



Financial Results & Group Update

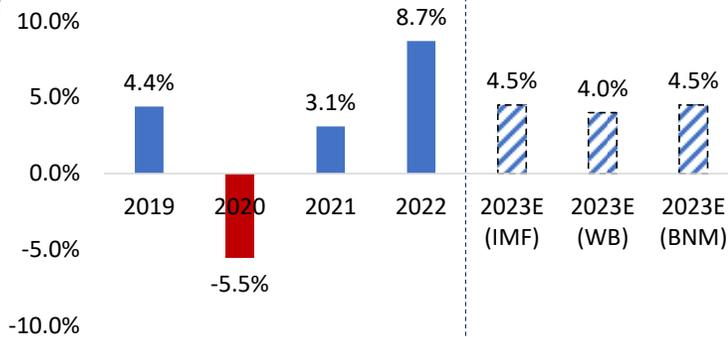
For the six months ended 30 June 2023

16 August 2023



Growth to remain robust

Malaysia GDP growth (%)

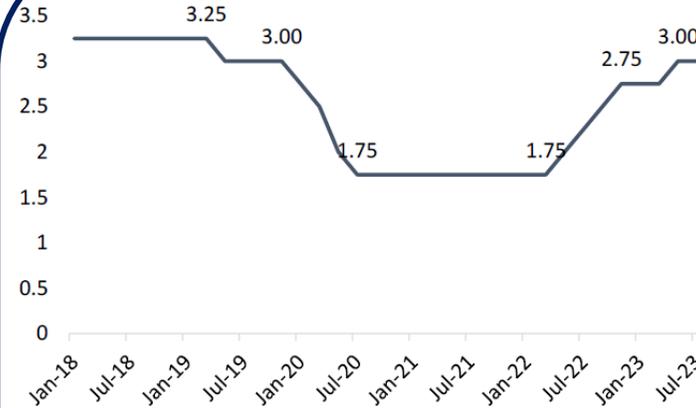


Malaysia macro themes

- Bank Negara Malaysia 2023E growth forecast: 4.0-5.0%.
- Continues to be supported by domestic demand
- Driven by improving employment and realisation of multi-year projects supporting consumption and investment activity

Rising interest rate environment

Malaysia Overnight Policy Rate (%)



Impact on developers

- Heightens hurdles for projects for development

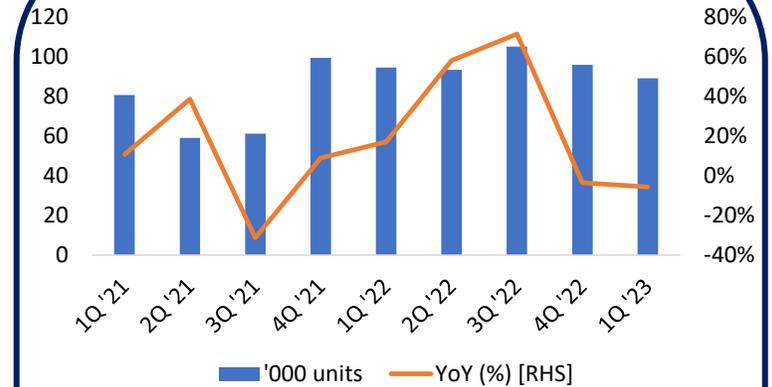
Impact on homebuyers

- Higher mortgages
- More pronounced on affordable to mid-range housing (rate-sensitive)

Economists forecasting OPR to stabilize at 3.00-3.25% in 2H 2023

Resilient real estate market

Property sales (number of units transacted)



Decrease in 1Q '23 activity

- NAPIC: Units transacted fell - 5.7%YoY (residential: -6.6 YoY); driven by OPR hikes and lower consumer sentiment

Signs of resilience

- Malaysian House Price Index 1Q '23: +2%YoY
- High-rise: +5%YoY
- Landed pricing was mixed: bungalow -2%YoY; semi-D -0.2%YoY; terrace +2%YoY

Malaysia Property Sector Outlook

RESIDENTIAL



- **Continued growth**, albeit tempered by **cautious buyer sentiment** (Malaysia Housing Price Index 1Q '23: +2.0%YoY)
- Developers continue to **prioritize project backlogs over new launches**

OFFICE



- **Occupancy rates** challenged by: [1] oversupply; and [2] hybrid working /co-working
- Office **relocations to newer buildings** have been taking place
- **Increasing importance of sustainability elements** in office buildings

INDUSTRIAL

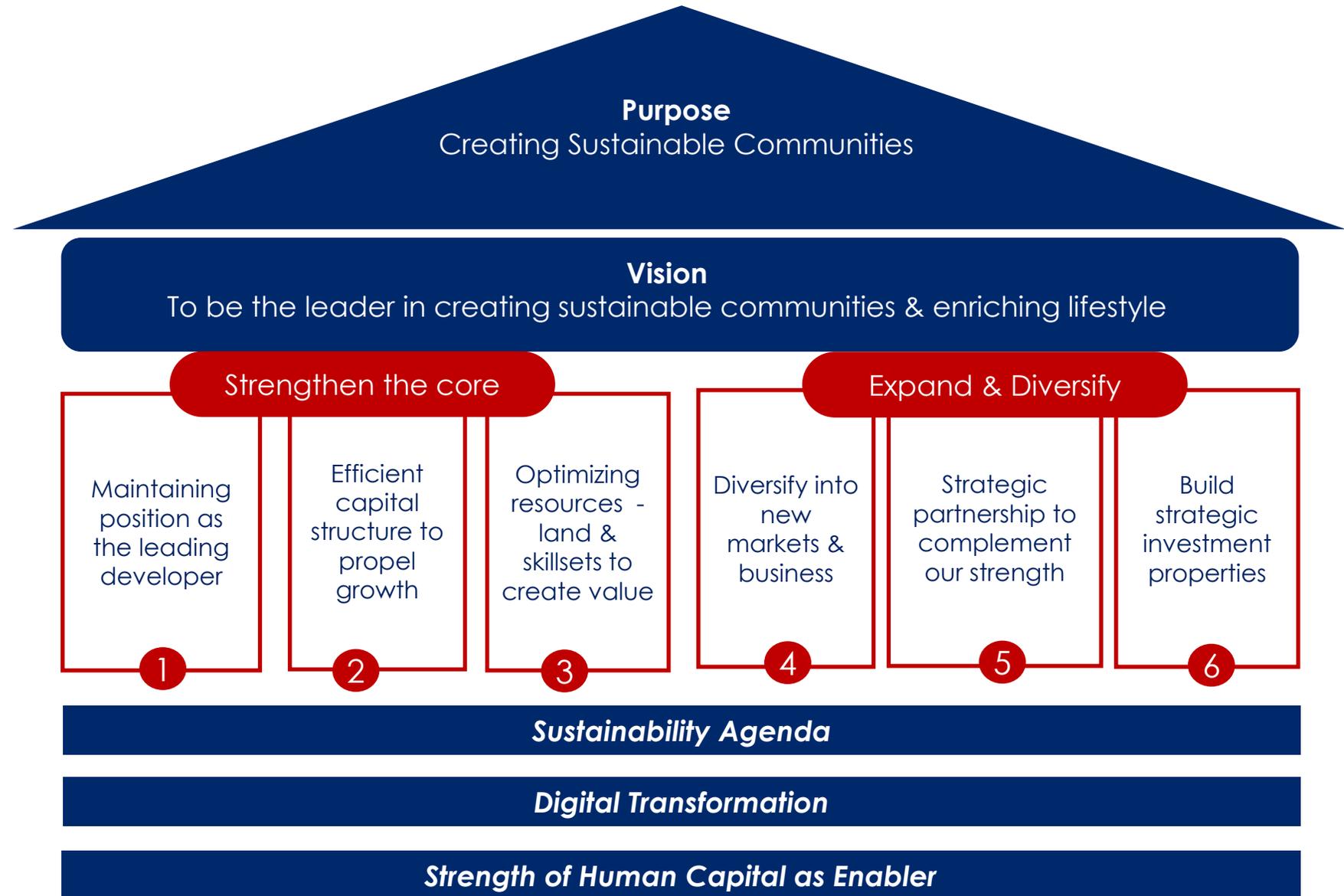
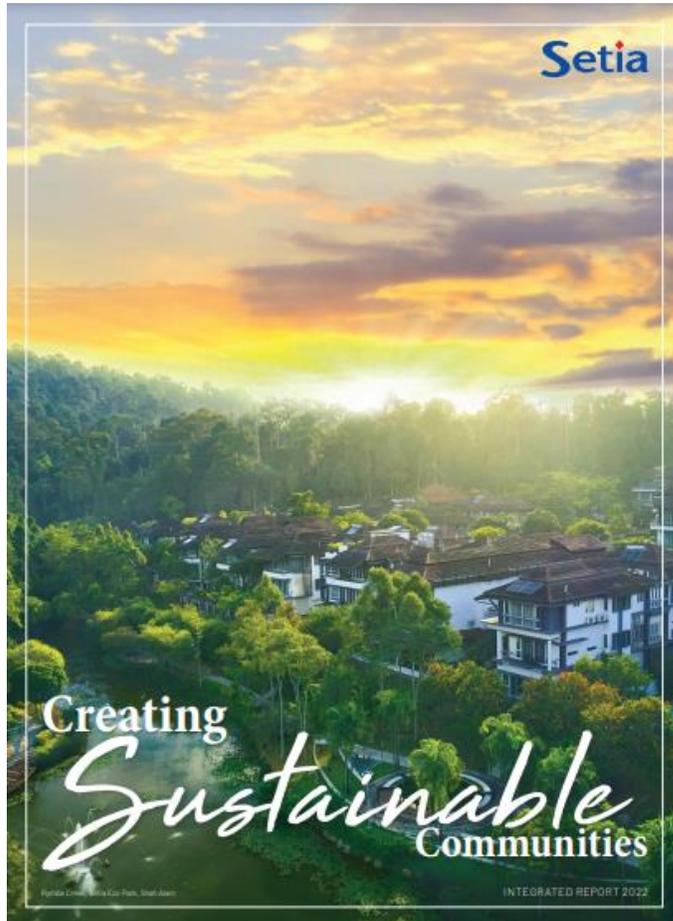


- Growth to continue as **industrial production indices improve** (1H '23: +1.3YoY)
- **Increase in FDI** (1Q '23: +1.6%QoQ), particularly in manufacturing
- **Relocation** of manufacturing bases **from China** to ASEAN

RETAIL & HOTEL



- Malaysia's **mall occupancy increased** marginally to 76% in 1Q '23; while **hotel occupancy has recovered** to 54% (vs. 2019: 60%)
- **Ramp up of tourism** activity and **Meetings, Incentives, Conferences & Exhibitions**





1H 2023 sales above target

- Achieved **sales of RM2.56 bil** in 1H 2023 (86% local; 14% international)
- **Completed inventories of RM498 mil cleared** in 1H 2023
- **Bookings secured** in as of 30 June 2023 totaled **RM470 mil**



Strengthening capital framework

- **Net gearing improved to 0.55x** in June 2023 (Dec 2022: 0.57x) via disciplined debt reduction
- Landbank management: sold **500 acres and 959.7 acres** in Semenyih, Selangor and Tebrau, Johor respectively, for a **total consideration of RM940 mil**



Earnings visibility

- **Unbilled sales: RM6.82 bil** at June 2023
- **44 ongoing projects** and effective remaining **landbank of 6,870 acres** with total **GDV of RM125.77 billion**
- Landed properties with **total GDV of RM771.6 mil were launched in 2Q 2023** – full take-up rates in *Bandar Kinrara* and *Setia AlamImpian*



Commitment to sustainability

- Launch of the Group's latest **sustainability and innovation-led initiative** in June 2023: **Setia i-Home**
- **Range of advanced features** include smart home system, solar switch ready, Green Switch, EV ports and rainwater harvesting systems



▲ Sales

1H'23 : RM2.56B
(1H'22: RM1.67B)



▲ Revenue

1H'23 : RM1.91B
(1H'22: RM1.89B)



▼ PBT

1H'23: RM236M
(1H'22: RM253M)



▼ PATANCI

1H'23: RM99M
(1H'22: RM148M)



▼ Borrowings *

1H'23: RM11.75B
(1H'22: RM12.68B)

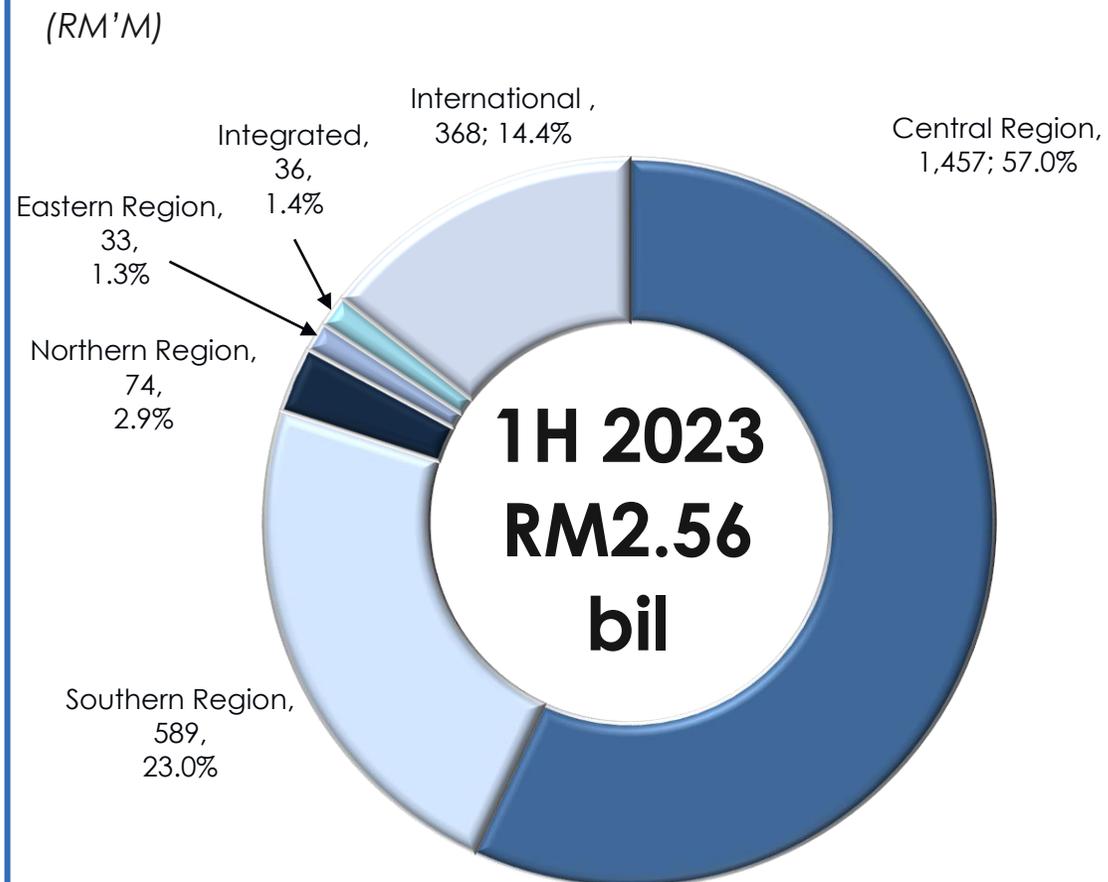


▼ Net Gearing Ratio

1H'23: 0.55x
(1H'22: 0.64x)

Note *: Excluding RCPS

Central Region contributed 57% to total Sales

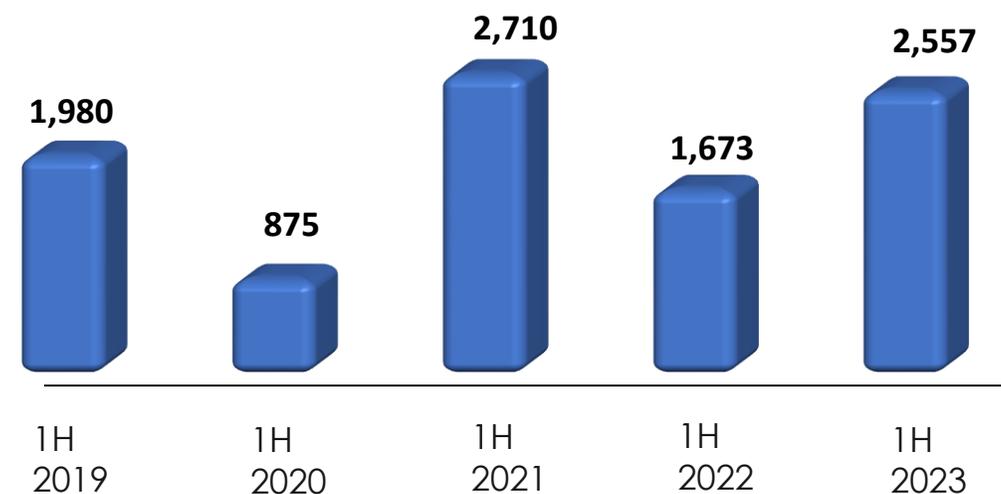


Note :

- 86% of total sales were achieved locally, of which 57.0% was from the Central Region
- Sales from Completed inventories : RM498 million.

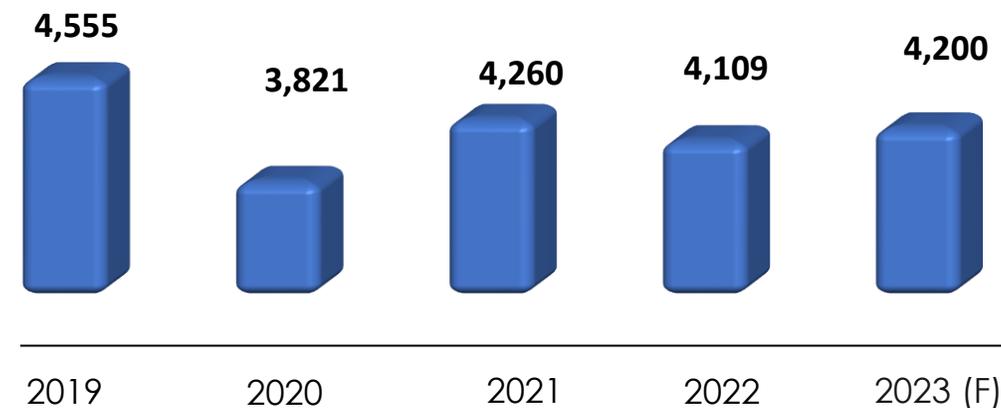
YoY Group Sales Performance

(RM'M)



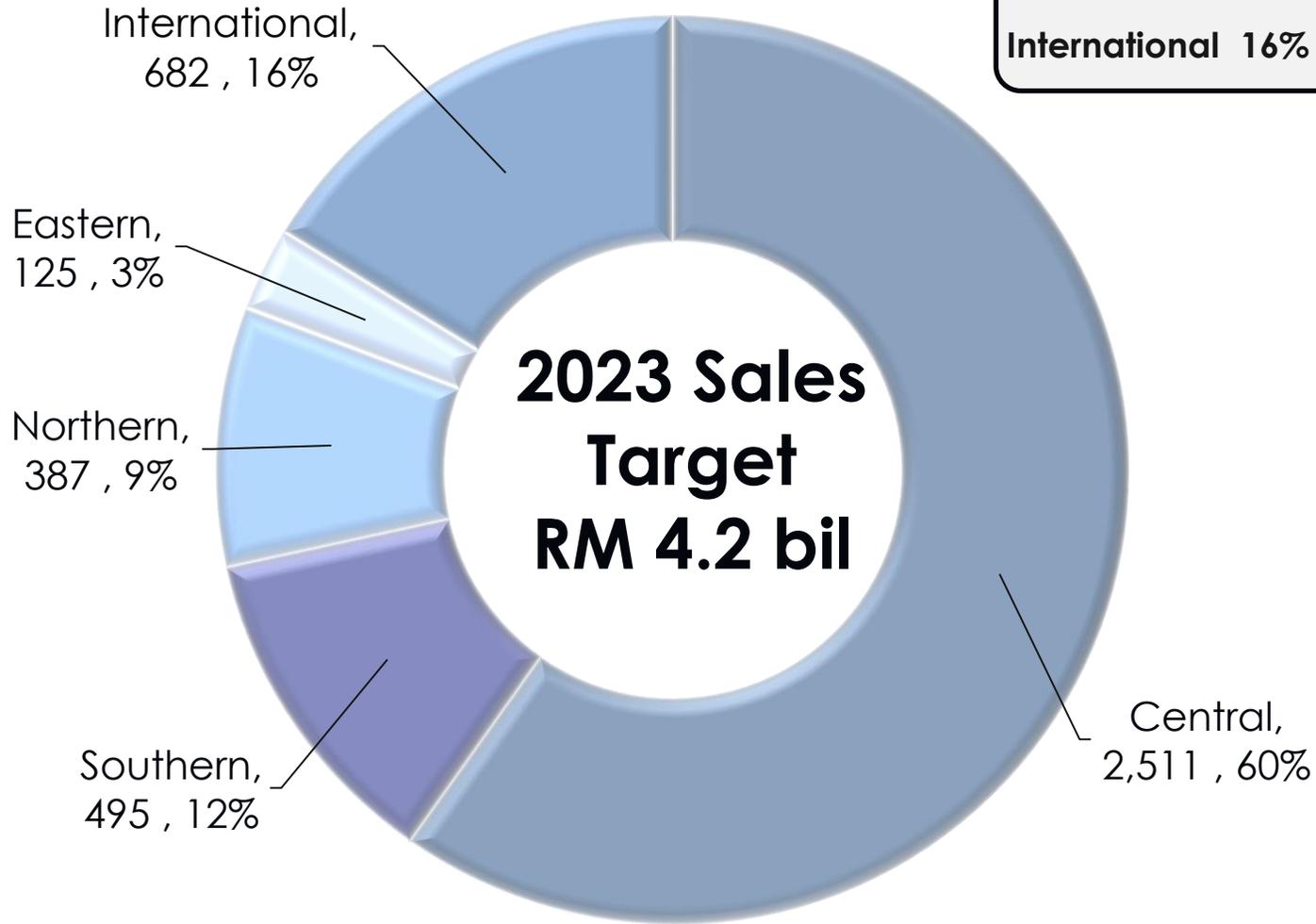
5 Year Group Sales Performance

(RM'M)

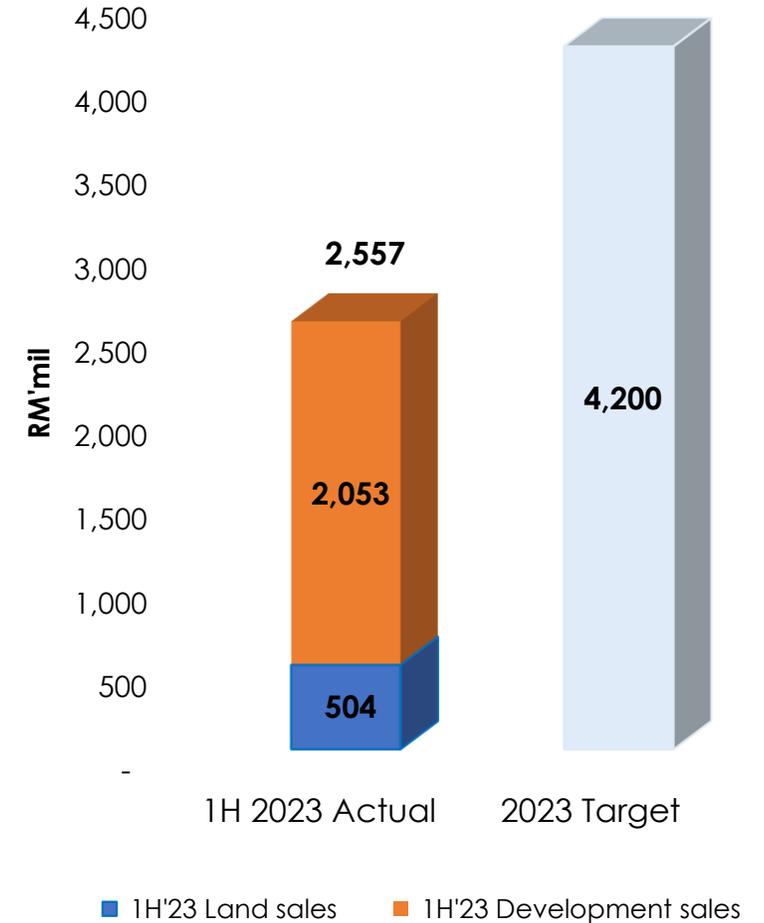


2023 Sales Target

(RM'M)

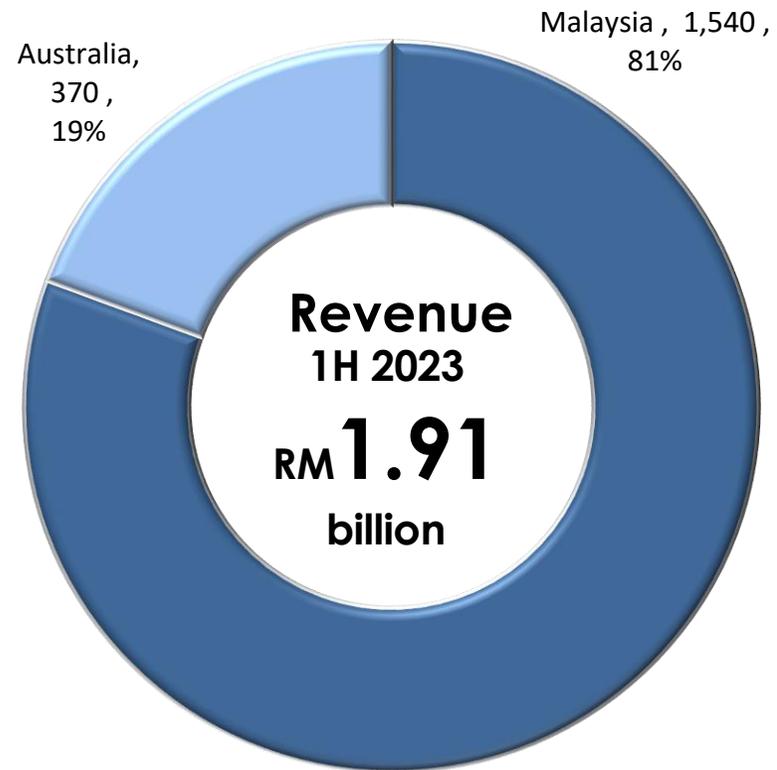


1H 2023 Sales were ahead of Target



Malaysia contributed 81% to total Revenue

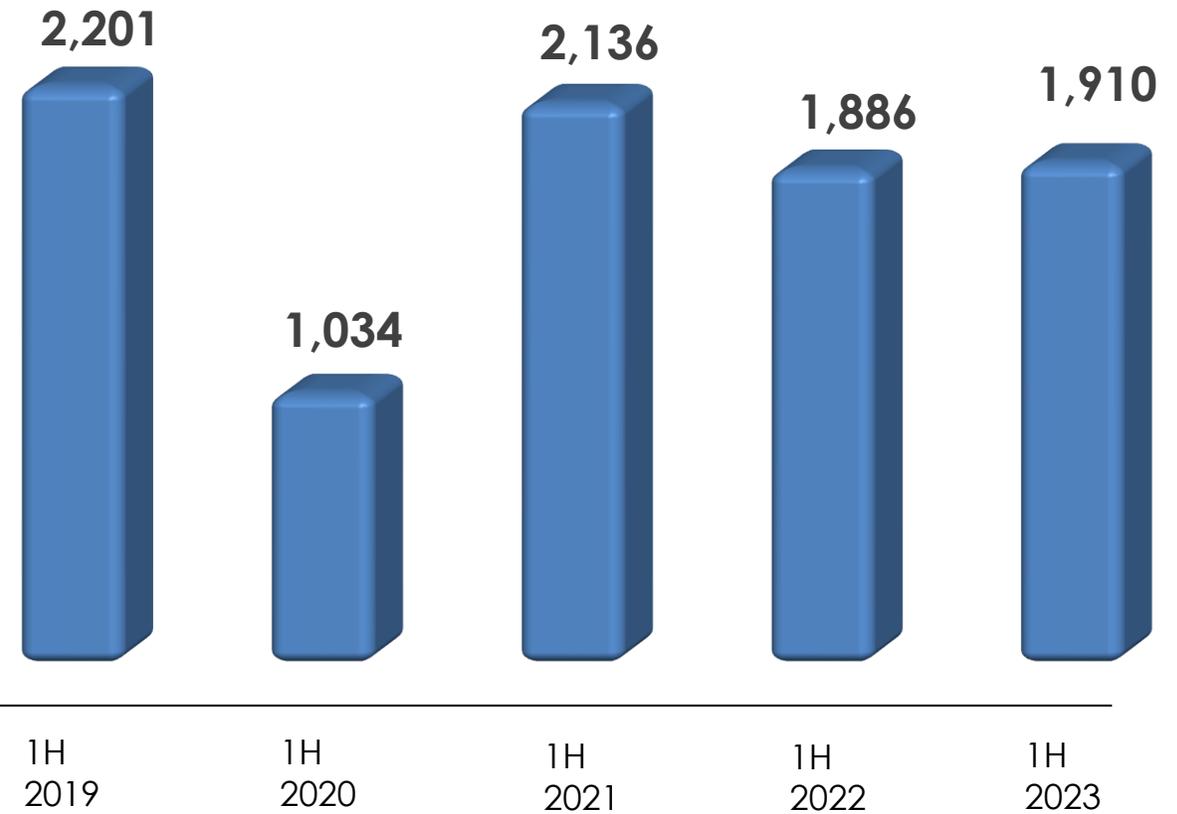
(RM'M)



Group Revenue Performance YoY

(RM'M)

REVENUE
▲ 1.3%

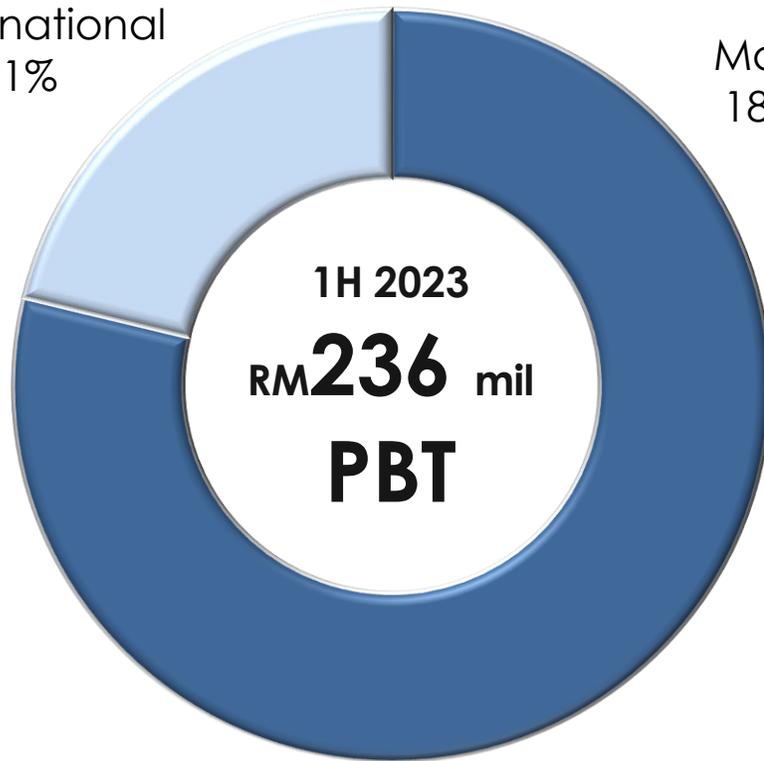


Malaysia contributed 79% to total PBT

(RM'M)

International
50; 21%

Malaysia,
186; 79%



Central Region contributed 51% to Malaysia PBT

(RM'M)

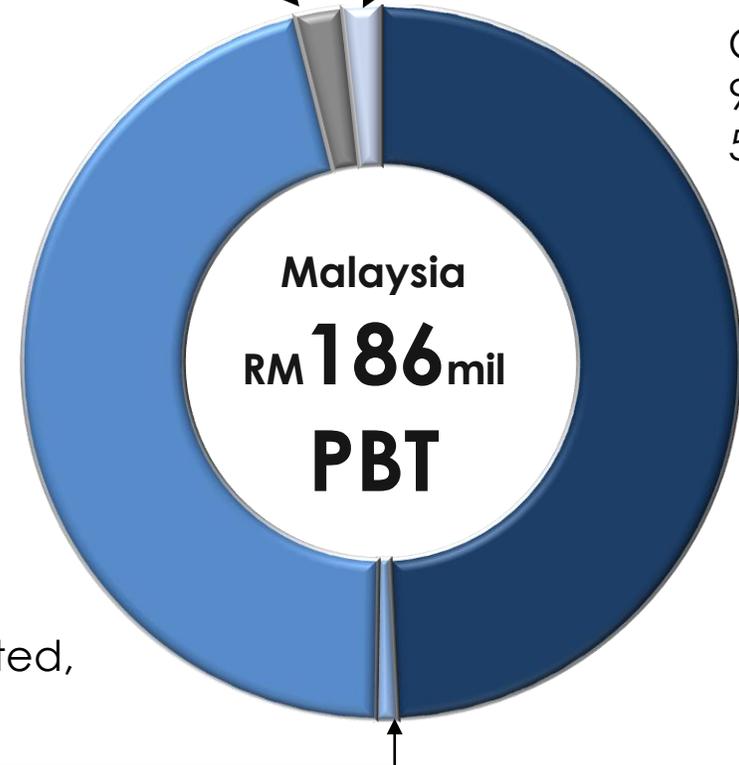
Northern,
(4), (2%)

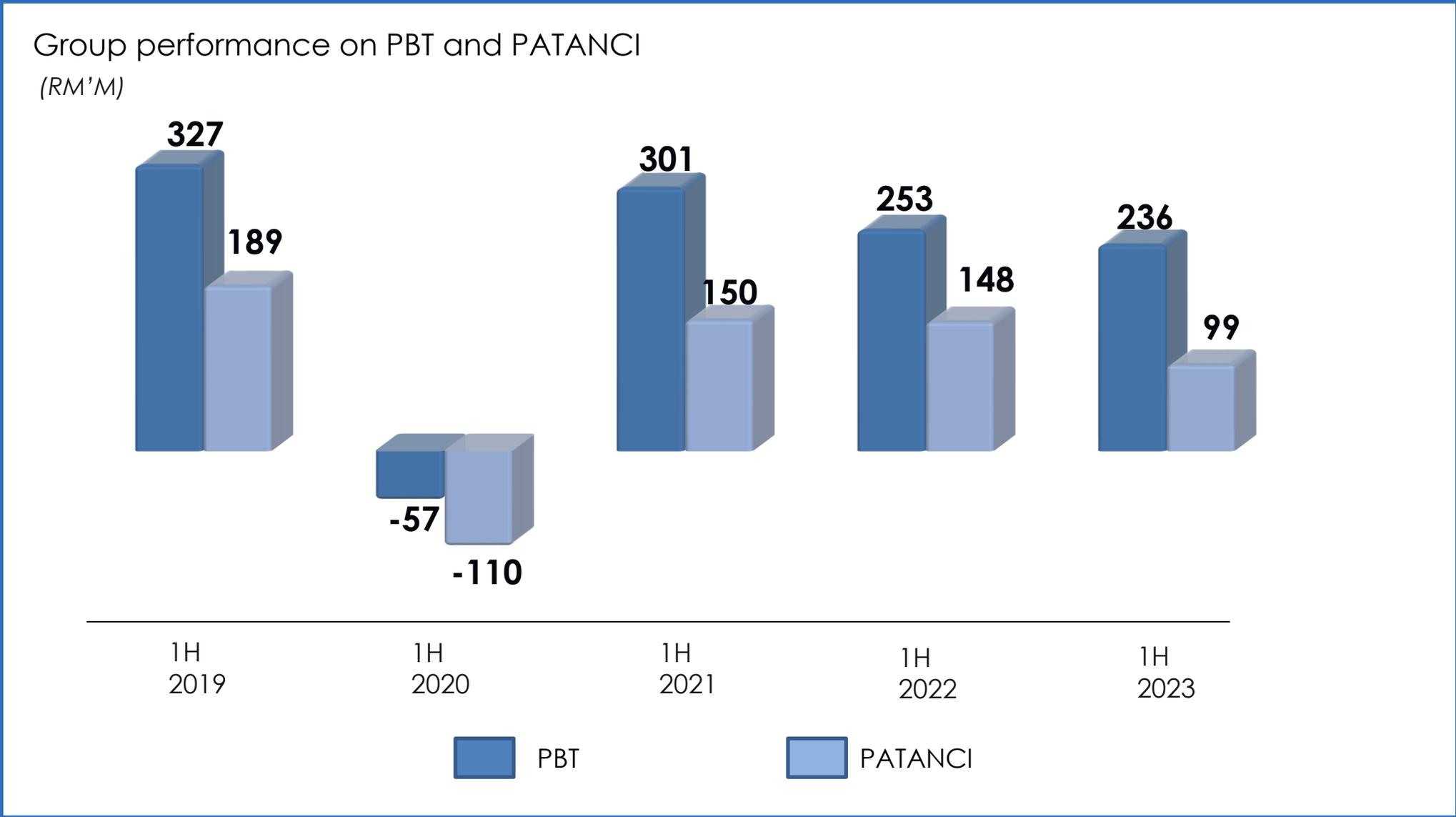
Eastern,
3, 2%

Central,
96,
51%

Southern,
89, 48%

Integrated,
2, 1%





Robust Take-up Rates

Landed properties remain a popular choice



NADI (COMMERCIAL)

Type: Double Storey Semi-D Shop
Lot Size: 70'x148'
Built-up Area: 5,566sq ft
Price Range: from RM3.7mil - RM4.3mil
No. of units: 6



7A4B (IRAMA VILLA II)

Type: 2 Storey Terrace House
Lot Size: 20' x 80' & 22' x 75'
Built-up Area: 2,251 - 3,005 sq ft
Price Range: from RM1.4mil
No. of units: 26



Ph A6-04 CASABLANCA 3

Type: Double Storey Semi-Detached
Lot Size: 40' x 70'
Built-up Area: 3,000 sq ft
Price Range: From RM1.7mil
No. of units: 12 units

Reaffirming our 2023 Business Strategies

Strengthening our Financials while Achieving Sales

Way Forward



**Set Sales target
RM4.2 B**



Pare Down Borrowings
Reduce net gearing ratio



Strategic Launches
Focus on landed properties
Capital allocation with good returns



**Reduce
Completed Stocks**
Right pricing and financing
package



Optimise Land Banks
Accelerate Developments &
strategic partnerships



Australia

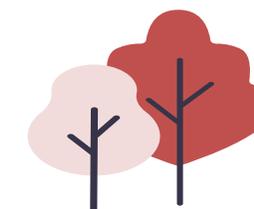


Vietnam

Overseas Expansion
Strong growth markets with
good returns



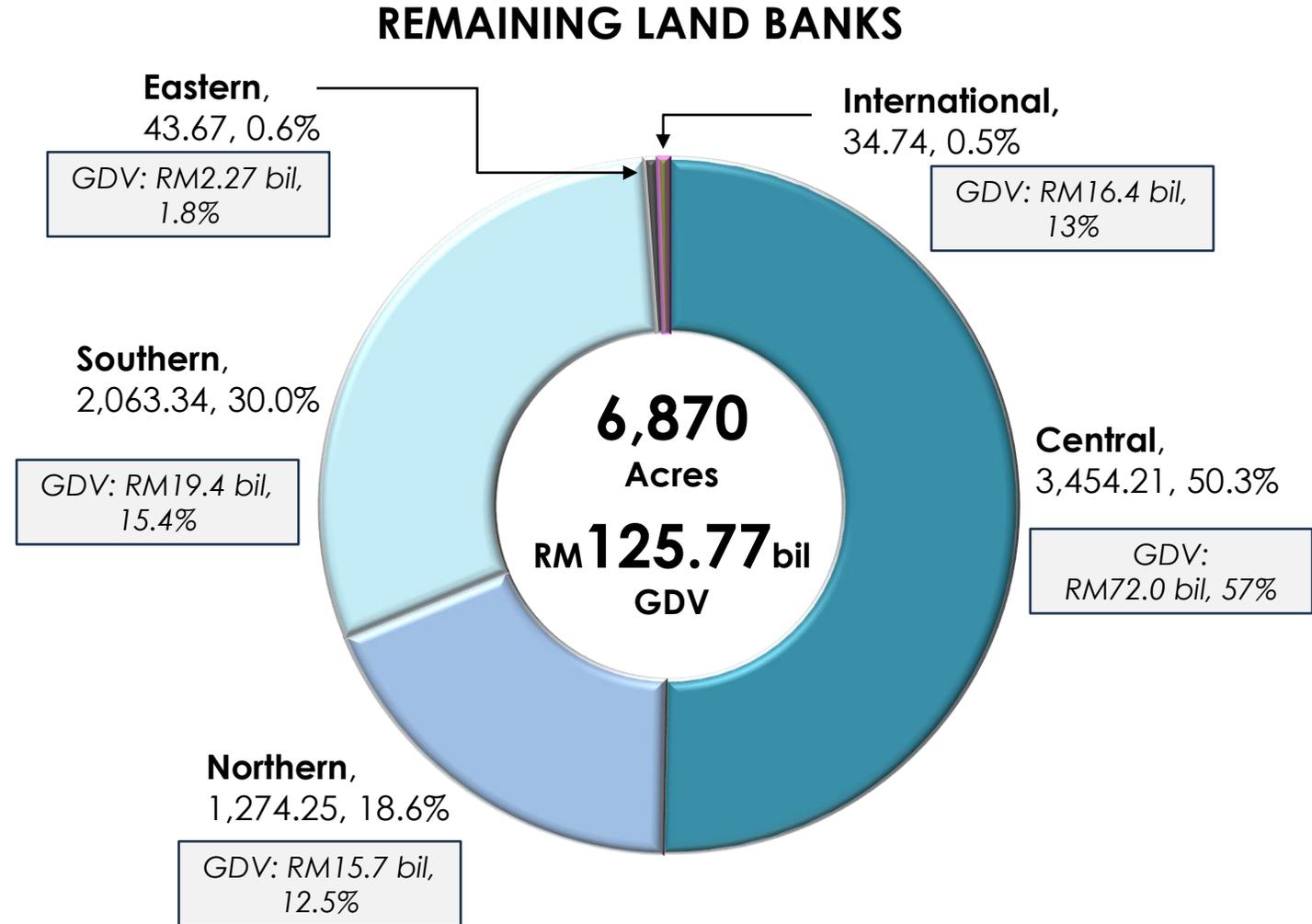
Digitalisation
To be the leading digital property
player and to enhance human
connection in a digital world



Advancing ESG
Through our commitments
and people

Unbilled Sales, Land Banks And GDV

Unbilled Sales of **RM6.82 billion** is supported by **6,870 acres** of **effective remaining land banks** with a total **GDV of RM125.77 billion** as at 30 June 2023



Gross land banks : 7,312 acres
Effective stake: 6,870 acres

44 On-going Projects (as at 30 June 2023)

Wide Range of Product Offerings to Support Growth

5

Northern

1. Setia Fontaines
2. Setia Pearl Island
3. Setia Greens
4. Setia Sky Vista
5. Setia Sky Ville

6

International

1. Battersea Power Station
2. Sapphire By The Gardens
3. UNO, Melbourne
4. Eco Xuan
5. Eco Lakes
6. Qinzhou Industrial Park

1

Eastern

1. Aeropod

20

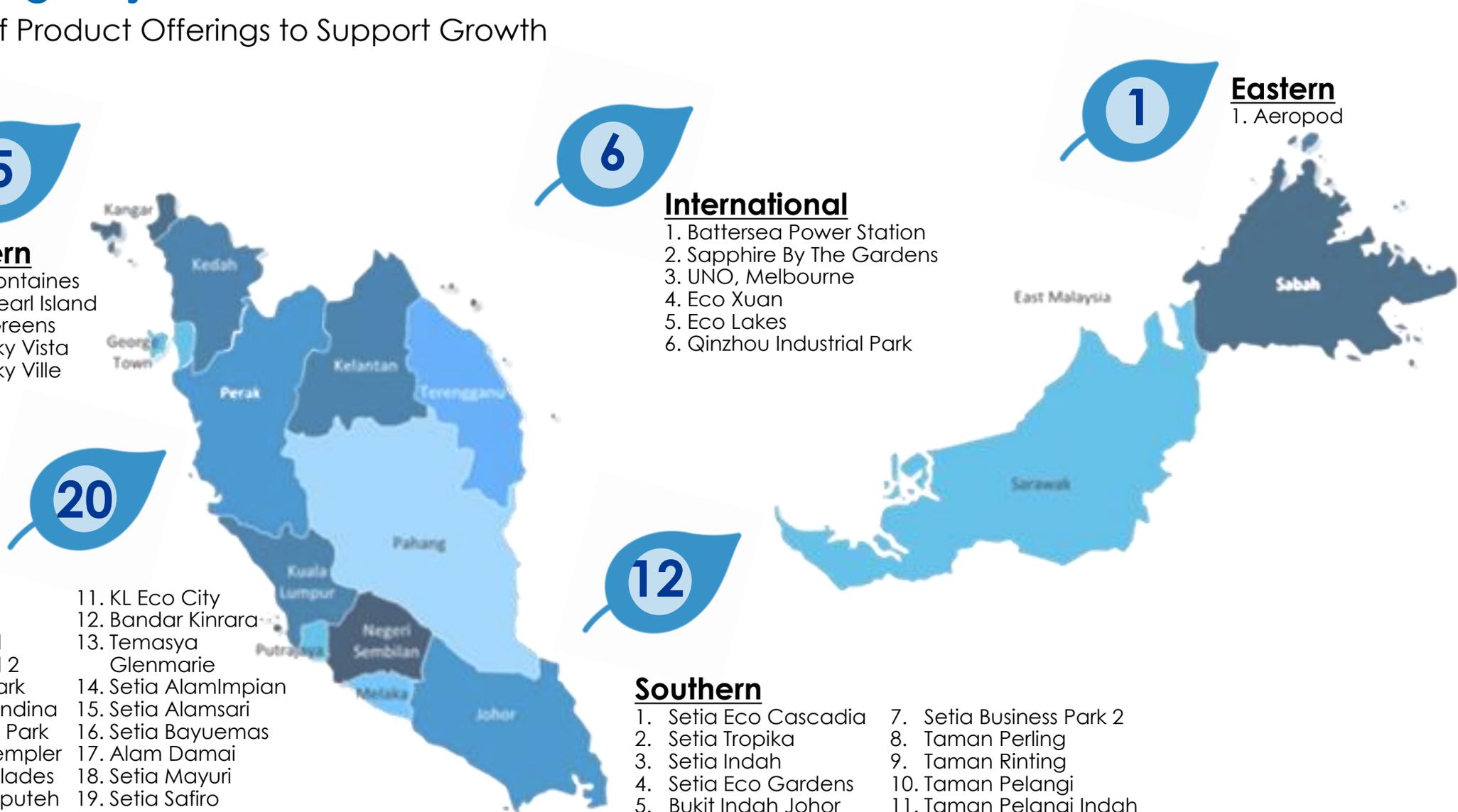
Central

- | | |
|--------------------------------------|---------------------------|
| 1. Setia Alam | 11. KL Eco City |
| 2. Setia City | 12. Bandar Kinrara |
| 3. Setia Ecohill | 13. Temasya Glenmarie |
| 4. Setia Ecohill 2 | 14. Setia AlamImpian |
| 5. Setia Eco Park | 15. Setia Alamsari |
| 6. PrecinctArundina @ Setia Eco Park | 16. Setia Bayuemas |
| 7. Setia Eco Templer | 17. Alam Damai |
| 8. Setia Eco Glades | 18. Setia Mayuri |
| 9. Setia Sky Seputeh | 19. Setia Safiro |
| 10. Trio by Setia | 20. Setia Warisan Tropika |

12

Southern

- | | |
|--------------------------|--------------------------|
| 1. Setia Eco Cascadia | 7. Setia Business Park 2 |
| 2. Setia Tropika | 8. Taman Perling |
| 3. Setia Indah | 9. Taman Rinting |
| 4. Setia Eco Gardens | 10. Taman Pelangi |
| 5. Bukit Indah Johor | 11. Taman Pelangi Indah |
| 6. Setia Business Park 1 | 12. Taman Industri Jaya |





Setia Alam (Central)



Bandar Kinrara (Central)



Setia Alam Impian (Central)



Setia Eco Templer

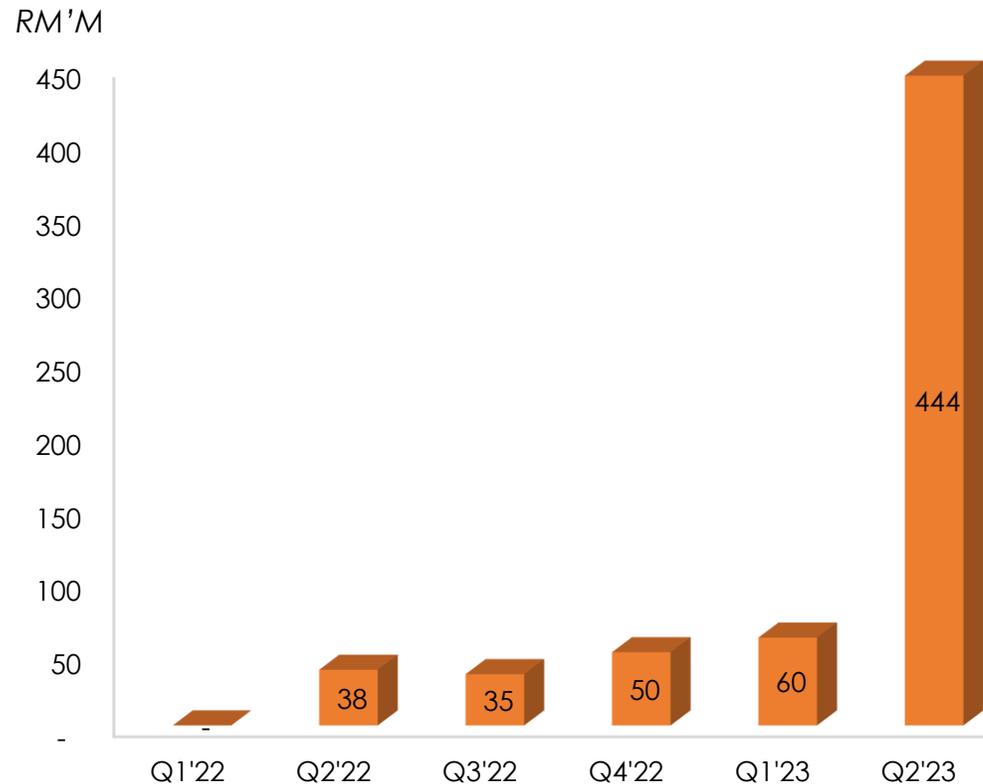


Setia Fontaines (Northern)



Setia Eco Gardens (Southern)

Land Sales by Quarter



Land Sales 1H '23

Land	Acreage	Proceeds (RM'mil)
Bandar Setia Alam	4.6	60
Tanjung Kupang	1.1	26
Glengowrie, Semenyih	500	392
Alam Impian	3.4	26
1H 2023 Total	509	504

- Land sales contributed 20% of 1H '23 total sales
- **Glengowrie, Semenyih – 500 acres**
 - SPA signed on 19 June 2023 with Mah Sing
 - Sale proceeds: RM392 mil
- **Tebrau, Johor – 959.7 acres**
 - SPA signed on 5 July 2023 with Scientex
 - Sale proceeds: RM548 mil

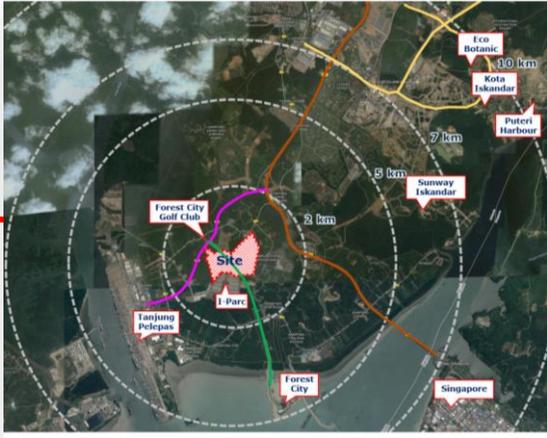
Landbank Management – Industrial Estates



**Setia Fontaines Industrial Park,
Penang
260 acres**



**Setia Alaman, Klang
399 acres**



**Tanjung Kupang, Johor
308 acres**

ESG



Sustainability Framework – 15 UNSDGs

Updated as at 16th February 2023

Organisational Purpose and Vision



Purpose: Creating sustainable communities

Vision: To be the leader in creating sustainable communities and enriching lifestyles

Sustainability Themes

Key Material Matters

Proposed Goals' Aligned UN SDGs & PNB

Key Principles

Key Business Processes



Setia *Green Roadmap* Our Pathway to Net Zero

Setia's Sustainability Day was held on 30th May 2023 to communicate our sustainability framework and roadmap

Building Sustainable Communities and Enriching Lifestyles

MOVING FASTER

- ✓ Procurement processes
- ✓ Design strategies & processes
- ✓ Electricity & Water Management
- ✓ Waste Management

SCALING UP

- ✓ Modern Methods of Construction
- ✓ IBS
- ✓ DfMA
- ✓ BIM - Building Information Modeling

DELIVERING OUR PROMISE

- ✓ Employing Circular Construction
- ✓ Using more Renewable Energy (RE)
- ✓ Creating and delivering more sustainable developments
- ✓ Sourcing more sustainable materials

2023 baseline for Scope 3

Business As Usual

By 2025 we will reduce our emissions by 10%

By 2030 we will reduce our emissions by 40%

By 2040 we will reduce our emissions by 70%

By 2050 we will reach

net zero

2050

2021

2023

2025

2030

2040

ESG Material Matters

Best Practices in Environmental Management



Positive, Sustained Community & Social Impacts



Sustainable, Innovative and Quality Development





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