY2022
- New Launches – Projects launched in FY2022



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Operational Performance

Q1 FY2022 & YTD FY2022

Sales Achieved by Product Type and Location

By Product Type: Industrial products contributed ~31% of total sales, came second after residential landed

By Location: Klang overtook Guthrie Corridor as second sales contributor, supported by its industrial products

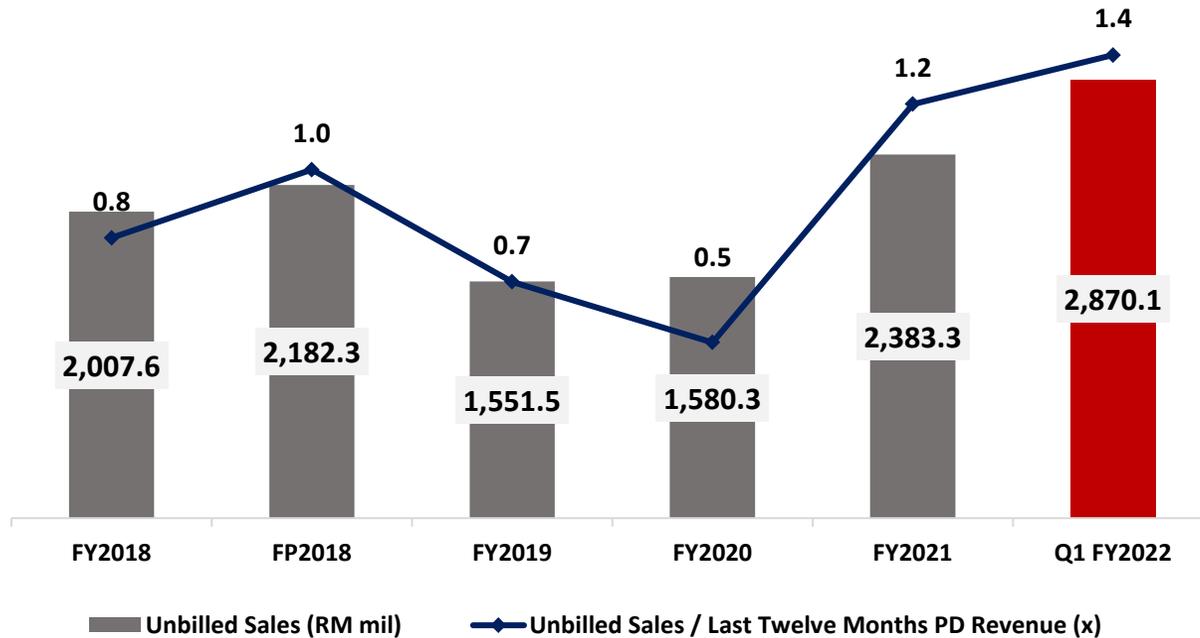


- Residential landed products remained as key sales contributor (~40%) mainly from Bandar Bukit Raja 2 (RM92.4m), Elmina West (RM77.3m), and Serenia City (RM63.2m)
- Industrial products overtook residential high-rise as the second sales contributor (~31%) driven by BBR2's The Detached Factories (RM112.1m)
- Residential high-rise sales (~21%) mainly from Jendela Residences, KLGCC Resort (RM78.3m) & Maya Ara, Ara Damansara (RM69.1m)

- Other Areas in Klang Valley – main sales contributor (~31%)
 - Mainly from KLGCC Resort (~9% of total sales) and Serenia City (~8%)
- Klang – overtook Guthrie Corridor as the second sales contributor (~25%)
 - Bandar Bukit Raja 2 comprised ~23% of total sales, highly contributed by the BBR2 The Detached Factories
- Guthrie Corridor – ~24% of total sales derived mainly from Elmina West and Kota Elmina
- Negeri Sembilan – mainly from Nilai Impian 2 (~10% of total sales) 16

Unbilled Sales as at 31 March 2022

Unbilled sales increased and recorded all-time high of RM2.9b or 1.4x cover ratio on the back of strong sales; Secured revenue visibility across the next two years



RM2,870.1m as at Q1 FY2022

By Property Development Type

Township Development RM2,124.7m (74.0%)	Integrated Development RM745.4m (26.0%)
--	--

By Location

Guthrie Corridor RM1,025.1m (35.7%)	Other Areas in Klang Valley RM969.8m (33.8%)
Klang RM437.9m (15.3%)	Negeri Sembilan RM430.8m (15.0%)
Johor RM6.4m (0.2%)	

- Unbilled sales stood at **RM2.9b** as at 31 March 2022 (+20.4% QoQ)
- As at Q1 FY22, **unbilled sales cover ratio of 1.4x** against last twelve months revenue reflects **increasing revenue visibility**
- ~46% of the unbilled sales will be **recognised by FY2022**, the balance is expected to be recognised in the next two financial years
- **Integrated development product launches** have **garnered positive sales responses** and will **support future unbilled sales over a longer period**

Q1 FY2022 Launches

Launched RM383.5m GDV with 533 units – average take-up rate excluding statutory at ~98%;

Residential Landed – 355 units @ RM226.2 million GDV



Nilai Impian
Dayana 2 Phase 2

Launch date: **Mar 2022**
Units launched: **78 units**
GDV: **RM35.6m**



Elmina East
Ilham Residence 2

Launch date : **Mar 2022**
Units launched : **277 units**
GDV: **RM190.6m**

Industrial – 24 units @ RM126.5 million GDV



Elmina Business Park

Launch date: **Feb 2022**
Units launched: **10 units**
GDV: **RM80.4m**

Statutory – 154 units @ RM30.8 million GDV



Bandar Bukit Raja
Gamelan

Launch date: **Jan 2022**
Units launched: **154 units**
GDV: **RM 30.8m**



Nilai Impian
XME Phase 2B

Launch date: **Mar 2022**
Units launched: **14 units**
GDV: **RM46.1m**

FY2022 Launch Plan

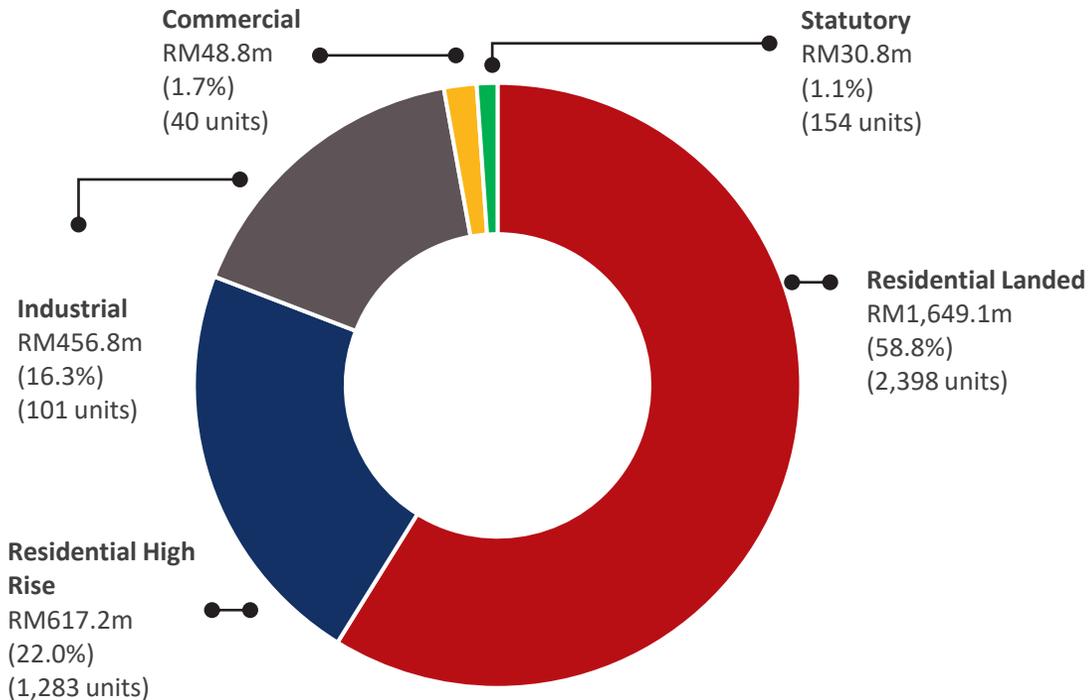
FY2022 sales target of RM2.6b supported by RM2.8b GDV launch plan which is on track with strategic product mix (~81% residential, ~16% industrial); RM803.4m GDV to be launched in Q2



Planned Launches in FY2022

3,976 units | RM2,802.7 million GDV

~RM2.8b Agile Launch Plan with strategic product mix



**Excludes land sale & inter-co land sale*

Q2 FY2022

Units to be Launched: **1,007** | GDV to be Launched: **RM803.4m**

Product	Units	GDV (RM mil)	GDV proportion
Residential Landed	847	614.0	76.4
Residential High-Rise	122	155.6	19.4
Commercial	38	33.8	4.2
Total	1,007	803.4	100%

Key Highlights

- **Residential Landed:** City of Elmina, Serenia City, Bandar Bukit Raja 2, Bandar Ainsdale, KL East
- **Residential High-Rise:** Putra Heights
- **Commercial:** Bandar Universiti Pagoh



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Battersea Power Station Updates



Battersea Power Station

Handed over residential units in Switch House West, Switch House East and Boiler House;
84% of commercial spaces have been let at the Power Station



- Residential Sales Achieved: (Jan'21 to Mar'22): £469.4m
(Q1 FY22): £107.0m

Handed over residential units:

Switch House West – May'21 | Switch House East – Nov'21 |
Boiler House – Jan'22 | Prospect Place – Apr'22



Residential unit in Switch House East



Switch House East Entrance



View around the Switch House West



Unit in Switch House West

- Commercial Spaces Let as at Mar'22: 84%

>53 retailers and F&B operators have already signed up to bring their businesses to Battersea Power Station



Malaysian restaurant, Roti King @ The Power Station

Battersea Power Station

Official opening of the Power Station in September 2022



● Key Milestones in 2022

January
(to September)

Handover of Power Station & retail fit-out

March
(to June)

Completion of Electric Boulevard residential (Phase 3A)

April

Power Station residential completion (handover began in January)

June
(to September)

Launching and commencement of marketing & leasing activities for Phase 3B's office component

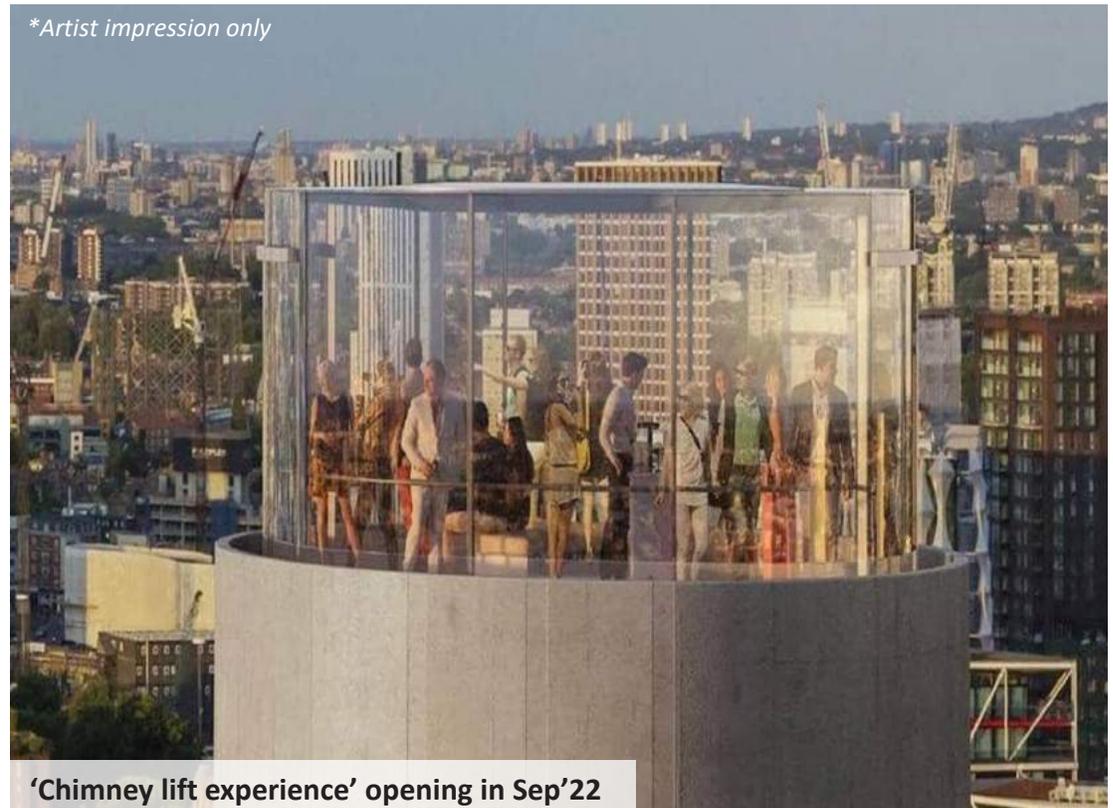
September

Official opening of the Power Station



View of the Battersea Power Station today

Source: Battersea Power Station



*Artist impression only

'Chimney lift experience' opening in Sep'22

Source: scretldn.com



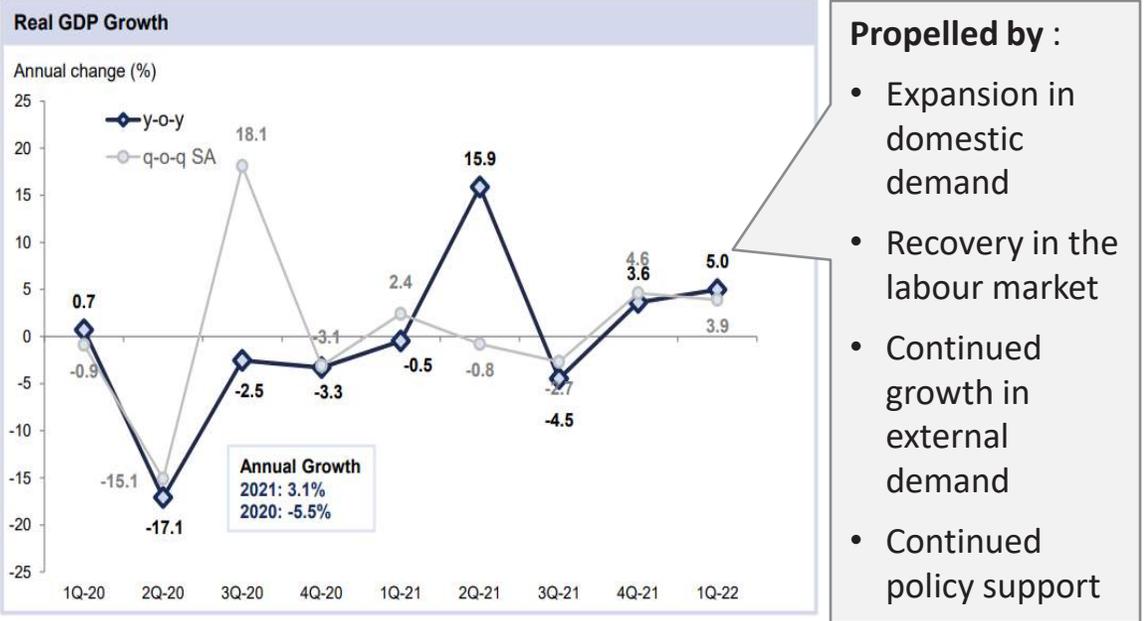
Property

Strategy Moving Forward

Malaysian Economy & Property Market Outlook

2022 GDP growth projection of between 5.3% and 6.3%; Bright outlook for industrial sector

Malaysia's Q1 2022 GDP grew at 5.0% (Q4 2021: 3.6%)



Overnight Policy Rate (OPR) increased to **2.00%** as latest indicators show that **growth is on a firmer footing**, driven by strengthening domestic demand amid sustained export growth

2022
GDP is expected to **grow between 5.3 – 6.3%** with some risks to consider:
 (i) weaker-than-expected global growth (ii) worsening supply chain disruptions (iii) emergence of severe and vaccine-resistant Covid-19 variants and (iv) elevated cost and price pressures

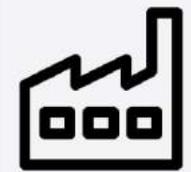
Source: Bank Negara Malaysia

Property Industry

Growth is expected in 2022 but **remain cautious** of the industry's road to recovery, amid **soft market condition and continued challenging sectors**



Discontinuation of the HOC + end of loan moratorium in Feb'22 + expected rise in OPR may **impact the momentum** of the residential market recovery in 2022; however, this is dependent on the customer subsegment (SDP focuses on middle to high end; which is more inelastic)



Reopening of the country's economy and international borders is expected to spur foreign investment and demand for the industrial segment; **Increasing demand for well-designed, modern industrial parks**



Office space cumulative supply at 5-year CAGR of 3.5%; Avg. occupancy rate declining since 2015. Will remain a tenants' market as demand lags supply in the foreseeable future



Higher rebound levels and recovery for F&B and other experiential-related services; Occupancy rates of prime retail malls remain stable, due to financial ability of major landlords

Recap on SHIFT25 – A Real Estate Company by 2025

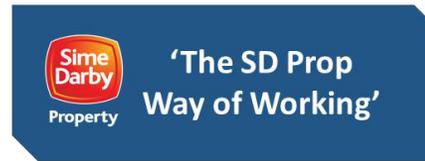
Transforming from Pureplay Property Development towards a Real Estate Company



Business Model

Master Developer	Community Builder	Investment & Asset Manager
<ul style="list-style-type: none"> • Township & Integrated Development • Industrial & Logistics Development 	<ul style="list-style-type: none"> • Lifestyle & Leisure <i>(Retail / Commercial / Education / Healthcare & Wellness)</i> 	<ul style="list-style-type: none"> • Funds platform • Assets portfolio

Guided by 4 Corporate Priorities



- Clarity of Purpose
- Collaborative
- Tech & Innovation
- Customer Centric
- Systems & Process Driven

7 Focus Areas

1. Operational Excellence
2. Organisational Excellence
3. Safety and Sustainability
4. Customer First
5. Tech and Innovation
6. Communication and Stakeholder Management
7. New Revenue Streams

Continue to propel
Group's transformation journey in FY2022 and beyond

Cost & Control to Protect Gross Margins in Property Development Business

Critical enabler to weather looming pricing pressures and labour shortages

Key Challenges:

Rising material costs

Labour shortages

Vendors' capabilities

Supply-chain disruptions

Intervention required to ensure projects are managed within desired:



QUALITY



TIME



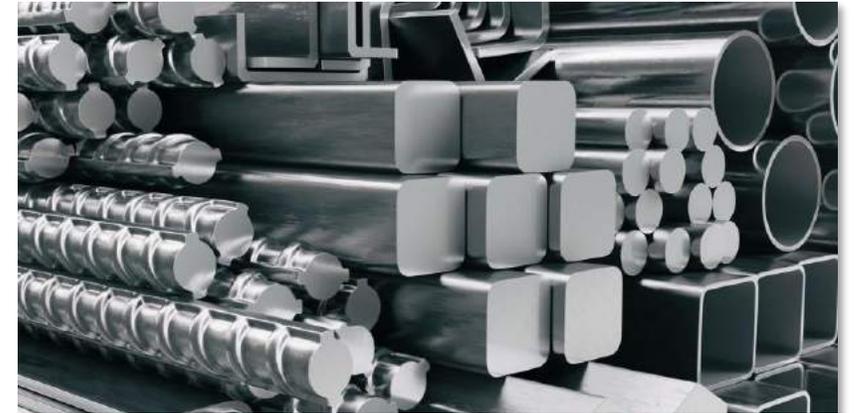
COST

Supported via:

Driving profitability via business unit P&L | Design-to-cost principles |

Strategic sourcing | Data & analytics | Design standardisation |

Variation of Price contracts



Steel prices could trend 'much higher' compared to the last 10 years



Edge Weekly

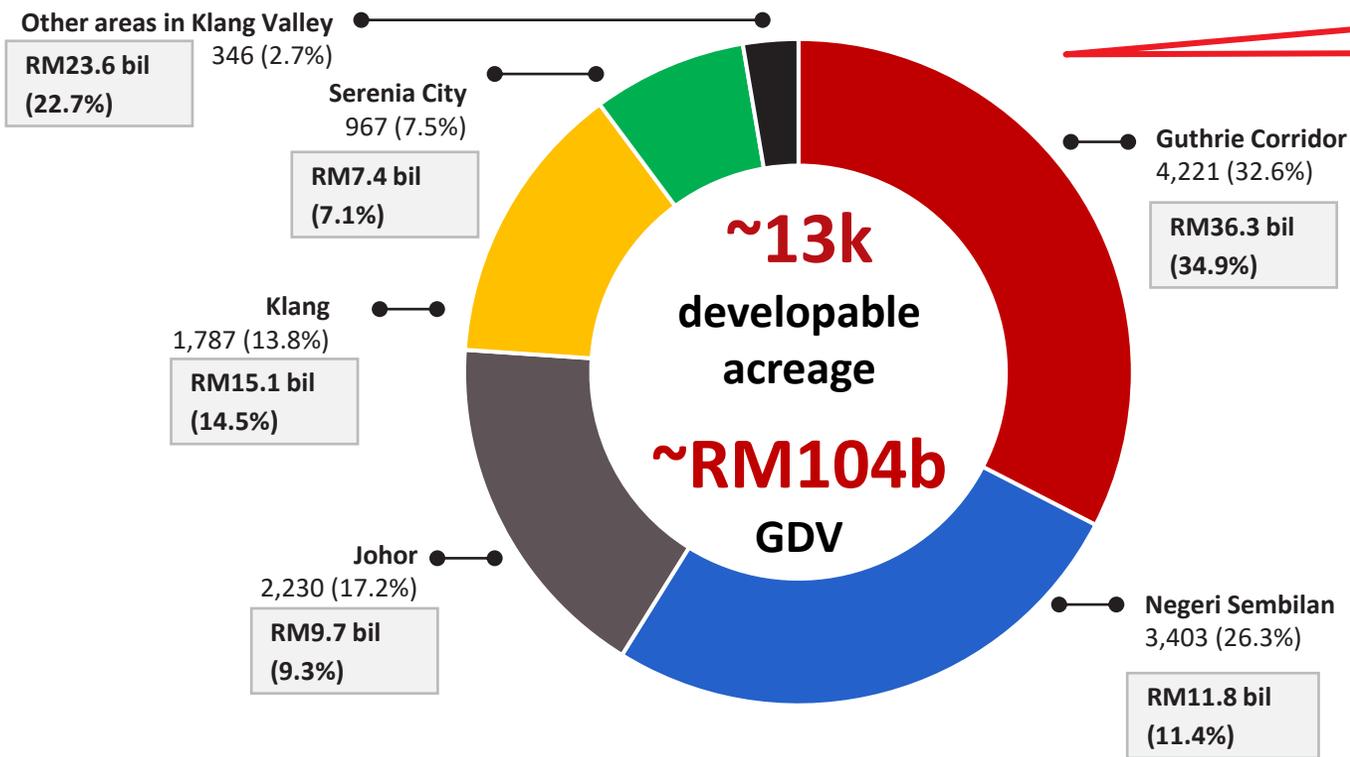
Special Report: Cost, labour headwinds threaten construction's recovery

Remaining Land bank & GDV as at December 2021

~15,400 acres of land bank located strategically on the west coast of Peninsular Malaysia;
GDV of >RM100b to be unlocked for future earnings visibility



Ongoing Developable Lands	Future Developable Lands	Non-Core Lands
~9,448 acres, RM89b	~3,507 acres, RM15b	~2,453 acres, RM1 – 3b (Range depending on GDV or Market Value)



Land Utilisation Efficiency (Ongoing & Future)
GDV/acre: RM11.9m (net acreage)

- Ongoing land bank activation and monetisation to unlock land value & contribute to Group's development
- One of the key metrics of the Group's transformation & growth plan

Notes:
Township categorisation:

- Guthrie Corridor: Elmina West, Elmina East, Denai Alam & Bukit Subang, Bukit Jelutong, Elmina Business Park and Lagong
- Negeri Sembilan: Nilai Impian, Bandar Ainsdale, Planters' West, Chemara East, Semenyih, Hamilton and MVV (Labu & New Labu)
- Johor: Bandar Universiti Pagoh and Taman Pasir Putih
- Other Areas in Klang Valley: Ara Damansara, KLGCC Resort, Putra Heights, KL East, USJ Heights, Taman Melawati, Saujana Impian, SJCC and SJ7

Land Bank Management & Monetisation Plan (1/2)

Moving forward, the pace of development necessitates a review of the balance option lands to replenish lands for new townships, particularly for industrial parks in Greater Klang Valley



Land Activation

FY2019	FY2020	FY2021
304 acres	254 acres	~800 acres *

- ~800 acres of lands activated in FY2021 vs ~300 acres in previous years
- Current land bank at ~15k acres – will increase to ~16k acres inclusive of Labu land (760 acres)

Sungai Kapar Estate : 993 acres
 West Estate, Carey Island : 1,350 acres
 Bukit Cherakah Estate: 2,540 acres
 Bukit Kerayong Estate: 1,077 acres
 Jalan Acob Estate: 2,177 acres

Sepang Estate : 2,000 acres
 Lothian Estate : 485 acres

Labu and New Labu Estates : 8,036 acres (post Labu land acquisition)

- Exercised first right of refusal on 27 October 2021 to acquire 760 acres of Labu land at RM280mil (ongoing)



1. Land Option Agreements
 with Sime Darby Plantation
11,805 acres

- SD Plantation entered into 9 call option agreements with SD Property pursuant to which SD Property has options to purchase these lands at future market value

2. MVV Option Agreements
 with Sime Darby Berhad
8,036 acres

- Sime Darby Berhad & SD Property entered into several call option agreements for lands within the MVV 2.0 development region

Ainsdale Estate - 268 acres

Kulai Estate –A: 915 acres

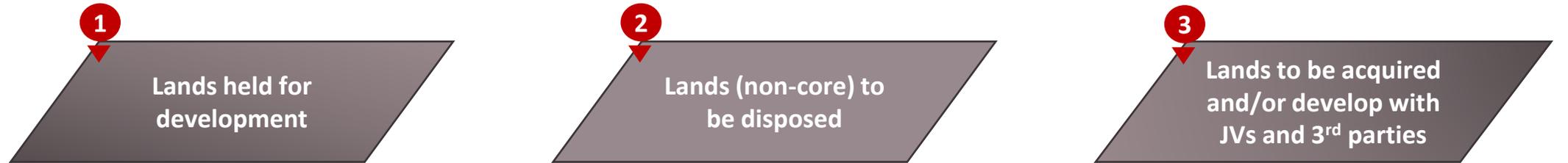
Legend
 North-South Expressway
 Proposed ECRL
 Proposed ECRL (Spur Line)

* Including non-core land monetisation

Land Bank Management & Monetisation Plan (2/2)

Land banking necessary to replenish lands & ensure sustainability of core Property Development business;
 Non-core land monetisation to recycle capital and fund expansion

Land banking bucketed into (3) categories:



Our Unique Advantage

PRESENT

FUTURE

Remaining Landbank Acreage & GDV
 (> 15,000 acres @ RM107 b) as at December 2021

• Call Option Lands with SD Plantation & SD Berhad (expiring in Nov 2022);
 • Strategic/opportunistic land acquisitions

Land bank in strategic townships for bread and butter products are projected to be exhausted in the medium term following the current pace of development

The Group is **undertaking an in-depth review/assessment of the Call Option Lands** to determine its overall attractiveness and viability for acquisition

Funding for future potential land acquisitions via internally generated funding:

- Accelerate feasibility plans for activation of new developments/townships – to provide uplift to earnings and cashflow
- Target between ~RM150-200m worth of land bank monetisation/disposals (signed SPAs) over next two years – to unlock and recycle capital
- Beyond land monetisation, disposal of other assets, e.g. recent disposal of OSC Sunrise Vietnam for RM10.8m. The Group is identifying non-strategic, low yielding assets for disposal

Growth expectations for FY2022

Targeting a stronger financial year to maximise value creation for shareholders



Strategic Launches	Sales Target	Unbilled Sales / LTM PD Revenue	Gross Profit Margin	Operating Cash Flow	Completed Stock	Diversify product pipeline	Fund Management Platform
Target RM2.8b GDV of new launches	Target to achieve RM2.6b sales	Target to stay above 1.0x	Target 20% to 25%	Continue to remain healthy	Target <10% of total property development inventories	More residential high-rise & industrial product launches	Target capital commitments of RM850m

Enablers

- Healthy-mix of products with **~81% from residential landed and high rise; and 16% from industrial**
- Supported by:
 - Thorough / viable launch plans
 - Placemaking / catalytic components
- Supporting factors:
 - Enhanced sales capability
 - Strategic launches
 - Low interest rate continues to support
- **Exceeded 1.0x since Q3 FY2021**
- **Strategic launches in the pipeline** with anticipated favourable take-up rates, as seen with high take-up rate of 89% in FY2021
- **RM1.5b bookings** secured as at 8 May 22
- Preserving margins via **strong financial discipline**
- Q1 FY2022 GP margin of 27.7% on-track
- Underpinned by **sales capability, HOVP & progressive billings**
- Balance funding requirements for growth & dividend payments to reward shareholders
- Operating cash flow up by 20.5% YoY in FY2021 to RM494.3m
- **Proven marketing & sales strategies** to keep inventory level low (Q1FY22: RM301.5m, -8.5% QoQ)
- Supported by **price-to-market product launches, enhanced sales capability & low interest rates**
- Diversify product launches beyond traditional residential landed
- Opening and expanding more townships
- Industrial developments also as **key catalyst of recurring income strategy**
- Inaugural Sime Darby Property-LOGOS Property Industrial Development Fund ("IDF") target launch in 2022
- **On track** to contribute positively from H2 FY2022 onwards

Focus on transforming & growing our core Property Development business

Diversification

- **Unlocking potential of Sime Darby Property + maximising value creation to reward shareholders**
- **A business model with stable earnings visibility**

Investment Proposition



Investment Proposition

Strengthened fundamentals and track record for growth; Towards greater income diversification



1	Resilient Financial Position	Improved Financial Performance	Solid Balance Sheet	Revenue Visibility		
		<i>^ as at 31 March 2022 * as at 8 May 2022</i>	Q1 FY2022 Revenue RM480.3m	Moderate Net Gearing 31.1%	Q1 FY22 Sales Achieved: RM888.9m	Unbilled Sales: RM2.9b [^]
		Q1 FY2022 PBT RM83.2m	Healthy Cash Position RM855.8m	Bookings RM1.5b*	FY2022 Sales Target: RM2.6b	Remaining Planned Launches: ~RM2.4b
2	Stable Shareholders' Return	Stable Return		Attractive Valuation		
		Dividend Payout Ratio FY2021 : 49.7%		Discount to Book Value & GDV ~60%	Price-to-Book Value 0.4x	
3	Strong Intrinsic Value	Solid Track Record > 40 Years	Constituent of: • MSCI ESG Index rated BBB		Sukuk Musharakah Programme • Rated AA+ _{JS} • Stable outlook	
		Land bank • ~15k acres, >RM100b GDV (existing) • ~20k acres (call options)	Townships with continued growth: • City of Elmina • Serenia City • Bandar Bukit Raja • Hamilton • KLGCC Resort • Nilai/MVV		Well-positioned to benefit from • Malaysia Vision Valley 2.0 • Pagoh Special Economic Zone	
		Embarking on a Growth Transformation Journey towards SHIFT25 –A Real Estate Company by 2025 • Committed towards surpassing FY2021 financial performance and key metrics – RM2.8b in GDV launched (RM2.5b in FY21), RM2.6b in Sales Targets (RM2.4b in FY21); Delivering greater returns to shareholders • Fund management platform (IDF-1) to go-live and provide maiden contribution in H2 FY2022 • Real estate as an attractive investment to hedge against inflationary environment				



Property

End of Presentation | Q&A



Property

Q1 FY2022

FINANCIAL RESULTS

VIRTUAL BRIEFING SESSION





Thank You

Sime Darby Property Berhad

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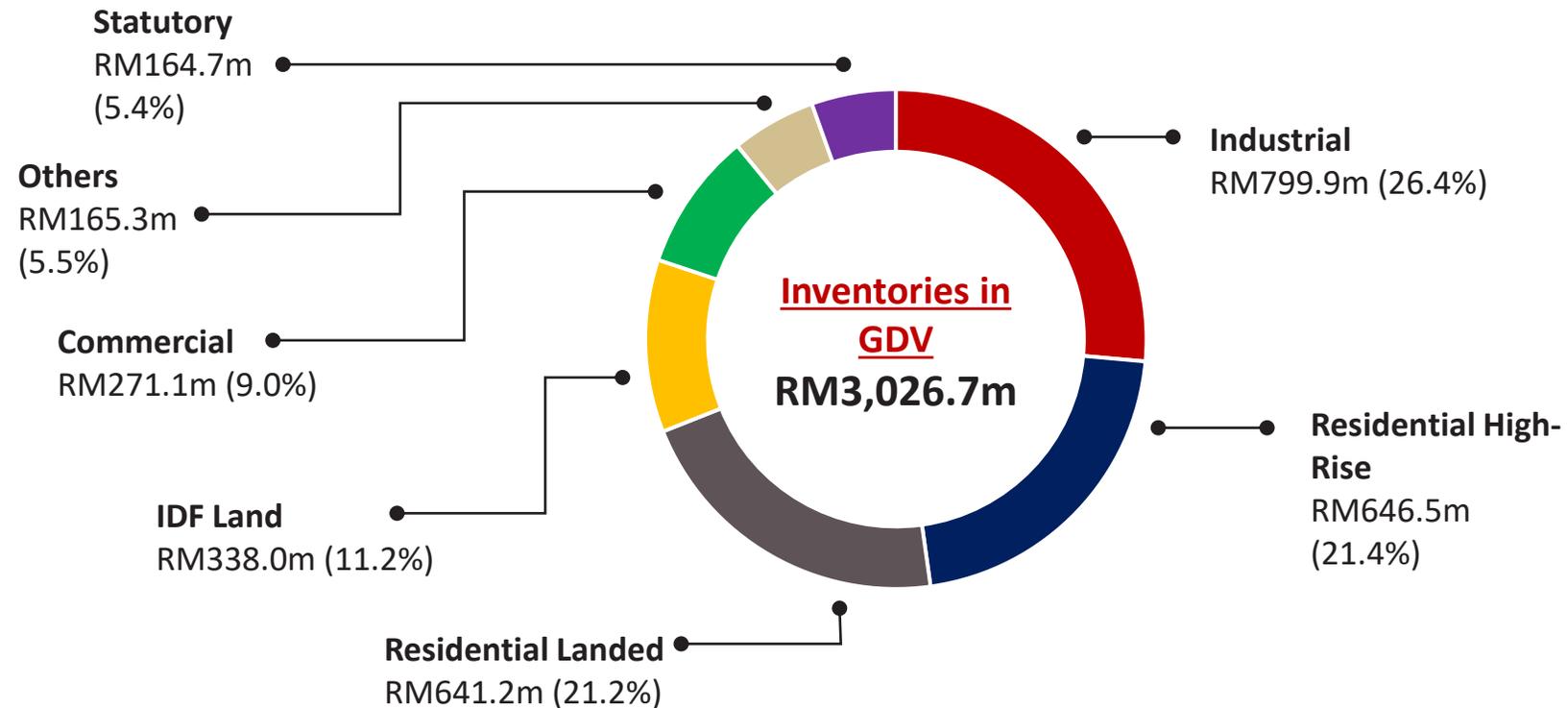
Property

Appendices



Property Development Inventories (as at Q1 FY2022)

By Type – mainly from industrial products (~26%) followed by high-rise & landed products (~43%)



4 Strategic Imperatives towards Being a Force for Good

Finding the optimal balance between reducing our carbon footprint, social impact sustainable profit



1
DECARBONISE
OUR OPERATIONS
& PRODUCTS



2
GOOD
BIODIVERSITY
PRACTICES



3
SHAPE INCLUSIVE
RESILIENT
COMMUNITIES



4
SOCIALLY
RESPONSIBLE
ORGANISATION

Key Sustainability Achievements

As at 31 December 2021, achieved/exceeded the targets for **13** out of 18 company-specific 2030 Sustainability Goals



1 A constituent of **MSCI ACWI SMALL CAP INDEX** (2018-current) and received **MSCI ESG RATING** of **BBB**

2 **CDP Inclusion** (2018-current) *Rating C in Climate Change & B minus in Supplier Engagement*

3 **RATED AA+IS** *Sukuk Musharakah Programme stable outlook by Malaysian Rating Corporation Berhad ("MARC")*

4 **Special Mention Award for ESG Reporting Benchmarking Analysis** in PwC Malaysia's Building Trust Awards 2021

SIME DARBY PROPERTY BERHAD SUSTAINABILITY POLICY

SIME DARBY PROPERTY BERHAD Quality, Health, Safety, Security and the Environment (QHSE) Policy



5 **Integrated Sustainability Policy & QHSE Policy** *Strengthening internal governance system*

6 **22,809** IUCN Red List Trees Planted (as of 31 Dec 2021) *Planting Endangered, Rare & Threatened ("ERT") Malaysian tree species*

7 **115,814** Total Trees Planted (31 Dec 2021) *Applying our 1:1 Replacement Target. Building resilience & a carbon sink*

8 **Carbon Emission Reduction** *28.88% reduction equivalent to 14,336.16 tCO2-e*

Total Waste *Total waste decreased by 35.72% (against 2020)*

Water Intensity *Total reduction of 15.88% (against 2020 baseline)*