

Press Release

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For Immediate Release

S P Setia's Year-to-Date Q3 2024 profit before tax surged to RM853 million, successfully unlocked value from land deals

Key Highlights:

- **Resilient sustainable profit:** Profit Before Tax surged 2.3x YoY to RM853 million, reflecting robust core property development sales, supported by strategic land monetization and collaboration success.
- **Successful De-gearing strategies:** Net gearing ratio continues to strengthen over the past few quarters to **0.35x** in Q3 2024, compared to 0.41x in the preceding quarter due to the continuous effectiveness of the Group's debt management and capital allocation strategies.
- **Strong Sales Pipeline and Future Launches:** Poised for growth with RM556 million sales in the pipeline and RM1.97 billion upcoming property launches for 2024.
- **Future revenue growth via Australia expansion:** Successful global launch of ATLAS Melbourne (RM2.7 billion Gross Development Value "GDV") with 251 units take-up.
- **A new Setia landmark in Kuala Lumpur:** Setia Federal Hill (Jalan Bangsar) Phase 1 exclusive preview held on 23rd and 24th November, set to strengthen the Group's market footprint in Kuala Lumpur as an exemplar of city green living development.
- **Positive Earnings Visibility:** RM3.5 billion of unbilled sales provides sustainable growth and earnings visibility in the short to medium term.

Kuala Lumpur - For the nine months ended 30 September 2024, the Group reported a Profit Before Tax (PBT) of RM853 million, reflecting robust core property development sales, supported by strategic land monetization and collaboration success. Paired with effective cost management initiatives, this solid performance underscores the Group's ability to navigate market challenges and achieve sustained profitability.

From the property development segment, the Group has achieved a total revenue of RM4.03 billion and PBT of RM799.8 million in YTD September 2024; significantly higher than the performance last year. Apart from successfully unlocking value from strategic land deals, higher revenue from the Central and Southern regions has also contributed to the overall improved performance of the Group.

The Group achieved robust total sales of RM3.20 billion. Local projects dominated, contributing RM3.00 billion, with a substantial 94% of the Group's sales driven primarily by the Southern and Central regions, bringing in RM1.58 billion and RM1.37 billion, respectively.

"We are pleased with our financial performance to date, driven by strategic initiatives and strong market demand in the Southern and Central regions coupled with the right cost management strategies resulting in sustained profitability for Setia," declared Datuk Choong Kai Wai, President & CEO of S P Setia Berhad.

As of September 2024, the Group has locked in RM556 million of sales in the pipeline. The property development segment contributed RM477 million, while the Setia Alaman industrial segment added RM79 million. For the remainder of the year, the Group aims to launch an estimated RM1.97 billion in residential, commercial, and industrial properties – with over 62% concentrated in the Central region.

On the international front, the Group has launched its latest Australian project, ATLAS Melbourne, a 73-storey mixed development located at 383 La Trobe Street in Melbourne's central business district. With a notable GDV of AUD886.7 million (approximately RM2.70 billion), this project will progress in stages. Phase 1 construction is slated to start in the first half of 2026, with completion expected by 2028. The remaining phases are scheduled for completion by mid-2029.

"ATLAS Melbourne marks a significant milestone in our international expansion strategy, reflecting our confidence in the Australian market," Datuk Choong explained.

The Group's next significant investment in Kuala Lumpur, the Setia Federal Hill Phase 1 project (estimated GDV RM1.4 billion), in partnership with Mitsui Fudosan, rolled out the exclusive preview of Parkside Residences on 23rd and 24th November leading up to the official launch in early 2025.

With 42 ongoing projects and unbilled sales totalling RM3.50 billion as of 30 September 2024, the Group showcases strong earnings visibility for the short to mid-term. The Group is dedicated to sustainable performance while actively balancing its capital structure and managing its de-gearing program.

"Our robust pipeline and strategic initiatives underscore our commitment to driving sustainable growth and delivering value to our stakeholders," concluded Datuk Choong.

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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 various projects, including townships, eco-sanctuaries, luxury enclaves, high-rise residences, industrial parks, 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.

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.

As of 30 September 2024, the Group boasts a portfolio of 42 ongoing projects, supported by a robust land bank of 5,581 acres valued at a Gross Development Value (GDV) of RM127.71 billion. Furthermore, S P Setia's total unbilled sales stand at a notable RM3.50 billion.

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