

## Press Release

18 August 2021

For Immediate Release

### **SOLID SALES PERFORMANCE FOR 1HFY2021**

#### **A notable achievement of RM2.71 billion sales amidst extended COVID-19 pandemic**

KUALA LUMPUR – S P Setia Berhad (“Group”) recorded a very strong sales performance of RM2.71 billion for its first half of FY2021 ended 30 June 2021. Local projects contributed RM2,074 million or approximately 77% of the sales, whilst the remaining RM639 million or approximately 23% were contributed by international projects mainly from *Daintree Residence* in Singapore, wherein the demand for residential properties has gained traction following the upliftment of the circuit breaker and opening up of the economy. The Group achieved a revenue of RM2.14 billion and Profit Before Tax (“PBT”) of RM301.4 million in the two quarters under review. Both revenue and PBT for the first six months of the year are higher than the corresponding period in the preceding year, mainly driven by progressive revenue recognition from strong take-up rates achieved and higher sales of completed inventories of RM425 million, an increase of 137% as compared to RM179 million for the corresponding period in the preceding year.

On the local front, sales were primarily derived from the Central region at RM1,636 million, followed by the contribution from the Southern region at RM296 million while another RM142 million was from the other regions. It is also worth noting that completed inventories worth RM425 million were also cleared during these six months.

*“The results achieved for the first half of the year were largely attributed to the strong sales performance for the first five months of the financial year buoyed by a generally upbeat local market sentiment early this year. However, the onset of the Full Movement Control Order (“FMCO”) lockdown in June 2021 had slowed down the conversion of bookings into confirmed sales. Nevertheless, we are heartened to see that bookings received as of 30 June stood at RM954 million,”* said Dato’ Khor Chap Jen, President and CEO of S P Setia Berhad.

*“A total Gross Development Value (“GDV”) of RM687 million landed properties comprising mostly affordable double-storey terrace and/or semi-detached homes were launched during this period with high take-up rates seen especially in established and matured townships. Setia Alam and Bandar Kinrara’s bookings hovered above 90% for the said launches,”* Dato’ Khor continued.

For the second half of FY2021, the Group will be offering new launches worth RM2.47 billion in our various townships including Setia Alam, Setia Ecohill 2, Setia Eco Park, Setia Eco Glades, Setia Mayuri, Temasya Glenmarie, Bandar Kinrara, Setia Alam Impian and Kota Bayuemas in the Central region, Setia Fontaines in Penang, Taman Rinting, Taman Industri Jaya and Setia Tropika in the Southern region.



In May 2021, the Group announced the Conditional Sale and Purchase Agreement for the disposal of eight parcels of land measuring 959.7 acres in Tebrau, Johor for a total consideration of RM518.1 million by its indirect wholly-owned subsidiary, Pelangi Sdn Bhd. Through monetising these landbanks in Johor, the proceeds from this land sale will be utilised to pare down the Group's borrowings. With this divestment, the Group continues to hold more than 1,000 acres of landbank in Johor.

*“Overall, we remain positive on the market outlook and will continue to focus on achieving our sales target set of RM3.80 billion. We remain optimistic yet cautious, underpinned by the strong pent-up demand from the home buyers under the pandemic backdrop. We expect the economy in general and the property sector specifically to recover gradually in the coming quarters at the back of efficient rollout of the vaccination programme to achieve herd immunity as well as the imposition of various SOPs in our fight against COVID-19. Once these efforts are successful in curbing the pandemic, it is our hope that the economy will be reopened in stages, and its recovery process will be expedited,”* Dato' Khor concluded.

Given the commendable strong start in our sales performance for the first half of this current year, the Group will continue to strive to maintain the sales momentum while at the same time continue the emphasis on its strategic priorities to strengthen and optimise the capital structure alongside its efficient land bank utilisation.

As of 30 June 2021, the Group has 47 ongoing projects, with an effective remaining land banks of 7,483 acres valued at a GDV of RM125.1 billion and total unbilled sales of RM10.30 billion, which will tide 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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