

Sime Darby Property Records Outstanding 9M Revenue and Profit Growth

- Revenue surged 35.8% to RM2.4 billion;
- PBT and PATAMI increased 36.4% and 30.1% to RM440.7 million and RM276.7 million respectively.

ARA DAMANSARA, 24 NOVEMBER 2023: Sime Darby Property Berhad (“Sime Darby Property” or “Group”) registered revenue of RM2.4 billion for the nine months ended 30 September 2023 (“9M FY2023”), marking a 35.8% increase year-on-year.

The Group recorded profit before tax (“PBT”) of RM440.7 million and profit after tax and minority interest (“PATAMI”) of RM276.7 million, reflecting a 36.4% and 30.1% increase respectively.

The Group also achieved RM2.5 billion sales in the period under review and is on track to surpass its FY2023 sales target of RM2.7 billion.

Sime Darby Property's Group Managing Director, Dato' Azmir Merican stated, "Our sales momentum thus far is indicative of our diverse product offerings with the right pricing at the right locations. The consistent success of our residential landed, residential high-rise and industrial products highlights the market's positive response to our strategic direction and product developments."

Q3 FY2023

The Group's impressive revenue for Q3 FY2023 outperformed the preceding quarter by 52.4% at RM1.0 billion, with PBT doubling to RM228.5 million from RM114.3 million.

The strong quarter performance is driven by the Property Development segment which saw a significant improvement with 56.7% increase in revenue to hit RM1.0 billion, driven by higher sales from residential and industrial products and increased on-site progress development.

9M FY2023 vs 9M FY2022

The Property Development segment registered a robust 38.7% YoY revenue growth, reaching RM2.3 billion as compared to RM 1.6 billion last year. The segment's resilient performance was largely due to improved site progress and encouraging sales achieved; further supported by opening unbilled sales of RM3.6 billion as compared to RM2.4 billion last year. Concurrently, PBT reflected a 55.0% increment, translating to RM424.6million reflecting the increase in on-site development activities in Bandar Bukit Raja, Nilai Impian, Serenia City, City of Elmina, Hamilton Nilai City and Elmina Business Park townships.

The Investment and Asset Management ("IAM") segment maintained its top-line with revenue of RM78.6 million as compared to RM79.3 million in the corresponding period in the previous year. Notably, KL East Mall in the retail sub-segment continues to grow its occupancy rate to 89% as at 30 September 2023 compared to 79% recorded a year ago. However, the IAM segment's PBT was lower at RM17.9 million from RM38.5 million mainly arising from higher share of loss from the Battersea Power Station project in London, United Kingdom.

9M FY2023 Launches and Sales

Sime Darby Property diversified its product offerings to substantially enhance its market presence and launched products worth RM3.2 billion in Gross Development Value ("GDV") spreading across residential landed, residential high-rise, and industrial.

Residential landed products, Emilia 1 and 2 in Nilai Impian achieved 100% take-ups while Serenia Anisa 1 in Serenia City and Elmina Green 7 in the City of Elmina further underscored the achievement with over 90% take-up rates. In the residential high-rise segment, Teja in Subang Jaya City Centre ("SJCC") recorded 99% take-up while industrial products at Elmina Business Park and Bandar Universiti Pagoh achieved full take-ups.

Commitment To Renewable Energy

In pursuit of innovation and sustainability, Sime Darby Property signed a Memorandum of Understanding with Tenaga National Berhad ("TNB") on 29 August 2023 to explore and develop sustainable energy initiatives, supporting the Government's vision to achieve 70% renewable energy generation capacity by 2050.

This collaboration encompasses integrating rooftop solar solutions in the Group's townships and developments, implementing electric vehicle charging infrastructure and exploring microgrid solutions. These initiatives are indeed testament to the Group's commitment to a sustainable future in line with its Vision of Advancing Real Estate as a Force for Collective Progress, in Harmony with the Planet's Resources.

Outlook for FY2023

With the Malaysian Gross Domestic Product ("GDP") expected to grow by approximately 4.0% in 2023, the Group positively anticipates the property market outlook to improve in-line with economy, supported by domestic demand.

The Group's robust financial position, cash reserve of RM661.9 million and net gearing ratio of 27.4% as of 30 September 2023 further solidifies its readiness for future endeavours.

"We have an exciting launch pipeline for Q4 2023 worth approximately RM791.2 million in GDV across our townships, with the strong momentum built up to date, we are confident in our ability to meet our financial and operational targets for the year," concluded Dato' Azmir.

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About Sime Darby Property Berhad

Sime Darby Property is a leading property developer with 50 years of experience in building sustainable communities. With 25 active townships and developments under its belt, Sime Darby Property has a wide reach encompassing assets and operations across the country. It marked its presence in the United Kingdom as part of a Malaysian consortium that developed the iconic Battersea Power Station in Central London.

As a responsible corporate player, Sime Darby Property and its philanthropic arm, Yayasan Sime Darby ("YSD") actively implement various social welfare 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 2022, the Group remains a top property developer in 'The Edge Malaysia's Top Property Developers Awards', achieving the feat for the eleventh year running. The Group is also a consistent recipient of the 'BCI Asia Awards' for 'Top 10 Developers (Malaysia)' and was accorded a Platinum ranking in the Property Development category for Putra Brand Awards 2022, as well as named Top 10 in the 'Top-of-The-Chart (RM1 billion and above)' category under FIABCI-Malaysia and Star Media Group's 'Malaysia Developer Awards 2022'.

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