

**Press Release**

23 May 2022

For Immediate Release

**SECURED SALES OF RM679 MILLION FOR 1<sup>ST</sup> QUARTER OF FY2022**

KUALA LUMPUR - S P Setia Berhad today announced that the Group had achieved a revenue of RM867.1 million and profit before tax of RM118.2 million for the first quarter ended 31 March 2022. Over the same period, the Group secured sales of RM679.0 million. Local projects contributed RM625.0 million, which represented approximately 92% of the total sales whilst the remaining RM54.0 million or approximately 8% were contributed by international projects. On the local front, sales were mainly derived from the Central region with RM420.0 million. The Southern region contributed RM140.0 million while another RM70.0 million was from the Northern region. The total sales secured were also complemented by the concerted effort in clearing inventories where RM159.0 million worth of inventories were cleared during this period.

*“In addition to the sales secured, the Group in the first quarter of FY2022 had also secured RM655.0 million bookings in the pipeline. The focus will be on the swift conversion of these bookings into sales,” said Datuk Choong Kai Wai, President & CEO of S P Setia Berhad.*

During the period under review, the Group had launched landed residential and commercial projects worth approximately RM505.0 million of Gross Development Value (“GDV”). At Setia Eco Park, the projects launched which comprised of bungalow and semi-detached homes had witnessed good responses with more than 80% take up rates. Setia Mayuri which offered similar products also received commendable take up of more than 60%.

On the global outlook, the lockdown in China has led to the supply chain disruption resulting in price hike of the construction materials. To alleviate the higher cost of construction, the Group will focus on design optimisation and re-value engineering to maintain the product pricing. The Environmental, Social and Governance (“ESG”) commitment remains our top priority. The adoption of the ESG metrics into our business model is on-going and driving sustainable growth continues to be important to the Group.

As the world slowly transitions from a pandemic to an endemic phase of Covid-19, the demand for property is expected to improve over the remaining period of the year. The Group anticipates that it will achieve its sales target of RM4.0 billion by intensifying its social media participation, enhancing product innovation and using virtual technologies to boost sales. The realisation of sales may be impacted given the current property market outlook is tough due to the rise in interest rates in the near term which is expected to increase further in the current financial year. The Group will plan ahead strategically to minimise the uncertainties and seize any opportunities that may emerge in the market.

*“Over the last 2 years, many potential home buyers adopted a “wait-and-see” approach. As the purchase of property is a relatively safe and sound investment in the medium to longer-term, we expect more owner-occupiers and some investors to emerge due to attractive offerings by property developers,” said Datuk Choong.*

Moving forward, other than focusing on clearing the completed inventories, the Group will remain prudent with selected new launches concentrating on the mid-range landed units in established townships to cater to the demand of owner-occupiers. The Group is currently anchored by 47 on-going projects and an effective remaining land banks of 7,060 acres with a GDV of RM121.54 billion. The unbilled sales which stands at RM9.84 billion will also provide earnings visibility in the short to mid-term.

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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 thirteen FIABCI World Gold Prix d'Excellence Awards by the International Real Estate Federation (FIABCI) and fourteen FIABCI Malaysia Property Awards to date. 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 Malaysia's three key economic centres, namely Klang Valley, Johor Bahru and Penang, and has a project in Sabah. Its international reach now includes six countries: Vietnam, Australia, Singapore, China, the United Kingdom, and Japan.

As of 31 March 2022, the Group has 47 ongoing projects, with effective remaining land banks of 7,060 acres valued at a GDV of RM121.54 billion and total unbilled sales of RM9.84 billion.

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