

Financial Results & Group Update

For the year ended 31 December 2023

29 February 2024



Setia Eco Glades, Cyberjaya

Peranakan Strait, Setia Eco Templer, Rawang

Residences, Setia Alam

Macro and Sector Outlook

2024 Macroeconomic Outlook

Improving prospects in Setia's key markets – Malaysia, Australia and Vietnam



MALAYSIA

- **Expected GDP** growth: 4-5% in 2024 (BNM)
- **Household spending** to be supported by **employment and wage growth** (BNM)
- Continued **multi-year projects** and **national master plans** (BNM)
- **OPR to remain at 3.0% until end-2025** (Reuters poll; Jan '24)



AUSTRALIA

- **Expected GDP** growth: 1.4% in 2024 (IMF)
- As **inflation moderates** and **real incomes rise, consumption growth** to recover in the next couple of years (RBA)
- **Capital city property prices** expected to **rise 5-6%** in 2024 (ANZ)



VIETNAM

- **Expected GDP** growth: 5.8% in 2024 (IMF)
- **Stabilizing interest rates** and upcoming amendments to **policy and legal** framework to **elevate buyers' sentiments** and foster market recovery (CBRE)
- **Foreign developers expanding footprint** through newly-acquired developments (CBRE)

2024 Malaysia Property Sector Outlook

Government initiatives, policies and sectoral roadmaps shape the near-term property landscape

GOVERNMENT INITIATIVES

- Johor-Singapore RTS link and Special Economic Zone
- Penang LRT
- MRT3
- KL-Singapore High Speed Rail



GOVERNMENT POLICIES

- Stamp duty exemption (first time home-buyers; ≤RM500k)
- MM2H Visa Liberalisation Plan
- Housing Credit Guarantee Scheme



HOME BUYER PREFERENCES

- Landed homes
- Homes in safe and well-planned townships
- Eco-friendly features



ESG CONSIDERATIONS

- Green building certifications
- MNCs: increasing demand for ESG-compliant office spaces



GROWTH POTENTIAL

- FDI & industrial demand drivers: NIMP 2030 & NETR
- Opportunities for partnerships and collaboration



Key Highlights

FY 2023 In Numbers

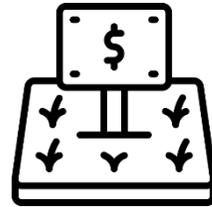
We exceeded our sales target amidst a challenging market, well positioned for profit growth in FY 2024



RM5.1 bil

Surpassed sales target

A growth of **24%** from FY 2022 with 86% coming from domestic market and the remaining 14% from international market



RM836 mil

Land monetisation

Contributed **16%** of total Group sales in FY 2023



RM3.56 bil

Total launches GDV

Q4 '23 launched projects domestically worth **RM1.26 bil**, predominantly in the Central Region



RM656 mil

Profit Before Tax

17% higher than the previous year, persisting through forex and interest rate fluctuations



0.49x

Net Gearing Ratio

A reduction of net gearing ratio from 0.57x. Total borrowings dropped by **RM1.3 bil** in 2023



1.34 sen

Dividend per share

FY 2024 Target

Targeted 5% YoY sales growth rate

6,311 acres

Effective remaining
landbank

RM119.74 bil

GDV of effective
remaining landbank



RM4.4 bil

FY 2024
Sales Target

RM5.6 bil

Unbilled Sales
at December 2023

41

Ongoing Projects

2023 Milestones

We entered into collaborations to expedite and catalyse our developments while pushing into the industrial space



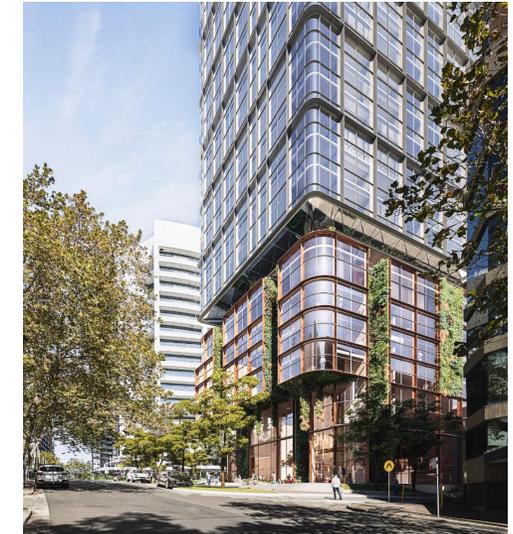
Establish **strategic** partnership with **Mitsui Fudosan**

To develop a RM1.4 billion project in Setia Federal Hill



Expansion into **Industrial Development**

942 acres earmarked for Industrial Development



Extending footprint in **Australia**

Acquisition of 1,374 sq m freehold land in St Leonards, Sydney, Australia

Financial Performance

Key Financial Highlights

Resilient sales growth, de-gearing on track despite economic challenges



▲ Sales

FY'23 : RM5.10B
(FY'22: RM4.11B)



▼ Revenue

FY'23 : RM4.37B
(FY'22: RM4.45B)



▲ PBT

FY'23: RM656M
(FY'22: RM559M)



▼ PATANCI

FY'23: RM299M
(FY'22: RM304M)



▼ Borrowings *

FY'23: RM10.1B
(FY'22: RM11.4B)



▼ Net Gearing Ratio

FY'23: 0.49x
(FY'22: 0.57x)

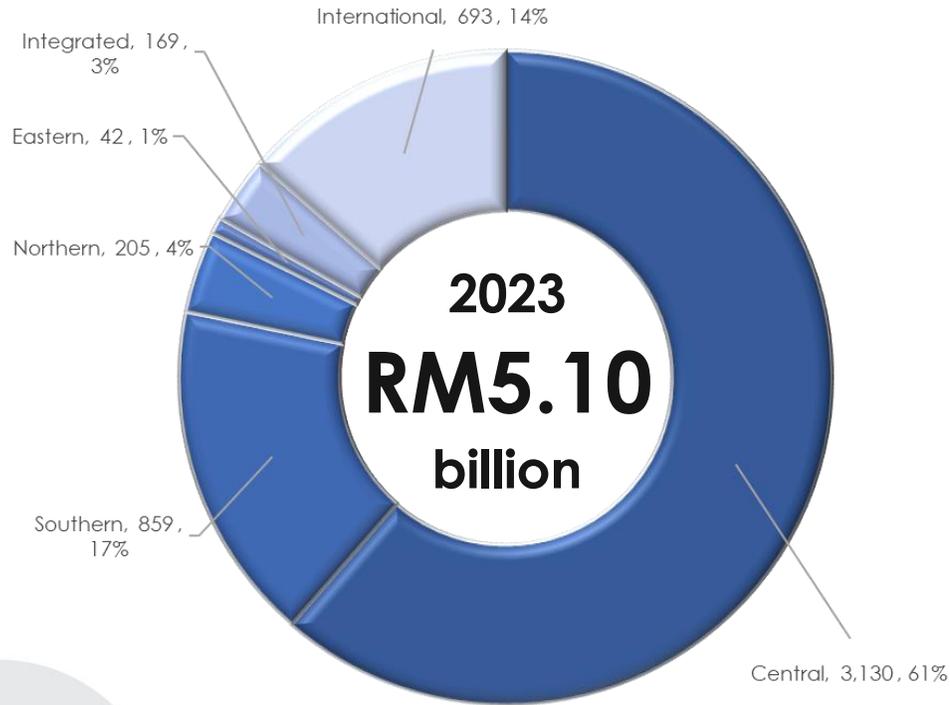
Note *: Excluding RCPS

2023 Sales Performance

Sales growth driven by land monetisation, launch of Setia Alaman industrial park and ongoing projects

Central Region contributed 61% to Total Sales

(RM'M)



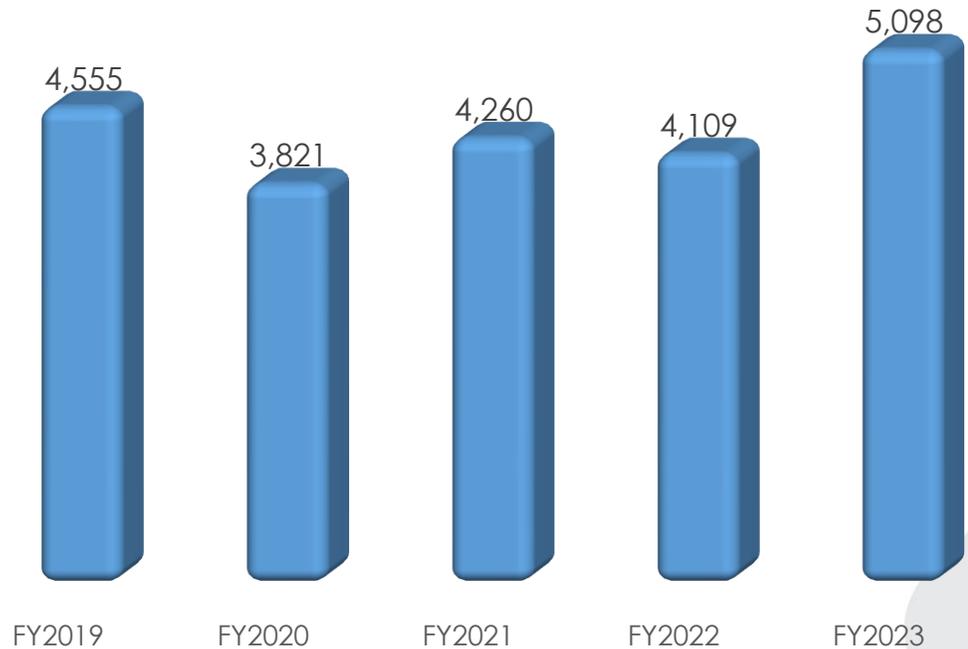
2023
RM5.10
billion

Note :

- 86% of total sales derived locally
- Sales from Completed Inventories: RM987 million

5-year Group Sales Performance

(RM'M)



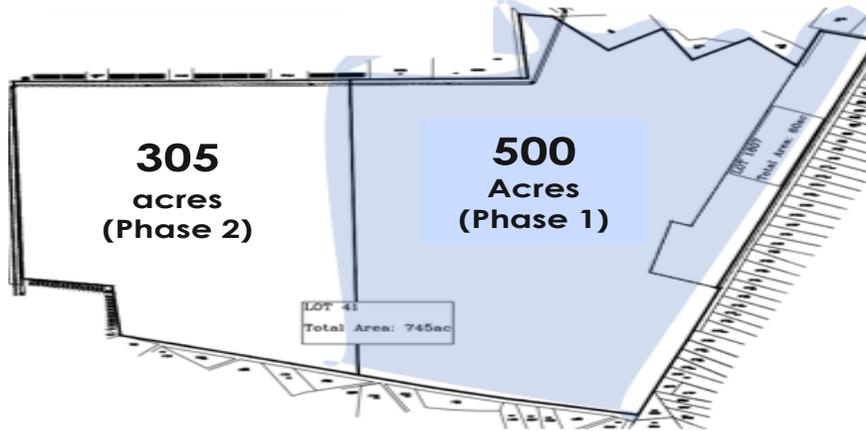
21% higher than Target (RM4.2 bil)

Landbank Monetisation

Monetising non-core land with catalytic potential and collaboration opportunities

Catalytic Value Potential

Glengowrie, Semenyih – 500 acres



Setia City – 17.99 acres



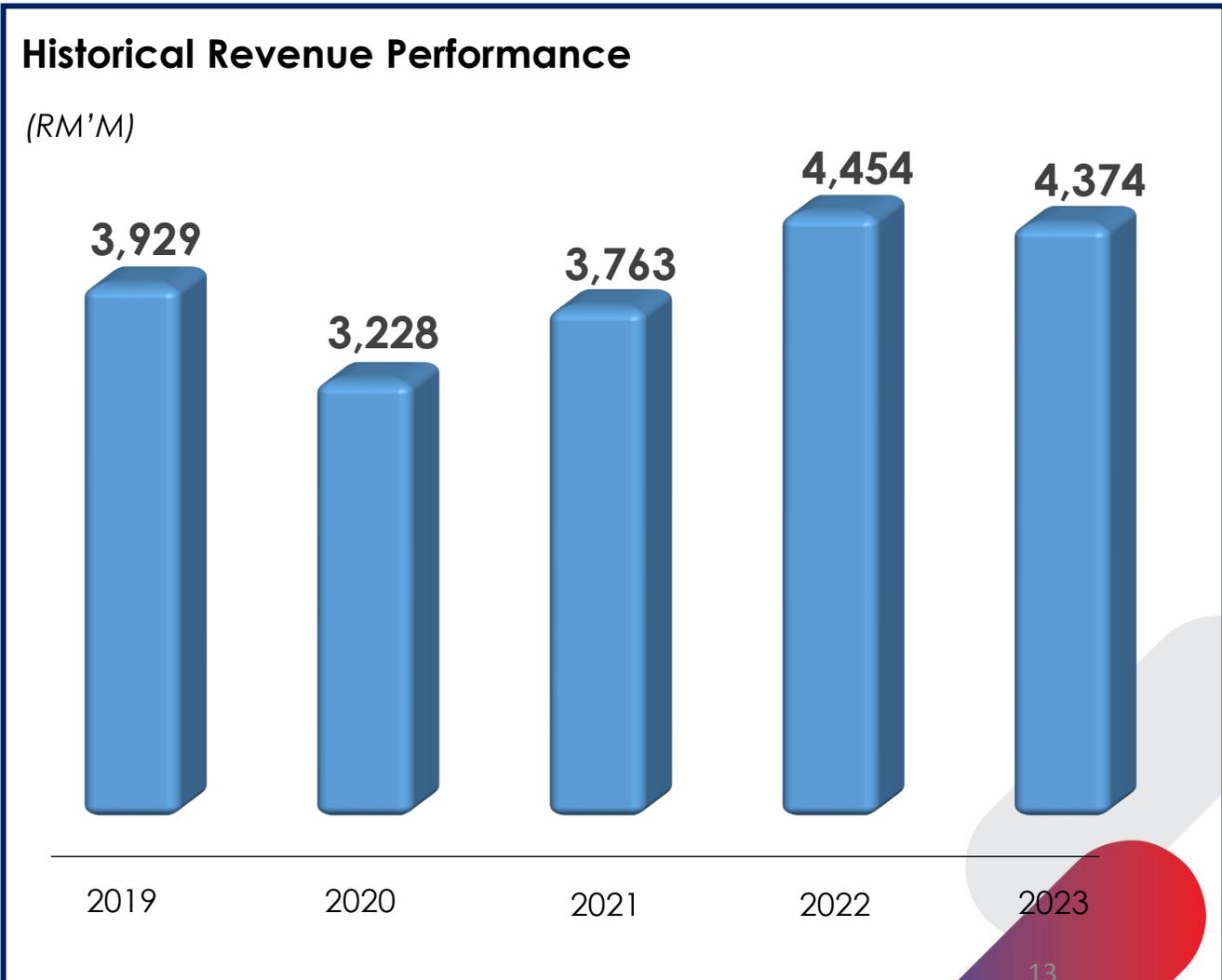
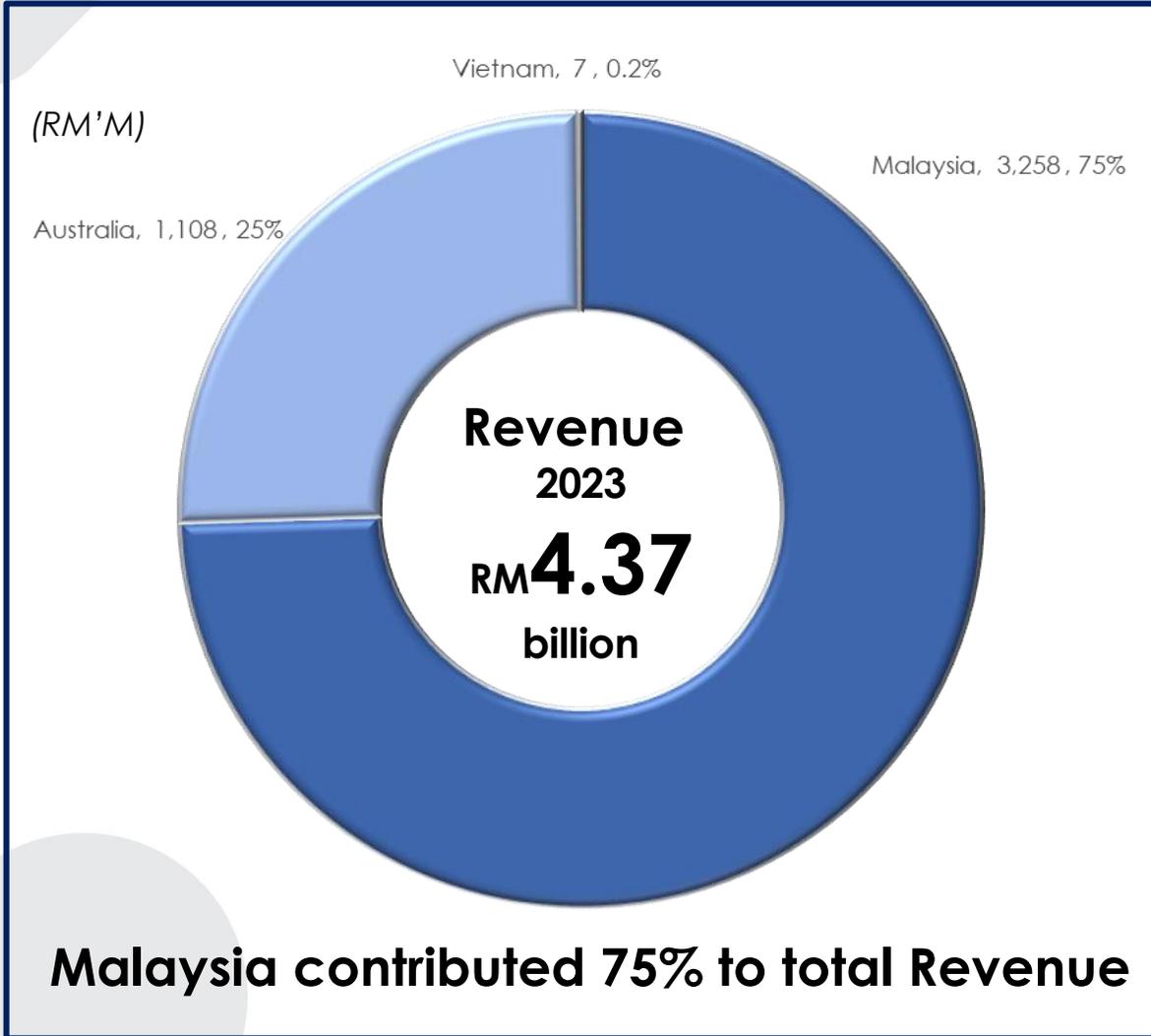
Landbank Monetisation – FY 2023

Land	Sales (RM'mil)
Central - Bandar Setia Alam	60
Southern - Tanjung Kupang	26
Central - Glengowrie, Semenyih	392
Central - Alam Impian	26
Central – Bandar Setia Alam	229
Central – Setia Federal Hill (Phase 1A-B)	103
TOTAL	836

- Land sales contributed 16% of FY2023 total sales
- 4Q '23 land monetisation: Setia City – 17.99 acres
 - SPA signed: Nov 2023 with KSL Bestari Sdn Bhd
 - Sale proceeds: RM228.8 mil
 - Subject to EPU approval

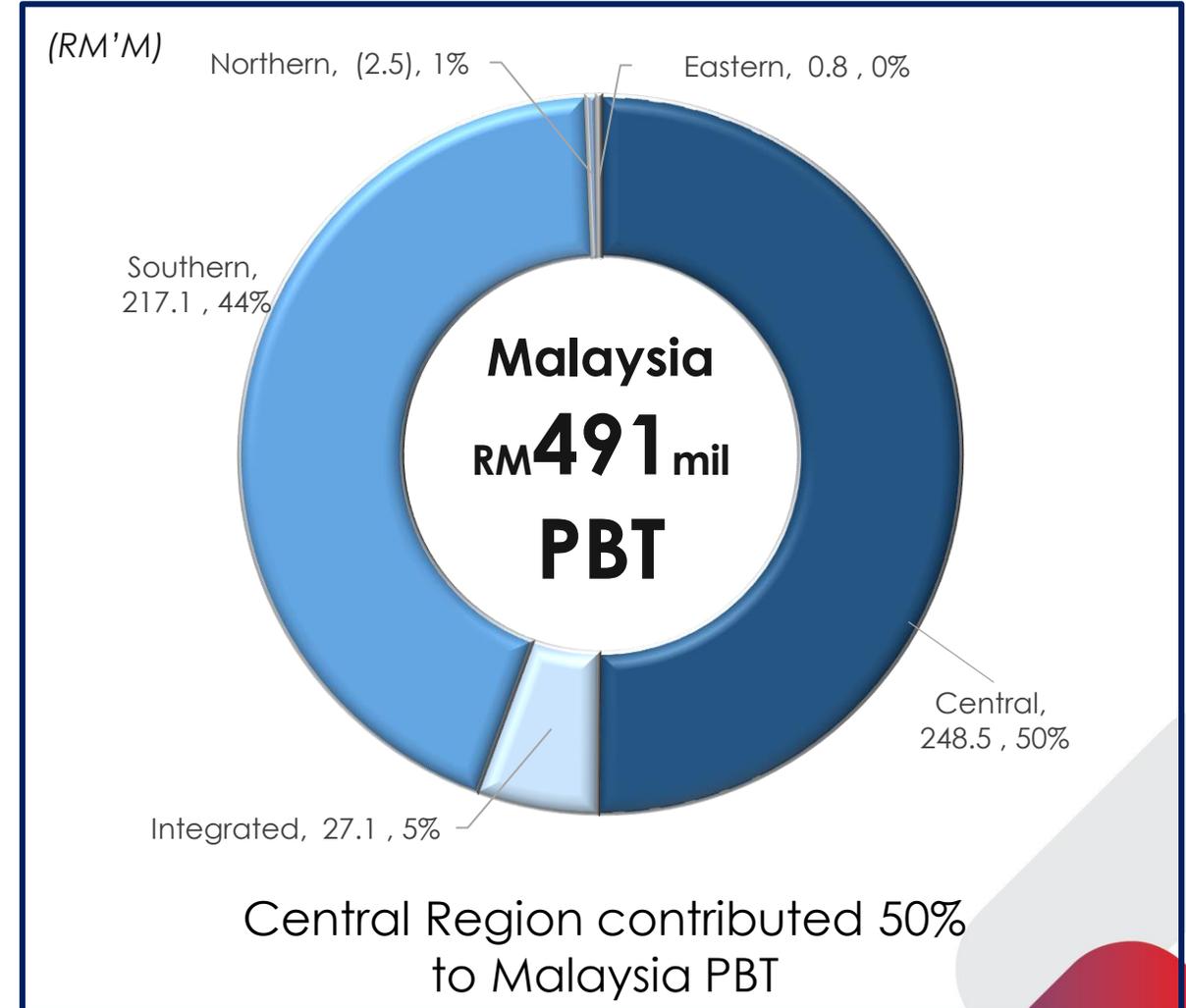
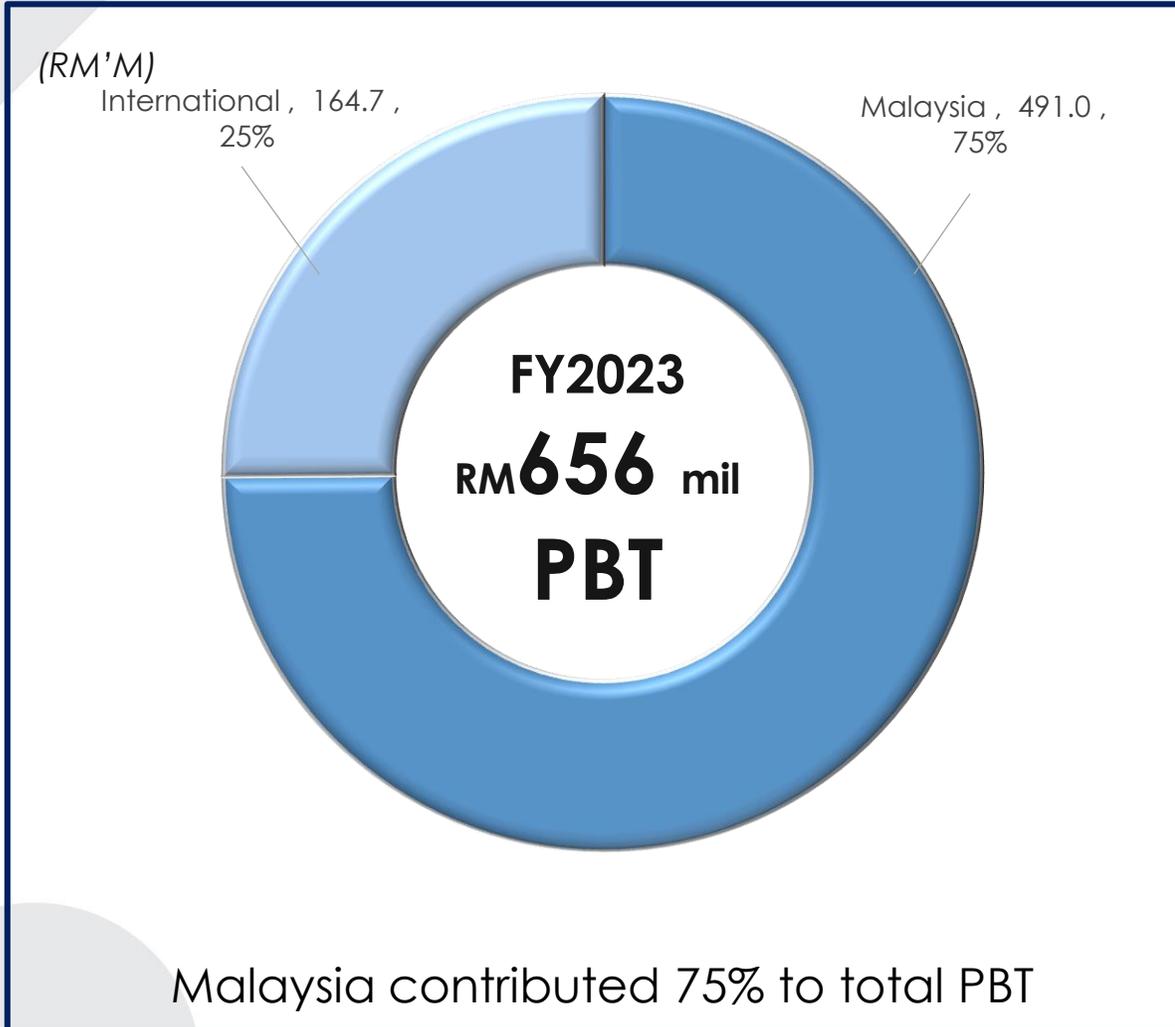
2023 Revenue Performance

2% YoY decline mainly due to the completion of Daintree Residence in Singapore in FY 2022



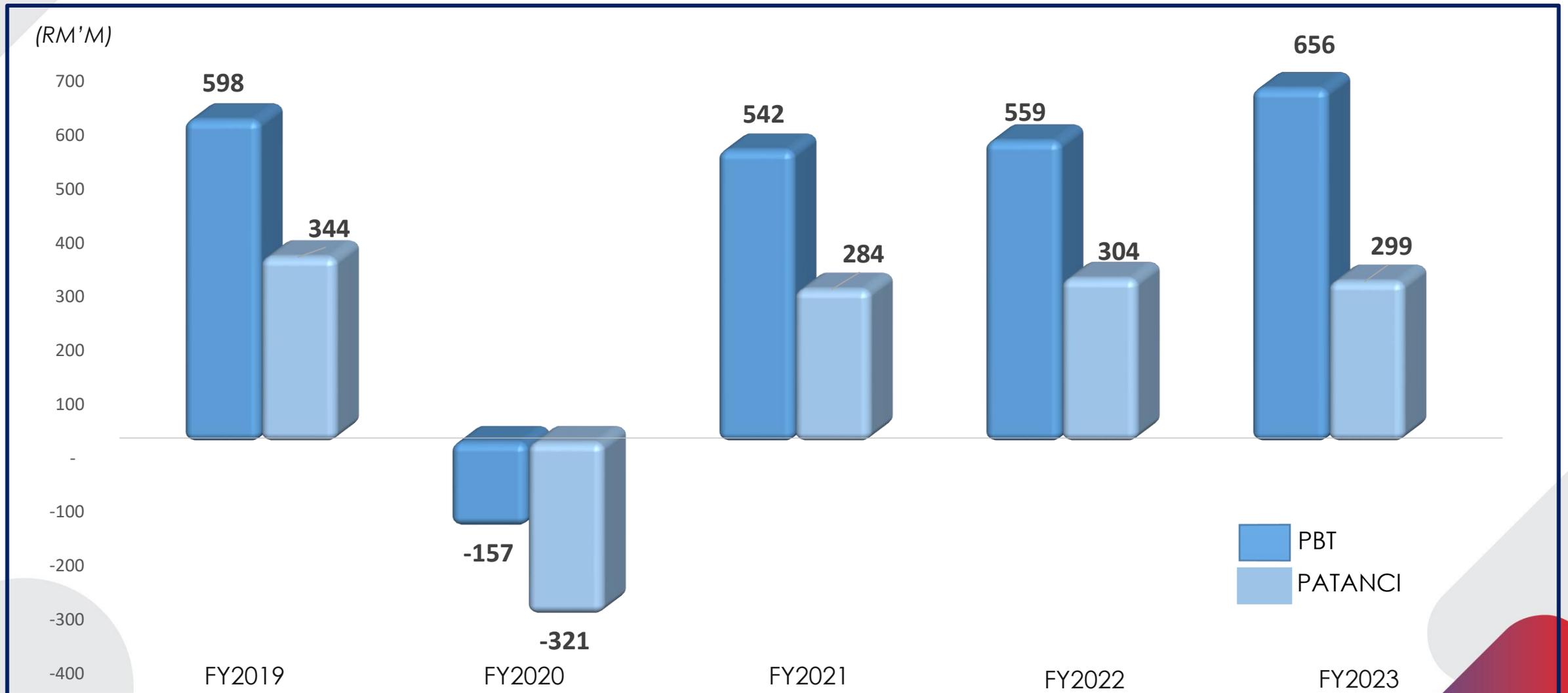
2023 PBT Performance

Central Region was the largest contributor to FY 2023 PBT



PBT and PATANCI – 5-year performance

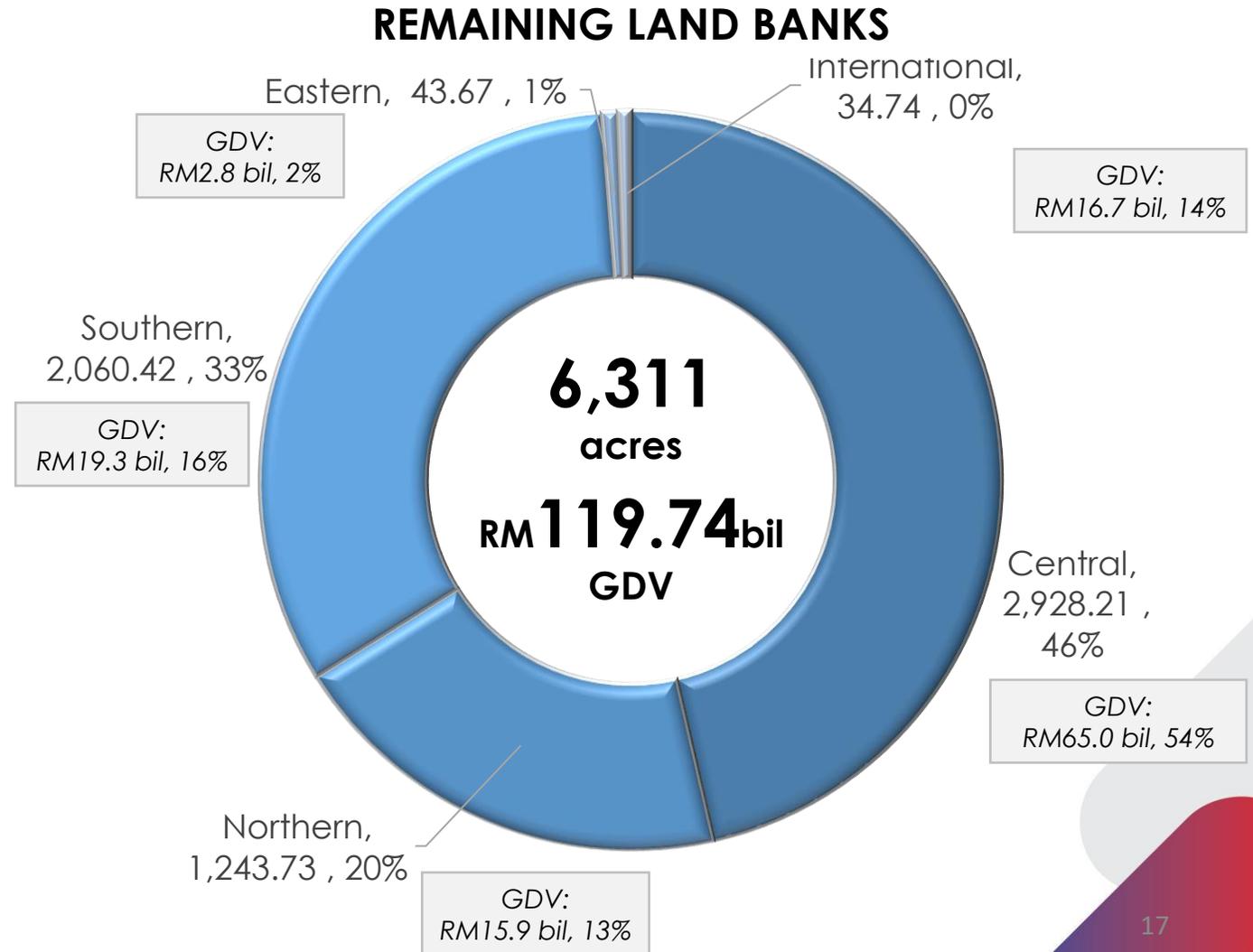
Higher PBT in FY 2023 despite the challenging operating environment



Operational Updates

Unbilled Sales, Land Banks and GDV

Unbilled Sales of **RM5.64 billion** is supported by **6,311 acres** of effective remaining land banks with a total **GDV of RM119.74 billion** as at 31 Dec 2023



41 On-going Projects (as at 31 December 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

1

Eastern

1. Aeropod

5

International

1. Battersea Power Station
2. Shangri-la Melbourne Hotel (Sapphire By The Gardens)
3. EcoXuan
4. EcoLakes
5. Qinzhou Industrial Park

18

Central

1. Setia Alam
2. Setia City
3. Setia Ecohill
4. Setia Ecohill 2
5. Setia Eco Park
6. PrecinctArundina @ Setia Eco Park
7. Setia Eco Templer
8. Setia Eco Glades
9. KL Eco City

10. Bandar Kinrara
11. Temasya Glenmarie
12. Setia AlamImpian
13. Setia Alamsari
14. Setia Bayuemas
15. Alam Damai
16. Setia Mayuri
17. Setia Safiro
18. 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 | 11. Taman Pelangi Indah |
| 6. Setia Business Park 1 | 12. Taman Industri Jaya |

Launches and Take-up Rates

Encouraging take-up rates for landed residential and commercial properties

Central Region

Setia Ecohill 2



Ph KP1 (NADI)

Type: 2 & 3 Storey Terraced Shop Office & 2 Storey Semi-D Shop Office
Lot Size: 26' x 75' & 70' x 148'
Built-up Area: 3,494 – 8,642 sq ft
Price Range: RM1.60 mil – RM4.30 mil
No. of units: 86
Launch Date: April 2023

93%
take up

Setia Eco Glades



BLOC 7

Type: 2 Storey Shop Office
Lot Size: 22' x 75'
Built-up Area: 3,181 – 5,401 sq ft
Price Range: RM1.88 mil – RM3.55 mil
No. of units: 30
Launch Date: April 2023

83%
take up

Setia Bayuemas



Ph A18 (BAYU AVENUE)

Type: 2 Storey Shop Office
Lot Size: 22' x 70'
Built-up Area: 2,986 – 4,986 sq ft
Price Range: RM1.15 mil – RM2.31 mil
No. of units: 16
Launch Date: November 2023

100%
take up

Launches and Take-up Rates (cont'd)

Encouraging take-up rates for landed residential and commercial properties

Central Region

Bandar Kinrara



Ph 7A4C (IRAMA VILLA III)

Type: 2 Storey Terraced House
Lot Size: 20' x 80' & 22' x 75'
Built-up Area: 2,262 – 2,997 sq ft
Price Range: RM1.43 mil – RM2.40 mil
No. of units: 38
Launch Date: August 2023

100%
take up

Setia AlamImpian



Ph A9-01(B) (IMPIAN PRISMA 3)

Type: 2 Storey Shop Office
Lot Size: 24' x 75'
Built-up Area: 3,589 – 6,473 sq ft
Price Range: RM2.20 mil – RM4.16 mil
No. of units: 42
Launch Date: December 2023

95%
take up

Southern Region

Setia Tropika



Ph RC1 (CALLIANDRA)

Type: 2 Storey Clustered House
Lot Size: 35' x 70'
Built-up Area: 2,602 sq ft
Price Range: RM840k – RM1.24 mil
No. of units: 96
Launch Date: February 2023

96%
take up



**Key Investment:
Setia Federal Hill**

2024 **Game changer:** Setia Federal Hill

A **landmark project** to showcase our brand

RM2.9b

Total Investment

50.2 acres

Total Land Size

RM20.2b

Overall GDV



PERDANA
BOTANICAL GARDEN

BUKIT
PERSEKUTUAN

KLCC

PNB 118

TRX 106

KL SENTRAL

BRICKFIELDS

Jalan Bangsar

740m (approx.)

360m (approx.)

BANGSAR BARU

Setia Federal Hill – Phase 1

First phase kickstarted via JV with Mitsui Fudosan

RM1.4 bil
GDV

2.67 acres
Mixed Use Development

1,300 units
2 Residential Towers

Q3 2024
Target Launch



Parcel 1A-A and 1A-B – 2.67 acres

- Mixed Use Development comprises uses of Residential and Retail



2024 Focus Areas

2024: Focus #1

Accelerate township developments



Setia Alam (Central)



Setia Eco Templer



Setia Alam Impian (Central)



Setia Eco Hill (Central)



Bandar Kinrara (Central)



Setia Tropika (Southern)



Setia Eco Gardens (Southern)



Setia Fontaines (Northern)

2024: Focus #2

Execute industrial expansion



Setia Alaman

399 acres

RM3.09b
GDV

7 years
(2024-2031)



Tanjung Kupang

307 acres

RM1.87b
GDV

8 years
(2025-2033)



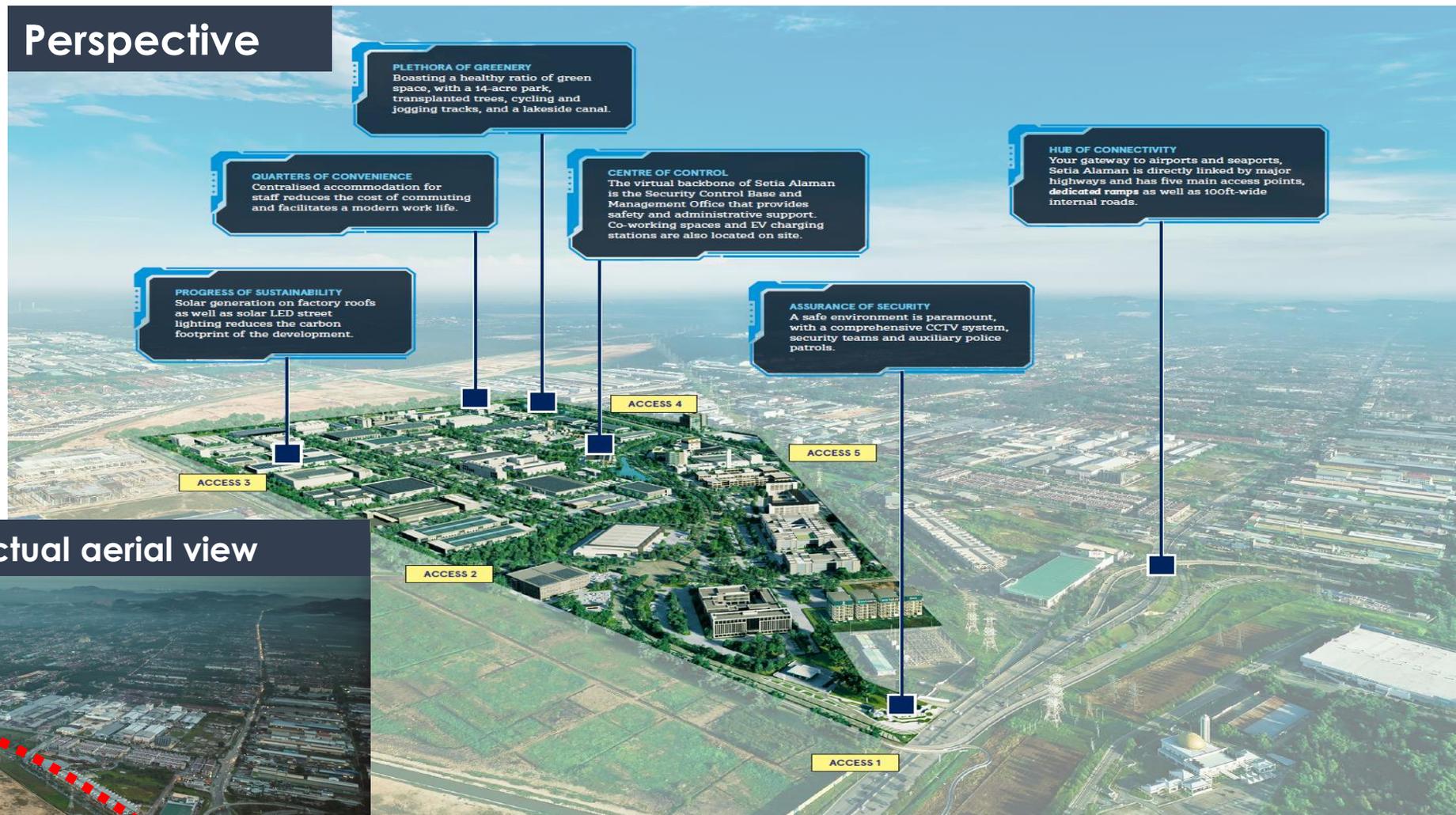
Setia Fontaines Industrial

323 acres

RM1.68b
GDV

8 years
(2026-2034)

Perspective



Setia Alaman Industrial Park - Actual aerial view



Infrastructure-ready
Multiple accessibility, strategic connectivity
Mature township (Bukit Raja, Klang – Shah Alam)

2024: Focus #3

Strengthen international pipeline – Australia



St Leonards, Sydney



AUSTRALIA

CASH GENERATION

Borrowings reduction

- Project collections
 - Sapphire by the Gardens
 - UNO Melbourne



FUTURE GROWTH

Site acquisition:

- St Leonards; Sydney
- Future target sites in Melbourne



St Leonards, Sydney (1,374 sq m / 14,790 sq ft)

Acquisition date	3 September 2023
Land tenure	Freehold
Consideration	AUD73.3 mil (RM220 mil)
Proposed development	Estimated GDV: AUD236 mil (RM708 mil) Residential (126 units), commercial, retail
Commencement	2H 2024

2024: Focus #3 (cont'd)

Strengthen international pipeline – Vietnam

EcoLakes



VIETNAM



EcoXuan



550ac
Total
landbanks



24ac
Remaining
landbanks

USD 107m
Remaining
GDV



**Residual
landbanks**



10acres
Remaining
landbanks

USD 152m
Remaining
GDV*

Sustainability

Sustainability Highlights

Across Economic, Environment and Social Pillars

SUSTAINABILITY HIGHLIGHTS IN FY2023

ECONOMIC

Total Infrastructure Development **RM89.7 million** (2022: RM1.56 million)

Completed housing development projects amounting to **RM6.55 billion** in 2023 (2022: RM10.05 billion)

75.5% of our home buyers recommend purchasing our properties to friends and relatives (2022: 75.2%)

ENVIRONMENTAL

101,822 trees planted and transplanted across 18 Business Units (2022: 11,187 trees across 25 Business Units)

Introduced **eGreen Living**, a set of smart and sustainable home elements which we will roll out across all upcoming developments

SOCIAL

HSE Inspection Score of **84.52%**, exceeding our target of 75% for the fourth consecutive year

Team Setia completed a cumulative total of **54,314 hours of training** hours in 2023, with an average of 31.9 training hours per employee (2022: 38,492 hours of training)

Contributed **RM520,000** under S P Setia Foundation (2022: RM405,154)

30% female representation on our Board of Directors (2022: 33%)

Women comprise **45.6%** of our workforce (2022: 45.10%)

100% of our contractors comprised local companies, defined as companies whose businesses are registered in Malaysia (2022: 100%)

Total number of employees as at the end of reporting period were **1,852** (2022: 2,022 employees)



Setia Green Roadmap

Setia Baseline



*Subject to yearly review

45% Reduction by 2030
(as per 12th Malaysia Plan and NETR)

70% Reduction by 2040

NZCE 2050
Scope 1, 2 & 3

2023

2030

2040

2050

* Finalizing the baseline for Scope 3 and devise the mid target

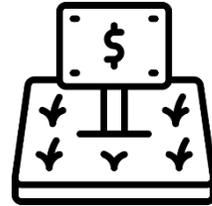
Summary

We remain positive in our outlook for FY 2024, leveraging our financial strength and diversified portfolio to achieve our growth targets



RM5.1 bil

Surpassed sales target



RM836 mil

Land monetisation



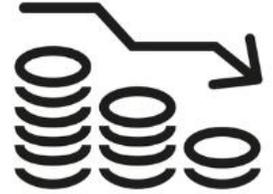
RM3.56 bil

Total launches GDV



RM656 mil

Profit Before Tax



0.49x

Net Gearing Ratio



1.34 sen

Dividend per share

2024 FOCUS AREAS

- Accelerate **township** developments
- Execute **industrial** expansion (Setia Alaman Industrial Park)
- Strengthen **international** pipeline (Australia, Vietnam)
- Key investment: **Setia Federal Hill**

Thank You

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