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QUARTERLY REPORT

On the consolidated results for the second quarter ended 30 June 2025

The Directors hereby announce the following:

Unaudited Condensed Consolidated Statement of Profit or Loss Amounts in RM thousand unless otherwise stated

		Quarter ended 30 June		%	Six (6) months ended 30 June		%
	Note	2025	2024	+ / (-)	2025	2024	+ / (-)
Revenue	A8	1,062,250	1,203,184	(11.7)	1,933,865	2,181,875	(11.4)
Cost of sales		(700,924)	(770,864)		(1,289,210)	(1,445,950)	
Gross profit		361,326	432,320	(16.4)	644,655	735,925	(12.4)
Marketing and selling expenses		(42,459)	(31,621)		(70,153)	(69,698)	
Administrative expenses		(81,303)	(68,389)		(154,433)	(138,421)	
Other operating income		8,101	3,328		14,684	4,412	
Operating profit		245,665	335,638		434,753	532,218	
Share of results of joint ventures		(35,002)	(87,892)		(56,554)	(111,521)	
Share of results of associates		523	1,285		576	1,507	
Other gains		446	4,398		611	3,995	
Profit before interest and tax		211,632	253,429	(16.5)	379,386	426,199	(11.0)
Finance income		23,289	25,883		46,921	50,788	
Finance costs		(16,144)	(13,772)		(27,932)	(30,648)	
Profit before tax		218,777	265,540	(17.6)	398,375	446,339	(10.7)
Tax expense	B6	(71,258)	(99,811)		(128,703)	(153,270)	
Profit for the financial period	A7	147,519	165,729	(11.0)	269,672	293,069	(8.0)
Profit for the financial period attributable to:							
- owners of the Company		143,543	161,959	(11.4)	261,952	285,541	(8.3)
- non-controlling interests		3,976	3,770		7,720	7,528	
		147,519	165,729	(11.0)	269,672	293,069	(8.0)
Basic and diluted earnings per share attributable to owners of the Company (sen)	B11	2.11	2.38	(11.4)	3.85	4.20	(8.3)

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 2024.

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 30 June		%	Six (6) months ended 30 June		%
	2025	2024		2025	2024	
Profit for the financial period	147,519	165,729	(11.0)	269,672	293,069	(8.0)
Other comprehensive income/(loss):						
<u>Items which will subsequently be reclassified to profit or loss (net of tax):</u>						
Currency translation differences	28,839	817		71,339	39,254	
<u>Items which will not subsequently be reclassified to profit or loss (net of tax):</u>						
Share of other comprehensive loss of an associate	(2,014)	(1,092)		(2,014)	(518)	
Net changes in fair value of investment at fair value through other comprehensive income ("FVOCI")	(2,691)	—		(2,691)	—	
Total other comprehensive income/ (loss) for the financial period	24,134	(275)	8,876.0	66,634	38,736	72.0
Total comprehensive income for the financial period	171,653	165,454	3.7	336,306	331,805	1.4
Total comprehensive income for the financial period attributable to:						
- owners of the Company	167,693	161,683	3.7	328,626	324,293	1.3
- non-controlling interests	3,960	3,771		7,680	7,512	
	171,653	165,454	3.7	336,306	331,805	1.4

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 2024.

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 30 June 2025	Audited As at 31 December 2024
<u>Non-current assets</u>			
Property, plant and equipment		571,091	575,676
Investment properties		3,053,903	2,085,208
Inventories (Note 1)		4,421,613	4,503,615
Joint ventures		2,769,138	2,757,758
Associates		133,651	135,049
Investments		65,496	68,187
Intangible assets		9,082	9,320
Deferred tax assets		541,956	538,551
Receivables		131,583	116,956
Contract assets		1,014,845	1,048,181
		12,712,358	11,838,501
<u>Current assets</u>			
Inventories (Note 1)		2,141,765	2,073,341
Receivables		763,027	657,592
Contract assets		1,432,476	1,281,074
Prepayment		10,194	9,176
Tax recoverable		20,907	24,089
Cash held under Housing Development Accounts		371,516	359,167
Bank balances, deposits and cash		224,603	281,278
		4,964,488	4,685,717
Assets held for sale		47,438	—
Total assets	A7	17,724,284	16,524,218
<u>Equity</u>			
Share capital		6,800,839	6,800,839
Fair value reserve		39,701	44,406
Exchange reserve		170,111	98,732
Retained profits		3,481,600	3,321,661
Attributable to owners of the Company		10,492,251	10,265,638
Non-controlling interests		235,476	231,316
Total equity		10,727,727	10,496,954
<u>Non-current liabilities</u>			
Payables		84,234	63,658
Borrowings	B8	2,630,883	1,931,758
Lease liabilities		23,915	24,116
Provisions		154,620	157,411
Contract liabilities		263,042	264,052
Deferred tax liabilities		296,168	292,088
		3,452,862	2,733,083
<u>Current liabilities</u>			
Payables		1,795,522	1,687,494
Borrowings	B8	1,237,772	1,213,145
Lease liabilities		19,499	19,571
Provisions		92,482	86,647
Contract liabilities		305,833	215,934
Tax provision		92,587	71,390
		3,543,695	3,294,181
Total liabilities		6,996,557	6,027,264
Total equity and liabilities		17,724,284	16,524,218
Net assets per share attributable to owners of the Company (RM)			
		1.54	1.51

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

	Unaudited As at 30 June 2025	Audited As at 31 December 2024
Note:		
1. Inventories		
Ongoing development	2,014,353	1,937,807
Completed development units	126,019	134,623
Others	1,393	911
	2,141,765	2,073,341
Not within normal operating cycle	4,421,613	4,503,615
	6,563,378	6,576,956

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 2024.

SIME DARBY PROPERTY BERHAD
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Unaudited Condensed Consolidated Statement of Changes in Equity
Amounts in RM thousand unless otherwise stated

	Share capital	Fair value reserve	Exchange reserve	Retained profits	Attributable to owners of the Company	Non-controlling interests	Total equity
Period ended 30 June 2025							
At 1 January 2025	6,800,839	44,406	98,732	3,321,661	10,265,638	231,316	10,496,954
Profit for the financial period	–	–	–	261,952	261,952	7,720	269,672
Other comprehensive (loss)/income	–	(4,705)	71,379	–	66,674	(40)	66,634
Total other comprehensive (loss)/income for the financial period	–	(4,705)	71,379	261,952	328,626	7,680	336,306
Transaction with owners:							
- dividend paid	–	–	–	(102,013)	(102,013)	–	(102,013)
- dividend payable	–	–	–	–	–	(3,520)	(3,520)
At 30 June 2025	6,800,839	39,701	170,111	3,481,600	10,492,251	235,476	10,727,727
Period ended 30 June 2024							
At 1 January 2024	6,800,839	20,380	212,393	3,023,484	10,057,096	226,416	10,283,512
Profit for the financial period	–	–	–	285,541	285,541	7,528	293,069
Other comprehensive (loss)/income	–	(518)	39,270	–	38,752	(16)	38,736
Total other comprehensive (loss)/income for the financial period	–	(518)	39,270	285,541	324,293	7,512	331,805
Transaction with owners:							
- dividends paid	–	–	–	(102,013)	(102,013)	(6,600)	(108,613)
At 30 June 2024	6,800,839	19,862	251,663	3,207,012	10,279,376	227,328	10,506,704

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 2024.

SIME DARBY PROPERTY BERHAD
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Unaudited Condensed Consolidated Statement of Cash Flows
Amounts in RM thousand unless otherwise stated

	Six (6) months ended 30 June	
Note	2025	2024
Cash flow from operating activities		
Profit for the financial period	269,672	293,069
Adjustments for:		
Share of results of joint ventures and associates	55,978	110,014
Depreciation and amortisation	24,844	21,120
Changes in fair value on investment properties	(4,300)	–
Write-down of inventories	2,675	876
Write-off of inventories	–	206
(Reversal of impairment)/Impairment losses	(2,160)	2,755
Gain on dilution of interest in a joint venture	–	(10,233)
(Gain)/Loss on disposal of properties	(9)	42
Provisions	8,219	7,628
Finance income	(46,921)	(50,788)
Finance costs	27,932	30,648
Tax expense	128,703	153,270
Net foreign exchange (gain)/loss	(73)	5,141
Amortisation of contract cost assets	9,066	12,326
Others	–	2
	473,626	576,076
Changes in working capital:		
- inventories, receivables and other assets	(337,535)	(519,487)
- payables, provisions and other liabilities	144,657	144,174
Cash generated from operations	280,748	200,763
Tax paid (net)	(110,399)	(62,201)
Net cash from operating activities	170,349	138,562
Cash flow from investing activities		
Finance income received	9,592	8,676
Proceeds from disposal of:		
- property, plant and equipment	9	–
- asset held for sale	–	16,977
Proceeds from dilution of interest in a joint venture	–	85,534
Additions of:		
- property, plant and equipment	(23,789)	(15,262)
- investment properties	(515,028)	(45,371)
- intangible assets	(1,266)	(922)
Acquisition of subsidiaries	(106,033)	–
Subscription of additional interests/ Advances to joint ventures	(139,330)	(20,162)
Capital repayment from a joint venture	8,500	–
Dividend received from joint ventures	13,000	5,600
Net cash (used in)/from investing activities	(754,345)	35,070
Cash flow from financing activities		
Finance costs paid	(71,691)	(70,300)
Net drawdowns/(repayments) of long-term borrowings	701,707	(192,714)
Net drawdowns of short-term borrowings	13,073	200,000
Repayments of lease liabilities	(662)	(1,169)
Dividend paid on ordinary shares	(102,013)	(102,013)
Dividend paid to non-controlling interests	–	(6,600)
Net cash from/(used in) financing activities	540,414	(172,796)
Net changes in cash and cash equivalents	(43,582)	836
Foreign exchange differences	(744)	240
Cash and cash equivalents at beginning of the year	640,445	602,581
Cash and cash equivalents at end of the financial period	596,119	603,657

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

Six (6) months ended
30 June
2025 2024

For the purpose of the Condensed Consolidated Statement of Cash Flows,
cash and cash equivalents comprised the following:

Cash held under Housing Development Accounts	371,516	357,262
Bank balances, deposits and cash	224,603	246,395
	<u>596,119</u>	<u>603,657</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 2024.

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 2024.

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 2024 except as described below.

Accounting pronouncements that have been newly adopted for this interim financial period:

Amendments to MFRS 121

Lack of Exchangeability

The adoption of the above did not result in any changes to the Group's results and financial position for this interim financial period.

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 period 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 financial period under review.

A5. Debt and Equity Securities

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

The Company has 6,800,839,377 ordinary shares in issue as at 30 June 2025.

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Explanatory Notes on the Quarterly Report – 30 June 2025
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A6. Dividend Paid

The second single tier dividend in respect of the financial year ended 31 December 2024 of 1.5 sen per ordinary share, amounting to RM102.0 million was paid on 23 April 2025.

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

	Property Development	Investment and Asset Management	Leisure	Elimination	Total
Six (6) months ended 30 June 2025					
Revenue:					
External	1,803,578	78,005	52,282	–	1,933,865
Inter-segment	154,129	5,198	2,389	(161,716)	–
	1,957,707	83,203	54,671	(161,716)	1,933,865
Cost of sales	(1,298,683)	(45,278)	(28,739)	83,490	(1,289,210)
Gross profit	659,024	37,925	25,932	(78,226)	644,655
Marketing and selling expenses	(66,992)	(2,596)	(565)	–	(70,153)
Administrative expenses	(105,544)	(26,659)	(29,613)	7,383	(154,433)
Other operating income	10,199	4,528	56	(99)	14,684
Operating profit/(loss)	496,687	13,198	(4,190)	(70,942)	434,753
Share of results of joint ventures and associates	(48,661)	(7,317)	–	–	(55,978)
Segment results	448,026	5,881	(4,190)	(70,942)	378,775
Other gains/(losses)	216	(134)	529	–	611
Profit/(Loss) before interest and tax	448,242	5,747	(3,661)	(70,942)	379,386
Finance income	20,477	39,178	1,684	(14,418)	46,921
Finance costs	(29,086)	(12,703)	(561)	14,418	(27,932)
Profit/(Loss) before tax	439,633	32,222	(2,538)	(70,942)	398,375
Tax expense	(127,367)	(8,124)	(306)	7,094	(128,703)
Profit/(Loss) for the financial period	312,266	24,098	(2,844)	(63,848)	269,672

Included in profit for the financial period are:

Changes in fair value on investment properties	–	4,300	–	–	4,300
Reversal of impairment on property, plant and equipment	–	–	529	–	529
Gain on disposal of property, plant and equipment	9	–	–	–	9

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Explanatory Notes on the Quarterly Report – 30 June 2025
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A7. Segment Information (continued)

a. Segment results (continued)

	Property Development	Investment and Asset Management	Leisure	Elimination	Total
Six (6) months ended 30 June 2024					
Revenue:					
External	2,073,227	58,103	50,545	–	2,181,875
Inter-segment	165	3,997	2,372	(6,534)	–
	2,073,392	62,100	52,917	(6,534)	2,181,875
Cost of sales	(1,382,026)	(35,756)	(28,302)	134	(1,445,950)
Gross profit	691,366	26,344	24,615	(6,400)	735,925
Marketing and selling expenses	(68,818)	(527)	(353)	–	(69,698)
Administrative expenses	(107,750)	(12,363)	(24,852)	6,544	(138,421)
Other operating income	3,821	326	409	(144)	4,412
Operating profit/(loss)	518,619	13,780	(181)	–	532,218
Share of results of joint ventures and associates	(37,821)	(72,193)	–	–	(110,014)
Segment results	480,798	(58,413)	(181)	–	422,204
Other (losses)/gains	(5,180)	10,231	(1,056)	–	3,995
Profit/(Loss) before interest and tax	475,618	(48,182)	(1,237)	–	426,199
Finance income	11,170	40,951	1,637	(2,970)	50,788
Finance costs	(10,820)	(22,271)	(527)	2,970	(30,648)
Profit/(Loss) before tax	475,968	(29,502)	(127)	–	446,339
Tax expense	(141,213)	(11,898)	(159)	–	(153,270)
Profit/(Loss) for the financial period	334,755	(41,400)	(286)	–	293,069

Included in profit for the financial period are:

Impairment loss on property, plant and equipment	–	–	(1,055)	–	(1,055)
Gain on dilution of interest in a joint venture	–	10,233	–	–	10,233
Loss on disposal of assets held for sale	(42)	–	–	–	(42)

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Explanatory Notes on the Quarterly Report – 30 June 2025
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A7. Segment Information (continued)

b. Segment assets

	Property Development	Investment and Asset Management	Leisure	Elimination	Total
As at 30 June 2025					
Operating assets	11,062,749	4,429,582	525,637	(1,806,774)	14,211,194
Joint ventures and associates	2,493,056	409,733	–	–	2,902,789
Assets held for sale	–	47,438	–	–	47,438
	<u>13,555,805</u>	<u>4,886,753</u>	<u>525,637</u>	<u>(1,806,774)</u>	<u>17,161,421</u>
Tax assets					562,863
Total assets					<u>17,724,284</u>
As at 31 December 2024					
Operating assets	10,064,995	3,478,519	525,917	(1,000,660)	13,068,771
Joint ventures and associates	2,480,673	414,844	–	(2,710)	2,892,807
	<u>12,545,668</u>	<u>3,893,363</u>	<u>525,917</u>	<u>(1,003,370)</u>	<u>15,961,578</u>
Tax assets					562,640
Total assets					<u>16,524,218</u>

A8. Revenue

	Six (6) months ended 30 June	
	2025	2024
Revenue comprise the following:		
Revenue from contracts with customers	1,877,106	2,141,401
Revenue from rental income	56,759	40,474
	<u>1,933,865</u>	<u>2,181,875</u>
Disaggregation of the Group's revenue from contracts with customers:		
Geographical market		
- Malaysia	<u>1,877,106</u>	<u>2,141,401</u>
Timing of revenue recognition		
- over time	1,674,424	1,857,140
- at point in time	202,682	284,261
	<u>1,877,106</u>	<u>2,141,401</u>

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Explanatory Notes on the Quarterly Report – 30 June 2025
Amounts in RM thousand unless otherwise stated

A9. Capital Commitments

	As at 30 June 2025	As at 31 December 2024
Contracted capital commitments:		
- investment properties	563,213	925,448
- property, plant and equipment	11,998	7,972
- intangible assets	283	612
	<u>575,494</u>	<u>934,032</u>

A10. Significant Related Party Transactions

Significant related party transactions during the financial period ended 30 June 2025 are as follows:

	Six (6) months ended 30 June 2025	2024
a. Transaction with related party of non-controlling interests ("NCI")		
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>(7,968)</u>	<u>(8,264)</u>
b. Transactions with associates and joint ventures		
<u>Yayasan Sime Darby</u> Donation expenses	(7,534)	(6,119)
<u>Battersea Project Holding Company Limited</u> Advances to joint venture	(23,637)	—
<u>Sime Darby Property MIT Sdn Bhd</u> (i) Acquisition of subsidiaries (Note A12)	(120,470)	—
(ii) Advances to joint venture	<u>(103,125)</u>	<u>—</u>

A10. Significant Related Party Transactions (continued)

Significant related party transactions during the financial period ended 30 June 2025 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 50.4% as at 30 June 2025 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 period include:

	Six (6) months ended 30 June	
	2025	2024
<u>SD Guthrie Berhad group</u>		
Rental income	<u>5,097</u>	<u>6,340</u>
d. Transactions with Directors, key management personnel and their close family members		
Sale of properties by the Group	<u>8,069</u>	<u>2,686</u>

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Explanatory Notes on the Quarterly Report – 30 June 2025
Amounts in RM thousand unless otherwise stated

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

There were no material events subsequent to the end of the financial period under review to 14 August 2025 being a date not earlier than 7 days from the date of issue of the quarterly report, other than as disclosed below.

Joint Venture with SD Guthrie Berhad in developing an Industrial and Logistics Hub

On 20 June 2025, the Group signed a joint venture agreement with SD Guthrie Berhad ("SD Guthrie"), to develop an industrial and logistics hub on 2,000 acres of land in Carey Island, Selangor.

On 4 August 2025, a special purpose vehicle namely Carey Island Development Consortium Sdn Bhd ("CIDC"), has been established to undertake land value enhancement activities aimed at unlocking and maximising capital appreciation. CIDC is jointly owned by Sime Darby Property (Carey Island) Sdn Bhd (formerly known as Sime Darby Property Sepang DC (Holdco) Sdn Bhd), a wholly owned subsidiary of the Group, and SD Guthrie Land Ventures Sdn Bhd, a wholly owned subsidiary of SD Guthrie, with each party holding a 50% equity interest accordingly.

The industrial and logistics hub will feature world-class logistics facilities, integrated supply chains, and high value industrial developments to attract global players and investments.

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 period ended 30 June 2025, other than as disclosed below.

Acquisition of subsidiaries

On 6 January 2025, Sime Darby Property Berhad ("SDPB") and its 50% owned joint venture, Sime Darby Property MIT Development Sdn Bhd ("SDP MIT"), entered into a share sale agreement ("SSA") to acquire the remaining 50% equity interest in Sime Darby Property (BBR Industrial Gateway I) Sdn Bhd (formerly known as SDM Assets I Sdn Bhd) and Sime Darby Property (BBR Industrial Gateway II) Sdn Bhd (formerly known as SDM Asset V Sdn Bhd) (collectively, the "BBR Industrial Gateway").

On 11 March 2025, the Group completed the acquisition of the remaining 50% equity interest in BBR Industrial Gateway for RM120.5 million, following the completion of the SSA and become wholly owned subsidiaries of the Group. The corresponding share transfer was completed on 28 March 2025.

Details of the assets, liabilities and net cash outflow arising from the acquisition are as follows:

Investment properties	226,075
Receivables	6,191
Bank balances and cash	14,437
Payables	(119,867)
Deferred tax liabilities	(6,769)
Others	403
Total purchase consideration	120,470
Less: cash and cash equivalents of subsidiaries acquired	(14,437)
Net cash outflow on acquisition	106,033

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A13. Contingent Liabilities – unsecured

	As at 30 June 2025	As at 31 December 2024
Claims pending against the Group	<u>45,677</u>	<u>45,677</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 30 June 2025	As at 31 December 2024
Investments – unquoted shares	<u>65,496</u>	<u>68,187</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.

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

B1. Review of Group Performance

	Six (6) months ended 30 June		% +/(–)
	2025	2024	
Segment revenue:			
Property development	1,803,578	2,073,227	(13.0)
Investment and asset management	78,005	58,103	34.3
Leisure	52,282	50,545	3.4
Revenue	1,933,865	2,181,875	(11.4)
Segment results:			
Property development	377,084	480,798	(21.6)
Investment and asset management	5,881	(58,413)	110.1
Leisure	(4,190)	(181)	(2,214.9)
	378,775	422,204	(10.3)
Other gains	611	3,995	
Profit before interest and tax	379,386	426,199	(11.0)
Finance income	46,921	50,788	
Finance costs	(27,932)	(30,648)	
Profit before tax (“PBT”)	398,375	446,339	(10.7)
Tax expense	(128,703)	(153,270)	
Profit for the financial period	269,672	293,069	(8.0)
Profit for the financial period attributable to:			
- owners of the Company	261,952	285,541	(8.3)
- non-controlling interests	7,720	7,528	
	269,672	293,069	(8.0)

In the first half of FY2025, the Group recorded revenue of RM1,933.9 million, representing a decrease of 11.4% compared to RM2,181.9 million in the corresponding period in prior year. The decline was primarily attributable to a 13.0% decrease in the property development segment. Meanwhile, investment and asset management segment registered a strong growth of 34.3%, and leisure segment recorded a 3.4% increase.

PBT declined by 10.7% to RM398.4 million, mainly due to lower contributions from property development segment. However, the impact was partially mitigated by a turnaround in the investment and asset management segment and lower share of losses from joint ventures.

The results of each business segment are analysed below:

a) Property development

The property development segment remained the Group’s main revenue driver, contributing 93.3% of total revenue. The segment’s revenue was lower by 13.0% to RM1,803.6 million, compared to RM2,073.2 million in the corresponding period last year. The decrease was mainly due to lower financial progress from industrial products, due to timing of revenue recognition and projects are in the initial stage of construction. In contrast, the first half of FY2024 benefited from higher sales and financial progress from industrial products and non-core land sales.

Correspondingly, segment profit decreased to RM377.1 million from RM480.8 million in the same period last year. The higher segment profit recorded in the previous year was due to higher contribution from industrial product and non-core land sales that were recognised during that period. The segment’s core performance remains resilient, supported by continued efforts in cost and time management in project delivery from our key townships such as City of Elmina, Bandar Bukit Raja, Serenia City, and Nilai Impian.

B1. Review of Group Performance (continued)

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

b) Investment and asset management

The investment and asset management segment posted a strong growth, with revenue rising 34.3% to RM78.0 million (1H FY2024: RM58.1 million). This was driven by improved performance in the retail sub-segment, supported by the opening of Elmina Lakeside Mall in August 2024. KL East Mall also recorded higher rental revenue and car park income. The performance was further enhanced by additional rental contributions from industrial assets following the completion of the warehouse acquisition in Bandar Bukit Raja in March 2025.

The segment reported profit of RM5.9 million, a turnaround from a RM58.4 million loss in the same period last year. This recovery was attributed to improved contributions from the retail sub-segment and a lower share of loss from joint ventures. The previous year's share of loss had been impacted by the negative accounting impact of MFRS 17 "Insurance Contracts."

c) Leisure

The leisure segment recorded a modest revenue growth of 3.4%, rising to RM52.3 million from RM50.5 million in the previous year. This improvement was mainly supported by stronger banqueting and event-related activities, notably during the Hari Raya festive season.

However, the segment posted a higher loss of RM4.2 million, (1H FY2024: RM0.2 million loss) primarily due to margin pressures from elevated operating costs, which affected overall profitability for the period.

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

	Quarter ended		
	30 June 2025	31 March 2025	% +/(–)
Segment revenue:			
Property development	995,234	808,344	23.1
Investment and asset management	39,278	38,727	1.4
Leisure	27,738	24,544	13.0
Revenue	1,062,250	871,615	21.9
Segment results:			
Property development	213,570	163,514	30.6
Investment and asset management	(1,265)	7,146	(117.7)
Leisure	(1,119)	(3,071)	63.6
	211,186	167,589	26.0
Other gains	446	165	
Profit before interest and tax	211,632	167,754	26.2
Finance income	23,289	23,632	
Finance costs	(16,144)	(11,788)	
Profit before tax (“PBT”)	218,777	179,598	21.8
Tax expense	(71,258)	(57,445)	
Profit for the financial period	147,519	122,153	20.8
Profit for the financial period attributable to:			
- owners of the Company	143,543	118,409	21.2
- non-controlling interests	3,976	3,744	
	147,519	122,153	20.8

The Group delivered a strong quarter-on-quarter performance, with revenue increasing by 21.9% to RM1,062.3 million from RM871.6 million in the preceding quarter, underpinned by improvements across all three (3) business segments.

Correspondingly, PBT of the Group rose by 21.8% to RM218.8 million from RM179.6 million in the previous quarter. This improvement was primarily driven by stronger contributions from the property development segment and a reduced loss in the leisure segment. However, these were partially offset by a loss recorded in the investment and asset management segment this quarter.

The results of each business segment are analysed below:

a) Property development

The property development segment recorded a 23.1% increase in revenue to RM995.2 million from RM808.3 million while segment profit surged by 30.6% to RM213.6 million, up from RM163.5 million in the preceding quarter.

The segment’s contribution for the quarter was mainly supported by townships, including City of Elmina, Bandar Bukit Raja and Serenia City. The uplift in performance was supported by a well-balanced product mix, with higher contributions across all products type as well as with contributions from non-core land sales.

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 reported marginal revenue growth of 1.4% to RM39.3 million (Q1 FY2025: RM38.7 million). This was primarily driven by full-quarter rental contributions from the expanded logistics portfolio, following the completion of the warehouse acquisition in Bandar Bukit Raja. However, the increase was partly offset by lower revenue from the retail sub-segment, which in the previous quarter had benefited from higher gross turnover ("GTO") rent and additional festive-related promotional income.

The segment recorded a loss of RM1.3 million, compared to a profit of RM7.1 million in the preceding quarter primarily due to higher pre-operating costs incurred for KLGCC Mall, which are targeted to open in Q4 2025 and for other asset currently being prepared for rental commencement. Meanwhile, previous quarter's result had included a fair value gain on investment property.

c) Leisure

The leisure segment recorded a 13.0% increase in revenue, rising to RM27.7 million from RM24.5 million in the previous quarter, primarily driven by higher contributions from banqueting and food & beverage services related to Hari Raya Open House events.

The segment's loss narrowed to RM1.1 million, compared to RM3.1 million in the prior quarter, supported by increased revenue from banqueting and food & beverage, lower direct cost and savings in utilities expenses.

B3. Prospects

The Malaysian economy grew by 4.4% in the second quarter, supported by resilient domestic demand and sustained investment activity, as reported by Bank Negara Malaysia ("BNM"). BNM has revised its full-year GDP growth forecast downwards to 4.0% - 4.8%, reflecting latest tariff developments, geopolitical shifts, and global economic conditions. The Overnight Policy Rate ("OPR") was reduced by 25 basis points in July to 2.75% to stimulate domestic spending, while headline inflation is projected to average between 1.5% and 2.3% for the year, reflecting moderate demand and cost pressures.

Against this backdrop, the Group maintained its sales momentum in H1 FY2025, securing RM2.0 billion in sales. Bookings stood at RM1.6 billion as at 10 August 2025, with unbilled sales at a record RM3.9 billion, providing robust earnings visibility for the near to mid-term. As at 30 June 2025, the Group's financial position remains resilient with a net gearing ratio of 30.9%.

The Group's first-half performance builds solid momentum to sustain its growth trajectory through the remainder of the year. In H2, the group will continue to launch a diversified range of products across its townships to capture market demand, underpinned by disciplined execution and agility in navigating to market conditions. Barring unforeseen circumstances, the Group remains on track to deliver its FY2025 targets.

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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 for the financial period

	Quarter ended 30 June		Six (6) months ended 30 June	
	2025	2024	2025	2024
Included in profit for the financial period are the following:				
Depreciation and amortisation	(12,913)	(9,717)	(24,844)	(21,120)
Changes in fair value on investment properties	–	–	4,300	–
Reversal of impairment/(Impairment) of receivables	593	(988)	1,631	(1,700)
Write-down of inventories	–	–	(2,675)	(876)
Write-off of inventories	–	–	–	(206)
Included in other gains/(losses) are:				
Gain on dilution of interest in a joint venture	–	4,630	–	10,233
Gain/(Loss) on disposal of:				
- property, plant and equipment	–	–	9	–
- assets held for sale	–	(42)	–	(42)
(Impairment)/Reversal of impairment of property, plant and equipment	–	(499)	529	(1,055)
Net foreign exchange gain/(loss)	446	309	73	(5,141)

B6. Tax Expense

	Quarter ended 30 June		Six (6) months ended 30 June	
	2025	2024	2025	2024
Current income tax:				
- current financial period	64,523	87,461	134,001	132,350
- prior financial years	1,386	441	853	441
	65,909	87,902	134,854	132,791
Deferred tax:				
- current financial period	6,090	2,567	(5,066)	11,139
- prior financial years	(741)	9,342	(1,085)	9,340
	71,258	99,811	128,703	153,270

The effective tax rate for the current quarter ended and for the six (6) months ended 30 June 2025 of 28.1% and 28.3% respectively is higher than statutory tax rate of 24% due to tax impact from a change in the tax base following a change in land use and deferred tax not recognised on losses incurred by certain subsidiaries.

B7. Status of Corporate Proposal

There is no corporate proposal announced but not completed as at the date of issue of the quarterly report.

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B8. Group Borrowings

The breakdown of the borrowings as at 30 June 2025 is as follows:

	Secured	Unsecured	Total
<u>Long-term borrowings</u>			
Term loans	179,218	–	179,218
Islamic financing	156,565	–	156,565
Syndicated Islamic term financing	246,235	–	246,235
Islamic medium-term notes (refer (i))	–	2,048,865	2,048,865
	<u>582,018</u>	<u>2,048,865</u>	<u>2,630,883</u>
<u>Short-term borrowings</u>			
Term loans	29,868	–	29,868
Islamic financing	56,571	–	56,571
Syndicated Islamic term financing	87,160	–	87,160
Islamic medium-term notes	–	166,348	166,348
Revolving credits	–	897,825	897,825
	<u>173,599</u>	<u>1,064,173</u>	<u>1,237,772</u>
Total borrowings	<u>755,617</u>	<u>3,113,038</u>	<u>3,868,655</u>

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

	Secured	Unsecured	Total
Borrowings			
- principal	752,852	3,095,186	3,848,038
- interest	2,765	17,852	20,617
Total borrowings	<u>755,617</u>	<u>3,113,038</u>	<u>3,868,655</u>

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

	Long-term borrowings	Short-term borrowings	Total
Ringgit Malaysia	2,630,883	1,040,388	3,671,271
Sterling Pound	–	158,900	158,900
Australian Dollar	–	38,484	38,484
Total borrowings	<u>2,630,883</u>	<u>1,237,772</u>	<u>3,868,655</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

On 29 April 2025, the Group issued RM800.0 million in nominal value of Islamic Medium-Term Notes ("IMTN") under its existing RM4.5 billion IMTN (Sukuk Musharakah) Programme, bringing the total IMTN issued to-date to RM2.2 billion.

The proceeds from the issuance of Sukuk Musharakah were utilised to finance the Group's investments and capital expenditures, and working capital requirements accordingly.

B9. Material Litigations

Changes in material litigations since the date of the last audited annual statement of financial position up to 14 August 2025, 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”)

On 9 October 2015, 72 purchasers of Ara Hill (“Plaintiffs”) commenced a civil suit 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 Purchasers alleged that the breaches by SDPAD have, amongst others, caused the delay in delivery of strata titles, resulting in losses and damages suffered by Purchasers. Trial commenced on 16 April 2018. On 28 April 2021, the court allowed the Purchasers’ application to add the Joint Management Body of Ara Hill as a co-defendant to this suit. The trial concluded on 6 June 2025. Parties are now at post-trial documents submission stage. The Court has tentatively fixed the Decision on 5 November 2025.

b) Arbitration between Bumimetro Construction Sdn Bhd (“BCSB”) v Sime Darby Property (KL East) Sdn Bhd (“SDPKE”)

BCSB, the main contractor for VEO project in Melawati, Kuala Lumpur has referred disputes with SDPKE arising from the project to arbitration on 20 September 2018.

BCSB is claiming for specific damages of approximately RM42.0 million. SDPKE counterclaimed for an approximate sum of RM40.0 million relating to incomplete works/defects rectification costs incurred, liquidated damages and recoupment of advance payments.

Arbitration hearings commenced on 15 June 2020 and concluded on 2 July 2024. Parties are now at post-hearing documents submission stage. The Tribunal may, if necessary, request oral submissions in the 4th quarter of 2025 before delivering its final decision.

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 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, the matter was remitted by the Court of Appeal to the High Court to be re-heard before a new Judge (“Re-Hearing”). The Re-Hearing was postponed due to LLM’s application to adduce Additional Affidavit in Reply and/or Additional Rebuttal, which was dismissed by the High Court.

LLM has appealed (“New Appeal”) and the Hearing at the Court of Appeal has been scheduled to 1 December 2025. A further case management for the Re-Hearing has been fixed on 5 December 2025, pending the outcome of LLM’s New Appeal.

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B10. Dividend

A first single tier dividend of 1.5 sen per ordinary share in respect of the financial year ending 31 December 2025, 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 16 October 2025. The entitlement date for the dividend payment is 30 September 2025.

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 30 September 2025 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.

B11. Earnings Per Share

	Quarter ended 30 June		Six (6) months ended 30 June	
	2025	2024	2025	2024
Basic earnings per share attributable to owners of the Company are computed as follows:				
Profit for the financial period attributable to the owners of the Company	<u>143,543</u>	<u>161,959</u>	<u>261,952</u>	<u>285,541</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>2.11</u>	<u>2.38</u>	<u>3.85</u>	<u>4.20</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.

Selangor Darul Ehsan
21 August 2025

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