

Press Release

29 February 2024

For Immediate Release

S P Setia achieved RM5.10 Billion in Sales, 21% above target in FY2023

Key Highlights:

- **Sales for the year ended December 2023, totalling RM5.10 billion, surpassed the 2023 target of RM4.20 billion by 21%**, driven by strong demand for the Group's offerings and land monetisation.
- **Revenue recorded a commendable RM4.37 billion, along with an 17% higher profit before tax of RM656 million.**
- **Borrowings reduced by RM1.30 billion**, de-gearing programme is on track, resulting in **further reduction of net gearing ratio to 0.49x** from 0.57x in FY2022 through consistent and effective capital management discipline throughout the Group.
- **Dividend of 1.34 sen per share** was declared.

Kuala Lumpur, Malaysia - S P Setia Bhd ("S P Setia" or "the Group") has achieved a remarkable feat by surpassing its sales target amid the challenging economic climate. In FY2023, the Group recorded total sales of RM5.10 billion – outperforming its RM4.2 billion target – which is a testament to S P Setia's resilience in navigating market headwinds.

A brief snapshot of Q4FY2023 indicates that the driving force behind S P Setia's sales is its local projects, accounting for a significant portion of revenue with RM4.41 billion, or approximately 86% of total sales. The Central region proved crucial for the Group, contributing RM3.30 billion in sales, followed by the Southern region of RM860 million. Additionally, the Northern and Eastern regions made valuable contributions totalling RM247.0 million.

The Group further reduced its borrowings by RM1.30 billion, bringing down the net gearing ratio to 0.49x from 0.57x in FY2022, enabling better capital optimisation and deployment across the development pipelines for future growth. The Group achieved 17% higher profit before tax of RM656 million in FY2023 compared to RM559 million in FY2022, while persisting through the challenges in the operating environment as fluctuations of foreign exchange and interest rates put pressures on the Group's bottom line.



For the financial year ended 31 December 2023, the Board of Directors of the Company has declared dividend of 1.34 sen per share.

The Group's sales success is supported by multiple factors, including its robust sales pipeline anchored by 41 ongoing projects, with a remaining land bank of 6,311 acres and an effective remaining GDV of RM119.74 billion.

Moving forward, President & Chief Executive Officer Datuk Choong Kai Wai expressed confidence in the overall prospects for FY2024. "We remain optimistic in the Group's trajectory this year, with key focuses in accelerating township developments, large-scale industrial developments and strengthening our international presence," said Choong.

The Group is optimistic about the real estate sector, fuelled by catalysts such as the Malaysia My Second Home (MM2H) Visa Liberalisation Plan and Stamp Duty Exemption for first-time buyers, with the country's GDP expected to grow between 4% and 5% this year.

Upcoming plans in Vietnam, Australia and the industrial segment

In FY2024, S P Setia will continue with its development plans in Vietnam and Australia, where for the latter, the Group expects to maintain the momentum of its existing presence in Australia, which will be strengthened through the development of the newly-acquired Sydney land.

Among other key developments that will contribute and propel the Group's growth include the Central region – industrial offerings in Setia Alaman Industrial Park, Klang, Selangor, and the two residential towers by Setia Federal Hill in Jalan Bangsar, Kuala Lumpur.

In the Southern region, S P Setia is banking on its growth momentum with positive spillover effects from the Special Economic Zone incentives, Johor-Singapore RTS link, the KL-Singapore High Speed Rail integrated infrastructure projects, and strategic collaborations and optimisation of the Group's overall landbank.

S P Setia remains positive in its outlook for FY2024, leveraging its strength and diversified portfolio to achieve a sales target of RM4.40 billion.

~END~



About S P Setia

With a rich history from 1974, S P Setia Berhad has established itself as a dominant force in the property development industry. As one of Malaysia's leading listed real estate players, the Group has built an impressive portfolio encompassing a diverse range of projects, including townships, eco-sanctuaries, luxury enclaves, high-rise residences, and commercial developments.

Setting the bar for excellence, S P Setia is the proud recipient of 17 FIABCI World Gold Prix d'Excellence Awards, making it the only Malaysian developer to achieve such recognition from the esteemed International Real Estate Federation (FIABCI). Additionally, the Group has garnered 17 FIABCI Malaysia Property Awards to date. To date, S P Setia secured the coveted No.1 spot in The Edge Malaysia Top Property Developers Awards for an unprecedented 14th time, a testament to its unwavering commitment to delivering exceptional projects.

Harnessing its expertise, S P Setia has cemented its presence in Malaysia's key economic centres, namely the Klang Valley, Johor Bahru, Penang, and Sabah. Moreover, the Group has expanded its international footprint, with notable projects in Vietnam, Australia, Singapore, China, the United Kingdom, and Japan.

As of 31 December 2023, the Group boasts a portfolio of 41 ongoing projects, supported by a robust land bank of 6,311 acres valued at a Gross Development Value (GDV) of RM119.74 billion. Furthermore, S P Setia's total unbilled sales stand at a notable RM5.64 billion.

With a steadfast commitment to excellence and an unwavering focus on delivering quality developments, S P Setia Berhad continues to lead the industry, driving growth and setting new benchmarks for success.

For media inquiries, please contact:

Adelene Wong
Head, Group Branding & Communications
S P Setia Berhad
M: +6012 212 1303
E: adelene.wong@spsetia.com