

Press Release

25 February 2021

For Immediate Release

SURPASSED SALES TARGET FOR FY2020

Commendable achievement of RM3.82 billion sales amidst Covid-19 pandemic

KUALA LUMPUR – S P Setia Berhad announced today that for the year ended 31 December 2020, the Group surpassed its targeted sales of RM3.80 billion by achieving a commendable total sales of RM3.82 billion amidst the Covid-19 pandemic. Against the backdrop of this noteworthy accomplishment and complemented by a revenue of RM3.23 billion achieved by the Group, impairment provisions of RM475.9 million made in the previous second and third quarters of FY2020 nevertheless resulted in the Group registering a loss before tax of RM156.7 million for the year in review.

The provisions, largely for the impairment of the work in progress and inventories under construction of £62.4 million (RM336.3 million) arising from the Group’s 40% owned joint venture company, Battersea Project Holding Company Ltd, UK (“BPHC”) in the third quarter FY2020, were made as a prudent measure and had no impact on the Group’s cashflow position. Excluding these impairment provisions, the Group would have a profit before tax of RM319.2 million for the year in review.

In respect of the Islamic Redeemable Convertible Preference Shares A and Islamic Redeemable Convertible Preference Shares B, the Company declared a preferential dividend of 6.49% per annum and 5.93% per annum respectively for the financial period from 1 July 2020 till 31 December 2020.

“It is worth noting that the Group recorded a significant surge of RM1.56 billion in sales during the last quarter of FY2020 against the backdrop of a resurgence in Covid-19 cases and subsequent re-implementation of the MCO, and a substantial RM1.45 billion of bookings in the pipeline,” said Dato’ Khor Chap Jen, President & CEO of S P Setia Berhad.

“We continue to see genuine buyers who are still looking to own properties and to invest at this time to take advantage of the many promotions and offerings made available,” Dato’ Khor added.

Local projects contributed RM3.11 billion or approximately 81% of the sales whilst the remaining RM716.0 million or approximately 19% were contributed largely by international projects. On the local front, sales were mainly from the Central region with RM2.28 billion, aided by RM312.0 million contribution from the Northern region while the Southern region contributed RM415.0 million.



“We managed to clear RM695.0 million of completed inventories in FY2020 and will continue to do so in FY2021. We will also continue fast-tracking the Group’s digital transformation journey and enhancing digital touchpoints to reach and engage with potential customers while implementing new measures to reorient our product offerings, optimising our land banks utilisation and Team Setia’s capabilities as part of our strategies to build resilience against future disruptions. Riding on the upsurge in sales momentum during Q4FY2020, S P Setia will maintain its sales target of RM3.80 billion for FY2021. There are positive sentiments and optimism arising from the mass vaccination program, which will be rolled out in stages globally and across Malaysia,” said Dato’ Khor.

As of 31 December 2020, the Group has 48 on-going projects, with an effective remaining land banks of 8,528 acres valued at a Gross Development Value of RM136.87 billion and total unbilled sales of RM10.05 billion which will sustain the Group over the next two years.

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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 twelve FIABCI World Gold Prix d’Excellence Awards by the International Real Estate Federation (FIABCI) and twelve FIABCI Malaysia Property Awards. In 2020, S P Setia was ranked No.1 in The Edge Malaysia Top Property Developers Awards for a record-breaking 13th 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.

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