

Press Release

9 May 2019

For Immediate Release

SECURED SALES OF RM718 MILLION FOR 1ST QUARTER OF FY2019 RM6.47 billion launches planned for 2nd quarter onwards

KUALA LUMPUR - S P Setia Berhad today announced that the Group has achieved a revenue of RM864.9 million and profit before tax of RM126.1 million for the first quarter ended 31st March 2019. Over the same period, the Group secured sales of RM718 million. Local projects contributed RM678 million, which represented approximately 94% of the total sales while international projects contributed RM40 million, which represented the remaining 6% of the total sales.

The ‘wait-and-see’ attitude continues to linger as purchasers await positive leads for the property market to recover. In the first quarter, we launched approximately RM339 million Gross Development Value (“GDV”), comprising mainly of landed properties. Despite the lacklustre property market, there is still strong demand for landed residential properties from owner occupiers looking to settle down in established township. For instance, the launch of *Clarino*, a phase of double-storey terrace houses priced from RM649,000 in the matured township of *Alam Impian* in March 2019 achieved a commendable take-up rate of 98% within a month.

For the remaining part of the financial year, the Group has planned a total of RM6.47 billion worth of launches, focusing in Klang Valley with RM4.65 billion and Johor with RM1.12 billion. In Klang Valley, the planned major launches are in *Setia Alam*, *Bandar Kinrara*, *Alam Impian*, *Setia Alamsari*, *Temasya Glenmarie*, *Setia Tropicale*, *Setia Ecohill 2*, *KL Eco City* and *Setia Sky Seputeh – Tower B*, while in Johor, the planned major launches are in *Setia Tropika*, *Bukit Indah Johor*, *Setia Eco Gardens* and *Taman Industri Jaya*. Over in Penang, following the well-received launches of the shop offices last year, *Setia Fontaines* plans to launch approximately RM349 million worth of GDV where the much anticipated landed residential properties, priced from RM330,000 will be unveiled.

“The Group is monitoring the property market closely and with the pipeline of diversified products, mainly concentrated on landed residential properties, we will roll out more launches the moment the property market picks up,” said Dato’ Khor Chap Jen, President & CEO of S P Setia Berhad.

On 14 March 2019, S P Setia’s 40% owned jointly controlled company, *Battersea Phase 2 Holding Company Limited (“BPS”)* had completed the sale of the commercial assets in Phase 2 of the *BPS* development for a base consideration of £1.58 billion (approximately RM8.51 billion). *BPS* had received an initial payment of £676.1 million (approximately RM3.64 billion), which is the base consideration attributable to the percentage of completion to date. The balance is payable progressively over the remaining construction period.

“*BPS* deal structure also includes an agreed price adjustment mechanism applicable at the end of the 5th year following practical completion of the said Phase 2 commercial assets, which is

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intended for *BPS* to benefit from the assets' potential strong income growth over the 5-year period post practical completion," Dato' Khor continued.

The Group is anchored by 45 ongoing projects with 9,477 acres of effective land banks remaining and potential GDV of RM145.90 billion. Prospects going forward remain positive with total unbilled sales of RM10.95 billion as at 31 March 2019. Given the versatility of the planned launches in the pipeline as well as the many campaigns and initiatives in place to promote home ownership, the Group is working towards the sales target of RM5.65 billion for the current financial year.

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About S P Setia Berhad

Since its incorporation in 1974, S P Setia has been a household name in the property development industry. The Group is recognised as one of Malaysia's leading listed real estate players with a portfolio that encompasses townships, eco-sanctuaries, luxury enclaves, high-rise residences, commercial and retail developments.

S P Setia is the only Malaysian developer to have received ten FIABCI Prix d'Excellence Awards by the International Real Estate Federation (FIABCI) and eleven FIABCI Malaysia Property Awards. In 2018, S P Setia was ranked No.1 in The Edge Malaysia Top Property Developers Awards for a record-breaking 11th time, the only developer to have achieved this feat since the inception of the awards.

The Group is well-established in the three key economic centres of Malaysia, namely Klang Valley, Johor Bahru and Penang and also has a project in Sabah. Its international reach now includes six countries which are Vietnam, Australia, Singapore, China, the United Kingdom and Japan.

As of 31 March 2019, the Group has 45 ongoing projects, with an effective remaining land banks of 9,477 acres valued at a Gross Development Value of RM145.90 billion and total unbilled sales of RM10.95 billion.

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