

S P SETIA BERHAD

Company No: 197401002663 (19698-X)

(Incorporated in Malaysia)

Condensed Financial Report

31 December 2024

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(Incorporated in Malaysia)

Condensed Financial Report - 31 December 2024

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S P SETIA BERHAD
 (Company No: 197401002663 (19698-X))
 (Incorporated in Malaysia)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024
(The figures have not been audited)

	Unaudited As At 31/12/2024 RM'000	Audited As At 31/12/2023 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	751,792	808,271
Right-of-use - property, plant and equipment	2,709	3,860
Investment properties	2,000,932	1,979,668
Right-of-use - investment properties	38,000	46,755
Inventories - land held for property development	12,278,601	12,356,946
Intangible assets	15,480	14,285
Investments in joint ventures	2,842,942	3,138,074
Investments in associated companies	619,728	583,116
Other investments	96	96
Amounts owing by joint ventures	69,785	69,785
Trade receivables	6,202	26,015
Other receivables, deposits and prepayments	88,232	90,258
Deferred tax assets	263,291	361,997
	<u>18,977,790</u>	<u>19,479,126</u>
Current assets		
Trade receivables	499,803	926,137
Contract assets	628,074	971,601
Other receivables, deposits and prepayments	228,391	220,386
Inventories - land held for sales	14,483	340,303
Inventories - property development costs	2,436,899	2,159,019
Inventories - completed properties and others	1,315,821	1,766,143
Contract cost assets	172,093	480,770
Amounts owing by joint ventures	130,141	133,732
Amounts owing by related parties	1,080	579
Current tax assets	57,759	32,943
Short-term deposits	733,400	441,237
Cash and bank balances	2,408,076	2,054,402
	<u>8,626,020</u>	<u>9,527,252</u>
TOTAL ASSETS	<u><u>27,603,810</u></u>	<u><u>29,006,378</u></u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	9,238,060	8,722,775
Share capital - RCPS-i A	1,087,363	1,087,363
Share capital - RCPS-i C	203,463	718,748
Reserves		
Reserve on acquisition arising from common control	(1,295,884)	(1,295,884)
Exchange translation reserve	(33,637)	222,158
Retained earnings	5,414,491	4,994,999
Equity attributable to owners of the Company	<u>14,613,856</u>	<u>14,450,159</u>
Non-controlling interests	1,229,895	1,212,622
Total equity	<u>15,843,751</u>	<u>15,662,781</u>
LIABILITIES		
Non-current liabilities		
Redeemable cumulative preference shares	38,432	38,268
Other payables and accruals	80,522	73,698
Long-term borrowings	6,382,707	7,101,911
Lease liabilities	2,021	2,962
Deferred tax liabilities	461,501	473,794
	<u>6,965,183</u>	<u>7,690,633</u>
Current liabilities		
Trade payables	1,550,858	1,452,286
Contract liabilities	57,642	112,083
Other payables and accruals	887,195	939,268
Short-term borrowings	2,203,749	3,043,226
Lease liabilities	806	963
Current tax liabilities	94,252	104,762
Amounts owing to related parties	374	376
	<u>4,794,876</u>	<u>5,652,964</u>
Total liabilities	<u>11,760,059</u>	<u>13,343,597</u>
TOTAL EQUITY AND LIABILITIES	<u><u>27,603,810</u></u>	<u><u>29,006,378</u></u>
Net assets per share attributable to owners of the Company	<u>2.66</u>	<u>2.90</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes in this report.)

S P SETIA BERHAD
(Company No.: 197401002663 (19698-X))
(Incorporated in Malaysia)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024
(The figures have not been audited)

	3 MONTHS ENDED		12 MONTHS ENDED	
	31/12/2024 RM'000	31/12/2023 RM'000	31/12/2024 RM'000	31/12/2023 RM'000
Revenue	1,064,252	1,383,815	5,293,568	4,373,642
Cost of sales	(647,924)	(912,153)	(3,492,445)	(3,032,345)
Gross profit	<u>416,328</u>	<u>471,662</u>	<u>1,801,123</u>	<u>1,341,297</u>
Other operating income	112,855	74,659	310,199	247,057
Selling and marketing expenses	(14,132)	(23,134)	(43,932)	(63,524)
Administrative and general expenses	(166,090)	(156,261)	(503,034)	(462,023)
Operating profit	<u>348,961</u>	<u>366,926</u>	<u>1,564,356</u>	<u>1,062,807</u>
Gain/(loss) on foreign exchange				
- Realised	(1,115)	2,072	4,082	2,385
- Unrealised	(2,924)	(9,661)	7,497	(14,098)
Share of results of joint ventures	(3,232)	(17,208)	(181,294)	(83,568)
Share of results of associated companies	38,596	25,146	55,079	37,273
Finance costs	(111,727)	(83,315)	(384,142)	(349,080)
Other gains	-	-	56,346	-
Profit before tax	<u>268,559</u>	<u>283,960</u>	<u>1,121,924</u>	<u>655,719</u>
Taxation	(157,903)	(110,781)	(491,248)	(298,606)
Profit for the period / year	<u>110,656</u>	<u>173,179</u>	<u>630,676</u>	<u>357,113</u>
Other comprehensive income/(loss), net of tax:				
Item that may be reclassified to profit or loss in subsequent periods:				
- Exchange differences on translation of foreign operations	12,170	98,257	(268,602)	280,705
- Net gain/(loss) on net investment hedge	(6,945)	(10,383)	12,664	(47,970)
Total comprehensive income for the period / year	<u>115,881</u>	<u>261,053</u>	<u>374,738</u>	<u>589,848</u>
Profit attributable to:				
Owners of the Company	103,574	148,238	575,954	298,573
Non-controlling interests	7,082	24,941	54,722	58,540
	<u>110,656</u>	<u>173,179</u>	<u>630,676</u>	<u>357,113</u>
Total comprehensive income attributable to:				
Owners of the Company	108,924	236,719	320,159	532,380
Non-controlling interests	6,957	24,334	54,579	57,468
	<u>115,881</u>	<u>261,053</u>	<u>374,738</u>	<u>589,848</u>
Earnings per share attributable to owners of the Company				
- Basic earnings per share (sen)	<u>2.09</u>	<u>3.53</u>	<u>10.16</u>	<u>4.80</u>
- Diluted earnings per share (sen)	<u>1.99</u>	<u>3.53</u>	<u>9.63</u>	<u>4.80</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes in this report.)

S P SETIA BERHAD
(Company No.: 197401002663 (19698-X))
(Incorporated in Malaysia)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024
(The figures have not been audited)

	← Attributable to owners of the Company →									
	← Non-Distributable →					Distributable				
	Share Capital RM'000	Share Capital - RCPS-i A RM'000	Share Capital - RCPS-i C RM'000	Share- Based Payment Reserve RM'000	Reserve on Acquisition Arising from Common Control RM'000	Exchange Translation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
Balance at 01.01.2024	8,722,775	1,087,363	718,748	-	(1,295,884)	222,158	4,994,999	14,450,159	1,212,622	15,662,781
Total other comprehensive income for the year represented										
by exchange differences on translation of foreign operations	-	-	-	-	-	(268,459)	-	(268,459)	(143)	(268,602)
Net change on hedge of net investments	-	-	-	-	-	12,664	-	12,664	-	12,664
Profit for the year	-	-	-	-	-	-	575,954	575,954	54,722	630,676
Transactions with owners:										
Conversion of RCPS-i C into ordinary shares	515,285	-	(515,285)	-	-	-	-	-	-	-
RCPS-i A preferential dividends paid	-	-	-	-	-	-	(70,654)	(70,654)	-	(70,654)
RCPS-i C preferential dividends paid	-	-	-	-	-	-	(26,134)	(26,134)	-	(26,134)
Dividends paid and payable	-	-	-	-	-	-	(59,674)	(59,674)	(37,306)	(96,980)
Balance at 31.12.2024	9,238,060	1,087,363	203,463	-	(1,295,884)	(33,637)	5,414,491	14,613,856	1,229,895	15,843,751
Balance at 01.01.2023	8,499,642	1,087,363	937,201	57,888	(1,295,884)	(11,649)	4,803,896	14,078,457	1,239,044	15,317,501
Total other comprehensive income for the year represented										
by exchange differences on translation of foreign operations	-	-	-	-	-	281,777	-	281,777	(1,072)	280,705
Net change on hedge of net investments	-	-	-	-	-	(47,970)	-	(47,970)	-	(47,970)
Profit for the year	-	-	-	-	-	-	298,573	298,573	58,540	357,113
Transactions with owners:										
Issuance of ordinary shares										
- Vesting of Employee Share Grant Plan ("ESGP")	4,680	-	-	(4,680)	-	-	-	-	-	-
Conversion of RCPS-i C into ordinary shares	218,453	-	(218,453)	-	-	-	-	-	-	-
Liquidation of subsidiary companies	-	-	-	-	-	-	-	-	(1)	(1)
RCPS-i A preferential dividends paid	-	-	-	-	-	-	(70,654)	(70,654)	-	(70,654)
RCPS-i C preferential dividends paid	-	-	-	-	-	-	(30,800)	(30,800)	-	(30,800)
Dividends paid and payable	-	-	-	-	-	-	(59,910)	(59,910)	(83,889)	(143,799)
Share-based payment under Employee Long Term Incentive Plan	-	-	-	(53,208)*	-	-	53,894	686	-	686
Balance at 31.12.2023	8,722,775	1,087,363	718,748	-	(1,295,884)	222,158	4,994,999	14,450,159	1,212,622	15,662,781

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes in this report)

*This is stated net of the effect of reversal of share-based payment relating to lapsed entitlements

S P SETIA BERHAD
(Company No.: 197401002663 (19698-X))
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024
(The figures have not been audited)

	12 MONTHS ENDED	
	31/12/2024	31/12/2023
	RM'000	RM'000
Operating Activities		
Profit before tax	1,121,924	655,719
Adjustments for:-		
Non-cash items	104,361	104,970
Non-operating items	207,954	198,652
Operating profit before changes in working capital	<u>1,434,239</u>	<u>959,341</u>
Changes in inventories - property development costs and contract cost assets	1,053,957	926,005
Changes in inventories - completed properties and others	542,639	347,094
Changes in contract assets/liabilities	299,082	553,571
Changes in receivables	419,053	(254,117)
Changes in payables	26,375	(37,494)
Cash generated from operations	<u>3,775,345</u>	<u>2,494,400</u>
Rental received	22,181	14,800
Interest received	57,350	44,147
Interest paid on lease liabilities	(172)	(152)
Net tax paid	(437,400)	(251,880)
Net cash generated from operating activities	<u>3,417,304</u>	<u>2,301,315</u>
Investing Activities		
Additions to inventories - land held for property development	(771,016)	(329,750)
Deposits and part consideration paid for acquisition of development land	(31,660)	(36,455)
Additions to property, plant and equipment	(11,901)	(57,942)
Additions to investment properties	(13,451)	(13,651)
Additions to intangible assets	(2,137)	(1,959)
Proceeds from disposal of property, plant and equipment	69,800	1,901
Proceeds from disposal of investment properties	8,401	-
Net cash inflow from disposal of a joint venture	55,809	-
Net cash (outflow)/inflow from liquidation of subsidiary companies	(0)	7,118
Acquisition of additional shares in joint ventures	-	(127)
Proceeds from repatriation of capital from joint ventures	-	43,737
Repayment from an associated company	-	1,135
Repayment from/(Advances to) joint ventures	5,874	(26,046)
Withdrawal/(Placement) of sinking fund, debt service reserve, escrow accounts and short-term deposits	59,661	(58,579)
Dividends received from associated companies	11,030	11,035
Interest received	27,714	28,328
Rental received	54,996	49,615
Net cash used in investing activities	<u>(536,880)</u>	<u>(381,640)</u>
Financing Activities		
Repayment to non-controlling shareholder of subsidiary company	(4,164)	-
Proceeds from issuance of Sukuk Wakalah	-	1,000,000
Drawdown of bank borrowings	1,301,103	1,777,274
Repayment of bank borrowings	(2,753,306)	(4,173,137)
Repayment of lease liabilities	(906)	(900)
Interest paid	(498,199)	(543,136)
Transaction cost on borrowings paid	(6,240)	(15,604)
Redeemable cumulative preference share dividends paid to non-controlling interests	(1,734)	(1,734)
Dividends paid to non-controlling interests	(37,306)	(44,432)
Dividends paid	(59,674)	(59,910)
RCPS-i A preferential dividends paid	(70,654)	(70,654)
RCPS-i C preferential dividends paid	(26,134)	(30,800)
Net cash used in financing activities	<u>(2,157,214)</u>	<u>(2,163,033)</u>

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 (Incorporated in Malaysia)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024
(The figures have not been audited)

	12 MONTHS ENDED	
	31/12/2024	31/12/2023
	RM'000	RM'000
Net changes in cash and cash equivalents	723,210	(243,358)
Effect of exchange rate changes	(39,649)	38,671
Cash and cash equivalents at beginning of the year	2,254,651	2,459,338
Cash and cash equivalents at end of the year	<u>2,938,212</u>	<u>2,254,651</u>
Cash and cash equivalents comprise the following:		
Short-term deposits	733,400	441,237
Cash and bank balances	2,408,076	2,054,402
Bank overdrafts	(30,776)	(8,839)
	<u>3,110,700</u>	<u>2,486,800</u>
Less: Amount restricted in sinking fund, debt service reserve, escrow accounts and short-term deposits	(172,488)	(232,149)
	<u>2,938,212</u>	<u>2,254,651</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes in this report.)

NOTES TO THE CONDENSED FINANCIAL REPORT

1. Basis of Preparation

The condensed financial report has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 *Interim Financial Reporting* and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The condensed financial report is unaudited and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023.

The accounting policies adopted by the Group in this condensed financial report are consistent with those adopted in the financial statements for the financial year ended 31 December 2023 except for the adoption of the following MFRS and amendments to MFRSs:

Amendments to MFRS 101	Classification of Liabilities as Current or Non-current Non-current Liabilities with Covenants
Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 107 and MFRS 7	Disclosure of Supplier Finance Arrangements

The adoption of the above amendments to MFRSs do not have significant financial impact to the Group in this financial year ended 31 December 2024.

2. Seasonal or Cyclical Factors

The business operations of the Group during the financial year under review have not been materially affected by any seasonal or cyclical factors.

3. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items for the financial year ended 31 December 2024 other than as disclosed in this report.

4. Material Changes in Estimates

There were no material changes in estimates for the financial year ended 31 December 2024.

5. Debts and Equity Securities

Save for the following, there were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current financial year-to-date:

- Conversion of 1,356,011,475 RCPS-i C to 647,647,248 ordinary shares with the conversion ratio of thirty-two (32) new S P Setia Berhad shares for sixty-seven (67) RCPS-i C held.

6. Dividends Paid

i) Dividend in respect of the financial year ended 31 December 2023

A single-tier dividend, in respect of the financial year ended 31 December 2023 of 1.34 sen per ordinary share amounting to RM59,674,246 was paid in cash on 23 April 2024.

ii) Islamic Redeemable Convertible Preference Shares (“RCPS-i A”) preferential dividend in respect of the financial period from 1 July 2023 to 30 June 2024

A semi-annual RCPS-i A preferential dividend of RM35,326,945, in respect of the financial period from 1 July 2023 to 31 December 2023 and another semi-annual RCPS-i A preferential dividend of RM35,326,946 in respect of the financial period from 1 January 2024 to 30 June 2024 were paid in cash on 23 April 2024 and 11 October 2024 respectively.

iii) Islamic Redeemable Convertible Preference Shares (“RCPS-i C”) preferential dividend in respect of the financial period from 1 July 2023 to 30 June 2024

A semi-annual RCPS-i C preferential dividend of RM17,445,735 in respect of the financial period from 1 July 2023 to 31 December 2023 and another semi-annual RCPS-i C preferential dividend of RM8,688,444 in respect of the financial period from 1 January 2024 to 30 June 2024 were paid in cash on 23 April 2024 and 11 October 2024 respectively.

7. Segmental Reporting

The segmental analysis are as follows:

Year ended 31 December 2024	Property Development RM'000	Construction, Investment Holding & Others RM'000	Eliminations RM'000	Consolidated RM'000
External revenue	5,026,993	266,575	-	5,293,568
Inter-segment revenue	198,018	7,296	(205,314)	-
Total revenue	5,225,011	273,871	(205,314)	5,293,568
Gross profit	1,749,945	51,178	-	1,801,123
Other income	266,791	43,408	-	310,199
Operating expenses	(496,893)	(50,073)	-	(546,966)
Gain/(loss) on foreign exchange				
- Realised	4,942	(860)	-	4,082
- Unrealised	2,964	4,533	-	7,497
Share of results of joint ventures	(173,414)	(7,880)	-	(181,294)
Share of results of associated companies	55,079	-	-	55,079
Finance costs	(344,214)	(39,928)	-	(384,142)
Other gains	-	56,346	-	56,346
Profit before tax	1,065,200	56,724	-	1,121,924
Taxation				(491,248)
Profit for the year				630,676

7. Segmental Reporting (continued)

Geographical segmentation analysis of the Group for the current financial year is as follows:

Geographical Segment	Revenue RM'000	Profit before tax RM'000	Profit after tax RM'000
Domestic	4,782,766	1,255,307	775,903
International	510,802	(133,383)	(145,227)
	5,293,568	1,121,924	630,676

Year ended 31 December 2023	Property Development RM'000	Construction, Investment Holding & Others RM'000	Eliminations RM'000	Consolidated RM'000
External revenue	4,064,703	308,939	-	4,373,642
Inter-segment revenue	179,002	138,063	(317,065)	-
Total revenue	4,243,705	447,002	(317,065)	4,373,642
Gross profit	1,310,114	31,183	-	1,341,297
Other income	228,375	18,682	-	247,057
Operating expenses	(468,484)	(57,063)	-	(525,547)
Gain/(loss) on foreign exchange				
- Realised	1,055	1,330	-	2,385
- Unrealised	6,249	(20,347)	-	(14,098)
Share of results of joint ventures	(97,625)	14,057	-	(83,568)
Share of results of associated companies	37,273	-	-	37,273
Finance costs	(306,764)	(42,316)	-	(349,080)
Profit before tax	710,193	(54,474)	-	655,719
Taxation				(298,606)
Profit for the year				357,113

Geographical segmentation analysis of the Group for the preceding financial year is as follows:

Geographical Segment	Revenue RM'000	Profit before tax RM'000	Profit after tax RM'000
Domestic	3,258,410	491,014	269,271
International	1,115,232	164,705	87,842
	4,373,642	655,719	357,113

8. Material Events Subsequent to the End of Financial Year

There were no material transactions or events subsequent to the financial year ended 31 December 2024 until 21st February 2025 (being the latest practicable date which is not earlier than 7 days from the date of issuance of this condensed financial report).

9. Changes in the Composition of the Group

There were no changes in the composition of the Group for the financial year ended 31 December 2024 except for the following:

- i) Incorporation of Setia Square Ventures Sdn Bhd, a wholly owned subsidiary of S P Setia Berhad, on 05 March 2024 with a capital contribution of RM2.00.
- ii) Disposal of Retro Highland Sdn Bhd, a 50% owned joint venture of S P Setia Berhad.
- iii) Members' voluntary winding up of inactive indirect subsidiaries of S P Setia, namely Yong Peng Realty Sendirian Berhad and Perusahaan Minyak Sawit Bintang Sendirian Berhad on 19 September 2024.
- iv) Incorporation of Setia HS KL Sdn Bhd, a wholly owned subsidiary of Shabra Development Sdn Bhd, on 26 September 2024 with a capital contribution of RM2.00.
- v) Incorporation of Setia HS PNG Sdn Bhd, a wholly owned subsidiary of Shabra Development Sdn Bhd, on 26 September 2024 with a capital contribution of RM2.00.
- vi) Dissolution of Setia Hicon Sdn. Bhd., wholly owned subsidiary of S P Setia Berhad.
- vii) Dissolution of Kinrara Golf Club Sdn Bhd, a 51% owned subsidiary of S P Setia Berhad.

10. Contingent Liabilities

There were no contingent liabilities in respect of the Group for the financial year ended 31 December 2024.

11. Capital Commitments

	As at 31 December 2024 RM'000
<i>Commitments of subsidiary companies:</i>	
Contractual commitment for construction of investment properties	19,567
Contractual commitment for acquisition / construction of property, plant and equipment	2,347
Contractual commitment for acquisition of development land	284,941

In addition, the Group's estimated commitment to joint ventures pursuant to the respective shareholders' agreements on joint venture, and/or as approved by the Board of Directors are as follows:

	As at 31 December 2024 RM'000
<i>Joint venture:</i>	
Setia MF SFH Development Sdn Bhd	80,581

12. Significant Related Party Transactions

**1 January 2024
 To
 31 December 2024
 RM'000**

Transactions with joint ventures:

i) Management fee received and receivable	3,495
ii) Event and marketing fee received and receivable	110
iii) Staff secondment fee received and receivable	359
iv) Interest received and receivable	9,018
v) Dividend received and receivable	2,372
	2,372

Transactions with related company:

i) Management fee received and receivable	2,358
	2,358

Transactions with associated companies:

i) Dividend received and receivable	11,030
	11,030

Transactions with Director(s) of the Company:

i) Sale of properties to Directors of the Company	3,862
	3,862

Transactions with Director(s) of the subsidiary companies:

i) Sale of properties to Directors of the subsidiary companies	20,222
	20,222

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD**

1. Review of Group Performance

The performance of the respective operating business segments for the current quarter (“Q4”) and financial year-to-date are analysed as follows:

	3 MONTHS ENDED		12 MONTHS ENDED	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
	RM’000	RM’000	RM’000	RM’000
Revenue				
Property Development	999,995	1,303,826	5,026,993	4,064,703
Construction, Investment Holding and Others	64,257	79,989	266,575	308,939
	<u>1,064,252</u>	<u>1,383,815</u>	<u>5,293,568</u>	<u>4,373,642</u>
Profit/(Loss) before tax (“PBT/LBT”)				
Property Development	265,393	313,401	1,065,200	710,193
Construction, Investment Holding and Others	3,166	(29,441)	56,724	(54,474)
	<u>268,559</u>	<u>283,960</u>	<u>1,121,924</u>	<u>655,719</u>

(a) Performance of the current quarter against the same quarter in the preceding year (Q4 2024 vs Q4 2023)

Property Development

In Q4 2024, the Group’s property development segment generated a revenue of RM1.00 billion and a PBT of RM265 million. Compared to Q4 2023, revenue and PBT were lower by 23% and 15% respectively mainly due to lower contributions from Australia following the handover of UNO Melbourne in 2023 and higher interest expense (previously capitalised as project costs) as well as from the Central Region due to timing differences.

However, the decrease was partially mitigated by better performance in the Southern Region and higher land sales revenue (Q4 2024: RM189 million, Q4 2023: RM73 million). PBT from land sales revenue in Q4 2024 was RM87 million (Q4 2023: RM58 million).

Construction, Investment Holding and Others

Revenue from other operations mainly consist of manufacturing, trading, construction and investment properties such as office towers, retail malls, convention centres and hotel. Revenue from manufacturing and trading are lower as operations are wound down.

Profit before tax is higher in Q4 2024 mainly due to lower loss in the construction segment and a gain from the disposal of property.

1. Review of Group Performance (continued)

(b) Performance of the twelve (12) months ended 31 December 2024 vs twelve (12) months ended 31 December 2023

Property Development

The Group's revenue and PBT from the property development segment are RM5.03 billion and RM1.07 billion respectively of which revenue and profit contributions from major land sales in Glengowrie, Taman Pelangi Indah, Setia Alam and Pelangi Tower total RM1.35 billion and RM706 million respectively. Total revenue and profit from land sales in the previous year total RM197 million and RM152 million respectively. Additionally, higher revenue from both Central and Southern Regions have also contributed to the overall improved performance of the Group, reduced by lower contribution from Australia upon following the handover of UNO Melbourne in FY2023.

PBT achieved for FY2024 was RM355 million or 50% higher than FY2023 mainly driven by higher profits from land sales, partially reduced by higher interest expense (previously capitalised as project costs) and higher share of loss from joint venture.

Construction, Investment Holding and Others

The Group's construction, investment holding, and others segment has recorded revenue of RM267 million and profit before tax of RM57 million for the twelve (12) months ended 31 December 2024.

The segment's higher profit before tax was mainly attributable to the gains on disposals of the shares in Retro Highland Sdn Bhd and property, as well as lower losses from the construction segment.

2. Material Changes in the Quarterly Results ("Q4 2024") compared to the results of the Preceding Quarter ("Q3 2024")

The Group's PBT for Q4 2024 of RM269 million is higher than the preceding quarter of RM205 million. This is mainly due to savings in provisional project costs, gain on disposal of a property and lower share of joint venture loss, reduced by lower contribution from land sales.

3. **Prospects for the Financial Year Ending 31 December 2025 (“FY2025”)**

The Group has surpassed its sales target for the financial year ended 31 December 2024, achieving a commendable RM5.02 billion in sales against a target of RM4.4 billion, accomplished in a challenging economic environment. Additionally, the Group has successfully reduced its borrowings by RM1.6 billion, resulting in a lower net gearing ratio of 0.35x from 0.49x for the period in review, underscoring its effective execution of debt reduction strategies.

The Group's sales breakdown reveals that local projects contributed RM4.24 billion, accounting for approximately 84% of total sales, while international projects added RM785.0 million. The Group's long-held reputation in townships and residential developments continues to be the Group's mainstay, contributing consistently to its performance.

In the Central region, the Group is leveraging the unique geographical advantage of its two cross-development segments located just 4 km apart: the maturing crown jewel integrated residential township Bandar Setia Alam and Setia Alaman Industrial Park. The dynamic road connectivity and ready infrastructure serving the two developments are key catalysts to the new frontier in the Group's industrial portfolio growth.

Unleashing value in the Southern region, the Group continues to drive profitability growth from the strong residential and commercial properties demand in Johor while keeping the momentum on the Group's industrial expansion plans.

Up North, the Group's flagship Northern township – Setia Fontaines in Bertam, Penang is actively expanding the Group's industrial footprint by the proposed rezoning at least 300 acres for industrial development. Given its proximity to the Kulim Hi-tech Park, this strategic move aligns with the increasing demand for industrial land in the Northern region of Peninsular Malaysia, which is expected to bring in positive spillover effects in the neighbouring residential and commercial developments.

The Group has a robust sales pipeline supported by 42 ongoing projects. Additionally, the Group boasts a remaining land bank of 5,451 acres and an effective remaining Gross Development Value (GDV) of RM128.59 billion.

The Group's international ventures in Vietnam and Australia are on a growth trajectory, and both markets are expected to contribute to overall group sales. Atlas Melbourne, which was recently launched in Q4FY2024, achieved an encouraging take-up rate which will support the Group's future growth pipeline.

The Group is ready to surge forward with RM4.8 billion sales target for 2025.

4. **Variance of Actual Profit from Forecast Profit**

Not applicable as no profit forecast was published.

5. Taxation

	3 MONTHS ENDED		12 MONTHS ENDED	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
	RM'000	RM'000	RM'000	RM'000
Income tax:				
- current period / year	86,562	99,464	419,448	301,629
- under/(over) provision in prior years	(11,303)	3,263	(20,432)	19,078
Deferred tax:				
- current period / year	(11,256)	17,279	(19,865)	(3,006)
- under/(over) provision in prior years	12,145	(13,834)	21,270	(23,704)
- reversal of prior years' taxes	79,091	4,609	86,147	4,609
Real property gain tax	2,664	-	3,491	-
Capital gain tax	-	-	1,189	-
	<u>157,903</u>	<u>110,781</u>	<u>491,248</u>	<u>298,606</u>

The Group's effective tax rate (excluding share of results of joint ventures and associated companies as well as adjustment for prior years' tax assets) for the financial year is higher than the statutory tax rate mainly due to certain non-tax-deductible expenses and the non-recognition of deferred tax assets arising from certain loss-making entities.

6. Status of Corporate Proposals

The following corporate proposal as announced by the Company have not been completed as at 21st February 2025 (being the latest practicable date which is not earlier than 7 days from the announcement date of this Condensed Financial Report):

On 19 December 2024, the Company's indirect wholly owned subsidiary, Pelangi Sdn Bhd entered into a conditional sale and purchase agreement ("SPA") with Dsara Sentral Sdn Bhd to dispose of approximately 5.99 acres of freehold lands located in Taman Pelangi, Mukim Plentong, Daerah Johor Bahru, Negeri Johor for a cash consideration of RM156,800,000.

The completion of the SPA is pending fulfilment of the conditions precedent as set out in the SPA estimated by 1st half of 2025.

7. Group Borrowings and Debt Securities

Total group borrowings and debt securities as of 31 December 2024 were as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Short-term borrowings - Islamic	260,241	965,606	1,225,847
Short-term borrowings - Conventional	628,042	349,860	977,902
Long-term borrowings - Islamic	1,464,995	2,995,121	4,460,116
Long-term borrowings - Conventional	1,128,384	794,207	1,922,591
Redeemable cumulative preference shares	-	38,432	38,432
	3,481,662	5,143,226	8,624,888

Currency exposure profile of group borrowings and debt securities were as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Malaysian Ringgit	2,968,784	3,864,700	6,833,484
Great British Pound	-	1,103,906	1,103,906
Australian Dollar	481,747	138,860	620,607
United States Dollar	-	35,760	35,760
Japanese Yen	31,131	-	31,131
	3,481,662	5,143,226	8,624,888

8. Material Litigation

The status updates of the material litigation of the Group as at 21 February 2025 (being the latest practicable date which is not earlier than 7 days from the announcement date of this Condensed Financial Report) are as follows:

- i) On 27 August 2024, S P Setia and its subsidiaries, Setia Bina Raya Sdn Bhd and Aeropod Sdn Bhd (“Subsidiaries”) filed a civil suit at the Shah Alam High Court (“Court”) against the following defendants:
- 1) Datuk Wong Tuck Wai (1st Defendant)
 - 2) Datuk Kow Choong Ming (2nd Defendant)
 - 3) Dato’ Khor Chap Jen (3rd Defendant)
 - 4) Wilfred Yong Chen Leong (4th Defendant)
 - 5) Alan Wong Siew Ong (5th Defendant)
 - 6) Pristigo Properties Sdn Bhd (6th Defendant)
 - 7) Asia Dream MM2H Sdn Bhd (7th Defendant)
 - 8) Optimise Profit Sdn Bhd (8th Defendant)
 - 9) Glorywise Century Sdn Bhd (9th Defendant)
 - 10) Bigdeal Synergy Sdn Bhd (10th Defendant)
 - 11) Siner maju Sdn Bhd (11th Defendant)

The suit concerns primarily the breaches of duties by the former director and senior management of S P Setia Berhad and its Subsidiaries in relation to the acquisition of 6 plots of land located at Jalan Lintas, Kota Kinabalu, and the sale of units under its Aeropod project (Phase 3A). S P Setia Berhad and its Subsidiaries have also brought this action against the defendants for breaches of duties (1st to 3rd Defendants), dishonest assistance, conspiracy, deceit and the breaches of Supplemental Agreement dated 11 March 2021 (which varied the terms of the Master Sale and Purchase Agreement dated 20 July 2017) by the other defendants.

8. Material Litigation (continued)

S P Setia Berhad and its Subsidiaries/Plaintiffs seek relief and remedies against the defendants for, among others:

- a) a declaration that Aeropod Sdn Bhd is entitled to the ring-fenced money of RM60,670,305.80 which was retained by Aeropod Sdn Bhd as security towards the performance of Pristigo Properties Sdn Bhd's obligations under the Supplemental Agreement dated 11 March 2021.
- b) damages or equitable compensation for the additional sum of RM37,592,483.20 after the deduction of the ring-fenced money above.
- c) damages or equitable compensation for late payment interest of RM5,200,000.00 up to 31 December 2020 and further interest from 1 January 2021 until final settlement to be assessed by the court.
- d) other and further damages or equitable compensation to be assessed by the court.
- e) account and inquiry of profits.
- f) general damages; and
- g) costs of investigations, interest and other costs in the action.

As at 5 February 2025, all Defendants have filed their respective Defence to court and 6th Defendant has counterclaimed against 3rd Plaintiff (Aeropod Sdn Bhd), among others, RM32,232,649.73. During the Case Management held on 5 February 2025, the Court was informed that the Plaintiffs will file and serve their Reply to Defence and Defence to Counterclaim by 28 February 2025.

The case is now fixed for Case Management on 17 March 2025 for directions on the filing of pre-trial documents.

- ii) Setia Putrajaya Development Sdn Bhd ("SPD") and Putrajaya Holdings Sdn Bhd ("PJH") entered into a Development Agreement dated 18 December 2002 ("DA") and a Supplemental Development Agreement dated 13 August 2024.

Under the DA, PJH as the registered proprietor of certain lands in Putrajaya, granted SPD the development rights and beneficial use over the Development Area in Precinct 9, Precinct 15 and Precinct Z, in consideration of payment of the Value of the Development Rights as prescribed under the DA.

SPD had made payment of the Value of Development Rights to PJH and incurred cost such as infrastructure cost towards development of the Development Area and other outgoing expenses in relation to the Development Area in the sum of approximately RM69 mil and PJH is in breach of its obligations under the Development Agreement.

On 15 August 2024, SPD commenced arbitration proceedings to claim the sum of RM69,534,082.00 (outstanding as of 31 May 2024) being damages for breach of contract and/or misrepresentation, general damages, interest, cost and other relief the Arbitrator deems fit.

On 13 September 2024, PJH served its Response to the Notice of Arbitration ("NOA") to deny all the claims in the NOA.

The case is ongoing.

9. Earnings Per Share Attributable to Owners of The Company

Basic Earnings Per Share

The basic earnings per share for the period is calculated by dividing the Group's profit attributable to owners of the Company adjusted for the effects of RCPS-i A and RCPS-i C preferential dividends declared during the period, divided by the weighted average number of shares in issue, as follows:

	3 MONTHS ENDED		12 MONTHS ENDED	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
	'000	'000	'000	'000
Profit attributable to owners of the Company (RM)	103,574	148,238	575,954	298,573
- RCPS-i A preferential dividends (RM)	-	-	(70,654)	(70,654)
- RCPS-i C preferential dividends (RM)	-	-	(26,134)	(30,800)
Adjusted profit attributable to owners of the Company (RM)	<u>103,574</u>	<u>148,238</u>	<u>479,166</u>	<u>197,119</u>
Number of ordinary shares at beginning of the period	4,858,711	4,088,268	4,354,837	4,075,487
Weighted average effect of shares issued pursuant to:				
- Vesting of ESGP	-	-	-	3,458
- Conversion of RCPS i-C into ordinary shares	87,582	107,914	360,954	29,518
Number of ordinary shares in issue	<u>4,946,293</u>	<u>4,196,182</u>	<u>4,715,791</u>	<u>4,108,463</u>
Basic earnings per share (sen)	<u>2.09</u>	<u>3.53</u>	<u>10.16</u>	<u>4.80</u>

Diluted Earnings Per Share

The diluted earnings per share for the period is calculated by dividing the Group's profit attributable to owners of the Company adjusted for the effects of RCPS-i A and RCPS-i C preferential dividends declared during the period, divided by the weighted average number of shares upon full conversion of RCPS i-C at the conversion ratio of thirty two (32) ordinary shares for sixty seven (67) RCPS-i C, calculated as follows:

	3 MONTHS ENDED		12 MONTHS ENDED	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
	'000	'000	'000	'000
Profit attributable to owners of the Company (RM)	103,574	148,238	575,954	298,573
- RCPS-i A preferential dividends (RM)	-	-	(70,654)	(70,654)
- RCPS-i C preferential dividends (RM)	-	-	(26,134)	(30,800)
Adjusted profit attributable to owners of the Company (RM)	<u>103,574</u>	<u>148,238</u>	<u>479,166</u>	<u>197,119</u>
Weighted average number of ordinary shares as per Basic Earnings Per Share	4,946,293	4,196,182	4,715,791	4,108,463
Effect of potential exercise of RCPS-i C	258,446	-	258,446	-
Weighted average number of ordinary shares	<u>5,204,739</u>	<u>4,196,182</u>	<u>4,974,237</u>	<u>4,108,463</u>
Diluted earnings per share (sen)	<u>1.99</u>	<u>3.53</u>	<u>9.63</u>	<u>4.80</u>

The effects of conversion of RCPS-i A have not been included in the computation of the dilutive earnings per share of the Group as they do not have a dilutive effect.

10. Dividends Declared

i) The Board of Directors has declared dividend in respect of the financial year ended 31 December 2024

- | | |
|--|--|
| a) Amount per share | : Single tier dividend of 2.88 sen per share |
| b) Previous corresponding financial year | : Single tier dividend of 1.34 sen per share |
| c) Date payable | : To be determined |
| d) In respect of deposited securities, entitlement to dividends will be determined on the basis of the record of depositors as at a date to be determined later. | |

Total dividend for FY2024 : Single tier dividend of 2.88 sen per share

ii) The Board of Directors has declared preferential dividends in respect of the financial period from 1 July 2024 to 31 December 2024, for RCPS-i A and RCPS-i C.

- | | |
|--|--------------------|
| a) Preferential dividend rate | |
| - RCPS-i A | : 6.49% per annum |
| - RCPS-i C | : 5.43% per annum |
| b) Previous corresponding financial year | |
| - RCPS-i A | : 6.49% per annum |
| - RCPS-i C | : 5.43% per annum |
| c) Date payable | |
| - RCPS-i A | : To be determined |
| - RCPS-i C | : To be determined |
| d) In respect of deposited securities, entitlement to dividends will be determined on the basis of the record of depositors as at a date to be determined later. | |

11. Notes to the Statement of Comprehensive Income

	3 MONTHS ENDED 31/12/2024 RM'000	12 MONTHS ENDED 31/12/2024 RM'000
Other income including investment income	42,932	161,411
Net gain on disposal of quoted or unquoted investments or properties	40,627	111,029
Interest income	26,667	91,476
Interest expense	(111,727)	(384,142)
Depreciation and amortisation	(12,287)	(46,055)
Provision of doubtful debts for trade and other receivables	(19,644)	(19,893)
Write off property, plant and equipment	(104)	(104)
Write-down in value of land held for property development	(14,606)	(14,606)
Write-down in value of completed inventories	(5,991)	(5,991)
Write-down in value of manufacturing inventories	(6,363)	(6,363)
Reversal of write-down in value of completed inventories	-	25
Fair value gain on investment properties	2,629	2,629
Fair value adjustment of right-of-use - investment properties	686	(8,755)
Loss on liquidation of subsidiary companies	(19)	(19)
Net foreign exchange (loss) / gain	(4,039)	11,579

Other than the above, there were no exceptional items. The gain or loss on derivatives is not applicable to the Group.

12. Auditors' Report on Preceding Annual Financial Statements

The preceding audited financial statements for the financial year ended 31 December 2023 was unqualified.