

FOR IMMEDIATE RELEASE

Sime Darby Property's 9M Year-to-Date Profit Doubles

- The Group has surpassed this year's sales target with RM2.7 billion sales achieved to date;
- Strong sales momentum of RM808.3 million in Q3 FY2022 continued to strengthen the Group's resilient performance;
- All business segments registered higher revenue and PBT YoY in 9M FY2022.

ARA DAMANSARA, 29 NOVEMBER 2022 – Sime Darby Property Berhad (“Sime Darby Property” or “Group”) has exceeded its RM2.6 billion FY2022 sales target by achieving RM2.7 billion sales in the nine months ended 30 September 2022 (“9M FY2022”). This marks a 43% year-on-year (“YoY”) increase from the RM1.9 billion sales achieved in the corresponding period in FY2021. The Group also registered revenue of RM1.8 billion and profit before tax (“PBT”) of RM323.1 million signifying 21% and 90% YoY growth respectively. Profit after tax and minority interest (“PATAMI”) soared over 100% YoY to RM212.7 million.

The Group's revenue grew by 12% to RM689.3 million quarter-on-quarter (“QoQ”) driven by improvements in the Property Development segment, which registered higher revenues of 13% to RM640.6 million on the back of steady progress of its land bank management and monetisation plan. Accordingly, the Group's gross profit increased by 8% QoQ to RM207.5 million as further supported by the sustained operational performance from the Investment & Asset Management and Leisure segments.

Sime Darby Property's Group Managing Director, Dato' Azmir Merican said that the Group's strong sales momentum from the start of the year which continued into Q3 FY2022 is a key indicator of earnings potential towards the end of the financial year.

“We are encouraged by our strong performance for the year-to-date despite the macro headwinds and market challenges. Our residential launches achieved encouraging demands including Serenia City's ‘Serenia Anira 3’ with 80% take-up, while the semi-detached and detached factories in Elmina Business Park achieved 100% take-ups showing our capability in catering to the needs of businesses of any scale with solutions ranging from ready-built factories to customisable built-to-lease industrial properties,” he said.

In 9M FY2022, Sime Darby Property has launched products amounting to RM2.1 billion in Gross Development Value (“GDV”). This comprises a diversified residential and industrial product mix at 44% and 54% of total GDV launched with an average take-up rate of 90%.

9M FY2022 vs 9M FY2021

Driven by sales performance and positive on-site development, the Property Development segment contributed to higher revenue and PBT by 19% and 72% to RM1.6 billion and RM270.3 million respectively. The Investment & Asset Management segment’s revenue and PBT rose 26% and 48% YoY to RM79.3 million and RM42.1 million respectively. The improved financial performance was contributed by higher revenue mainly from the Group’s wholly-owned KL East Mall in line with its increased occupancy rate of 79% compared to 71%, as well as an improvement in the share of results from Melawati Mall following higher footfall. Leisure segment’s revenue increased by 66% to RM62.8 million, with PBT improved over 100% to RM10.7 million.

Sales Achievements and Unbilled Sales

The Group’s portfolio of launches is backed by a thorough understanding of the market’s needs for the right products at the right price points coupled with intensive marketing campaigns such as the industrial-driven *‘We’re the Go-To Experts’* campaign launched in June. The Group’s industrial products contributed to 19% of the overall sales achievement compared to last year’s 16% in the period under review. This is underpinned by industrial product launches in the quarter under review which comprised 65% of total GDV launched in Elmina Business Park in Selangor, Hamilton Nilai City in Negeri Sembilan, and Bandar Universiti Pagoh in Johor.

Sime Darby Property’s remaining bookings amount to RM2.1 billion as at 6 November 2022, and total completed inventories reduced to a new low of RM273.4 million as at 30 September 2022. The Group’s unbilled sales for future earnings visibility has also increased by 5.4% QoQ to RM3.5 billion as at 30 September 2022, marking a 70% YoY increase from the corresponding period last year.

Outlook for the Remainder of FY2022

Sime Darby Property is anticipating further launches across residential and industrial segments in Q4 FY2022 alongside the return of new high-rise residential products in Putra Heights, Selangor and Taman Melawati, Kuala Lumpur. On the back of increasing land activation and launches, the Group continues to demonstrate its financial strength as supported by its cash position of RM876.2 million and net gearing ratio of 28.2% as at 30 September 2022.

Following a transformational eight-year restoration, the Battersea Power Station is now open to the public with over 90% occupancy for the commercial spaces, achieving over a quarter of a million footfall in its opening weekend in October. Residents and the wider public can now explore inside this iconic building, and enjoy the first of over 100 shops, bars, restaurants, and leisure venues. In the same period, Koa at Electric Boulevard, a collection of 204 apartment units were launched as part of the '15-minute' live, work and play neighbourhood.

"Sime Darby Property has maintained healthy financial and operational performances despite the economic and market uncertainties. Our achievements indicate that the Group is on the right course of action with our strategies, product developments and offerings. We will maintain the discipline to end the year on a high note and deliver greater returns for our shareholders" said Dato' Azmir.

As of Q3 FY2022, Sime Darby Property has sequestered 13,017 tonnes of carbon dioxide, planted 24,560 Endangered, Rare and Threatened trees species, and built 5,560 energy efficient homes. Leading on the sustainability front, the Group is committed to its Vision of *Advancing Real Estate as a Force for Collective Progress, in Harmony with the Planet's Resources*.

"Sime Darby Property will continue to fulfil its Purpose to be a *Value Multiplier for People, Businesses, Economies, and the Planet*," added Dato' Azmir.

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About Sime Darby Property Berhad

Sime Darby Property is a leading property developer with a strong success rate of developing sustainable communities for 50 years. With 25 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 implement various initiatives to assist underprivileged communities living within and nearby its townships. A multi award-winning property group with numerous international and local accolades, Sime Darby Property is a constituent of the MSCI ACWI Small Cap Index with MSCI ESG Rating of BBB and is rated by the Carbon Disclosure Project.

Sime Darby Property is honoured to be recognised with numerous real estate industry awards throughout the years. In 2021, the Group continues to be recognised as a top property developer in 'The Edge Malaysia's Top Property Developers Awards', achieving the feat for the tenth year running. The Group was also named as 'EdgeProp Malaysia's Responsible Developer: Building Sustainable Development Award 2021', as well as the winner in PwC's 'Building Trust Awards 2021' under the FBM Mid 70 Index category.

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