

## QUARTERLY REPORT

On the consolidated results for the third quarter ended 30 September 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 30 September		% +/(-)	Nine (9) months ended 30 September		% +/(-)
		2023	2022 Restated		2023	2022 Restated	
Revenue	A8	1,049,995	689,301	52.3	2,424,245	1,785,240	35.8
Cost of sales		(706,886)	(481,791)		(1,691,455)	(1,253,232)	
Gross profit		343,109	207,510	65.3	732,790	532,008	37.7
Other income		6,510	748		20,861	10,142	
Marketing and selling expenses		(37,008)	(36,025)		(104,161)	(75,178)	
Administrative expenses		(58,495)	(50,107)		(165,538)	(163,776)	
Operating profit		254,116	122,126		483,952	303,196	
Share of results of joint ventures		(22,769)	(28,242)		(72,270)	(36,231)	
Share of results of associates		2,064	273		4,871	1,116	
Other (losses)/gains		(6,129)	(2,786)		3,003	53,778	
<b>Profit before interest and tax</b>	A7	<b>227,282</b>	<b>91,371</b>	148.7	<b>419,556</b>	<b>321,859</b>	30.4
Finance income		27,911	28,004		85,763	76,400	
Finance costs		(26,672)	(25,303)		(64,575)	(75,146)	
<b>Profit before tax</b>		<b>228,521</b>	<b>94,072</b>	142.9	<b>440,744</b>	<b>323,113</b>	36.4
Tax expense	B6	(84,244)	(39,627)		(156,433)	(107,400)	
<b>Profit for the period</b>		<b>144,277</b>	<b>54,445</b>	165.0	<b>284,311</b>	<b>215,713</b>	31.8
<b>Attributable to:</b>							
- owners of the Company		144,915	56,131	158.2	276,655	212,688	30.1
- non-controlling interests		(638)	(1,686)		7,656	3,025	
<b>Profit for the period</b>		<b>144,277</b>	<b>54,445</b>	165.0	<b>284,311</b>	<b>215,713</b>	31.8
<b>Basic and diluted earnings per share attributable to owners of the Company (sen)</b>	B10	<b>2.1</b>	<b>0.8</b>	158.2	<b>4.1</b>	<b>3.1</b>	30.1

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 30 September		%	Nine (9) months ended 30 September		%
	2023	2022	+ / (-)	2023	2022	+ / (-)
<b>Profit for the period</b>	<u>144,277</u>	<u>54,445</u>	165.0	<u>284,311</u>	<u>215,713</u>	31.8
<b>Other comprehensive (loss)/income:</b>						
<b>Items which will subsequently be reclassified to profit or loss (net of tax):</b>						
Currency translation differences	(72,206)	(145,322)		187,855	(274,586)	
<b>Reclassified to profit or loss:</b>						
Currency translation differences on repayment of net investment	-	2,784		(839)	-	
Currency translation differences on disposal of a subsidiary	-	-		-	(1,654)	
<b>Items which will not subsequently be reclassified to profit or loss (net of tax):</b>						
Share of other comprehensive gain/(loss) of an associate	484	(283)		(1,882)	(559)	
Net changes in fair value of investment at fair value through other comprehensive income ("FVOCI")	<u>-</u>	<u>6,064</u>		<u>1,851</u>	<u>6,064</u>	
<b>Other comprehensive (loss)/income for the period</b>	<u>(71,722)</u>	<u>(136,757)</u>	47.6	<u>186,985</u>	<u>(270,735)</u>	169.1
<b>Total comprehensive income/(loss) for the period</b>	<u>72,555</u>	<u>(82,312)</u>	188.1	<u>471,296</u>	<u>(55,022)</u>	956.6
<b>Attributable to:</b>						
- owners of the Company	73,155	(80,699)	190.7	463,734	(58,431)	893.6
- non-controlling interests	<u>(600)</u>	<u>(1,613)</u>		<u>7,562</u>	<u>3,409</u>	
<b>Total comprehensive income/(loss) for the period</b>	<u>72,555</u>	<u>(82,312)</u>	188.1	<u>471,296</u>	<u>(55,022)</u>	956.6

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 30 September 2023	Audited As at 31 December 2022
<b><u>Non-current assets</u></b>			
Property, plant and equipment		585,644	586,343
Investment properties		1,255,155	1,085,200
Inventories (Note 1)		4,609,690	4,016,559
Joint ventures		3,023,453	2,885,238
Associates		137,816	148,557
Investments		49,175	48,633
Intangible assets		5,087	6,577
Deferred tax assets		555,864	601,790
Receivables		114,953	102,718
Contract assets		1,125,779	1,199,242
		<u>11,462,616</u>	<u>10,680,857</u>
<b><u>Current assets</u></b>			
Inventories (Note 1)		1,861,643	1,527,278
Receivables		831,517	862,615
Contract assets		1,173,033	1,154,273
Prepayment		17,858	12,002
Tax recoverable		45,200	40,367
Cash held under Housing Development Accounts		326,201	386,092
Bank balances, deposits and cash		335,662	599,225
		<u>4,591,114</u>	<u>4,581,852</u>
<b>Total assets</b>	A7	<u>16,053,730</u>	<u>15,262,709</u>
<b><u>Equity</u></b>			
Share capital		6,800,839	6,800,839
Fair value reserve		26,572	33,976
Exchange reserve		149,392	(37,718)
Retained profits		2,870,633	2,722,621
<b>Attributable to owners of the Company</b>		<u>9,847,436</u>	<u>9,519,718</u>
Non-controlling interests		128,856	125,078
<b>Total equity</b>		<u>9,976,292</u>	<u>9,644,796</u>
<b><u>Non-current liabilities</u></b>			
Payables		69,011	72,134
Borrowings	B8	2,779,511	2,283,984
Lease liabilities		24,219	24,149
Provisions		170,541	152,565
Contract liabilities		262,157	253,164
Deferred tax liabilities		309,560	316,650
		<u>3,614,999</u>	<u>3,102,646</u>
<b><u>Current liabilities</u></b>			
Payables		1,384,139	1,296,619
Borrowings	B8	574,734	753,861
Lease liabilities		21,344	21,447
Provisions		78,328	82,530
Contract liabilities		330,733	332,895
Tax provision		73,161	27,915
		<u>2,462,439</u>	<u>2,515,267</u>
<b>Total liabilities</b>		<u>6,077,438</u>	<u>5,617,913</u>
<b>Total equity and liabilities</b>		<u>16,053,730</u>	<u>15,262,709</u>
Net assets per share attributable to owners of the Company (RM)		<u>1.45</u>	<u>1.40</u>

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

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

	<b>Unaudited As at 30 September 2023</b>	<b>Audited As at 31 December 2022</b>
<b>Note:</b>		
<b>1. Inventories</b>		
Ongoing development	<b>1,577,510</b>	1,249,389
Completed development units	<b>283,336</b>	277,249
Others	<b>797</b>	640
	<b>1,861,643</b>	1,527,278
Not within normal operating cycle	<b>4,609,690</b>	4,016,559
	<b>6,471,333</b>	5,543,837

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**

	Share capital	Fair value reserve	Exchange reserve	Retained profits	Attributable to owners of the Company	Non-controlling interests	Total equity
<b>Period ended 30 September 2023</b>							
<b>At 1 January 2023</b>	<b>6,800,839</b>	<b>33,976</b>	<b>(37,718)</b>	<b>2,722,621</b>	<b>9,519,718</b>	<b>125,078</b>	<b>9,644,796</b>
Profit for the period	-	-	-	276,655	276,655	7,656	284,311
Other comprehensive (loss)/income	-	(31)	187,110	-	187,079	(94)	186,985
Total other comprehensive (loss)/income for the period	-	(31)	187,110	276,655	463,734	7,562	471,296
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	-	-	-	(68,008)	(68,008)	(3,784)	(71,792)
- dividend payable	-	-	-	(68,008)	(68,008)	-	(68,008)
<b>At 30 September 2023</b>	<b>6,800,839</b>	<b>26,572</b>	<b>149,392</b>	<b>2,870,633</b>	<b>9,847,436</b>	<b>128,856</b>	<b>9,976,292</b>
<b>Period ended 30 September 2022</b>							
At 1 January 2022	6,800,839	31,718	105,045	2,426,851	9,364,453	141,576	9,506,029
Profit for the period	-	-	-	212,688	212,688	3,025	215,713
Other comprehensive income/(loss)	-	5,505	(276,624)	-	(271,119)	384	(270,735)
Total other comprehensive income/(loss) for the period	-	5,505	(276,624)	212,688	(58,431)	3,409	(55,022)
Transaction with owners:							
- dividends paid	-	-	-	-	-	(8,572)	(8,572)
- dividend payable	-	-	-	(68,008)	(68,008)	-	(68,008)
- disposal of a subsidiary	-	-	-	-	-	(1,904)	(1,904)
At 30 September 2022	6,800,839	37,223	(171,579)	2,571,531	9,238,014	134,509	9,372,523

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

	Nine (9) months ended 30 September	
	2023	2022
<b>Cash flow from operating activities</b>		
Profit for the period	284,311	215,713
Adjustments for:		
Share of results of joint ventures and associates	67,399	35,115
Depreciation and amortisation	23,634	24,475
Net changes in fair value on investment properties	949	7,948
Write-off of inventories	3,142	–
Write-down of inventories	2,496	4,346
Net (reversal of impairment)/impairment losses	(3,751)	804
Gain on disposal of subsidiaries	–	(53,020)
Provisions	11,629	3,729
Finance income	(85,763)	(76,400)
Finance costs	64,575	75,146
Tax expense	156,433	107,400
Others	(3,001)	(1,259)
	<u>522,053</u>	<u>343,997</u>
<b>Changes in working capital:</b>		
- inventories, receivables and other assets		
- changes in inventories attributable to land acquisition	(692,402)	–
- others	(199,698)	257,150
- payables, provisions and other liabilities	16,736	135,724
<b>Cash from operations</b>	<u>(353,311)</u>	<u>736,871</u>
Tax paid	(77,304)	(58,461)
<b>Net cash (used in)/from operating activities</b>	<u>(430,615)</u>	<u>678,410</u>
<b>Cash flow from investing activities</b>		
Finance income received	19,895	10,878
Net cash inflow from disposal of subsidiaries	–	8,451
Proceeds from sale of property, plant and equipment	10	3
Proceeds from sale of investment properties	2,888	–
Additions of:		
- property, plant and equipment	(21,258)	(5,986)
- investment properties	(148,004)	(10,781)
- intangible assets	(1,029)	(1,823)
Subscription of additional interests in joint ventures	(47,724)	(326,988)
Capital repayment from a joint venture	163,986	–
Capital repayment from an investment	1,309	6,064
Repayment from/(Advances to) an associate	12,857	(1,304)
Dividends received from a joint venture and an investment	1,000	2,653
<b>Net cash used in investing activities</b>	<u>(16,070)</u>	<u>(318,833)</u>
<b>Cash flow from financing activities</b>		
Finance costs paid	(87,953)	(86,984)
Net borrowings raised/(repaid)	276,564	(280,366)
Repayments of lease liabilities	(2,951)	(16,567)
Dividend paid on ordinary shares	(68,008)	–
Dividends paid to non-controlling interests	(3,784)	(8,572)
<b>Net cash from/(used in) financing activities</b>	<u>113,868</u>	<u>(392,489)</u>
<b>Net changes in cash and cash equivalents</b>	<u>(332,817)</u>	<u>(32,912)</u>
Foreign exchange differences	9,363	(556)
Cash and cash equivalents at beginning of the year	<u>985,317</u>	<u>909,664</u>
<b>Cash and cash equivalents at end of the period</b>	<u>661,863</u>	<u>876,196</u>

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

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

**Nine (9) months ended**  
**30 September**  
**2023**                      **2022**

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

Cash held under Housing Development Accounts	<b>326,201</b>	330,118
Bank balances, deposits and cash	<b>335,662</b>	546,078
	<b>661,863</b>	876,196

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**  
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Explanatory Notes on the Quarterly Report – 30 September 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 interim financial period:

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 interim financial period.

- 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 period; (2) retained earnings; (3) statement of financial position; and (4) statement of cash flows.



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Explanatory Notes on the Quarterly Report – 30 September 2023  
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**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 nine (9) months ended 30 September 2022

	Quarter ended 30 September 2022			Nine (9) months ended 30 September 2022		
	As previously stated	Reclassification	As restated	As previously stated	Reclassification	As restated
Revenue	689,301	–	689,301	1,785,240	–	1,785,240
Cost of sales	(481,791)	–	(481,791)	(1,253,232)	–	(1,253,232)
Gross profit	207,510	–	207,510	532,008	–	532,008
Other income	4,082	(3,334)	748	18,090	(7,948)	10,142
Marketing and selling expenses	(36,025)	–	(36,025)	(75,178)	–	(75,178)
Administrative expenses	(50,107)	–	(50,107)	(163,776)	–	(163,776)
Operating profit	125,460	(3,334)	122,126	311,144	(7,948)	303,196
Share of results of joint ventures	(28,242)	–	(28,242)	(36,231)	–	(36,231)
Share of results of associates	273	–	273	1,116	–	1,116
Other (losses)/gains	(6,120)	3,334	(2,786)	45,830	7,948	53,778
Profit before interest and tax	91,371	–	91,371	321,859	–	321,859
Finance income	28,004	–	28,004	76,400	–	76,400
Finance costs	(25,303)	–	(25,303)	(75,146)	–	(75,146)
Profit before tax	94,072	–	94,072	323,113	–	323,113
Tax expense	(39,627)	–	(39,627)	(107,400)	–	(107,400)
Profit for the period	54,445	–	54,445	215,713	–	215,713

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Explanatory Notes on the Quarterly Report – 30 September 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 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 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 period under review.

The Company has 6,800,839,377 ordinary shares in issue as at 30 September 2023.

**A6. Dividend Paid**

No dividend was paid during the third quarter ended 30 September 2023.

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Explanatory Notes on the Quarterly Report – 30 September 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**

	Property Development	Investment and Asset Management	Leisure	Elimination	Total
<b>Nine (9) months ended 30 September 2023</b>					
<b>Revenue:</b>					
External	2,278,995	78,583	66,667	–	2,424,245
Inter-segment	40,271	5,996	2,000	(48,267)	–
	<b>2,319,266</b>	<b>84,579</b>	<b>68,667</b>	<b>(48,267)</b>	<b>2,424,245</b>
Cost of sales	(1,642,791)	(46,428)	(41,663)	39,427	(1,691,455)
Gross profit	676,475	38,151	27,004	(8,840)	732,790
Other income/(expenses)	18,119	(945)	2,732	955	20,861
Marketing and selling expenses	(102,340)	(695)	(1,126)	–	(104,161)
Administrative expenses	(126,645)	(15,520)	(31,552)	8,179	(165,538)
Operating profit/(loss)	465,609	20,991	(2,942)	294	483,952
Share of results of joint ventures and associates	(38,127)	(24,119)	–	(5,153)	(67,399)
Segment results	427,482	(3,128)	(2,942)	(4,859)	416,553
Other gains/(losses)	3,114	(111)	–	–	3,003
Profit/(Loss) before interest and tax	430,596	(3,239)	(2,942)	(4,859)	419,556
Finance income	25,005	65,002	1,990	(6,234)	85,763
Finance costs	(26,189)	(43,826)	(794)	6,234	(64,575)
Profit/(Loss) before tax	429,412	17,937	(1,746)	(4,859)	440,744
Tax expense	(145,273)	(11,776)	645	(29)	(156,433)
Profit/(Loss) for the period	<b>284,139</b>	<b>6,161</b>	<b>(1,101)</b>	<b>(4,888)</b>	<b>284,311</b>

Included in other income/(expenses) are:

Net changes in fair value on investment properties	(743)	(1,304)	–	1,098	(949)
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Included in other gains/(losses) are:

Net foreign exchange gain/(loss)	3,114	(111)	–	–	3,003
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**SIME DARBY PROPERTY BERHAD**  
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Explanatory Notes on the Quarterly Report – 30 September 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
<b>Nine (9) months ended</b>					
<b>30 September 2022</b>					
<b>Restated</b>					
<b>Revenue:</b>					
External	1,643,120	79,315	62,805	–	1,785,240
Inter-segment	134,545	6,196	3,059	(143,800)	–
	<u>1,777,665</u>	<u>85,511</u>	<u>65,864</u>	<u>(143,800)</u>	<u>1,785,240</u>
Cost of sales	(1,242,332)	(42,380)	(35,653)	67,133	(1,253,232)
Gross profit	535,333	43,131	30,211	(76,667)	532,008
Other income/(expenses)	17,377	(7,213)	121	(143)	10,142
Marketing and selling expenses	(74,218)	(602)	(358)	–	(75,178)
Administrative expenses	(128,808)	(14,935)	(27,955)	7,922	(163,776)
Operating profit	349,684	20,381	2,019	(68,888)	303,196
Share of results of joint ventures and associates*	(28,757)	1,380	–	(7,738)	(35,115)
Segment results	320,927	21,761	2,019	(76,626)	268,081
Other (losses)/gains	(289)	936	9,059	44,072	53,778
Profit before interest and tax	320,638	22,697	11,078	(32,554)	321,859
Finance income	17,542	67,465	495	(9,102)	76,400
Finance costs	(31,755)	(51,651)	(842)	9,102	(75,146)
Profit before tax	306,425	38,511	10,731	(32,554)	323,113
Tax expense	(101,123)	(12,031)	(1,135)	6,889	(107,400)
Profit for the period	<u>205,302</u>	<u>26,480</u>	<u>9,596</u>	<u>(25,665)</u>	<u>215,713</u>

Included in other income/(expenses) are:

Net changes in fair value on investment properties	–	(7,948)	–	–	(7,948)
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Included in other (losses)/gains are:

Gain on disposal of a subsidiary	–	–	8,948	44,072	53,020
Net foreign exchange (loss)/gain	(289)	1	111	–	(177)

\* 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.

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**A7. Segment Information (continued)**

**b. Segment assets**

	Property Development	Investment and Asset Management	Leisure	Elimination	Total
<b>As at 30 September 2023</b>					
Operating assets	9,818,045	2,693,922	549,467	(770,037)	12,291,397
Joint ventures and associates	2,794,442	446,976	–	(80,149)	3,161,269
	<u>12,612,487</u>	<u>3,140,898</u>	<u>549,467</u>	<u>(850,186)</u>	<u>15,452,666</u>
Tax assets					601,064
Total assets					<u>16,053,730</u>
<b>As at 31 December 2022</b>					
<b>Restated</b>					
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					642,157
Total assets					<u>15,262,709</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**

	<b>Nine (9) months ended 30 September</b>	
	<b>2023</b>	<b>2022</b>
Revenue comprises the following:		
Revenue from contracts with customers	2,375,387	1,725,830
Revenue from rental income	48,858	59,410
	<u>2,424,245</u>	<u>1,785,240</u>
Disaggregation of the Group's revenue from contracts with customers:		
<b>Geographical market</b>		
- Malaysia	<u>2,375,387</u>	<u>1,725,830</u>
<b>Timing of revenue recognition</b>		
- over time	2,138,951	1,489,742
- at point in time	236,436	236,088
	<u>2,375,387</u>	<u>1,725,830</u>

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**A9. Capital Commitments**

	As at 30 September 2023	As at 31 December 2022
Contracted capital commitments:		
- investment properties	54,052	79,618
- property, plant and equipment	26,889	28,731
- intangible assets	641	462
	<u>81,582</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 30 September 2023	As at 31 December 2022
Joint ventures:		
- Sime Darby Property - LOGOS Property Industrial Development Fund 1 LP	137,019	168,568
- Sime Darby Property MIT Development Sdn Bhd	29,625	45,800
	<u>166,644</u>	<u>214,368</u>

**A10. Significant Related Party Transactions**

Significant related party transactions during the financial period ended 30 September 2023 are as follows:

	Nine (9) months ended 30 September 2023	2022
<b>a. Transactions between subsidiaries and their non-controlling interests ("NCI") or related parties of the NCI</b>		
Turnkey works rendered by Brunfield Engineering Sdn Bhd 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)	(30,566)
Interest charged to SDBH by Brunfield Metropolitan Sdn Bhd, 40% shareholder of SDBH	(4,880)	(4,719)
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>(11,268)</u>	<u>(11,268)</u>
<b>b. Transactions with joint ventures and associates</b>		
<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>

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**A10. Significant Related Party Transactions (continued)**

Significant related party transactions during the financial period ended 30 September 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 58.0% as at 30 September 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 period include:

	<b>Nine (9) months ended 30 September</b>	
	<b>2023</b>	<b>2022</b>
<u>Sime Darby Plantation Berhad group</u>		
Rental income	<u>6,752</u>	<u>10,768</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 948.826 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**

	<b>Nine (9) months ended 30 September</b>	
	<b>2023</b>	<b>2022</b>
Sale of property to a Director and close family member	–	1,921
Sale of properties to key management personnel and their close family members	<u>3,957</u>	<u>3,004</u>

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

There was no material event subsequent to the end of the current quarter under review to 17 November 2023, 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 period ended 30 September 2023, other than as disclosed below.

a. Incorporation of a subsidiary

On 13 July 2023, the Group incorporated Sime Darby Property (Glades) Sdn Bhd. The principal activity of the Company is 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 22 August 2023, Vibernum Limited, an indirect wholly-owned subsidiary of the Group, held its final meeting subsequent to being placed under Members' Voluntary Liquidation on 9 March 2022 and will be deemed dissolved three months from the date of the final meeting.

c. Acquisition of non-controlling interest

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 termination is pending completion subject to meeting conditions precedent, and is not expected to have a material impact to the Group's financial performance.

Following the completion of the settlement agreement, the Group's interest in SDBH will increase from 60% to 100%.

**A13. Contingent Liabilities - unsecured**

	As at 30 September 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 30 September 2023	As at 31 December 2022
Investments - unquoted shares	<u>49,175</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.



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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**

	Nine (9) months ended 30 September		% +/(–)
	2023	2022 Restated	
<b>Segment revenue:</b>			
Property development	2,278,995	1,643,120	38.7
Investment and asset management	78,583	79,315	(0.9)
Leisure	66,667	62,805	6.1
<b>Revenue</b>	<b>2,424,245</b>	<b>1,785,240</b>	<b>35.8</b>
<b>Segment results:</b>			
Property development	422,623	244,301	73.0
Investment and asset management	(3,128)	21,761	(114.4)
Leisure	(2,942)	2,019	(245.7)
	416,553	268,081	55.4
Other gains	3,003	53,778	
Profit before interest and tax	419,556	321,859	30.4
Finance income	85,763	76,400	
Finance costs	(64,575)	(75,146)	
<b>Profit before tax (“PBT”)</b>	<b>440,744</b>	<b>323,113</b>	<b>36.4</b>
Tax expense	(156,433)	(107,400)	
<b>Profit for the period</b>	<b>284,311</b>	<b>215,713</b>	<b>31.8</b>
<b>Attributable to:</b>			
- owners of the Company	276,655	212,688	30.1
- non-controlling interests	7,656	3,025	
<b>Profit for the period</b>	<b>284,311</b>	<b>215,713</b>	<b>31.8</b>

The Group’s revenue grew by 35.8% to RM2,424.2 million as compared to corresponding period in the previous year (“9MFY22”), mainly contributed by the property development segment with revenue growth of 38.7% to RM2,279.0 million. The investment and asset management segment revenue contribution at RM78.6m is marginally lower, whilst leisure segment continues its moderate growth path with revenue increase of 6.1% to RM66.7 million.

PBT in 9MFY22 included “Other gains” arising from the dilution of interest in the Industrial Development Fund amounting to RM44.1 million. The lower other gains and higher share of losses from joint ventures was sufficiently buffered by higher segment profit in the property development segment, and thus PBT remained resilient with a growth of 36.4% to RM440.7 million in the current financial period.

The results of each business segment are analysed below:

**a) Property development**

The property development segment continued to be the major contributor to the Group’s revenue, accounting for 94.0% of the Group’s total. Revenue stood at RM2,279.0 million with a year-on-year growth of 38.7% from RM1,643.1 million in the corresponding period in the previous year.

The improved performance was driven by contribution from residential and industrial products with increased on-site development activities in Bandar Bukit Raja, Nilai Impian, Serenia City, City of Elmina, Hamilton City and Elmina Business Park townships, coupled with contribution from sale of land in Negeri Sembilan and Kedah, as part of the Group’s land monetisation strategy. During the corresponding period in previous year, the segment’s financial results were adversely affected by labour shortage in general, while the current financial period continues to be challenged by a persistent lack of skilled labour in the industry.

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**B1. Review of Group Performance (continued)**

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

**a) Property development (continued)**

The growth in segment's profit which was driven by higher revenue offsets the share of loss from joint ventures and associate of RM38.2 million, primarily attributed to escalating operating, marketing and selling expenses.

Despite ongoing labor challenges and the share of losses from the joint ventures, the segment's result is commendable with a growth of 73.0% to RM422.6 million in the current financial period.

**b) Investment and asset management**

The investment and asset management segment revenue of RM78.6 million is on par with the corresponding period in the previous year. Notably, KL East Mall in the retail sub-segment continues to grow its occupancy rate to 89% as at 30 September 2023 compared to 79% recorded a year ago.

The segment's operating profit remained largely on par with 9MFY22 as revenue growth under the retail sub-segment was offset by higher utilities costs from imbalance cost pass-through ("ICPT") surcharge. However, segment result declined to a loss of RM3.1 million in the current financial period after share of results of joint ventures and associates, as compared to a profit of RM21.8 million a year ago. This was mainly attributed to higher finance costs incurred by a joint venture, resulting from the interest rate hikes, and finance cost charged out for investment assets that was previously capitalised during construction period.

**c) Leisure**

The leisure segment saw an increase in revenue by 6.1% to RM66.7 million, as compared to RM62.8 million in the corresponding period in the previous year. Revenue growth was driven by higher banqueting and food and beverages proceeds.

However, the segment reported a loss of RM2.9 million, in contrast to a profit of RM2.0 million a year ago. This segment loss was primarily caused by the rising operating costs and costs incurred on intensifying its golf course maintenance activities ahead of the Ladies Professional Golf Association ("LPGA") tournament held in October 2023.

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

	Quarter ended		%
	30 September 2023	30 June 2023	+/(–)
<b>Segment revenue:</b>			
Property development	1,002,491	639,740	56.7
Investment and asset management	26,087	26,256	(0.6)
Leisure	21,417	22,922	(6.6)
<b>Revenue</b>	<u>1,049,995</u>	<u>688,918</u>	52.4
<b>Segment results:</b>			
Property development	233,375	101,942	128.9
Investment and asset management	2,861	(3,138)	191.2
Leisure	(2,825)	(1,816)	(55.6)
	<u>233,411</u>	<u>96,988</u>	140.7
Other (losses)/gains	(6,129)	3,988	
Profit before interest and tax	227,282	100,976	125.1
Finance income	27,911	29,789	
Finance costs	(26,672)	(16,478)	
<b>Profit before tax (“PBT”)</b>	<u>228,521</u>	<u>114,287</u>	100.0
Tax expense	(84,244)	(35,448)	
<b>Profit for the period</b>	<u>144,277</u>	<u>78,839</u>	83.0
<b>Attributable to:</b>			
- owners of the Company	144,915	71,068	103.9
- non-controlling interests	(638)	7,771	
<b>Profit for the period</b>	<u>144,277</u>	<u>78,839</u>	83.0

The Group’s revenue for the current quarter outperformed the preceding quarter by 52.4% at RM1,050.0 million. Profit before tax (“PBT”) of the Group for the current quarter doubled to RM228.5 million as compared to RM114.3 million in the preceding quarter, with significant improvement in the property development segment.

The results of each business segment are analysed below:

**a) Property development**

Revenue from property development rose to RM1,002.5 million from RM639.7 million, a commendable growth of 56.7% as compared to preceding quarter. Accordingly, the segment profit for the current quarter improved significantly to RM233.4 million as compared to RM101.9 million in preceding quarter. The strong segment results was driven by contribution from sale of land in Negeri Sembilan and Kedah, as part of the Group’s land monetisation strategy, coupled with increased sales in residential and industrial products and on-site development activities in City of Elmina, Hamilton City, Serenia City, Bandar Bukit Raja and Elmina Business Park townships.

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**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's maintained its total revenue at RM26.1 million in line with preceding quarter. The segment registered a profit of RM2.9 million, turning around from a loss of RM3.1 million in preceding quarter. The improvement in segment result was mainly due to higher contribution from concession arrangement sub-segment from recovery of collections.

**c) Leisure**

The leisure segment recorded marginally lower revenue of RM21.4 million in the current quarter along with a slightly higher segment loss of RM2.8 million in the current quarter, mainly due to higher food and beverages and banqueting during the Hari Raya festive season in the previous quarter. The two consecutive quarters of losses was primarily attributed to the increasing costs incurred as the segment intensified its golf course maintenance activities in preparation for the LPGA tournament held in October 2023.

**B3. Prospects**

The Bank Negara Malaysia ("BNM") anticipates that the Malaysian economy will expand approximately 4% in 2023. Domestic demand is expected to remain healthy supported by rising employment rates and the development of large infrastructure projects.

During the first nine months of 2023, the Group continues to enjoy sustained demand for our products across all market segments, resulting in sales of RM2.5 billion as well as total bookings of RM2.2 billion. Additionally, the Group maintained a healthy unbilled sales of RM3.7 billion, ensuring a clear visibility on earnings and cash flow outlook in the near to medium term. As of 30 September 2023, the Group's net gearing level remains low at 27.4% with a healthy cash reserve of RM661.9 million. Moving on to the launches, the Group has launched a diversified product mix amounting to RM3.2 billion GDV to date across its well-established townships. Given the strong momentum thus far, the Group is on track to achieve its goal of launching a diverse pipeline with a GDV of RM4.0 billion in 2023.

Capitalising on robust demand for the Group's industrial products, the Group has completed the acquisition of the 949-acre land parcel in Bandar Bukit Raja 4 in August 2023 for a sum of RM618.0 million. The strategic acquisition of the land, which is positioned as a high-value ESG enabling industrial development, positions the Group well for future opportunities, as the market continues to attract interest from both local and international industrialists. This is also expected to bode well with the recent launch of the Government's New Industrial Masterplan 2030 (NIMP 2030).

The Group remains on track to achieve its 2023 target of delivering approximately 3,600 units under vacant possession, having successfully delivered 2,153 units during the nine-month period ended 30 September 2023. This accomplishment can be attributed to the Group's robust performance in recent years.

Given the strong momentum year-to-date, the Group is confident to achieve its financial and operational targets for the year despite current economic and market conditions, barring any unforeseen events.

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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 Before Tax**

	Quarter ended 30 September		Nine (9) months ended 30 September	
	2023	2022	2023	2022
Included in operating profit are:				
Depreciation and amortisation	(7,849)	(7,509)	(23,634)	(24,475)
Reversal of impairment/(impairment) of receivables	3,900	62	3,751	(804)
Net changes in fair value on investment properties	–	(3,334)	(949)	(7,948)
Write-off of inventories	(2,600)	–	(3,142)	–
Write-down of inventories	(2,496)	4,346	(2,496)	4,346
Investment income	–	–	–	153
	<u>–</u>	<u>–</u>	<u>–</u>	<u>153</u>
Included in other (losses)/gains are:				
Gain/(Loss) on disposal of:				
- subsidiaries	–	–	–	53,020
- others	2	–	(3)	3
Net foreign exchange (loss)/gain	<u>(4,388)</u>	<u>(2,783)</u>	<u>3,003</u>	<u>(177)</u>

**B6. Tax Expense**

	Quarter ended 30 September		Nine (9) months ended 30 September	
	2023	2022	2023	2022
In respect of the current period:				
- current tax	74,383	37,295	120,076	99,816
- deferred tax	12,403	3,575	36,361	11,390
	<u>86,786</u>	<u>40,870</u>	<u>156,437</u>	<u>111,206</u>
(Over)/under provision in prior years:				
- current tax	(3,260)	(153)	(2,360)	(1,223)
- deferred tax	718	(1,090)	2,356	(2,583)
	<u>84,244</u>	<u>39,627</u>	<u>156,433</u>	<u>107,400</u>

The effective tax rate for the current quarter ended and for the nine (9) months ended 30 September 2023 of 34.8% and 30.8% 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.

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**B7. Status of Corporate Proposal**

There was no corporate proposal announced but not completed as at 17 November 2023, 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 30 September 2023 is as follows:

	<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
<u>Long-term borrowings</u>			
Term loans	238,531	–	238,531
Islamic financing	490,106	–	490,106
Syndicated Islamic financing	411,883	–	411,883
Islamic medium-term notes (refer (i))	–	1,398,983	1,398,983
Amounts due to non-controlling interests	–	240,008	240,008
	<u>1,140,520</u>	<u>1,638,991</u>	<u>2,779,511</u>
<u>Short-term borrowings</u>			
Term loans due within one year	30,161	–	30,161
Islamic financing due within one year	168,928	–	168,928
Syndicated Islamic financing	83,515	–	83,515
Islamic medium-term notes	–	11,372	11,372
Revolving credits	–	280,758	280,758
	<u>282,604</u>	<u>292,130</u>	<u>574,734</u>
Total borrowings	<u>1,423,124</u>	<u>1,931,121</u>	<u>3,354,245</u>

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

	<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
<b>Borrowings</b>			
- principal	1,418,731	1,918,242	3,336,973
- interest	4,393	12,879	17,272
Total borrowings	<u>1,423,124</u>	<u>1,931,121</u>	<u>3,354,245</u>

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

	<b>Long-term borrowings</b>	<b>Short-term borrowings</b>	<b>Total</b>
Ringgit Malaysia	2,779,511	393,976	3,173,487
Sterling Pound	–	180,758	180,758
Total borrowings	<u>2,779,511</u>	<u>574,734</u>	<u>3,354,245</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 shall be utilised to finance the Group's future investments and/or capital expenditure and/or the Group's working capital requirement and general corporate purpose and/or if required, to refinance debt obligations of the Group.

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**Registration No: 197301002148 (15631-P)**

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**B9. Material Litigations**

Changes in material litigations since the date of the last audited annual statement of financial position up to 17 November 2023, 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 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 October 2023. Further hearing dates have been fixed in November 2023, January 2024 and March 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.

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**B9. Material Litigations (continued)**

Changes in material litigations since the date of the last audited annual statement of financial position up to 17 November 2023, 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 (“New Documents”). 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 2 January 2024.

LLM also filed a Notice of Motion dated 6 November 2023 for Stay of Proceedings in respect of the Re-Hearing (“Stay Application”), which is now fixed for hearing on 6 December 2023.

Subject to the outcome 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. Earnings Per Share**

	<b>Quarter ended</b>		<b>Nine (9) months ended</b>	
	<b>30 September</b>		<b>30 September</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Basic earnings per share attributable to owners of the Company are computed as follows:				
Profit for the period	<u>144,915</u>	<u>56,131</u>	<u>276,655</u>	<u>212,688</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>2.1</u>	<u>0.8</u>	<u>4.1</u>	<u>3.1</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  
24 November 2023

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