

Sime Darby Property is Set to Exceed FY2021 Sales Target with RM1.9 billion Sales Achieved in 9M FY2021

- Sales achieved of RM1.9 billion for 9M FY2021 against FY2021 sales target of RM2.4 billion; bookings as of 7 November 2021 stand at RM1.7 billion;
- Revenue of RM1.5 billion and PBT of RM147.4 million recorded in 9M FY2021;
- Strategic launches worth RM1.6 billion in Q4 FY2021, with total launches of RM3.9 billion expected for the year.

ARA DAMANSARA, 25 NOVEMBER 2021 – Sime Darby Property Berhad (“Sime Darby Property” or “Group”) posted a revenue of RM1.5 billion for the nine months ended 30 September 2021 (“9M FY2021”), registering a 9.1% increase from RM1.4 billion achieved in the same period last year. In 9M FY2021, the Group’s profit before tax (“PBT”) was RM147.4 million, marking a turnaround compared to the FY2020 corresponding period’s loss before tax (“LBT”) of RM445.5 million. Profit after tax and minority interest (“PATAMI”) stood at RM64.7 million.

Sime Darby Property’s Group Managing Director, Dato’ Azmir Merican said that the Group is optimistic of exceeding the RM2.4 billion sales target for FY2021, backed by the sales achieved in the first nine months of the year, with secured bookings of RM1.7 billion as of 7 November 2021.

“We have delivered healthy sales for the Group to-date and will continue to launch projects at the right location and price points. The Group aims to keep up the momentum of 90% average take-up rate in new residential launches for the remainder of the year,” said Dato’ Azmir.

9M FY2021 Year-to-Date by Segment

The Property Development segment contributed 92.8% or RM1.4 billion to the Group’s total revenue, which is a 15.3% increase from last year’s RM1.3 billion. The segment recorded an improved PBT of RM187.4 million from last year’s LBT of RM433.7 million. This was achieved via higher sales of industrial and residential products, coupled with construction progress across all its major townships in the Klang Valley and Negeri Sembilan.

For the 9M FY2021, the Investment & Asset Management segment contributed RM71.4 million in revenue, which is a 28.1% year-on-year increase, and an increase in PBT of RM11.8 million from RM2.3 million last year. The higher revenue is mainly contributed by the Group’s wholly-owned KL East Mall. The Leisure segment posted a revenue of RM41.2 million and LBT of RM15.6 million

respectively. This segment was impacted by Movement Control Orders (“MCO”), with losses managed through the consolidation of operations.

Q3 FY2021 vs Q3 FY2020

Sime Darby Property’s revenue of RM388.2 million in Q3 FY2021 represented a 34.5% decline year-on-year, due to temporary shutdown of project sites and sales galleries. LBT reduced by 98.5% to RM4.8 million as last year’s quarter was impacted by impairments and provisions.

Q3 FY2021 vs Q2 FY2021

Revenue declined by 22.8% quarter-on-quarter, and the Group registered an LBT versus the preceding quarter’s PBT of RM57.3 million. The Property Development segment’s revenue reduced to RM356.0 and PBT declined to RM10.1 million. The adverse impact was partially cushioned by cost containment and continued online sales. Product clearance in KLGCC Resort and KL East in Melawati have resulted in completed stock balances standing at a healthy low of RM403.4 million.

Investment & Asset Management and Leisure segments registered drops in revenue to RM22.7 million and RM12.3 million, with LBT of RM0.7 million and RM9.3 million for each segment.

Financial and Operational Achievements

Sime Darby Property’s financial position remains solid with cash balances of RM618.9 million and a moderate net gearing ratio of 32.1% as of 30 September 2021. The Group has higher revenue visibility over a longer period, underpinned by unbilled sales of RM2.1 billion to-date. Unbilled sales surpassed the RM2.0 billion mark for the first time since 2018 and is expected to increase further. The sales achievement is led by residential landed products, contributing to 47.4% of the total sales achieved, followed by residential high-rise at 23.1% and industrial products at 15.7%.

The Group’s new launches of residential products this year have garnered an average take-up rate of 90%. Serenia Ariya landed projects have enjoyed 100% take-ups, with Dayana and Elmina Green Four A and B at 98%, followed by Lyra 1, 2 and 3 at 97%. As for high-rise, Maya Ara Residences in Ara Damansara and Jendela Residences in KLGCC Resort, achieved take-up rates of 90% and close to 70% respectively.

Average take-up rate for industrial products was also healthy with the second launch of Semi-Detached Twin Factories at Elmina Business Park registering a 100% take-up.

Prospects for the Remainder of FY2021

Sime Darby Property's prospects for the remainder of the year is more robust following a challenging third quarter. The Group is currently rolling out its remaining planned launches worth RM1.6 billion with a healthy mix of products including 57.8% of residential landed, 25.8% of industrial products and 13.9% of residential high-rise. The expected worth of total launches for FY2021 is RM3.9 billion.

Dato' Azmir Merican said, "As the economy and property market regain momentum, our strategies will continue to enable us to generate positive financial and operational results for the full financial year."

"We are focused on achieving our corporate priorities for FY2021 which includes broadening Sime Darby Property's recurring income over the long term, as seen by our recent venture into industrial development funds. We are tapping on the demand of large-scale, modern logistics properties in prime locations and the new partnership with LOGOS Property Group is a significant step for the Group's long-term game plan in the real estate sector."

-END OF PRESS RELEASE-

About Sime Darby Property Berhad

Sime Darby Property is a leading property developer with a strong success rate of developing sustainable communities for close to 50 years. With 24 active townships/developments, Sime Darby Property has a wide reach that encompasses assets and operations across the country. It marks its presence in the UK as part of a Malaysian consortium to develop the iconic Battersea Power Station Project in central London.

As a responsible corporate player, Sime Darby Property and its philanthropic arm Yayasan Sime Darby (YSD) actively roll out various initiatives to assist the underprivileged communities living within and nearby its townships nationwide. A multi award-winning property group with numerous international and local accolades, Sime Darby Property is the only Malaysian property developer to be rated by the Carbon Disclosure Project for carbon management and stakeholder engagement.

It is also the first Malaysian property developer to be awarded the International FIABCI Prix d'Excellence Awards twice for its Subang Jaya and UEP Subang Jaya townships. The company bagged its 10th consecutive Gold at the Putra Brand Awards 2019 and its 9th Top 10 Developers Awards at the BCI Asia 2020. Sime Darby Property has also been recognised as among the top developers in Malaysia in the annual The Edge Top Property Developers Awards, a recognition which the company consistently receives since 2009.

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