

QUARTERLY REPORT

On the consolidated results for the fourth quarter and financial year ended 31 December 2023

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 December		% +/(-)	Year ended 31 December		% +/(-)
		2023	2022 Restated		2023	2022 Restated	
Revenue	A8	1,012,702	956,896	5.8	3,436,947	2,742,136	25.3
Cost of sales		(736,539)	(662,331)		(2,427,994)	(1,915,563)	
Gross profit		276,163	294,565	(6.2)	1,008,953	826,573	22.1
Other expenses		(30,667)	(39,375)		(9,806)	(29,233)	
Marketing and selling expenses		(45,696)	(42,887)		(149,857)	(118,065)	
Administrative expenses		(77,328)	(79,260)		(242,866)	(243,036)	
Operating profit		122,472	133,043		606,424	436,239	
Share of results of joint ventures		14,219	8,475		(58,051)	(27,756)	
Share of results of associates		438	545		5,309	1,661	
Other gains/(losses)		13,627	(13,685)		16,630	40,093	
Profit before interest and tax	A7	150,756	128,378	17.4	570,312	450,237	26.7
Finance income		27,900	29,596		113,663	105,996	
Finance costs		(9,094)	(22,227)		(73,669)	(97,373)	
Profit before tax		169,562	135,747	24.9	610,306	458,860	33.0
Tax expense	B6	(36,343)	(39,762)		(192,776)	(147,162)	
Profit for the period		133,219	95,985	38.8	417,530	311,698	34.0
Attributable to:							
- owners of the Company		131,259	103,151	27.2	407,914	315,839	29.2
- non-controlling interests		1,960	(7,166)		9,616	(4,141)	
Profit for the period		133,219	95,985	38.8	417,530	311,698	34.0
Basic and diluted earnings per share attributable to owners of the Company (sen)	B11	1.9	1.5	27.2	6.0	4.6	29.2

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 2022.

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			Year ended		
	31 December		%	31 December		%
	2023	2022	+/(-)	2023	2022	+/(-)
Profit for the period	133,219	95,985	38.8	417,530	311,698	34.0
Other comprehensive income/(loss):						
Items which will subsequently be reclassified to profit or loss (net of tax):						
Currency translation differences	62,965	133,019		250,820	(141,567)	
Reclassified to profit or loss:						
Currency translation differences on repayment of net investment	-	777		(839)	777	
Currency translation differences on disposal of a subsidiary	-	-		-	(1,654)	
Items which will not subsequently be reclassified to profit or loss (net of tax):						
Share of other comprehensive (loss)/gain of an associate	(149)	1,538		(2,031)	979	
Net changes in fair value of investment at fair value through other comprehensive income ("FVOCI")	(6,043)	(4,785)		(4,192)	1,279	
Other comprehensive income/(loss) for the period	56,773	130,549	(56.5)	243,758	(140,186)	273.9
Total comprehensive income for the period	189,992	226,534	(16.1)	661,288	171,512	285.6
Attributable to:						
- owners of the Company	188,068	233,765	(19.5)	651,802	175,334	271.7
- non-controlling interests	1,924	(7,231)		9,486	(3,822)	
Total comprehensive income for the period	189,992	226,534	(16.1)	661,288	171,512	285.6

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 2022.

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 December 2023	Audited As at 31 December 2022
<u>Non-current assets</u>			
Property, plant and equipment		593,345	586,343
Investment properties		1,201,105	1,085,200
Inventories (Note 1)		4,450,388	4,016,559
Joint ventures		3,135,789	2,885,238
Associates		136,322	148,557
Investments		43,132	48,633
Intangible assets		6,168	6,577
Deferred tax assets		549,156	601,790
Receivables		110,922	102,718
Contract assets		1,110,987	1,199,242
		11,337,314	10,680,857
<u>Current assets</u>			
Inventories (Note 1)		2,044,587	1,527,278
Receivables		689,748	862,615
Contract assets		1,138,868	1,154,273
Prepayment		10,232	12,002
Tax recoverable		48,144	40,367
Cash held under Housing Development Accounts		325,946	386,092
Bank balances, deposits and cash		276,635	599,225
		4,534,160	4,581,852
Assets held for sale		68,850	–
Total assets	A7	15,940,324	15,262,709
<u>Equity</u>			
Share capital		6,800,839	6,800,839
Fair value reserve		20,380	33,976
Exchange reserve		212,393	(37,718)
Retained profits		3,023,484	2,722,621
Attributable to owners of the Company		10,057,096	9,519,718
Non-controlling interests		226,416	125,078
Total equity		10,283,512	9,644,796
<u>Non-current liabilities</u>			
Payables		77,514	72,134
Borrowings	B8	2,480,664	2,283,984
Lease liabilities		23,976	24,149
Provisions		171,115	152,565
Contract liabilities		262,591	253,164
Deferred tax liabilities		306,353	316,650
		3,322,213	3,102,646
<u>Current liabilities</u>			
Payables		1,544,596	1,296,619
Borrowings	B8	413,358	753,861
Lease liabilities		21,458	21,447
Provisions		67,911	82,530
Contract liabilities		235,674	332,895
Tax provision		51,602	27,915
		2,334,599	2,515,267
Total liabilities		5,656,812	5,617,913
Total equity and liabilities		15,940,324	15,262,709
Net assets per share attributable to owners of the Company (RM)		1.48	1.40

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

Unaudited Condensed Consolidated Statement of Financial Position (continued)
Amounts in RM thousand unless otherwise stated

	Unaudited As at 31 December 2023	Audited As at 31 December 2022
Note:		
1. Inventories		
Ongoing development	1,800,201	1,249,389
Completed development units	243,366	277,249
Others	1,020	640
	<u>2,044,587</u>	<u>1,527,278</u>
Not within normal operating cycle	4,450,388	4,016,559
	<u>6,494,975</u>	<u>5,543,837</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 2022.

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
Year ended 31 December 2023								
At 1 January 2023		6,800,839	33,976	(37,718)	2,722,621	9,519,718	125,078	9,644,796
Profit for the period		–	–	–	407,914	407,914	9,616	417,530
Other comprehensive (loss)/income		–	(6,223)	250,111	–	243,888	(130)	243,758
Total other comprehensive (loss)/income for the period		–	(6,223)	250,111	407,914	651,802	9,486	661,288
Transfer upon liquidation and de-recognition of an investment carried at fair value through other comprehensive income (“FVOCI”)		–	(7,373)	–	7,373	–	–	–
Transaction with owners:								
- dividends paid		–	–	–	(136,016)	(136,016)	(5,368)	(141,384)
- acquisition of non-controlling interests	A12(c)	–	–	–	21,592	21,592	97,220	118,812
At 31 December 2023		6,800,839	20,380	212,393	3,023,484	10,057,096	226,416	10,283,512
Year ended 31 December 2022								
At 1 January 2022		6,800,839	31,718	105,045	2,474,790	9,412,392	141,576	9,553,968
Profit for the period		–	–	–	315,839	315,839	(4,141)	311,698
Other comprehensive income/(loss)		–	2,258	(142,763)	–	(140,505)	319	(140,186)
Total other comprehensive income/(loss) for the period		–	2,258	(142,763)	315,839	175,334	(3,822)	171,512
Transaction with owners:								
- dividends paid		–	–	–	(68,008)	(68,008)	(10,772)	(78,780)
- disposal of a subsidiary		–	–	–	–	–	(1,904)	(1,904)
At 31 December 2022		6,800,839	33,976	(37,718)	2,722,621	9,519,718	125,078	9,644,796

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 2022.

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

Unaudited Condensed Consolidated Statement of Cash Flows
Amounts in RM thousand unless otherwise stated

	Year ended 31 December	
	2023	2022
Cash flow from operating activities		
Profit for the period	417,530	311,698
Adjustments for:		
Share of results of joint ventures and associates	52,742	26,095
Depreciation and amortisation	31,730	32,007
Net changes in fair value on investment properties	33,576	51,601
Write-down of inventories	8,756	6,270
Write-off of:		
- inventories	10,451	3,125
- property, plant and equipment	350	1
Loss on lease modification	-	12,788
Net (reversal of impairment)/impairment losses	(2,536)	2,767
Gain on disposal of:		
- subsidiaries	-	(53,020)
- others	(37)	(2)
Provisions	374	11,023
Finance income	(113,663)	(105,996)
Finance costs	73,669	97,373
Tax expense	192,776	147,162
Others	(8,937)	(292)
	696,781	542,600
Changes in working capital:		
- inventories, receivables and other assets		
- changes in inventories attributable to land acquisition	(692,402)	-
- others	(136,283)	291,801
- payables, provisions and other liabilities	193,284	336,080
Cash from operations	61,380	1,170,481
Tax paid	(136,495)	(155,026)
Net cash (used in)/from operating activities	(75,115)	1,015,455
Cash flow from investing activities		
Finance income received	25,529	14,869
Proceeds from sale of:		
- property, plant and equipment	59	5,034
- investment properties	2,888	-
Additions of:		
- property, plant and equipment	(34,926)	(11,280)
- investment properties	(170,748)	(15,951)
- intangible assets	(2,706)	(1,739)
Net cash inflow from disposal of subsidiaries	-	8,451
Subscription of additional interests in joint ventures	(72,051)	(330,618)
Capital repayment from:		
- a joint venture	163,986	366,480
- an investment	1,309	6,064
Repayment from/(Advances to) an associate	12,857	(1,304)
Dividends received from an associate, a joint venture and an investment	2,800	7,260
Net cash (used in)/from investing activities	(71,003)	47,266
Cash flow from financing activities		
Finance costs paid	(124,380)	(128,880)
Net borrowings raised/(repaid)	52,308	(757,307)
Repayments of lease liabilities	(3,474)	(22,299)
Acquisition of non-controlling interests	(31,570)	-
Dividend paid on ordinary shares	(136,016)	(68,008)
Dividends paid to non-controlling interests	(5,368)	(10,772)
Net cash used in financing activities	(248,500)	(987,266)

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

Unaudited Condensed Consolidated Statement of Cash Flows (continued)
Amounts in RM thousand unless otherwise stated

	Year ended 31 December	
	2023	2022
Net changes in cash and cash equivalents	(394,618)	75,455
Foreign exchange differences	11,882	198
Cash and cash equivalents at beginning of the year	<u>985,317</u>	<u>909,664</u>
Cash and cash equivalents at end of the period	<u>602,581</u>	<u>985,317</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	325,946	386,092
Bank balances, deposits and cash	<u>276,635</u>	<u>599,225</u>
	<u>602,581</u>	<u>985,317</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 2022.

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

Explanatory Notes on the Quarterly Report – 31 December 2023
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 2022.

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 2022 except as described below.

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

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 and 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
	International Tax Reform - Pillar Two Model Rules

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

- b. Reclassification of comparative financial results

The Group had effected a reclassification of net changes in fair value on investment properties from “other gains/(losses)” to “other income/(expenses)”. The net changes in fair value is now included as part of segment results. The reclassification allows for a comprehensive reflection of the segments’ performances. The reclassification had no effect on (1) the profit for the current and previous financial year; (2) retained earnings; (3) statement of financial position; and (4) statement of cash flows.

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

Explanatory Notes on the Quarterly Report – 31 December 2023
Amounts in RM thousand unless otherwise stated

A1. Basis of Preparation (continued)

b. Reclassification of comparative financial results (continued)

The effect of the reclassification of net changes in fair value on investment properties are as follows:

(i) Reconciliation of statement of profit or loss for the quarter ended and for the year ended 31 December 2022

	Quarter ended 31 December 2022			Year ended 31 December 2022		
	As previously stated	Reclassification	As restated	As previously stated	Reclassification	As restated
Revenue	956,896	–	956,896	2,742,136	–	2,742,136
Cost of sales	(662,331)	–	(662,331)	(1,915,563)	–	(1,915,563)
Gross profit	294,565	–	294,565	826,573	–	826,573
Other income/(expenses)	4,278	(43,653)	(39,375)	22,368	(51,601)	(29,233)
Marketing and selling expenses	(42,887)	–	(42,887)	(118,065)	–	(118,065)
Administrative expenses	(79,260)	–	(79,260)	(243,036)	–	(243,036)
Operating profit	176,696	(43,653)	133,043	487,840	(51,601)	436,239
Share of results of joint ventures	8,475	–	8,475	(27,756)	–	(27,756)
Share of results of associates	545	–	545	1,661	–	1,661
Other (losses)/gains	(57,338)	43,653	(13,685)	(11,508)	51,601	40,093
Profit before interest and tax	128,378	–	128,378	450,237	–	450,237
Finance income	29,596	–	29,596	105,996	–	105,996
Finance costs	(22,227)	–	(22,227)	(97,373)	–	(97,373)
Profit before tax	135,747	–	135,747	458,860	–	458,860
Tax expense	(39,762)	–	(39,762)	(147,162)	–	(147,162)
Profit for the period	95,985	–	95,985	311,698	–	311,698

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

Explanatory Notes on the Quarterly Report – 31 December 2023
Amounts in RM thousand unless otherwise stated

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 year 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

Other than as disclosed in Note B8(i), there were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial year under review.

The Company has 6,800,839,377 ordinary shares in issue as at 31 December 2023.

A6. Dividend Paid

The first single tier dividend in respect of the financial year ended 31 December 2023 of 1.0 sen per ordinary share, amounting to RM68.0 million was paid on 19 October 2023.

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

Explanatory Notes on the Quarterly Report – 31 December 2023
Amounts in RM thousand unless otherwise stated

A7. Segment Information

The Group has three 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

Year ended 31 December 2023	Property Development	Investment and Asset Management	Leisure	Elimination	Total
Revenue:					
External	3,235,370	107,813	93,764	–	3,436,947
Inter-segment	40,355	7,994	3,106	(51,455)	–
	3,275,725	115,807	96,870	(51,455)	3,436,947
Cost of sales	(2,341,381)	(69,027)	(58,072)	40,486	(2,427,994)
Gross profit	934,344	46,780	38,798	(10,969)	1,008,953
Other income/(expenses)	12,403	(26,005)	2,615	1,181	(9,806)
Marketing and selling expenses	(146,985)	(2,363)	(509)	–	(149,857)
Administrative expenses	(190,182)	(21,034)	(42,974)	11,324	(242,866)
Operating profit/(loss)	609,580	(2,622)	(2,070)	1,536	606,424
Share of results of joint ventures and associates	(92,294)	(29,410)	–	68,962	(52,742)
Segment results	517,286	(32,032)	(2,070)	70,498	553,682
Other gains/(losses)	7,568	9,551	(489)	–	16,630
Profit/(Loss) before interest and tax	524,854	(22,481)	(2,559)	70,498	570,312
Finance income	32,054	86,789	2,802	(7,982)	113,663
Finance costs	(32,070)	(48,536)	(1,045)	7,982	(73,669)
Profit/(Loss) before tax	524,838	15,772	(802)	70,498	610,306
Tax (expense)/credit	(174,566)	(18,202)	113	(121)	(192,776)
Profit/(Loss) for the period	350,272	(2,430)	(689)	70,377	417,530

Included in other income/(expenses) are:

Net changes in fair value on investment properties	(6,570)	(28,377)	–	1,371	(33,576)
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Included in other gains/(losses) are:

Reversal of provision on obligation in relation to a property disposed	–	9,701	–	–	9,701
Net foreign exchange gain/(loss)	9,085	(148)	–	–	8,937

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

Explanatory Notes on the Quarterly Report – 31 December 2023
Amounts in RM thousand unless otherwise stated

A7. Segment Information (continued)

a. Segment results (continued)

	Property Development	Investment and Asset Management	Leisure	Elimination	Total
Year ended					
31 December 2022					
Restated					
Revenue:					
External	2,549,507	107,947	84,682	–	2,742,136
Inter-segment	164,284	8,194	4,345	(176,823)	–
	<u>2,713,791</u>	<u>116,141</u>	<u>89,027</u>	<u>(176,823)</u>	<u>2,742,136</u>
Cost of sales	(1,903,349)	(59,026)	(49,051)	95,863	(1,915,563)
Gross profit	810,442	57,115	39,976	(80,960)	826,573
Other income/(expenses)	22,130	(51,314)	141	(190)	(29,233)
Marketing and selling expenses	(120,514)	(667)	(504)	3,620	(118,065)
Administrative expenses	(195,825)	(21,446)	(37,083)	11,318	(243,036)
Operating profit/(loss)	516,233	(16,312)	2,530	(66,212)	436,239
Share of results of joint ventures and associates*	(48,795)	39,935	–	(17,235)	(26,095)
Segment results	467,438	23,623	2,530	(83,447)	410,144
Other (losses)/gains	(1,120)	(11,922)	9,063	44,072	40,093
Profit before interest and tax	466,318	11,701	11,593	(39,375)	450,237
Finance income	26,103	90,029	834	(10,970)	105,996
Finance costs	(39,877)	(67,349)	(1,117)	10,970	(97,373)
Profit before tax	452,544	34,381	11,310	(39,375)	458,860
Tax expense	(136,605)	(15,647)	(1,893)	6,983	(147,162)
Profit for the period	<u>315,939</u>	<u>18,734</u>	<u>9,417</u>	<u>(32,392)</u>	<u>311,698</u>

Included in other income/(expenses) are:

Net changes in fair value on investment properties	2,011	(53,612)	–	–	(51,601)
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Included in other (losses)/gains are:

Loss on lease modification	–	(12,788)	–	–	(12,788)
Gain on disposal of subsidiaries	–	–	8,948	44,072	53,020
Net foreign exchange (loss)/gain	(1,118)	866	114	–	(138)

* The share of results of joint ventures and associates was re-presented to segregate the share of results into Property Development and Investment and Asset Management segment respectively to reflect how the senior management of the Group reviews the operations and performance on a regular basis.

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

Explanatory Notes on the Quarterly Report – 31 December 2023
Amounts in RM thousand unless otherwise stated

A7. Segment Information (continued)

b. Segment assets

	Property Development	Investment and Asset Management	Leisure	Elimination	Total
As at 31 December 2023					
Operating assets	9,523,515	2,681,791	548,867	(752,110)	12,002,063
Joint ventures and associates	2,777,468	502,961	–	(8,318)	3,272,111
Assets held for sale	68,850	–	–	–	68,850
	<u>12,369,833</u>	<u>3,184,752</u>	<u>548,867</u>	<u>(760,428)</u>	<u>15,343,024</u>
Tax assets					<u>597,300</u>
Total assets					<u><u>15,940,324</u></u>
As at 31 December 2022					
Restated					
Operating assets	9,295,326	2,535,848	539,439	(783,856)	11,586,757
Joint ventures and associates*	2,660,592	444,304	–	(71,101)	3,033,795
	<u>11,955,918</u>	<u>2,980,152</u>	<u>539,439</u>	<u>(854,957)</u>	<u>14,620,552</u>
Tax assets					<u>642,157</u>
Total assets					<u><u>15,262,709</u></u>

* The segment assets of joint ventures and associates was re-presented to segregate the assets into Property Development and Investment and Asset Management segment respectively to reflect how the senior management of the Group reviews the operations and performance on a regular basis.

A8. Revenue

	Year ended 31 December	
	2023	2022
Revenue comprises the following:		
Revenue from contracts with customers	3,366,988	2,663,767
Revenue from rental income	69,959	78,369
	<u>3,436,947</u>	<u>2,742,136</u>
Disaggregation of the Group's revenue from contracts with customers:		
Geographical market		
- Malaysia	<u>3,366,988</u>	<u>2,663,767</u>
Timing of revenue recognition		
- over time	3,062,609	2,306,418
- at point in time	304,379	357,349
	<u>3,366,988</u>	<u>2,663,767</u>

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

Explanatory Notes on the Quarterly Report – 31 December 2023
Amounts in RM thousand unless otherwise stated

A9. Capital Commitments

	As at 31 December 2023	As at 31 December 2022
Contracted capital commitments:		
- investment properties	20,815	79,618
- property, plant and equipment	20,084	28,731
- intangible assets	880	462
	<u>41,779</u>	<u>108,811</u>

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

	As at 31 December 2023	As at 31 December 2022
Joint ventures:		
- Sime Darby Property - LOGOS Property Industrial Development Fund 1 LP	112,692	168,568
- Others	64,625	45,800
	<u>177,317</u>	<u>214,368</u>

A10. Significant Related Party Transactions

Significant related party transactions during the financial year ended 31 December 2023 are as follows:

	Year ended 31 December	
	2023	2022
a. Transactions between subsidiaries and their non-controlling interests ("NCI") or related parties of the NCI		
Turnkey works rendered by Brunfield Engineering Sdn Bhd ("BESB") to Sime Darby Brunfield Holding Sdn Bhd ("SDBH") group, companies in which Tan Sri Dato' Ir Gan Thian Leong and Encik Mohamad Hassan Zakaria are substantial shareholders	(6,154)	(33,320)
BESB ceased to be a related party of the Group as of 8 December 2023 (refer to Note A12(c)).		
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>(16,375)</u>	<u>(15,024)</u>
b. Transactions with joint ventures and associates		
<u>Yayasan Sime Darby</u>		
Contribution to Yayasan Sime Darby	(9,476)	(20,000)
<u>SDPLOG 1 (Industrial Asset IV) Sdn Bhd</u>		
Deposit received for land sale	<u>-</u>	<u>19,588</u>

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

Explanatory Notes on the Quarterly Report – 31 December 2023
Amounts in RM thousand unless otherwise stated

A10. Significant Related Party Transactions (continued)

Significant related party transactions during the financial year ended 31 December 2023 are as follows:
(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 57.6% as at 31 December 2023 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 year include:

	Year ended 31 December	
	2023	2022
<u>Director of PNB</u>		
Deposit received for land sale	–	1,356
<u>Sime Darby Plantation Berhad Group</u>		
Deposits paid for land acquisition	–	(61,800)
Rental income	<u>10,489</u>	<u>13,106</u>

- (i) On 27 October 2021, Sime Darby Property (MVV Central) Sdn Bhd had entered into a Sale and Purchase Agreement (“SPA”) with Kumpulan Sime Darby Berhad (“KSDB”), a subsidiary of Sime Darby Berhad, to acquire part of the land held under GRN 76723 Lot No. 3235, Mukim of Labu, District of Seremban, Negeri Sembilan measuring approximately 760.12 acres for a total cash consideration of RM280.0 million. 10% of the purchase price was paid upon signing of SPA. The acquisition has been completed following the payment of the balance 90% of the purchase price of RM252.0 million on 7 August 2023.
- (ii) On 1 December 2022, Sime Darby Property (Bukit Tunku) Sdn Bhd (“SDPBT”), a wholly-owned subsidiary of the Group had entered into a conditional Sale and Purchase Agreement (“SPA”) with Sime Darby Plantation Berhad (“SD Plantation”) to acquire 3 parcels of freehold land with a total net land area measuring approximately 948.8 acres located in Mukim Kapar, District of Klang, Selangor (“Kapar Land”) for a total cash consideration of RM618.0 million. The proposed Kapar Land acquisition was approved by the shareholders of the Company at an Extraordinary General Meeting (“EGM”) held on 24 May 2023. 10% of the purchase price was paid upon signing of SPA. The acquisition has been completed following the payment of the balance 90% of the purchase price of RM556.2 million on 23 August 2023.

d. Transactions with a Director, key management personnel and their close family members

	Year ended 31 December	
	2023	2022
Sale of properties to Directors of the Company and their close family members	486	1,921
Sale of properties to key management personnel and their close family members	<u>3,957</u>	<u>3,004</u>

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

Explanatory Notes on the Quarterly Report – 31 December 2023
Amounts in RM thousand unless otherwise stated

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

On 30 January 2024, the Industrial Development Fund (“IDF”), a joint venture of the Group, held its second closing with additional commitments of RM205.5 million from new limited partners, thus increasing the fund size to RM842.5 million. The Group’s interest will be diluted from 55% to 32.6% upon the completion of capital calls and redistribution of partnership interests.

Apart from the above, there was no material event subsequent to the end of the current financial year under review to 16 February 2024, being a date not earlier than 7 days from the date of issue of the quarterly report.

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 year ended 31 December 2023, other than as disclosed below.

a. Incorporation of subsidiaries

On 13 July 2023, the Group incorporated Sime Darby Property (Glades) Sdn Bhd. The principal activity of the Company is property investment.

On 11 October 2023, the Group incorporated Sime Darby Property (Elmina Lakeside Mall Power) Sdn Bhd. The principal activity of the Company is distribution and sales of electricity.

On 21 November 2023, the Group incorporated Sime Darby Property (Elmina East Asset I) Sdn Bhd. The principal activity of the Company is property investment.

On 21 December 2023, the Group incorporated Seed Homes Sdn Bhd. The principal activity of the Companies is property development and investment holding.

On 28 December 2023, the Group incorporated Sime Darby Property (EBP Asset I) Sdn Bhd and Sime Darby Property (Elmina East Asset II) Sdn Bhd. The principal activities of the Companies are both property investment.

b. Deregistration and member’s voluntary liquidation of subsidiaries

On 11 August 2023, Sime Darby Property Ventures (HK) Limited, a wholly-owned subsidiary of the Group was deregistered pursuant to an application for deregistration made on 15 March 2023.

On 10 November 2023, Sime Darby Brunfield Australia Pte Ltd, an indirect wholly-owned subsidiary of the Group was dissolved pursuant to an application for strike-off made on 1 November 2023.

On 22 November 2023, Vibernum Limited, an indirect wholly-owned subsidiary of the Group, was dissolved pursuant to its final meeting which was held on 22 August 2023 after being placed under Members' Voluntary Liquidation on 9 March 2022.

c. Acquisition of non-controlling interest (“NCI”)

On 1 November 2023, Sime Darby Property Berhad, and its 60% owned subsidiary, Sime Darby Brunfield Holding Sdn Bhd (“SDBH”), have entered into a settlement agreement with Brunfield Metropolitan Sdn Bhd (“BMSB”), the 40% shareholder of the remaining equity interest in SDBH. The settlement agreement sets out the key parameters and features of the settlement and mutual termination of a Joint Venture and Shareholders Agreement dated 28 March 2006 between the Group and BMSB.

The settlement agreement has been completed on 8 December 2023. Following the completion of the settlement agreement, the Group’s interest in SDBH has increased from 60% to 100%.

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

Explanatory Notes on the Quarterly Report – 31 December 2023
Amounts in RM thousand unless otherwise stated

A12. Effect of Significant Changes in the Composition of the Group (continued)

c. Acquisition of non-controlling interests (“NCI”) (continued)

Details of net cash outflow on acquisition of non-controlling interests by the Group for the financial year ended 31 December 2023 are as follows:

	As at 31 December 2023
NCI acquired	(97,220)
Difference arising from acquisition of NCI recognised in retained earnings	(21,592)
Cost of acquisition	<u>(118,812)</u>
In exchange for:	
Settlement of shareholder loan and net payables	314,598
Inventories transferred to NCI	(162,414)
Others	(1,802)
Net cash outflow on acquisition of non-controlling interests	<u>31,570</u>

A13. Contingent Liabilities - unsecured

	As at 31 December 2023	As at 31 December 2022
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:

	As at 31 December 2023	As at 31 December 2022
Investments - unquoted shares	<u>43,132</u>	<u>48,633</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.

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

Explanatory Notes on the Quarterly Report – 31 December 2023
Amounts in RM thousand unless otherwise stated

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

B1. Review of Group Performance

	Year ended 31 December		%
	2023	2022 Restated	+/(–)
Segment revenue:			
Property development	3,235,370	2,549,507	26.9
Investment and asset management	107,813	107,947	(0.1)
Leisure	<u>93,764</u>	<u>84,682</u>	10.7
Revenue	<u>3,436,947</u>	<u>2,742,136</u>	25.3
Segment results:			
Property development	587,784	383,991	53.1
Investment and asset management	(32,032)	23,623	(235.6)
Leisure	<u>(2,070)</u>	<u>2,530</u>	(181.8)
	553,682	410,144	35.0
Other gains	<u>16,630</u>	<u>40,093</u>	
Profit before interest and tax	570,312	450,237	26.7
Finance income	113,663	105,996	
Finance costs	<u>(73,669)</u>	<u>(97,373)</u>	
Profit before tax (“PBT”)	610,306	458,860	33.0
Tax expense	<u>(192,776)</u>	<u>(147,162)</u>	
Profit for the period	<u>417,530</u>	<u>311,698</u>	34.0
Attributable to:			
- owners of the Company	407,914	315,839	29.2
- non-controlling interests	<u>9,616</u>	<u>(4,141)</u>	
Profit for the period	<u>417,530</u>	<u>311,698</u>	34.0

The Group achieved its highest revenue since demerger in 2017, with a 25.3% revenue growth in the financial year ended 31 December 2023 to RM3,436.9 million as compared to corresponding period in the previous year (“FY22”) of RM2,742.1 million. The growth was primarily driven by the property development segment which saw a revenue increase of 26.9% to RM3,235.4 million. The investment and asset management segment maintained its revenue contribution at RM107.8 million, while the leisure segment grew its revenue by 10.7% to RM93.8 million.

The strong overall topline contribution and higher segment profit from property development segment translated to an increase of 33% in PBT for the current financial year to RM610.3 million, despite lower other gains and higher share of losses from joint ventures. In FY22, “Other gains” included impact arising from the dilution of interest in the Industrial Development Fund amounting to RM44.1 million.

The results of each business segment are analysed below:

a) Property development

The property development segment remains the primary contributor to the Group’s revenue, representing 94.0% of the Group’ total revenue. Revenue of RM3,235.4 million, reflecting a year-on-year growth of 26.9% from RM2,549.5 million in FY22 was supported by a sustainable unbilled sales pipeline, strong sales contribution from residential and industrial products, along with increased on-site development activities in Bandar Bukit Raja, Nilai Impian, Serenia City, Elmina Business Park and Hamilton City townships. Additionally, land sale in Negeri Sembilan and Kedah, in alignment with the Group’s land monetisation strategy, had also contributed to current year’s results. In previous year, the segment’s financial results were impacted by lower site progress caused by labour shortage in general.

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

Explanatory Notes on the Quarterly Report – 31 December 2023
Amounts in RM thousand unless otherwise stated

B1. Review of Group Performance (continued)

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

a) Property development (continued)

The growth in revenue has resulted in a 53.1% increase in the segment's profit to RM587.8 million. In addition, the higher segment profit is also attributable to lower share of loss from joint ventures and associate, which dropped from RM66.0 million to RM23.3 million. The lower share of loss is attributable to fair value gain on land, which offset the write-downs on properties incurred by a joint venture.

b) Investment and asset management

The investment and asset management segment revenue of RM107.8 million is marginally lower than FY22 of RM107.9 million. The retail sub-segment, KL East Mall continues to grow its occupancy rate to 90% as of 31 December 2023, compared to 85% a year ago.

However, the segment's profit shifted to a loss of RM32.0 million in the current financial year from a profit of RM23.6 million in FY22, impacted by share of loss from joint ventures this year, in contrast with share of profit in FY22. The loss was mainly attributed to fair value loss on investment properties and higher finance costs incurred by a joint venture. Additionally, higher operating costs was incurred due to higher utilities costs from imbalance cost pass-through ("ICPT") surcharge.

c) Leisure

The leisure segment recorded a revenue increase of 10.7% to RM93.8 million, as compared to RM84.7 million in the previous year. This growth was attributed to higher revenue from banqueting and food and beverages.

However, the segment reported a loss of RM2.1 million, in contrast to a profit of RM2.5 million in the FY22. This segment loss was primarily attributed to the rising operating costs as well as expenses incurred in intensifying maintenance activities for its golf course in preparation of the Ladies Professional Golf Association ("LPGA") tournament held in October 2023.

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

Explanatory Notes on the Quarterly Report – 31 December 2023
Amounts in RM thousand unless otherwise stated

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

	Quarter ended 31 December 2023	Quarter ended 30 September 2023	% +/(-)
Segment revenue:			
Property development	956,375	1,002,491	(4.6)
Investment and asset management	29,230	26,087	12.0
Leisure	27,097	21,417	26.5
Revenue	1,012,702	1,049,995	(3.6)
Segment results:			
Property development	165,161	233,375	(29.2)
Investment and asset management	(28,904)	2,861	(1,110.3)
Leisure	872	(2,825)	130.9
	137,129	233,411	(41.2)
Other gains/(losses)	13,627	(6,129)	
Profit before interest and tax	150,756	227,282	(33.7)
Finance income	27,900	27,911	
Finance costs	(9,094)	(26,672)	
Profit before tax ("PBT")	169,562	228,521	(25.8)
Tax expense	(36,343)	(84,244)	
Profit for the period	133,219	144,277	(7.7)
Attributable to:			
- owners of the Company	131,259	144,915	(9.4)
- non-controlling interests	1,960	(638)	
Profit for the period	133,219	144,277	(7.7)

The Group maintained its two consecutive quarters of revenue above RM1.0 billion, albeit 3.6% lower than the preceding quarter. Segment results under the property development segment remained robust, although lower compared to preceding quarter which included contributions from land monetisation. Meanwhile, investment and asset management had declined to a loss position. Due to the above, the Group's profit before tax ("PBT") for the current quarter dropped by 25.8% from RM228.5 million in the preceding quarter to RM169.6 million in the current quarter.

The results of each business segment are analysed below:

a) Property development

Revenue from property development dropped by 4.6% from RM1,002.5 million in the preceding quarter to RM956.4 million in the current quarter. Accordingly, the segment profit for the current quarter declined to RM165.2 million as compared to RM233.4 million in the preceding quarter. The strong segment results in the preceding quarter was partly driven by contribution from sale of land in Negeri Sembilan and Kedah, as part of the Group's land monetisation strategy. Current quarter's performance is driven by increased on-site development activities, coupled with higher financial progress from our integrated development townships.

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

Explanatory Notes on the Quarterly Report – 31 December 2023
Amounts in RM thousand unless otherwise stated

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 saw a 12.0% increase in its total revenue to RM29.2 million, supported by revenue growth from KL East Mall. Despite this increase, the segment incurred a loss of RM28.9 million against a profit of RM2.9 million in the preceding quarter due to fair value loss on investment properties.

c) Leisure

The leisure segment registered encouraging revenue growth of 26.5% to RM27.1 million with segment profit of RM0.9 million, as compared to a loss of RM2.8 million in the preceding quarter. This improvement was mainly due to higher sales in food and beverages as well as banqueting during the year-end festive season. In the preceding quarter, the incurred loss was primarily attributed to the higher costs incurred as the segment intensified its golf course maintenance activities in preparation for the PGA tournament held in October 2023.

B3. Prospects

The Malaysian economy as measured by Gross Domestic Product (GDP), expanded by 3.0% during the fourth quarter of 2023, resulting in a 3.7% overall growth for the year 2023. The moderated growth, following a strong performance in the previous year (2022: 8.7%), was observed amid a challenging external environment marked by slower global trade, geopolitical tensions and tighter monetary policies. On the lending front, Bank Negara Malaysia (BNM) maintained the Overnight Policy Rate (OPR) at 3.00% in its fourth consecutive review in January 2024, citing that the current rate remains conducive to domestic inflation and supports the growth outlook.

Despite a cautious start in FY2023, Sime Darby Property concluded the fiscal year on a positive note, maintaining a sales momentum of RM3.3 billion. The Group's future earnings visibility is sustained by an unbilled sales of RM3.6 billion. As at 31 December 2023, the Group's financial position is well capitalised for growth, supported by a cash reserve of RM603 million and a net gearing ratio of 23%.

Building on a robust performance in FY2023, the Group foresees the positive market demand and sentiment continuing into FY2024. Consequently, the Group has announced a sales target of RM3.0 billion and launches worth RM3.9 billion for the year. The Group remains committed to executing its SHIFT25 Strategy and is poised to sustain its growth trajectory and resilient performance in FY2024, barring any unforeseen circumstances.

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

Explanatory Notes on the Quarterly Report – 31 December 2023
Amounts in RM thousand unless otherwise stated

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 December		Year ended 31 December	
	2023	2022	2023	2022
Included in operating profit are:				
Depreciation and amortisation	(8,096)	(7,532)	(31,730)	(32,007)
(Impairment of)/Reversal of impairment of receivables	(686)	(1,963)	3,065	(2,764)
Net changes in fair value on investment properties	(32,627)	(43,653)	(33,576)	(51,601)
Write-down of inventories	(6,260)	(1,924)	(8,756)	(6,270)
Write-off of:				
- inventories	(7,309)	(3,125)	(10,451)	(3,125)
- property, plant and equipment	(350)	–	(350)	(1)
Investment income	<u>–</u>	<u>277</u>	<u>–</u>	<u>430</u>
Included in other gains/(losses) are:				
Loss on lease modification	–	(12,788)	–	(12,788)
Reversal of provision on obligation in relation to a property disposed	9,701	–	9,701	–
Impairment of property, plant and equipment	(529)	–	(529)	(3)
Gain/(Loss) on disposal of:				
- subsidiaries	–	–	–	53,020
- others	40	(1)	37	2
Net foreign exchange gain/(loss)	<u>5,934</u>	<u>(896)</u>	<u>8,937</u>	<u>(138)</u>

B6. Tax Expense

	Quarter ended 31 December		Year ended 31 December	
	2023	2022	2023	2022
In respect of the current period/year:				
- current tax	40,539	42,471	160,615	142,287
- deferred tax	3,941	(13,437)	40,302	(2,047)
	<u>44,480</u>	<u>29,034</u>	<u>200,917</u>	<u>140,240</u>
(Over)/under provision in prior years:				
- current tax	(5,850)	1,386	(8,210)	163
- deferred tax	(2,287)	9,342	69	6,759
	<u>36,343</u>	<u>39,762</u>	<u>192,776</u>	<u>147,162</u>

The effective tax rate for the current quarter ended and for the financial year ended 31 December 2023 of 28.7% and 30.3% respectively are higher than statutory tax rate of 24% due to non-deductible expenses, reversal of deferred tax asset and deferred tax asset not recognised for losses incurred by certain subsidiaries.

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

Explanatory Notes on the Quarterly Report – 31 December 2023
Amounts in RM thousand unless otherwise stated

B7. Status of Corporate Proposal

There was no corporate proposal announced but not completed as at 16 February 2024, being a date not earlier than 7 days from the date of issue of the quarterly report.

B8. Group Borrowings

The breakdown of the borrowings as at 31 December 2023 is as follows:

	Secured	Unsecured	Total
<u>Long-term borrowings</u>			
Term loans	238,989	–	238,989
Islamic financing	471,038	–	471,038
Syndicated Islamic financing	371,590	–	371,590
Islamic medium-term notes (refer (i))	–	1,399,047	1,399,047
	<u>1,081,617</u>	<u>1,399,047</u>	<u>2,480,664</u>
<u>Short-term borrowings</u>			
Term loans due within one year	19,957	–	19,957
Islamic financing due within one year	161,954	–	161,954
Syndicated Islamic financing	83,535	–	83,535
Islamic medium-term notes	–	11,003	11,003
Revolving credits	–	136,909	136,909
	<u>265,446</u>	<u>147,912</u>	<u>413,358</u>
Total borrowings	<u>1,347,063</u>	<u>1,546,959</u>	<u>2,894,022</u>

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

	Secured	Unsecured	Total
Borrowings			
- principal	1,342,372	1,535,889	2,878,261
- interest	4,691	11,070	15,761
Total borrowings	<u>1,347,063</u>	<u>1,546,959</u>	<u>2,894,022</u>

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

	Long-term borrowings	Short-term borrowings	Total
Ringgit Malaysia	2,480,664	276,449	2,757,113
Sterling Pound	–	136,909	136,909
Total borrowings	<u>2,480,664</u>	<u>413,358</u>	<u>2,894,022</u>

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

(i) Issuance of Sukuk Musharakah

The Group issued RM600.0 million in nominal value Islamic Medium Term Notes ("IMTN") under its existing RM4,500.0 million IMTN (Sukuk Musharakah) Programme on 21 August 2023, bringing the total IMTN issued to-date to RM1,400.0 million.

The proceeds from issuance of the Sukuk Musharakah was largely used to part fund the Group's land acquisitions.

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

Explanatory Notes on the Quarterly Report – 31 December 2023
Amounts in RM thousand unless otherwise stated

B9. Material Litigations

Changes in material litigations since the date of the last audited annual statement of financial position up to 16 February 2024, 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 71 purchasers 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.

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 trial commenced on 16 April 2018. 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. A total of 9 trial dates were fixed between April 2018 to August 2023 and further trial dates have been fixed in March, April, May and July 2024.

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 has referred disputes arising from the Project and the construction contract with SDPKE (“Respondent”) to arbitration by issuing a notice of arbitration (“Notice”) on 20 September 2018.

The Claimant is claiming for specific damages of approximately RM42.0 million. The Respondent had disputed the claims by the Claimant and had counterclaimed for an approximate sum of RM40.0 million relating to incomplete works/defects rectification costs incurred, liquidated damages and recoupment of advance payments.

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 on various dates between June 2020 to January 2024. Further hearing dates have been fixed in March and July 2024.

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. Nonetheless, there have been certain concessions made by the Respondent’s witnesses who have given or are still giving evidence to-date, the impact of which has to be re-assessed and determined.

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

Explanatory Notes on the Quarterly Report – 31 December 2023
Amounts in RM thousand unless otherwise stated

B9. Material Litigations (continued)

Changes in material litigations since the date of the last audited annual statement of financial position up to 16 February 2024, 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 by the Land Administrator (“Respondent”) in respect of the acquisition by Lembaga Lebuhraya Malaysia (“LLM”) of certain plots of lands owned by SDP Klang situated in Mukim Kapar, District of Klang, Selangor (“Lands”) which consists of the aggregate compensation for market value of the Lands of RM90.7 million and the aggregate compensation for severance and injurious affection (“IA”) of RM78.6 million (“IA Award”).

Dissatisfied with the IA Award, on 6 August 2015, LLM lodged their objection to the High Court. On 22 March 2017, the High Court held, inter alia, that the IA Award is to be reduced to RM72.9 million (“First High Court Decision”).

Stemming from LLM’s appeal against the First High Court Decision, LLM’s land reference was remitted by the Court of Appeal to the High Court to be re-heard before a new Judge (“Re-Hearing”). The Re-Hearing which was initially fixed for July 2023 has been postponed in view of LLM’s application to the High Court (“LLM’s Application”) to adduce Additional Affidavit in Reply and/or Additional Rebuttal. The LLM’s Application was subsequently dismissed by the High Court. On 3 October 2023, LLM filed an appeal to the Court of Appeal against the High Court’s dismissal of LLM’s Application (“LLM’s New Appeal”). LLM’s New Appeal is now fixed for case management on 20 February 2024 and the Re-Hearing is now fixed for further case management on 6 March 2024 pending the outcome of LLM’s New Appeal.

Subject to the outcome of LLM’s New Appeal, SDP Klang’s solicitors 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 as the First High Court Decision at this juncture.

B10. Dividend

A second single tier dividend of 1.5 sen per ordinary share in respect of the financial year ended 31 December 2023, which is not taxable in the hands of the shareholders pursuant to paragraph 12B of Schedule 6 of the Income Tax Act 1967 has been declared and will be paid on 8 May 2024. The entitlement date for the dividend payment is 15 April 2024.

A depositor shall qualify for entitlement to the dividend only in respect of:

- (i) shares transferred into the depositor’s securities account before 4.30 pm on 15 April 2024 in respect of transfers; and
- (ii) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

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

Explanatory Notes on the Quarterly Report – 31 December 2023
Amounts in RM thousand unless otherwise stated

B11. Earnings Per Share

	Quarter ended 31 December		Year ended 31 December	
	2023	2022	2023	2022
Basic earnings per share attributable to owners of the Company are computed as follows:				
Profit for the financial period/year attributable to the owners of the Company	<u>131,259</u>	<u>103,151</u>	<u>407,914</u>	<u>315,839</u>
Number of ordinary shares in issue (thousand)	<u>6,800,839</u>	<u>6,800,839</u>	<u>6,800,839</u>	<u>6,800,839</u>
Basic earnings per share (sen)	<u>1.9</u>	<u>1.5</u>	<u>6.0</u>	<u>4.6</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/year.

Selangor Darul Ehsan
23 February 2024

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