

## **Sime Darby Property's Sukuk Musharakah Programme Accorded AA<sub>+</sub>IS Rating with a Stable Outlook for the Third Consecutive Year**

**ARA DAMANSARA, 27 DECEMBER 2023:** Sime Darby Property Berhad (“Sime Darby Property” or “Group”) has been accorded the AA<sub>+</sub>IS rating with a stable outlook for its Sukuk Musharakah Programme by MARC Ratings Berhad (“MARC Ratings”). This is the third consecutive year the Group has maintained the commendable rating from MARC Ratings, a licensed credit rating agency with Securities Commission Malaysia and a Bank Negara-accredited External Credit Assessment Institution.

The outstanding under the rated programme stood at RM1.4 billion as of 30 November 2023.

MARC Ratings noted Sime Darby Property's strong sales track record in well-established townships, and strong balance sheet, characterised by low leverage as the key rating drivers. Other contributing factors include the overall take-up rate for launched projects in 9M FY2023 with a combined gross development value (“GDV”) of RM3.2 billion and a 75% take-up rate as of 5 November 2023, which the agency stated are primarily within the Group's existing maturing townships with well-established connectivity. It further stated that with unbilled sales of RM3.7 billion as at end-September 2023, the Group has strong earnings visibility through 2026.

The ratings agency also stated that relative to the size of its projects, Sime Darby Property's completed inventory remained modest at RM433.1 million as of end-9M FY2023.

MARC Ratings also noted Sime Darby Property's strategy to transform from a pure-play property developer into a sustainable real estate player with broader presence in property development, investment and asset management. It stated that the Group is focused on growing its industrial and logistics segment as part of product diversification including build-to-lease properties to strengthen its recurring income stream. This is reflected by the Group's 9M FY2023 industrial launches with a combined GDV of RM675.6 million which achieved an average take-up rate of 86% as of 5 November 2023.

With developable landbank standing at about approximately 13,640 acres, MARC Ratings sees that the Group has a strong potential to undertake further township and industrial developments.

Sime Darby Property's Group Managing Director, Dato' Azmir Merican said that the rating reflects the Group's strong fundamentals and continued growth prospects.

"We are committed to maintaining robust financial channels, and the Sukuk Musharakah Programme exemplifies how we are transforming from a pure-play property developer to a real estate company in tandem with our 2030 Sustainability Goals."

Earlier in August, the Group announced the successful completion of its second Sukuk issuance under the Sukuk Musharakah Programme with a nominal value of RM600 million.

The issuance attracted a diverse group of fixed-income and high-calibre investors, reaching an oversubscription of more than eight times and accumulating an order book valued at over RM4.8 billion. Notably, RM200 million of the Sukuk issuance was designated as Sustainability Sukuk, aligned with the Sustainable and Responsible Investment (SRI) Sukuk Framework issued by the Securities Commission Malaysia ("SRI Framework") and/or ASEAN Sustainability Bond Standards issued by the ASEAN Capital Markets Forum ("ASEAN Sustainability Bond Standard").

The Group is primed to utilise the Sukuk proceeds to support its future investments, while refining its capital structure and optimising debt management.

Maybank Investment Bank Berhad ("Maybank IB") is the sole Principal Adviser and Lead Arranger for the Sukuk Musharakah Programme as well as the Joint Lead Manager for the issuance along with CIMB Investment Bank Berhad and Public Investment Bank Berhad.

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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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