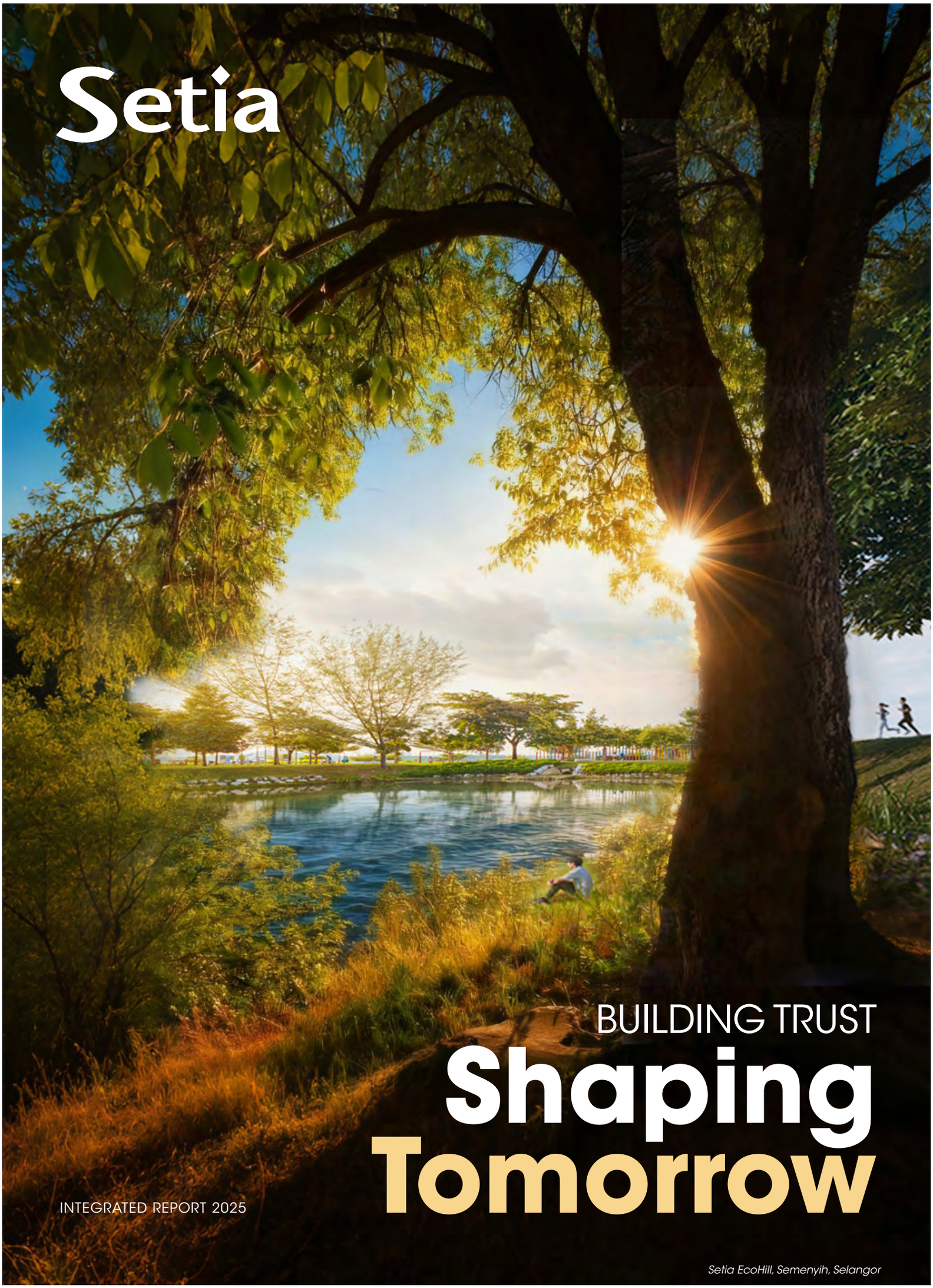
Setia



BUILDING TRUST

Shaping Tomorrow

INTEGRATED REPORT 2025

Setia EcoHill, Semenyih, Selangor

Cover Rationale

BUILDING TRUST

Shaping Tomorrow

This cover reflects Setia's journey through a calm, human-centred landscape that brings together nature, community and progress elements that have long defined the Group's approach to building places of lasting value.

The mature tree canopy frames the scene naturally, symbolising stability, longevity and responsible stewardship. Its deep roots reflect trust built patiently over time, nurtured through consistency and care. Sunlight filtering through the branches introduces a sense of renewal and forward momentum, reinforcing the theme "Shaping Tomorrow" with optimism, clarity and purpose.The warm golden hues evoke confidence and reassurance, underscoring Setia's steady commitment to its stakeholders.

In the mid-ground, the lakeside township and people in motion draw attention to what Setia ultimately creates, liveable communities shaped for everyday life.

The presence of water, greenery and thoughtfully developed homes conveys balance: between environmental responsibility and enriching lifestyles, between growth and well-being. This harmony mirrors the principles of integrated reporting, where long-term value is created through the careful interplay of multiple capitals.

Typography is treated with equal intention. "Building Trust" is positioned as a quiet but firm promise, while "Shaping Tomorrow" stands confidently, signalling forward-looking ambition and resilience. Together, they anchor the narrative of trust earned today and progress shaped for the future.

Overall, the cover communicates Setia's belief that sustainable success is built not through speed, but through care, creating enduring places, strengthening communities and shaping a future grounded in trust.

NAVIGATION ICONS *Related Pages* *Related Webpage*

51st Annual General Meeting of S P Setia Berhad

Venue at
Function Room 1, Setia City Convention Centre, No. 1, Jalan Setia Dagang AG U13/AG, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan

Virtual Meeting via
https://srmy.vistra.com

Thursday, 23 April 2026 at 10.00 a.m.

Feedback

We welcome all enquiries, comments and feedback on our Integrated Report in order to clarify issues and to further improve our reporting. Please channel your feedback or query to:

Contact:
Investor Relations, S P Setia Berhad
Email: ir@spsetia.com
Tel No: +603 5021 2525

To find out more, scan this QR or visit https://spsetia.com/investor-relations/

Inside This Report

Basis of this Report 2

Section 01
Overview of S P Setia
We are S P Setia 4
Our Investment Case 6
- Financial Highlights
- Business Highlights
- Sustainability Highlights

Sustainability @ Setia 8
Our Competitive Advantage 22
Portfolio at a Glance 23
Setia's Operating Footprint 24
Distinctive Developments 26
Awards, Indices & Ratings 28
Partnerships Snapshot 31
Corporate Structure 32
Corporate Diary and Highlights 34

Section 02
Key Messages
Message from Our Chairman 40
From the Desk of Our President and Chief Executive Officer 50

Section 03
Value Creation at S P Setia
Our Approach to Value Creation 62
Stakeholder Engagement 64
Investor Relations 69
Material Matters 71
Our Value Creating Business Model 74

Section 04
Management Discussion & Analysis
A. Strategic Review
Market Landscape 78
Key Risks, Opportunities and Mitigations 89
Our Strategic Roadmap 95
Strategic Performance Review 96
Key Indicators 98

B. Financial Performance Review
Group Financial Review 99
5-Year Group Financial Summary 100
5-Year Group Financial Highlights 101
Simplified Group Statements of Financial Position 102
Quarterly Performance 103
Statement of Value Added and Distribution 104
Financial Calendar 105

C. Business Review
Malaysia
- Central Region 106
- Southern Region 110
- Northern Region 114
- Eastern Region 118

International 122

Section 05
Sustainability Review
Sustainability Statement 128
ESG Report 169
- Sustainable, Innovative and Quality Development
- Best Practices in Environmental Management
- Positive, Sustained Community and Social Impacts
- GRI Content Index

Section 06
Leadership
Corporate Information 242
Board at a Glance 243
Board of Directors 244
Key Management Team 254
Organisation Structure 266

Section 07
Governance
Corporate Governance Overview Statement 270
Statement on Risk Management and Internal Control 301
Additional Compliance Information 318

Section 08
Financial Statements
Directors' Report 324
Statements of Financial Position 330
Statements of Comprehensive Income 332
Consolidated Statement of Changes in Equity 333
Statement of Changes in Equity 335
Statements of Cash Flows 336
Notes to the Financial Statements 340
Statement by Directors 459
Statutory Declaration 459
Independent Auditors' Report 460

Section 09
Additional Information
Analysis of Shareholdings 468
List of Material Properties Held by the Group 474
Group Directory 475
Notice of Annual General Meeting 478
- Form of Proxy

Basis of This Report

S P Setia Berhad ("S P Setia", "Setia", "the Company" or "the Group") is pleased to present our Integrated Annual Report for the financial year ended 31 December 2025 ("FY2025"). This report provides a comprehensive, balanced and transparent account of our strategy, governance, performance and prospects, encompassing both financial and non-financial outcomes over the year.

Guided by our purpose and vision of creating sustainable communities and enriching lifestyles, the report reflects how we create value over the short, medium and long term, while navigating a dynamic operating environment and advancing our transformation as an integrated real estate player.

Scope and Boundary

This report covers the activities and initiatives of the Group, including our subsidiaries and joint ventures, for the period of 1 January 2025 to 31 December 2025. In adopting a materiality-based approach, we focus on matters that substantively influence our ability to create value and are of greatest relevance to our stakeholders. Material matters were identified through a structured stakeholder engagement process, ensuring alignment with stakeholder priorities, emerging risks and opportunities, and the Group's overall performance and strategic direction.

Time Horizons

Our time horizons, which are aligned with the Group's strategic planning and investment cycles, have been defined below to support a clearer understanding of how our strategies and initiatives contribute to sustainable value creation over the short, medium and long term.

- **Short Term:** 2 years (FY2026 – FY2027)
- **Medium Term:** 3-5 years (FY2028 – FY2030)
- **Long Term:** Beyond 5 years (FY2031 onwards)

Assurance

To uphold the integrity, accuracy and reliability of this report, we apply robust internal control and governance frameworks across the Group. Assurance is strengthened through oversight by Management, the internal audit function and the Board of Directors ("Board"), supported by regular monitoring and reviews of key controls. In addition, our financial statements are subject to independent external audit by Ernst & Young ("EY"), providing further confidence in the quality and credibility of our disclosures.

Reporting Framework

Our integrated and sustainability disclosures are prepared in alignment with established reporting frameworks and in compliance with applicable industry requirements and recognised best practices. This report also features our first Sustainability Statement, reflecting our proactive alignment with emerging regulatory requirements relating to the IFRS S1 and IFRS S2 standards.

Reporting Framework	IR	SR
International Integrated Reporting Framework	/	
Bursa Malaysia's Main Market Listing Requirements ("MMLR")	/	/
Bursa Malaysia's Corporate Governance Guide (4th edition)	/	
Malaysian Code on Corporate Governance 2021 ("MCCG")	/	
Companies Act 2016 ("CA 2016")	/	
Malaysian Financial Reporting Standards ("MFRS")	/	
Bursa Malaysia's Sustainability Reporting Guide (3rd edition)		/
Global Reporting Initiative ("GRI") Standards		/
International Sustainability Standards Board ("ISSB") IFRS Sustainability Disclosure Standards (IFRS S1 and IFRS S2)		/
United Nation Sustainable Development Goals ("UN SDGs")		/

Forward-Looking Statements

This report contains forward-looking statements that reflect our expectations, assumptions and outlook regarding future performance. These statements are based on information available at the time of publication and are subject to risks and uncertainties that may cause actual outcomes to differ from those anticipated, including changes in economic conditions, regulatory developments and market dynamics.

Materiality

Material matters represent the issues that are most significant to our stakeholders and to S P Setia's long-term resilience and value creation. Our approach to materiality is structured and robust, integrating stakeholder feedback with risk assessments and strategic priorities. This ensures that our reporting on these matters reflect both external expectations and the realities shaping our operating environment.

Board Responsibility Statement

The Board of Directors acknowledges its responsibility for the integrity and completeness of this Integrated Report. The Board is satisfied that the report provides a balanced, comprehensive and accurate account of the Group's material matters and its ability to create value over the short, medium and long term. The Board further confirms that this report has been prepared in accordance with the Guiding Principles of the International Integrated Reporting Framework.

This report was approved by the Board on 2 March 2026.

Navigate This Report

This report is structured to provide a clear and integrated view of how S P Setia creates sustainable value. Key sections are interconnected through our capitals, material matters, stakeholders, risks and core strategies, offering a holistic understanding of our business model and performance.

Our Key Capitals

Financial
With well-balanced and strategically managed financial resources, we leverage property development, land management and recurring income — reinforced by strategic equity and debt investments — to unlock new growth opportunities and create long-term value.

Manufactured
Our extensive physical assets, advanced technological infrastructure, diversified land banks and investment portfolio form the backbone of our operations, enabling us to drive efficiency, expand opportunities and sustain profitability across key business segments.

Human
We nurture a workplace culture that values personal growth, professional development and employee well-being, while embracing diversity and inclusion. By harnessing diverse perspectives and fostering innovation, we empower our people to be a driving force behind our success.

Intellectual
Our commitment to continuous learning, capability-building and strategic investment in technology, systems and innovation reflects a disciplined approach to business, strengthening our competitive edge and reinforcing our position as an industry leader.

Social & Relationship
We actively engage a broad spectrum of stakeholders, including employees, customers, shareholders, investors, business partners, regulators, media and communities, ensuring their interests, needs and expectations inform our strategic decisions and long-term growth.

Natural
Our dedication to sustainability is reflected in initiatives that minimise environmental impact and improve resource efficiency across our land banks. From pollution control and energy efficiency to water conservation, waste management and urban biodiversity preservation, we remain committed to creating resilient, sustainable living environments for future generations.

Our Material Matters

- Emissions and Energy Management
- Waste and Water Management
- Biodiversity
- Economic Performance
- Business Model Resilience
- Supply Chain Management
- Innovation
- Product Design and Lifecycle Management
- Employee Health and Safety
- Customer Satisfaction
- Business Ethics
- Human Rights
- Community

Refer to pages 71 – 73 for more information

Our Stakeholders

- Shareholders, Analysts & Investment Community
- Customers & Clients
- Local Communities
- Financiers
- Suppliers & Contractors
- Governments & Regulators
- Joint Venture & Collaboration Partners
- Media
- Employees

Refer to pages 64 – 68 for more information

Our Key Risks

- Market Risk
- Competition Risk
- Development & Product Mitigation Risk
- Project Planning, Feasibility & Development Strategy Risk
- Sustainability Risk
- Human Capital Management Risk
- Cyber Security Risk
- Funding and Liquidity Risk
- Political and Regulatory Risk
- Work Health and Safety Risk
- Geopolitical Risk

Refer to pages 89 – 94 for more information

Our Core Strategies | Refer to page 95 for more information

Our business strategy in FY2025 was anchored on four strategic pillars: land bank management, regional growth expansion, advancing industrial expansion and identifying Real Estate Investment Trust (REIT)-worthy assets. By aligning our efforts across these pillars while leveraging our key enablers of digitalisation and innovation, we strengthen capital allocation discipline, elevate brand equity and reinforce our commitment to sustainability.

We are **S P Setia**

S P Setia is a property developer driven by a clear purpose: Creating Sustainable Communities. We plan, build and manage places where people can live, learn, work and play, supported by thoughtful design, responsible practices and long-term community value. Building on our track record across Malaysia and selected international markets, we continue to shape developments that respond to evolving lifestyle needs while strengthening resilience for the future.

Across our core segments, we focus on delivering well-planned townships and integrated developments, complemented by eco-themed and eco-industrial offerings, as well as selected niche projects. Our portfolio approach enables us to stay agile across market cycles, while keeping sustainability at the centre of how we create value for stakeholders.

Our Purpose

Creating Sustainable Communities

Our Vision

To be the leader in creating sustainable communities and enriching lifestyles

Our Mission

P	L	A	C	E	S
Product	**Leader in Transforming**	**A+ People**	**Communities at Heart**	**E-nnovation & Technology**	**Shareholders' Value**
Building homes and creating sustainable communities	To be the leader in transforming the real estate of the future	Embedding a culture of excellence to nurture the best talent	Delivering innovative products and solutions with community interests at heart	Leading the market with innovative cutting-edge tech and sustainable developments	Maximising shareholders' value

Setia

The Red Diamond

A Symbol of Legacy and Transformation

At the heart of S P Setia is the Red Diamond, a symbol of strength, clarity and progress. It reflects how we evolve with purpose: turning vision into tangible spaces, shaping connected communities, and building with long-term stewardship in mind. As we move forward, the Red Diamond anchors our identity and reinforces our commitment to deliver places that are sustainable, purposeful and enduring.

Our Core Values

S	C	R	I	P	T
Setia's Work Ethics	**Customers**	**Responsibility**	**Integrity**	**Professionalism**	**Team Setia**
Respect, support one another	Serve with passion, responsive to needs	Commitment to success, learn & grow	Honesty, reliability	Work professionally, continuous improvement	Teamwork, embrace diversity

Bandar Setia Alam, Shah Alam, Selangor

Our Investment Case

Our FY2025 performance reflects disciplined execution across our portfolio, supported by focused launches, active sales conversion and continued emphasis on governance and sustainability outcomes.

Financial Highlights

Revenue
RM4.22 billion
(FY2024: RM5.29 billion)

Profit Before Tax
RM969 million
(FY2024: RM1.12 billion)

Borrowings
RM8.0 billion
(FY2024: RM8.6 billion)

Net Gearing
0.33x
(FY2024: 0.35x)

Dividend per Share
RM2.55 sen
(FY2024: 2.88 sen)

Sales Achieved
RM5.11 billion
(FY2024: RM5.02 billion)

Business Highlights

Ongoing projects
42
(FY2024: 42)

Total Portfolio GDV
RM106.13 billion
(FY2024: RM128.59 billion)

Remaining Landbank
4,302 acres
(FY2024: 5,451 acres)

FY2025 Launches (GDV)
RM5.14 billion
(FY2024: RM5.13 billion)

Unbilled Sales
RM4.50 billion
(FY2024: RM4.09 billion)

Amari SPICE, Penang

Setia EcoHill, Semenyih, Selangor

Sustainability Highlights

64% of active contractors were certified to **ISO 14001 / ISO 45001**

41% of Group sales came from current-year launches with green features, generating **~RM2 billion** in green-enabled sales

Zero high-risk Lost Time Injuries (LTI) were recorded

The Group launched its **Sustainability Financing Framework** and received a **'Good' rating from Sustainable Fitch**

Zero labour-rights non-compliance cases were recorded

Reduced energy consumption, contributing to **lower overall Scope 2 emissions**

Women representation in senior management reached **38%**, within the 38%–40% target range.

A total of **9,667 trees were planted**

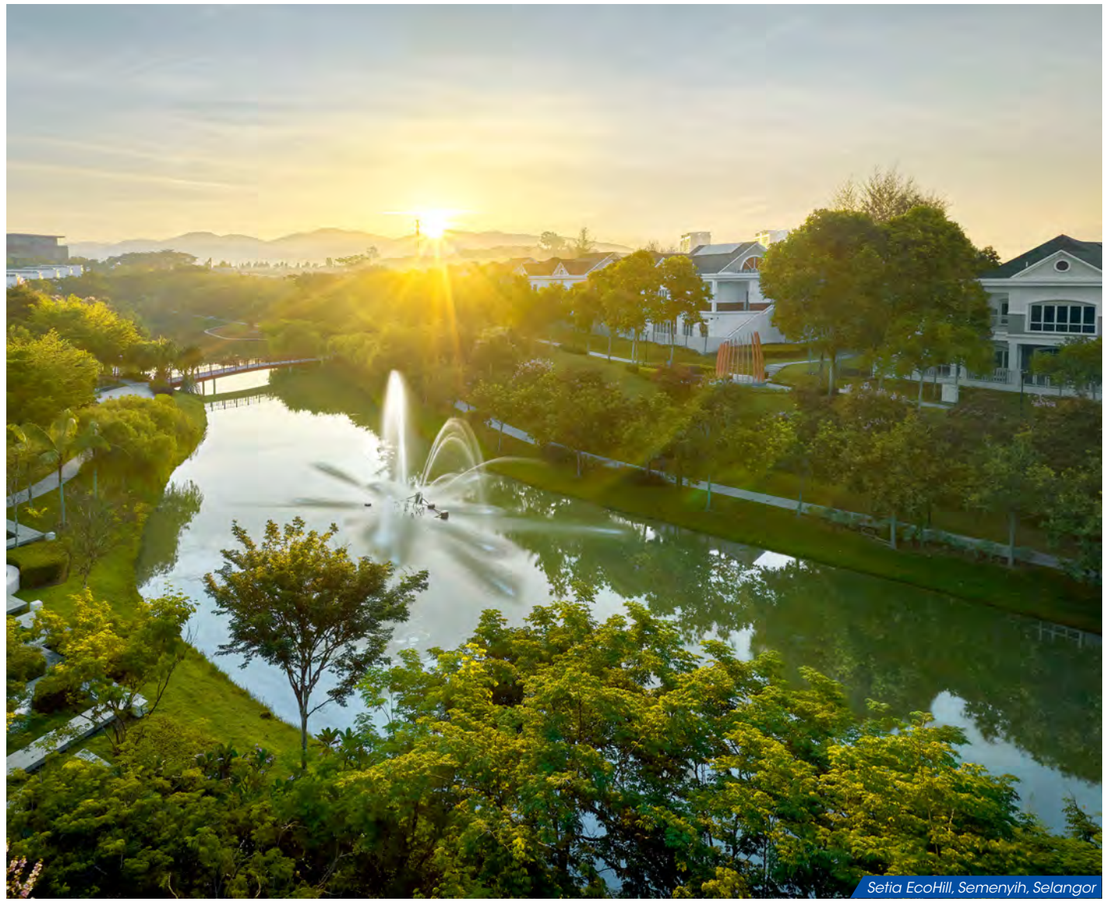
The Group recorded **zero environmental fines**, achieved **100% anti-corruption training participation**, and received **zero customer data privacy complaints**.

A **Biodiversity Policy** was formalised and uploaded to KMSOP, and **11% of trees planted** were listed on the **IUCN Red List of Threatened Species**

Sustainability @ Setia

As a leading Malaysian property developer, our contribution to society begins with a clear commitment to creating developments and townships that support sustainable communities. Guided by our 'LiveLearnWorkPlay' development philosophy, we adopt responsible development practices across our residential, commercial and industrial offerings, ensuring our business drives positive outcomes for people and planet as we simultaneously generate value for our business and stakeholders.

To deliver this consistently, we take a structured approach to embedding sustainability across the Group, while continually evaluating and strengthening our strategies in line with evolving sustainability expectations. Our Group-wide Sustainability Framework, most recently refreshed in 2022, serves as the foundation for strategies that deliver shared value for our business, people, communities and the planet.



Setia EcoHill, Semenyih, Selangor

Built around three pillars (Economic, Environmental and Social), the framework guides our progress on prioritised key sustainability matters and supports our contribution to the UN Sustainable Development Goals. Underpinned by a robust sustainability governance structure, it spurs coordinated action across the Group towards our goal of creating sustainable communities.

The identification and oversight of material sustainability matters are central to sustaining alignment between our framework and our long-term value creation agenda. We apply double materiality assessment to evaluate both impact materiality and financial materiality, with our most recent assessment conducted in 2024 and reviewed for ongoing relevance in 2025. These matters are embedded within our overarching purpose, guiding how we manage risks and opportunities that may influence value creation in the short, medium and long term.

Looking ahead, we will continue to enhance our Sustainability Framework and strengthen execution across the Group, ensuring sustainability remains embedded in how we plan, design, build and operate. By aligning performance with purpose, we aim to lead with confidence, create enduring value, and shape communities that thrive for generations.

Murai Kampung thriving in Setia's nature-embracing township

PRINCIPLES TO DRIVE SUSTAINABILITY

As we take the next steps on our sustainability journey, we are guided by our Adopt – Consolidate – Align principles, which enshrine the importance of driving collective action on sustainability in line with global standards and best practices.

Adopt

Adopt sustainability practices that are in line with:

- Bursa Malaysia's Main Market Listing Requirements in relation to the enhanced sustainability reporting framework
- The Malaysian Code on Corporate Governance 2021
- The Global Reporting Initiative Standards ("GRI")
- The IIRC's Integrated Reporting Framework Framework
- Task Force on Climate-Related Financial Disclosures ("TCFD")
- Malaysian Financial Reporting Standards ("MFRS")
- The transition to the ISSB IFRS Sustainability Disclosure Standards, namely IFRS S1 and IFRS S2

Why?
To ensure that our sustainability practices remain in line with international best practices

Consolidate

Consolidate all relevant business processes, data and information related to sustainability on an integrated database

Why?
To drive improved cohesion between sustainability and our business objectives and provide a basis for continuous improvement

Align

Ensure that our sustainability efforts are in full alignment with our business strategies and all relevant international and industry-level standards

Why?
To enable more cohesive, integrated efforts in driving sustainability across the Group

Sustainability @ Setia

SETIA SUSTAINABILITY FRAMEWORK

Organisational Purpose and Vision

Setia

Our Purpose
Creating Sustainable Communities

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

Sustainability Governance
Provides oversight of S P Setia's sustainability practices

Sustainability Themes

Economic	Environmental	Social
Sustainable, Innovative and Quality Development	**Best Practices in Environmental Management**	**Positive, Sustained Community and Social Impacts**

Key Material Matters

Economic	Environmental	Social
• Economic Performance • Innovation • Product Design & Lifecycle Management • Business Ethics • Supply Chain Management	• Emissions and Energy Management • Waste & Water Management • Biodiversity	• Employee Health & Safety • Business Model Resilience • Human Rights • Customer Satisfaction • Community

UN SDGs Alignment

Key Principles

• Stakeholder Engagement	• Anticipating & Responding to Changes in the Business Environment	• Integrating Sustainability Goals into Business Processes	• Strengthening Sustainability Practices through Continuous Learning and Environment

Key Business Processes

• Strategic Planning • Policies & Procedures	• Regulatory Compliance • Reporting & Monitoring • Assurance & Verification	• Budget & Financial Planning • Risk Management • Brand Management	• Talent Management • Digital Transformation

Key Stakeholders

- Shareholders, Analysts & Investment Community
- Financiers
- JV & Collaboration Partners
- Customers & Clients
- Suppliers & Contractors
- Media
- Local Communities
- Governments & Regulators
- Employees

Sustainability @ Setia

SUSTAINABILITY GOVERNANCE

At S P Setia, sustainability governance ensures accountability and strategic direction, with oversight by the Board and Board-level committees, and implementation led by management committees and working teams across the Group. This structure supports target-setting, performance monitoring and the effective management of sustainability-related risks and opportunities, including climate-related matters. Further details are provided in the Sustainability Corporate Governance section in the Sustainability Statement at page 134.

Board of Directors

Oversight and Guidance

Our Board of Directors play a pivotal role in shaping our sustainability journey. The Board's responsibilities include:

- Deliberating on and approving our overarching sustainability strategy
- Provide strategic guidance to our strategies and initiatives
- Overseeing the effective implementation of and monitoring our performance across our strategies and initiatives
- Ensuring the alignment of our sustainability agenda with our corporate vision and mission

Board Sustainability Committee

Strategising Priorities and Practices

To further strengthen our commitment to sustainability, we have established a dedicated Board Sustainability Committee (SC). This committee is entrusted with:

- Overseeing our sustainability framework, strategies, priorities, targets, policies and practices
- Ensuring that our initiatives align with and promote our commitment towards sustainability, contributing to our broader goals of responsible business conduct

Management Sustainability Committee

Leadership in Action

Chaired by our CEO, the Management Sustainability Committee comprises our Senior Executive Team. This committee plays a central role in translating sustainability strategies into action. Their primary responsibilities include:

- Ensuring the proper implementation, monitoring and tracking of sustainability initiatives
- Aligning our sustainability efforts with our vision and mission to reinforce the integration of sustainability into the fabric of our business

Sustainability Working Group

Driving ESG Excellence

At the operational level, the Sustainability Working Group is instrumental in driving ESG excellence. Comprising the Group Corporate Sustainability unit, appointed ESG Material Matter Leaders and Sustainability Officers, they are responsible for:

- Leading the implementation of ESG initiatives across our business
- Actively engaging with various Business Units to foster a culture of sustainability throughout the organisation
- Driving efforts to achieve continuous improvement and excellence in our sustainability practices

Sustainability @ Setia

OUR SUSTAINABILITY JOURNEY

Since adopting sustainability reporting in 2016, our commitment and action on sustainability has grown more robust over the years, as illustrated by the following milestones.

2016

Implementing Sustainability Reporting

- Published our first sustainability statement, structured based on Bursa Malaysia's Sustainability Reporting Guide

2019

Improving Our Approach

- Launched our Sustainability Framework to adopt a more structured approach towards long-term value creation
- Reaffirmed our material matters through our first stakeholder impact analysis
- Widened our scope of reporting to include all International Business Units ("IBU")
- Enhanced our data collection and analysis processes

2020

Expanding Our Capacities

- Established a dedicated Sustainability Unit under our Group Risk Integrity & Governance division
- Established a playbook to facilitate enhanced Group-wide data compilation
- Leveraged our enhanced capabilities to close gaps in our sustainability reporting

2021 - 2022

Strengthening Our Processes

- Established our Sustainability Committee to provide Group-wide oversight and steering to our sustainability agenda, strategies and initiatives
- Refreshed our materiality matrix and enhanced our Sustainability Framework to reflect the evolving priorities of our business and our stakeholders
- Established processes to drive integration of sustainability into business strategies, including the introduction of sustainability-related KPIs
- Implemented sustainability initiatives based on prioritised areas and periodic reporting mechanisms

2023 - 2024

Towards Full Integration

- Improved the implementation, tracking and monitoring of sustainability initiatives
- Fostered a culture that embraced and strived for excellence in sustainability
- Leveraged innovation and digital transformation to improve our products and the customer experience
- Committed to achieving net zero by 2050, with mid-term targets of a 45% and 70% reduction in Scope 1 and 2 emissions by 2030 and 2040, respectively
- Finalised our baseline and devised mid-term targets for our Scope 3 emissions

2024 - 2025

Advancing Sustainable Excellence

- Enhanced existing ESG KPI scorecard to align with evolving sustainability requirements
- Published the Setia Labour Rights Policy for public access
- Established, formalised and published:
  - Setia Sustainability Policy
  - Health, Safety and Environment ("HSE") Policy
  - Setia Climate Change Policy
- Developed and implemented internal Standard Operating Procedures ("SOPs") for ESG data capture and management
- Digitised ESG data collection and analysis by setting up and configuring the eDew system
- Formalised the appointment of Material Matter Leads and Sustainability Officers, ensuring direct sustainability representation across all business and corporate units
- Conducted a group-wide sustainability awareness training programme
- Provided specialised sustainability training for teams across the Group, including dedicated sessions for management and the Board
- Conducted a TCFD study to identify climate-related risks and opportunities
- Completed a double materiality assessment to align with stakeholder expectations and refresh Setia's material matters
- Established a Scope 3 emissions baseline for both landed and high-rise developments
- Engaged with the supply chain to drive Scope 3 material replacement, leading to the adoption of green cement and green concrete
- Organised Sustainability Day to promote ESG awareness among all employees

2025

Embedding Sustainability Across the Group

- Established our Biodiversity Policy in March 2025 to formalise our commitment to safeguarding nature and environment
- Conducted Group-wide training on the IFRS framework to raise awareness and equip our teams to navigate the regulatory transition towards new reporting standards.
- Implemented enterprise capability building and finance integration initiatives to identify climate-related risks and exposures at the project level
- Launched a Group-wide initiative to train teams on climate risk identification and embedded cost tagging in the accounting system to track climate-linked financial impacts
- Improved operational energy performance by mandating a 5% reduction in operational energy use across Group operations for FY2025
- Launched S P Setia's Sustainability Financing Framework in April 2025, enabling issuance of green, social, and sustainability instruments, and received a 'Good' rating from Sustainable Fitch
- Convened Setia Sustainability Day 2025 to accelerate awareness of sustainable placemaking across residential and industrial developments

Sustainability @ Setia

Sustainability @ Setia

PERFORMANCE SCORECARD

LEGEND:

On target Behind target

Economic Performance

Focus Area	Measure	FY2025 Target	FY2025 Outcome	Performance	Impact & Forward Focus
Green Value Creation	Sales from properties with green features	≥35% of Group sales	41% of Group sales from current-year launches, generating approximately RM2 billion in green-enabled sales	On target	Green-enabled developments continued to gain market traction, contributing meaningfully to Group sales while supporting the reduction of embodied emissions through sustainable product features.
Reporting & Governance	ISSB readiness	Complete by Q3	Sustainability consultant appointed and ISSB gap analysis and training initiated	On target	Early steps taken to align sustainability and financial reporting have strengthened the Group's readiness for future ISSB requirements, supporting more consistent and decision-useful disclosures.
Local Economic Contribution	Local supplier spend	≥90%	100% of procurement spend with local suppliers (contractors and consultants)	On target	Strong reliance on local suppliers helped reinforce domestic supply chains and economic resilience, while maintaining operational continuity across projects.

Innovation

Focus Area	Measure	FY2025 Target	FY2025 Outcome	Performance	Impact & Forward Focus
Sustainable Technology	Sustainability-focused technology solutions	More than two Proofs of Concept	Three proofs-of-concept (PoCs) completed on operational efficiency, flood alerts and waste monitoring.	On target	Pilot technology solutions demonstrated practical applications for monitoring, efficiency and environmental management, providing a foundation for future scaling where appropriate.
Design Efficiency	Industrialised Building System (IBS) score improvement	Increase by 3 points	IBS score improved through the adoption of new technological solutions under Part 3: IBS Score for Other Simplified Construction Solutions	On target	Improvements in design efficiency reflect continued progress in adopting industrialised building methods, supporting cost optimisation and reduced construction impacts.
Green Materials	Identification of new green materials	At least two materials	Three new green materials explored and identified (in collaboration with a local university and technology providers from industry)	On target	The identification and application of new green materials expanded options for low-carbon construction, supporting longer-term efforts to manage embodied emissions.

Sustainability @ Setia

PERFORMANCE SCORECARD

Environmental Performance

Focus Area	Measure	FY2025 Target	FY2025 Outcome	Performance	Impact & Forward Focus
Waste Management	Recycling rate	3%–5%	4% recycling rate achieved		Recycling performance was maintained during the year, with ongoing focus on improving waste segregation practices to enhance recovery rates across operations.
Water Management	Water usage reduction	1.5% reduction from 2024 baseline	55% reduction achieved across offices, sales galleries, malls and convention centres		Significant reductions in water usage reflected the effectiveness of efficiency initiatives, with continued optimisation supporting long-term resource stewardship.
Biodiversity	Formalise and publish the Biodiversity policy	Complete by Q3	Biodiversity policy formalised and uploaded to KMSOP		The formalisation of a biodiversity policy provides a clearer framework to guide conservation efforts across developments and operational sites.
Landscape Strategy	IUCN Red List tree planting	5%–10%	11% of trees planted are IUCN Red List species		Planting of IUCN Red List species contributed to stronger ecological value within landscapes, reinforcing the Group's commitment to biodiversity protection.

Climate & Emissions Management

Focus Area	Measure	FY2025 Target	FY2025 Outcome	Performance	Impact & Forward Focus
Refrigerant Management	Low-GWP refrigerant assessment	Complete by Q3	Study completed; transition requires major air-conditioning system changes		Assessment of refrigerant systems provided greater visibility on transition requirements, informing phased upgrade planning to reduce Scope 1 emissions.
Fleet Emissions	Disposal of non-replaceable vehicles	3%–5% disposal rate	4% of vehicles sold		Progress in fleet optimisation continued, with transition pathways under review to balance operational needs and emissions reduction objectives.
Scope 2 Emissions	Electricity consumption reduction	2% reduction	8% reduction achieved		Reductions in electricity usage highlighted the impact of energy efficiency measures, supporting lower operational emissions and cost savings.
Scope 3 Emissions (Employee Travel & Commuting)	Emissions reduction	2% reduction	Increase recorded due to business-related travel		Emissions trends reflected business activity patterns during the year, with future efforts focusing on travel optimisation and awareness initiatives.

Sustainability @ Setia

PERFORMANCE SCORECARD

Climate & Emissions Management

Focus Area	Measure	FY2025 Target	FY2025 Outcome	Performance	Impact & Forward Focus
Scope 3 Emissions (Embodied Carbon)	Carbon intensity reduction	Reduction at project completion stage	Increase recorded due to project lifecycle timing		Variations in embodied emissions were influenced by project lifecycle timing, with performance to be assessed more meaningfully at project completion stages.
Construction Methods	IBS score	50%–60%	52% IBS score achieved		IBS adoption supported more efficient construction processes and consistency across projects, contributing to improved productivity outcomes.
Low-Carbon Materials	Green cement and concrete usage	20% replacement	Green cement at 30% and green concrete at 52% replacement		Increased use of green cement and concrete accelerated efforts to lower embodied carbon in construction activities.
Energy Management (Electricity consumption – Offices, Mall & Convention Centre)	Electricity usage reduction against FY2024 baseline (44,411 MWh / 44,411,202 kWh)	2% reduction from FY2024 baseline	8% reduction in electricity consumption compared with FY2024 baseline		Improved energy management reduced electricity consumption. Focus will be on sustaining savings through ongoing monitoring and targeted efficiency measures.

Occupational Health & Safety

Focus Area	Measure	FY2025 Target	FY2025 Outcome	Performance	Impact & Forward Focus
Workplace Safety	Fatal incidents	Zero	Zero fatalities		The year reinforced our commitment to continuous safety vigilance, leading to strengthened controls and an elevated focus on managing high-risk activities.
Lost Time Injuries	LTI on High-Risk* Activity	Zero	No LTI recorded		The absence of high-risk LTIs reflected ongoing emphasis on hazard identification and risk management practices.
Contractor Standards	ISO 14001 & ISO 45001 certification	≥30% of awarded contracts	64% of active contractors certified		Higher contractor certification levels strengthened safety and environmental management across the supply chain.
Training	OSH training coverage	15% increase from baseline	Increased by 55%		Expanded training coverage improved safety awareness and competency, reinforcing a proactive safety culture across operations.

* High Risk in HSE refers to any activity, condition, or situation that has a high likelihood of occurrence and/or the potential to cause severe consequences, including serious injury, fatality, significant environmental damage, or major asset loss, if not adequately controlled.

Sustainability @ Setia

PERFORMANCE SCORECARD

Customer Satisfaction

Focus Area	Measure	FY2025 Target	FY2025 Outcome	Performance	Impact & Forward Focus
Customer Experience	Homebuyer satisfaction	≥75%	74.3% satisfaction rate		Customer feedback highlighted opportunities to further refine service touchpoints, guiding ongoing improvements in the homebuyer journey.
Construction Quality	CIDB QLASSIC score	≥75%	82% achieved		Strong quality assessment results reflected consistent site execution and effective quality management practices.
Regulatory Compliance	Environmental non-compliance	Zero fines	Zero fines		Zero fines recorded during the year demonstrated disciplined compliance monitoring and responsible operational practices.
Governance Awareness	Employees' Anti-Corruption Training	>90% staff participation	100%		Comprehensive training strengthened employee awareness of ethical conduct, supporting sound governance practices.
Data Privacy & Protection	Customer data privacy and protection	Zero complaints	Zero complaints		Robust data protection measures remained in place to safeguard customer information and maintain trust.

Community & Social Impact

Focus Area	Measure	FY2025 Target	FY2025 Outcome	Performance	Impact & Forward Focus
Labour Rights	Labour rights compliance	Zero non-compliance	Zero cases		Sustained compliance with labour standards reinforced fair and responsible employment practices across the Group.
Diversity	Women in senior management	38%–40%	38% representation		Progress in leadership diversity reflected continued efforts to build a balanced and inclusive management structure.
Volunteerism	Employee volunteer participation	Increase from baseline	Lower participation recorded		Lower volunteer participation highlighted the need to refresh engagement approaches to encourage broader involvement.
Community Engagement	Social programmes delivered	≥20 programmes	24 programmes completed		Delivery of community programmes supported meaningful social impact, particularly for targeted beneficiary groups.
Neighbourhood Engagement	Community events	≥3 major events	Six events completed		Community events strengthened local relationships and fostered greater social cohesion around developments.

Our Competitive Advantage

Multi-award-winning Developer

Recognised across key industry platforms for development quality, placemaking and sustainability credentials.

Leading the way in sustainable eco-themed development

We embed green planning principles, nature integration and community liveability features across priority townships and flagship developments.

Unbilled sales:

RM4.50 billion

Provides near-term earnings visibility supported by active project progress and delivery discipline.

Landbank assets:

RM106.13 billion in GDV

Backed by 4,302 acres of remaining gross land, enabling phased, demand-led launches.

Building world-class developments

A diversified track record across township, integrated, residential and mixed-use developments, supported by strong execution partners.

Resilient property portfolio

Balanced exposure across township developments, eco-themed offerings, eco-industrial developments and investment properties to navigate market cycles.

Presence in 5 countries

Anchored in Malaysia with selected international developments that broaden capability and market insight.

Setia City Convention Centre, Shah Alam, Selangor

Portfolio at a Glance

S P Setia's core business is property development, with a portfolio spanning township, integrated, industrial, eco-themed and niche developments. Anchored in Malaysia, we also maintain an international presence in selected markets, allowing us to apply diverse development experience while staying focused on disciplined portfolio execution.

Core Business Segments

Property Development

Our property development segment covers township, integrated, industrial, eco-themed and niche projects across Malaysia and selected international markets including United Kingdom, Australia, Vietnam and China. In Malaysia, our presence is underpinned by established developments in the Central Region, complemented by a growing footprint in the Northern (Penang), Southern (Johor) and Eastern (Sabah) regions.

A full project directory and location map is available on *https://spsetia.com/our-businesses/#development.*

Our primary focus lies in property development, emphasising the following product types:

Township Developments
Integrated, master-planned communities designed for long-term liveability.

Eco-themed Developments
Nature-forward townships that elevate well-being and environmental stewardship.

Eco-industrial Developments
Future-ready industrial parks supporting sustainable industrial growth.

Integrated Developments
Connected urban nodes combining homes, commerce and mobility.

Niche Developments
Targeted products in high-demand locations and segments.

Setia Eco Gardens, Johor Bahru, Johor

Eco-Industrial Developments

Our Eco-Industrial Development segment responds to rising demand for sustainable, future-ready industrial solutions. With a strong presence in key growth regions such as Penang, Selangor and Johor, we focus on developing eco-industrial parks supported by enabling infrastructure, tailored for data centres, advanced manufacturing and integrated industrial ecosystems.

We incorporate environmental considerations into planning and design to support both economic growth and sustainability outcomes.

Investment Properties

Our property-related businesses include a diversified portfolio of investment properties that provide recurring income and support long-term portfolio resilience. These assets span:

Setia's Operating Footprint

S P Setia's core market is Malaysia, where the Group's business model is anchored by the planning and delivery of integrated townships and well-connected mixed developments. Value is created through disciplined landbanking, customer-led product planning, and end-to-end execution across design, approvals, construction, sales and post-completion township stewardship, supported by close collaboration with contractors, suppliers, consultants and local authorities.

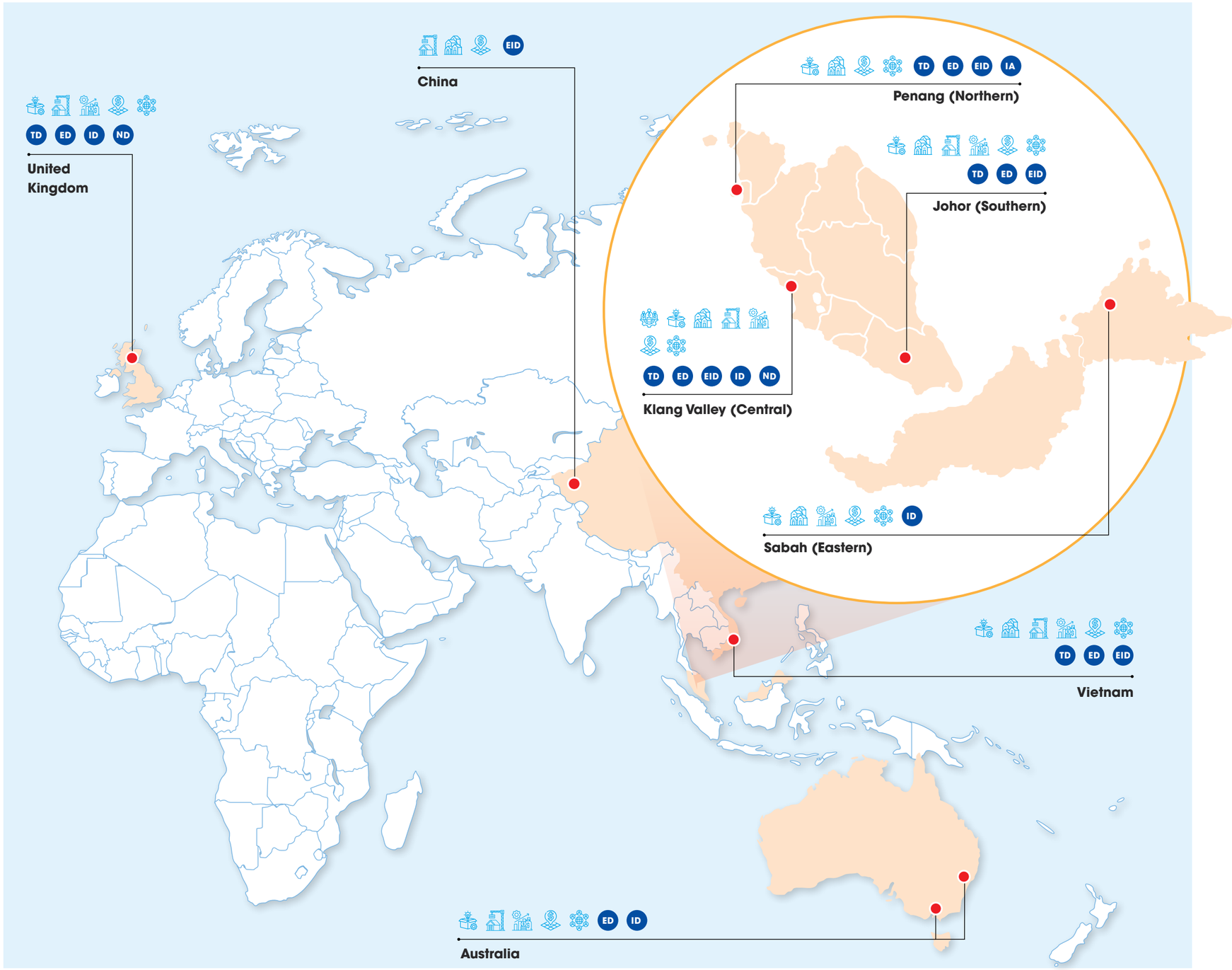
Beyond Malaysia, S P Setia maintains a presence in key international markets through a focused portfolio of developments and strategic investments, aligned to location fundamentals and partnership opportunities. These activities complement the Group's domestic platform by diversifying exposure and extending development capabilities, while remaining selective and disciplined in capital allocation and project execution across markets where the Group has established operations or projects.

BUSINESS ACTIVITIES

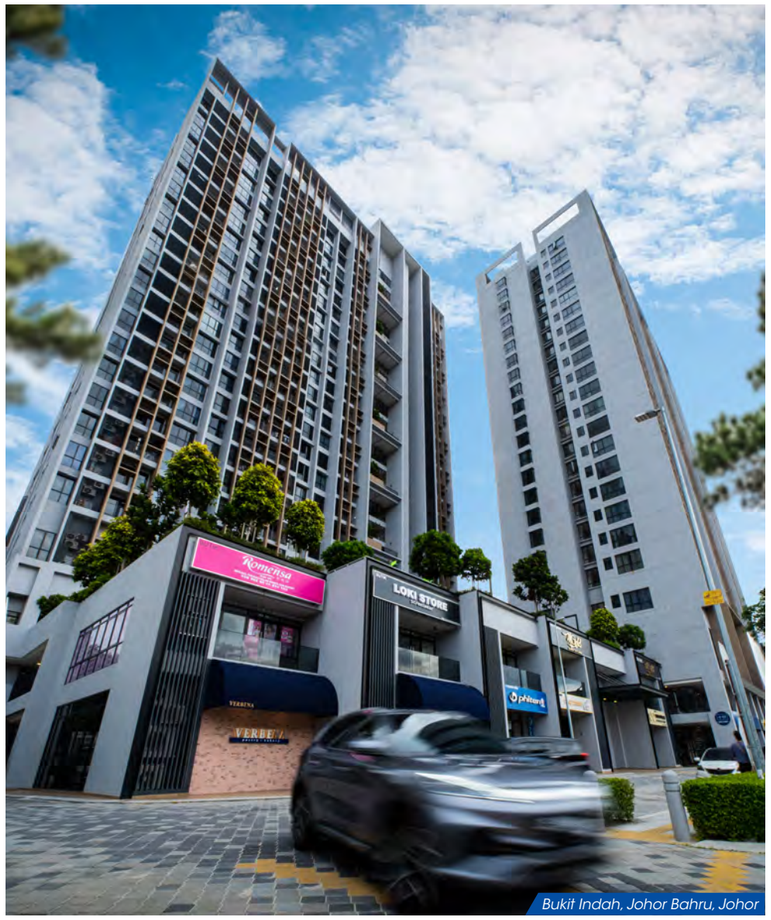
- **Corporate / Governance** (HQ + key governance oversight)
- **Development Delivery** (active projects: planning approvals construction handover)
- **Industrial Platforms** (incl. eco industrial developments / business parks)
- **Investment Assets** (commercial/retail/hospitality/MICE assets & asset management)
- **Pipeline / Landbank** (future-ready pipeline & landbank positioning)
- **Partners & Supply Chain** (JV partners + key delivery ecosystem)
- **Township & Integrated Platforms** (large-scale / multi-component developments)

PRODUCT PORTFOLIO

- TD Township Development
- ED Eco-themed Developments
- EID Eco Industrial Developments
- ID Integrated Developments
- ND Niche Developments
- IA Investment Assets



Distinctive Developments



Bukit Indah, Johor Bahru, Johor

Township Developments

CENTRAL
- Setia Alam
- Setia City
- Setia EcoHill
- Setia EcoHill 2
- Setia Mayuri
- Setia Alamsari
- Bandar Kinrara
- Setia Bayuemas
- Alam Damai
- Setia AlamImpian
- Temasya Glenmarie

NORTHERN
- Setia Fontaines
- Setia Pearl Island
- Setia Greens

SOUTHERN
- Setia Indah
- Setia Tropika
- Setia Eco Cascadia
- Bukit Indah
- Setia Eco Gardens
- Taman Perling
- Taman Pelangi
- Taman Rinting
- Taman Industri Jaya
- Taman Pelangi Indah

Setia Eco Glades, Cyberjaya, Selangor

Eco-Themed Developments

CENTRAL
- Setia Eco Park
- Precinct Arundina @ Setia Eco Park
- Setia Eco Templer
- Setia Eco Glades
- Setia Safiro
- Setia Warisan Tropika

Aeropod, Kota Kinabalu, Sabah

Setia Fontaines, Penang

Setia Seraya Residences, Putrajaya

EcoXuan, Lai Thieu, Vietnam

Battersea Power Station, United Kingdom

Integrated Developments

CENTRAL
- KL Eco City
- Setia Federal Hill

EASTERN
- Aeropod

Eco Industrial Developments

CENTRAL
- Setia Alaman, Selangor

NORTHERN
- Setia Fontaines, Penang

Niche Developments

CENTRAL
- Setia Putrajaya
- Setia Trio
- Setia Sky Seputeh
- Setia Seraya Residences

International Developments

VIETNAM
- EcoLakes, My Phuoc
- EcoXuan, Lai Thieu

AUSTRALIA
- UNO, Melbourne
- Sapphire by the Gardens

UK
- Battersea Power Station

Awards, Indices & Ratings

S P Setia's track record of award wins reflects a long standing commitment to setting new benchmarks in quality, innovation and execution across its developments. A standout achievement is the Group's distinction as the only Malaysian developer to receive a total of 19 FIABCI World Gold Prix d'Excellence Awards, an international recognition conferred by the International Real Estate Federation (FIABCI). Complementing this global standing, the Group has also garnered 19 FIABCI Malaysia Property Awards to date, reinforcing the consistency of its delivery excellence at home. This leadership is further underscored by S P Setia's exceptional performance at The Edge Malaysia Top Property Developers Awards (TPDA), where it has secured the No. 1 position an unprecedented 14 times at The Edge Malaysia Property Excellence Awards (TEPEA). In 2025, Setia continued to lead by topping the Best in Quantitative Attributes category and achieving No. 2 overall in the TPDA rankings, reflecting the Group's sustained focus on delivering exceptional projects that set industry benchmarks.

Putra Brand Awards 2024

Property category (Silver)

Rosa Sinensis Award 2025

5-Star Rating

Project: Setia Fontaines Heritage Park

FIABCI World Prix D'Excellence Awards 2025

High-rise Category
- **Residential**

Project: Sapphire by The Gardens, Melbourne, Australia

Low-rise Category
- **Residential**

Project: Setia Eco Templer, Malaysia

Malaysia Developer Awards 2025

Top of the Chart (RM1 Billion and Above) Category
- **Top 10**

Project: S P Setia Bhd (Setia)

Malaysia Landscape Architecture Awards (MLAA15) 2025

Developer Category
- **Landscape Development Awards**

Project: LakePoint Park, Setia AlamImpian and Setia Utama P11, Setia Alam

CIDB QUEST 2025 Awards

QLASSIC (Quality Assessment System in Construction) Excellence Award

Project: Caralyn, Setia Alamsari

FIABCI - Malaysia Property Award 2025

Housing Residential Landed Category

Project: Precinct Arundina, Setia Eco Park

MIP Planning Excellence Awards (MIPPEA) 2024

Large Scale Masterplan
- **Placemaking & Public Space (Gold Award)**

Project: Setia AlamImpian

- **Medium Scale Masterplan (Bronze Award)**

Project: Nusa Cinta, Setia Fontaines, Penang

The Edge Malaysia Best Managed & Sustainable Property Awards (BMSPA) 2025

The Edge
- **ILAM Malaysia's Sustainable Landscape Award**
- **Landscape Planning Category**
- **Residential**

Project: LakePoint Park, Setia AlamImpian

Multiple-Owned Strata Residential Category

Project: Setia Safiro

Malaysian Association of Risk and Insurance Management (MARIM) Awards 2025

Champion: Corporate Risk Leadership Award (Puan Nuranisah Mohd Anis)
Top 5: Risk Culture Excellence Award

Malaysia Business Events Awards (MBEA) 2025

Business Catalyst Excellence (ESG Practices)

Project: Setia City Convention Centre

Purpose-Built Venue Excellence (15,000 sqm+)

Project: Setia SPICE Convention Centre

MyPLACE Awards 2025

Special Mention
- **Category 3: Community and Neighbourhood Park (Subcategory 3A: Public Park)**

Project: Active Park @ Setia Utama

The Edge Malaysia Property Excellence Awards (TEPEA) 2025

Top 10 Property Developers Awards Category (Ranked: No. 2)

Best in Quantitative Attributes Category

1. CIDB QUEST Awards
2. Putra Brand Awards
3. The Edge Best Managed & Sustainable Property Awards (BMSPA)
4. FIABCI – Star Malaysia Developer Awards 2025
5. FIABCI – World Prix d'Excellence Awards - Sapphire by The Gardens
6. FIABCI – World Prix d'Excellence Awards - Setia Eco Templer
7. MIP Planning Excellence Awards – GOLD
8. MIP Planning Excellence Awards – BRONZE
9. Malaysia Landscape Architecture Awards - Setia AlamImpian
10. Malaysia Landscape Architecture Awards - Setia Utama
11. FIABCI - Malaysia Property Award 2025 Precinct Arundina
12. The Edge Malaysia Top Property Developer Awards (TPDA) 2025
13. National Corporate Governance & Sustainability Award (NACGSA)

Awards, Indices & Ratings

The Edge Property Excellence Awards 2025

Indices Representation & Credit Ratings

BURSA MALAYSIA

FTSE4Good

MARC

Partnerships Snapshot*

KWSP EPF

PNB Permodalan Nasional Berhad

Sime Darby Property

Great Eastern A member of the OCBC Group

MITSUI FUDOSAN GROUP

TENAGA NASIONAL Better. Brighter

SETIA HARUMAN

TABUNG HAJI

LTAT

Amari BRIGHTEN YOUR WORLD

GSPARX Evolve · Sustain · Value A subsidiary of Tenaga Nasional Berhad

lendlease

QUALITAS health

TENBY SCHOOLS

* Key selected partners

Corporate Structure

As at 25 March 2026

Corporate Structure
As at 25 March 2026

Setia

PROPERTY DEVELOPMENT

- 100% Bandar Setia Alam Sdn Bhd
  - 50% Greenhill Resources Sdn Bhd
  - 100% Setia Alam Recreation Sdn Bhd
  - 100% Setia Eco Park Recreation Sdn Bhd
  - 100% Setia HS KL Sdn Bhd
  - 100% Setia HS Png Sdn Bhd
- 50% Bandar Eco-Setia Sdn Bhd
- 100% Bukit Indah (Johor) Sdn Bhd
- 100% Setia Indah Sdn Bhd
- 100% Shabra Development Sdn Bhd
- 100% Syarikat Kemajuan Jerai Sdn Bhd#
- 100% Setia Promenade Sdn Bhd
- 70% Bukit Indah Property Management Sdn Bhd
- 100% Sendiman Sdn Bhd
- 100% Exceljade Sdn Bhd
- 100% Aeropod Sdn Bhd
- 70% Setia Eco Glades Sdn Bhd
- 70% Kemboja Mahir Sdn Bhd
  - 100% Ganda Anggun Sdn Bhd
- 100% Kewira Jaya Sdn Bhd
  - 100% Kay Pride Sdn Bhd
- 60% Setia Putrajaya Sdn Bhd
  - 100% Setia Putrajaya Development Sdn Bhd
- 100% KL Eco City Sdn Bhd
- 100% Setia International Limited
  - 100% Setia MyPhuoc Limited
    - 57.25% SetiaBecamex Joint Stock Company
  - 95% Setia Lai Thieu Limited
    - 100% Setia Lai Thieu One Member Company Limited
  - 100% Setia Australia Limited
    - 100% Setia (Melbourne) Development Company Pty Ltd
    - 100% Setia St Kilda (Melbourne) Pty Ltd
    - 100% Setia Carnegie Pty Ltd
    - 100% Setia A'Beckett (Melbourne) Pty Ltd
  - 40% Battersea Project Holding Company Limited & subsidiaries
  - 40% Battersea Power Station Development Company Limited & subsidiaries
  - 40% Battersea Power Station Estates Limited
- 100% Setia Alamsari Sdn Bhd
- 100% Setia City Development Sdn Bhd
- 100% Gita Kasturi Sdn Bhd
- 100% Setia Ecohill 2 Sdn Bhd
- 100% Setia Square Ventures Sdn Bhd
- 100% Setia Fontaines Sdn Bhd
- 100% Setia Federal Hill Sdn Bhd
- 100% Setia Bina Raya Sdn Bhd
- 100% Intra Hillside Sdn Bhd
- 100% Setia Eco Templer Sdn Bhd
  - 100% Setia Eco Templer Recreation Sdn Bhd
- 100% Setia Eco Land Sdn Bhd
- 100% Setia Ecohill Sdn Bhd
  - 100% Setia Ecohill Recreation Sdn Bhd
  - 51% Setia MF Ecohill Sdn Bhd
  - 100% Setia (Bukit Timah) Pte Ltd
- 100% S P Setia International (S) Pte Ltd
- 100% Wawasan Indera Sdn Bhd
- 70% Setia Safiro Sdn Bhd
- 100% S P Setia Eco-Projects Management Sdn Bhd
- 100% Futurecrest (M) Sdn Bhd
  - 70% Kesas Kenangan Sdn Bhd
- 45% Qinzhou Development (Malaysia) Consortium Sdn Bhd
  - 49% China-Malaysia Qinzhou Industrial Park(Guangxi) Development Co., Ltd.
- 100% Setia SFH Ventures Sdn Bhd
  - 51% Setia MF SFH Development Sdn Bhd
- 100% Setia International Japan Co. Ltd.
  - 51% / 49% Setia Osaka Tokutei Mokuteki Kaisha
- 100% Setia Japan Holding Sdn Bhd
- 100% Setia International (Australia) Limited
  - 100% Setia Sydney Pty Ltd
  - 100% Setia La Trobe Pty Ltd
  - 100% Setia Carlton Pty Ltd
- 100% I & P Group Sdn Berhad
  - Appendix A as attached

CONSTRUCTION

- 100% Setia Readymix Sdn Bhd
- 100% Setia Precast Sdn Bhd
- 60% Suharta Sdn Bhd*
  - 51% Suharta Development Sdn Bhd*
  - 60% Yunikhas Sdn Bhd *(dissolved 18.02.2020)*
    - *8% investment in Yunikhas Sdn Bhd is held by S P Setia Berhad*
    - *10 % investment in Yunikhas Sdn Bhd is held by Manih System Construction Sdn Bhd*
  - 100% Aneka Baru (M) Sdn Bhd#

MANUFACTURING/ INVESTMENT & PROPERTY HOLDING/ PROPERTY MANAGEMENT/ OTHERS

- 100% Setia-Wood Industries Sdn Bhd
  - 100% S P Setia Marketing Sdn Bhd
- 100% S P Setia Management Services Sdn Bhd#
- 100% S P Setia PMC Sdn Bhd
- 100% S P Setia Technology Sdn Bhd
- 49% PTB Property Developer Sdn Bhd*
- 100% Setia Eco Green Sdn Bhd
- 100% Pelita Mentari Sdn Bhd
- 100% Flexrise Projects Sdn Bhd
- 100% S P Setia Property Services Sdn Bhd
- 100% Indera Perasa Sdn Bhd
- 100% S P Setia DMC Sdn Bhd
- 100% Setia EM (Central) Sdn Bhd#
- 100% Setia IP Holdings Sdn Bhd
- 100% Eco Meridian Sdn Bhd
- 100% S P Setia Project Management Sdn Bhd
- 100% Setia HC Ventures Sdn Bhd
  - 49% Setia City Healthcare Sdn Bhd

* In Creditors' Voluntary Liquidation
\# In Members' Voluntary Liquidation

APPENDIX A *(from page 32)*

100% I & P GROUP SDN BERHAD

- 100% I & P Setiawangsa Sdn Bhd
- 100% I & P Menara Sendirian Berhad
- 99% I & P Alam Impian Sdn Bhd
- 70.09% Syarikat Perumahan Pegawai Kerajaan Sdn Bhd
  - 100% Plaza Damansara Sdn Bhd
- 51% Perumahan Kinrara Berhad
  - 100% Kinrara Urusharta Sdn Bhd#
  - 51% / 25.9% I & P Kota Bayuemas Sdn Bhd
- 100% Petaling Garden Sdn Bhd
  - 100% Biltmore (M) Sdn Bhd
  - 100% Setia Mayuri Sdn Bhd
  - 66.06% Temasya Development Co Sdn Bhd
    - 100% Alpine Affluent Sdn Bhd
    - 100% Scenic Promenade Sdn Bhd
  - 70% / 30% PG Resorts Sdn Bhd
- 100% Pelangi Sdn Bhd
  - 100% Yukong Development (Pte) Limited
  - 89.14% Taman Gunong Hijau Sdn Bhd
  - 35% Tanah Sutera Development Sdn Bhd
- 100% I & P Multi Resources Sdn Berhad
  - 100% Yong Peng Realty Sdn Bhd#
  - 100% Peninsular Land Development Sdn Berhad
  - 100% I & P Supply Berhad
  - 100% I & P Development Sdn Bhd
  - 100% I & P Inderawasih Jaya Sdn Bhd
  - 100% I & P Nibong Sdn Bhd
  - 100% Perusahaan Minyak Sawit Bintang Sendirian Berhad#
  - 100% Pelangi Concrete Industries Sdn Bhd
  - 20% Fahim-I Hitech Sdn Bhd

Corporate Diary and Highlights

JANUARY 2025

16 Jan

Prime Minister's Visit to Battersea Power Station

24 Jan

Malaysian Institute of Planners Planning Excellence Awards 2025

FEBRUARY 2025

18 Feb

Chinese New Year Luncheon and CEO Dialogue

MARCH 2025

3 Mar

Signing of the Memorandum of Collaboration between S P Setia and Penang Development Corporation

APRIL 2025

11 Apr

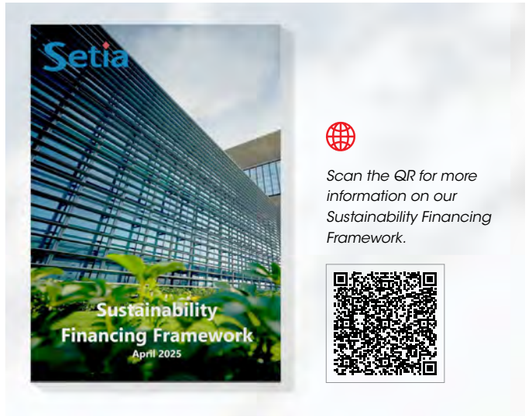
Hari Raya Open House with Business Associates at Amari Kuala Lumpur

24 Apr

50th Annual General Meeting

29 Apr

Launch of Setia Sustainability Financing Framework



MAY 2025

9 May – 31 Aug

Setia Mad About Homes Sales Campaign

15 May

StarProperty Awards 2025

26 May

CEO and COO Dialogue with Business Associates

JUNE 2025

12 Jun

FIABCI World Prix D'Excellence Awards 2025 in Lagos, Nigeria

JULY 2025

15 Jul

The Edge Best Managed & Sustainable Property Awards 2025

17 Jul

Majlis Penghargaan Kecemerlangan Pemaju Hartanah 2025

26 Jul

Groundbreaking Ceremony of Setia Gardens Residences, Vietnam

AUGUST 2025

26 Aug

Setia Governance Risk & Audit Forum 2025

OCTOBER 2025

8 Oct

Joint Venture Signing Ceremony between Setia EcoHill Sdn Bhd & Mitsui Fudosan (Asia) Malaysia

10 Oct

Setia Secret Stash Media Launch

16 Oct

The Star Malaysia Developer Awards 2025

27 Oct

Soft Launch of Setia Edenia at EcoXuan, Vietnam

NOVEMBER 2025

8 Nov

Malaysia Property Award™ 2025

10 Nov

The Edge Property Excellence Awards 2025

25 Nov

Signing of AEON Style as Anchor Tenant at Setia EcoHill

DECEMBER 2025

13 Dec

Setia Annual Dinner 2025

Leadership is the capacity to translate vision into reality.

Setia Warisan Tropika, Sepang, Selangor

Key Messages

Message from Our Chairman 40

From the Desk of Our President and Chief Executive Officer 50

Message from Our Chairman

Dear Shareholders,

In 2025, S P Setia continued to build from a position of strength. Guided by a disciplined strategy execution and powered by the dedication of Team Setia, we strengthened our fundamentals, propelled strategic expansion and reinforced our leadership in sustainable development.

Y. A. M. TAN SRI DATO' SERI SYED ANWAR JAMALULLAIL

Chairman

Setia Warisan Tropika, Sepang,Selangor

NAVIGATING THE EXTERNAL LANDSCAPE

The global macroeconomic landscape in 2025 was defined by what can best be described as tenuous resilience. While the year avoided a systemic recession, global growth moderated to its weakest pace in decades outside of major crises, shaped by heightened trade tensions, shifting geopolitical alignments and persistent policy uncertainty. These dynamics have contributed to a more cautious investment climate and a reordering of global trade and capital flows.

Against this backdrop, Malaysia emerged as one of Southeast Asia's stronger performers. GDP growth is projected at between 4.7% and 5.0%, supported by resilient domestic demand, targeted fiscal measures and sustained investment activities. The Ringgit also ranked among Asia's top-performing currencies in 2025, reflecting renewed investor confidence and improved external balances.

National policy direction continued to play a catalytic role. The Government's industrial and digitalisation agenda — reinforced through successive Budgets and the New Industrial Master Plan 2030 — is accelerating Malaysia's transition towards high-value manufacturing, digital infrastructure and green energy integration. Significant investments by leading global technology players have further strengthened the country's positioning as a rising digital and data hub. These developments are structurally positive for the industrial property segment, where the Group sees strong and durable growth potential.

The residential sector also benefited from supportive measures, particularly those aimed at first-time homebuyers and affordable housing, alongside incentives to spur urban regeneration and the renewal of ageing city precincts. Together, these initiatives continue to underpin demand across selected residential segments.

Notwithstanding these positive tailwinds, cost pressures remain a key industry challenge. Increases in minimum wages and the rationalisation of fuel subsidies have created a ripple effect across logistics, labour and material costs, contributing to margin compression across the property development value chain.

Supported by robust fundamentals and a disciplined strategy for diversified growth, we nevertheless remain well-positioned to navigate near-term challenges while continuing to shape the future of Malaysian integrated real estate with confidence and purpose.

PRESERVING SALES MOMENTUM

Backed by agile development strategies and strong sales and marketing execution, we delivered resilient performance in 2025, surpassing our RM4.8 billion target to record RM5.11 billion in sales. Unbilled sales also increased by 10.0% to RM4.50 billion, signalling steady demand and providing improved earnings visibility for the Group.

This performance reflects the Group's ability to deliver products that respond to evolving customer expectations, launched with discipline and aligned to market demand. The Southern and Central regions remained the largest contributors to profitability, supported by sustained demand momentum and enhanced cost efficiencies. Importantly, our results across residential, industrial and other property segments underscore the progress we have made in managing and rebalancing the portfolio to strengthen resilience across market cycles.

MAXIMISING LAND BANK VALUE

We continued to optimise value from our land bank through catalytic collaborations that enhance the appeal and innovativeness of our developments, while accelerating execution and strengthening capital efficiency. In 2025, this included strategic partnerships with international industry leaders.

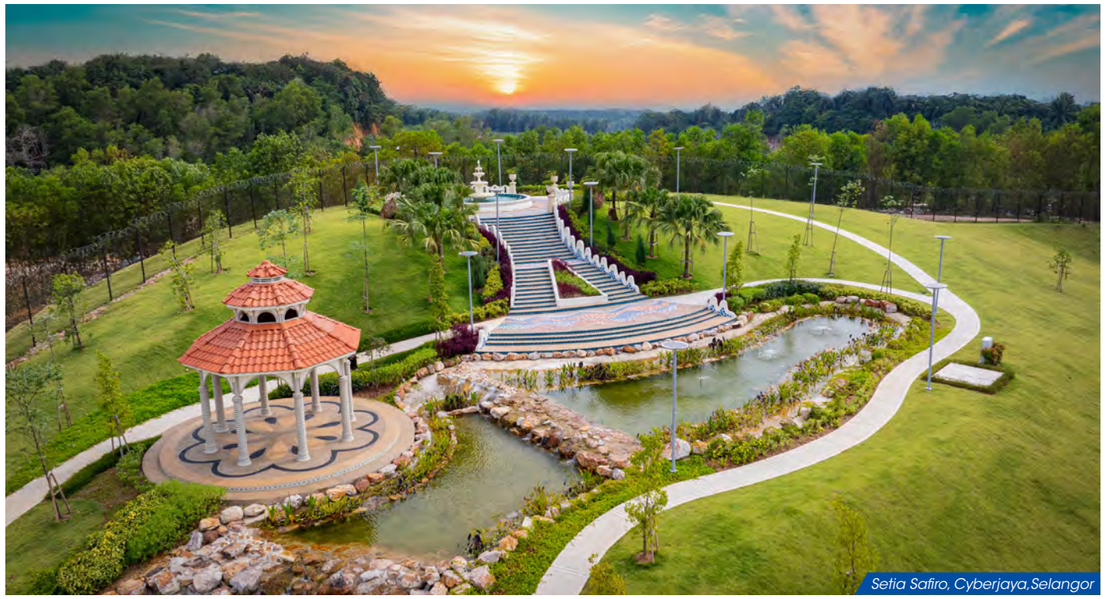
In Semenyih, Setia formed a joint venture with Mitsui Fudosan (Asia) Malaysia Sdn Bhd to develop a 45.7-hectare freehold residential project within Setia EcoHill with an estimated GDV of RM1.3 billion, leveraging our combined strengths to deliver world class residential offerings.

Joint Venture Signing Ceremony between Setia EcoHill Sdn Bhd & Mitsui Fudosan (Asia) Malaysia

Message from Our Chairman

STRENGTHENING ESG INTEGRATION AND CLIMATE READINESS

Sustainability remains a core pillar of S P Setia's long-term strategy, shaping how we plan, build and steward communities for enduring value. In 2025, we continued to advance our ESG commitments across the Group, with a key milestone being the formalisation of the Setia Biodiversity Policy in March 2025. This policy will be applied across our development planning activities, reinforcing our commitment to safeguarding nature and land stewardship.



Setia Safiro, Cyberjaya,Selangor

In parallel, we continued to drive environmental sustainability and green innovation across our projects, and I am encouraged to see these efforts recognised. In 2025, Setia Federal Hill achieved Malaysia's first LEED Neighbourhood Development Platinum certification — the highest rating awarded by the US Green Building Council (USGBC) — underscoring our ability to deliver future-ready developments to globally respected standards.

We also took purposeful steps to strengthen climate governance and disclosure readiness. In line with the IFRS reporting frameworks mandated by Bursa Malaysia, we conducted Group-wide training to equip our teams to meet new disclosure requirements, while enhancing internal processes to identify climate-related risks and exposures at the project level and to track climate-linked financial impacts within our accounting systems. Reflecting this progress, we are pleased to include our inaugural International Sustainability Standards Board Statement (ISSB) within this year's sustainability disclosures, providing deeper transparency on how we identify and manage physical, transition and financial risks related to climate and sustainability.

Operationally, we reinforced a unified approach to emissions reduction by mandating a 5% reduction target in energy use across operations. Through a combination of energy efficiency measures and continued adoption of solar renewable energy, we achieved an actual reduction of 7% during the year.

Beyond operational initiatives, we established a Sustainability Financing Framework aimed at enhancing transparency and disclosures for investors and stakeholders. The framework enables the issuance of green, social and sustainability instruments aligned with industry best practices and relevant guidelines, supporting eligible projects such as renewable energy adoption, pollution prevention and affordable housing. We were encouraged to receive a 'Good' rating from Sustainable Fitch following their assessment of the framework.

Message from Our Chairman

The progress made in 2025 reflects our determination to embed sustainability into every aspect of the Group's business and operations. Guided by clear internal frameworks and implementation — including the Setia Green Roadmap and Setia eGreenLiving — and anchored by our Net Zero by 2050 ambition, we shall continue to take deliberate, forward-looking steps to raise the bar for sustainable development in Malaysia.

EMPOWERING TEAM SETIA

To ensure our people remain equipped and empowered to deliver the Group's long-term ambitions, we stepped up talent development efforts in 2025 through a focused capability-building agenda across Team Setia, centred on agile execution, leadership continuity and technical excellence.

We strengthened organisational agility through structured programmes for employees at different levels, including Agile@Work for executives and Agile Leadership for managers and above — sharpening productivity, decision-making and problem-solving capabilities to build a more adaptive and resilient organisation. In parallel, we accelerated our leadership pipeline through two dedicated initiatives: the Advanced Leadership Acceleration Programme for Managers and Senior Managers to develop high-impact people leaders, and the Strategic Leadership Acceleration Programme for Heads of Department and Deputy General Managers, enabling leaders to navigate complexity and lead effectively in fast-changing environments while reinforcing business continuity.

Setia Sustainability Day 2025

Alongside capability building, we continued to prioritise employee wellbeing and a strong sense of belonging. Highlights included a dedicated Wellness Day featuring a range of health-focused initiatives, our annual International Women's Day celebration, festive luncheons, Setia Sustainability Day 2025 and our annual dinner — fostering unity, reinforcing shared purpose and recognising the commitment of our people.

Engagement from leadership remained a priority. Our new President and Chief Executive Officer, Datuk Zaini Yusoff, continued our tradition of close connection with employees through his inaugural 'turun padang' sessions, providing an open platform for colleagues to share ideas, ask questions and build trust with the new leadership.

These efforts delivered tangible outcomes. Our People Pulse Survey score rose markedly from 71% in 2024 to 85% in 2025, while the 'Managerial' dimension improved from 80% to 88% — affirming stronger engagement, improved leadership effectiveness and a workplace culture that values talent and diversity, growing progressively in the competitive job market.

Message from Our Chairman

UPHOLDING TRUST, LEADING WITH INTEGRITY

Robust governance and a zero-tolerance stance on bribery and corruption remain the bedrock of S P Setia's sustainability and long-term success.

Building on the milestones achieved in 2024 — including the renewal of our Corporate Integrity Pledge, the launch of our Zero Tolerance logo during the inaugural Setia Integrity Day, and the attainment of ISO 37001 Anti-Bribery Management System certification from NIOSH Certification Sdn Bhd — we continued to advance the initiatives under Setia's three-year Anti-Corruption Plan (SACP) 2024–2026.

As at 2025, we have completed 22 initiatives under the SACP, supported by sustained employee engagement to strengthen an integrity-led culture across the Group. This included targeted programmes such as the Annual Integrity & Governance Champion (IGC) Award and the Annual Integrity Quiz, which also serve as KPI benchmarks across Setia business and corporate units.

Setia Governance Risk & Audit Forum 2025

Message from Our Chairman

Ethics training and awareness remained a priority throughout the year. We conducted 31 training sessions in 2025, complemented by the Setia Integrity Clinic to reinforce expected standards and practical decision-making in day-to-day operations. Engagement with business partners continued through our annual integrity message for business associates and ongoing roadshows, supported by talks and knowledge-sharing sessions with key stakeholders.

Looking ahead, the Board remains steadfast in fortifying governance frameworks, embedding ethical practices and enhancing stakeholder communication channels. Through the Risk Management Committee, we are strengthening processes for handling public feedback and complaints, with an emphasis on expediting investigations and ensuring timely, effective responses. Through these collective efforts, we shall continue to protect the trust placed in us and uphold the integrity that underpins our licence to operate.

REWARDING SHAREHOLDERS

S P Setia remains committed to rewarding shareholders in line with the Group's financial performance. For the financial year 2025, the Board declared a single-tier dividend of 2.55 sen per share. This reflects our balanced approach in capital management — delivering shareholder returns while strategically manage our earnings to fund growth priorities, strengthen resilience and optimise longer-term capital realisation.

SUPPORTING RESILIENT COMMUNITIES VIA SINCERELY, SETIA

Community empowerment remains a defining pillar of S P Setia's purpose-led approach to value creation. Through Sincerely, Setia, our flagship social impact platform, we continued to translate intent into meaningful action in 2025, reaching underserved communities through targeted programmes in Disaster Relief, Community and Health, Education and Unity.

Setia Care Christmas

Our employees also continued to engage meaningfully, contributing 3,613 volunteer hours as Team Setia came together to extend care, strengthen resilience and create positive impact for society.

> **"During the year, we increased our community investment by more than 150%, contributing RM1,346,513 to support 5,442 beneficiaries."**

Message from Our Chairman

Misi Bantuan Bencana Monsun Timur Laut

Disaster Relief

In times of crisis, we are committed to standing with communities in need. In 2025, the Group mobilised timely disaster relief efforts in collaboration with trusted partners, extending support to flood-affected communities across Kelantan, Pahang and Perlis. Through the provision of essential supplies and recovery assistance, we supported 146 households and more than 1,500 individuals, including 153 asnaf students. These initiatives underscore our role as a responsible corporate citizen, prioritising swift action and practical support to help impacted communities recover and rebuild.

Community and Health

Promoting well-being and social care continued to be a key focus under Sincerely, Setia. During the year, our community and health initiatives reached 1,598 beneficiaries, supported by over 570 volunteer hours from our employees. Through our Sincerely, Setia Festive Assistance (SSFA) programme and Setia CARE initiative, we delivered food, healthcare and financial support to underserved groups, ensuring no one was left behind during critical and festive periods.

Setia Caring School Programme STEM Stars

Education

Education remains a cornerstone of our community empowerment agenda, reflecting our belief in enabling future generations through access and opportunity. In 2025, the Group supported 2,461 beneficiaries through a range of educational initiatives, complemented by more than 2,600 volunteer hours from our staff. These efforts spanned direct educational assistance, donation of learning tools, STEM enrichment, capacity-building programmes and intensive tuition support for students preparing for key national examinations, helping to strengthen learning outcomes and improve long-term employability.

Sincerely, Setia Tuition Mission in Selangor: Pecutan Akhir SPM 2025

Unity

Fostering inclusivity and social cohesion lies at the heart of our unity-focused initiatives. Through culturally inclusive programmes centred on shared festive celebrations and experiential learning, we engaged 294 students from various schools to encourage cross-cultural understanding, mutual respect and meaningful interaction among diverse communities, reinforcing our commitment to building not just property developments, but also harmonious and connected societies.

DRIVING STRATEGIC GROWTH

Looking ahead, we remain cautiously optimistic about the Malaysian property development industry amid an evolving operating landscape. We recognise that near-term residential demand may be moderated by policy measures such as the higher stamp duty imposed on foreign buyers under Budget 2026, which could temper foreign participation in the residential market.

Nevertheless, domestic fundamentals remain resilient, supported by employment growth, infrastructure investments and targeted industrial expansion. The rapid build-out of data centres, artificial intelligence and cloud infrastructure in Johor and Klang Valley is also creating a positive ripple effect — lifting demand for adjacent industrial developments and quality residential offerings that cater to a high-value workforce.

In response, the Group will continue to progressively increase its exposure to the industrial segment, where we see compelling medium-term opportunities. This direction also dovetails with our planned foray into a REIT platform. Industrial assets in Setia Alaman (Shah Alam) and Setia Fontaines (Penang) and Johor provide a potential pipeline for recurring income under our future REIT, enabling a more integrated value chain across industrial development, asset ownership and long-term yield generation.

Ambition will be matched with prudence. The Board remains focused on maintaining financial discipline across all horizons. In the short term, we are prioritising a further reduction of borrowings by FY2026, building on the approximately RM5 billion reduction achieved since 2021. Over the medium term, we aim to sustain a prudent net gearing ratio of between 0.3x and 0.4x to preserve balance sheet resilience. Over the longer term, we will continue to progress an asset-light strategy through the optimisation of land and assets, anchored by disciplined capital allocation and a clear focus on maximising returns.

Collectively, these measures position S P Setia to navigate market cycles effectively while delivering sustainable, long-term value to our stakeholders. Following another successful year, I wish to recognise the people who continue to sustain S P Setia's progress.

ACKNOWLEDGEMENTS

To our shareholders, customers, business partners and communities, thank you for your continued confidence. To Team Setia, your dedication and resilience remain the driving force behind our ability to execute with discipline and deliver consistently in a dynamic environment.

I also thank my fellow Board members for their stewardship and counsel throughout the year, and we collectively record our appreciation to Datuk Choong Kai Wai, who concluded his tenure as President and Chief Executive Officer in September 2025. His leadership strengthened the Group's fundamentals and positioned S P Setia for the next phase of growth.

I also extend our sincere appreciation to Dato' Sheranjiv Sammanthan for his valued contributions, sound counsel and dedicated service to the Board throughout his tenure as Independent Non-Executive Director.

I am equally pleased to welcome Datuk Zaini Yusoff as President and Chief Executive Officer. Since assuming the role, he has brought a clear focus on execution and long-term value, and the Board looks forward to working closely with him and the management team.

As we look ahead, we remain guided by our purpose and vision of creating sustainable communities and enriching lifestyles. With a strong foundation, clear priorities and a shared commitment across the Group, we shall continue to build spaces that endure — and communities that thrive for generations.

Y. A. M. TAN SRI DATO' SERI SYED ANWAR JAMALULLAIL
Chairman

From the Desk of Our President and Chief Executive Officer

Dear Shareholders,

Despite a complex operating environment shaped by global volatility, trade uncertainties, domestic policy recalibration and shifting demand across property segments, our strong performance in 2025 underscores the resilience of our business and reinforces our foundations for continued growth. Having assumed the role of President and Chief Executive Officer in October 2025, I am proud to continue our mandate of creating spaces that shape better lives. Guided by disciplined execution and a clear strategic focus, we remain well-positioned to accelerate our transformation into an integrated real estate player, anchored by catalytic townships, green industrial parks and a growing international presence.

DATUK ZAINI YUSOFF

President and Chief Executive Officer

2025 HIGHLIGHTS

Over the year, our performance reflected a sustained focus on disciplined execution, strategic expansion and financial strength, supported by targeted actions and collaborations that enhance long-term value and business sustainability.

Sales Performance
We achieved total sales of RM5.11 billion, exceeding our RM4.8 billion target by 6%, driven by disciplined project launches aligned with prevailing market demand.

Financial Position
De-gearing remained a priority, with borrowings reduced to RM8.0 billion (2024: RM8.6 billion) as part of our ongoing debt-reduction strategy.

Optimised Land Bank Strategy
Through targeted land monetisation and portfolio optimisation, we generated additional cash flow to support developments across strategic growth corridors.

Township Development Excellence
Consistent and quality delivery across our township development portfolio sustained our performance, with established developments maintaining momentum and catalytic townships reinforcing long-term value creation.

Industrial Expansion
We continued to unlock value from our industrial ecosystems, integrating ESG-aligned features to differentiate offerings and attract global investment, while sparking new collaborations to accelerate development activity in high-demand regions.

Regional Growth
Our international portfolio progressed steadily, supported by strong sales at ATLAS Melbourne and the groundbreaking of Setia Edenia at EcoXuan in Ho Chi Minh City.

Strategic Collaborations and Synergy
Targeted partnerships, including collaboration with Mitsui Fudosan at Setia EcoHill and Setia Federal Hill, strengthened our execution capabilities while capital commitments were carefully managed.

Sustainability and Digitalisation
Sustainability and digitalisation were embedded across our developments through certified green projects, lower-impact planning and the wider application of digital tools across construction, delivery and community engagement.

OPERATING ENVIRONMENT AND MACRO TRENDS

Malaysia's economy performed above expectations to achieve GDP growth of between 4.7% and 5.0% in 2025, supported by resilient domestic demand and broad-based activity across key sectors. Consumer spending remained firm, aided by income-related measures and targeted social assistance programmes such as Sumbangan Tunai Rahmah (STR) and Sumbangan Asas Rahmah (SARA). Headline and core inflation averaged 1.4% during the year, reflecting easing cost pressures and improved supply-side conditions.

Within this environment, labour market adjustments — including minimum wage increases and revisions to civil service salaries — contributed to higher household incomes and supported residential demand across selected market segments. These conditions translated into a measured expansion in Malaysia's property sector, with total transaction value rising 12.5% year-on-year to approximately RM64.39 billion, signalling sustained demand for well-located, higher-quality assets.

Commercial activity remained stable, while industrial activity strengthened, recording growth of 8.5% in the first half of the year. Demand was driven by logistics, warehousing and manufacturing requirements across Johor, Selangor and Penang, reinforcing the structural shift towards industrial-led development across key corridors.

In policy developments, Budget 2025 measures, including housing loan interest relief and the Step-Up Financing scheme under the Housing Credit Guarantee Scheme (SJKP), provided targeted support for residential demand. In parallel, allocations for industrial park infrastructure, automation and ESG-related investments further reinforced demand for industrial land and facilities.

While financing conditions eased following a 25-basis-point reduction in the Overnight Policy Rate by Bank Negara Malaysia, affordability and cost considerations continued to influence market dynamics, notably due to the implementation of the sales and service tax on the construction sector.

INDUSTRY TRENDS AND POLICIES THAT SHAPED OUR STRATEGY

Policies regulatory and structural forces continued to reshape the operating landscape accross property sector during the year, reinforcing the importance of alignment with national development priorities to drive long-term value creation.

Industrial Development Expansion

Industrial development remained a key driver shaping investment decisions, underpinned by sustained demand from e-commerce, logistics and data centre operators. This momentum is aligned with the National Industrial Master Plan (NIMP), which emphasises high-value, technology-driven industries and the development of integrated industrial ecosystems. Within this context, Johor further strengthened its position as a regional hub for hyperscale facilities, underscoring the growing importance of well-connected industrial ecosystems. These ecosystems increasingly require infrastructure readiness, digital capability and ESG considerations to be embedded across established growth corridors areas where we continue to build strategic depth.

Johor – Singapore Special Economic Zone (JS-SEZ)

In southern Malaysia, development momentum was further reinforced by continued progress in infrastructure initiatives, with the Johor–Singapore Special Economic Zone emerging as a significant catalyst shaping development activity. Planned public infrastructure enhancements, including the Johor Bahru–Singapore Rapid Transit System Link, the Elevated Automated Rapid Transit and the Electric Train Service extension, are expected to strengthen regional connectivity and enhance Johor's position within regional manufacturing and supply chain networks.

Setia Eco Gardens, Johor Bahru, Johor

13th Malaysia Plan (13MP)

At the national level, policy direction became clearer with the tabling of the 13th Malaysia Plan in 2025. The Plan set out the Government's medium-term priorities for the property sector, with increased emphasis on sustainability, infrastructure-led growth and structural reform. These policy signals have shaped expectations for future development standards and capital allocation, particularly in areas aligned with low-carbon growth, resilience and long-term economic competitiveness.

From the Desk of Our President and Chief Executive Officer

FINANCIAL, OPERATIONAL AND SUSTAINABILITY PERFORMANCE HIGHLIGHTS

In 2025, we further strengthened our market leadership by unlocking greater value across our development and land management activities, while continuing to advance sustainability and accelerate digital innovation across the Group. Despite a competitive operating environment, total sales reached RM5.11 billion, exceeding the RM4.8 billion target set for the year. Unbilled sales of RM4.50 billion further reflect sustained market demand for our offerings and reinforce confidence in our development pipeline and near-term earnings visibility.

Financial Position

In 2025, we delivered resilient performance, surpassing our sales target while maintaining financial discipline to optimise cash flow and preserve liquidity for growth priorities. We also undertook strategic land monetisation transactions to redeploy capital into future development phases across priority corridors.

Sustainability, Digitalisation and Innovation

Anchored by the Setia Green Roadmap and Setia Sustainability Policy, sustainability considerations and circular design principles were embedded across the planning, financing and execution of our property developments and industrial parks, reinforcing responsible development practices. The establishment of our Sustainability Financing Framework in 2025 marked an important milestone in aligning funding structures with sustainability priorities, embedding environmental considerations more directly into capital planning. In parallel, we leveraged digital solutions, including artificial intelligence, to simplify homebuying journeys and strengthen construction oversight — supporting improved consistency, safety and build quality across our projects.

Operational Execution and Portfolio Progress

During the year, we launched projects with a total Gross Development Value (GDV) of RM5.14 billion. These launches were concentrated within established growth corridors where infrastructure readiness and connectivity support stronger delivery certainty. Internationally, our projects in Vietnam and Australia achieved key milestones, consistent with a phased, capital-disciplined approach anchored in market demand.

Setia Edenia, Vietnam

DRIVING SUSTAINABLE GROWTH

Against a backdrop of policy adjustments and a fluid economic environment, our strategic focus remained centred on earnings quality, capital efficiency and longterm value creation. Our regional approach is anchored to long-term market prospects: we are deepening engagement in established Central region markets, pursuing measured expansion in the Southern region supported by infrastructure-led demand, and positioning early in the Northern region ahead of catalysts such as the LRT Laluan Mutiara in Penang Island.

Accelerating Township Developments

During the year, progress across catalytic townships continued, with more focused land deployment across key growth corridors resulting in project launches with a total GDV of RM5.14 billion.

Execution remained closely aligned with market demand, supported by steady progress across established townships including Setia Alam, Bandar Kinrara, Setia AlamImpian, Setia EcoHill and Setia Alamsari. Key launches in the Central region and Southern recorded encouraging take-up, reflecting disciplined timing and product alignment with market demand.

Casa D'Arcadia, Setia AlamImpian, Shah Alam, Selangor

At the same time, our township ecosystem continued to evolve, with greater emphasis on liveability, quality finishes and the systematic rollout of green features. Residential offerings incorporated smart home elements, while community planning prioritised live-work-play environments, connectivity and curated amenities to support long-term vibrancy.

Strategic partnerships continue to play an important role in scaling quality developments while preserving balance sheet flexibility. In Semenyih, we marked our second collaboration with Mitsui Fudosan (Asia) Malaysia Sdn Bhd through a joint venture to develop a 45.7-hectare freehold residential project with an estimated GDV of RM1.3 billion in the Setia EcoHill township.

From the Desk of Our President and Chief Executive Officer

Driving Industrial Expansion

Industrial expansion continues to gain momentum as an increasingly important contributor to earnings visibility, while reducing our exposure to more cyclical residential demand. Progress across key corridors was driven by a combination of development activity and recurring income streams, supported by infra-ready plot sales, selective build-to-lease partnerships and retained industrial assets.

Setia Alaman Industrial Park, Shah Alam, Selangor

Execution focused on high-value developments aligned with priority growth sectors and foreign investment flows. Our industrial footprints at Setia Alaman (Central) and, Setia Fontaines (Northern) leveraged existing land banks within established townships, with ESG-aligned designs that enhanced occupier appeal and tenancy quality.

Land optimisation continued within the same corridor, with 23 acres at Setia EcoHill in the Bangi – Semenyih region rezoned for light industrial use to enhance deployment flexibility. In the Northern region, a Memorandum of Collaboration with the Penang Development Corporation was entered into to develop a 480-acre industrial park within Setia Fontaines, incorporating ESG principles into planning and design. Our industrial footprint in Vietnam was also extended through planned sites in Bau Bang and Cay Truong, Ho Chi Minh City.

Optimising Investment Portfolio

Portfolio strategy continued to progress towards a more asset-light model, with greater emphasis on recurring and fee-based income and disciplined capital deployment preparatory work for REIT formation were undertaken to unlock value from mature assets while retaining strategic exposure for the long run.

Setia Alaman Industrial Park, Shah Alam, Selangor

Pre-IPO preparations are in progress to assess the establishment of a REIT with a diversified asset portfolio across key locations in Malaysia. Industrial assets are expected to form a core future income pipeline, with an initial focus on eco-industrial estates in Setia Alaman (Selangor) and Setia Fontaines (Penang).

Setia Fontaines, Penang

Strengthening International Footprint

Our international development portfolio continues to support earnings diversification and capital resilience through strategic projects in mature and high-growth markets. In Australia, Atlas La Trobe in Melbourne recorded an encouraging take up rate, reflecting resilient market response to our offerings, while our planned developments and St. Leonard's in Sydney are expected to further strengthen our presence within key urban corridors.

Atlas Melbourne, Australia

In Vietnam, the groundbreaking of Setia Edenia Residences at EcoXuan in Ho Chi Minh City marked another milestone, with the project well integrated within the city's northern corridor. Also in Vietnam, we progressed discussions to deepen our collaboration with Becamex IDC Corp, the Group's residential joint venture partner and a leading industrial player in the country, seeking to uncover new prospects following the administrative merger of Bình Duong into Ho Chi Minh City.

Setia Edenia, Vietnam

From the Desk of Our President and Chief Executive Officer

BUILDING OPERATIONAL RESILIENCE THROUGH DIGITAL TRANSFORMATION

Across S P Setia, we continue to advance our digital transformation agenda to support stronger operational execution across the Group. By strengthening core systems, delivery oversight and data-driven capabilities, we progressively bolster our operational resilience, customer experience and digital ecosystems in order to remain competitive in the market.

Operational Optimisation and Delivery Oversight

Across operations, we prioritised the upgrading of core enterprise systems and infrastructure to improve reliability, scalability and cost efficiency. Enterprise platforms and network performance were strengthened to streamline workflows and enhance collaboration across the Group.

Smarter Construction and Delivery Control

In construction and project delivery, smart technologies were applied to sharpen oversight. The use of AI-enabled tools, drones and IoT sensors improved site-level visibility, enabled earlier intervention on quality and scheduling risks, and reduced defects across active projects.

Enhancing Data Management and Customer Engagement

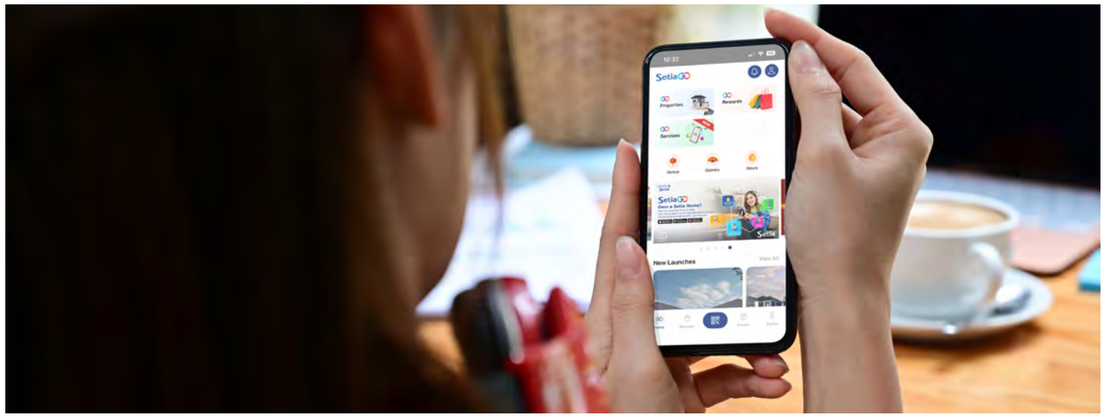
Data and customer platforms were strengthened to improve insights and engagement. The Unified Data Platform (UDP) established a single enterprise data source, enabling real-time analytics and AI-driven insights that accelerated decision-making. We also enhanced the SetiaGo ecosystem by integrating loyalty programmes, defect management and partner services, delivering a more seamless buyer experience. AI-enabled personalisation and chatbots further strengthened customer engagement and conversion outcomes.

Fostering Innovation Through Strategic Collaboration

We continue to foster collaborative innovation through our participation in the National Technology and Innovation Sandbox ("NTIS"). In addition, S P Setia was selected as one of eight Government-Linked Companies to participate in the Bengkel Inovasi GLC ("BIG") programme.

Strengthening Cyber Resilience and Digital Trust

During the year, we further enhanced our digital security posture by strengthening cyber and compliance controls through ISO 27001 alignment, Privileged Access Management and enhanced threat detection, safeguarding digital trust as adoption across the Group increased.



OUR 2026 OUTLOOK AND PRIORITIES

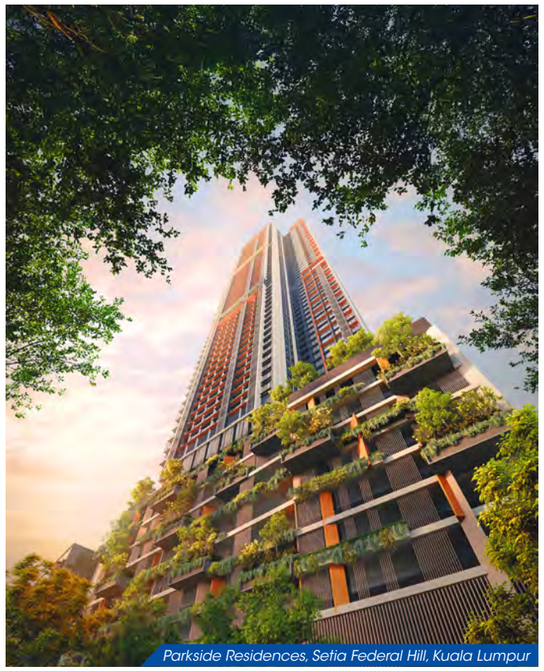
Looking ahead, we remain cautiously optimistic of our prospects. Malaysia's property market is supported by resilient labour conditions and a more accommodative monetary environment, while income-related measures — including minimum wage adjustments and civil service salary revisions — should strengthen affordability and improve access to financing across selected residential segments.

Nevertheless, we recognise that buyer behaviour is becoming increasingly value-driven, with decisions anchored on affordability, location and long-term asset quality. This reinforces the importance of disciplined product positioning and reliable delivery, with quality, liveability and sustainable design at the heart of every development we bring to market.

Concurrently, ESG standards across the industry have moved decisively from differentiation to baseline expectations, particularly for industrial and commercial assets where green-certified buildings increasingly define new supply. As environmental policies evolve, including the proposed carbon tax, our development strategies, capital allocation and asset positioning will continue to be shaped by sustainability readiness and long-term resilience.

Against this backdrop, we have set clear priorities for the next five years under our Strategic Roadmap 2026–2030, anchored on four strategic pillars and reinforced by four core enablers to strengthen execution and long-term competitiveness.

Accelerating township development in markets with growing demand remains a priority, alongside continuous improvement of construction efficiencies to deliver with greater speed and cost discipline. We will also deepen industrial growth by building high-value, ESG-aligned industrial ecosystems that attract global tenants and investors, while developing a strategic asset pipeline to support recurring income through our future REIT platform.



Parkside Residences, Setia Federal Hill, Kuala Lumpur

In parallel, we will scale recurring income platforms by advancing our REIT strategy to unlock capital from mature assets and broaden our appeal to long-term, dividend-focused investors. Internationally, we will expand selectively in markets where we have a proven track record, leveraging joint ventures to de-risk growth and deepen our presence in high-potential regions such as Vietnam.

These pillars will be enabled by a sustained focus on empowering Team Setia, amplifying the Setia brand, driving innovation and digitalisation, and reinforcing our leadership in ESG and sustainability. With this roadmap, we move forward with confidence — committed to building spaces that endure, communities that thrive, and long-term value that is shared by all our stakeholders.

From the Desk of Our President and Chief Executive Officer

STRATEGIC ROADMAP 2026–2030

Business Focus

- Accelerating Development
- Industrial Growth
- International Growth
- Recurring Income (REIT)

Enabler

- Team Empowerment
- Brand Amplification
- Innovation & Digitalisation
- ESG & Sustainability

Accelerate Development

- Product development to meet market demand
- Improve construction efficiency via centralised procurement

Industrial Growth

- Build high-value industrial ecosystems
- Deliver ESG-aligned industrial products to attract global tenants/investors
- Develop strategic pipeline for future REIT

Setia Edenia, Vietnam

- Expand in markets with proven delivery track records
- Leverage JVs to de-risk and accelerate market entry
- Deepen presence in high-potential areas (e.g., Vietnam)

Recurring Income (REIT)

- Create sustainable recurring income
- Unlock capital from mature assets for higher-return investments
- Attract long-term, dividend-focused investors

Chinese New Year Open House at Setia Eco Glades Lifestyle Gallery

ACKNOWLEDGEMENTS

As I reflect on my first few months in the role, I am encouraged by the strength of our foundations and the clarity of the direction ahead. We have continued to advance our transformation into an integrated real estate player, guided by our purpose and vision of creating sustainable communities and enriching lifestyles.

It is my great honour to build upon the work of my predecessor, Datuk Choong Kai Wai, who has, through his leadership over the past five years, extended the Group's footprint, strengthened financial resilience and laid a strong foundation for sustainable growth.

I would like to record my sincere appreciation to the Board of Directors for welcoming me and for their continued stewardship, counsel and trust during this period of transition. I would also like to welcome Mr Tan Hwa Min as Deputy Chief Executive Officer and Datuk Yuslina Mohd Yunus as Chief Operating Officer as they assume their respective roles.

To Team Setia, thank you for your energy, commitment and perseverance. Your dedication and belief in our shared purpose continue to propel the organisation forward in ways that may not always be visible but consistently felt. I look forward to engaging more with the team and reinforce our shared our vision, and shared values.

As we move ahead, it is this collective spirit that will enable us to navigate change and continue building a stronger S P Setia.

Thank you.

Datuk Zaini Yusoff
President and Chief Executive Officer

Discovering what people need or want, then creating it.

Value Creation at S P Setia

Our Approach to Value Creation	62
Stakeholder Engagement	64
Investor Relations	69
Material Matters	71
Our Value Creating Business Model	76

Setia SV2, Penang

Our Approach to Value Creation

Our holistic approach to value creation focuses on anticipating and responding to stakeholder needs. It is guided by strategic foresight, disciplined execution and a resilient business model. By assessing material concerns, risks and opportunities within an evolving market landscape and operating environment, we aim to deliver long-term, sustainable value while strengthening our competitive edge.

By carefully assessing material concerns, risks and opportunities within the evolving market landscape and operating environment, we are committed to delivering long-term, sustainable value while strengthening our competitive edge.

Stakeholder Engagement

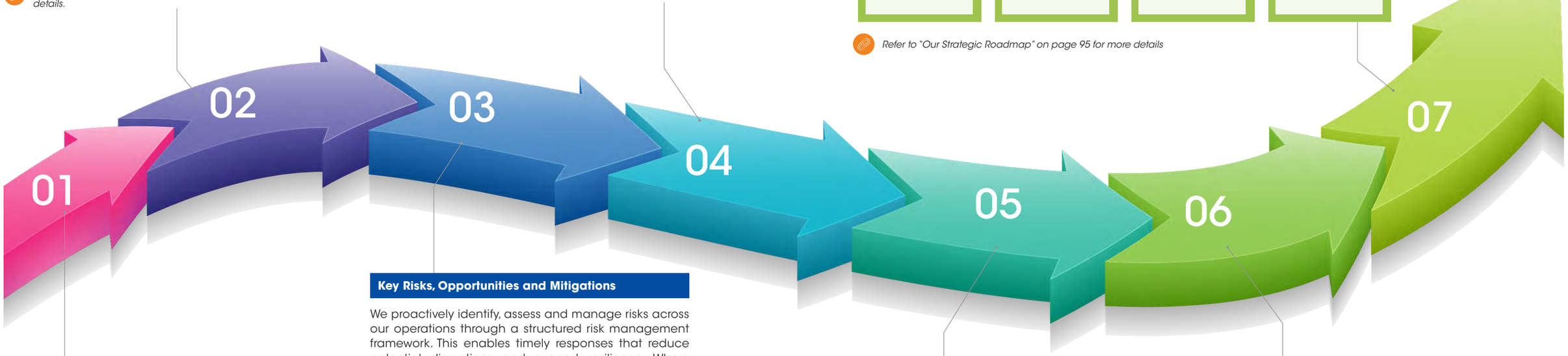
As a leading property developer, we recognise that our decisions can affect a wide range of stakeholders, including shareholders, customers, regulators, employees and local communities. Through ongoing engagement, we gather feedback, communicate our priorities and values, and strengthen relationships to support shared, long-term value creation.

Refer to "Stakeholder Engagement" on pages 64 – 68 for more details.

Materiality Determination

We identify and prioritise material matters that are most significant to our strategy, governance, performance and future prospects. These matters guide decision-making, resource allocation and performance focus, while helping us respond to stakeholder priorities and manage our impacts responsibly.

Refer to "Material Matters" on pages 71 – 73 for more details.



Market Landscape

We continuously assess our operating environment, analysing market dynamics, regulatory frameworks and global trends to optimise performance and drive sustainable value. This includes evaluating macroeconomic factors, supply-demand shifts, socio-economic trends, regulatory developments, demographic changes and other key factors that shape our strategic decision-making.

Refer to "Market Landscape" on pages 78 – 88 for more details.

Key Risks, Opportunities and Mitigations

We proactively identify, assess and manage risks across our operations through a structured risk management framework. This enables timely responses that reduce potential disruptions and support resilience. Where possible, we also capture opportunities arising from changing market conditions and stakeholder expectations to enhance long-term value.

Refer to "Key Risks, Opportunities and Mitigations" on pages 89 – 94 for more details.

Strategy Development

We bring these inputs together to refine and execute strategies that strengthen our competitive position, drive responsible growth and deliver meaningful outcomes for stakeholders. Our approach is anchored by sound governance and supported by sustainability-led practices.

Our business strategy is underpinned by four strategic pillars:

01 **Land bank management**

02 **Regional and industrial expansion**

03 **Growth mindset**

04 **REIT-able assets**

Refer to "Our Strategic Roadmap" on page 95 for more details

Sustainability Integration

We integrate sustainability considerations into the way we plan, build and operate, aligning our practices with relevant standards and global sustainability priorities. This supports stakeholder trust, strengthens our reputation and reinforces long-term value creation.

Refer to "Our Sustainability Review" on pages 128 – 238 for more details.

Key Capitals

Our Value Creation Model incorporates six capitals, namely Financial, Manufactured, Human, Intellectual, Social & Relationship, and Natural. These capitals represent the key resources and relationships we rely on, develop and steward through our activities, reflecting how we create value over time.

Refer to "Our Value Creating Business Model" on pages 74 – 75 for more details.

Stakeholder Engagement

STAKEHOLDERS

Shareholders, Analysts and Investment Community

ENGAGEMENT PLATFORMS

- Emails, calls and meetings
- Investor briefings
- Corporate and media announcements
- Site visits
- Investor conferences
- One-on-one engagement Sessions
- Annual Reports
- Annual General Meetings

WHAT MATTERS TO THEM

- Consistent financial performance, resilience and value growth
- Clear strategy, governance, risk oversight and sustainability direction
- Timely, decision-useful disclosures for investment decisions

HOW WE RESPOND AND CREATE VALUE

- Maintain resilient financial standing and disciplined execution to deliver sustainable returns
- Strengthen shareholder value through strategic expansion and innovative business approaches aligned to market trends
- Uphold strong governance and risk management to support accountable decision-making
- Communicate sustainability initiatives to broaden ESG investor awareness and confidence
- Outcome highlight: Increased foreign shareholding (Dec 2025: 12.11% vs Jan 2025: 11.66%)

LINKAGES TO SIX CAPITALS, MATERIAL MATTERS AND STRATEGY

Six Capitals

Material Matters

- Economic Performance
- Business Model Resilience
- Business Ethics
- Emissions and Energy Management
- Innovation

Strategy

- Land Bank Management
- Regional and Industrial Expansion
- REIT-able Assets

Financiers

ENGAGEMENT PLATFORMS

- Routine reporting
- Loan covenant compliance reporting
- Emails, calls and meetings
- Annual Reports

WHAT MATTERS TO THEM

- Creditworthiness, debt servicing capability and covenant compliance
- Strong governance and risk management
- Transparent performance and outlook to support financing decisions

HOW WE RESPOND AND CREATE VALUE

- Strengthen balance sheet and maintain disciplined debt management aligned with financing strategy
- Meet financing covenants consistently and provide transparent reporting
- Reinforce governance and accountability to sustain lender confidence
- Outcome: Ongoing access to funding to support operations and growth pipeline

LINKAGES TO SIX CAPITALS, MATERIAL MATTERS AND STRATEGY

Six Capitals

Material Matters

- Economic
- Performance
- Business Model Resilience
- Business Ethics

Strategy

- Land Bank Management
- Regional and Industrial Expansion

Joint Venture and Collaboration Partners

ENGAGEMENT PLATFORMS

- Emails and calls
- Meetings and briefings
- Contract and legal
- Discussions
- Site visits
- Project updates and meetings

WHAT MATTERS TO THEM

- Effective delivery, timely decisions, trust and integrity
- Clear roles, fair commercial terms and dependable execution capability

HOW WE RESPOND AND CREATE VALUE

- Apply strong project governance and maintain a capable delivery team to secure outcomes
- Provide transparent communication, timely updates and fair business practices
- Leverage partners' expertise to manage complexity and meet key milestones
- Outcome: Expanded market reach via partners' networks, lower capital outlay and shared risk profile

LINKAGES TO SIX CAPITALS, MATERIAL MATTERS AND STRATEGY

Six Capitals

Material Matters

- Business Model
- Resilience Innovation
- Business Ethics
- Supply Chain Management

Strategy

- Land Bank Management
- Regional and Industrial Expansion

Customers and Clients

ENGAGEMENT PLATFORMS

- Routine reporting
- Loan covenant compliance reporting
- Emails, calls and meetings
- Annual Reports

WHAT MATTERS TO THEM

- Quality, timely delivery and fair value
- Safety, security and liveability
- Sustainable features and a better living experience

HOW WE RESPOND AND CREATE VALUE

- Design developments with curated features and amenities that enhance liveability
- Maintain project discipline and transparent updates to support delivery confidence
- Integrate safety and security features to strengthen resident assurance
- Scale practical sustainability features (energy efficiency, green landscaping) to reduce impact
- Outcome: Stronger take-ups and sales, improved reputation and product enhancements driven by feedback

LINKAGES TO SIX CAPITALS, MATERIAL MATTERS AND STRATEGY

Six Capitals

Material Matters

- Customer Satisfaction
- Product Design and Lifecycle Management
- Innovation
- Emissions and
- Energy Management
- Waste and Water Management

Strategy

- Regional and Industrial Expansion
- Growth Mindset

Engagement Platforms & Frequency

Periodic · Daily · Weekly · Monthly · Quarterly · Half-yearly · Annually · Ongoing

Stakeholder Engagement

Stakeholder Engagement

STAKEHOLDERS	Suppliers and Contractors	Media	Local Communities	Government and Regulators
ENGAGEMENT PLATFORMS	• Emails and calls • Meetings and briefings • Tender briefings • Contract and legal discussions • Project updates and meetings	• Site Visits/ Press Conferences • Press Releases • Emails, calls and meetings • Annual Reports	• CSR activities • Customer relation activities • Social media • Annual Reports	• Industry associations • Regulatory requirement reporting • Compliance reporting • Site inspections and visits • Government and regulatory events • Roundtable discussions
WHAT MATTERS TO THEM	• Fair remuneration, clear contracting and long-term partnership stability • Safe working environment and responsible business practices • Open communication and responsive issue resolution	• Consistent and credible updates on performance, strategy and outlook • Benchmark quality and evidence of meaningful community contribution • Environmental stewardship and responsible practices	• Access to meaningful community initiatives and inclusive benefits • Managing environmental and social impacts around developments • Strong relationships, responsiveness and shared outcomes	• Compliance with laws, policies and reporting requirements • Alignment with national priorities and responsible development outcomes • Contribution to social and environmental goals, best-practice collaboration
HOW WE RESPOND AND CREATE VALUE	• Strengthen partnership foundations through transparent contractual agreements and fair dealing • Collaborate on innovation and delivery improvements to enhance project outcomes • Enforce ethical, labour, human rights, safety and environmental expectations across the supply chain • Maintain open feedback channels to improve responsiveness and trust • Outcome: Better quality and timeliness of supplies and services, improved delivery reliability across projects	• Maintain regular engagement and transparent updates to support accurate reporting • Deliver quality developments that reinforce reputation and public trust • Communicate social impact and sustainability progress clearly and consistently • Outcome: Increased public awareness, stronger brand reputation and narrative clarity through outreach	• Strengthen and integrate community impact initiatives beyond single programmes, with a more cohesive Group-level approach • Focus on inclusion and targeted support (underserved groups, B40, OKU, elderly, youths) through structured initiatives • Use engagement forums and partnerships to build trust and long-term relationships • Outcome: Enhanced reputation and community trust, stronger social performance and deeper neighbourhood connections	• Ensure strict compliance and uphold ethical business practices across operations • Support national agendas through housing delivery, job creation and participation in relevant initiatives • Adopt sustainable practices and efficient resource management to reduce footprint • Collaborate with industry peers and public-private platforms to advance best practices • Outcome: Smoother approvals and delivery timelines, stronger standing with regulators and policy contribution
LINKAGES TO SIX CAPITALS, MATERIAL MATTERS AND STRATEGY				
Six Capitals				
Material Matters	• Supply Chain Management • Business Ethics • Human Rights • Employee Health and Safety; • Emissions and • Energy Management	• Business Ethics • Economic • Performance Community • Emissions and Energy Management	• Business Model • Resilience • Innovation • Business Ethics • Supply Chain Management	• Business Ethics • Human Rights • Emissions and Energy Management • Waste and Water Management • Biodiversity
Strategy	• Land Bank Management • REIT-able Assets	• Growth Mindset	• Land Bank Management • Regional and Industrial Expansion	• Land Bank Management • Regional and Industrial Expansion

Stakeholder Engagement

STAKEHOLDERS

Employees

ENGAGEMENT PLATFORMS

- Employee engagement activities
- Succession planning
- Corporate activities – e.g. festive luncheons and CEO dialogues
- Email announcements
- Onboarding programmes
- Performance and leadership development programmes
- Individual performance reviews
- People Pulse Surveys

WHAT MATTERS TO THEM

- Fair remuneration and benefits
- Career development and progression opportunities
- Safe workplace and holistic wellbeing support

HOW WE RESPOND AND CREATE VALUE

- Recognise contributions through appropriate compensation and benefits
- Provide learning and development platforms to strengthen capability and performance culture
- Maintain robust safety standards and protocols
- Expand mental and physical wellbeing support to sustain engagement and productivity
- Outcome: Stronger talent pipeline, succession readiness and organisational resilience

LINKAGES TO SIX CAPITALS, MATERIAL MATTERS AND STRATEGY

Six Capitals

Material Matters

- Employee Health and Safety
- Human Rights
- Business Ethics
- Innovation
- Business Model Resilience

Strategy

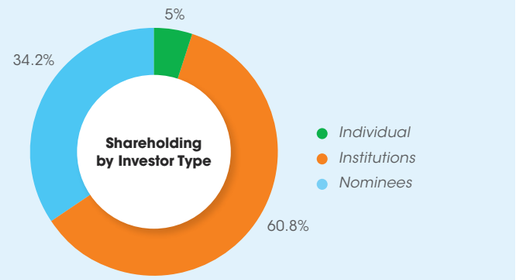
- Growth Mindset

Investor Relations

S P Setia maintains proactive engagement with shareholders, analysts, fund managers and the wider investment community to support transparent, timely and consistent communication. Throughout FY2025, the Group provided regular updates on financial performance, operations, corporate developments and strategic priorities, enabling investors to make well-informed assessments of the Group's direction and long-term value proposition.

The Investor Relations ("IR") team serves as a key link between the Group and the capital market, facilitating dialogue beyond statutory disclosures through structured engagement activities. These engagements support the Group's senior leadership in communicating strategic progress, addressing market enquiries and strengthening investor understanding of the Group's business fundamentals, operating environment and key developments.

SHAREHOLDER ANALYSIS



ENGAGEMENT CHANNELS

Investor Briefings	18
Annual General Meeting	1
Forum & Conferences	4
Conference Calls and Investor Meetings	7
Site Visits	6
Corporate Social Events	1

FY2025 INVESTOR ENGAGEMENT HIGHLIGHTS

11 Apr - Setia Raya with Business Associates

24 Apr - Annual General Meeting 2025

Investor Relations

29 May - ASEAN Business Forum 2025

9 Sep - Battersea Power Station, UK Site Visit

23 Sep - Setia Alaman Industrial Park & Bandar Setia Alam Site Visit

10 Oct - Vietnam Site Visit

2 Dec - Maybank IB Corporate Day

OTHER COMMUNICATION CHANNELS

Corporate Website
https://spsetia.com/en-us/investor-relations

Email
ir@spsetia.com

Social Media
S P Setia
@spsetiabhd
S P Setia
@spsetiabhd

Material Matters

Materiality assessments are a core part of our sustainability journey, enabling us to discern the key matters influencing our growth and value creation prospects. We undertake a materiality assessment with regular monitoring to remain relevant and aligned with evolving regulatory requirements, sustainability reporting frameworks and peer practices. This process also sharpens our understanding of the most significant sustainability-related risks and opportunities affecting our business.

In 2024, we began adopting a double materiality approach and conducted our first double materiality assessment to evaluate both the impact materiality and financial materiality of our business. Aligned with Bursa Malaysia requirements and the International Financial Reporting Standards (IFRS), the assessment clarifies how sustainability or environmental, social and governance (ESG) risks and opportunities may be material from an impact perspective, a financial perspective, or both. This has provided us with a deep understanding of how matters that are significant from an environmental or social perspective may also have direct or indirect implications for S P Setia's current and future financial performance. By undertaking a double materiality assessment, we strengthen our decision-making and disclosures while driving alignment with the recently mandated IFRS S1 standards.

IMPACT MATERIALITY
(Inside-Out perspective)

- A topic is deemed material from an impact perspective if it has potential or actual impacts on people or the environment.
- This includes considerations such as the scale and duration of the impact, and whether the adverse social or environmental effects can be reversed or restored.
- This reflects our broader impact on society and the environment through our business activities and operations.

FINANCIAL MATERIALITY
(Outside-in perspective)

- A topic is considered material from a financial perspective if it has the potential to influence financial risks, opportunities, or value creation particularly in terms of future cash flows over the short, medium, and long term beyond what is captured through traditional financial reporting.
- This includes sustainability-related risks and opportunities which may have a direct or indirect impact on our financial performance.

The Materiality Assessment Process

Our four-step double materiality assessment process corresponds to guidance from the Bursa Sustainability Reporting Guide (3rd Edition), GRI Universal Standards 2021 and Sustainability Accounting Standards Board (SASB) framework, while also taking into consideration best practices from industry peers and international trends.

Review and identification

- Undertook a comprehensive review to identify areas for improvement and ensure alignment with Bursa Malaysia's Main Market Listing Requirements, the GRI Universal Standards 2021, and the SASB framework
- Benchmarked S P Setia's ESG reporting practices and material sustainability matters against industry peers to ensure relevance and comparability
- Identified a preliminary list of potential material sustainability topics

Stakeholder prioritisation

- Mapped internal and external stakeholders
- Weighted prioritised stakeholder groups to obtain a level of insight for double materiality considerations

Materiality assessment

- Developed an online questionnaire covering double materiality and distributed it to selected internal and external stakeholders
- Supplemented the questionnaire with qualitative options to gain further insights from stakeholders
- Collated the online survey results to develop a double materiality matrix, showcasing impact materiality versus financial materiality

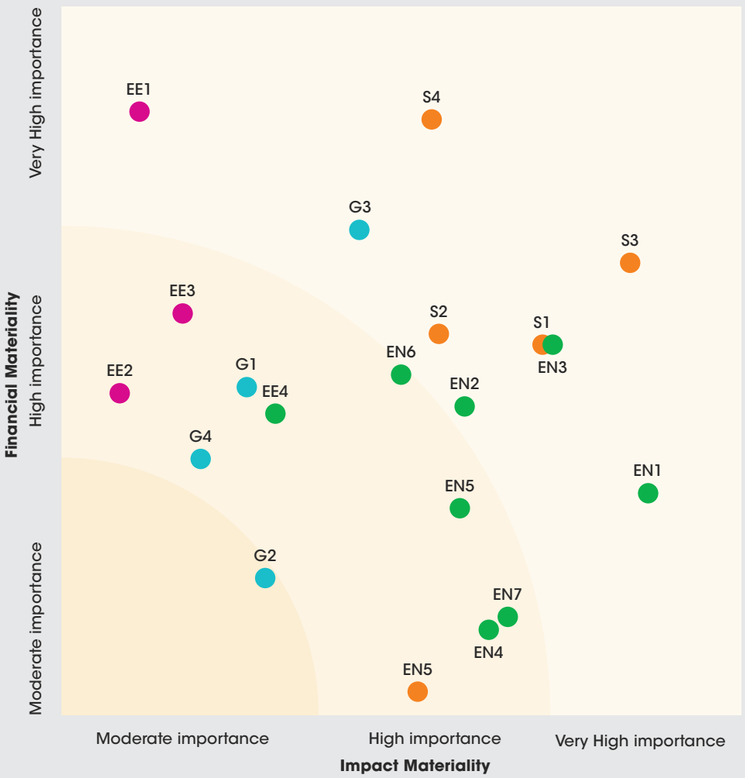
Analysis and outcome

- Analysed the data and assessed findings against our previous materiality assessment for greater context of emerging trends
- Refined the list of material matters and updated the materiality matrix accordingly
- Facilitated the review and approval of final outcomes by S P Setia's Senior Management Team and the Board of Directors

S P Setia's Material Matters

In 2025, we conducted a high-level review which reconfirmed the continued relevance of these 13 material matters to the business.

Material Matrix



Material Topics

1. S3 Human Rights
2. S4 Customer Satisfaction
3. EN3 Emissions
4. S1 Employee Health and Safety
5. EN1 Ecological Impacts
6. G3 Business Ethics
7. S2 Workforce Management
8. EN2 Climate Change
9. EN6 Energy Management and Transition
10. EE1 Financial Performance and Business Resilience
11. EN5 Water Management and Effluents
12. EN7 Biodiversity
13. EN4 Waste Management
14. EE3 Innovation
15. EE4 Sustainable Product Offering
16. G1 Regulatory Compliance
17. G4 Supply Chain Management
18. EE2 Technology
19. S5 Contribution to Society and Local Community
20. G2 Privacy and Data Protection

Material Matters

Definitions of S P Setia's Material Matters

Material topic	Definition
Emissions and Energy Management	Our ability to reduce GHG emissions and transition to Net Zero, supporting long-term sustainability and climate resilience.
Waste and Water Management	Our efforts to minimise waste and manage water use and effluents responsibly, reducing environmental impact and resource risk.
Biodiversity	Our commitment and practices to avoid, minimise and restore biodiversity impacts, safeguarding ecosystem resilience across our developments.
Economic Performance	Our ability and strategies to deliver sustainable financial returns while contributing economic value to key stakeholders.
Business Model Resilience	Our framework for sustaining value creation by empowering our people and adapting our business model to changing market, environmental and social conditions.
Supply Chain Management	Our efforts to engage with suppliers and ensure responsible and compliant practices, strengthening our value chain resilience and ESG performance.
Innovation	Our investment into innovating products and solutions that meet evolving customer expectations and preserve our long-term competitiveness.
Product Design and Lifecycle Management	Our ability to deliver a diverse range of high quality, safe and eco-efficient products and solutions that meet evolving customer needs, while integrating lifecycle considerations, including green materials and low-carbon designs, to reinforce our sustainable development commitments.
Employee Health and Safety	Our policies and practices that safeguard employee well-being and inculcate safe and healthy working environments, supporting productivity and organisational resilience.
Customer Satisfaction	Our ability to meet evolving customer expectations consistently, strengthening trust, loyalty and long-term brand value.
Business Ethics	Our commitment to uphold integrity and compliance across operations and the supply chain, including prohibiting bribery, corruption and anti-competitive behaviour, thereby preserving ethical conduct and reinforcing stakeholder trust.
Human Rights	Our framework for upholding human rights across our value chain, including preventing child and forced labour and promoting fair labour practices, to ensure legal and regulatory alignment while delivering positive social impacts.
Community	Our efforts to create shared value through meaningful engagements with surrounding communities, the provision of job opportunities and contributions to inclusive social development, reinforcing S P Setia's reputation as a socially responsible organisation.

Our Value Creating Business Model

Our Purpose
Creating sustainable communities

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

Values
P Product
L Leader in Transforming
A A+ People
C Communities at Heart
E E-nnovation & Technology
S Shareholders' Value

► Inputs – Our Capitals

Financial Capital
- Total assets: RM27.1 billion
- Total equity: RM16.1 billion
- Cash balance: RM2.1 billion
- Net gearing ratio: 0.33x

Manufactured Capital
- Total Gross Remaining Land Bank: 4,302 acres
- Gross Remaining GDV: RM106.13 billion
- Number of ongoing developments: 42 projects

Human Capital
- A competent, diverse and agile workforce of 1,436 employees (as at Dec 2025)
- A robust framework of learning and development programmes to optimise human capital growth

Intellectual Capital
- Expansive digital brand presence
- Large database of customer data
- Advanced processes and systems
- Cutting-edge innovation capabilities driven via AI, green IT and strategic partnerships
- Stringent cybersecurity
- Robust customer relationships
- An experienced and dedicated leadership team

Social & Relationship Capital
- Robust and trusting relationships with key stakeholders
- Community investment: RM1,346,513.17

Natural Capital
- Comprehensive environmental management systems that ensure strict compliance with regulations
- An ingrained culture of responsibility and sustainability across our operations

Property Development

Taman Pelangi Indah, Johor

Property Investment

Setia EcoHill Mall, Semenyih, Selangor

Eco-Indusrial Developments

Setia Alaman Industrial Park, Shah Alam, Selangor

Key Strategic Priorities

International Presence

Property Development
- Township Developments
- Eco-Themed Developments
- Industrial Developments
- Integrated Developments
- Niche Developments

Investment Properties & REIT-able assets
- Retail
- Education
- Hotels
- Offices
- Convention Centres

Key Risks
- Market Risk
- Competition Risk
- Development & Product Innovation Risk
- Project Planning, Feasibility & Development Strategy Risk
- Sustainability Risk
- Human Capital Management Risk
- Cyber Security Risk
- Funding and Liquidity Risk
- Political and Regulatory Risk
- Work Health and Safety Risk
- Geopolitical Risk

Key Material Matters
- Emissions and Energy Management
- Waste and Water Management
- Biodiversity
- Economic Performance
- Business Model Resilience
- Supply Chain Management
- Innovation
- Product Design and Lifecyle Management
- Employee Health and Safety
- Customer Satisfaction
- Business Ethics
- Human Rights
- Community

► Outputs

- Revenue: RM4.22 billion
- Sales: RM5.11 billion
- Unbilled sales: RM4.49 billion
- Profit before tax: RM969 million
- Profit after tax and non-controlling interest: RM603 million

- Total GDV launched: RM5.14 billion
- Total number of units launched:1,502

- Workforce demographics composition:
  - Gender: Male: 53%, Female: 47%
  - Ethnicity: Bumiputera: 62%, Chinese: 27%, Indian: 6%, Others 5%
- Average training hours per employee: 25 hours

- Reduction in printing costs and paper usage due to digital workplace initiatives, e.g. e-Printing and e-Sign
- Relaunch Setia GO App to expanding community services

- Contribution under Setia Foundation: RM1,346,513.17
- Number of beneficiaries: 5,442
- Corporate volunteers involved: 377
- Total corporate volunteers hours logged: 3,613

- Total energy consumption: 146,133,682 MJ
- Total water consumption: 74.54 ML
- Total trees planted: 9,667

► Outcomes

- Maximised profitability and financial health
- Enhanced overall financial performance and competitiveness
- Consistent and sustainable dividend growth

- Higher operational and cost efficiencies
- Enhanced manufacturing processes backed by innovative technologies
- Substantive progress in creating sustainable developments and communities

- A diverse and inclusive workplace
- Increased employee satisfaction & motivation
- Enhanced overall quality of employees' professional and personal lives
- Comprehensive succession plans to identify key talents

- A cultivated culture of innovation and branding of S P Setia as an industry leader in intellectual property and innovative solutions

- High levels of customer satisfaction
- Positive contributions to local communities
- Strong and collaborative relationships
- A heightened sense of community and philanthropy among our employees

- Reduced ecological and carbon footprint
- Significant contributions to climate change mitigation
- Environmentally responsible sourcing and production throughout our supply chain

► UN SDGs

► Stakeholders

Discovering our business.

Management Discussion & Analysis

Strategic Review

Market Landscape 78
Key Risks, Opportunities and Mitigations 89
Our Strategic Roadmap 95
Strategic Performance Review 96
Key Indicators 98

Financial Performance Review

Group Financial Review 99
5-Year Group Financial Summary 100
5-Year Group Financial Highlights 101
Simplified Group Statements of Financial Position 102
Quarterly Performance 103
Statement of Value Added and Distribution 104
Financial Calendar 105

Business Review

Malaysia: Central Region 106
Malaysia: Southern Region 110
Malaysia: Northern Region 114
Malaysia: Eastern Region 118
International 122

Setia Eco Glades, Cyberjaya, Selangor

Market Landscape

After several years of post-pandemic resilience, the global economy has entered a period of heightened uncertainty. The past year was marked by multiple headwinds, including trade volatility linked to tariff developments, geopolitical tensions that disrupted energy markets and investor sentiment, ongoing supply chain pressures and softer consumer demand amid persistent inflationary concerns. Against this backdrop, the International Monetary Fund ("IMF") projects global growth easing from 3.3% in 2024 to 3.2% in 2025, before moderating further to 3.1% in 2026.

Asia, however, continued to stand out as a relatively bright spot, with developing Asia and the Pacific outpacing global growth. In Malaysia, Bank Negara Malaysia ("BNM") projects 2025 GDP growth at 4.0%–4.8%, moderating from the 5.1% recorded in 2024. Despite external uncertainties, Malaysia's resilience has been supported by robust domestic demand, stable labour market conditions and a diversified export base, with sustained activity particularly in the electrical and electronics ("E&E") sector. Economic sentiment was further supported by a strengthening Ringgit, which reached peak levels during the year, alongside improved foreign direct investment inflows.

KL Eco City, Kuala Lumpur

Looking ahead, the Ministry of Finance expects Malaysia's economy to expand by 4.0%–4.5% in 2026, underpinned by continued public and private investment, low unemployment and a resilient ringgit. Growth is expected to be supported by high-growth segments such as semiconductors and data centres, continued momentum in construction and agriculture, and stronger retail and tourism activity in conjunction with Visit Malaysia 2026. Inflation is anticipated to remain moderate at 1.3%–2.0%, with domestic policies expected to remain supportive under current conditions.

MALAYSIA

MACROECONOMIC OUTLOOK

2025 Performance

- Malaysia's economy remained resilient in 2025, with GDP growth of between 4.0%-4.8% supported by strong fundamentals, robust domestic demand and a rise in net exports.
- Headline inflation held steady between 1.5% to 2.3% amid steady domestic demand and a strong ringgit.
- The unemployment rate persisted at around 3.0%, representing an economy near full employment capacity.
- The Overnight Policy Rate ("OPR") was cut by BNM to 2.75% in July 2025, aiming to boost spending and economic growth.
- The ringgit strengthened 9.7% against the US dollar in 2025, highlighting improved investor sentiment in the region.

2026 Outlook

- GDP is projected to grow between 4.0% and 4.5%, underpinned by high employment, wage growth and income-related policy measures.
- Headline inflation is forecast to remain moderate between 1.3% to 2.0%, with the effects of tax and subsidy reforms cushioned by Government measures to soften cost-of-living impacts on households.
- BNM is expected to maintain the OPR at 2.75% throughout 2026 with an eye on price stability.
- The unemployment rate is anticipated to hold steady at 3.0% in 2026, reflecting strong macroeconomic fundamentals.

PROPERTY SECTOR OUTLOOK

2025 Performance

Residential

- The National Property Information Centre's ("NAPIC") Property Market Report 2025 indicates that residential transaction volumes declined by 1.5% in 2025, but total transaction value increased by 1.3%, suggesting a shift towards premium, higher-priced assets.
- Overhang remains a concern, with the number of unsold completed homes rising to 30,471 units, valued at RM17.73 billion, driven mainly by condos and serviced apartments.
- BNM's OPR cut from 3.0% to 2.75% in July 2025 has made loan repayments marginally easier.

Commercial

- The commercial property segment grew 1.1% year-on-year in transaction value, reaching RM58.70 billion.
- Retail commercial occupancy rates for shopping complexes has remained steady, with NAPIC data indicating a 0.1% year-on-year increase nationwide.
- Meanwhile, occupancy rates for purpose-built offices held steady at 78.1%.
- The retail sector remains a key driver of the commercial property market, with tourism growth in key regions having a positive impact on rental performance across shopping malls and retail centres.

Precinct Arundina, Setia Eco Park, Shah Alam, Selangor

Industrial

- The industrial sector recorded 21.3% growth in transaction value, reaching RM33.8 billion in 2025.
- Transaction volume continued to expand, growing by 1.4% to 8,910 transactions, indicating sustained buyer demand, especially in higher value segments.
- The growth in activity for industrial properties is underpinned by high-spec industrial facilities for data centres and e-commerce warehouses, with Malaysia being an attractive option for companies adopting the 'China+1' strategy

Hospitality and Leisure

- As of January to September 2025, Tourism Malaysia data indicated a 1.4% and 2.1% increase in hotel and hotel room activity, respectively.
- The average occupancy rate rose to 56.3%, up from 54.4% in the same period of 2024, reflecting continued recovery in the hospitality sector.
- Malaysia recorded 42.2 million international visitor arrivals in FY2025, representing an 11.2% increase compared to FY2024. Meanwhile, the latest domestic tourism data showed continued resilience, with domestic visitor numbers in Q4 2025 rising 2.0% quarter on quarter.

MALAYSIA

PROPERTY SECTOR OUTLOOK

2026 Outlook

Infrastructure Development

- The completion of the RTS Link between Johor Bahru and Singapore is expected to further boost property values in the Southern region, while the East Coast Rail Link ("ECRL") is set to provide a long-awaited connectivity boost to the economy of Malaysia's East Coast. Both projects are slated for completion by late 2026 or early 2027.

Setia Alamsari, Kajang

Demand for Affordability

- The OPR cut in July 2025, combined with the stamp duty exemption for first-time home buyers purchasing residential properties priced below RM500,000 is anticipated to enhance loan eligibility and generate increased demand for affordable properties.
- Home purchasing will be further supported by government initiatives under PR1MA, Syarikat Perumahan Negara Berhad ("SPNB"), and the Housing Credit Guarantee Scheme ("SJKP").

Strategic Development

- The Johor-Singapore Special Economic Zone ("JS-SEZ") is expected to create further demand for residential and commercial properties in the Southern region.
- Malaysia attracted RM426.7 billion in approved investments from January to December 2025, marking an 11.0% year-on-year increase, according to the Malaysian Investment Development Authority ("MIDA").
- Malaysia will continue to attract strong interest amid the China+1 strategy, especially in the high tech and semiconductor sectors due to favourable costing and resource availability.

Development Sentiment

- Neutral sentiment prevails in the property development sector, as anticipated growth in demand is counterbalanced by rising development and labour costs, including the higher minimum wage and mandatory EPF contributions for foreign workers.

Government Initiatives

- Under Budget 2026, the government continued to focus on home affordability, extending the stamp duty exemption for first-time home buyers, while developers and landowners will be granted tax deductions for converting vacant commercial buildings into residential units. Stamp duty will also be hiked for residential properties purchased by non-citizens and foreign companies.

Sources:

1. *IMF World Economic Outlook, October 2025*
2. *Bank Negara Malaysia, July 2025*
3. *Ministry of Finance, Economic Outlook 2026*
4. *National Property Information Centre (NAPIC), Property Market Report 2025*
5. *Tourism Malaysia, Malaysia Tourism Statistics, accessed at https://data.tourism.gov.my/*
6. *Malaysian Investment Development Authority (MIDA), Malaysia Investment Performance 2025*
7. *Department of Statistics Malaysia (DOSM), Quarterly Survey of Services (QSS)*

AUSTRALIA

MACROECONOMIC OUTLOOK

2025 Performance

- The Reserve Bank of Australia ("RBA") sees Australia's economy as stabilising in 2025, with GDP growth recorded at 1.8% in June 2025 and expected to recover to 2.0% by December 2025 supported by a recovery in public and private demand amidst tax cuts and an uptick in household spending.

2026 Outlook

- GDP growth is projected to pick up slightly, reaching 2.2% to 2.3% by the end of 2026 in line with growth in domestic demand and increased trade with Australia's major trading partners including the United States and China.

Atlas Melbourne, Australia

PROPERTY SECTOR OUTLOOK

2025 Performance

- Property analytics firm Cotality's Home Value Index recorded an 8.6% increase in property prices in 2025, driven by supply shortages and exceptional demand in smaller capital cities like Perth and Brisbane.

2026 Outlook

- Uncertainty over inflation and interest rates is likely to impact housing confidence in 2026.
- The rental market is expected to remain tight, with heightened affordability concerns as rental rates continue to outpace wage growth.
- However, there is unlikely to be a short-term increase in housing supply, decreasing the risk of home values trending lower.

Sources:

1. *Reserve Bank of Australia, Statement on Monetary Policy, November 2025*
2. *Australian Bureau of Statistics, Total Value of Dwellings (reference period September Quarter 2025)*
3. *Cotality – 2025 delivers strong housing gains, but 2026 set for a softer landing as rate fears and affordability bite*
4. *Domain Forecast Report, November 2025*

VIETNAM

MACROECONOMIC OUTLOOK

2025 Performance

- The Asian Development Bank ("ADB") has forecast Vietnam's GDP growth between 7.4% and 7.9% for the year, driven by a stronger-than-expected surge in tech-led exports, particularly semiconductors, alongside sustained foreign direct investment ("FDI") inflows and improved public investment disbursement.

EcoLakes, Vietnam

2026 Outlook

- The ADB expects Vietnam's GDP to grow at 6.4% for 2026, remaining one of the fastest growing economies in the region.
- Continuing its momentum from 2025, growth will be supported by resilient manufacturing exports and sustained FDI inflows.
- Domestic activity will be supported by ongoing improvements in public investment disbursement and reforms targeting national priority transport projects.
- Nevertheless, Vietnam's outlook is tempered by a possible rise in inflationary pressures.

Setia Edenia, Vietnam

PROPERTY SECTOR OUTLOOK

Setia Edenia, Vietnam

2025 Performance

- Residential property prices have jumped in major cities, rising between 33% and 36% in the first nine months of 2025.
- With FDI inflows reaching US$26.1 billion in 3Q 2025 up 27.3% year-on-year, industrial and development land transactions have also gained momentum.

2026 Outlook

- Growth in activity is expected in the residential market, as primary land prices are expected to rise further with the introduction of new annual land price tables effective 1 January 2026.
- While development costs may increase in line with the rising land prices, housing supply and affordable housing are both expected to increase in 2026 supported by new directives aimed at resolving obstacles faced by real estate projects.

Sources:

1. *Asian Development Bank, Asian Development Outlook: December 2025*
2. *KPMG Vietnam, Technical Update – The New Land Law, accessed at https://kpmg.com/vn/en/home/insights/2024/02/new-land-law.html*
3. *Ministry of Construction, Notice No. 298/TC-BXD, accessed at https://moc.gov.vn/vn/Pages/chitiettin.aspx?ChuyenmucID=1269&IDNews=87076*
4. *VietnamNet Global, Real estate market expected to make positive progress in 2026, accessed at https://vietnamnet.vn/en/real-estate-market-expected-to-make-positive-progress-in-2026-2477322.html*

UNITED KINGDOM

MACROECONOMIC OUTLOOK

2025 Performance

- While numerous headwinds persist in the UK, the Office for Budget Responsibility ("OBR") forecasts real GDP growth of 1.5% in 2025, up from 1.0% in 2024, on the back of stronger output growth in the first quarter of the year.

Battersea Power Station, United Kingdom

- Nevertheless, external geopolitical uncertainty persists and domestic business and consumer confidence remains subdued, exacerbated by the anticipation of further tax rises.
- The unemployment rate is projected to remain at 5.0% amidst a loose labour market characterised by fewer job openings and an increase in employer National Insurance Contributions ("NICs").

2026 Outlook

- The OBR expects GDP growth to remain subdued at 1.5% from 2026 to 2029, constrained by weak private sector demand and productivity challenges, coupled with weak household spending.

PROPERTY SECTOR OUTLOOK

2025 Performance

- According to building society Nationwide, UK house prices ended 2025 with annual price growth at 0.6%. Despite stamp duty changes that came into force in April, house affordability increased as mortgage rates declined and house prices grew below the rate of wage earnings.
- Data from the Office for National Statistics ("ONS") showed that average UK monthly private rents increased by 4.4%, mainly due to supply constraints exacerbated by new energy standards and tenancy reform.

2026 Outlook

- In the UK, Nationwide expects annual house price growth to remain in the 2% to 4% range in 2026, supported by improving affordability. Changes to property taxes announced in the UK's Budget are unlikely to materially alter overall market conditions.

Battersea Power Station, United Kingdom

Sources:

1. *Office for Budget Responsibility, Economic and Fiscal outlook – November 2025*
2. *Office for National Statistics, Private rent and house prices, UK: December 2025*
3. *Nationwide, UK house price growth ends 2025 on a softer note, accessed at https://www.nationwide.co.uk/media/hpi/reports/uk-house-price-growth-ends-2025-on-a-softer-note*
4. *Nationwide, Nationwide House Price Review and Outlook for 2026: Slight easing in affordability pressures helps underpin buyer demand, accessed at https://www.nationwide.co.uk/media/hpi/reports/nationwide-house-price-review-and-outlook-for-2026-slight-easing-in-affordability-pressures-helps-underpin-buyer-demand*

MEGATRENDS AND OPPORTUNITIES

GLOBAL MACROECONOMIC TRENDS

The global macroeconomic landscape in 2025 was shaped by escalating tariffs and deeper trade fragmentation among major economies, particularly the United States, China and the European Union. Yet the global trading system proved more resilient than expected, with global trade estimated to have exceeded a record US$35 trillion. Rather than retrenching, supply chains continued to diversify through "friendshoring" and "nearshoring", with Southeast Asia emerging as a key beneficiary. Trade among developing economies also strengthened, helping to offset slower momentum among traditional trading partners.

In the United States, the Trump administration's tariff push heightened global policy uncertainty and intensified trade tensions, particularly with China. For Malaysia, announced tariff rates were subsequently reduced following diplomatic engagement. Against this backdrop, Bank Negara Malaysia adopted a measured stance in 2025, balancing growth support with inflation management. In July 2025, the Overnight Policy Rate ("OPR") was reduced by 25 basis points to 2.75%—the first rate adjustment in several years—to sustain domestic demand. Market expectations continue to point towards the OPR remaining at this level through 2026, reinforcing policy stability.

In the United States, the Federal Reserve continued to recalibrate monetary policy as inflation eased and labour market conditions softened. By December 2025, the federal funds target range had been lowered to 3.50%–3.75%, with policymakers signalling that further adjustments in 2026 would remain data-dependent.

In Australia, the Reserve Bank of Australia maintained the cash rate at 3.60% through late 2025, with inflation moderating towards its target range and the labour market remaining relatively resilient. The Board continued to emphasise caution, remaining attentive to global uncertainty and domestic cost pressures.

In Vietnam, the State Bank of Vietnam continued to prioritise flexibility to support growth and manage liquidity. Interbank rates were volatile across the year, with the overnight VNIBOR ending 2025 at 1.770% per annum (30 December 2025), following a brief spike amid tighter liquidity conditions earlier in December.

Potential Impact
- Global macroeconomic developments may impact cash flow management and influence refinancing strategies
- Elevated financing costs could lead to margin compression, affecting overall profitability.
- Softer consumer spending trends may dampen housing demand, particularly in more price-sensitive segments.
- Higher costs of materials as lower regional tariffs may result in increased export demand for raw materials produced in Malaysia.

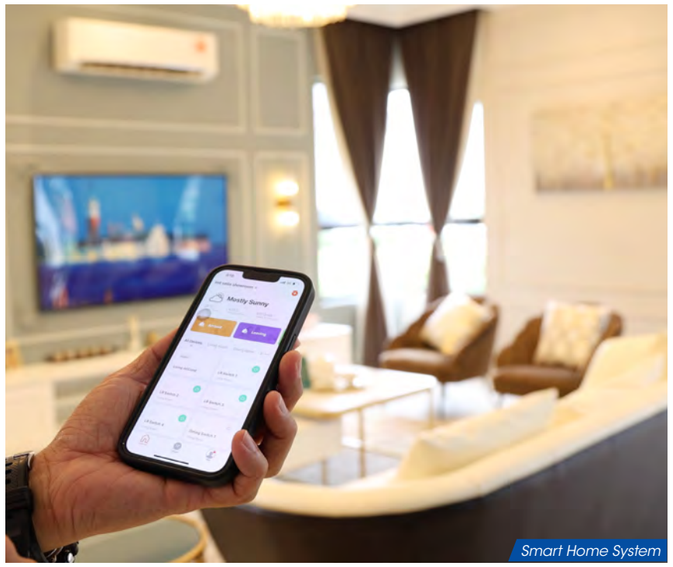
Our Response
- Prioritised de-gearing efforts to strengthen financial resilience and support long-term sustainable performance.
- Undertook cost optimisation measures to mitigate the effects of increased financing costs.
- Observed markets closely while maintaining a cautious approach to cost control and process optimisation.

Outlook
The IMF projects global growth to ease slightly to 3.1% in 2026, signalling continued resilience amid ongoing uncertainty and persistent labour supply constraints. While the impact of global tariffs has been milder than initially anticipated, they remain a significant source of risk to the global economic landscape. In response, trade activity has shown signs of stabilisation, supported by corporate rerouting and mitigation strategies. At the same time, while the US trade war isn't ending, it has matured from "broad strokes" to "surgical enforcement", reducing uncertainty as baseline tariffs stabilise. Against this backdrop, the outlook underscores the importance of maintaining robust cost management measures and proactively mitigating exposure to adverse market conditions.

EVOLVING CUSTOMER PREFERENCES

Sustainability considerations are increasingly influencing buyer behaviour, with eco-friendly features becoming key considerations in property decisions. These include homes with green surroundings, electric vehicle ("EV") charging infrastructure, and water efficiency features, underlining a growing preference for environmentally responsible living spaces. In parallel, developers are responding to these evolving expectations by integrating green technologies and sustainable practices into project design and delivery, recognising that energy efficiency, renewable energy readiness and smart home capabilities are increasingly viewed as essential rather than optional features.

Concurrently, broader global trends and technological advancements are reshaping consumer preferences. Urbanisation, demographic shifts and innovations in digital property solutions such as IoT enabled smart home systems and intelligent building management are redefining the modern living experience. Buyers now expect homes that offer greater convenience, connectivity, security and operational efficiency, reflecting a convergence of sustainability and digital sophistication in customer preferences.



Smart Home System

Potential Impact
- Stronger market positioning for environmentally sustainable and eco-conscious properties.
- Increased competitive pressure from emerging players offering targeted and differentiated value propositions.
- Loss of customer confidence, revenue erosion, and potential reputational risks should there be a failure to respond effectively to these shifts.

Our Response
- Continued expanding upon our Setia eGreenLiving initiative, integrating sustainable features across all new developments to improve energy efficiency and reduce environmental impact.
- Incorporated key features including smart home systems, Green Switch technology, rainwater harvesting, and infrastructure readiness for EV charging and solar power.
- Leveraged customer insights to refine product offerings, deliver sustainability-focused solutions aligned with market needs and enhance the effectiveness of marketing strategies.

Outlook
Preferences for sustainability and digital home solutions will continue growing alongside other lifestyle sustainability trends such as EV adoption and using smart home tech to lower energy use. Through our continued focus on sustainable design and innovation, we can uncover opportunities to differentiate S P Setia from competitors and strengthen our market position.

Market Landscape

MEGATRENDS AND OPPORTUNITIES

SHIFTING POLICY ENVIRONMENT

Malaysia's government policies have a material influence on the property market — from fiscal and monetary measures that shape affordability and buyer sentiment, to planning requirements and land regulations that determine the pace and nature of supply.

In 2025, one key development was the proposed Urban Renewal Bill, which seeks to establish a clearer framework for the responsible redevelopment of ageing neighbourhoods and buildings. The bill outlines processes for designating urban renewal areas, appointing developers and ensuring affected residents and property owners are meaningfully consulted, fairly compensated and appropriately rehoused. A notable feature is the lower consent threshold required from existing owners to proceed with redevelopment. If passed, the bill could open up new opportunities for developers in mature urban markets.

Conversely, the introduction of a 6% service tax on construction work for non-residential and mixed-use developments from 1 July 2025 is expected to add further cost pressure in an environment already marked by elevated construction costs — with potential spillover effects on pricing across the wider property market.

Potential Impact

- With the consent threshold decreasing from 100% to 75%-80%, the Urban Renewal Bill may unlock more potential redevelopment assets, especially within city centres
- The service tax increase may affect profitability and adversely impact financial performance.

Our Response

- Established specialised teams for tenant management and community engagement to manage the process of owner negotiations and relocation in older buildings.
- Deployed a targeted pricing strategy complemented by incentives including discounts, rebates, promotional campaigns, and limited-time offers to stimulate homebuyer interest and strengthen market positioning.

Outlook

Budget 2026 continues to support affordable homeownership, extending the stamp duty exemption for first-time home-buyers purchasing residential properties priced at RM500,000 or below until 31 December 2027. Additionally, the government has also allocated RM672 million for affordable housing construction and financing initiatives under PR1MA, Syarikat Perumahan Negara Berhad ("SPNB"), and the Housing Credit Guarantee Scheme ("SJKP"). The Urban Renewal Bill is also scheduled to be gazetted in 2026, which will likely stimulate property growth in urban areas.

DIGITALISATION AND TECHNOLOGY

Digital technology continues to be a strategic enabler for operational excellence and sustainable growth. More than a tool to optimise existing operations, the sharp growth in AI-driven solutions, automation and smart construction technologies makes the adopting of emerging technologies a core pillar of transformation within S P Setia. Building upon the strong foundations laid in the past, we continue to move quickly to adopt cutting-edge solutions, strengthening our competitiveness, enhancing the customer experience and future-proofing our operations in an increasingly dynamic market.

Potential Impact

- Predictive analytics and AI-powered tools can deliver measurable benefits across the value chain, enabling faster, data-driven decision-making, while significantly reducing manual workloads, improving productivity and driving cows efficiencies.
- Smart construction technologies, including IoT sensors and AI-based quality control can lower Quality Assurance / Quality Control ("QA/QC") costs and improve customer satisfaction scores.

Our Response

- Implemented the Unified Data Platform ("UDP"), a single source of truth ("SSOT") for enterprise data, enabling real-time analytics and AI readiness.
- Enabled technology partnerships to foster innovation in proptech, advanced materials and green construction solutions such as the Setia Smart Community Sandbox under Malaysia's National Technology and Innovation Sandbox ("NTIS") and FutureTech Accelerator 4.0 program under Petronas Ventures.
- Strengthened our cybersecurity posture with ISO 27001 certification and alignment, enhanced access management and advanced threat detection to safeguard our digital assets.
- Continued our collaboration with national programs such as Bengkel Inovasi GLC ("BIG"), as well as internal digital and innovation roadshows to embed a culture of experimentation and agility.

Outlook

- Accelerate digitalisation and AI adoption to enhance operational efficiency, sustainability and long-term competitiveness.
- Build a future-ready workforce through scaled upskilling in AI, data analytics and cybersecurity to strengthen digital fluency.
- Embed agile, collaborative ways of working to improve responsiveness, innovation and cross-functional execution.
- Strengthen governance frameworks for data protection and AI ethics, ensuring compliance with PDPA and global standards.
- Enhance customer-centric innovation through digital platforms, enabling more personalised and seamless homebuyer experiences.

Bengkel Inovasi GLC ("BIG") Grant Award Ceremony

Market Landscape

MEGATRENDS AND OPPORTUNITIES

GROWING IMPORTANCE OF SUSTAINABILITY

Sustainability, with a particular emphasis on climate action, has emerged as a central priority in today's corporate landscape. Investors are increasingly factoring sustainability performance into their capital allocation decisions, while the tightening of ESG regulations at both national and global levels continues to heighten expectations for companies to strengthen their sustainability practices and disclosures.

Setia EcoHill, Semenyih, Selangor

Potential Impact

- Rising stakeholder expectations for ESG performance, particularly in climate action and carbon transparency, may increase compliance costs and reputational risk if not addressed proactively.
- Stricter regulatory frameworks, such as mandatory climate-related disclosures and sustainable finance could impact access to funding and investor confidence.
- Failure to embed sustainability into core business practices may hinder long-term competitiveness and value creation.

Our Response

- Strengthened sustainability governance and alignment with global standards and regulatory requirements.
- Enhanced data capabilities to monitor, measure and report Scope 1, 2 and 3 emissions, as part of our broader decarbonisation roadmap.
- Expanded integration of low-carbon features across our developments through initiatives such as Setia eGreenLiving, rainwater harvesting systems, EV charging infrastructure, and solar readiness.
- Continued engagement with key stakeholders including regulators, investors and communities to align sustainability priorities with evolving expectations and market dynamics.

Outlook

- The wider Malaysian economy is pivoting towards sustainability, with government initiatives such as the New Industrial Master Plan ("NIMP") 2030 and National Energy Transition Roadmap ("NETR") encouraging growth in high-value green economy sectors while promoting national net zero targets. In line with this, we will be expediting our transition to clean energy, while establishing actionable sustainability goals that are supported by technologies such as smart construction techniques and AI. In parallel, we are strengthening our ESG governance and disclosure practices by aligning with emerging International Sustainability Standards Board ("ISSB") reporting requirements, enhancing the transparency, consistency and credibility of our sustainability-related information. In addition, we ensure that all major infrastructure contractors are certified under ISO 14001:2015 for Environmental Management and ISO 45001:2018 for Occupational Health and Safety, reinforcing our dedication to responsible and safe project delivery.

Key Risks, Opportunities and Mitigations

The identification, management and ongoing monitoring of key risks are critical to ensuring our business remains resilient and responsive to market developments, stakeholder expectations and evolving external conditions. Effective risk management supports the achievement of our long-term objectives by enabling timely strategic adjustments that mitigate downside impacts, capitalise on emerging prospects and reinforce our competitive advantage.

This section outlines the 11 key risks that may potentially affect our ability to create value, together with the mitigation measures in place to manage exposures and the actions being undertaken to unlock potential opportunities.

For more details on our risk management approach, please refer to the Statement on Risk Management and Internal Control on pages 301 - 317.

KEY RISKS, OPPORTUNITIES AND MITIGATIONS

Legend:

Priority of Action

- Immediate attention required
- Attention Required
- Caution
- For Notation

Trend

- No Movement
- Downward
- Upward

Market Risk

Risk Priority | **Risk Trend**

Description

Our performance is significantly influenced by the buoyancy of the property markets in which we operate. This, in turn, is influenced by factors such as domestic and global economic conditions, government regulations, changes in market preferences, such as innovation and digitalisation and supply-demand metrics. ESG considerations can also directly influence market dynamics, investor decisions, regulatory requirements, and customer preferences, thereby creating specific market risks for property developers and stakeholders.

Implication To Value Creation

1. Revenue Volatility: Fluctuations in sales can affect revenue.
2. Profitability Challenges: Changes in the market, such as increased competition or pricing pressures, can affect a company's profitability.
3. Devaluation of Assets: A downturn in the market can lead to decreased property values.
4. ESG and Long-Term Value Creation: Poor environmental resilience may erode long-term value and stakeholder confidence.
5. Potential long-term impacts on capital.

Impact on Capitals

Response and Mitigating Actions

1. Prioritising agility and speed in addressing market demands across product design, master planning, construction and marketing channels within an ever-changing and volatile business environment.
2. Closely monitoring property trends in our markets of operation and planning developments that align with current and future demand trends.
3. Citizen Setia loyalty ecosystem strengthened through targeted engagement, enhanced rewards and referral programs to deepen customer relationships and advocacy.
4. Sales team performance revitalised through initiatives focused on product knowledge, and a culture of excellence.
5. S P Setia corporate website redesigned into a mobile-first, user-centric platform for improved customer experience and lead generation.

Opportunities

1. Expanding into green and sustainable real estate to align with the growing demand for eco-friendly real estate solutions.
2. Catering to changing needs brought about by shifting demographics, such as multigenerational households and assisted living for senior citizens.
3. Customer Relationship Management ("CRM") driven customer engagement will be leveraged to segment prospects, analyse behaviour patterns, and deliver personalised campaigns, supported by enhanced digital outreach tracking and remarketing capabilities.

Competition Risk

Risk Priority **Risk Trend** ↑

Description
Risks arising from intensifying competition among local and international property developers to capture market share on various key selling points including pricing, design and quality, property features, supporting infrastructure and sales and marketing strategies. This competitive pressure stems from multiple factors such as market saturation, customer preferences, technological advancements and evolving regulatory requirements.

Implication To Value Creation
1. Reduced Sales and Revenue: Loss of market share which directly impacts our overall value as a company.
2. Increased Customer Acquisition Costs: Heightened competition may impact the overall value of each property buyer.
3. Price Wars: Fierce competition may lead to aggressive pricing strategies, with companies competing fiercely and attempting to undercut one another.

Impact on Capitals

Response and Mitigating Actions
1. Conducting market intelligence surveys to gain insights into market requirements and needs.
2. Aligning our product offerings with market trends and demand, while utilising creative marketing approaches that respond to economic conditions, including hybrid property launches and curated offerings, rewards and convenience features available through the Setia Go mobile application.
3. Continuously maintaining the excellence of our products and services while delivering offerings with a strong value proposition.
4. Focused on agile, high-impact marketing initiatives designed to create strong customer engagement and accelerate sales across key projects.

Opportunities
1. A competitive market environment drives the Group to innovate and differentiate its products and services, strengthen brand equity and explore international and alternative markets.
2. Capitalise S P Setia's strong brand reputation to drive premium positioning through integrated lifestyle features, master-planned communities, sustainable green spaces, and exceptional after-sales services—creating long-term value and competitive advantage.

Development and Product Innovation

Risk Priority **Risk Trend** ↑

Description
The development of high-quality, innovative products involves potential challenges and uncertainties in meeting set timeframes, market expectations and regulatory requirements. These include execution challenges such as increased project costs and delays in project completion, which may affect our ability to meet the evolving needs of customers and other stakeholders.

Implication To Value Creation
1. New property products or innovations may not be embraced by the market, affecting our market presence.
2. Regulatory issues can cause delays, fines or restrictions on the introduction or continuation of our property developments.
3. Failures in innovative properties and products can result in performance issues and customer dissatisfaction.
4. Non-compliance with environmental expectations may lead to reputational damage.
5. Inability to adopt new technology, trends and customer preferences will result in missed opportunities, which will affect long term growth.

Impact on Capitals

Response and Mitigating Actions
1. Conducting extensive market research to ensure high product uptake rates.
2. Collaborate with customers, suppliers, and industry experts to gather insights during the product development process.
3. Implementing rigorous quality control and monitoring processes to guarantee the highest product quality.
4. Adopt proactive planning, strategic procurement with cost controls, resource-efficient IBS system implementation, regular progress monitoring, and experienced contractors to optimise productivity, manage costs, and ensure project success.
5. Monitoring our product developments closely to achieve targeted financial margins and returns on investment
6. Integrating ESG considerations within our property product innovation processes to create sustainable and responsible solutions.
7. Track performance and gather feedback on new products to refine and improve future iterations.

Opportunities
1. Introducing innovative products to create a competitive edge and establish our position as a market leader.
2. Achieving market differentiation to increase brand recognition, customer loyalty and customer retention.
3. Introducing products with eco-friendly or sustainable elements to meet the growing demand for environmentally conscious real estate solutions.
4. Developing eco-friendly products which caters to environmentally conscious customers and regulatory demands.

Key Risks, Opportunities and Mitigations

Project Planning, Feasibility and Development Strategy Risk

Risk Priority **Risk Trend** ↑

Description
Risks related to our ability to achieve successful implementation of high investment value projects and achieve our targeted quality, product quality and investment return standards and stakeholders' expectations.

Implication To Value Creation
1. Budget overruns can strain available capital, limiting our financial resources for other projects or operational needs.
2. Delays can tie up capital, impacting cash flow projections and potentially delaying returns on investments.
3. Incorporating sustainable practices may require additional capital investments.
4. Delays or disruptions in project timelines may lead to prolonged borrowing periods and increased interest expenses.
5. Project failure may erode stakeholder confidence, affecting future investments.

Impact on Capitals

Response and Mitigating Actions
1. Undertaking extensive market research and conducting in-depth process reviews to ensure competitive product offerings that meet market demand.
2. Robust planning and feasibility analysis via evaluation of technical, financial, legal, and operational aspects to assess project viability.
3. Ensuring the highest quality of product delivery through rigorous quality control and continuous monitoring processes
4. Closely monitoring our project developments to ensure the achievement of milestones and high investment returns

Opportunities
1. Embracing new technologies and innovative practices to enhance project efficiency, reduce costs and gain competitive advantages.
2. Streamlining internal processes to improve organisational efficiency and set the stage for more successful future projects.
3. Introducing new and innovative product offerings to gain a compelling competitive advantage.

Sustainability Risk

Risk Priority **Risk Trend** ↑

Description
Risks related to the challenges and uncertainties stemming from our operational impact on the environment and our commitment to sustaining responsible business practices.

Implication To Value Creation
1. Failing to implement sustainable practices may lead to increased long-term operational and financial costs.
2. Non-compliance with environmental regulations may harm our reputation and resilience.
3. Ignoring sustainability trends could result in missed market opportunities.
4. Environmental risks in our supply chain may disrupt our operations and pose reputational risks.

Impact on Capitals

Response and Mitigating Actions
1. Structured sustainability governance through Board-level committee and executive committee for oversight and alignment.
2. Outlined a 5% reduction in operational energy use for FY2025 as part of the Green Roadmap, which also sets targets to cut Scope 1 emissions by 45% by 2030 and Scope 2 emissions by 70% by 2040 (2024 baseline).
3. Development of a centralised data collection system for sustainability data designed to gather, organise, manage all sustainability-related metrics and information across S P Setia.
4. Aligned ESG KPIs with the Green Roadmap to ensure initiatives are measurable, actionable, and support overarching goals.
5. Promoting the use of green materials in developments to enhance sustainability while meeting structural, functional, and financial requirements.
6. Conducted scenario analysis to identify climate risks and opportunities, guiding resilient strategy and investment decisions.
7. Introduced the Sustainability Financing Framework, enabling issuance of green, social, and sustainability instruments, and earned a 'Good' rating from Sustainable Fitch.
8. Strengthened climate risk management through enterprise capability building, finance integration, Group-wide training with cost tagging, and sustainability awareness initiative.

Opportunities
1. Attracting a broader base of Socially Responsible Investors ("SRIs") due to the increasing preference for environmental, social and governance ("ESG") investments.
2. Enhancing our brand reputation and creating a positive brand image by demonstrating leadership in environmental responsibility.
3. Bridging the gap in the market by catering to the growing demand for sustainable products and properties.
4. Ensuring business continuity and protecting our long-term value by reducing our vulnerability to climate change.
5. The Sustainability Financing Framework enables access to lower-cost, purpose-linked capital for green projects, aligned with global standards and supporting disciplined governance and future-ready financing.

Human Capital Management Risk

Risk Priority **Risk Trend** ↔

Description
Risk related to:
1. Labour Rights: Violations of workers' rights, unsafe working conditions, lack of fair wages, discrimination, and inadequate grievance mechanisms.
2. Competency Gap: Lack of necessary skills and knowledge among employees, which can affect productivity and quality of work.
3. Succession Planning: Lack of a clear succession plan can lead to leadership gaps, loss of institutional knowledge, and disruptions in operations.

Implication To Value Creation
1. Operational Impacts: Workflow Disruptions, decreased productivity, and increased error rates.
2. Reputational Impacts: Potential impact to brand and reputation due to labour rights violations or high turnover rates.
3. Legal and Financial Impacts: Potential fines, legal actions, and financial losses.

Impact on Capitals

Response and Mitigating Actions
1. Implementing fair labour practices and policies.
2. Conducting regular audits and assessments to ensure compliance with labour laws.
3. Enhancing employee skills through structured training programs.
4. Fostering career growth through mentoring and coaching initiatives.
5. Regularly assessing and addressing competency gaps through performance reviews.
6. Developing a clear succession plan for key leadership roles.
7. Identifying and grooming high potential employees for leadership roles leaders within the organisation.
8. Ensuring seamless knowledge transfer through documentation and training.

Opportunities
1. Effectively identifying high-potential individuals and fostering their growth through structured development programs.
2. Ensuring a skilled and agile workforce to meet evolving business needs.
3. Addressing leadership gaps and providing structured career advancement opportunities.
4. Upholding a strong track record in compliance and ethical business practices.
5. Build a Robust Leadership Pipeline through structured succession planning and targeted development programs, to ensure continuity in key leadership roles and strengthen organisational stability.
6. Investments in upskilling, reskilling, and digital learning initiatives, to create an agile workforce equipped to meet evolving business needs.
7. Foster innovation through people to build skilled and engaged workforce and drive creativity and innovation, supporting the Group's strategic priorities in digital transformation, ESG leadership, and smart property solutions.

Cyber Security Risk

Risk Priority **Risk Trend** ↑

Description
Risk relating to potential data breaches and other malicious activities that can impact the organisation capitals as well as confidentiality, integrity and availability of our digital information, with this risk exacerbated by our adoption of digital technology. In addition, with the increased sophistication of cyberattacks, the risk trend is becoming more dynamic and unpredictable, with attackers leveraging emerging technologies and exploiting new vulnerabilities.

Implication To Value Creation
1. Disruption of business operations, causing downtime and affecting sales, productivity, and revenue.
2. Reputational damage, loss of customer trust and decreased market share can have long-term financial implications
3. A data breach may result in our customers, partners and investors losing their trust and confidence in us.

Impact on Capitals

Response and Mitigating Actions
1 Implementing comprehensive information technology ("IT") policies and procedures to govern our operations.
2 Perform system checks and penetration testing to safeguard our data and detect vulnerabilities.
3 Establishing disaster recovery plans to ensure business continuity in the event of a crisis.
4 Enhancing cyber security awareness among our employees to foster a security-first mindset.
5 Implementing advanced security technologies and practices to protect data and ensure robust cyber security resilience.

Opportunities
1 Conducting regular risk assessments and cyber security health checks to proactively identify and mitigate potential vulnerabilities.
2 Conduct regular simulation to ensure the effectiveness of the Disaster Recovery strategy and preparedness for potential disruption.
3 Proactive cyber security risk management helps to ensure compliance with evolving regulations and reduces the financial impact of breaches, including fines, legal costs, and remediation expenses.
4 Investing in advanced security infrastructure and solutions to ensure secure and sustainable integration of cybersecurity into our ecosystems.
5 Continuous training for security personnel to ensure they are equipped with the required knowledge and improve the incident response capability.

Funding and Liquidity Risk

Risk Priority **Risk Trend** ↔

Description
Financial stability and performance risks associated with our reliance on equity and borrowings to cover development costs, operating costs and land acquisition costs.

Implication To Value Creation
1 Our ability to meet our financial obligations on time may be compromised.
2 Our funding sources may become unavailable or expensive.
3 Our revenue and competitiveness may be negatively affected.
4 Our ability to adapt and thrive in dynamic environments requiring investments may be affected.
5 Investor confidence may be eroded.

Impact on Capitals

Response and Mitigating Actions
1. Constantly monitoring our gearing ratio and effectively utilising credit to ensure alignment with our growth strategies.
2. Strengthening our treasury function to monitor and manage cash flow requirements, supporting our current and future needs.
3. Continuously embarking on initiatives to clear inventories for optimal cost and inventory management.

Opportunities
1. Utilising green financing for eligible green products and projects.
2. Establishing efficient debt structures and instruments to reduce our financing costs.
3. Optimising our treasury and cash management practices.
4. Enhancing our capital allocation strategies.

Political and Regulatory Risk

Risk Priority **Risk Trend** ↑

Description
Risks arising from government policies, regulations and political stability that may influence property values, investment decisions and overall market dynamics. This includes risks arising from the fast-evolving ESG regulatory landscape.

Implication To Value Creation
1. Political and regulatory uncertainty hampers long-term planning, posing challenges in creating and delivering sustainable value.
2. Higher compliance costs can diminish profitability, impeding our ability to generate optimal value for shareholders.
3. Failure to comply with regulations, especially in the context of ESG regulations, can damage reputation, diminish customer trust, reduce sales and result in a long-term decrease in value.

Impact on Capitals

Response and Mitigating Actions
1. Regularly monitoring political and regulatory developments at local, national and international levels.
2. Reviewing our business plans annually to ensure compliance with new regulations.
3. Maintaining ongoing communication with all stakeholders regarding changes in regulations and our corresponding actions in response to these changes.
4. Fostering strong relationships with government officials, policymakers and regulatory authorities.
5. Working with local partners and developer's association who understand the regulatory environment and can help navigate complexities.
6. Investing in legal expertise to ensure full compliance with existing regulations.

Opportunities
1. Monitoring political and regulatory landscapes enables Setia to anticipate changes and adapt our strategies accordingly.
2. Establishing positive relationships with regulatory bodies to gain opportunities for dialogue and a better understanding of upcoming regulatory changes.
3. Compliance with regulations often drives innovation and opens market opportunities.
4. Embracing responsible and ethical business practices.
5. Aligning with ESG initiatives while adding enhanced value to our products.

Key Risks, Opportunities and Mitigations

Work Health and Safety Risk

Risk Priority **Risk Trend ↔**

Description
Risks associated with the effectiveness of our occupational health and safety measures and our compliance with prevailing regulations, with any incidents that occur having the potential to substantially harm our reputation and lead to significant legal ramifications.

Implication To Value Creation
1. Non-compliance can result in legal consequences, regulatory fines and operational disruptions, impacting overall business continuity.
2. Incidents or accidents can lead to injuries, illnesses or even fatalities, resulting in increased absenteeism, reduced productivity and potential talent attrition.
3. Incidents and accidents may also negatively impact our reputation, leading to customer distrust and negative media coverage.
4. Inability of employees and contractors to perform their duties due to unsafe working conditions.
5. Disrupted operations can lead to loss time injury, increased costs and delayed project timelines.
6. Increasing insurance premiums, stricter terms and challenges in obtaining coverage may impact overall risk management.

Impact on Capitals

Response and Mitigating Actions
1. Outlining clear health and safety policies and procedures for the Group including ongoing inspection at workplaces.
2. Consistently fostering awareness of health and safety through training sessions and awareness programmes.
3. Continuously adopting safer construction methods and ensuring contractors are well-versed in current best practices and new regulations and requirements.
4. Effectively enforcing controls and monitoring for on-site compliance, including end-to-end monitoring and tracking of compliance with regulations issued by Department of Safety and Health ("DOSH").
5. Implemented comprehensive health and safety training programs for contractors and employees to ensure compliance with regulatory standards and promote a safe working environment.

Opportunities
1. Staying up-to-date with local, national and international health and safety regulations.
2. Proactively identifying and mitigating potential risks to prevent accidents and incidents.
3. Aligning our health and safety practices with our environmental sustainability efforts.
4. Foster a strong safety culture through leadership engagement, recognition programs, and continuous communication.

Geopolitical Risk

Risk Priority **Risk Trend ↔**

Description
Risks arising from political instability, conflicts, trade disputes and shifts in government policies across our operational markets, as well as government stances on foreign direct investments ("FDIs"), which have the potential to impact our operations, financial performance and strategic planning.

Implication To Value Creation
1. Political instability and economic uncertainties can cause fluctuations in currency values, interest rates and overall financial market conditions, impacting our business strategies.
2. Higher compliance costs from investing in resources to understand and adapt to new compliance requirements may impact our cost structures.
3. Geopolitical issues have the potential to affect our reputation and brand image.
4. Political instability and conflicts can lead to operational disruptions, impacting efficiency and productivity.

Impact on Capitals

Response and Mitigating Actions
1. Engaging in partnerships with local businesses to gain a deeper understanding of the market and facilitate smooth business operations.
2. Maintaining close monitoring of the political environments in our markets of operation and responding proactively.
3. Consistently providing updates on each local geopolitical climate to our Senior Management and Board of Directors.

Opportunities
1. Building resilience and adaptability to political uncertainties, thus enhancing our competitive advantage in our operational markets
2. Forming strategic partnerships with local businesses to yield valuable insights and gain support in navigating political landscapes
3. Collaborating with local businesses to gain shared resources, improve access to markets and co-develop risk mitigation strategies

Our Strategic Roadmap

As we advance our ambition to shape the future of sustainable communities and pioneer innovative lifestyles, our strategy is anchored by four key pillars: disciplined land bank management, purposeful regional growth, industrial expansion and unlocking value from our investment property assets through a potential Real Estate Investment Trust ("REIT").

Together, these pillars form an integrated roadmap that sharpens capital allocation, strengthens brand equity and reinforces our commitment to creating enduring value for stakeholders. Powering this journey is our continued focus on digitalisation and innovation — a critical enabler that elevates execution excellence, enhances customer experiences and positions S P Setia to thrive in an increasingly dynamic market.

STRATEGIC OBJECTIVES

Capital Allocation

Disciplined capital allocation remains fundamental to S P Setia's sustainable growth and profitability. By deploying financial resources in line with our strategic priorities, we maximise the value creation potential of our capital—strengthening shareholder returns while reinforcing the long-term resilience and growth of the business.

Brand Capital

We remain deeply inspired to create sustainable communities where people can "LiveLearnWorkPlay" together, and continue to drive efforts that accelerate the development of future-ready and green townships. This focus enriches the lifestyles of our communities while strengthening our brand capital and deepening customer loyalty.

Sustainability

We embrace a holistic approach that embeds our sustainability aspirations across core business practices, ensuring they remain responsive to evolving stakeholder expectations and external developments. Anchored by this commitment, we strive to deliver enduring value while driving meaningful, long-term impact for both communities and the environment.

Key Enabler

Recognising digitisation and innovation as critical enablers of long-term success, we are progressing beyond process optimisation towards innovation-led execution across the business. Key focus areas include deploying the Unified Data Platform, scaling customer and sales digitisation, and accelerating smart construction pilots. Underpinning these efforts, our leadership continues to prioritise strategic digitisation and innovation initiatives that deliver measurable gains in efficiency, customer experience and long-term growth outcomes.

Strategic Performance Review

LAND BANK MANAGEMENT

As of 31 December 2025, we maintain a land bank portfolio of 4,302 acres with a remaining gross development value ("GDV") of RM106.13 billion, reinforcing our strong earnings potential and future revenue generation capacity.

Through disciplined and ongoing reviews, we continue to optimise and rationalise our landbank to maximise value and capital efficiency. Key focus areas include:

- Accelerating development and unlocking value through self-development and/or strategic partnerships with catalytic value.
- Identifying non-core undeveloped land parcels for value realisation.
- Creating cash flow opportunities to support de-gearing and capital recycling.
- Prioritising investments in projects with strong return potential.
- Pursuing catalytic developments with cross-industry partners to deliver sustainable, long-term value for the wider community.

ACHIEVEMENTS IN 2025

- Monetised RM1.36 billion worth of land assets in FY2025, strengthening our landbank optimisation and enhancing financial flexibility.
- Key transactions: Land monetisation in 2025 contributed 27% of total sales, mainly driven by strategic land transactions in Southern and Central region.

2026 FOCUS AREAS

- Continuing to deliver quality homes and real estate offerings that align with evolving market needs across our townships and residential developments.
- Sustaining our position as a leading integrated property developer in key urban centres, underpinned by flagship developments such as Setia Federal Hill in Bangsar, Kuala Lumpur, and catalytic township developments such as Setia EcoHill in Semenyih, advanced through our joint venture with Mitsui Fudosan.
- Identifying strategic land opportunities while proactively engaging with high-potential buyers and cultivating prospective business partnerships.

INDUSTRIAL EXPANSION

Our strategic positioning in the eco-industrial segment represents a deliberate move to diversify our portfolio and capitalise on the strong growth trajectory of the industrial property sector. This initiative is closely aligned with Malaysia's development agenda, including the New Industrial Master Plan ("NIMP") 2030 and the National Energy Transition Roadmap ("NETR"), both of which are expected to drive increased domestic and foreign direct investment.

The development of our eco-industrial parks aims to cultivate a dynamic ecosystem that supports a broad spectrum of logistics and manufacturing players. Progressing on our next tranche of industrial development after the debut of Setia Alaman Industrial park in 2023, we have earmarked approximately 480 acres of land for industrial development in Setia Fontaines, Penang with an estimated GDV of RM3 billion.

ACHIEVEMENTS IN 2025

- Setia Alaman Industrial Park in Selangor recorded total sales of RM323 million, contributing 6.3% to Group earnings.
- Attracted a diverse buyer profile, with more than 20 players across different sectors, including logistics, warehousing, hardware, manufacturing, F&B and factory operations.
- Progressed infrastructure enhancements at Setia Alaman, with construction of a ramp for flyover access currently underway.
- Rezoning approval obtained for converting additional land at Setia Alaman from mixed development (residential/commercial) to industrial use.
- Rezoned 23 acres of land in Setia EcoHill for light industrial use.
- Secured rezoning approval for an additional 480 acres of land at Setia Fontaines, Penang, for industrial development.

2026 FOCUS AREAS

- Proactively pursue strategic partnerships with established partners to co-develop industrial parks, while engaging high-potential buyers for the acquisition of industrial plots.
- Launch Setia Fontaines Industrial Park in Penang.

REGIONAL GROWTH

We are actively strengthening our regional footprint by leveraging high-potential real estate opportunities and tapping into the robust growth prospects in Australia and Vietnam.

- Having established S P Setia as a household name in Melbourne, our acquisition of a 1,374 sq m (14,790 sq ft) land parcel at St Leonards in 2024 has expanded our presence into Sydney.
- In Vietnam, we have built a foothold in the market through two projects near Ho Chi Minh City — the EcoLakes eco-themed township and the EcoXuan boutique strata development.

ACHIEVEMENTS IN 2025 (Melbourne)

- Our Atlas development in the heart of Melbourne received strong market response, achieving total sales of RM535 million.
- Held groundbreaking ceremony for Setia Edenia at EcoXuan in Ho Chi Minh City, Vietnam, with a GDV of RM381.1 million.
- Formulated plans for new developments in Carlton, Melbourne and St. Leonard's, Sydney.

Setia Edenia, Vietnam

2026 FOCUS AREAS

- Progressing with development plans for Melbourne and Sydney.
- Pursuing strategic land acquisition opportunities to expand our footprint in Australia.
- Strengthening brand visibility in Ho Chi Minh City through targeted digital marketing initiatives.
- Prioritising the launch of catalytic commercial components within our Vietnam developments.

STRENGTHENING INVESTMENT PROPERTIES

Our investment property portfolio comprises a well-diversified mix of asset types, including office spaces (Mercu 2, Aspire Tower and Setia Corporate HQ), educational institutions (Tenby Schools), retail malls (Setia City Mall, EcoHill Walk Mall, INC KL Eco City Mall, Sutera Mall, Lotus Setia Tropika and Medan Setia Alam), hospitality assets (Amari Kuala Lumpur and Amari SPICE Penang), as well as convention centres (Setia City Convention Centre and Setia SPICE Convention Centre).

This robust portfolio reinforces our diversification strategy and supports the growth of stable, recurring income streams. It also positions us to explore opportunities for capital recycling through the potential monetisation of these assets via a REIT, enhancing our financial agility and long-term sustainability.

ACHIEVEMENTS IN 2025

- Focused on developing robust, recurring revenue streams beyond conventional property development, including optimising net property income (NPI) yields by optimising the tenant mix in our properties.

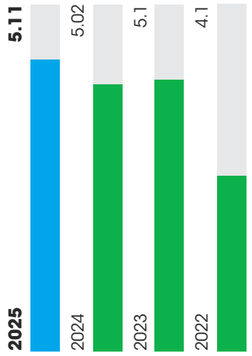
2026 FOCUS AREAS

- Establishing a REIT, enabling wider access to capital market-led growth and unlocking value for investors.

Key Indicators

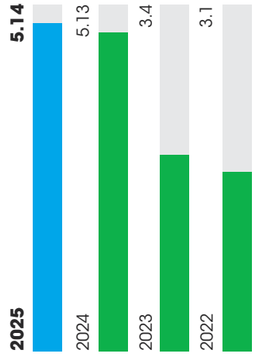
FINANCIAL

Sales Achieved (RM billion)



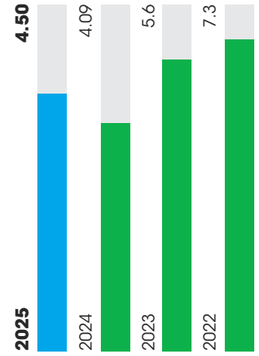
Sales achieved reflects the effectiveness of our product offerings, pricing strategies and market execution. Monitoring sales performance enables us to assess market demand, optimise our sales approach and support sustainable revenue generation.

Value of Project Launches (RM billion)



The value of project launches indicates our ability to introduce products in strategic locations that meet market demand. This KPI supports revenue and earnings visibility by tracking the strength and timing of our development pipeline.

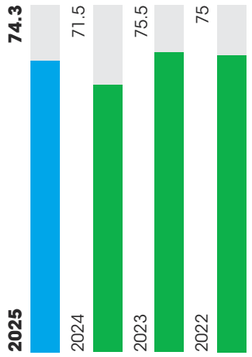
Unbilled Sales (RM billion)



Unbilled sales serve as a key indicator of future revenue recognition and earnings visibility. A healthy unbilled sales position underpins cash flow planning and provides insight into the sustainability of future income streams.

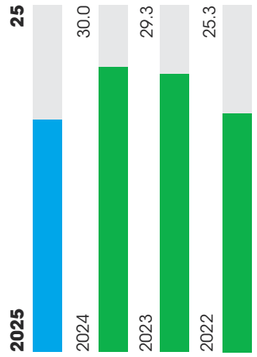
NON-FINANCIAL

Customer Satisfaction Survey (%)



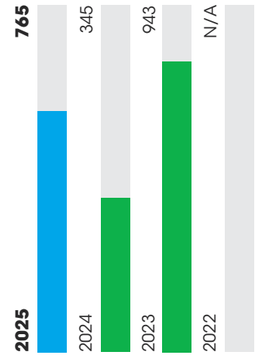
Customer satisfaction reflects homeowners' confidence in the quality, reliability and value of our developments. This KPI is critical in assessing brand strength, repeat demand and our ability to foster long-term customer loyalty.

Average Hours of Training per Employee (no. of hours)



Average training hours measure our investment in employee capability and organisational performance. Continuous learning supports productivity, enhances skills and ensures our workforce remains aligned with evolving business needs.

Number of employees trained on health and safety standards (no. of employees)



Employee Training ensures our workforce is equipped with the necessary safety and health knowledge, supporting continuous improvement in HSE performance, strengthening risk management, and maintaining regulatory compliance across the Group.

Group Financial Review

FINANCIAL SUMMARY

In accordance with the approved accounting standards, the Group adopts two different income recognition policies for its property development business. Income from the development business in Malaysia and Singapore is recognised over time, throughout the development periods. As such, they contribute revenue and profit more regularly to the Group. However, income from our development business in Australia, Vietnam and the UK is recognised at a point in time upon the completion and handover of developed properties, hence its revenue and profit contribution are more irregular.

In Australia, our two projects namely Sapphire by the Gardens and UNO Melbourne contributed their respective revenue streams to the Group from FY2022 to FY2025.

In the UK, the Group has delivered the completion of Phase 2, Phase 3A and Phase 3B from FY2021 to FY2025 through its 40% interest in the redevelopment of the Battersea Power Station ("BPS"). Similar to the developments in Australia, income from BPS development is also recognised at a point in time upon the completion and handover of developed properties. The Group does not consolidate the revenue of BPS as it is a jointly controlled-entity but the results will be equity accounted into the Group's results.

In Singapore, following the completion of its third development project known as the "Daintree" in Dec 2022, the Group has scaled down its operations in the country.

Malaysia remains as the Group's main contributor of revenue from its local development business. It has been contributing consistently, save for some periodical fluctuations due to time-to-time variation in the overall projects development portfolio achievement.

Against the backdrop of challenges arising from the global outbreak of Covid-19 pandemic leading to unprecedented disruption to the operations of the Group in the property development, retail malls and construction sectors in Malaysia and overseas, the Group finished the FY2021 commendably by achieving a profit before tax that was at par with the pre-Covid performance in FY2019.

FY2022 was another challenging year for the property sector as the eruption of Russian-Ukraine war resulted in rising inflationary pressure on the commodities and building materials coupled with the lockdown in China which inadvertently disrupted the global supply chain. The shortage of labour faced by most industries aggravated the site progress of our projects nationwide. However, with the timely contributions from our Australian projects namely Sapphire by the Gardens and UNO Melbourne, the Group was able to deliver another set of improved financial results in FY2022 as compared to the preceding year.

In FY2023, the Group further reduced its borrowings by RM1.30 billion bringing down the net gearing ratio to 0.49x from 0.57x in FY2022. Despite the challenges of interest rates hikes and foreign exchange rate volatilities, the Group managed to achieve a set of financial results for FY2023 that was close to that achieved in FY2022. The Group successfully navigated these challenges by divesting a few parcels of non-strategic lands and pursued cost optimisation initiatives.

FY2024 was a record year for the Group with revenue and profit at new highs over the past 3-year period. The Group recorded revenue and profit attributable to shareholders of RM5.3 billion and RM576 million respectively at the back of a few major land transactions. The Group's robust performance of the property development business had been supported by 42 ongoing projects. Consequently, the Group's net gearing ratio for FY2024 has dropped to 0.35x from 0.49x in FY2023 with borrowings lower by RM1.6 billion and cash and bank balance higher by RM646 million, putting the Group on a stronger financial footing.

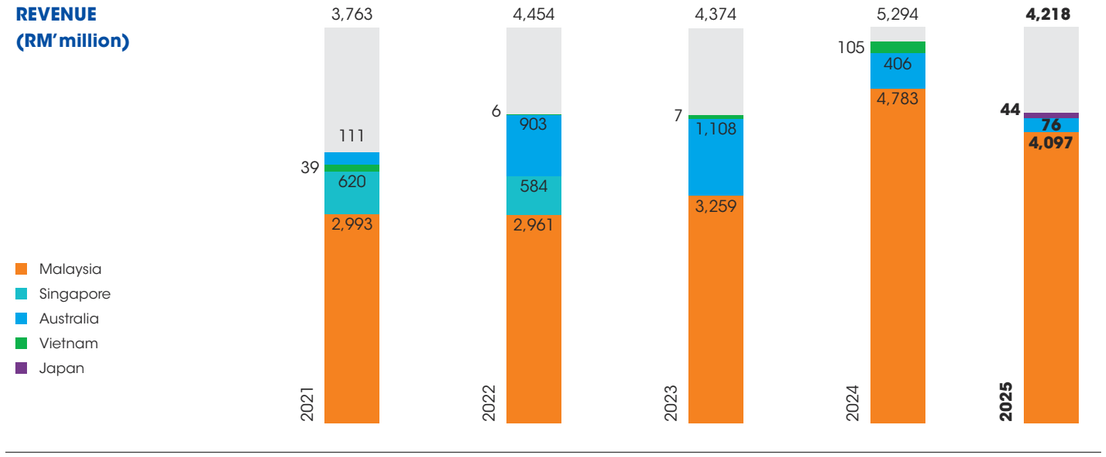
In FY2025 the Group achieved revenue of RM4.2 billion and a Profit Before Tax (PBT) of RM969 million, driven by resilient local property development in Central and Southern regions including value unlocked from land transactions. Despite a lower topline in FY2025, PBT remained stable, driven by contribution from high margin strategic land transactions, steady delivery of property development segment, and cost savings in the construction segment from effective projects close out, partially offset with write-downs in inventories. The Group continued to strengthen its financial position through its strategic income diversification plans, disciplined debt reduction program, while balancing capital allocation for new projects developments with its de-gearing plans. The Group's has reduced approximately RM0.6 billion of borrowings in FY2025, with its net gearing ratio improving further to 0.33x in FY2025 from 0.35x in FY2024.

5-Year Group Financial Summary

RM'million	← As per respective years' audited financial statements → 31 December 2021	31 December 2022	31 December 2023	31 December 2024	31 December 2025
Revenue	3,763	4,454	4,374	5,294	**4,218**
Gross Profit	1,007	1,065	1,341	1,801	**1,663**
Profit Before Tax – Before significant impairment provisions	542	580	656	1,149	**1,169**
Significant impairment:	–	(16)	–	(27)	**(200)**
Profit Before Tax – After signficiant impairment provisions	542	564	656	1,122	**969**
Profit After Tax	347	364	357	631	**604**
Profit Attributable to Owners of the Company	284	308	299	576	**510**
Share Capital	8,490	8,500	8,723	9,238	**9,239**
Share Capital – RCPS-i A	1,087	1,087	1,087	1,087	**1,087**
Share Capital – RCPS-i B	1,035	–	–	–	**–**
Share Capital – RCPS-i C	–	937	719	203	**203**
Equity Attributable to Owners of the Company	14,176	14,083	14,450	14,614	**14,798**
Total Assets Employed	31,184	29,819	29,006	27,604	**27,083**
Total Net Tangible Assets	15,278	14,940	15,286	15,565	**15,792**
Earnings Per Share (sen)	3.7	3.6	4.8	10.2	**8.6**
Dividend Per Share (sen)	0.65	1.47	1.34	2.88	**2.55**
Net Assets Per Share Attributable to Owners of the Company (RM)	2.96	2.96	2.90	2.66	**2.70**
Return on equity (%)	2.0	2.2	2.1	3.9	**3.4**
Net gearing ratio (times)	0.61	0.57	0.49	0.35	**0.33**
Dividend payout ratio (%)*	55.7	64.0	58.1	39.7	**41.0**
Share Price – High (RM)	1.72	1.42	1.06	1.80	**1.50**
– Low (RM)	0.85	0.41	0.51	0.79	**0.73**

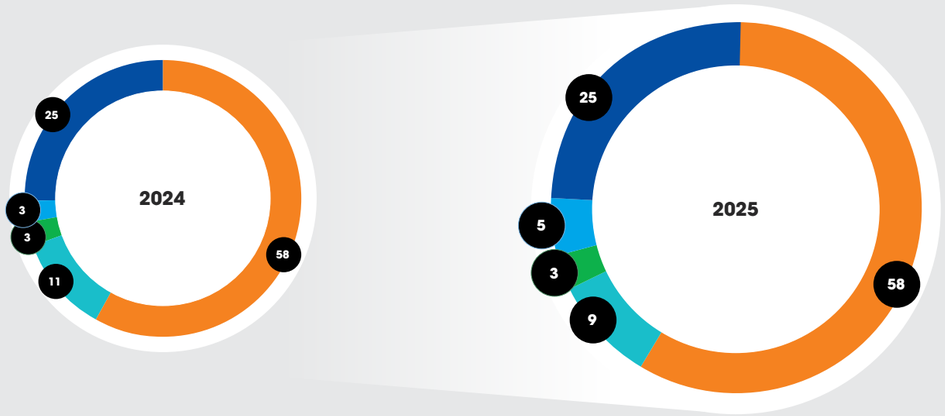
* *Inclusive of RCPS-i A, B & C dividend.*

5-Year Group Financial Highlights



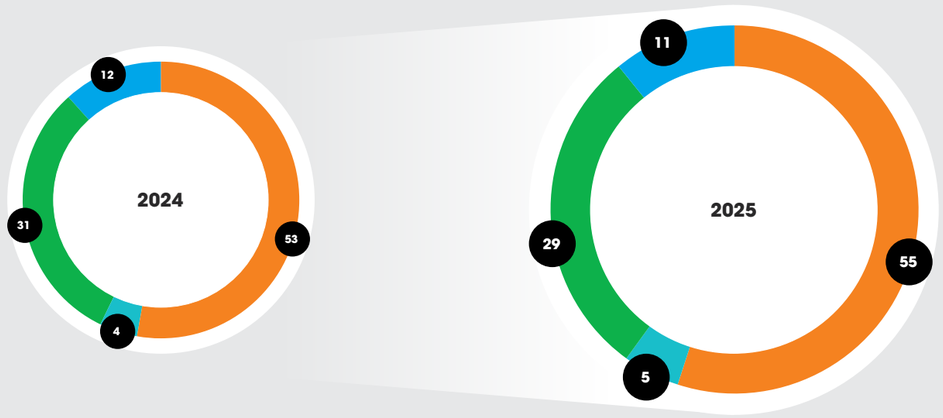
Simplified Group Statements of Financial Position

ASSETS (%)



- Landheld and property development cost and inventories
- Cash & bank balances
- Property, plant and equipment
- Receivables
- Other assets

LIABILITIES & EQUITY (%)



- Shareholders' funds
- Non-controlling interest
- Borrowings
- Other liabilities

Quarterly Performance

FINANCIAL RESULTS

RM' million	1Q FY2025 31-Mar-25	2Q FY2025 30-Jun-25	3Q FY2025 30-Sep-25	4Q FY2025 31-Dec-25	FY2025 Total
Revenue	771	944	872	1,631	**4,218**
Operating profit	235	311	269	602	**1,417**
Share of results from joint ventures & associates	(13)	(38)	(30)	(21)	**(102)**
Other gains/(losses)	5	3	2	(13)	**(3)**
Profit before interest and tax	227	276	242	567	**1,312**
Profit before taxation	141	196	161	471	**969**
Profit after taxation	89	121	99	295	**604**
Profit attributable to owners of the Company	67	100	68	275	**510**

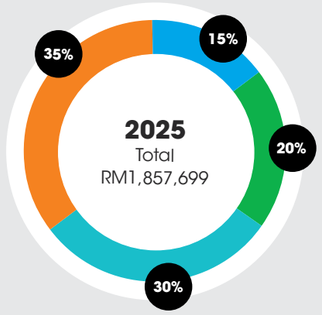
SEGMENTAL RESULTS

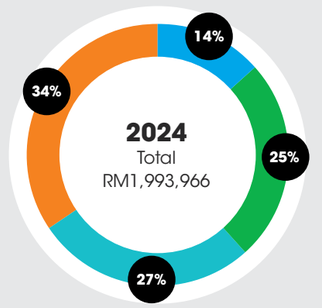
RM' million	1Q FY2025 31-Mar-25	2Q FY2025 30-Jun-25	3Q FY2025 30-Sep-25	4Q FY2025 31-Dec-25	FY2025 Total
Revenue					
Property Development	719	893	811	1,573	**3,996**
Construction, Investment Holding & Others	51	51	61	58	**222**
Total	771	944	872	1,631	**4,218**
Profit/(loss) before tax					
Property Development	133	186	148	507	**974**
Construction, Investment Holding & Others	8	9	13	(36)	**(5)**
Total	141	196	161	471	**969**

Statement of Value Added and Distribution

This Statement of Value Added shows the total wealth we created and how it was distributed, taking into account how much was retained and reinvested in S P Setia for future growth.

RM'million	FY2024 RM'million	FY2025 RM'million
VALUE ADDED:		
Revenue	5,293	**4,218**
Purchase of goods and services	(3,551)	**(2,571)**
Value added by the Group	1,742	**1,647**
Other income	378	**313**
Share of result of associates	55	**111**
Share of result of joint ventures	(181)	**(213)**
Total value added available for distribution	1,994	**1,858**
DISTRIBUTION:		
To employees		
– Salaries and other staff costs	269	**270**
To government & society		
– Income Tax	491	**366**
– Zakat & Donation	7	**6**
To provider of capital		
– finance cost	384	**343**
– dividend	157	**226**
Retained for future reinvestment & growth		
– depreciation & amortisation	55	**43**
– retained profits	576	**510**
– minority interest	55	**94**
Total Distributed	1,994	**1,858**
RECONCILIATION:		
Profit for the year	631	**604**
Add: Depreciation & amortisation	55	**43**
Finance costs	384	**343**
Dividend	157	**226**
Staff cost	269	**270**
Income Tax	491	**366**
Zakat & Donation	7	**6**
Total Value Added	1,994	**1,858**





- To employees
- To government & society
- To provider of capital
- Retained for future reinvestment & growth

Financial Calendar

S P Setia's 50TH Annual General Meeting ("AGM")

- **Notice of 50th AGM** 26 Mar 2025
- **50th AGM** 24 Apr 2025

28 Feb 2025
Consolidated result for the financial year ended 31 December 2024

21 May 2025
First quarter consolidated results for the financial period ended 31 March 2025

20 Aug 2025
Second quarter consolidated results for the financial period ended 30 June 2025

13 Nov 2025
Third quarter consolidated results for the financial period ended 30 September 2025

Setia AlamImpian, Shah Alam, Selangor

Malaysia

Central Region

The Central Region features our most extensive portfolio of award-winning developments strategically situated in key growth corridors across the Klang Valley, including Shah Alam, Klang, Bangi, Cyberjaya, Bangsar, Cheras, Puchong, Rawang, Semenyih and Salak Tinggi. As at 31 December 2025, our gross undeveloped land bank in the Central Region totals 2,302 acres, with an estimated gross development value ("GDV") of approximately RM50.72 billion, reinforcing our strong pipeline for future growth.

Ongoing Projects
23

Undeveloped Land Bank
2,302 acres

GDV
RM50.72 billion

Setia Alamsari, Kajang, Selangor

Setia Eco Glades, Cyberjaya, Selangor

Business Review

OUR PRESENCE IN THE CENTRAL REGION

Shah Alam & Klang Corridor

- Key townships:
  - Setia Alam
  - Setia AlamImpian
  - Temasya Glenmarie
  - Setia Bayuemas
  - Setia Eco Park
  - Precinct Arundina
- Industrial Park:
  - Setia Alaman Industrial Park

Semenyih & Bangi Corridor

- Townships and residential enclaves:
  - Setia EcoHill 1 and 2
  - Setia Mayuri
  - Setia Alamsari

KL Eco City, Bandar Kinrara and Others

- Eco-themed residential developments:
  - Setia Eco Glades
  - Setia Safiro
  - Setia Warisan Tropika
  - Setia Eco Templer
  - Alam Damai
  - Bandar Kinara
- Integrated Mixed Development:
  - Setia KL Eco City

BUSINESS PERFORMANCE REVIEW 2025

Key Initiatives

Accelerated Developments

- Delivered a well-diversified product portfolio across our townships to cater to a broad spectrum of market segments
- Maintained an agile launch strategy, aligning product rollouts with prevailing market dynamics
- Prioritised the development of landed residential properties and commercial shop offices in line with market demand

Key Investments

- **KL Eco City:**
  - Continued to strengthen its position as a mature, transit-oriented integrated development
  - Focused initiatives aimed at enhancing asset performance and long-term value
  - Key efforts during the year centred on value enhancement and performance optimisation across the portfolio
  - Implemented initiatives to uplift ViiA Residences.
  - Undertook operational and asset-management improvements to maximise returns from existing developments
  - Drove efficiency and yield optimisation across the integrated components of KLEC
  - Reinforced KLEC's role as a stable contributor to recurring income
  - Positioned KLEC as a benchmark for integrated urban developments within the Group
- **Setia Federal Hill**
  - Achieved a significant milestone with the launch of Parkside Residences
  - Parkside Residences is the first landmark residential development within Federal Hill's urban green setting
  - Established the foundation for SFH's long-term vision as a premium, low-density, park-centric development
  - Management actively engaged strategic investors during the year
  - Explored collaborative opportunities with both domestic and international development partners, including institutional investors
  - These engagements form part of a broader strategy to:
    - Unlock land value
    - Optimise capital deployment
    - Accelerate delivery of Setia Federal Hill's master-planned vision
  - Maintained Setia Federal Hill's positioning as a distinctive urban green enclave

Diversified Portfolio Expansion

- Made smooth progress on our eco-industrial park development at Setia Alaman with an estimated GDV of RM4 billion
- Strengthened recurring income streams through the optimisation of investment property performance
- Progressed asset readiness preparations for potential injection into Setia REIT

Land Bank Management & Value Unlocked

- Strategically structured our land bank in the region into core holdings and parcels earmarked for collaborative development
- Extracted value through optimised management of non-core land assets
- Supported growth and investment in Setia enterprise land by engaging potential buyers and investors via targeted strategic partnerships

ACHIEVEMENTS

The Central region recorded sales of RM2.55 billion in 2025, as well as unbilled sales amounting to RM2.83 billion. This performance contributed significantly to our overall revenue, while also supporting future earnings visibility moving forward.

We are proud to announce that Setia Federal Hill became the first project in Malaysia to earn the prestigious LEED for Neighbourhood Development ("LEED-ND") Platinum certification under the V4 framework by the US Green Building Council ("USGBC"), setting a benchmark in national sustainable, low-carbon urban development.

Top contributing projects for the Central region are:

Setia Alaman Industrial Park, Shah Alam, Selangor

Setia Alam, Shah Alam, Selangor

Setia Eco Hill 2, Semenyih, Selangor

CHALLENGES AND MITIGATIONS

Challenges	Mitigations
• Experienced a contraction in profit margins and financial returns as a result of the industry-wide increase in construction costs relative to pre-pandemic benchmarks • Faced delays in land bank development, which may affect future profitability • Managing slow-moving inventories • Keeping pace with accelerated delivery of commercial amenities and infrastructure in key townships	• Adopted targeted pricing strategies to protect margins, capitalising on our strong brand equity and reputation for delivering quality developments • Rezoned non-residential land to residential use to unlock new development opportunities • Launched the Lease-to-Purchase Programme, offering tenants the flexibility to lease with an option to purchase, enhancing accessibility and demand • Applied placemaking strategies to speed up commercial development and increase footfall across our townships

OUTLOOK AND PROSPECTS

Driven by improving macroeconomic conditions and the government's Budget 2026 emphasis on affordable homeownership, Malaysia's residential property sector is poised for continued growth. Supported by the recent OPR reduction to 2.75%, demand is expected to remain strong, especially for well-connected developments located within key growth corridors of the Central Region.

Based on this outlook and guided by market trends, we plan to expand our Setia eGreenLiving portfolio within the Klang Valley by incorporating in-demand sustainable features such as solar water heating systems, rainwater harvesting and built-in EV charging. For our eco-industrial parks, particularly Setia Alaman, we will pursue a strategic mix of land sales and joint-venture developments to attract a broader investor base and unlock diversified income streams.

Taman Rinting, Johor

Malaysia
Southern Region

Our operations in the Southern region are centred around Johor Bahru and Iskandar Malaysia, a key economic corridor positioned to emerge as a global centre for business and innovation. The region is set to benefit from major infrastructure developments, including the Johor-Singapore Rapid Transit System ("RTS") Link and the Johor-Singapore Special Economic Zone ("JS-SEZ"), alongside strategic partnerships that are expected to drive accelerated economic and infrastructure growth. As at 31 December 2025, our undeveloped land bank in the Southern Region totals 725 acres, with an estimated GDV of RM7.89 billion.

Ongoing Projects
11

Undeveloped Land Bank
725 acres

GDV
RM7.89 billion

Setia Tropika, Johor Bahru, Johor

Setia Eco Gardens, Johor Bahru, Johor

OUR PRESENCE IN THE SOUTHERN REGION

Johor Bahru Corridor

- Key Projects:
  - Setia Indah
  - Setia Tropika
  - Setia Eco Cascadia
  - Taman Rinting
  - Taman Pelangi Indah

Nusajaya Corridor

- Key Projects:
  - Bukit Indah
  - Setia Eco Gardens
  - Taman Pelangi
  - Taman Perling
  - Setia Business Park I and II
  - Taman Industri Jaya
  - Setia Sky 88

BUSINESS PERFORMANCE REVIEW 2025

Key Initiatives

Accelerated Developments

- Delivered a broad range of product offerings across our townships to capture customer interest across diverse market segments
- Maintained agility in launch planning to remain responsive to prevailing market conditions
- Continued to prioritise the development of landed residential properties and commercial shop offices in line with market demand

Diversified Portfolio Expansion

- Progressed asset readiness preparations for potential injection into Setia REIT

Land Bank Management & Value Unlocked

- Successfully monetised land asset via major strategic land transaction, contributing significantly to the Group's performance in 2025
- Strategically structured our land bank in the region into core holdings and parcels earmarked for collaborative development
- Extracted value through optimised management of non-core land assets
- Supported growth and investment in Setia enterprise land by engaging potential buyers and investors via targeted strategic partnerships

ACHIEVEMENTS

The Southern region achieved RM1.52 billion in sales, contributing 29.7% to our Group revenue in 2025.

Callista Green, Taman Rinting, Johor Bahru

CHALLENGES AND MITIGATIONS

Challenges	Mitigations
• Experienced a contraction in profit margins and financial returns as a result of the industry-wide increase in construction costs relative to pre-pandemic benchmarks • Managed the risk of supply-demand mismatch (oversupply), particularly in certain segments and locations, in view of the impact of major catalysts in Johor such as the Johor–Singapore Special Economic Zone and the RTS Link	• Applied targeted pricing strategies to protect profit margins, leveraging our strong brand equity and recognised reputation for delivering quality developments • Implemented customer targeting strategies to identify and engage customers with the right profiles • Calibrated our launches, pricing and product mix carefully and strategically to avoid oversupply and ensure sustainable demand, rather than chasing short-term market hype driven by infrastructure catalysts

Setia Business Park, Johor Bahru, Johor

OUTLOOK AND PROSPECTS

The property market outlook for Johor remains positive, supported by strong economic fundamentals and catalytic infrastructure initiatives that are expected to accelerate regional growth. Key developments such as the Johor-Singapore RTS Link and the JS-SEZ are set to enhance cross-border connectivity, attract both domestic and foreign investment and unlock new development opportunities across the region.

As such, the market is generally expected to remain stable over the next two to three years, with sustained interest in well-located, competitively priced terraced homes and urban apartments or condominiums. Investment-grade commercial properties, including shop houses and offices in established locations, are also projected to maintain healthy demand. Additionally, the industrial segment is poised for steady growth, underpinned by upcoming data centre developments currently in approval or execution phases, further reinforcing Johor's appeal as an emerging economic hub.

Setia Fontaines, Penang

Malaysia

Northern Region

Our footprint in the Northern region is primarily centred on Penang Island, with our Setia Fontaines development in Seberang Prai marking our expansion onto the mainland in 2018. The region continues to demonstrate strong growth potential, underpinned by infrastructure upgrades, economic development initiatives and ongoing urban expansion. As at 31 December 2025, our gross undeveloped land bank in the Northern region totals 1,182 acres, with an estimated GDV of RM12.37 billion – underscoring the region's role as a key driver of the Group's long-term growth agenda.

Ongoing Projects
10

Undeveloped Land Bank
1,182 acres

GDV
RM12.37 billion

Setia SPICE, Penang

Setia Fontaines, Penang

OUR PRESENCE IN THE NORTHERN REGION

Penang Island

- Key Developments:
  - Pangsapuri Rimbun
  - Setia SPICE (convention centre)
  - Amari SPICE Penang (hotel)
  - Setia Pearl Island
  - Setia Sky Vista
  - Setia Greens
  - Setia Sky Ville

Penang Mainland

- Key Projects:
  - Setia Fontaines
- Upcoming Eco Industrial Development Project:
  - Setia Fontaines Industrial Park

BUSINESS PERFORMANCE REVIEW 2025

Key Initiatives

Accelerated Developments

- Provided a broad and balanced product mix across townships to cater to the evolving needs of multiple market segments
- Exercised flexibility in launch strategies to remain aligned with prevailing market conditions
- Continued to prioritise the development of landed residential properties and commercial shop offices in response to sustained market demand

Diversified Portfolio Expansion

- Strengthened recurring income streams through the optimisation of investment portfolio performance
- Identified over 480 acres in Setia Fontaines development in the Bertam area for the development of eco-industrial parks

Land Bank Management & Value Unlocked

- Strategically structured our land bank in the region into core holdings and parcels earmarked for collaborative development
- Extracted value through optimised management of non-core land assets
- Supported growth and investment in Setia enterprise land by engaging potential buyers and investors via targeted strategic partnerships

ACHIEVEMENTS

The Northern region recorded RM75 million in sales as well as RM120 million in unbilled sales, reinforcing its role as a key contributor to our overall performance.

- Setia Fontaines Heritage Park has been honoured with a prestigious 5-Rosa (5-star) rating under the Rosa-Sinensis Award by Jabatan Landskap Negara.
- Bronze award in Design Excellence category for medium-scale master-planned development (50 to 249 acres) for NusaCinta development in Setia Fontaines.
- Setia SV2 is a freehold residential development that is GreenRE certified.

CHALLENGES AND MITIGATIONS

Challenges	Mitigations
• Experienced margin compression and reduced financial returns due to weaker market sentiment, primarily driven by rising financing costs and cautious buyer behaviour amidst economic uncertainty • Encountered a shortage of qualified contractors on the market • Faced a lack of awareness in the market	• Implemented strategic pricing measures to protect profit margins, capitalising on our strong brand reputation and consistent delivery of quality developments • Engaged firms from other regions, including the Klang Valley, to expand our contractor pool • Expanded our advertising efforts to focus on brand awareness and highlight our unique selling points

Setia Fontaines, Penang

OUTLOOK AND PROSPECTS

The outlook for Penang's property market in 2026 remains guarded but optimistic, supported by major infrastructure advancements and a resilient industrial sector that is expected to positively influence residential demand. Key initiatives such as the minor impact to Setia Penang Development, the Penang Light Rail Transit ("LRT") and the expansion of the Penang International Airport are anticipated to enhance regional connectivity and uplift property values.

At the same time, our efforts to integrate sustainability features into our developments will be reinforced by ongoing efforts by the Penang government to encourage green certifications for new projects.

Against this backdrop of transformation, we remain focused on leveraging emerging opportunities to strengthen our regional presence, enhance portfolio value and contribute to Penang's long-term growth.

Aeropod, Kota Kinabalu, Sabah

Malaysia
Eastern Region

Our footprint in East Malaysia is currently centred on Aeropod, a unique integrated development in Kota Kinabalu, the vibrant capital of Sabah. Conceptualised as a transit-oriented development ("TOD"), Aeropod enjoys a prime location adjacent to Kota Kinabalu International Airport ("KKIA") and near the Tanjung Aru Railway Station, which links Tanjung Aru to Tenom along Sabah's west coast. This strategic positioning establishes Aeropod as both a gateway to Borneo and a key business hub.

Undeveloped Land Bank
44 acres

GDV
RM3.07 billion

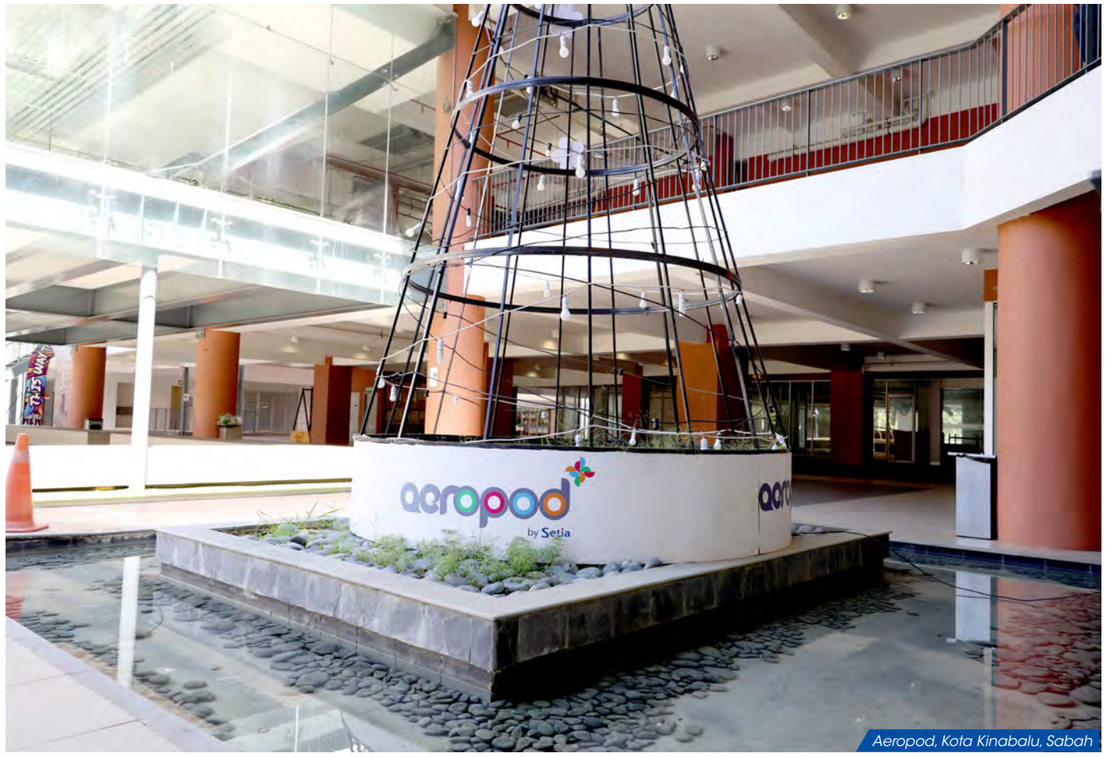
Aeropod, Kota Kinabalu, Sabah

Aeropod, Kota Kinabalu, Sabah

OUR PRESENCE IN THE EASTERN REGION

Aeropod, launched in 2012, is strategically situated adjacent to KKIA and approximately 5 kilometres from the city centre.Spanning 60 acres in total, this integrated development comprises a dynamic mix of boutique retail and office spaces, SOVO units, retail lots, a shopping and entertainment mall, high-rise residential towers and hospitality offerings.

Located near the Tanjung Aru railway station along the Western Sabah Railway Line, which extends approximately 134 kilometres from Tanjung Aru to Tenom, Aeropod benefits from strong regional connectivity. Its frontage along Jalan Kepayan further enhances accessibility, linking the development to Kota Kinabalu's southern growth corridors.



Aeropod, Kota Kinabalu, Sabah

BUSINESS PERFORMANCE REVIEW 2025

Key Initiatives

Accelerated Sales Activities

- Executed targeted sales campaigns to increase awareness and sales within Aeropod
- Aligned our promotions with market preferences and demand trends

Aeropod is strategically positioned to benefit from Sabah's growing tourism momentum, leveraging its adjacency to KKIA to capture rising international arrivals supported by visa-free travel, particularly from China.

CHALLENGES AND MITIGATIONS

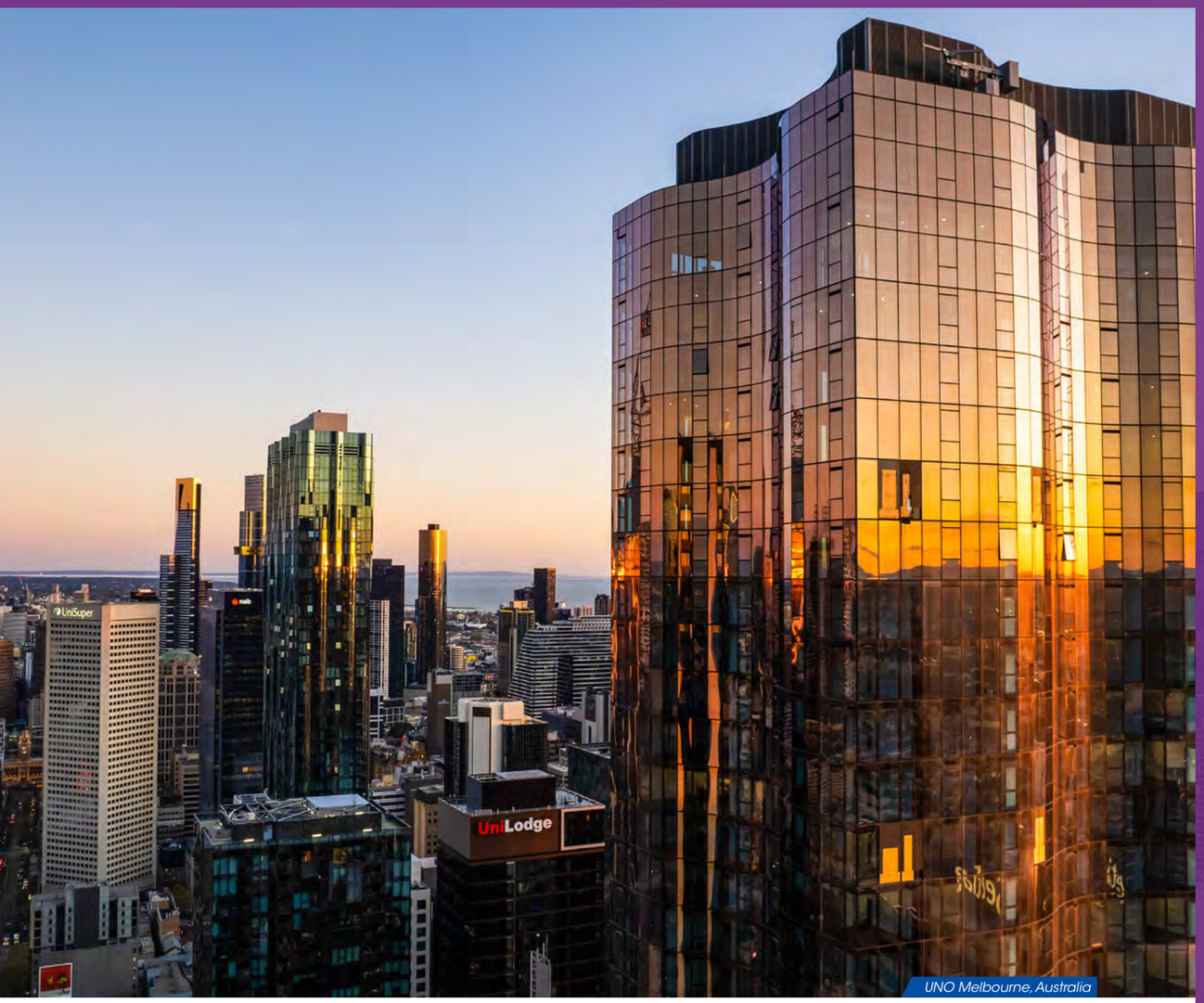
Challenges	Mitigations
• Experienced a contraction in profit margins and financial returns as a result of the industry-wide increase in construction costs relative to pre-pandemic benchmarks • Faced a high number of unsold inventories	• Adopted strategic pricing measures to protect margins, leveraging our strong brand equity and proven track record for quality • Initiated programmes to increase financing affordability and flexibility, such as the L.E.A.P. and Tenanted Investment Programme ("TIP")

OUTLOOK AND PROSPECTS

As Sabah positions itself as a key regional hub for eco-tourism and resource-based industries, the state's property sector is poised for a new phase of transformative growth. This outlook is further supported by the enhanced Sabah Malaysia My Second Home ("S_MM2H") programme and the momentum leading up to Visit Malaysia Year 2026, which are driving increased demand for premium high-rise residential units in Kota Kinabalu – in particular, among international long-stay residents and the upscale tourism segment.

On the industrial front, continued progress on the Pan Borneo Highway is set to unlock development opportunities along Sabah's East Coast, enhancing regional accessibility and investment potential in secondary cities such as Sandakan and Tawau.

Kota Kinabalu, Sabah



UNO Melbourne, Australia

Ongoing Projects
7

Undeveloped Land Bank
49 acres

GDV
RM32.06 billion

International

Committed to growth and portfolio diversification, we have expanded our international presence to four strategic markets: United Kingdom, Australia, Vietnam and China. Of these regions, Australia and Vietnam continue to serve as key growth engines.

In Australia, we have a strong foothold in Melbourne, the capital of the Australian state of Victoria and the nation's second-largest city. Our Australian presence also extends to Sydney through the acquisition of a prime land parcel in the highly sought-after suburb of St Leonards.

In Vietnam, we built our presence through two flagship developments near Ho Chi Minh City, the EcoLakes, an eco-themed township, and EcoXuan, a boutique strata project that reflects our quality-driven approach.

Meanwhile, in the United Kingdom, the iconic Battersea Power Station development continues to flourish as a premier lifestyle and retail destination. During the year, estate-wide footfall reached 13.6 million, representing a 6% year-on-year increase, while the Power Station itself recorded 11.5 million visitors, up 5% from the previous year, further underscoring the project's growing appeal.

Setia Edenia, Vietnam

Battersea Power Station, United Kingdom

OUR INTERNATIONAL PRESENCE

Australia

- **Completed Projects**
  - Fulton Lane (Melbourne Central Business District "CBD")
  - Parque (St Kilda)
  - Maison (Carnegie)
  - Marque (Prahran)
  - UNO Melbourne (Melbourne CBD)
  - Sapphire by the Gardens and Shangri-La Hotel (Melbourne CBD)
  - Atlas Melbourne

- **Upcoming Projects**
  - 20 Atchison Street (St Leonards, Sydney)
    - > To be built on a prime freehold land parcel measuring 1,374 sq m (14,790 sq ft) acquired in September 2023
    - > Proposed mixed-use development at St Leonards comprising residential units with complementary commercial and retail components, with an estimated GDV of RM741 million

Vietnam

- **EcoLakes:**
  - Established through a joint venture with the Investment & Industrial Development Joint Stock Corporation (Becamex)
  - Developed a comprehensively planned urban integrated township, inspired by the award-winning Setia Eco Park in Selangor, Malaysia
  - Strategically situated on a 116-acre site in Ben Cat, Binh Duong, approximately 40 kilometres north of Ho Chi Minh City

- **EcoXuan:**
  - Completed a boutique strata development spanning 27 acres in Lai Thieu, strategically located approximately 16 kilometres north of Ho Chi Minh City
  - Setia Edenia, a new development within the EcoXuan township in Ho Chi Minh City with a GDV of RM381.1 million, broke ground in July 2025 and is targeted for completion in 2027. The project comprises three residential towers with supporting lifestyle facilities and selected retail components

United Kingdom

- **Battersea Power Station:**
  - Landmark venture to redevelop London's iconic Battersea Power Station, backed by a consortium of investors comprising:
    - > S P Setia Berhad (40%)
    - > Sime Darby Property Berhad (40%)
    - > Employees' Provident Fund ("EPF") (20%)
  - Implemented a phased development approach to enhance the integration of the project's mixed-use components:
    - > Phase 1:
      - Circus West Village commercial development featuring 753 residential units, fully sold and completed in 2017
    - > Phase 2
      - The Power Station, a mixed commercial development comprising 254 fully completed residential units, 110 commercial units, Apple's London campus and the Power Station park
    - > Phase 3A
      - Battersea Roof Gardens and Prospect Place, comprising 540 homes designed by renowned architects Gehry Partners (Prospect Place) and Foster + Partners (Battersea Roof Gardens)
    - > Phase 3B
      - Electric Boulevard, consisting of the Koa residential development with 204 homes

BUSINESS PERFORMANCE REVIEW 2025

Key Initiatives

- **Accelerated Developments**
  - Executed strategic launches in Vietnam tailored to prevailing market demand, with a focus on township developments and residential enclave offerings
- **Key Investments**
  - Optimised land use and tenant mix at Battersea Power Station, United Kingdom
- **Diversified Portfolio Expansion**
  - Explored opportunities to develop an industrial park in Vietnam
- **Land Bank Management & Value Unlocked**
  - Capitalised on our proven track record and project delivery experience to drive expansion and pursue strategic land acquisitions in Australia

ACHIEVEMENTS

We recorded RM743 million in international sales and RM889 million in unbilled sales, reflecting resilient demand across our overseas developments and reinforcing our global portfolio diversification.

In the United Kingdom, Battersea Power Station achieved residential sales of GBP78 million in 2025, supported by continued strength in visitor traffic and retail activity.

CHALLENGES AND MITIGATIONS

Challenges	Mitigations
• Faced depletion of our land bank	• Adopted an asset-light collaboration model to expand our land bank and drive sustainable growth
• Experienced increased raw material costs, exerting pressure on project margins and overall cost structures	• Utilised cost-control measures and exercised prudent financial practices to preserve profit margins
• Delayed approvals by authorities	• Closely monitored approval statuses and worked with relevant parties to hasten processes

OUTLOOK AND PROSPECTS

The Australian rental market is anticipated to remain constrained, with rental growth continuing to outpace wage increases amid historically low vacancy rates. These conditions are compelling tenants and prospective buyers to adjust expectations on location and property type.

Conversely, the residential property market in Vietnam is projected to maintain its growth momentum, driven by rising primary prices. This trend is underpinned by the upcoming implementation of new annual land price tables effective 1 January 2026, which are also expected to elevate overall development costs. The new merger of provinces in Vietnam announced in 2025 has consolidated our 2 projects to be under the Ho Chi Minh region, expected to ease the land administration process and improved efficiency.

In the United Kingdom, prices are forecast to grow modestly by 2.0%, constrained by ongoing affordability challenges and ample housing supply. While mortgage rates are expected to stabilise between 3.5% and 4.0%, affordability factors may limit the pace of price appreciation in the near term.

Balancing performance with responsibility, in everything we do.

Setia EcoHill, Semenyih, Selangor

Sustainability Review

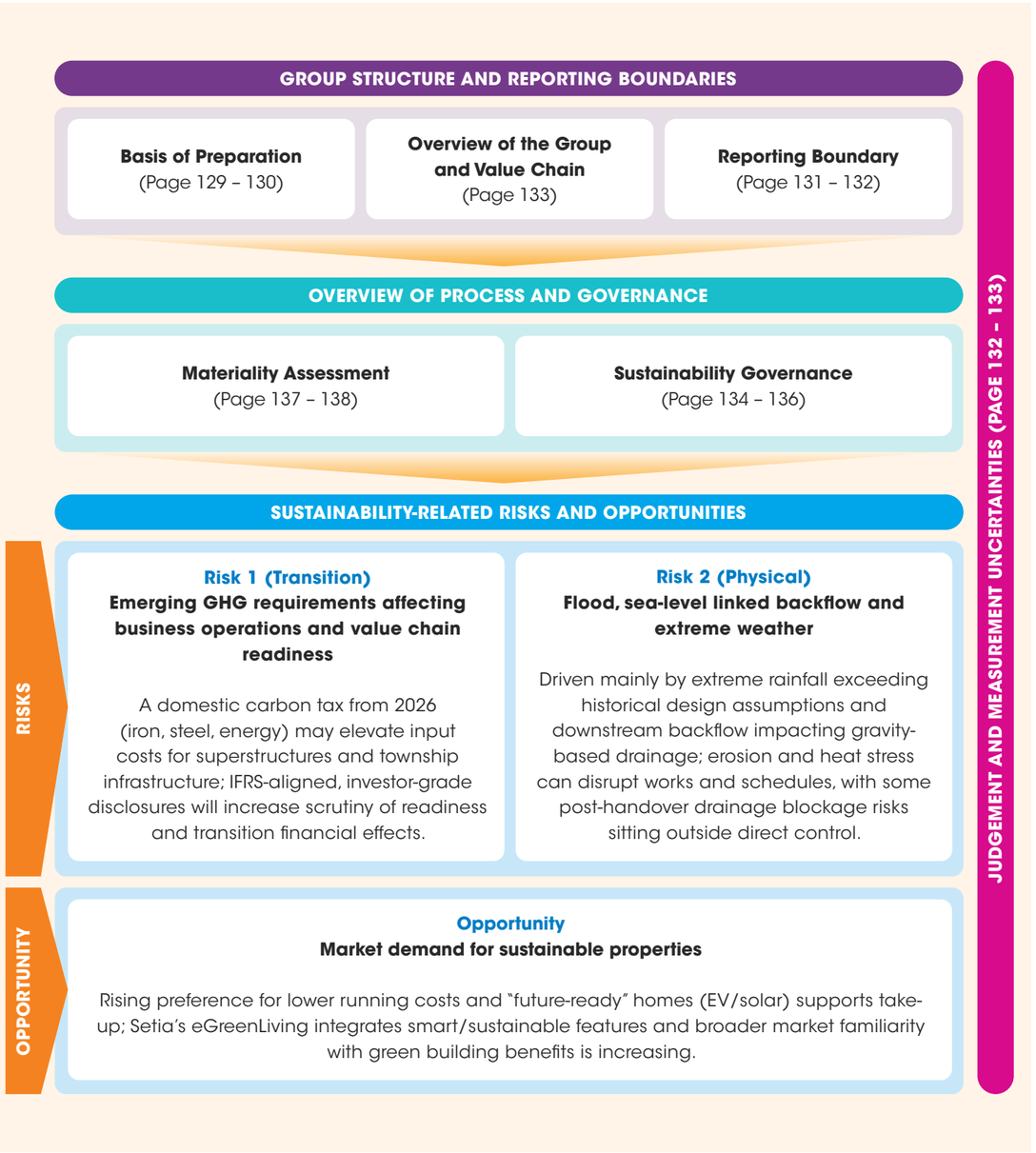
Sustainability Statement 128
- Summary of Sustainability-Related Risks and Opportunities
- Basis of Preparation
- Organisational Reporting Boundary
- Significant Judgement and Measurement Uncertainties
- Business Model and Value Chain
- Sustainability Corporate Governance
- Materiality Assessment
- Climate Transition Strategy
- Risk and Opportunities Related to Climate Change
- Resilience
- Metrics and Target
- Events After the Reporting Date
- Disclaimer
- IFRS Content Index
- Performance Data Table

ESG Report 169
- Sustainable, Innovative and Quality Development
- Best Practices in Environmental Management
- Positive, Sustained Community and Social Impacts
- GRI Content Index

Sustainability Statement

SUMMARY OF SUSTAINABILITY-RELATED RISKS AND OPPORTUNITIES ("SROs")

The table below provides an overview of the Group's sustainability-related risks and opportunities and provides a reference to where the detailed disclosures are included in this sustainability report. The table also includes references to the Group's overall sustainability-related policies.



BASIS OF PREPARATION

COMPLIANCE WITH IFRS SUSTAINABILITY DISCLOSURE STANDARDS

The sustainability-related financial disclosures of S P Setia Berhad ("the Group") have been prepared in accordance with the IFRS Sustainability Disclosure Standards issued by the International Sustainability Standards Board (ISSB), and with reference to Bursa Malaysia's Main Market Listing Requirements.

This report should be read together with the Group's consolidated financial statements for the year ended 31 December 2025, which are prepared in accordance with Malaysian Financial Reporting Standards (MFRS), IFRS Accounting Standards, and the Companies Act 2016.

REPORTING PERIOD AND ENTITY

This report covers the same reporting entity and reporting period as the Group's consolidated financial statements for the financial year ended 31 December 2025 (FY2025). Sustainability-related financial disclosures are presented for S P Setia Berhad and its subsidiaries, consistent with the financial reporting boundary.

Further information on the reporting boundary is provided in the Organisational Reporting Boundary section on page 131.

The presentation currency is Ringgit Malaysia (RM). Unless otherwise stated, all amounts are rounded to the nearest thousand.

STANDARDS APPLIED

The following standards were applied in the preparation of this report:

- IFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information
- IFRS S2 – Climate-related Disclosures

In addition, industry-based guidance from the Sustainability Accounting Standards Board (SASB) Standards for Home Builders and Real Estate was considered in identifying relevant metrics and disclosure topics.

TRANSITION RELIEFS APPLIED

In accordance with the IFRS Sustainability Disclosure Standards and the NSRF, six (6) transition reliefs are available for first-year adoption. The Group has applied the following three (3) transition reliefs:

- Relief from disclosing comparative information for sustainability-related disclosures in the first annual reporting period;
- Relief from disclosing Scope 3 greenhouse gas emissions and;
- The Group discloses information only on climate-related risks and opportunities (in accordance with IFRS S2) and applies IFRS S1 requirements only insofar as they relate to such climate-related disclosures.

AMENDMENTS THAT HAVE BEEN ISSUED BUT NOT YET EFFECTIVE

Certain new amendments to sustainability standards have been published that are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the Group.

Amendments to IFRS 2 'Amendments to Greenhouse Gas Emissions Disclosures' (effective 1 January 2027) relates to:

- the measurement and disclosure of Scope 3 Category 15 GHG emissions;
- the use of the Global Industry Classification Standard in applying specific requirements related to the disclosure of information about financed emissions;
- the relief from using the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) for measuring GHG emissions, if a jurisdictional authority or an exchange on which the entity is listed requires the use of a different measurement method; and
- the use of global warming potential values based on a 100-year time horizon from the latest Intergovernmental Panel on Climate Change assessment available at the reporting date.

None of these are expected to have a significant effect on the sustainability statements of the Group.

BASIS OF PREPARATION

TIME HORIZONS

The Group defines time horizons based on when climate-related risks and opportunities could reasonably be expected to affect its prospects:

Current: **FY2025**

Short term: **2 years (FY2026 to FY2027)**

Medium term: **3 to 5 years (FY2028 to FY2030)**

Long term: **Beyond 5 years (FY2031 onwards)**

These time horizons are aligned with the Group's strategic planning and investment cycles.

MATERIALITY ASSESSMENT

The Group conducted a materiality assessment to identify climate-related risks and opportunities that could reasonably be expected to affect its cash flows, access to finance, or cost of capital. The assessment considered both the likelihood and magnitude of potential impacts on the Group's current and anticipated financial position, performance, and future prospects.

The process incorporated peer benchmarking, a review of relevant Sustainability Accounting Standards Board (SASB) disclosure topics, and consideration of stakeholder expectations. Based on this assessment, three climate-related risks and opportunities were identified as material and are disclosed in this report. Further details on the materiality assessment process and outcomes are provided in the Materiality Assessment section on page 137.

SCENARIO ANALYSIS

Scenario Analysis Summary

To assess the resilience of its strategy and business model to climate-related changes, S P Setia Berhad applied three Intergovernmental Panel on Climate Change (IPCC) Shared Socioeconomic Pathways (SSPs) as part of its IFRS S2 disclosures:

SSP1 – 2.6 (Green Transition)

Assumes strong global mitigation efforts, limiting global warming to below 2.0°C. Physical climate risks are relatively mild, while transition risks increase due to more stringent regulations, higher carbon pricing, and accelerated shifts in market expectations

SSP2 – 4.5 (Middle of the Road)

Reflects moderate mitigation efforts, with global warming of approximately 2.7°C by 2100. Both physical and transition risks are moderate and broadly aligned with current policy trajectories and market expectations.

SSP3 – 7.0 (Regional Rivalry)

Represents a fragmented global response to climate change, resulting in global warming of approximately 3.6°C. Physical risks escalate significantly, while weaker and inconsistent regulatory frameworks increase compliance uncertainty and adaptation costs.

These scenarios informed the Group's climate resilience strategy, covering short-, medium-, and long-term actions to manage climate-related risks and identify opportunities associated with sustainable development. The analysis also informs strategic decision-making related to decarbonisation initiatives, capital allocation, and resilience planning.

Key assumptions and uncertainties associated with the scenario analysis can be found in the Scenario Analysis Assumptions section on page 158, with further details on resilience considerations provided in the Resilience section at page 156.

ORGANISATIONAL REPORTING BOUNDARY

SUSTAINABILITY REPORTING BOUNDARY (NON-GHG DISCLOSURES)

The Group's sustainability-related financial disclosures are prepared in accordance with the IFRS Sustainability Disclosure Standards.

The sustainability reporting boundary covers S P Setia Berhad and entities included in the Group's consolidated financial statements. Sustainability-related information is reported for operations within this reporting boundary.

Associates and joint ventures accounted for using the equity method are excluded from the reporting boundary, but are considered within the value chain where relevant to sustainability-related risks and opportunities.

The complete list of the subsidiaries is included in Note 8 of the financial statements.

TREATMENT OF CHANGES IN GROUP STRUCTURE

Any acquisitions or disposals during the reporting period are reflected consistently with the Group's financial reporting.

Sustainability-related information is included from the date control is obtained and excluded from the date control was lost.

Comparative information is not restated for changes in group structure in the first year of reporting under the IFRS Sustainability Disclosure Standards.

There were no acquisitions or disposals undertaken by the Group during the financial year ended 31 December 2025. Accordingly, no structural changes affected the scope or boundary of this sustainability-related financial disclosure.

GHG EMISSIONS BOUNDARY

The Group defines its GHG reporting boundary in two steps, consistent with the GHG Protocol and IFRS S2.

a. Organisational boundary

The Group applies the operational control approach to determine which operations are included in its GHG emissions inventory. Emissions are reported for operations where the Group has operational control. Emissions from associates and joint ventures that are not under the Group's operational control are excluded from the inventory and are considered within Scope 3 where relevant. The Group also considers leased assets where the Group operates and controls the leased premises or activities.

b. Operational boundary

Within the organisational boundary, emissions are classified as follows:

Scope 1:
Direct GHG emissions from sources owned or controlled by the Group.

Scope 2:
Indirect GHG emissions from the generation of purchased electricity consumed by operations under the Group's operational control, reported using both location-based and market-based methods.

Scope 3:
Other indirect GHG emissions arising from activities in the Group's upstream and downstream value chain.

SIGNIFICANT JUDGEMENTS AND MEASUREMENT UNCERTAINTIES

SIGNIFICANT JUDGEMENTS

In preparing this sustainability-related financial disclosure, management has applied judgement in determining the scope, content, and measurement of information presented, and has used estimation techniques where direct measurement was not practicable. These judgements and measurement uncertainties are inherent in sustainability-related disclosures and are influenced by data availability, methodological assumptions, and evolving industry practices.

The use of estimates and assumptions may affect the reported outcomes and should be considered when interpreting the sustainability-related financial information disclosed in this report.

Materiality Assessment

The Group applied judgement in identifying sustainability-related risks and opportunities that could reasonably be expected to affect its prospects over the short, medium, and long term. The assessment involved benchmarking against peers in the property and construction sector, reviewing industry-based disclosure topics in the SASB Standards, and considering stakeholder expectations.

While the materiality assessment was conducted in alignment with the principles of IFRS S1 and IFRS S2, transition relief has been applied in the first year of reporting. Further details of the materiality assessment process are set out in the Materiality Assessment section on page 137.

Boundary Determination

The Group's sustainability reporting boundary aligns with its consolidated financial statements for the year ended 31 December 2025. Greenhouse gas (GHG) emissions, however, are quantified and reported using the operational control approach in accordance with the GHG Protocol, as referenced by IFRS S2. Judgement was required in assessing operational control in arrangements involving joint ventures, associates, and project-based partnerships.

Reporting boundary details are set out in the Organisational Reporting Boundary at page 131.

Value Chain Scope

Judgement was exercised in determining the extent of upstream and downstream value chain information to be included, particularly in relation to transition climate risks arising from emerging greenhouse gas (GHG) emissions requirements that may affect how organisations operate their businesses. This includes considerations of the readiness and responsiveness of value chain partners to evolving regulatory, technological, and market expectations.

In determining the scope of disclosures, management considered proportionality, the relevance of potential impacts, and the availability and reliability of data. Where data limitations exist, disclosures have been calibrated to reflect the level of information reasonably available at the reporting date.

Scenario Analysis Assumptions

For climate resilience planning, S P Setia Berhad applied climate scenarios based on the Intergovernmental Panel on Climate Change (IPCC) Shared Socioeconomic Pathways (SSPs), combined with Representative Concentration Pathways (RCPs). SSPs are globally recognised scenarios developed by the IPCC to illustrate plausible future socioeconomic developments and their interaction with climate outcomes. These scenarios incorporate assumptions on population growth, economic development, energy systems, and technological progress, together with greenhouse gas concentration trajectories represented by the SSP-RCP pathways.

In the Group's scenario analysis, these integrated assumptions inform assessments of both transition and physical climate risks by shaping expectations related to future policy tightening, carbon-related requirements, technology readiness, urban development trends, and the severity of climate-related hazards relevant to the property and real estate sector. Please refer to the Setia's Footprint on page 133 for further details.

The Group selected SSP2 – 4.5 as its baseline scenario for internal planning. This "middle-of-the-road" pathway assumes moderate global mitigation and adaptation efforts, with projected global warming of approximately 2.7°C by 2100. It reflects a balanced profile of physical and transition climate risks that is considered most relevant to the Group's operating context, including anticipated regulatory developments related to GHG emissions and the preparedness of the value chain to respond.

SIGNIFICANT JUDGEMENTS AND MEASUREMENT UNCERTAINTIES

Measurement Uncertainty

The preparation of sustainability-related financial disclosures involves estimation uncertainty, particularly where forward-looking information and external data sources are used. The following areas are subject to a higher degree of estimation uncertainty.

Transition Risk Variables

Assessments of transition climate risks are subject to uncertainty due to reliance on supplier-provided information, secondary data sources, and assumptions regarding the readiness of value chain partners to respond to evolving regulatory and market expectations. Where supplier-specific data was unavailable, management applied industry averages, external benchmarks, or proxy data. Variations in regulatory approaches across jurisdictions, evolving policy landscapes, and data gaps contribute to uncertainty in the assessment of transition risks.

Setia Eco Park, Shah Alam, Selangor

Forward-Looking Financial Effects

Estimates of anticipated financial effects arising from sustainability-related risks, such as potential carbon pricing exposure, the cost of low-carbon materials, and investments in climate adaptation measures, involve significant uncertainty. These estimates depend on assumptions regarding future regulatory developments, market conditions, and technology costs, which may differ from actual outcomes.

Climate Scenario Analysis

Quantifying potential financial effects under different climate scenarios requires assumptions relating to global temperature pathways, carbon pricing mechanisms, and supply chain resilience. These assumptions are informed by external climate models and internal forecasts and are subject to revision as methodologies evolve and new information becomes available.

BUSINESS MODEL AND VALUE CHAIN

S P Setia's business model is centred on developing and delivering liveable, well-connected communities across its key markets, anchored by integrated township planning and a diversified portfolio spanning residential, commercial and selected mixed-use developments. Value is created through disciplined landbank strategy, customer-led product design, strong sales and marketing execution, and end-to-end project delivery from concept and approvals through to construction, handover and post-completion customer service. Climate considerations influence decision-making across this model, particularly in how Setia selects locations, designs communities, specifies materials and building performance, and manages delivery timelines amid evolving physical and transition-related risks.

Setia's value chain spans upstream land acquisition and masterplanning, development approvals and stakeholder engagement (including authorities and local communities), procurement and contractor management, construction and quality assurance, sales and financing facilitation, and ongoing township stewardship and customer experience. Across these stages, Setia works with key partners such as consultants, contractors, suppliers and utilities providers, while leveraging internal governance, risk management and sustainability oversight to embed climate resilience, resource efficiency and compliance with emerging policies and market expectations. For an overview of where these activities take place and how Setia's operating presence supports delivery, please refer to the Setia's Operating Footprint section at pages 24 - 25.

Sustainability Statement

SUSTAINABILITY CORPORATE GOVERNANCE

BOARD GOVERNANCE

The Board of Directors has overall oversight of the Group's sustainability-related risks and opportunities, including climate-related risks and opportunities. The Board sets the Group's sustainability direction and approves the overarching sustainability strategy, ensuring climate considerations are embedded into decision-making, major transactions and risk management policies.

The Board oversees the establishment and monitoring of the Group's sustainability targets, and reviews updates on the implementation and performance of sustainability initiatives. This oversight supports alignment between the Group's sustainability agenda and its corporate vision and mission, while considering potential trade-offs to support informed and balanced decisions.

The Board's oversight is supported by Board-level committees, including the AC and the RMC. The RMC provides oversight of the enterprise risk management (ERM) framework, including sustainability and climate-related risks and opportunities, and reviews quarterly updates from MRT and the SC.

MANAGEMENT

Management is responsible for implementing the Board-approved sustainability strategy and ensuring day-to-day management of sustainability and climate-related risks and opportunities. This includes integrating climate considerations into business planning, operational processes and project execution, and driving the delivery of sustainability initiatives across the Group.

The MSC, supported by the MRT, implements and tracks sustainability initiatives and embeds climate-related risks within the Enterprise Risk Management (ERM) framework, governance processes, reporting lines and internal controls.

The MRT keeps the RMC and the Board informed of key risk areas, the progress of mitigation plans and emerging risks and trends, including those related to sustainability. The RMC and the Board retain overall oversight of risk management and set the strategic direction for risk roles, responsibilities and reporting structures, including for climate related risk.

The Board Sustainability Committee (SC) oversees sustainability policies, frameworks, strategies and targets. Supported by the MSC, which is tasked with rolling out strategies and tracking implementation, the SC receives progress updates and, in turn, provides quarterly updates to the Board on the Group's sustainability related action plan. Management also ensures that governance processes, reporting structures and internal controls support the effective monitoring, escalation and disclosure of sustainability-related matters.

For further information on S P Setia's risk management framework, please refer to the Corporate Governance Overview Statement at page 270 and the Statement on Risk Management and Internal Control at pages 301 of this report.

Sustainability Governance Structure

Frequency of Meeting: Quarterly

Board of Directors ("Board")
Oversees overall sustainability strategy and performance.

Board Sustainability Committee ("SC")
Oversees our strategy, priorities, policies and targets, including climate-related risks and opportunities.

Risk Management Committee ("RMC")
Oversees sustainability risks, ensuring that they are integrated into the organisation's enterprise risk management framework and aligned with corporate strategy and stakeholder expectations.

Frequency of Meeting: Annually

Audit Committee ("AC")
Reviews the results of assurance of the Sustainability Statement and approves the Statement of Assurance, which forms part of the Sustainability Statement.

Frequency of Meeting: Quarterly

Management Sustainability Committee ("MSC")
Ensures proper implementation, monitoring and tracking of initiatives.

Management Risk Team ("MRT")
Ensures climate-related risks are incorporated into the organisation's Enterprise Risk Management (ERM) Framework.

Oversees the identification, assessment and prioritisation of both physical and transition risks.

Sustainability Working Group ("SWG")
Implements initiatives across the Group.

STRENGTHENING OVERSIGHT OF SROS

To support IFRS-aligned governance disclosures, the Group is enhancing the terms of reference of relevant governance bodies to explicitly include oversight of SROs, including climate-related matters. The Board, SC and RMC will continue to receive periodic updates on material SROs, related targets and progress, supported by management committees.

To strengthen capability, Directors and committee members will be provided with ongoing briefings and training on sustainability and climate topics, including emerging requirements and sector developments, to support effective oversight and decision-making.

The Group is currently evaluating the implementation of sustainability-related performance metrics into remuneration policies.

MANAGEMENT SUSTAINABILITY COMMITTEE

Supporting the Sustainability Committee is the Management Sustainability Committee, which is responsible for rolling out the Group's sustainability strategies. Chaired by the CEO and comprising senior executives, the committee ensures that sustainability initiatives are implemented, monitored and tracked across the organisation. This includes aligning sustainability efforts with the Group's vision and mission to embed sustainability into core business operations.

At the operational level, the SWG leads the implementation of ESG initiatives across the business. The working group comprises Group Corporate Sustainability representatives and appointed ESG Leaders and Champions from across the organisation. It engages actively with various Business Units to foster a culture of sustainability, drive continuous improvement and support the assessment and management of climate-related risks and opportunities across S P Setia's operations.

MATERIAL MATTER LEADS AND CORPORATE SUSTAINABILITY FUNCTION

S P Setia's sustainability governance is supported by a network of Material Matter Leads, comprising cross-functional leaders appointed to oversee and drive implementation for specific material areas, including emissions, biodiversity, and social priorities. These individuals perform their roles alongside their core business responsibilities, providing management with operational insights, technical input, and oversight within their respective areas of accountability.

This structure is complemented by the Corporate Sustainability (CS) unit, which serves as the Group's permanent sustainability function. The CS unit advises Management on sustainability policies, standards, data governance, carbon accounting, climate scenario analysis, and reporting requirements, while coordinating alignment across Business Units. Responsibility for execution remains with the Business Units, with the CS unit and Material Matter Leads supporting consistency, providing specialist guidance and facilitating the integration of sustainability considerations into business processes and the delivery of Group-wide targets.

SUSTAINABILITY OFFICERS

Sustainability Officers and appointed representatives are designated across all Business Units and corporate functions to support consistent implementation of sustainability practices throughout the Group. These individuals are appointed by the CEO, with their roles and responsibilities formally documented through appointment letters and the ESG Operating Procedures (SOPs) established for sustainability data collection and reporting.

In addition, specific key performance indicators (KPIs) have been introduced to align the roles of ESG Leaders, Sustainability Officers, and business practices with the Group's sustainability objectives.

EMISSIONS COMMITTEE AND BIODIVERSITY COMMITTEE

In 2025, S P Setia established two dedicated working committees: the Emissions Committee and the Biodiversity Committee. Each committee comprises technical representatives from across the Group's Business Units and focuses on implementation at an operational level.

These committees support cross-functional coordination and provide technical oversight to integrate emissions reduction initiatives and biodiversity considerations into the Group's project planning, product development, and service delivery processes, contributing to long-term value creation.

EXECUTIVE REMUNERATION

Remuneration matters at S P Setia are treated as confidential. Consistent with internal policy and prevailing market practice, the Group does not disclose detailed senior management remuneration on a named or banded basis.

The Nomination and Remuneration Committee (NRC) oversees the establishment of Group-wide key performance indicators for the President and CEO and Senior Management, incorporating both financial and non-financial metrics. The framework governing these KPIs and their role in performance assessment is set out in the Corporate Governance Report for the year ended 31 December 2025. As part of this framework, the CEO's KPIs include non-financial components aligned with the Group's sustainability priorities. For further details on the Group's remuneration disclosures, please refer to the Remuneration Narrative in the Financial Statements section.

SUSTAINABILITY CORPORATE GOVERNANCE

Corporate Policies

Labour Rights Policy
Defines the Group's commitment to labour rights and compliance with applicable labour laws, promoting fair and equal opportunities and preventing forced labour. It prohibits all forms of forced and child labour (including trafficking), sets expectations for ethical recruitment practices, and outlines protections such as grievance channels, confidentiality, freedom of association, workplace health and safety, and fair wages/benefits.

Health, Safety and Environment (HSE) Policy
Sets out S P Setia's commitment to prevent injuries and occupational illness, protect people and property, and minimise negative environmental impacts across operations. It emphasises compliance with relevant HSE legislation, safe workplaces and welfare facilities, incident investigation, and continuous improvement through objectives, targets, training, and active participation by employees and business associates.

Climate Change Policy
Articulates S P Setia's commitment to address climate change by reducing environmental impacts and supporting sustainable community development, including across its supply chain. The policy sets an ambition to reach net zero by 2050 (aligned with the 1.5°C goal), establishes Scope 1–3 reduction intentions and targets (including Scope 1 and 2 reductions by 2030/2040), and commits to climate risk assessment, resilience, innovation, and transparent tracking and reporting of progress.

Biodiversity Policy
Commits S P Setia to biodiversity preservation alongside development, including safeguarding ecologically sensitive areas and endangered species habitats. It outlines actions such as stakeholder engagement, habitat restoration and tree planting, integrating biodiversity-friendly practices into planning/design/construction, and complying with biodiversity-related regulations and best practices to support liveable communities that coexist with nature.

Sustainability Policy
Defines Setia's overall sustainability approach to create lasting stakeholder value while prioritising social and environmental responsibility, guided by the vision of creating sustainable communities. It includes commitments such as net zero carbon emissions by 2050, strong governance and ethical conduct, preventing greenwashing, upholding human/workplace rights, embedding ESG into decision-making and culture, and continuous improvement of sustainability management practices.

Sustainability Financing Framework
Provides transparency for investors/stakeholders on how S P Setia raises and allocates "use-of-proceeds" sustainable financing (e.g., Green/Social/Sustainability sukuk, bonds, loans) to eligible projects aligned with sustainability priorities and best-practice guidelines (e.g., ICMA principles). It outlines the eligible project categories/criteria (including environmental and social projects such as biodiversity conservation and affordable housing), and references governance structures supporting oversight and embedding sustainability into core practices.

Code of Conduct & Business Ethics
Sets expectations for ethical behaviour, integrity and fairness in decision-making, including arm's-length dealings, conflict-of-interest management, and due diligence when engaging third parties. It also reinforces a respectful workplace culture and directs employees to proper reporting channels for concerns (including harassment), while linking compliance to key governance policies such as anti-bribery and corruption controls.

Anti-Bribery and Corruption Policy
Establishes a zero-tolerance stance towards bribery and corruption, applying not only to S P Setia personnel but also to agents, business partners, contractors and other associated third parties. It sets responsibilities and provides guidance to recognise and respond to bribery/corruption risks, requires compliance with relevant laws, and should be read alongside related policies (e.g., whistleblowing, gifts and hospitality, third-party engagement).

Whistleblowing Policy
Provides a structured reporting channel and guidance for employees and third parties to raise genuine concerns (e.g., misconduct, legal/regulatory breaches, fraud) in good faith. It prohibits retaliation, victimisation or discrimination against whistleblowers, outlines mechanisms for responding to reports and record retention, and assigns governance oversight through the Board and the Integrity and Governance Unit (aligned to ISO 37002:2021).

Gifts and Hospitality Policy
Sets rules and boundaries for giving/receiving gifts and hospitality to prevent conflicts of interest, undue influence, and bribery risks, with clear expectations on transparency and appropriate conduct. It typically requires declaration/recording (e.g., registers) and approvals where relevant, and operates alongside anti-bribery and integrity requirements to protect the Group's reputation and decision-making independence.

Third-party Engagement Policy
This policy sets S P Setia's expectations for engaging third parties/business associates with a zero-tolerance approach to bribery and corruption, requiring risk-based compliance due diligence before entering into any contract and stating that S P Setia must not engage or pay a third party unless the due diligence process has been successfully completed.

MATERIALITY ASSESSMENT

REGULATORY SHIFT: TRANSITION TO IFRS SUSTAINABILITY DISCLOSURE STANDARDS

Global and local regulators have introduced significant changes to sustainability reporting requirements, requiring companies to transition from traditional reporting frameworks to the IFRS Sustainability Disclosure Standards. These comprise:

IFRS S1:
General Requirements for Disclosure of Sustainability-related Financial Information

IFRS S2:
Climate-related Disclosures

This regulatory shift places a strong emphasis on investor-focused materiality. Under IFRS, disclosures must address sustainability-related risks and opportunities that could reasonably be expected to affect an entity's prospects, including cash flows, access to finance and cost of capital, across the short, medium and long term. As a result, the focus has moved beyond broad ESG impacts towards financially material issues that are decision-useful for investors and capital providers.

This framing guided S P Setia's determination of its climate-related risks and opportunities for disclosure in 2025, ensuring alignment with investor expectations and regulatory requirements.

Setia Eco Park, Shah Alam, Selangor

PREPARING FOR THE TRANSITION

Building on the FY2024 double materiality work under GRI Standards, the Group refined its FY2025 assessment to support the ongoing transition towards IFRS S1 and IFRS S2-aligned disclosures.

FY2025 Approach to Identifying and Prioritising Material Matters

In 2025, Setia progressed towards compliance with IFRS S1 and IFRS S2. Building on the 13 material matters identified in 2024, a detailed analysis and benchmarking exercise was conducted against industry peers and property companies operating in Malaysia and internationally.

This exercise expanded the Group's understanding of sustainability-related risks and opportunities across its operations and value chain. The assessment considered:

- Own operations, including construction delivery, site management and equipment, and contractual obligations, with linkages to cash flows, margins, capital expenditure, operating expenditure and working capital across relevant time horizons
- Value chain considerations, covering consultants, materials sourcing, logistics, subcontractors, tender expectations and defect and handover obligations
- Reference to IFRS S2 Industry Based Guidance, particularly the Homebuilders and Real Estate sector, to inform decision-useful indicators for IFRS S2 climate-related disclosures
- Internal stakeholder engagement through a senior management financial materiality survey using risk-based financial parameters

All identified SROs were mapped against Setia's existing Enterprise Risk Management (ERM) framework and anticipated time horizon in relation to the sustainability-related risks and opportunities. This mapping process is a key ISSB requirement, ensuring integration of sustainability considerations into governance, strategy and risk management.

MATERIALITY ASSESSMENT

PRIORITISATION PROCESS

In line with ISSB recommendations, a broader set of SROs was screened and prioritised based on relevance, likelihood and potential financial impact.

These shortlisted SROs were reviewed through structured cross-functional discussions led by management representatives from:

Honey bee species found across multiple Setia townships in Malaysia

Climate-related risks and opportunities under IFRS S2 (mandatory)

3

2
climate-related risks

1
climate-related opportunity

This cross-functional review ensured that sustainability risks and opportunities were assessed within the context of enterprise value creation and strategic planning.

Subsequently, a financial materiality survey was conducted among senior management using Setia's quantitative and qualitative risk rating framework. The final outcomes were consolidated by management and approved through the established Board-level sustainability governance structure, ensuring full integration with ERM and strategic decision-making.

NEXT STEPS

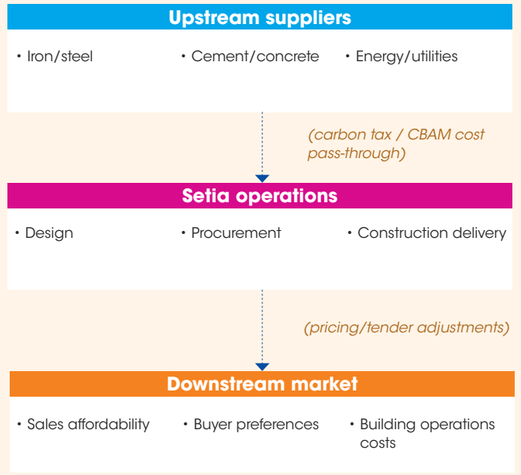
Going forward, the Group will enhance its assessment of climate-related financial impacts, including applying a financial materiality assessment of climate-related risks and opportunities and using climate-related scenario analysis, where appropriate, to strengthen decision-useful disclosures on resilience and financial effects. Relevant outputs and quantitative information are presented in Metric and Targets at page 149 (Transition Risk), 153 (Physical Risk), 155 (Opportunity) and 160 (Cross sector climate).

CLIMATE TRANSITION STRATEGY

Context and Alignment with National and Global Frameworks

S P Setia recognises climate change as a systemic challenge that influences the economics of construction materials, energy inputs, and the long-term resilience of Malaysia's townships. Malaysia is implementing the National Sustainability Reporting Framework (NSRF) to adopt IFRS S1 and IFRS S2 on a phased basis beginning in FY2025, with a climate-first approach and transition reliefs to support corporate readiness. In parallel, Bursa Malaysia has enhanced its Listing Requirements to mandate IFRS-aligned Sustainability Statements over phased timelines, with increased emphasis on disclosures relating to the current and anticipated financial effects of climate-related risks and opportunities.

In Budget 2025, the Government announced its intention to introduce a domestic carbon tax from 2026, initially targeting the iron, steel, and energy sectors. These sectors supply key upstream inputs to the property industry and are directly linked to the European Union's Carbon Border Adjustment Mechanism (CBAM), which is expected to be fully expected to be effective in 2026. The Group expects that a domestic carbon price may partially moderate CBAM-related exposure for exporters and, for property developers, influence cost structures within cement and steel supply chains that support domestic development activities.



Against this backdrop, the Group's transition strategy is structured around three interrelated priorities:

- **Mitigating transition risks arising from emerging greenhouse gas (GHG) requirements across the value chain.**
- **Strengthening resilience to physical climate risks, particularly those associated with extreme rainfall and backflow conditions.**
- **Supporting market demand for sustainable properties through practical value features and access to green financing.**

Assumptions, Dependencies, and Key Uncertainties

The Group's climate-related assessments and transition planning are subject to several external dependencies and uncertainties.

While Malaysia has confirmed the introduction of a domestic carbon tax from 2026 and outlined initial sectoral coverage, detailed design parameters including tax rates, thresholds, exemptions, offset mechanisms, and monitoring, reporting, and verification (MRV) requirements have yet to be finalised. Early policy briefings indicate potential alignment with CBAM principles. The absence of detailed design parameters introduces uncertainty in estimating supplier cost pass-throughs and potential impacts on developer margins during the initial implementation phases.

Physical climate risk management is also influenced by evolving regulatory and technical standards. Drainage design for urban developments is governed by the Urban Stormwater Management Manual (MSMA), which sets requirements for gravity drainage systems, control-at-source measures, and detention facilities.

These standards are being progressively enhanced by relevant authorities to address changing rainfall patterns and increased frequency of extreme weather events, which may affect design requirements, compliance costs, and project timelines.

Sustainability Statement

CLIMATE TRANSITION STRATEGY

With respect to market demand, comprehensive national data on residential green certification uptake remains limited. However, the Group's internal sales performance indicates sustained growth in demand for incorporating sustainable features. The performance of the Group's eGreenLiving portfolio suggests that customer adoption is driven primarily by practical benefits, including lower operating costs, convenience, and future-ready features, rather than certification status alone. This observation supports the Group's strategic focus on embedding sustainability into everyday value propositions as a driver of market acceptance.

The analysis below outlines the key internal strengths and external opportunities that support the Group's Climate Transition Plan. It highlights the main factors that reinforce the Group's strategic direction and identifies areas where the Group can further strengthen its transition initiatives. This should be read together with the Group's sustainability-related risks and opportunities discussed in this section.

STRENGTHS

- Strong governance structure (RMC, SC, MRT, MSC)
- Established ESG screening for Tier-1 contractors (building and main infrastructure contractors)
- eGreenLiving traction raising with internal sales data
- Preferential cost-effective pricing for green cement and concrete for Setia projects

OPPORTUNITIES

- Market demand for homes with sustainable features
- Access to green financing instruments (sukuk, loans) through Setia's Sustainability Financing Framework
- Development of new green/eco-themed industrial parks
- Differentiation of products by embedding a strong ESG value proposition

CLIMATE TRANSITION PLAN (AMBITION–ACTION–RESPONSIBILITY)

Setia's Climate Transition Plan is integrated with strategic planning and capital allocation processes and is aligned with Malaysia's regulatory trajectory and the Group's operational context. The Plan sets out clear ambitions, actions, and responsibilities to support the transition towards a resilient, lower-carbon property development model, while remaining responsive to evolving policy, market, and physical climate conditions.

SPHERES OF INFLUENCE

The Climate Transition Plan is structured around areas where the Group has direct control, influence, or the ability to shape outcomes through engagement.

OPERATIONS

Within its operations, the Group focuses on site energy use, design optimisation, embodied carbon assessment, drainage performance, erosion controls, and Occupational Health and Safety (OSH) practices.

VALUE CHAIN

Across the value chain, the Group engages with cement and steel suppliers on emissions factors and Environmental Product Declarations (EPDs), promotes Industrialised Building System (IBS) adoption, collaborates with consultants and architects, and applies procurement policies and sustainable construction practices to reduce embodied carbon and improve resource efficiency.

SOCIETY AND MARKET

In the broader market and societal context, the Group advances the adoption of eGreenLiving features, strengthens consumer communication, collaborates with authorities on post-handover infrastructure maintenance, and contributes to market education and industry initiatives related to sustainable development.

STRATEGIC TARGETS AND COMMITMENTS

The Group's climate-related targets and financing commitments are guided by established roadmaps and frameworks.

Under the Setia Green Roadmap, the Group targets an absolute reduction in Scope 1 and Scope 2 greenhouse gas emissions of 45 percent by 2030 and 70 percent by 2040, with a Net Zero ambition by 2050, using FY2024 as the baseline.

For Scope 3 embodied carbon associated with housing products, the Group aims to progressively reduce emissions intensity from established baselines for landed and high-rise developments.

Current reference baselines are approximately 487 $kgCO_2e$ per square metre for landed products and 1,044 $kgCO_2e$ per square metre for high-rise products. Reductions are linked to design optimisation, IBS adoption, and material selection strategies.

In 2025, the Group established the Setia Sustainable Financing Framework to fund eligible green and social projects, including green buildings, renewable energy, energy efficiency, clean transport, water and wastewater management, pollution control, biodiversity initiatives, and affordable housing. The framework is supported by a Sustainable Fitch second-party opinion, rated "Good".

CLIMATE PILLARS AND ENABLING LEVERS
LOW CARBON SOLUTIONS

For product and design, the Group continues to scale eGreenLiving features across new launches. These include smart home systems, Green Switch functionality, electric vehicle ready ports, solar conduit wiring, and rainwater harvesting systems. These features are intended to deliver immediate cost savings and convenience for homeowners, while supporting emissions reduction. IBS adoption is expanded to reduce construction waste and embodied carbon.

In relation to materials and procurement, the Group maintains the use of cost-competitive lower-carbon materials, including green cement and concrete, through supplier engagement. Efforts are focused on accelerating supplier readiness for EPDs and verified emissions data, alongside continued use of IBS and value engineering to reduce Scope 3 emissions intensity.

CLIMATE RESILIENCE

The Group applies MSMA-aligned drainage conveyance checks, periodic desilting, and maintenance of detention basins, particularly in long-build township developments. Slope and embankment erosion controls, including turfing and toe protection, are implemented, with beyond-compliance freeboard and redundancy applied where feasible.

Collaboration with local authorities is strengthened for post-handover drainage outlet clearance and gross pollutant trap maintenance, to mitigate flooding risks associated with blockages and backflow conditions.

PARTNERSHIPS AND INVESTMENTS

The Group is developing green industrial parks across the Central, Northern, and Southern regions, designed as eco-industrialised parks with green infrastructure, energy readiness, and data centre compatibility. These developments are intended to support demand for lower-carbon industrial activities.

The Setia Sustainable Financing Framework is used to deploy green and sustainability-linked sukuk and financing instruments to support the development of climate-aligned assets.

TRANSPARENCY AND ENGAGEMENT

The Group provides climate-first sustainability disclosures aligned with the National Sustainability Reporting Framework, Bursa Malaysia requirements, and the expectations of capital providers. Active industry engagement is promoted through participation in dialogues and knowledge-sharing initiatives focused on climate-resilient planning and the decarbonisation of the built environment.

Sustainability Statement

CLIMATE TRANSITION STRATEGY

Climate Risk and Opportunity (CRO)	Transition Risk	Physical Risk	Opportunity
Description	• Emerging GHG emissions regulations.	• Flood, sea-level linked backflow and extreme weather.	• Market demand for sustainable properties.
Nature of risk/ opportunity	• A domestic carbon tax from 2026 on iron, steel and energy may elevate input costs for superstructures and township infrastructure.	• Township drainage systems are gravity-based and dependent on downstream conditions; intensified storms may overtop conveyance or detention capacity, while backflow at outfalls can choke drainage during peaks. Slope and embankment erosion can increase under high-energy flows.	• Consumers increasingly value homes that deliver lower running costs, greater convenience and future-readiness (EV, solar). Setia's eGreenLiving initiative integrates smart and sustainable features to meet these expectations.
Resilience, mitigation and adaptation actions	• Supplier engagement to keep green cement pricing cost-neutral or favourable via pooled demand and long-run agreements; accelerate EPDs readiness and verified data from suppliers to reduce compliance friction. • Efficiency first portfolio actions (BMS optimisation, retrofits, solar on suitable assets, behavioural programmes) to dampen energy tariff volatility. • IBS adoption and embodied carbon assessments to establish design optimisation and material choices.	• MSMA aligned design and operations for township drainage system. Targeted conveyance checks, detention basin capacity monitoring, periodic pond desilting, turfing/ geotextiles/toe protection; embed freeboard and redundancy where feasible. • Active engagement and collaboration with authority on outlet clearance and gross pollutant trap maintenance after handover; heat-stress protocols aligned to national occupational health and safety guidance and local authority requirements.	• Establish business model adaptations to scale green features across new launches; enhance marketing communications to benefit homeowners; apply value engineering for affordability; deploy IBS; consider affordable certification tiers where cost–benefit is favourable; and support financing through the Setia Sustainability Financing Framework.
Current and anticipated financial effects	• Current: Secured pricing for green cement and concrete has enabled cost-neutral in FY2025 launches, avoiding margin impact in the short term. • Anticipated: Post-2026 carbon-tax pass-throughs could compress margins where residential price pass-through is constrained. Margin recovery is expected as suppliers improve emission factors and scale process efficiencies.	• Current: Modest Opex/Capex outlays for desilting and erosion control as preventive works have maintained drainage performance under regular events. • Anticipated: Incremental spending to upgrade stormwater system bottlenecks (pinch points) as design rainfall guidance is updated; these preventive investments are expected to be offset by avoided flood losses and downtime, in line with national policy emphasis on MSMA enhancement.	• Current: Internal data indicates that homes with green features demonstrate stronger take up and price resilience, thereby supporting revenue • Anticipated: Sustained demand for future-ready homes and eligibility for sustainability-linked financing could improve margin stability and cost of capital over time.

BUILDING RESILIENCE THROUGH SCENARIO ANALYSIS

Climate scenarios are based on IPCC SSP–RCP pathways. The Group's baseline scenario for internal planning is SSP2-4.5. The transition and physical risk considerations in this table should be read together with Scenario Analysis Assumptions at page 157 of this report.

Transition Scenarios

Moderate transition: Measured tightening of carbon policy; suppliers progressively adopt low-clinker blends, alternative binders and process efficiency. Setia emphasises long-run price agreements, pooled demand, and accelerated products EPDs. Early cycles may have volatility, but price normalisation follows as emission factors improve.

High transition: Rapid carbon-price escalation; supplier pricing diverges during implementation. Setia's resilience pivots on multi-supplier qualification, frequent price dialogues, transitional terms that share upside as emission factors drop, and efficiency-first actions before renewables procurement. Margin compression may occur in highly price-sensitive segments but is expected to ease as technologies scale and product's verification becomes routine.

Physical Risk Approach

Moderate physical: The Group applies MSMA-aligned resilient design and conducts annual landbank scenario reviews to prioritise higher-resilience sites. Targeted bottleneck remediation and beyond-compliance waterways design (including appropriate freeboard/redundancy where feasible) are incorporated, supported by post-handover collaboration with authorities on outlets and maintenance.

High physical: Under higher-severity physical risk, the Group adopts more conservative design allowances for extreme rainfall and drainage capacity, with increased freeboard and added redundancy where feasible. Landbank/project screening is tightened for higher-risk locations, with earlier intervention on bottlenecks and enhanced monitoring and post-handover maintenance to sustain long-term performance.

GOVERNANCE, FINANCING AND PROGRESS TRACKING

Emissions trajectory and baselines

Setia Green Roadmap – Absolute Scopes 1 & 2: Reduce 45% by 2030, 70% by 2040, and Net-Zero by 2050 (from FY2024 baseline).

Sustainable financing

- Setia's Sustainability Financing Framework (April 2025) aligns with ICMA and ASEAN principles, enabling green/ sustainability sukuk and loans for eligible projects; Sustainable Fitch issued a second-party opinion rating the framework's alignment as "Good" and outlining seven green and three social use-of-proceeds categories.
- As part of our commitment to strengthening climate risk management, we continuously assess the potential financial implications of climate change on our strategy, financial position and performance.

Governance

Oversight: The Risk Management Committee (RMC), Management Risk Team (MRT), Management Sustainability Committee (MSC) and Sustainability Committee (SC) oversee transition and physical risks, targets, and portfolio integration.

Sustainability Statement

RISKS AND OPPORTUNITIES RELATED TO CLIMATE CHANGE

TRANSITION CLIMATE RISK: EMERGING GHG EMISSIONS REQUIREMENTS AFFECTING HOW ORGANISATIONS WILL OPERATE ITS BUSINESS, INCLUDING READINESS OF ITS VALUE CHAIN

DESCRIPTION OF THE RISK

The Group is exposed to a structural climate transition risk arising from the tightening of carbon-related policies and disclosure expectations in Malaysia and globally. The Group's transition risk exposure is primarily driven by its Malaysian operations and value chain, while developments in other jurisdictions are monitored where relevant and material. In Budget 2025, the Government announced the introduction of a domestic carbon tax from 2026, with initial coverage targeting the iron, steel, and energy sectors. These sectors supply critical upstream inputs to the property development industry and are therefore expected to affect the Group's value chain.

At the time of reporting, detailed implementation parameters for the carbon tax, including tax rates, coverage thresholds, point of taxation, and exemption mechanisms, have not yet been finalised. This policy uncertainty creates planning challenges for property developers, as cost exposure may vary significantly depending on whether the tax is applied at the production, import, or consumption level.

In parallel, Malaysia's National Sustainability Reporting Framework (NSRF) mandates the phased adoption of IFRS S1 and IFRS S2 for listed issuers, with Main Market companies with a market capitalisation exceeding RM2 billion required to be in full compliance by 2027.

Under the NSRF, issuers may apply transition reliefs in 2025 and 2026 to focus on climate-related risks and opportunities within principal business segments. This elevates climate-related information to investor-grade disclosures, increasing scrutiny of the Group's transition preparedness, cost resilience, and credibility of mitigation actions.

As a result, the Group is likely to face potential financial impacts arising from carbon pricing policies, both directly and indirectly through its value chain. For property developers, the financial relevance is immediate. Steel, cement, and grid electricity are essential inputs for superstructures, platforms, and township infrastructure. Carbon tax pass-throughs from suppliers may increase input costs, while the ability to fully transfer these costs to homebuyers is constrained by market competitiveness. This could result in short-term margin compression and potential impacts on sales velocity.

Over the medium term, mitigation measures such as renewable electricity procurement through corporate green power programmes, design optimisation, and embodied carbon reduction strategies can help moderate cost pressures. However, these measures require upfront investment, regulatory clarity, and a sufficient level of readiness across the supplier ecosystem.

EFFECTS ON STRATEGY AND DECISION MAKING

The transition risk influences the Group's business model and value chain across several interrelated areas.

Upstream procurement

Suppliers in carbon-intensive sectors, particularly steel, cement, and energy, are expected to incorporate carbon tax costs into their pricing structures. This is likely to result in higher material costs for construction activities. Supplier readiness to support emissions transparency is uneven, with many suppliers lacking Environmental Product Declarations (EPDs) or verified emissions data. This increases compliance and verification requirements and may raise transaction costs as developers seek to assess and manage embodied carbon exposure.

Construction and operations

Electricity tariffs may increase as carbon compliance costs are reflected in grid pricing, resulting in higher operating expenses across construction sites and township operations. While renewable electricity procurement mechanisms such as the Corporate Green Power Programme (CGPP) and the Corporate Renewable Energy Supply Scheme (CRESS), including open grid access arrangements, offer potential mitigation pathways, their adoption requires contractual readiness, counterparty availability, and infrastructure compatibility at the site level.

In the near term, these mechanisms may not fully offset electricity price volatility, particularly for active construction sites with temporary power configurations or limited grid access flexibility. As a result, operating cost exposure is expected to persist during the transition period, reinforcing the importance of phased implementation, energy efficiency measures, and longer-term procurement planning as part of the Group's transition strategy.

Downstream pricing and market competitiveness

The ability to pass increased construction costs to end buyers is constrained by affordability considerations and competitive market dynamics. Sustained cost pressures may affect pricing strategies, margins, and product mix, particularly in price-sensitive residential segments. This reinforces the need to differentiate products through value-based sustainability features rather than cost pass-through alone.

Internal Carbon Pricing

The Group is in the process of developing a formal internal carbon pricing framework to support climate-related decision-making and long-term business planning. In the interim, climate considerations are being progressively integrated into project feasibility assessments through the inclusion of indicative estimates of potential carbon cost impacts.

These preliminary assessments enable project teams to evaluate how future carbon pricing mechanisms could influence project economics, investment returns and cost structures. By incorporating prospective carbon costs at an early stage of decision-making, the Group is strengthening its ability to anticipate regulatory and market developments while enhancing the resilience of its investment and development strategies.

This interim approach will remain in place until the internal carbon pricing framework is finalised and formally implemented. Once established, the framework will provide a more structured and consistent methodology for incorporating carbon costs into strategic and operational decision-making across the Group.

Data governance and reporting

The implementation of the NSRF and IFRS Sustainability Disclosure Standards requires investor-grade climate disclosures supported by consistent, multi-year metrics and decision-useful narratives on current and anticipated financial effects. In response, the Group has strengthened its data governance framework through the rollout of eDew, the Group's digitalised sustainability data collection system, supported by formal standard operating procedures and the appointment of Sustainability Officers across business units.

While these measures enhance internal readiness and reporting discipline, heterogeneous data capabilities across the supplier base may delay data capture and increase verification effort in the near term. This is expected to persist until data availability, emissions reporting practices, and assurance standards become more standardised across the market.

South Creek, Setia EcoHill 2, Semenyih, Selangor

CURRENT AND ANTICIPATED FINANCIAL EFFECTS

In the current reporting period, the Group has not experienced material cost escalation arising from the adoption of green materials. Through proactive engagement with cement and concrete manufacturers, Setia secured preferential pricing for green cement and green concrete. This enables contractors on Setia projects to procure these materials at cost-neutral rates, and in some cases at lower rates, compared with conventional alternatives. As a result, the Group has been able to integrate sustainability features without adversely affecting project budgets or margins in the short term.

Looking ahead, the Government's planned introduction of a domestic carbon tax from 2026 introduces significant uncertainty that may outweigh these negotiated pricing benefits. Key parameters, including the tax rate, coverage thresholds, exemptions and any crediting or offset mechanisms, have not yet been finalised. This limits the Group's ability to quantify the potential financial impact. If carbon-related costs for steel, cement and electricity are passed through by suppliers, the Group may face margin pressure, particularly in price-sensitive residential segments where cost pass-through to buyers is constrained. This exposure is heightened because these inputs are critical to construction and project delivery, and there is limited scope for substitution in the near term.

Sustainability Statement

RISKS AND OPPORTUNITIES RELATED TO CLIMATE CHANGE

Short-term Outlook:
2 years
(FY2026 to FY2027)

- No material cost increases are expected from green cement and green concrete due to secured supplier pricing arrangements.
- Compliance-related costs are expected to increase as IFRS S2 and NSRF requirements take effect, including expanded data management, reporting, and governance requirements across Scope 1, Scope 2, and, progressively, Scope 3 emissions.
- Carbon-tax exposure remains contingent on final policy design, though early policy signals suggest potential cost pressure within steel and iron supply chains.
- Pricing sensitivity in the residential market is expected to limit the Group's ability to pass incremental costs to buyers, resulting in potential margin pressure where design optimisation and efficiency measures cannot fully offset increases.

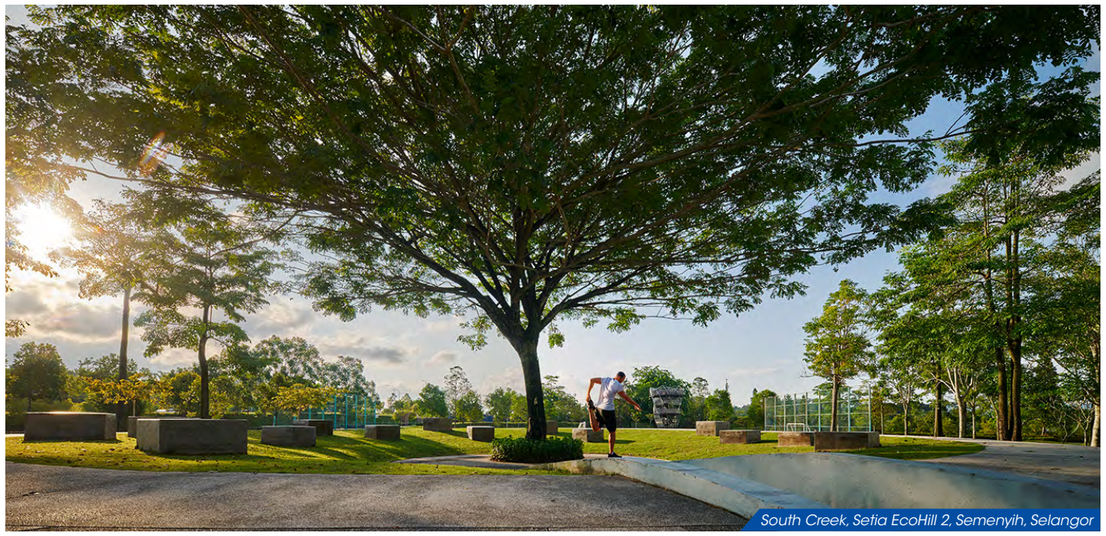
Medium-term Outlook:
3 to 5 years
(FY2028 to FY2030)

- If carbon pricing accelerates, input costs for steel and cement may increase materially, even after supplier negotiations and discounts, potentially affecting development costs and pricing strategies. Higher selling prices may affect take-up rates in certain market segments.
- The Group expects to mitigate a portion of this exposure through energy efficiency initiatives, including solar panel installations, enhanced Building Management System (BMS) controls, targeted retrofitting, and staff awareness programmes aimed at reducing operational energy consumption.
- Financing dynamics may improve as sustainability-linked financing instruments become more accessible and competitively priced, which could partially offset compliance and transition-related costs

Long-term Outlook:
Beyond 5 years
(FY2031 onwards)

- Product differentiation through green-certified townships, embedded sustainability features, and verified performance data is expected to support price realisation and sales velocity, contributing to improved margin resilience over time.
- Structural compliance costs related to carbon pricing, emissions reporting, and supplier verification are expected to remain embedded within the cost base, requiring ongoing optimisation, supplier engagement, and value-chain collaboration.
- The government may expand carbon tax coverage to additional sectors, which could increase indirect costs across the Group's value chain.

At present, management does not anticipate material climate-related impairment within the next 12 months. However, investors should note that the eventual design and implementation of carbon-pricing mechanisms could materially influence the Group's cost structure and margin trajectory over time, depending on regulatory outcomes and supply-chain readiness.



South Creek, Setia EcoHill 2, Semenyih, Selangor

Climate Resilience

Setia's resilience to climate transition risk is underpinned by active supplier engagement, portfolio-level efficiency measures, and scenario-informed planning. As the proposed carbon tax will apply nationwide, initial cost pressures are expected to be industry-wide rather than entity-specific. Resilience therefore depends on the Group's ability to convert supplier decarbonisation into lower emissions factors and competitive pricing for green inputs, while managing cost volatility during the transition period.

Consistent with IFRS S2, the Group assesses resilience under moderate and high transition scenarios. In both cases, resilience is evaluated through supplier cost trends, expected improvements in embodied carbon intensity for cement and steel, and the pace at which pricing and verification practices stabilise following policy implementation.

Under a moderate transition, progressive policy tightening supports supplier investments in lower-carbon materials and process efficiencies. The Group's focus is on maintaining cost-competitive green inputs through long-term supplier arrangements, pooled demand, and accelerated adoption of Environmental Product Declarations. Short-term price volatility may occur during early tax cycles, but improvements in emissions factors and verification maturity are expected to support cost-neutral outcomes over time. Electricity-related resilience before 2030 prioritises energy efficiency and targeted solar deployment, with renewable procurement considered post-2030.

Under a high transition scenario, faster policy tightening increases implementation uncertainty and pricing divergence across suppliers. Resilience is driven by deeper supplier engagement, accelerated multi-supplier qualification, and transitional procurement structures. While margin pressure may arise where residential price pass-through is constrained, cost normalisation is expected as suppliers scale low-carbon technologies and emissions reporting becomes standard practice.

Overall, transition risk is concentrated in the period between initial tax implementation and supply-chain stabilisation. The Group mitigates this through negotiated pricing, prioritisation of suppliers demonstrating decarbonisation progress, and sequencing energy efficiency ahead of renewable procurement. Over the longer term, continued supplier innovation and post-2030 renewable options are expected to support cost-base re-optimisation and sustained demand for efficient, resilient townships.

Sustainability Statement

RISKS AND OPPORTUNITIES RELATED TO CLIMATE CHANGE

Processes, Controls and Policies to Manage the Risk

The Group manages climate transition risk through established governance structures, disciplined development controls, and targeted engagement with contractors and suppliers, calibrated to its role as a property developer.

Oversight is embedded within the Group's governance framework. The Risk Management Committee (RMC) sets risk appetite for climate-related transition exposures and reviews policy developments for their impact on project economics and risk profiles. The Management Risk Team (MRT) conducts operational risk assessments at project and business-unit level and escalates material issues. The Management Sustainability Committee (MSC) coordinates execution of climate-related actions across design, procurement, and site practices, while the Sustainability Committee (SC) provides strategic direction and alignment with broader business objectives.

Transition risk is further managed through contractor and supplier controls. ESG screening is applied to Tier 1 contractors as part of prequalification and renewal processes, focusing on environmental practices, site management capability, and safety performance.

Contractor engagement during tender stages promotes adoption of ISO 14001:2015 and ISO 45001:2018 standards to strengthen environmental and occupational health and safety practices and reduce non-compliance and remediation risk.

Within development planning, embodied carbon assessments are conducted for landed and high-rise projects and used as inputs into design optimisation and value engineering reviews. This allows emissions considerations to be incorporated alongside cost, performance, and quality criteria. Until the internal carbon pricing framework is finalised, indicative carbon cost considerations are incorporated into project feasibility assessments to support forward-looking decision-making.

Data governance is supported through documented ESG data collection procedures, appointed Sustainability Officers across business units, and the use of the Group's eDew ESG system to track environmental indicators and monitor trends. These controls support data integrity, consistency, and timely production of investor-grade climate disclosures.

Transition risk management is reviewed on a continuous basis. The MRT conducts quarterly reviews, the MSC monitors progress on contractor capability and design initiatives, and the SC considers portfolio-level implications. Where gaps are identified, particularly in supplier emissions data and EPD readiness, the Group engages suppliers through procurement expectations and prioritisation of those demonstrating progress.

Collectively, these processes provide a coherent framework to identify, assess, and mitigate climate transition risk, focusing on actionable levers within the Group's control while allowing flexibility to integrate future policy developments, supplier innovation, and the internal carbon pricing framework as they mature.

Transition Risk Metric and Target

The table below summarises the Group's key transition risk metric and target for FY2025, focusing on electricity consumption across Offices, Malls and Convention Centres. This metric supports monitoring of operational efficiency and exposure to potential energy price and carbon-related cost pressures, using utility bills as the primary data source. Performance is tracked against the FY2024 baseline and reviewed annually by the MSC and SC to inform ongoing efficiency initiatives and next-year target-setting. The targets outlined below were developed by the Group to monitor mitigation progress and resilience to climate-related transition risks, particularly those associated with embodied carbon in construction materials and emissions arising from construction activities.

Metrics	Methodology	Unit	Baseline	2024	2025	Target	Standard Reference
Energy Management Electricity usage by Offices, Malls & Convention Centres (Malaysia Operations)	Electricity consumption in the financial year	MWh	2024	44,411	**40,592**	2% reduction for FY2025 from FY2024 Baseline	• SASB (Real Estate) – IF-RE-130a.2

PHYSICAL CLIMATE RISK: FLOOD, SEA LEVEL RISE AND EXTREME WEATHER

Description of the Risk

The Group's portfolio is primarily located in Malaysia and is non-coastal, which limits exposure to storm surge and sea-level rise. Physical climate risk is therefore driven mainly by extreme rainfall events that exceed historical design assumptions and by downstream backflow conditions that can temporarily impair gravity-based drainage during peak rainfall periods.

Recent flood events in Malaysia, including the December 2021 Klang Valley floods, have highlighted that rainfall intensity and duration can exceed established national design curves. This reinforces the need to reassess hydraulic constraints, drainage conveyance capacity, and detention performance as climate patterns evolve. In addition, erosion risks may arise on slopes, waterways, and pond embankments, particularly in tropical residual soils where instability can be exacerbated by intense rainfall, slope geometry, and site conditions.

The Group distinguishes between two primary flooding drivers: climate-induced extreme rainfall that stresses drainage and detention systems, and maintenance-related flooding in handed-over townships, which may be influenced by maintenance conditions and external factors affecting drainage performance.

Scenario analysis conducted for the current portfolio indicates no material flooding sensitivity under present and medium-term scenarios. However, given uncertainty under extreme weather conditions, the Group applies scenario analysis to all future developments and land acquisitions and conducts annual reviews across its landbank to monitor emerging physical risk signals.

RISKS AND OPPORTUNITIES RELATED TO CLIMATE CHANGE

Effects on the Business Model and Value Chain

Physical climate risk affects the Group primarily through engineering and operational pathways. For current township developments, these risks are managed through climate-resilient design and engineering responses defined under national stormwater and erosion-control standards, including conveyance verification, detention basin performance checks, and stabilisation measures.

For handed-over township assets, flood risk linked to drainage blockage sits outside the Group's direct control. The Group therefore engages with authorities and operators on outlet clearance and gross pollutant trap maintenance to reduce maintenance-related flooding risk.

Long-duration township developments, which may span 10 to 20 years, face ongoing sediment accumulation in detention ponds due to earthworks and surface runoff. To preserve stormwater performance and compliance, the Group undertakes periodic desilting and pond deepening based on engineering assessments. This practice is embedded within township sustainability and water management plans and supports the long-term functionality of drainage systems throughout the development lifecycle.

Effects on Strategy and Decision-making

Flood protection and drainage infrastructure

Climate-related flood risks are systematically embedded into the Group's project planning, design and investment decision-making processes. From the early design stage, developments incorporate flood mitigation and adaptation measures such as elevated building platforms, enhanced drainage systems, retention ponds, desilting works and the installation of Gross Pollutant Traps.

For mature townships, periodic upgrades to drainage networks, water expressways and retention infrastructure are undertaken to improve stormwater conveyance and storage capacity. These enhancements strengthen long-term flood resilience, reducing vulnerability to extreme rainfall events and supporting business continuity and tenant confidence.

Slope stability and site protection

Slope management measures are implemented to maintain site stability, particularly in areas exposed to heavy rainfall. These include erosion rectification, slope stabilisation works and improved drainage on sloped terrains. Such interventions reduce landslide risks and contribute to safer and more resilient development environments.

Supporting infrastructure and access works

Supporting infrastructure, such as access improvements, water expressways and drainage channels—is incorporated into development plans to ensure the safe and efficient functioning of townships. These works enhance connectivity during adverse weather conditions and help manage runoff and stormwater movement across project sites.

Compliance and environmental safeguards

Strategic decision-making is informed by mandatory Environmental Impact Assessments (EIAs) for large-scale developments. These assessments evaluate hydrology, flood exposure, soil stability, air quality and ecological impacts before construction begins. The findings guide project design, regulatory compliance and the development of targeted mitigation strategies, enabling risks to be identified and addressed early in the project lifecycle.

Current and Anticipated Financial Effects

The Group's financial exposure to physical climate risks is primarily associated with flood mitigation and adaptation measures embedded within township development and asset management activities. In the current period, impacts remain modest and mainly relate to routine preventive maintenance (e.g., desilting of detention ponds and drainage channels, and slope erosion control) to maintain system performance under normal rainfall conditions. For completed townships, the Group's focus is on ongoing monitoring and maintenance, including engagement with relevant authorities to sustain drainage performance.

Time-horizon outlook

In the short term (2 years), for ongoing and new township developments, the Group expects incremental operating and capital expenditure associated with erosion control measures and selective hydraulic checks or minor upgrades at identified pinch points. No material cost impacts from heat stress are anticipated during this period.

↓

In the medium term (3 to 5 years), for long-duration township developments, updates to national rainfall design guidance may identify further drainage constraints, requiring optimisation of conveyance and detention systems and planned desilting cycles in long-duration township developments.

↓

Over the long term (beyond 5 years), for future developments, strengthened climate-resilient planning requirements, including higher design standards and more stringent maintenance expectations, may increase compliance costs for new developments. Sector trends also indicate a growing likelihood of developer-funded sewerage and pumping infrastructure upgrades in high-growth or high-rainfall catchments.

Management does not anticipate material asset impairment within the next 12 months, as current measures focus on optimisation, maintenance, and compliance planning. The impacts and responses below relate primarily to the Group's ongoing and new township developments. For completed townships, the Group's focus is on ongoing monitoring, maintenance and engagement with relevant authorities to sustain drainage performance.

Capital and Operational Cost Categories

In RM million	FY2025 Current financial effects	FY2026-FY2027 Short term financial effects (per annum)	FY2027-FY2029 Medium term financial effects (per annum)	FY2030 onwards Long term financial effects (per annum)
Financial position				
Asset*	52.71	61.84	Note 1	Note 1
Borrowings (increase)	–	–	–	–
Financial performance				
Revenue	–	–	–	–
Cost of sales:				
- (Cost)/savings from low carbon materials and carbon tax				
- Compliance and verification cost	0.02	0.01	Note 1	Note 1
- Depreciation (increase)	–	–	–	–
Gross Profit	–	–	–	–
Borrowing cost (increase)	–	–	–	–
Cash flows				
Cash used in operations (outflow)	(52.73)	(61.85)	Note 1	Note 1
Cash used in investing activities (outflow)	–	–	–	–
Cash used in financing activities (outflow)	–	–	–	–
- Proceeds from borrowing	–	–	–	–
- Borrowing Cost	–	–	–	–

Note 1 : The Group has not provided quantitative information because the level of measurement uncertainty is so high that the resulting data is not useful.
** : The amount of capital expenditure deployed on flood protection and drainage infrastructure, slope stability and site protection, and supporting infrastructure and access work.*

RISKS AND OPPORTUNITIES RELATED TO CLIMATE CHANGE

The Group's resilience to physical climate risk is built on drainage performance, erosion control, operational continuity, and ongoing collaboration with authorities, supported by scenario-based planning. Scenario analysis indicates no material flood sensitivity for the current portfolio under present and medium-term conditions. Given uncertainty under extreme scenarios, the Group applies scenario analysis to all future land acquisitions and conducts annual reviews across the landbank.

Resilience measures focus on targeted verification of drainage conveyance systems, confirmation of detention pond capacity, and implementation of low-cost erosion controls. Where feasible, beyond-compliance features such as additional freeboard and system redundancy are incorporated to enhance robustness as rainfall patterns evolve. Engagement with authorities on post-handover maintenance remains a key element of flood risk mitigation.

Scenario analysis underpinning the Group's climate resilience assessment is discussed in Resilience section at page 156.

Processes, Controls, and Policies to Manage the Risk

Physical climate risk is managed within the Group's Enterprise Risk Management Framework, with oversight by the Risk Management Committee, supported by the Management Risk Team, Management Sustainability Committee, and Sustainability Committee. Climate-related risks are identified, assessed, and monitored in line with approved risk parameters, with quarterly reporting to Management and the Board.

Setia Governance Risk & Audit Forum 2025

Design and project planning controls align with the national Urban Stormwater Management Manual, incorporating climate considerations into design reviews and applying beyond-compliance measures where feasible. Scenario analysis is embedded into future project and acquisition assessments.

Operational controls include periodic desilting of detention basins, erosion stabilisation of slopes and waterways, engagement with authorities on drainage maintenance after handover. Monitoring and reporting are conducted through regular risk reviews, with sustainability and risk committees assessing implications for portfolio strategy and regulatory compliance.

These measures aim to reduce disruption, avoid unplanned remediation costs, and support long-term asset performance. While precise quantification of avoided losses is uncertain, management expects that proactive adaptation investments will be offset by reduced flood damage, infrastructure degradation, and workforce disruption, supporting operational continuity and long-term value preservation.

Physical Risk Metrics and Targets

These physical risk metrics support the risk management approach by tracking both the Group's exposure (landbank/developments) and the implementation of resilience measures. The results are reviewed periodically to inform site screening, design decisions and maintenance priorities.

Metrics	Methodology to calculate metric	Measuring Unit	Baseline (Year)	2025 Results	Related Target	Standard Reference
Climate Change Adaptation Number of lots located in 100-year flood zones (Malaysia Operations)	Hydrological mapping & regulatory pond data	NIL	NIL	All major Setia townships are designed in accordance with the Urban Stormwater Management Manual (MSMA), incorporating engineered waterways and detention ponds. Each development is designed to a calculated 100-year flood level, with building platforms set above the maximum design water level. Due to this, all post developments are above 100-year flood level.	NIL	SASB (Home Builders) – IF-HB-420a.1
Climate Change Adaptation Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	Scenario screening & portfolio review	NIL	NIL	Climate exposure is assessed through portfolio-level scenario analysis using SSP2-4.5 as the baseline, with SSP1-2.6 and SSP3-7.0 for sensitivity. The portfolio has no material coastal flood exposure; risks arise mainly from extreme rainfall and downstream backflow affecting gravity-based drainage in inland townships. Exposure relates to stormwater hydraulics and long-build township developments where detention capacity may be reduced by sedimentation. Mitigation includes MSMA-aligned drainage design, periodic desilting and deepening of detention ponds, and erosion controls.	NIL	SASB (Home Builders) – IF-HB-420a.2
Land Use & Ecological Impacts Discussion of process to integrate environmental considerations into site selection, site design and site development and construction	NIL	NIL	Environmental considerations are embedded across the development lifecycle. Pre-acquisition landbank screening incorporates flood risk. During design, MSMA-aligned drainage is applied and detention basin capacity verified. Design and value-engineering reviews include embodied carbon assessments supporting Industrialised Building Systems (IBS) and lower-carbon materials. During construction, erosion and sediment controls are implemented, with post-handover engagement to ensure drainage outlets maintenance, supporting climate resilience.	NIL	SASB (Home Builders) – IF-HB-160a.4

Sustainability Statement

RISKS AND OPPORTUNITIES RELATED TO CLIMATE CHANGE

OPPORTUNITY: MARKET DEMAND FOR SUSTAINABLE PROPERTIES

Description of the Opportunity

The Group identifies a growing market opportunity in residential properties that deliver practical, everyday value to homeowners through lower operating costs, improved convenience, and readiness for future technologies. Demand is driven less by sustainability labels and more by tangible benefits experienced in daily living.

Introduced in 2023, the eGreenLiving initiative integrates smart and resource-efficient features into residential products, including energy management controls, electric vehicle and solar readiness, water efficiency measures, and smart security solutions. These features reduce household utility costs, enhance usability, and future-proof homes against evolving technology adoption, supporting longer-term resale appeal.

Internal Traction and Market Signals

Internal sales indicators reflect growing market acceptance of homes with sustainability features, supporting the Group's continued focus on scaling eGreenLiving offerings and integrating practical, future-ready features across new launches. While comprehensive national residential data remains limited, these internal indicators suggest demand responds positively when benefits are clearly communicated to buyers.

Broader market indicators also support this trend. Malaysia's Green Building Index has seen growing certification activity, particularly in commercial and industrial segments, alongside rising consumer awareness of comfort, efficiency, and energy savings. This creates potential spillover demand into the residential market.

Analyst Perspective

Analyst commentary highlights that full green building certification for residential developments may introduce cost pressures that are not fully recoverable through pricing premiums in the short term. As a result, a focus on practical, cost-effective green features is considered more viable for residential products, with full certification better suited to commercial developments. Analysts also note the Group's strengths in Industrialised Building System adoption and materials innovation, which help moderate cost pressures and provide optionality for future certification when economics are more favourable.

Effects on the Business Model and Value Chain

This opportunity reinforces the Group's shift toward low-carbon design and smart infrastructure across its housing portfolio. It influences procurement through increased use of IBS and lower-carbon materials, partnerships with technology providers for smart systems, and access to sustainability-linked financing under the Group's Sustainable Financing Framework. Sales and marketing approaches increasingly emphasise future-ready features and practical benefits, aligning product offerings with evolving buyer preferences.

Refer Climate Transition Strategy – Strategic priorities at page 139 and Climate Transition Plan / Climate pillars and enabling levers at page 140.

Current and Anticipated Financial Effects

In the current reporting period, homes incorporating green features have demonstrated stronger sales absorption and price resilience, supporting overall revenue performance. Incremental costs associated with smart systems and sustainability features are managed through early value engineering and efficiencies from Industrialised Building System (IBS) adoption.

Short to medium term, the Group expects these features to contribute positively to revenue growth and margin stability by enhancing product attractiveness without materially increasing development costs. Over the longer term, as market recognition of sustainable housing deepens, such homes are expected to retain higher resale values and deliver lower operating costs for occupants. In parallel, alignment with sustainability-linked financing frameworks may support access to funding on more favourable terms, contributing to a lower cost of capital.

Climate Opportunity Metrics – Market Demand for Sustainability Properties

Metric	Methodology to calculate metric	Measuring Unit	Baseline (Year)	2025 Results	Related Target
Entity-developed metric					
Percentage of sales increase for eGreenLiving property	Percentage of sales of eGreenLiving properties out of total group sales	Percentage (%)	2024	41%	To achieve 35% of FY2025 sales from S P Setia products with green features, by tracking the sales performance of eGreenLiving-labelled properties.

The Group tracks market-demand opportunity through internal sales and product-feature data for eGreenLiving-labelled properties. Each metric is compiled by identifying eligible units (based on standard feature specifications such as Green Switch, solar PV, solar conduit provision, energy-efficient fittings and rainwater harvesting) and calculating the proportion of total relevant property sales. Baselines are set where consistent tracking is established, and results are reviewed periodically to support product planning and marketing focus.

Strategic Outlook

Over the long term, the Group expects residential sustainability features to become increasingly standard across the market, reducing differentiation as competitors adopt similar offerings. To maintain its competitive position, Setia has established a dedicated Innovation Department under Group Digital and Innovation to continuously evaluate and introduce new sustainability solutions and advanced features.

This focus on ongoing innovation supports product differentiation beyond baseline green features, enabling the Group to sustain buyer relevance, respond to evolving preferences, and reinforce its positioning in future-ready residential development as sustainable housing becomes mainstream.

Sustainability Statement

RESILIENCE

BUILDING RESILIENCE THROUGH CLIMATE-RELATED SCENARIO ANALYSIS

S P Setia Berhad applies climate-related scenario analysis to strengthen resilience across its strategy, capital allocation, and risk management processes. The analysis is aligned with IFRS S2 and supports Malaysia's National Sustainability Reporting Framework and the Exchange's climate-first transition approach. It provides a structured basis for assessing how climate change may influence demand patterns, construction economics, and asset durability over time.

Purpose and Scope

The scenario analysis was conducted to identify and assess:

- physical climate risks, including extreme rainfall, flooding, and heat stress, that may affect construction schedules, operating costs, and asset performance
- transition risks, such as carbon pricing, evolving building standards, and supply-chain requirements, that could alter project economics
- opportunities linked to demand for sustainable housing, low-carbon materials, and township-scale energy solutions

The assessment covers the current period, short term (FY2026–FY2027), medium term (FY2028–FY2030), and long term (beyond FY2030). It focuses on the Group's Malaysian portfolio, which represents the majority of exposure, with international sites to be assessed in future periods when material.

Scenario Framework and Assumptions

Physical and transition risks were assessed using IPCC Shared Socioeconomic Pathways (SSP1-2.6, SSP2-4.5, and SSP3-7.0), supported by global climate model outputs and hydrometeorological references relevant to key operating regions. The analysis is designed to be iterative and will be refined over time as data quality, methodologies, and sector practices evolve.

Setia Eco Park, Shah Alam, Selangor

Climate Scenarios, Strategic Implications and Business Model Response

The table summarises scenario-driven impacts on the Group's development costs, project design standards, approvals and timelines, and demand for sustainable homes.

Scenario	Scenario narrative	Key strategic implications	Implications for strategy & business model
SSP1–2.6 (2.0 °C by 2100) – Sustainable transition	Strong global mitigation moderates physical risks but increases transition pressures through carbon pricing and performance-based building standards.	Demand shifts toward green-certified homes, high-efficiency designs and township-scale renewable solutions. Transition pressure and investor scrutiny increase risk of obsolescence for underperforming developments.	Shift focus towards net-zero-ready communities, verified international certifications, and integrating internal carbon pricing into investment appraisal and capital allocation decisions. Accelerate low-carbon product roll-out (eGreenLiving), increase IBS and low-carbon material specifications, and tighten supplier requirements for EPDs/verified data; expand use of green/sustainability-linked financing to support eligible projects.*
SSP2–4.5 (≈2.7°C by 2100) – Middle-of-the-road	Gradual increases in heat and rainfall variability affect construction planning and durability standards. Carbon pricing and regulation emerge progressively.	Steady growth in demand for energy-efficient homes, scaled adoption of IBS and lower-carbon materials. Gradual regulatory tightening aligns with Malaysia's phased NSRF adoption and planned carbon tax from 2026.	Maintain near-term competitiveness by embedding low-carbon design across launches, scaling IBS and lower-carbon materials, and advancing certification pathways aligned with investor expectations. Maintain competitiveness by embedding low-carbon design into new launches, scaling IBS and material optimisation, and progressing supplier engagement/EPDs while managing gradual cost pass-through and evolving standards.*

Sustainability Statement

RESILIENCE

Scenario	Scenario narrative	Key strategic implications	Implications for strategy & business model
SSP3–7.0 (≈3.6°C by 2100) – Regional rivalry	Higher warming intensifies physical risks and supply-chain disruption, while regulatory responses are delayed and abrupt.	Near-term opportunities are limited; longer-term demand may rise for climate-resilient retrofits and infrastructure in higher-risk urban areas. Physical risk and supply-chain volatility become dominant drivers.	Strengthen resilience through robust engineering responses (enhanced drainage/flood mitigation), nature-based solutions, and incorporating contingency buffers in project timelines and cost planning. Prioritise resilience and delivery certainty through stricter landbank screening, more conservative drainage/erosion design, contingency buffers in project schedules and budgets, and diversified suppliers to manage supply-chain volatility and higher physical risk.*

Notes:
** The financial impact associated with these climate related measures cannot be determined at this point, given the differing cost requirements across various projects*

For climate scenario analysis, the Group applies scientific time horizons commonly used in climate modelling (near-term 2025–2030, medium-term 2030–2050 and long-term 2050–2100), which are distinct from the Group's financial planning time horizons disclosed above.

Further discussion of the Group's transition strategy and priorities and resilience measures is set out in the Climate Transition Strategy and Climate Resilience sections at pages 142-143.

Uncertainties and Significant Judgements

The Group recognises the uncertainties inherent in climate-related modelling, evolving regulations and emerging technologies. Projections for localised extreme rainfall often differ across models. To address this, the Group combines results from different climate models and fine-tunes them for better accuracy.

Regulatory uncertainty also remains a key consideration. While Malaysia has announced the introduction of a carbon tax from 2026 with phased coverage beginning in the iron, steel, and energy sectors, the timing, scope, and downstream implications for construction materials and electricity contracts may evolve.

Accordingly, the Group periodically recalibrates its assumptions, including internal carbon price considerations, procurement strategies, and project feasibility assessments.

The pace and cost of technology adoption, including Industrialised Building Systems, low-carbon materials, and distributed energy solutions, may also vary depending on supply-chain capacity and financing conditions. Scenario assumptions are therefore refreshed regularly as part of the Group's planning cycle.

Sensitivity Analysis for Transition Risks

Transition risk sensitivity is assessed primarily through potential exposure to carbon pricing. A phased carbon tax and the possible development of a domestic carbon market are expected to influence the cost of key construction inputs such as cement and steel, as well as electricity tariffs. Potential cost pass-through effects are evaluated within project cost planning and supplier contract discussions, reflecting national transition objectives and evolving policy signals.

Financial Resilience and Capital Allocation

Transition pricing may affect embodied carbon costs, grid electricity expenses, and the economic life of mechanical and electrical systems under tightening efficiency standards. The Group's disclosed emissions baseline for 2024 provides a foundation for assessing direct and indirect exposure and informing mitigation strategies. These baselines are supported by structured data governance through the eDew system and standard operating procedures.

Capital allocation is guided by the Group's Sustainability Policy, Climate Change Policy, and Green Roadmap, which set a net zero ambition by 2050 and interim Scope 1 and 2 reduction targets of 45 percent by 2030 and 70 percent by 2040, relative to the 2024 baseline. These commitments inform investment decisions in energy efficiency, on-site solar, water efficiency, electric vehicle readiness, and IBS adoption, while shaping supplier engagement to reduce lifecycle emissions and manage long-term operating costs.

Governance, Data, and Assurance

In line with NSRF requirements and Bursa Malaysia's enhanced Listing Requirements, the Group is strengthening Board oversight of climate-related risks and opportunities, enhancing internal governance structures, and building organisational capability through training and engagement across Business Units. These efforts are supported by the eDew centralised data platform, which improves the quality, consistency, and comparability of climate disclosures, including the progressive integration of Scope 3 emissions and annual scenario analysis updates.

Response to Identified Effects and Next Steps

Differences across scenarios relate primarily to the pace and severity of physical climate impacts and the stringency of transition policies. If conditions shift towards SSP1-2.6, physical risks are expected to be relatively milder but transition pressures would intensify, and the Group would prioritise accelerating supplier decarbonisation and verified data/EPDs, alongside efficiency and low-carbon design levers. Conversely, if conditions shift towards SSP3-7.0, physical risks would escalate amid weaker policy consistency, and the Group would strengthen landbank screening and MSMA-aligned design safeguards (including additional freeboard/redundancy) and increase targeted adaptation planning to protect project delivery and asset performance. The Group's integrated development model provides adaptive capacity through coordinated planning, design, and procurement. Ongoing investments will focus on climate adaptation measures, including stormwater management, heat mitigation, resilient materials, and nature-based solutions.

Scenario analysis, internal carbon price assumptions, and risk assessments will be refreshed annually to reflect evolving policy signals and investor expectations. The Group's approach emphasises early-stage integration of climate considerations into master planning, architectural design, and engineering specifications, reducing exposure to climate-related risks at source rather than relying on reactive measures after impacts occur.

METRICS AND TARGETS

This section summarises the Group's approach to climate-related metrics and targets, including reporting boundary, measurement methodologies, and target review processes. For clearer linkage to the Group's SROs, the specific metrics and targets are presented under their respective SRO disclosures (Transition Risk, Physical Risk and Opportunity).

Target validation and review process

The Group's climate-related metrics and targets are established through internal management processes and are validated through science-based procedures embedded within the eDew Sustainability Data Management System. Progress against targets and the continued appropriateness of the metrics are reviewed at least annually by the MSC and SC, with updates escalated to the Board where relevant. Targets may be refined as data quality improves, reporting scope expands, or material changes arise in regulatory requirements, business plans, or operating conditions.

Cross-sector Climate Metrics (IFRS S2)

Greenhouse gas emissions are reported on an operational control basis, consistent with the Group's consolidated financial statements. The emissions inventory covers carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), and sulphur hexafluoride (SF_6).

In line with IFRS S2 requirements and current data availability, all Scope 2 emissions reported by the Group are calculated using the location-based method. The Group reports Scope 1 and Scope 2 (location-based) emissions on an operational control basis. The FY2024 baseline is presented for comparability; FY2025 includes an expanded reporting boundary.

Metric	Baseline year (FY2024) (tCO_2e)	FY2025 (tCO_2e)
Scope 1 GHG emission (Gross)		
- The consolidated accounting group	2,770	3,433*
- Other investees within the organisational boundary	Nil	Nil
Scope 2 (location-based) GHG emission (Gross)		
- The consolidated accounting group	34,335	39,880*
- Other investees within the organisational boundary	Nil	Nil
Gross Scope 1 and Scope 2	37,105	**43,313**

Note:
** The reported emissions increased due to an expansion of the reporting boundary to align with the financial boundary, which now includes Amari Hotels' operations, Australia and Vietnam. No carbon credits or offsets were purchased or utilised for this reporting period.*

Scope 1 Gross Emission Details for FY2025

Key Scope 1 Emission Categories	FY2025 (tCO_2e)
Fugitive Emission	2,476
Stationary Combustion	211
Mobile Combustion	746
Processed Emission	Nil
Total	**3,433**

Methodology

Scope 1

Calculated bottom-up by combining asset level activity data with authoritative emission factors (vehicle fuel, carbon content and Global Warming Potential (GWP). Emission factors are reviewed annually (IPCC guidance and national inventories). Immaterial sources are disclosed qualitatively (Page 162). Calculated bottom-up by combining asset level activity data with authoritative emission factors (vehicle fuel, carbon content and GWP). Emission factors are reviewed annually (IPCC guidance and national inventories).

Scope 2

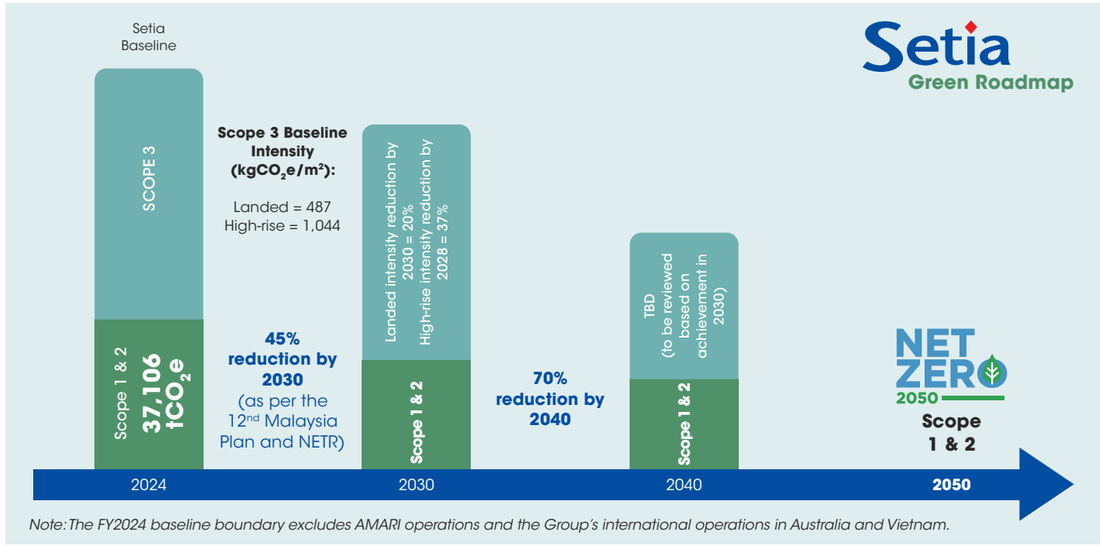
Location-based emissions are computed by multiplying purchased electricity by grid average emission factors. Grid-factor sourcing follows national inventories and recognised datasets.

Scope 1+2

Sum of Scope 1 and Scope 2 (location-based).

For product-level Scope 3 emissions (embodied carbon), the Group is progressing intensity reductions from disclosed baselines through greater adoption of Industrialised Building Systems (IBS), systematic value engineering and lower-carbon material mixes where technically and commercially feasible. Embodied-carbon assessments are conducted annually and embedded into project design and specification reviews, with procurement processes used to track supplier readiness, availability of emissions data and Environmental Product Declarations (EPDs).

Under the Setia Green Roadmap, the Group has begun implementing emissions reduction initiatives against the FY2024 baseline. For Scope 1 and Scope 2 emissions, the Roadmap sets absolute reduction targets of 45 percent by 2030, 70 percent by 2040, and Net Zero by 2050, relative to the FY2024 baseline. These targets are aligned with the calculation methodologies of the Science Based Targets initiative (SBTi) and are assessed to be consistent with a science-based pathway.



Note: The FY2024 baseline boundary excludes AMARI operations and the Group's international operations in Australia and Vietnam.

METRICS AND TARGETS

Green Roadmap Progress Update for FY2025

Green Roadmap Components	Baseline year (FY2024) (tCO_2e)	FY2025 (tCO_2e)
Scope 1	2,771	**3,219**
Scope 2 (Malaysia)	34,335	**31,377**
Gross Scope 1 + Scope 2	37,106	**34,597**
Others (Australia, Vietnam & Amari Hotels)		
Scope 1	NA	**214**
Scope 2	NA	**8,503**
Gross Scope 1 + Scope 2		**8,717**

On a like-for-like basis, excluding the impact of boundary expansion, the Group achieved a 7% reduction in gross Scope 1 and Scope 2 (location-based) emissions relative to the FY2024 baseline. Building on this momentum, the Setia Green Roadmap will continue to guide further emissions reductions through targeted initiatives and disciplined implementation.

Method Notes

- Scope 1: Calculated bottom-up by combining asset-level activity data with authoritative emission factors (vehicle fuel, carbon content and GWP). Emission factors are reviewed annually (IPCC guidance and national inventories).
- Scope 2 (LB/MB): Location-based emissions are computed by multiplying purchased electricity by grid-average emission factors. Grid-factor sourcing follows national inventories and recognised datasets.
- Scope 3 in FY2025: Group totals are deferred under the reliefs in the Basis of Preparation section at page 129. Decision-useful disclosure is provided through product-level embodied-carbon intensity baselines for landed and high-rise products; supplier specific EPDs are preferred, with authoritative secondary databases used where necessary and assumptions disclosed.
- Operational energy with energy data are captured from utility bills and reconciled to meter readings; anomalies are investigated and corrected. The boundary covers assets under operational control.
- IBS adoption and innovation: IBS scores use CIDB parameters and are aggregated to a Group view, together with quantified impacts ($kgCO_2e/m^2$).
- Physical risk exposure, i.e flood zone exposure is identified using floodplain maps and hydrological datasets. Mitigation status covers design and operational measures (detention basin capacity, desilting cycles, erosion controls) and authority engagement on outlets and gross pollutant trap maintenance after handover at page 149.
- eGreenLiving metrics, i.e. sales share is calculated from sales ledgers; feature-adoption are derived from contracted specifications records, linking opportunity metrics to product and contract evidence at page 175.
- Data governance and assurance: Emission data are captured through the Group's eDew platform under documented SOPs, with Sustainability Officers embedded across business units and quarterly governance via MSC and SC. Assurance will be extended progressively as systems mature.

EVENTS AFTER THE REPORTING DATE

No transactions, other events or conditions occurring after the end of the reporting period and before the date of authorisation of issue of this report have taken place that require disclosure in this sustainability report. The Company reserves the right to revise or update its strategies and disclosures as necessary, without prior notice. This report is for informational purposes only and does not constitute legal, financial or investment advice. Decisions based on the information herein are the sole responsibility of the reader. Neither S P Setia nor its directors, officers or representatives assume liability for any losses or actions arising from the use of this report.

DISCLAIMER

This Sustainability Statement is prepared to present S P Setia's climate-related disclosures and is based on information available at the time of preparation. The disclosures are subject to inherent limitations, including estimation uncertainty, evolving methodologies and assumptions, and changes in regulatory, technological, economic and environmental conditions.

This document may include forward-looking statements regarding targets, plans, strategies and anticipated outcomes. Such statements are based on current expectations and are not guarantees of future performance; actual results may differ materially due to factors beyond the Group's control. The Group does not undertake any obligation to update forward-looking statements except as required by applicable laws and regulations.

This Sustainability Statement is provided for informational purposes only and does not constitute investment, legal or other professional advice.

STATEMENT OF ASSURANCE

The sustainability information disclosed in our Sustainability Statement for the financial year ended 31 December 2025 has not been subject to independent external assurance. The disclosures have been prepared in accordance with IFRS Sustainability Disclosure Standards issued by the International Sustainability Standards Board (ISSB) and Bursa Malaysia's Main Market Listing Requirements.

Management is responsible for the accuracy, completeness and reliability of the information presented, supported by ESG data governance and internal validation processes to promote data integrity and consistency. The Board acknowledges the value of independent assurance in enhancing the credibility of sustainability disclosures and will continue to assess its appropriateness and timing as part of the Company's ongoing reporting enhancement efforts.

S P Setia Berhad Corporate HQ, Shah Alam, Selangor

IFRS S1 INDEX		
IFRS REFERENCE NO.		**PAGE REFERENCE**
S1.72	Explicit statement of compliance with IFRS Sustainability Disclosure Standards	128 – 129
S1.22, 24, 64	Reporting entity, period, currency & rounding	129
S1.54;	Sources of guidance applied (e.g., SASB)	129
S1.70, S1.E4-E6	Transition reliefs & comparative information	129
S1.22	Connected information with financial statements	128 – 129
S1.60	Location of disclosures	128
S1.64-66	Timing of reporting aligned with FS, change in group structure	129, 131
S1.27	Governance over SROs (overview)	134 – 135
S1.17, 30	Materiality approach and time horizons	130
S1.30(c)	Explain basis for time horizons for SROs	130, 158
S1.32–33	Risk management processes (entity level)	134 – 135
S1.29	Effects on strategy, business model and resources	144 – 145, 150
S1.74	Significant judgements	132 – 133
S1.79–83	Errors (if any) and corrections	—

IFRS S2 INDEX		
IFRS REFERENCE NO.		**PAGE REFERENCE**
S2.5	Governance objective & overview	134
S2.6(a)	Identify governing body/individuals with oversight	134 – 135
S2.6(a)(iii)	How and how often governance bodies are informed of climate risks	134 – 135
S2.6(a)(iv)	Consideration of trade-offs	134 – 135
S2.6(a)(v)	Targets oversight and monitoring	134 – 135, 162
S2.6(b)	Management oversight of climate-related risks and opportunities	134 – 135
S2.8	Strategy objective	139 – 143
S2.9	Approach to identifying climate-related risks/opportunities	144 – 155
S2.10(a)	Describe each climate-related risk/opportunity	142
S2.10(b)	Locations in business model and value chain	144 – 155
S2.10(c)	Timeframes when effects could occur	130 – 131, 142 – 151
S2.10(d)	Time horizons defined for risks/opportunities	130 – 131, 151
S2.11–12	Prioritisation and inputs considered	138
S2.13	Effects on business model and value chain	150 – 151
S2.14	Transition plan (ambition, actions, responsibilities)	140 – 141
S2.16–18	Current & anticipated financial effects	142 – 151
S2.22	Scenario analysis & resilience	130, 156 – 159
S2.22–24	Risk identification & assessment process	138 – 142
S2.25–28	Risk management & integration	144 – 155

Sustainability Statement

IFRS S2 INDEX		
IFRS REFERENCE NO.		**PAGE REFERENCE**
S2.27	Metrics & performance – general	160 – 163
S2.29(a)	GHG emissions (Scopes 1–3) – absolute, gross	160 – 163
S2.29(b)	Assets/activities vulnerable to transition risk (amount & %)	142
S2.29(c)	Assets/activities vulnerable to physical risk (amount & %)	142, 153
S2.29(d)	Assets/activities aligned with opportunities (amount & %)	142
S2.29(e)	Capital deployment to climate risks/opportunities	143
S2.29(f)	Internal carbon pricing – existence, price/tonne, use	145
S2.29(g)	Remuneration linked to climate	135
S2.30	Measurement information & estimation uncertainty	142
S2.32	Industry-based metrics (SASB)	149, 153, 166 – 168
S2.34	Targets – scope, baseline, timeframe, progress	140 – 141

SUSTAINABILITY ACCOUNTING STANDARDS BOARD METRICS		
REFERENCE NO.		**PAGE REFERENCE**
IF-RE-130a.2 (via S2.32)	Electricity usage (MWh) – Offices, Malls & Convention Centres; target vs baseline	149, 166
IF-HB-420a.1 (via S2.32)	Lots in 100-year flood zones	153, 166
IF-HB-420a.2 (via S2.32)	Risk exposure analysis & mitigation strategy	153, 167
IF-HB-160a.4 (via S2.32)	Integrating environmental considerations in site selection/design/construction	153, 168

Sustainability Statement

PERFORMANCE DATA TABLE

S P Setia Berhad
IFRS S2

Date & Time: 2026-03-10 14:20:54
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
* Emission	Gross Scope 1 and Scope 2	tCO2e	43,313	6% reduction	No assurance	Scope 1 & 2 - Consolidated accounting Group, Scope 2 is location-based
Footnote Sustainability Matter	Cross-sector Climate Metrics (IFRS S2)					
* Transition Climate Risk	Energy Management Electricity usage by Offices, Malls & Convention Centres (Malaysia Operations)	MWh	40,592	2% reduction	No assurance	Methodology: Electricity consumption in the financial year
Footnote Sustainability Matter	SASB (Real Estate) – IF-RE-130a.2					
* Physical Climate Risk	Climate Change Adaptation Number of lots located in 100-year flood zones (Malaysia Operations)	Narrative	All major Setia townships are designed in accordance with the Urban Stormwater Management Manual (MSMA),incorporating engineered waterways and detention ponds. Each development is designed to a calculated 100-year flood level, with building platforms set above the maximum design water level. Due to this, all post developments are above 100 year flood level	-	No assurance	Methodology: Hydrological mapping & regulatory pond data
Footnote Sustainability Matter	SASB (Home Builders) – IF-HB-420a.1					

S P Setia Berhad
IFRS S2

Date & Time: 2026-03-10 14:20:54
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
* Physical Climate Risk	Climate Change Adaptation Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	Narrative	Climate exposure is assessed through portfolio-level scenario analysis using SSP2-4.5 as the baseline, with SSP1-2.6 and SSP3-7.0 for sensitivity. The portfolio has no material coastal flood exposure; risks arise mainly from extreme rainfall and downstream backflow affecting gravity-based drainage in inland townships. Exposure relates to stormwater hydraulics and long-build township developments where detention capacity may be reduced by sedimentation. Mitigation includes MSMA-aligned drainage design, periodic desilting and deepening of detention ponds, and erosion controls.	-	No assurance	Methodology: Scenario screening & portfolio review
Footnote Sustainability Matter	SASB (Home Builders) – IF-HB-420a.2					

Sustainability Statement

S P Setia Berhad
IFRS S2

Date & Time: 2026-03-10 14:20:54
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
* Physical Climate Risk	Land Use & Ecological Impacts Discussion of process to integrate environmental considerations into site selection, site design and site development and construction	Narrative	Environmental considerations are embedded across the development lifecycle. Pre-acquisition landbank screening incorporates flood risk. During design, MSMA-aligned drainage is applied and detention basin capacity verified. Design and value-engineering reviews include embodied carbon assessments supporting Industrialised Building Systems (IBS) and lower-carbon materials. During construction, erosion and sediment controls are implemented, with post-handover engagement to ensure drainage outlets maintenance, supporting climate resilience.	-	No assurance	Narrative metrics
Footnote Sustainability Matter	SASB (Home Builders) – IF-HB-160a.4					
* Climate Opportunity	Percentage of sales increase for eGreenLiving property	Percentage (%)	41%	To achieve 35% of FY2025 sales from S P Setia products with green features, by tracking the sales performance of eGreenLiving-labelled properties	No assurance	Methodology: Percentage of sales of eGreenLiving properties out of total group sales
Footnote Sustainability Matter	Entity-developed metric					

ESG Report

UN SDGs ADOPTED

Sustainable, Innovative and Quality Development

Operating across Malaysia and selected international markets, S P Setia drives sustainable economic value by building well-managed, high-quality developments that deliver positive impacts for people and communities. The following topics highlight how we strengthen financial and operational performance, innovate responsibly and uphold the standards and practices that support long-term growth.

Setia Eco Templer, Rawang, Selangor

ESG Report

ECONOMIC PERFORMANCE

Our property development activities and related businesses generate economic value through revenue growth, employment, tax contributions, dividends and targeted community investments across our Malaysian and international operations

WHY IT MATTERS

Strong economic performance underpins S P Setia's ability to grow sustainably, compete effectively and deliver long-term value to shareholders and stakeholders. By upholding sound financial management and operational efficiency, we remain empowered to seize growth opportunities, maintain development momentum and meet project delivery commitments in a dynamic market environment.

We therefore prioritise a resilient financial strategy that supports long-term growth, strengthens stakeholder confidence and equips the Group to navigate market volatility and industry evolution, while remaining aligned with our sustainable development objectives.

S P Setia Berhad Corporate HQ

OUR APPROACH

Our approach to economic performance is grounded in disciplined, responsible decision-making, supported by robust corporate governance, comprehensive risk management and a zero-tolerance stance on bribery and corruption.

These commitments are reinforced through our Anti-Bribery Management System (ABMS) ISO 37001:2016 and Business Continuity Planning (BCP), which promote transparent, ethical and resilient business operations, while our Enterprise Risk Management (ERM) framework systematically embeds risk management practices across financial, operational and strategic functions.

Together with BCP-established crisis management protocols, this enables timely and effective responses to market disruptions while strengthening the Group's long-term business resilience.

For more details on our risk management framework, please refer to page 301 of this report.

Setia Ethics & Integrity Workshop

OUR INITIATIVES

Launched 38 project phases comprising 29 residential, 8 commercial and 1 industrial development, with a total GDV of RM5.14 billion.

Detailed descriptions of these initiatives are disclosed in our Sustainability Statement. Strengthened initiatives to eliminate waste, optimise resource utilisation and improve construction productivity through structured efficiency measures.

Reviewed operational costs regularly to identify opportunities for optimisation, focusing on process efficiency, supplier contract negotiations and technology-enabled productivity gains.

Fine-tuned financial roadmaps aligned with our corporate objectives, defining long-term revenue targets, capital allocation priorities and growth plans to support sustainable financial performance.

OUR RESULTS AND ACHIEVEMENTS

Direct Economic Value Generated (RM' billion)

	2023	2024	2025
Revenue	4.37	5.29	**4.22**
Net Profits	0.35	0.63	**0.60**

Economic Value Distributed (RM' billion)

	2023	2024	2025
Operating Costs	3.10	3.55	**2.57**
Employee Wages and Benefits	0.25	0.27	**0.27**
Payments to Providers of Capital	0.51	0.54	**0.57**
Payments to Government	0.30	0.50	**0.37**

GOING FORWARD

We remain committed to progressively enhancing our economic resilience and operational readiness, safeguarding financial strength and improving cost efficiency while maintaining close engagement with all shareholders.

Key priorities include maintaining healthy cash reserves, optimising supply chain performance and upholding transparent financial reporting that clearly communicates performance outcomes, strategic priorities and risk management practices.

In parallel, we will continue strengthening Team Setia through sustainability-enabled infrastructure, embedding sustainability into our products and services, workflow innovations and effective engagement, empowering stronger execution and delivery of the Group's long-term economic ambitions.

ESG Report

INNOVATION

Innovation underpins S P Setia's ability to deliver sustainable growth, enhance product quality and maintain market leadership. By combining technological advancement with disciplined cost, time and resource management, we continue to elevate operational resilience and boost value creation for our stakeholders.

WHY IT MATTERS

Innovation is a driving force in our sustainability strategy. It enables us to grow and retain market share by delivering differentiated developments that meet evolving customer expectations, while creating value through operational solutions that reduce costs and accelerate delivery timelines. A strong innovation foundation enhances organisational agility, allowing us to respond proactively to changes in customer needs, regulatory requirements and market conditions.

Innovation also supports our sustainability objectives through the adoption of energy-efficient designs, smart technologies and environmentally responsible materials. These initiatives align our developments with green building standards and regulatory expectations, enhance customer experience and reinforce investor confidence.

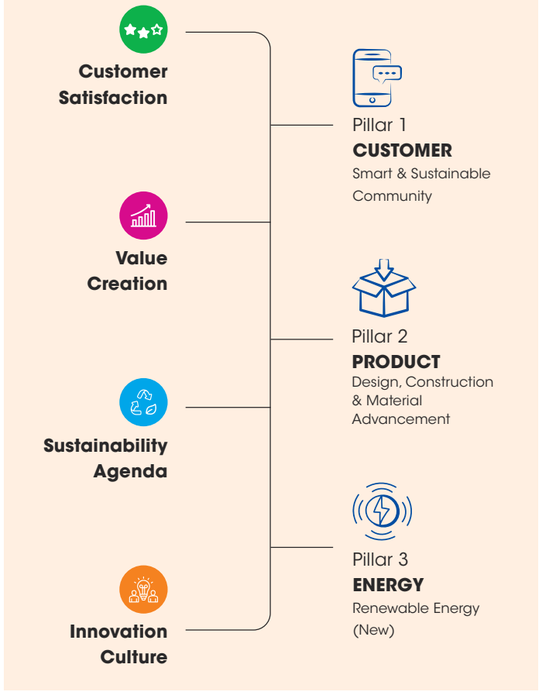
Recognising that insufficient innovation can lead to missed opportunities and erosion of market relevance, we prioritise the use of digital solutions and innovative construction practices to strengthen project execution, improve decision-making and enhance resilience across the property development value chain

OUR APPROACH

Our innovation strategy is anchored in a forward-looking culture embedded across all Business Units and applied throughout the project lifecycle, from planning and design to construction, marketing and customer engagement. We focus on practical, scalable solutions that improve efficiency, enhance quality and support sustainability outcomes. Guided by the S P Setia Green Roadmap, Standard Operating Procedures and Setia GreenLiving initiatives, innovation is systematically integrated into our operations. Working closely with Business Units, Group Digital & Innovation (GDI) identifies, tests and implements solutions to strengthen monitoring and performance, including the use of artificial intelligence (AI), data analytics and Internet of Things (IoT) technologies.

To ensure strong governance and value creation, the Group has established a Technology & Innovation Panel (TIP), a senior executive-level steering committee chaired by the CEO. TIP reviews proposals and due diligence outcomes, endorses PoCs and scale-up decisions, and monitors implementation across Business Units. TIP is supported by GDI, in collaboration with Subject Matter Experts (SMEs) and relevant committees, to assess and refine innovation concepts.

INNOVATION MODEL



OUR INITIATIVES

Our ongoing collaboration with the Malaysian Research Accelerator for Technology & Innovation (MRANTI) and the National Technology and Innovation Sandbox (NTIS) represents Setia's foundational step in institutionalising Corporate Innovation. Through the Setia Smart Community Sandbox, we provide a structured environment for the assessment, testing and validation of emerging solutions in collaboration with technology and ecosystem partners. In FY2025, together with NTIS, Setia launched several additional proofs of concept (PoC) initiatives with technology providers, with a focus on construction quality management.

Progressing from this initial phase, the Bengkel Inovasi GLC (BIG) programme serves as the Group's subsequent organisational effort to embed an innovation-driven culture across Setia through structured capability-building and problem-solving methodologies. S P Setia is one of eight Government-Linked Companies (GLCs) selected to participate in the programme, which aims to empower GLCs to address industry challenges through innovation.

The Smart Community initiative introduces a forward-looking model of modern living and remains a long-term, continuous development priority for the Group. Innovation under this initiative is guided by evolving community needs, technological advancements and sustainability objectives.

Under the programme, we are focused on the following priority areas:

AI-driven home buying journey

Leveraging AI agents to personalise the end-to-end home-buying experience, enabling more efficient matching of buyers with suitable homes.

Flexible ownership and innovative financing

Exploring tokenisation and blockchain-based real-world asset (RWA) models to introduce flexible and progressive ownership and financing structures that complement traditional mortgage solutions.

AI-enabled quality management

Embedding AI-driven visual intelligence and digital quality controls across the project lifecycle, from design and construction to inspection and handover, to systematically reduce defects and elevate build quality.

Autonomous Drone Security Surveillance

Since July 2025, Setia has deployed a 24/7 autonomous drone surveillance system at Setia AlamImpian Lakepoint Park and surrounding LakePoint facilities to enhance real-time security and safety monitoring, supporting its innovation and ESG priorities through improved efficiency and resource use with full regulatory approvals.

Digital Business Card

In January 2025, Setia rolled out NFC/QR-enabled digital business cards integrated with employee access cards, replacing paper cards to support digitalisation, reduce paper waste, strengthen brand consistency and improve data accuracy, while providing usage analytics for more efficient and sustainable operations.

Drone-based LiDAR Land Survey

In 2025, Setia Federal Hill adopted drone-based LiDAR for land surveys and completed a PoC for Phase 1 earthworks, enabling high-resolution terrain and volumetric analysis to improve verification accuracy and efficiency, reduce reliance on conventional surveys and support better land use planning and sustainability outcomes.

The Smart Community initiative advances a forward-looking model of modern living and remains a long-term development priority for the Group. Innovation under this initiative is guided by evolving community needs, technological advancements and sustainability objectives.

ESG Report

ESG Report

Pioneering a Holistic Approach to Sustainable Living

Our Smart and Sustainable Developments (SSD) initiative integrates smart technologies into our developments to enhance resident well-being, strengthen community connections and reduce resource consumption. SSD focuses on six key impact areas:

Health
Designing communities enriched with greenery, water and air features to support healthier lifestyles.

Community
Creating shared spaces, including clubhouses, that encourage social interaction and foster stronger community bonds.

Mobility
Improving accessibility through well-planned public transport links, pedestrian pathways and quality road infrastructure to support a range of transportation options.

Safety
Enhancing resident safety through the adoption of advanced security technologies, including smart access systems.

Green Energy
Supporting lower-emission living by enabling solar-ready homes and facilitating the use of electric vehicles (EV) through the provision of EV charging facilities.

Water
Incorporating natural water features, including self-cleaning systems and ponds, to immerse residents in nature and enhance their well-being.

Integrating Smart Sustainable Home Features

Guided by our mission to develop smart and sustainable communities, we continuously integrate innovative urban development concepts and infrastructure, including EV charging facilities, across our townships and developments. Our commitment to sustainable living is exemplified by the Setia eGreenLiving initiative, which, as at December 2025, has been integrated into 28 projects throughout the S P Setia Group. The sustainability-focused smart home features currently being deployed include:

- **Smart Home System**
  A mobile-enabled system that allows residents to control multiple switches and power plugs remotely.
- **Smart Lock**
  Smart access locks that can be controlled remotely and unlocked via fingerprint scanning, card, password or physical key.
- **Solar Panel**
  Pre-installed solar photovoltaic panels that enable residents to generate renewable energy for their homes.
- **Solar Switch**
  Infrastructure that enables residents to seamlessly connect solar photovoltaic panels and power their homes using renewable energy.
- **Rainwater Harvesting System**
  A system designed to collect rainwater, which is connected to an outdoor tap for plant watering, car washing and other uses.
- **EV Port**
  A dedicated electrical connector that allows residents to charge their EVs.
- **Box 366**
  A drop box that enables safe and contactless delivery of food and parcels.
- **Air Management System**
  A system that improves ventilation and indoor air quality.
- **Green Switch**
  A master switch that allows residents to activate or deactivate all lights instantly.

In parallel, we enhanced the functionality of Setia GO, our mobile application launched in 2024 to strengthen digital connectivity across our developments as we progress towards smarter communities. In 2025, Setia GO introduced a concierge service to elevate the Citizen Setia digital living experience. The feature enables residents to access trusted home and lifestyle services, including maintenance, repairs and cleaning, directly through the app.

To drive a coordinated, Group-wide focus on expanding Setia eGreenLiving features across our developments, we have begun tracking a range of KPIs to monitor the integration and adoption of sustainable home features across the portfolio.

Adoption of Smart Sustainable Home Features (eGreenLiving)

Indicators	Methodology to calculate metric	Measuring Unit	Tracking Baseline (Year)	2025 Results
Percentage of properties sold with green switch installed	Number of properties fitted with green switch	Percentage (%)	Nil	**79%**
Percentage of properties sold with solar panel PV installed	Number of properties fitted with solar photovoltaic panels	Percentage (%)	Nil	**45%**
Percentage of properties sold with solar panel conduit provision	Number of properties fitted with solar panel conduit provision	Percentage (%)	Nil	**50%**
Percentage of properties sold with energy-efficient water heater	Number of properties fitted with energy efficient water heater	Percentage (%)	Nil	**25%**
Percentage of properties sold with rainwater harvesting system	Number of properties fitted with rain water harvesting	Percentage (%)	Nil	**38%**
Percentage of installed water fixtures certified to a water efficiency standards	Number of properties fitted with water fixtures certified to a water efficiency standards	Percentage (%)	Nil	**13%**

Upholding Comprehensive Quality Management Systems

Maintaining quality excellence is central to advancing our innovation ambitions. Guided by the implementation of SIRIM ISO 9001:2015 Quality Management System standards, we ensure our project teams adhere to both internal quality requirements as well as the benchmarks set by Construction Industry Development Board's (CIDB) Quality Assessment System in Construction (QLASSIC) framework.

Quality assurance is led by the Group Quality Management (GQM) team through two core assessments: In-Process Construction Quality (ICQ) audits and QLASSIC inspections. ICQ audits are carried out bi-monthly to evaluate works in progress, while QLASSIC inspections have been mandated for all new projects from 2025. This requirement has been embedded into contractual obligations across all building projects, strengthening accountability and consistency in delivery.

These controls ensure our developments consistently meet defined Quality Standards and project specifications.

Enhancing Construction Techniques

In 2025, the GDI function focused on solutions to address construction quality, carbon emissions and operational efficiency. Key initiatives include testing new green brick material at Property South, deploying IoT-enabled solutions at the Setia City Convention Centre (SCCC) such as footfall counting, flood alerts and waste monitoring, and implementing a Post-VP Defect Reporting System to strengthen defect reporting and follow-through. These initiatives have completed the PoC stage and are now progressing towards adoption, while additional solutions remain in the R&D pipeline.

ESG Report

Driving Operational Efficiency

In 2025, we continued to enhance our existing Power BI reports and dashboards, with a specific focus on Property Sales Dashboards to strengthen visibility and decision-making. We also implemented a new dashboard for Group Legal to support the tracking of stakeholders' sums.

During the year, the legacy lead management system was sunset and replaced with a more holistic Customer Relationship Management (CRM) platform. The Group implemented an AI-enabled CRM solution with AI Outreach and AI-generated summaries to enhance customer engagement, streamline sales processes and strengthen lead nurturing and conversion through data-driven insights.

Recognising renewable energy as a key path forward for sustainable progress, we completed the installation of solar photovoltaic panels on the roofs of targeted Business Units, including offices and sales galleries during 2025. These systems now contribute 6.6 MWp of solar energy to reduce the carbon footprint of our operations

Setia EcoHill Club 360, Semenyih, Selangor

OUR RESULTS AND ACHIEVEMENTS

In 2025, the Group recorded an average IBS score of 52%, with green cement adopted in 30% and green concrete 52% of the projects launched during the year to reduce embodied carbon emissions.

GOING FORWARD

Moving forward, we will place greater emphasis on low-carbon product design and construction efficiency by continuing to explore and pilot advanced materials that reduce carbon emissions, alongside construction methods that leverage low-energy and modular systems. Emphasis will also be placed on adopting AI-enabled and simulation-based design coordination processes to improve project efficiency.

In parallel, we aim to streamline and automate defects inspection across construction, QAQC and post-VP stages. Under the BIG programme, we have partnered with global start-ups, leveraging hardware such as drones, handheld devices and helmet-mounted cameras for video capture, supported by computer vision to enable more efficient defects inspection.

PRODUCT DESIGN & LIFECYCLE MANAGEMENT

Sustainable outcomes stem from purposeful design and a deep understanding of product lifecycles. By leveraging technology, sustainable materials and resource-efficient practices across every stage of our developments, we enhance long-term quality, reduce environmental impact and create lasting value for our stakeholders.

WHY IT MATTERS

Every decision we make – from design and material selection to construction and end-of-life considerations – shapes our reputation, cost performance and ability to innovate. By adopting an eco-conscious and purposeful approach to product design, we deliver developments that balance innovation, functionality and sustainability. This includes integrating smart design principles, automation and data-driven decision-making to optimise resource efficiency, reduce environmental impact and manage operational costs more effectively.

A strong lifecycle management framework that prioritises using safe and durable materials also helps ensure our developments remain sustainable over the long term. Collectively, these efforts strengthen our competitiveness amid evolving customer and investor expectations, while supporting S P Setia's alignment with national and global sustainability agendas.

We remain committed to continuously improving product design and lifecycle management by adopting emerging solutions that reduce waste, improve efficiency and extend asset life. Proactive management in these areas mitigates risks, optimises resource use and strengthens long-term business resilience. Without this focus, inefficiencies, higher costs and missed innovation opportunities could weaken competitiveness and reduce investment potential.

OUR APPROACH

To ensure a consistent Group-wide approach, our product design and lifecycle management practices are guided by several internal UN SDG-aligned policies, including the S P Setia Sustainability Policy, the S P Setia Green Roadmap and the Setia Climate Change Policy. Together, these frameworks outline our commitments for embedding energy efficiency, eco-friendly design and resource conservation across our developments, ensuring our properties evolve in tandem with customer priorities.

Product design is driven through a multidisciplinary approach led by Group Digital and Innovation Unit. We focus on integrating practical innovations that strengthen efficiency, support sustainability outcomes and improve customer experience. We introduced the Digital Source Channel Sales KPI to optimise marketing efforts by shifting towards digital platforms, reducing reliance on traditional channels and improving cost-effectiveness. Our structured product design framework also prioritises green building elements and initiatives that enhance resource efficiency, while collaborations with like-minded partners strengthen our ability to innovate and improve both operational and sustainability performance.

Our commitment to lifecycle management is underscored by a focus on responsible material selection, including low Volatile Organic Compound (VOC) paint, tempered glass, durable metal steel roofs, asbestos-free cellulose fibre cement boards, reinforced wall panels and eco-label tiles. During 2025, we also explored and tested innovative materials such as geopolymer cement and concrete, carbon-negative materials, and low-energy wall systems and modular solutions. These materials help reduce environmental impact while improving indoor air quality, creating healthier living environments for our customers.

Concurrently, we prioritise staying ahead of industry developments, investing in employee training, seminars and conferences focused on emerging technologies and design trends. Equipping our teams with current knowledge supports the effective adoption of new tools, strengthens innovation capability and helps us maintain a competitive edge.

ESG Report

OUR INITIATIVES

Our product design and lifecycle initiatives place emphasis on harmonising the use of technology and innovative construction methods to enhance sustainability, project quality and customer satisfaction.

Building Information Modelling (BIM)

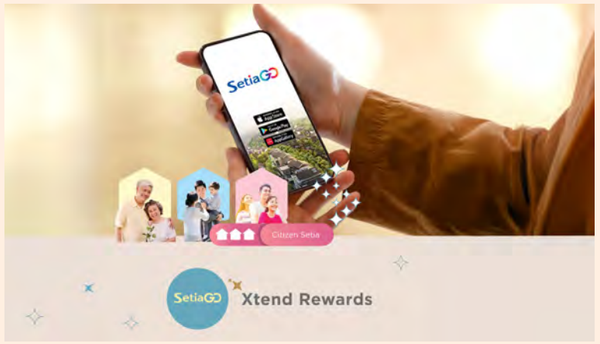
To identify and address potential issues early, we implement BIM during project planning across all S P Setia projects. This includes clash analysis to detect and resolve conflicts between architectural, structural, mechanical and electrical layouts before construction begins, alongside comprehensive 3D modelling that supports more innovative design with greater confidence. BIM strengthens material planning and decision-making, helping us improve efficiency, reduce rework, minimise waste and mitigate the risk of additional costs. We have also begun exploring the use of higher Levels of Development (LOD 350 and 400), as well as simulation capabilities, to further strengthen the effectiveness and impact of our BIM practices.

AI Internal Knowledge Chatbot

In 2025, we successfully deployed an AI-driven internal knowledge chatbot, integrating more than 40 percent of our corporate knowledge bases. This provides employees with 24/7 on-demand access to standard operating procedures (SOPs), significantly reducing time spent on manual searches. By streamlining information retrieval, we have enhanced operational agility and reinforced a self-service culture across the organisation.

AI Sales Chatbot

Our digital sales channels have been significantly enhanced through the integration of an AI-driven chatbot on the corporate website. This enables visitors to resolve property-related enquiries independently, strengthening a self-service experience while reducing the volume of routine queries handled by sales personnel. As a result, our sales teams can focus more effectively on high-value client engagement.



Setia GO App

In 2025, we introduced a new convenience feature on Setia GO, an exclusive concierge service designed to enhance everyday living for Citizen Setia. Through the app, residents can easily request trusted home and lifestyle services, including repairs, maintenance, cleaning and household assistance, without the need to search for external providers.

The feature connects Citizen Setia to a curated network of verified service professionals, offering greater peace of mind through reliable service quality, reasonable pricing and faster response times. All requests are managed seamlessly within Setia GO, delivering an integrated digital living experience.

This enhancement reflects our commitment to elevating the Citizen Setia journey by making daily living more convenient, efficient and worry-free, while further strengthening Setia GO as a one-stop platform for smart community living.

Setia Management Executive Dashboard

To strengthen performance oversight, GDI implemented a unified executive dashboard that consolidates key metrics across departments. The platform supports near-real-time monitoring and analysis to enable faster, data-driven decision-making, while reducing manual consolidation effort. Designed for scalability, it also provides a foundation for future analytics initiatives and continued technology-enabled growth.

Adopting Green Materials

Construction material manufacturing contributes significantly to carbon emissions. Green materials such as green cement and green concrete, which feature improved manufacturing processes and the use of eco-friendly raw materials, provide a solution for reducing this impact. The past year has seen us made significant progress in these areas. At our Johor developments, we have begun using Green Bricks as well as a new type of composite rebar made from fibreglass as a corrosion-free and sustainable alternative to steel reinforcement. We are currently exploring the use of geopolymer cement and concrete, carbon-negative screeding and low-energy lightweight IBS panels to further reduce embodied carbon across our developments. Through the increasing use of green materials, we can enhance sustainability in construction, prolong the lifecycle of our buildings, and reduce the overall carbon footprint of our developments.

Eco Green Bricks

Turning Waste into Landscaping

Extending material lifecycles supports the circular economy by keeping materials in use for longer and reducing unnecessary waste. One practical way we do this is by repurposing construction and organic waste for landscaping – as demonstrated through the initiatives implemented at the developments below.

Setia Alamsari

We repurposed stones excavated from site works by retaining them on-site and reusing them as landscape boulders and natural edging for parks, water features and waterways. This reduces the need for imported decorative materials and minimises construction waste sent off-site. To further support durable infrastructure, parks and waterways also adopt Glass Fibre Reinforced Polymer ("GFRP") reinforcement in place of conventional steel for non-structural applications such as walkways. Compared with steel, GFRP provides strong corrosion resistance, is lightweight, offers high tensile strength, is non-conductive, and delivers a longer service life.

Glass Fibre Reinforced Polymer at Setia Alamsari, Kajang, Selangor

Terracotta Sculpture and Boulder at LakePoint Park, Setia AlamImpian, Shah Alam, Selangor

CEO Dialogue with Business Associates

Engaging Suppliers for Sustainable Product Briefings

To accelerate the adoption of sustainable materials and technologies, we actively engage sustainability solution providers across our value chain, including suppliers, service providers and technology partners. Through structured product briefings and knowledge-sharing sessions, we evaluate emerging solutions that can strengthen supply chain collaboration, improve data readiness and support more efficient decision-making. As documentation requirements evolve, we work closely with relevant parties to enhance information accessibility and preparedness, enabling the Group to respond proactively to market expectations for sustainable products that are both high quality and competitively priced.

GOING FORWARD

We will continue ensuring all Business Units adopt technology solutions guided by Group Digital and Innovation to strengthen efficiency, sustainability and governance across our developments and product design processes. A dedicated task force will monitor market trends and evaluate cost-effective solutions that support evolving business needs. In parallel, training programmes will equip employees with the skills to adopt and leverage emerging technologies effectively.

We will also expand the integration of sustainable materials, advance circular economy practices and maintain systematic records to strengthen lifecycle decision-making and improve material selection – including across our future key commercial developments.

To enhance efficiency, sustainability and governance, we will continue to innovate through the adoption of new technological solutions to address business challenges, ranging from AI vision and blockchain to green materials and sustainable construction technologies, in collaboration with technology partners.

BUSINESS ETHICS

Strong business ethics are essential to long-term sustainability and trust. At S P Setia, we employ a structured and comprehensive approach to upholding ethical conduct across our operations, as well as our supply chain.

WHY IT MATTERS

Ethical conduct and professionalism are fundamental to S P Setia's commitment to integrity, accountability and sustainable development. Within the context of our business operations, upholding compliance with regulations protects our reputation, safeguard stakeholder interests and support business continuity. Just as importantly, preventing bribery, corruption and other unethical practices is essential to maintaining confidence across our customers, business partners and communities.

Protecting personal data is equally critical. Homebuyers and customers entrust us with sensitive personal and financial information throughout the property journey. Any lapse could result in regulatory action, financial penalties, reputational harm and a loss of trust that can take years to rebuild.

We therefore take a proactive approach to strengthening governance by embedding ethical standards into the way we operate and reinforcing data protection practices. This enables greater transparency and accountability, while supporting a secure, responsible and resilient business environment that protects our operations, employees and customers.

OUR APPROACH

Regulatory Compliance

S P Setia's approach to regulatory compliance is guided by strong corporate governance that supports long-term business continuity while balancing the interests of shareholders and stakeholders. Our governance framework is guided by the Terms of Reference (ToR) of the Board Sustainability Committee, supported by clearly defined Authority Limits, the Management Sustainability Committee, and comprehensive policies and procedures that safeguard accountability and operational excellence.

Oversight of integrity and anti-corruption is led by the Integrity and Governance Unit (IGU), headed by the Chief Risk, Integrity and Governance Officer. Reporting to the Risk Management Committee (RMC), with updates provided to the Board, the IGU ensures strong governance, Board-level oversight and the effective implementation of anti-corruption measures across the Group.

A healthy corporate culture and an effective governance framework are critical to sustaining operational excellence and managing the challenges of a complex and evolving business. We are firmly committed to refining our governance practices to support resilient performance, improve stakeholder outcomes and ensure long-term economic sustainability.

We also undertake regular assessments of our governance structures, practices and processes, ensuring they remain effective, relevant and aligned with regulatory developments, market dynamics and the expectations of the communities in which we operate.

For more information, kindly refer to the Corporate Governance Overview Statement on page 270

Anti-Corruption

Our anti-corruption framework is built on a governance structure led by the IGU. Headed by our Chief Risk, Integrity and Governance Officer and supported by Certified Integrity Officers, the IGU reports to the RMC, which provides updates to the Board to maintain Board-level oversight of our anti-corruption efforts.

Core Functions of the IGU

The IGU plays a central role in strengthening integrity across the Group through four core functions. As part of its complaints management responsibilities, the IGU receives and responds to reports of potential violations, including through information processing related to improper conduct. Through detection and verification, the IGU investigates complaints, reports criminal offences to enforcement agencies when required, and ensures appropriate actions are taken.

The unit also strengthens integrity by embedding and institutionalising integrity practices across the organisation, addressing bribery, corruption and malpractice risks. Its governance role includes periodic policy reviews, ensuring alignment with regulatory requirements and driving continuous improvement.

Policy Framework

Our approach is supported by a robust policy framework that guides ethical conduct across the Group. This includes the Anti-Bribery and Corruption Policy (aligned with Section 17A of the Malaysian Anti-Corruption Commission (MACC) Act 2009), the Code of Conduct and Business Ethics (CoCBE), as well as related policies on gifts and hospitality, donations and sponsorships, and third-party engagement. Our whistleblowing system also adheres to ISO 37002:2021 standards, supporting structured reporting and investigation processes.

To strengthen implementation across the organisation, we currently have 33 appointed Integrity and Governance Champions (IGCs) across Business Units and Corporate Units. These IGCs serve as frontline advocates, helping to embed a culture of integrity and ensure consistent adherence to our anti-bribery and anti-corruption standards across the Group.

Our policies are accessible via the corporate website at https://www.spsetia.com/en-us/governance#Our-Governance

Setia's Anti-Corruption Plan 2024-2026

Setia's three-year Anti-Corruption Plan (SACP) 2024–2026 was another significant thrust in progressing our integrity journey. Building on our previous Organisational Anti-Corruption Plan (2021–2023), the SACP sets out 78 initiatives under TRUST guiding principles to further reinforce anti-corruption controls across the Group.

The SACP addresses five key risk areas:

- **Interaction with government officials:** strengthening open dialogue and transparent communications
- **Third-party engagement:** centralising due diligence to minimise corruption exposure
- **Procurement and kickbacks:** increasing transparency through centralised procurement processes
- **Sponsorships and donations:** implementing interactive awareness modules and structured consultation procedures
- **Gifts and hospitality:** strengthening awareness through interactive training and systematic transaction reviews

As at 2025, 22 initiatives had been completed in line with the approved SACP. Key initiatives delivered during the year included:

- **Internal ABMS Audit and ABMS Surveillance Audit**
  To maintain continual compliance with ISO 37001 Anti – Bribery Management System ("ABMS") requirements and related anti-bribery and corruption policies, both internal and external audits were conducted across Business Units and Corporate Units. Led by the Integrity & Governance Unit and the certification body, these audits provided independent assessments and practical recommendations to strengthen controls. In 2025, nine audits were completed, with findings escalated to the Management Risk Team for review and subsequently presented to the Risk Management Committee.

- **Setia Integrity Healthcheck**
  The annual Setia Integrity Healthcheck provides a structured benchmark of Setia's integrity maturity across key dimensions, including clarity of ethical conduct expectations, leadership exemplarity and tone from the top, commitment to Setia's core values, whistleblowing culture, openness in discussing ethical matters, and the effectiveness of disciplinary and reward mechanisms.

- **Annual Integrity Quiz**
  To reinforce a culture of integrity, we conducted the Annual Integrity Quiz across the Group. Beyond raising awareness, the quiz also serves as a Key Performance Indicator ("KPI") for Business Units and Corporate Units, strengthening accountability and compliance across all levels of the organisation.

- **Integrity Award for Best IGC**
  The Annual Integrity & Governance Champion ("IGC") Award recognises individuals who consistently demonstrate integrity, transparency and leadership in advancing good governance within their respective Business or Corporate Units. In 2025, the Best Integrity & Governance Champion title was awarded to Nazrul Azmi bin Md Nasir from Property South, who successfully retained the award for a second consecutive year.

Monitoring and Compliance

Our commitment to ethical business practices is reinforced through monitoring mechanisms embedded within our compliance framework. Throughout the year, we conduct quarterly assessments to evaluate risks across our operations and track the implementation and effectiveness of control measures.

These assessments feed into detailed action plans, with progress monitored through each stage of execution. Findings and recommendations are communicated directly to the Management Risk Team, with regular updates provided to the RMC and the Board. This multi-layered oversight supports timely and effective responses to emerging concerns while maintaining strong standards of corporate governance.

Whistleblowing Channel

We maintain clear whistleblowing procedures to encourage the reporting of actual or suspected bribery, corruption or misconduct. Our Whistleblowing Policy, enhanced since 2022 and aligned with ISO 37002:2021 Whistleblowing Management Systems, supports the Group's commitment to integrity while ensuring confidentiality and protection from retaliation. Reporting channels are available to employees, Business Associates, residents and members of the public.

To strengthen awareness and uptake, we actively promote the Whistleblowing Channel across operational areas, including construction sites. Banners are placed at strategic on-site locations to ensure high visibility and accessibility for workers and stakeholders, carrying our tagline, "We Speak Up, We Care!", to reinforce a culture of openness and shared responsibility in reporting concerns relating to misconduct, fraud or policy breaches.

Group Health, Safety & Environment (HSE) further reinforces this message through regular engagement with workers, including toolbox talks, safety briefings and induction programmes. By integrating information on the Whistleblowing Channel into routine HSE communications alongside safety protocols, we embed ethical reporting into daily operations and strengthen transparency and accountability, ensuring individuals feel empowered to speak up without fear of retaliation.

Reporting channels include:

- **Whistleblowing e-Form:** https://whistleblowing.spsetia.com.my/whistleblowing/eWhistleblowing.aspx
- **Dedicated IGU line:** 012-302 0742 (Monday to Friday, 9am–5pm)
- **Direct communication** with the Chairman of RMC at jivsammanthan@spsetia.com or via the IGU
- **IGU email:** igu@spsetia.com
- **Walk-in/appointment** options with the IGU or the Chairman of RMC

ESG Report

ESG Report

Data Privacy

To address evolving cybersecurity risks, we deploy security technologies to safeguard customer information from loss, theft, misuse and unauthorised access, as well as alteration and destruction. We strictly adhere to the Personal Data Protection Act (PDPA) 2010, ensuring our data retention practices align with Privacy Policy requirements to minimise the risk of data breaches across our operations.

Our privacy and data protection efforts are led by Group Legal, Group Digital and Business Units through systematic threat monitoring and response protocols. We also recognise the role of employee awareness in strengthening data protection, and implement targeted initiatives that include:

- Talks and roadshows led by qualified legal personnel on the importance of data privacy and potential repercussions of a breach
- Reviews of relevant documents and correspondence involving customers by Group Legal to ensure PDPA compliance
- Regular communications from Group Legal via email on review outcomes and key learnings

In addition, employees undergo regular cybersecurity training, including a monthly Cybersecurity Awareness e-learning programme led by Group Digital, to strengthen data protection standards and practices in daily work.

OUR INITIATIVES

Strengthening Governance Through Regulatory Compliance

S P Setia upholds high standards of corporate governance by complying with statutory requirements, guidelines and best practices set out in the Malaysian Code on Corporate Governance (MCCG) 2021. For FY2025, the majority of Practices encapsulated in the MCCG were applied, as detailed in our Corporate Governance (CG) Report, reflecting our commitment to transparency, accountability and robust governance processes across the Group.

Our Corporate Governance Overview Statement for FY2025 was prepared in line with MCCG requirements and covers key governance areas including:

- Board Leadership and Effectiveness
- Effective Audit and Risk Management
- Integrity in Corporate Reporting and Meaningful Stakeholder Engagement

In addition to the MCCG, the Group also adheres to:

- Bursa Malaysia's Corporate Governance Guide (4th Edition)
- Companies Act 2016 ("CA 2016")
- Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities")

Together, these frameworks underpin our governance processes and control mechanisms, ensuring the Group remains focused on long-term value creation while upholding strong standards of integrity and accountability.

This statement is to be read alongside the CG Report, which is available at pages 270 – 300.

Awareness and Training on Anti-Bribery and Anti-Corruption

Our training framework embeds ethical conduct and integrity across every level of the organisation. New team members begin their journey with mandatory CoCBE sessions and anti-corruption briefings, formalising their commitment through our Individual Corruption-Free Pledge. Board members also receive anti-corruption policy briefings during onboarding, while our existing workforce participates in continuous learning programmes aligned with evolving regulatory and compliance requirements.

In 2025, key training and awareness initiatives included:

- **Ethics and Integrity Training**

  In 2025, a total of 31 training sessions were conducted to strengthen governance awareness and ethical conduct among employees. These sessions emphasised the importance of human governance as a critical enabler of effective corporate governance, supporting continuous improvement in line with evolving regulations, policies, procedures and industry best practices.

  The Integrity and Governance Unit (IGU) developed and implemented a dedicated training module on workplace ethics and integrity, with a strong focus on ethical decision-making at all organisational levels. The programme strengthened Setia's position as a workplace that values harmony, respect and meaningful engagement, while supporting the development of human potential. Strong employee participation contributed to a noticeable improvement in ethical behaviour across Team Setia. The effectiveness and practicality of the module also received external recognition, with a Government-Linked Company (GLC) adopting it as a reference model for its simplicity, practicality and impact.

  Guided by our zero-tolerance stance on bribery and corruption, these initiatives continue to promote transparency and responsible decision-making, reinforcing a culture of shared accountability, trust and sustainability across our operations. Guided by our zero-tolerance stance on bribery and corruption, these initiatives continue to promote transparency and responsible decision-making, reinforcing a culture of shared accountability, trust and sustainability across our operations.

- **Setia Integrity Clinic**

  Building on the initiative introduced in 2024, we continued to organise light hybrid integrity sharing sessions exclusively for employees in 2025. These interactive sessions provided a platform for the IGU to reinforce awareness on key governance topics, including Corporate Liability under Section 17A of the MACC Act 2009, integrity and governance principles, and lessons learned from relevant cases identified during the quarter.

  The hybrid format enabled participation from both local and international offices through online platforms, supporting broad engagement across our global operations. The initiative strengthened employees' understanding of integrity risks and reinforced the importance of preventing bribery and corruption, ensuring integrity remains a cornerstone of our business practices.

- **Communication of Policies and Pledge**

  Online annual acceptance of the Code of Conduct, Individual Corruption-Free Pledge and Conflict of Interest declaration was conducted by Group Human Capital in January 2025. Full compliance was achieved, with 100 percent of employees completing the required declarations.

- **Annual Integrity Message for Business Associates**

  To reinforce our commitment to ethical business practices, we delivered the Annual Integrity Message to business associates during the CEO Dialogue for Business Associates 2025. This engagement served as a platform to communicate our zero-tolerance stance on corruption, fraud and unethical conduct, while reiterating the importance of compliance with our Integrity and Governance framework. The session was attended by 292 active business associates, reflecting strong participation and a shared commitment to upholding integrity throughout our supply chain.

- **Setia Governance Risk and Audit Forum (SGRAF) 2025**

  An integrity talk titled "Adequate Measures: How Adequate is Adequate?" was delivered during the Setia Governance Risk and Audit Forum (SGRAF) 2025 by guest speaker Mr Hatta Hashom, further strengthening governance awareness and ethical discourse across the Group.

SETIA INTEGRITY ROADSHOWS

We extend our ethics framework beyond internal operations through targeted engagement with business partners, ensuring we uphold consistent ethical standards across our value chain. Primary undertakings during the year included:

- **Setia Integrity Roadshow for Business Associates**

  In line with our commitment to ethical business practices and strong governance, we conducted the Setia Integrity Roadshow for business associates. The programme was designed to strengthen awareness of integrity principles, anti-corruption measures and compliance standards across our value chain.

  Beyond engaging local partners, the roadshow was extended to business associates in Australia and Vietnam, reinforcing our commitment to upholding integrity across our international footprint. These sessions covered key themes such as responsible business conduct, transparency and adherence to relevant regulatory requirements.

  By engaging both domestic and international partners, we help to embed a culture of integrity beyond the organisation, ensuring ethical practices and long-term sustainability remain central to our collaborative relationships, while strengthening trust and accountability across the broader ecosystem in which we operate.

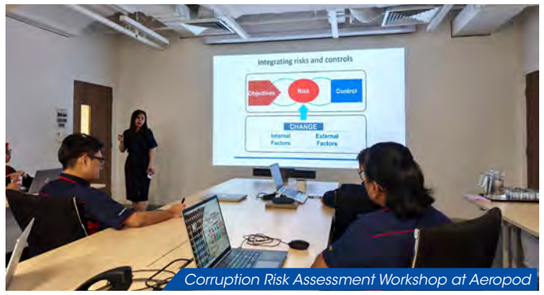
Setia Integrity Roadshow for Business Associates (Setia HQ)

- **Knowledge sharing sessions**

  In 2025, we conducted a series of integrity-focused knowledge sharing sessions with key institutional stakeholders, namely Tenaga Nasional Berhad (TNB), Lembaga Tabung Angkatan Tentera (LTAT) and Permodalan Negeri Selangor Berhad (PNSB).

  These sessions facilitated the exchange of best practices and practical insights on integrity, ethics and governance, while enhancing mutual understanding of integrity frameworks, risk management approaches and compliance expectations. Participants shared experiences on strengthening organisational integrity, managing integrity-related risks and promoting ethical decision-making within their respective organisations.

  Collectively, these engagements reflect our ongoing commitment to fostering integrity and transparency through continuous learning, while staying responsive to emerging trends, evolving practices and new challenges in ethical governance.



Corruption Risk Assessment Workshop at Aeropod

Corruption Risk Assessment Workshop at Setia Melbourne

OUR RESULTS AND ACHIEVEMENTS

Embedding a Culture of Integrity

To strengthen compliance and reinforce adherence to ethical standards, we intensified our Group-wide efforts through 73 engagement programmes conducted across all levels of the organisation in 2025. This represents a significant increase from 44 programmes in 2024, demonstrating the expansion of our initiatives to embed a stronger culture of integrity across the Group.

Whistleblowing Performance

Our Malaysian operations demonstrated strong performance in business ethics and anti-corruption efforts in 2025. A total of 31 complaints were received through our whistleblowing channels. Three cases involved allegations of improper conduct and were investigated by an internal team, with the necessary actions taken in accordance with the Group's Human Capital disciplinary procedures for substantiated cases. The remaining 28 cases related to customer complaints concerning our products or services, and were referred to the relevant Business Units or corporate functions for follow-up and further action.

Corruption Risk Assessment

We recognise that robust anti-corruption practices are essential to sustaining stakeholder trust and strengthening long-term business resilience. In 2025, we conducted a comprehensive Corruption Risk Assessment training and workshop across the Group, including our international operations.

The programme provided a deep dive into operational processes, strengthening understanding of how and why corruptionrisks may arise within business units. Through interactive sessions, participants identified potential corruption risks and developed mitigation plans tailored to their respective business units.

	2023	2024	2025
Percentage of operations assessed for risks related to corruption	100%	100%	**100%**

Communication on anti-corruption policies and procedures			
Total percentage of Board of Directors, employees who have been informed about S P Setia's Anti-Corruption Policies and Procedures	**2023 %**	**2024 %**	**2025 %**
Board Members (including C-Suite)		100	**55**
Senior Management	94.74	100	**100**
Management	93.72	100	**100**
Junior Management	85.02	100	**100**
Executive	97.76	100	**100**
Non-Executive	99.28	100	**100**

Consumer Privacy and Customer Data

In 2025, we recorded:

- Zero substantiated complaints regarding breaches of consumer privacy or losses of customer data, from either external parties or regulatory bodies
- Zero confirmed incidents of corruption reported, and no corrective actions were required

Setia Ethics & Integrity Workshop

Setia Governance Risk and Audit Forum (SGRAF) 2025

Confirmed Incidents of Corruption

The Malaysian Anti-Corruption Commission confirmed through its letter dated 5th January 2026 that there were zero confirmed incidents of corruption involving the Group during 2025. As a result, no employees were terminated, no business contracts were cancelled, and no individuals resigned or left unrenewed due to corruption-related issues.

GOING FORWARD

Moving forward, S P Setia remains committed to maintaining our ISO 37001 Anti-Bribery Management System (ABMS) certification, ensuring that policies, internal controls and procedures remain robust, effective and aligned with evolving regulatory requirements and industry best practices. Ongoing initiatives will include periodic risk assessments, internal audits, management reviews and continuous improvement measures to further strengthen the effectiveness of our ABMS.

SUPPLY CHAIN MANAGEMENT

We engage a diverse range of suppliers to support efficient, timely delivery across our operations, prioritising responsible partners who share our commitment to quality and sustainability.

WHY IT MATTERS

Engaging closely with suppliers and upholding regulatory compliance across our supply chain are essential to sustainable value creation. At S P Setia, we recognise that strong supply chain governance directly influences operational reliability, the quality of our products and services and the integrity of our reputation.

A well-managed supplier network supports the timely delivery of quality outcomes while reinforcing compliance with social and environmental standards. By prioritising local suppliers registered in Malaysia, we also generate economic value that cascades to subcontractors and other local businesses, contributing to wider economic growth. This approach brings clear benefits, including reduced supply chain costs and lead times, a lower carbon footprint and more efficient communication across our value chain.

We therefore remain committed to maintaining stringent procurement practices that prioritise suppliers who meet our quality expectations, uphold ethical and sustainable practices, and comply with relevant regulations. This reduces the risk of unnecessary costs, penalties and reputational damage, while supporting a resilient supply chain that contributes to long-term business growth. Local sourcing context: 100% of procurement spend was with local suppliers in FY2025 (scope includes contractors and construction consultants), reinforcing domestic supply resilience and oversight proximity. Customer outcomes linkage: Supplier-enabled features underpinned 41% of FY2025 housing products with Setia eGreenLiving enabled sales.

OUR APPROACH

Our approach to supply chain management is centred on strengthening sustainability and ensuring our environmental and social commitments are upheld across our operations. To achieve this, we have established clear protocols and guidelines within our supplier screening and evaluation processes.

All third parties we engage, including subcontractors, are required to comply with our Code of Conduct and Business Ethics (CoCBE), which sets out our expectations on values and standards, respect for human rights principles and the avoidance of conflicts of interest. Suppliers are also expected to comply with relevant regulatory requirements at federal, state and municipal levels, follow industry standards for workmanship quality, and adopt best practices to minimise environmental and social impacts. These include Health, Safety and Environment (HSE) considerations such as environmental conservation and reducing noise, land and air pollution.

S P Setia's ISO Certifications: ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018

During the tendering stage, contractors are thoroughly screened by Group Contracts and Procurement (GCP). Assessments cover financial standing, past performance and experience, compliance with environmental laws and regulations, adherence to health and safety procedures, and alignment with S P Setia's internal policies and standards such as ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018. As part of our checks and balances, all documents related to these assessments are incorporated into the final contract upon project award.

Once appointed, contractors are monitored through ongoing assessments across the project lifecycle. This includes monthly audits at project sites, supported by a Contractor Performance Evaluation (CPE) conducted twice a year. These evaluations assess contractor performance against HSE criteria, including environmental and social impacts throughout the project. Contractors also submit monthly progress reports to support early identification and resolution of issues, ensuring continued alignment with our safety and environmental objectives.

While the majority of our contractors meet the required HSE criteria during the CPE, those that do not are placed on a watch list for follow-up and improvement.

CEO Dialogue with Business Associates

For governance and oversight, our Vendor Management Unit (VMU), established in 2024, strengthens due diligence, optimises supplier relationships, and enhances transparency across the supply chain.

We conduct an on-site monitoring, with monthly audits at project sites; CPE conducted twice a year; monthly progress reports; corrective action and watch-list follow-up as needed. Furthermore, our Anti-Bribery and Anti-Corruption standards apply to business partners through onboarding and contract terms; 100% employee training achieved in FY2025. Separately, the Malaysian Anti-Corruption Commission confirmed by letter dated 5 January 2026 that there were zero confirmed incidents of corruption involving the Group during 2025. Our whistleblowing channel is accessible to contractors and workers and administered by the Integrity and Governance Unit (refer to page 183).

In the areas of privacy and data protection, vendor access to customer data is governed by ISO-aligned practices, and in FY2025 we recorded zero substantiated complaints regarding breaches of consumer privacy or losses of customer data from external parties or regulators.

OUR INITIATIVES

Since 2024, we have leveraged the newly-formed Vendor Management Unit (VMU) to strengthen oversight over the Group's direct supply chain. This centralised function further enhances vendor due diligence and reinforces compliance with ethical and sustainability standards. The VMU is also tasked with optimising supplier relationships, mitigating risks and improving transparency and efficiency across the supply chain.

In 2025 we introduced enhanced ESG questionnaires for selected vendors covering ethical conduct, labour practices, environmental management and regulatory compliance.

We advanced low-carbon construction with our suppliers by achieving an average IBS score 52%, replacement of green cement 30% and replacement of green concrete 52% across eligible works. We continued engaging main infrastructure and building contractors to expand ISO 14001:2015 and ISO 45001:2018 adoption across our supply chain.

Drainage and climate adaptation saw MSMA-aligned solutions are implemented through our contractors as part of site infrastructure delivery, alongside routine desilting and erosion-control works.

ESG Report

OUR RESULTS AND ACHIEVEMENTS

	2023	2024	2025
Percentage of procurement spent on local suppliers, defined as contractors and consultants whose businesses are registered in Malaysia	100%	100%	**100%**

From 2024, the scope of our procurement spend disclosure has been expanded beyond contractors to encompass all consultants involved in construction activities, including architects, engineers, planners and landscape consultants. With this enhanced scope, we are pleased to have sustained 100% procurement with locally registered companies, strengthening supply-chain resilience and oversight. As of December 2025, 64% of active contractors have adopted ISO 14001:2015 and ISO 45001:2018, exceeding our target of 30%, reflecting our proactive engagement and commitment to strong ESG practices.

Achieved
64% engagement of ISO-certified contractors
(ISO 14001 / ISO 45001), exceeding the ≥30% target

Recorded
52% IBS adoption
across eligible works

Attained
30% usage of green cement
for eligible works

Achieved
52% usage of green concrete
for eligible works

Maintained
100% local procurement
spend across contractors and construction consultants

Delivered
a QLASSIC score of 82%,
for eligible works.reflecting strong quality performance

Sustained full compliance with
zero environmental fines and zero confirmed corruption incidents in FY2025

Maintained strong data privacy practices with
zero substantiated complaints
from external parties or regulators

Generated
41% of FY2025 sales from green-enabled launches,
reflecting positive customer uptake

GOING FORWARD

To further strengthen supply chain monitoring within S P Setia, we will persist in enhancing our due diligence efforts with enhanced environmental and social screening criteria. We will also continue engaging central infrastructure and building contractors to encourage the adoption of ISO 14001:2015 and ISO 45001:2018.

As a leading developer, we will leverage our influence to encourage stronger ESG practices across the broader supply chain, support the growth of green products and services, and strengthen sustainability practices across the industry.

Setia Eco Park, Shah Alam, Selangor

UN SDGs ADOPTED

Best Practices in Environment Management

As a responsible property developer, we recognise the environmental impact of construction and the built environment – from resource use, emissions and biodiversity pressures during development to energy consumption and long-term ecological consequences across a building's lifecycle. By adopting recognised best practices, we aim to reduce our footprint while shaping eco-conscious communities that create enduring value for customers, our people and the business.

ESG Report

EMISSIONS AND ENERGY MANAGEMENT

We at S P Setia are committed to achieving net zero emissions by 2050 across our operations, developments and supply chain. By adopting ISSB-aligned disclosures in 2025, we ensure our business is prepared to navigate the energy transition effectively and responsibly as we continue to deliver sustainable and future-ready developments.

WHY IT MATTERS

As the developer of long-lived assets, we recognise our responsibility to reduce emissions, both in how we build and in how our developments perform over time. At the same time, it is equally important that we identify and respond to the climate-related risks and opportunities arising from our operating context and industry footprint. Our approach to these matters, alongside our commitments, have been set out in great detail within our Sustainability Statement on page 128 of this report, which aligns with both IFRS S2 standards.

Our holistic efforts to manage energy and emissions delivers tangible business value, from optimising construction costs and accelerating sustainability innovation to improving the long-term energy footprint of our operations. More broadly, these efforts support compliance with evolving regulations, attract green investment and enhance customer appeal amid rising sustainability expectations – contributing to a resilient and future-ready business model that sustainably generates shared value benefitting the society and S P Setia.

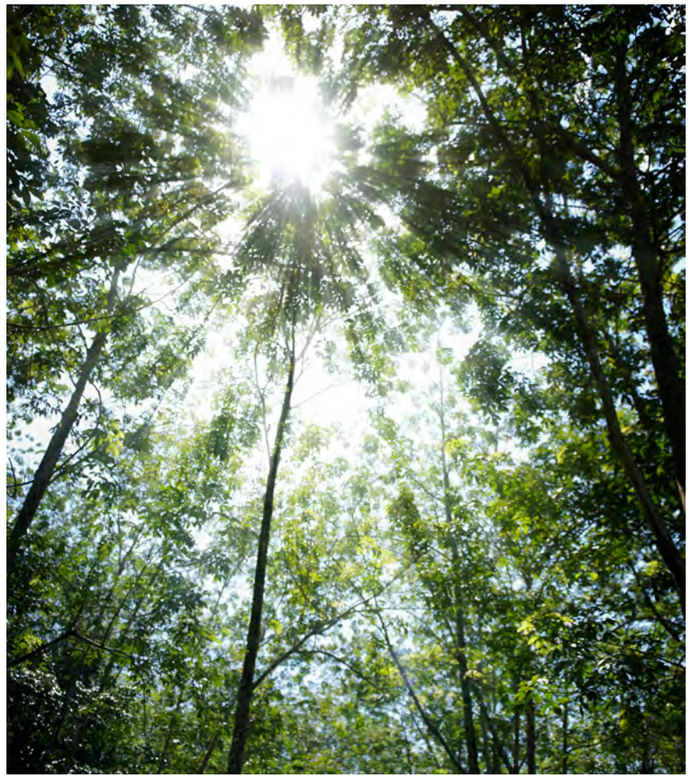
OUR APPROACH

Emissions Management

We are deeply committed to decarbonising our business in alignment with national climate policies and transition objectives, and have established both long-term and interim targets towards net zero emissions by 2050.

From an operational perspective, the introduction of the eDew system and digitisation of our data collection processes has strengthened the efficiency and transparency of emissions reporting across Business Units. We continue to expand our data collection boundary to improve the completeness and consistency of emissions reporting. In 2025, Amari hotels and overseas operations in Australia and Vietnam were included in Group-wide emissions reporting.

A full analysis of our approach, targets and strategies for progressively reducing emissions and achieving net zero has been embedded into our Setia Green Roadmap, disclosed on page 161 of our Sustainability Statement.



Energy Management

To effectively manage our energy consumption and footprint, we prioritise the quality and transparency of how energy use is measured and reported. Our approach is therefore guided by established standards and methodologies that support accuracy, consistency and credible reporting.

Key elements include:

- Alignment with the GHG Protocol to ensure consistent measurement, monitoring and reporting of energy consumption across our operations, supported by assumptions based on typical consumption patterns, industry averages and historical data
- Application of energy consumption databases, carbon footprint calculators and energy audits to estimate and track energy usage across the value chain
- Use of national databases and industry-specific reports, alongside global standards, to apply locally relevant conversion factors – enabling more accurate calculations, better identification of inefficiencies and stronger alignment with regulatory requirements and sustainability objectives
- Ongoing monitoring of our green buildings to ensure they maintain high energy-efficiency standards, including the S P Setia Headquarters building, KL Eco City Mercu Office Tower, KL Eco City Mall and Setia City Convention Centre 1 (SCCC1 & SCCC2)

The ESG SOPs developed in 2024 were continued throughout 2025 for data management and data tracking, we have embedded energy tracking within the eDew system to strengthen oversight of data management and tracking. Data recorded by designated owners in eDew is reviewed and validated by Sustainability Officers before Group-level tabulation of energy use and emissions. Together, these SOPs standardise data collection and strengthen our ability to track energy performance consistently across the organisation.

OUR INITIATIVES

REDUCING OUR EMISSIONS

Setia Climate Change Policy

Our emission reduction efforts are guided by the Setia Climate Change Policy in Sustainability Statement page 160, which provides a structured and consistent framework for implementation across the Group.The policy strengthens our ability to manage climate-related impacts and reinforces our commitment to minimising our environmental footprint in line with our broader sustainability objectives.

Designing Sustainable and Resilient Communities

From the earliest stages of development, we incorporate design strategies that reduce heat exposure and improve long-term liveability. During the pre-construction phase, we orient homes to face north or south where possible, and integrate green buffers, waterways and ponds to support cooling and flood mitigation. Parks are located within walking distance of homes and connected through cycling paths and walkways to encourage walking and cycling, helping to reduce vehicle usage and associated emissions.

We also implement Industrialised Building System (IBS) solutions in housing projects to minimise waste, reduce reliance on foreign labour and accelerate construction.

Further details on the above initiatives and practices, alongside relevant performance outcomes, are disclosed on page 189.

Integrating Sustainable Technologies in Our Development

In 2025, we strengthened our ongoing focus on reducing embodied carbon by shifting from conventional construction materials to lower-carbon alternatives that reduce overall lifecycle emissions. Following the contractual provisions introduced in 2024 to encourage and assess the use of green cement — alongside engagement with key suppliers to secure competitive pricing and reliable supply — we progressed efforts in 2025 to advance the adoption of green concrete as a pathway to further decarbonise our developments. This will remain a priority moving forward.

Building on insights from our Scope 3 baseline study, we also identified other key contributors to embodied carbon emissions and have worked closely with material suppliers to source certified eco-friendly materials. Leveraging the

scale of our Group-wide business activities, we are able to generate sufficient volume demand across the supply chain to unlock cost-effective production of these green materials without placing cost pressures on our contractors.

To ensure this remains a priority moving forward, we have set a target of identifying at least two new materials or processes that can reduce embodied carbon each year.

BOX 366

Green Switch

Advancing Operational Efficiency Through Sustainable Practices

We continue to implement practical measures to reduce emissions and optimise resource use across our operations. At selected sites, we are phasing down diesel-powered equipment by transitioning to electric alternatives, where feasible. This helps lower operational emissions and noise while supporting more efficient, cleaner site practices. These efforts are complemented by the continued expansion of on-site renewable energy initiatives across offices and sales galleries to reduce Scope 2 emissions.

Beyond energy, we remain committed to resource conservation by promoting the principles of reduce, reuse and recycle across the organisation. Supported by established SOPs and digital tracking of emissions data, we are better able to identify improvement areas and implement targeted actions to reduce our environmental impact.

REDUCING OUR ENERGY CONSUMPTION

To lower Group-wide energy use and enhance green building performance, we have implemented the following measures:

Smart Lighting and Air Conditioning

We deploy advanced systems with IoT-enabled monitoring to detect when lighting or air conditioning is not in use and switch it off accordingly, minimising energy wastage.

Double-Glazed Windows and Louvres

By incorporating double-glazed windows and louvres, we reduce heat gain within buildings and lessen reliance on air conditioning.

Sun-Facing Designs

We apply sun path analysis during the design stage to maximise natural daylight and reduce the need for artificial lighting.

By integrating these technologies and approaches, we aim to reduce energy consumption across our developments, lower operational energy costs for homeowners and support national net zero aspirations through improved energy efficiency.

OUR RESULTS AND ACHIEVEMENTS

Renewable Energy and Energy Efficient Solutions

- The installation of solar power panels at our office buildings, sales galleries and malls was completed in 2025, expanding our on-site renewable energy generation to 3,483 MWh.
- We continued to drive awareness across all Business Units to strengthen sustainability practices, including energy and water conservation and waste reduction.
- We organised Setia Sustainability Day on 24th September 2025 to engage employees and other stakeholders on our sustainability commitments and drive greater collective effort towards our ambitions.

Our Energy-Efficient Buildings: Setia Federal Hill – Redefining Urban Living

Setia Federal Hill, a joint development with Mitsui Fudosan, reflects the Group's commitment to energy-efficient, low-carbon urban living. Phase 1 of the development is GreenRE certified, while the overall Setia Federal Hill township is LEED certified, recognising the adoption of green design and sustainability practices across the township. These achievements were supported by suppliers adhering to Setia's low-impact material requirements and sustainable site practices. The first phase was launched in 2025 and integrates the following green features:

Energy-Efficient Envelope
Laminated tinted glass (RETV< 22W/m²) to reduce heat gain

Natural Ventilation & Daylighting
Reduces lighting needs by 70%

Heat Island Reduction
Solar Reflective Index (SRI) materials and greenery to lower temperature

Renewable Energy
Solar power for common areas

Efficient Cooling & Lighting
5-star air conditioning and sensor-based lighting

Rainwater Harvesting
Reduces potable water use by 30%

EV Charging & Green Transport
EV stations and priority parking

Holistic Initiatives to Manage and Reduce Emissions

In 2025, we continued to ensure optimal utilisation of IBS solutions across the Group to drive efficiency and sustainability. We also reinforced the adoption of green cement in all developments, with 19 out of 33 projects launched during the year already using this eco-friendly material to reduce embodied carbon emissions. Further to this, we have also progressed our planned utilisation of green concrete, with 52% new developments adopted in 2025.

To embed a sustainability-conscious culture across the Group, we leverage close engagement between our Group Corporate Sustainability team and all Business Units, with extensive awareness programmes utilised to drive improvements to internal practices. During 2025, this included a Climate Risks and Opportunities awareness programme tailored for key business units, namely Project Planning and Design, Group Contracts and Procurement, and Group Finance.

Collectively, these initiatives reinforce our commitment to environmental stewardship, operational sustainability and responsible corporate practices across the Group.

Scope 1, 2 & 3 Emissions Performance (tCO_2e)

The Group's Scope 1, Scope 2 (location-based) and Scope 3 emissions are summarised below by reporting segment (Malaysia, International operations and Amari Hotels), based on data available during the reporting period.

Details of our Scope 1 and Scope 2 emissions, together with energy consumption disclosures are provided in our Sustainability Statement on page 161.

Segment	Scope 1 tCO_2e	Scope 2 (Location-based) tCO_2e	Scope 3 (Gross other indirect)* tCO_2e
Malaysia	3,219.19	31,377.41	2,297.16
Australia		38.10	4.18
Vietnam		204.02	20.75
Amari Hotels	213.90	8,260.90	258.47

* Scope 3 figure disclosed covers Category 6 (Business travel) and Category 7 (Employee commuting) based on data available during the reporting period.

Total Energy Consumption

Energy Consumption (kWh)	2023	2024	2025
Malaysia	96,174,521	45,037,889	**40,592,690**
Australia	N/A	N/A	**45,809**
Vietnam	N/A	N/A	**221,763**
Amari	N/A	N/A	**10,672,991**

Year	Energy Intensity Ratio (kWh/m²)
2023	13.16
2024	36.93
2025	**33.28**

Note: Malaysia Operations

Sustainability in Action at Callista Green, Taman Rinting, Johor Bahru

At Callista Green, sustainability is advanced through practical, residents-focused energy initiatives. A key highlight is the Solar Mobile Charger, introduced as part of the development's renewable energy integration. Designed for public use, it provides a convenient community charging point while promoting awareness of clean energy solutions. This initiative is positioned as the first solar mobile charger introduced by Setia in Malaysia, reinforcing Setia's commitment to pioneering accessible renewable energy applications at the township level.

In parallel, the development supports energy reduction through motion sensor lighting in selected public areas. The lighting operates only when movement is detected and turns off during periods of inactivity. This helps reduce unnecessary electricity consumption, optimise operating costs and extend the lifespan of lighting assets, while maintaining safety and comfort for residents.

Solar Mobile Charger, Callista Green

GOING FORWARD

Looking ahead, we remain firmly committed to accelerating emissions reduction in alignment with global and national climate action frameworks. Our clear pathway towards net zero is set out in detail within our Sustainability Statement, providing stakeholders with clear visibility on our mitigation approach, transition plans and the opportunities we intend to capture.

To strengthen delivery, we are driving concerted Group-wide action through compulsory energy reduction targets for senior management, mandated by a CEO memo issued to all Business Unit and asset heads in early 2025. We will also intensify efforts to address Scope 3 emissions through targeted strategies across our supply chain and end-user activities. Building awareness from within remains a priority, and we will continue to improve employee awareness and education to drive collective action towards achieving meaningful sustainability outcomes.

Together, these actions will mitigate risk, create long-term value and support alignment with global and national climate goals, positioning S P Setia for enduring success in a low-carbon economy.

WASTE AND WATER MANAGEMENT

Waste and water management are vital to our sustainability strategy, enabling us to improve operational efficiency while minimising environmental impact, optimising resource use, supporting regulatory compliance and strengthening the long-term sustainability of our developments.

WHY IT MATTERS

Effective waste and water management is a fundamental aspect of our role as a responsible developer. It supports operational excellence, preserves the trust of our stakeholders and strengthens environmental stewardship in numerous ways.

Through strong waste practices, we can reduce the volume sent to landfill, help prevent pollution and support compliance obligations. Likewise, responsible water use helps protect local resources and safeguards the quality of water discharged into waterways.

Accordingly, we remain committed to implementing sustainable waste disposal methods and responsible water extraction, consumption and discharge practices across our operations and development projects — supporting both long-term business performance and environmental sustainability.

Rainwater Harvesting

OUR APPROACH

Waste Management

Our approach to waste management is guided by our Setia Sustainability Policy and Setia Green Roadmap, as well as our Environmental Management System (EMS), which is based on the ISO 14001:2015 standard. Together, these frameworks provide a structured and systematic approach to managing waste across our operations while minimising environmental impact.

During the planning stage, we align our developments with recognised green building principles, using frameworks such as GBI and LEED as design and performance benchmarks to guide sustainable design, construction and operational practices.

A robust compliance monitoring and verification framework ensures our practices align with the Environmental Quality Act 1974. We maintain oversight through regular site inspections and compliance checks, supported by monitoring protocols tailored to different operational areas.

For office locations, we utilise the eDew platform for waste monitoring and data collection. At construction sites, selected Business Units conduct manual monitoring of construction waste, with contractors required to submit disposal documentation to verify proper handling at authorised locations. Construction waste management is further strengthened through contractual obligations, with clear terms and conditions communicated at the tendering stage, including requirements for responsible disposal.

This operations-specific approach enables us to maintain strong oversight while identifying continuous improvement opportunities in our waste management practices.

ESG Report

Below we outline our approach to managing the various categories of waste across our business:

Designated large recycling bins at the back-of-house of D'Network, Setia Eco Park, Shah Alam, Selangor

Office/Domestic Waste

Waste such as paper, printer cartridges, packaging materials and food waste from our offices and properties is sorted for recycling where possible, with remaining waste disposed of at approved landfills.

Construction Waste

Waste generated from construction activities — including debris such as concrete, bricks, wood, steel and plastic, as well as unused materials — is disposed of at approved landfills.

Maintenance Waste

Waste from property maintenance activities, including landscaping works, food waste from convention centres and malls, and other organic materials, is managed through appropriate disposal channels based on waste type and local authority requirements.

Clubhouse Waste

General waste, recyclables, organic waste and single-use plastics generated during events and daily activities are managed appropriately and disposed of at approved landfills.

Scheduled Waste

Scheduled (hazardous) waste includes materials that may cause environmental harm, such as spilled oil, contaminated soil and oil-soaked rags. This waste stream is handled by licensed contractors and reports to the Department of Environment (DOE) in accordance with regulatory requirements and contractors contractual obligations.

ESG Report

Water Management

We treat water as a shared resource that demands deliberate and responsible management. Across our operations, we prioritise progressive consumption reduction while expanding opportunities for reuse. Our water is drawn primarily from municipal supply networks and supplemented through rainwater harvesting and catchment systems. It supports a range of operational needs, including drinking water supply, general cleaning and sanitation and landscape maintenance. Discharge is managed through sewerage treatment plants and approved drainage systems.

We maintain strict discharge management practices to protect waterways and water-dependent ecosystems, including flora and fauna. Our practices adhere to the Environmental Quality Act 1974 and the Sewerage Services Act 1993, with all discharges requiring prior approval from the Department of Environment and compliance with specified pollutant limits. Our minimum standards are guided by Environmental Impact Assessment (EIA) Approval Conditions and the National Water Quality Standard (Class IIA), with internal regular Environmental Monitoring Reports including discharge point sampling and the tracking of key parameters such as pH, dissolved oxygen and the presence of pollutants.

Additionally, in Selangor, we comply with the Lembaga Urus Air Selangor (LUAS) Licensing Regulation 2024 on Discharge of Return Water and Entry or Discharge of Waste and Pollutants (State of Selangor) ("Sel. PU 19/2024"), which came into force in 2024.

Rainwater Harvesting System

OUR INITIATIVES

Township drainage systems are designed in accordance with MSMA (Manual Saliran Mesra Alam). This approach integrates flood mitigation, water quality protection and environmental management, while enabling the creation of new biodiversity locations and habitats. Design elements include networks of small ponds to reduce runoff and manage stormwater during peak periods. Where appropriate, we prioritise natural ground waterways over drain culverts to improve permeability and support township groundwater recharge.

Water quality is further strengthened through the installation of gross pollutant traps (GPTs) and integrated sediment traps. Special attention is placed on areas designated as Kawasan Tadahan Air in our Kebenaran Merancang (KM), where we develop wetlands, bio-swales and landscape parks to enhance both aesthetics and biodiversity.

Through our eDew platform, we maintain comprehensive monitoring of water consumption across our offices and sales galleries. The system also tracks water quality discharge at construction sites in accordance with EIA parameters, monitoring indicators across air, noise and water. Its analytical capabilities enable the detection of irregularities and the issuance of early warning alerts for timely remedial action. This data-led approach supports alignment with local regulatory requirements and the ISO 14001:2015 standard.

Water data collection is governed by rigorous methodologies customised for different operational areas. For office facilities, consumption is recorded through detailed monthly utility bills from service providers. At construction sites and townships, discharge water quality monitoring involves sample collection by DOE-approved third-party service providers at fixed monitoring points, including ponds, silt trap ponds and waterways. The samples are subsequently analysed by separate DOE-approved laboratories, with detailed reports typically issued within days of collection. This dual-approval process reinforces strong data integrity and supports regulatory compliance.

Our technical controls are complemented by active engagement with employees, residents and communities to promote sustainable water practices. Regular monitoring and reviews of our water impacts help ensure the effectiveness of our approach while continuously identifying opportunities for improvement.

ESG Report

ESG Report

Construction Excellence

We continue to strengthen construction efficiency through the wider adoption of Industrialised Building System (IBS) techniques across our development projects. The average IBS score of 52% achieved in our KPI scorecard during 2025 reflects our commitment to more precise material forecasting through systematic modelling and the use of precast and prefabricated building components.

Complementing this, we maintain robust sorting protocols at project sites and strengthen construction waste oversight through regular inspections. Sustainability considerations are embedded throughout our planning and development process to ensure responsible construction outcomes.

Office Environmental Stewardship

Our corporate offices demonstrate a strong commitment to waste reduction through strategically placed recycling stations that enable segregation of paper, plastic, and glass. Digitalisation initiatives, which include the adoption of Microsoft 365 and OneDrive for document management, alongside the implementation of e-registration and e-brochure systems, continue to reduce paper consumption and support our progress toward paperless offices

For food waste, we operate a dedicated composting system at Setia Eco Park, which obtains food waste from Setia City Convention Centre and food & beverage tenants of D'Network for composting. The compost produced supports landscape maintenance activities across our developments.

Food Waste Compost Machine at D'Network Setia Eco Park, Shah Alam, Selangor

Community-Focused Solutions

We continue to advance circular economy initiatives across our developments through practical, community-centred solutions. Notable efforts include:

- Operating a recycling facility at Setia Fontaines Heritage Park, complemented by composting solutions that transform fallen leaves, coffee grounds and tea leaves into fertiliser.
- Expanding resident engagement through partnerships such as collaboration with Tzu Chi for Recycle Day events and awareness campaigns at Setia Fontaines.
- Strengthening the food composting programme at D'Network @ Setia, supported by RSVP systems for events and structured food diversion programmes to reduce waste.
- Implementing digital solutions such as e-registration and e-brochures to cut paper use.
- Conducting Business Unit-level awareness and education initiatives for staff and residents to strengthen waste-conscious behaviours.

Underground rainwater management at Callista Green, Taman Rinting, Johor Bahru

Sustainability in Action at Callista Green, Taman Rinting, Johor Bahru

Callista Green also incorporates underground rainwater management to support more effective stormwater control within the township. By channeling and managing rainwater below ground, the system helps regulate runoff during heavy rainfall, reduce surface ponding and minimise the risk of localised flooding. This approach contributes to a cleaner, safer and more resilient neighbourhood environment, while strengthening the development's overall water stewardship and long term liveability.

Third-Party Waste Management

Robust procurement and contracting processes have been established to ensure we work with responsible and licensed waste management partners. For scheduled waste, all required documentation is submitted to the Department of Environment in accordance with regulatory requirements. Ongoing compliance is reinforced through regular site inspections, ensuring alignment with both internal standards and applicable regulations.

OUR RESULTS AND ACHIEVEMENTS

Waste

In 2025, we continued strengthening our office waste management performance through consistent monitoring and measurement across our operations. In 2025, reported office waste volumes increased due to an expanded reporting boundary, as we incorporated additional operational locations and waste streams into our monitoring and measurement. We diverted 40 tonnes of waste from disposal, while 1,227 tonnes were directed to disposal. Through our food waste recycling initiatives, we processed 2.3 tonnes of food waste. Meanwhile, construction-related waste is managed separately through appropriate control measures implemented by contractors.

Office and retail areas equipped with proper recycling bin for waste segregation

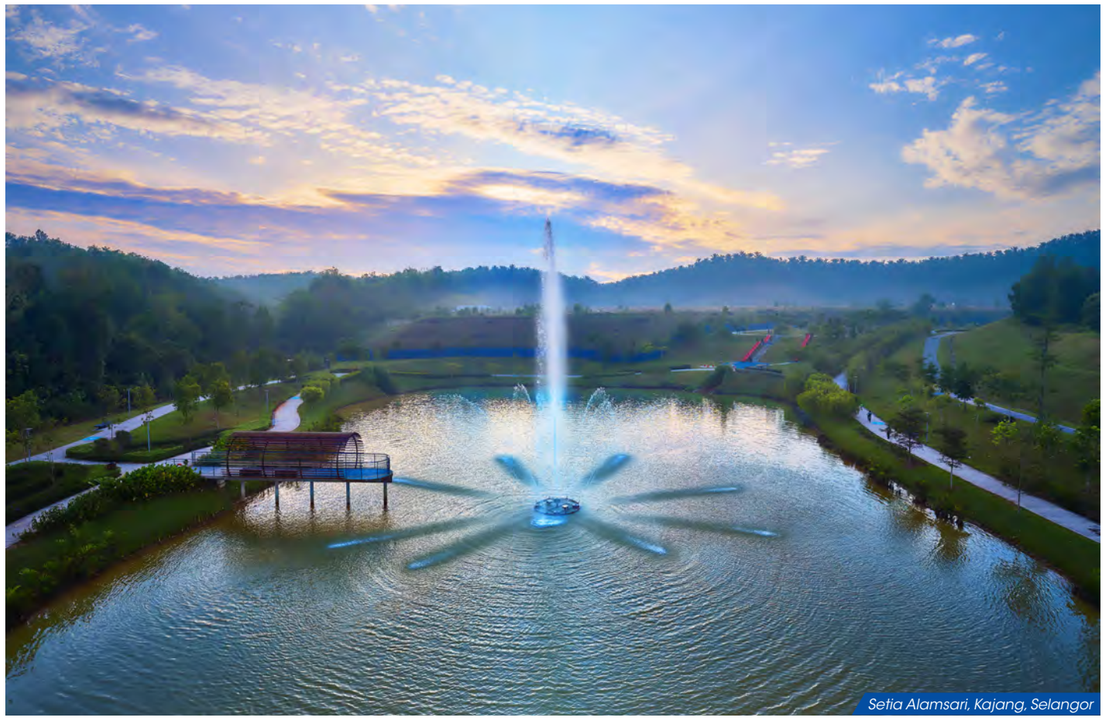
Waste Management	2023	2024	2025
Total waste generated (tonnes)	2,730.70	521.21	**1,267**
Total waste diverted from disposal (tonnes)	2,001.70	11.37	**40.00**
Total waste directed to disposal (tonnes)	729.00	509.84	**1,227**
Food waste recycled (tonnes)	24.74	2.19	**2.3**

Water

In 2025, we continued to monitor and manage our water impacts across all areas of operation. Our eDew data management system continues to strengthen the quality and consistency of data collection, supporting improved visibility across operational boundaries.Total water consumption for the year reached 868 megalitres, with no operations located in water-stressed areas. Water consumption across managed assets improved through ongoing efficiency measures. During development, contractors implement site water controls under Setia's supervision, supported by MSMA-aligned drainage and detention systems delivered across long-build townships.

Total Water Consumption (ML)	2023	2024	2025
Malaysian based offices	501.56	1,868.76	**74.54**
International Australia and Vietnam	N/A	N/A	**0.35**
AMARI	N/A	N/A	**123.49**

Year	Water Intensity Ratio (m^3/m^2)
2023	0.34
2024	1.53
2025	**0.06**


Setia Alamsari, Kajang, Selangor

GOING FORWARD

Going forward, we will maintain our focus towards tackling waste at source, prioritising preventive measures, particularly during the planning and design stages of construction projects, to minimise waste generation from the outset. In parallel, we will expand the use of digital solutions to strengthen efficiency, traceability and waste reduction across our operations, including:

BIM 3D software for early-stage clash analysis, enabling better coordination, improved planning and reduced material waste.

Digital workflows to reduce paper usage across office operations and project implementation.

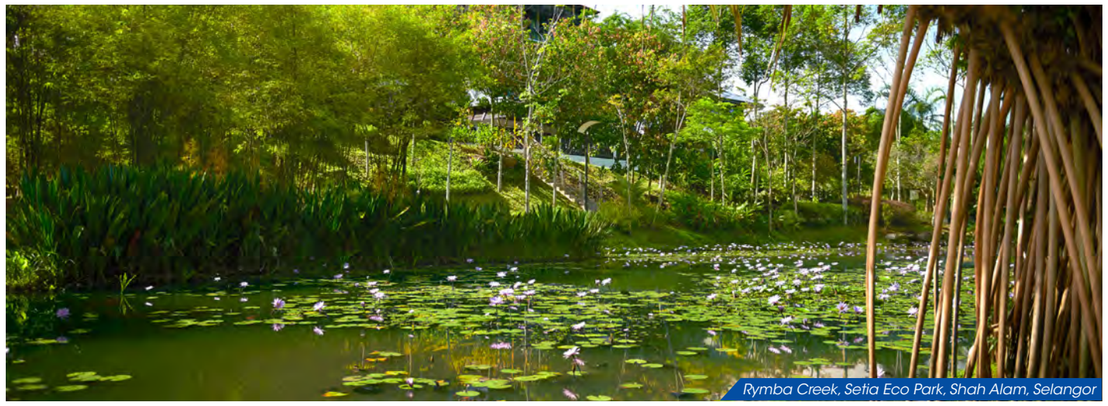
Alongside waste reduction, we will continue strengthening our water management by improving measurement and monitoring processes across offices, sales galleries, hotels and convention centres. Digitising water usage data will enhance analysis, management and target setting, with 2024 serving as the baseline year for future indicators. We will also continue sourcing non-potable water for construction-related activities — such as road and vehicle cleaning — by drawing from ponds within our townships where feasible.

Collectively, these efforts reinforce our broader sustainability objectives, enabling continuous improvement in waste and water management while maintaining operational efficiency, reducing environmental impact and optimising the use of material and water resources across our operations. In FY2025, we recorded zero environmental fines across Setia's operations, including supplier interfaces on our sites.

BIODIVERSITY

Thriving ecosystems sustain thriving communities. By conserving biodiversity and restoring natural habitats, we create healthier places to live while protecting the natural systems that support community well-being and long-term development sustainability.

WHY IT MATTERS



Rymba Creek, Setia Eco Park, Shah Alam, Selangor

Biodiversity plays a critical role in sustaining the natural systems that support healthy, liveable communities — from clean air and water to climate regulation, soil stability and flood management. When ecosystems are degraded, natural habitats are disrupted and environmental risks intensify, including erosion, water pollution, heat stress and water scarcity. These impacts can affect community well-being, increase development costs, delay project delivery and undermine the long-term viability of the places we build.

The context of our business operations, protecting biodiversity emerges as both an environmental priority and a strategic imperative. Without this focus, we may face heightened operational and financial exposure — including regulatory penalties, increased restoration costs and erosion of stakeholder confidence. We therefore prioritise biodiversity management across our projects by aligning our practices with global environmental goals and supporting ecosystem restoration efforts where needed. By embedding responsible land-use planning, conservation measures and green technologies into our developments, we help ensure urban growth progresses in balance with ecosystem health — strengthening long-term resilience for our communities and the environment.

OUR APPROACH

Our approach to biodiversity is guided by the UN SDGs and Malaysia's Environmental Quality Act 1974 (Act 127), and embedded within our ISO 14001:2015-aligned Environmental Management System. Internally, we are further guided by the S P Setia Sustainability Policy, S P Setia Green Roadmap, Sustainability Framework, Setia Climate Change Policy and Setia Biodiversity Policy. Setia Biodiversity Policy, ensuring biodiversity considerations are consistently integrated into environmental planning and compliance across the Group. Through ongoing community engagement and targeted programmes, we also promote shared stewardship of natural ecosystems.

We recognise that development activities can affect natural landscapes. As such, we take a balanced approach that prioritises the protection of ecosystems while delivering liveable, well-planned communities. This includes investing in the conservation and restoration of natural habitats within our landbanks, enabling humans, flora and fauna to coexist harmoniously. Through these efforts, we enhance residents' quality of life while advancing biodiversity-conscious development across the communities we build.

To minimise disruption to natural habitats, we systematically assess and manage the key impacts of our development activities, including:

Ecosystem Disruption	Land clearing may result in the removal of vegetation and disruption of existing ecosystems, potentially leading to habitat loss for plant and animal species.
Air Pollution	Machinery, vehicles and construction activities may generate particulate matter and emissions that contribute to air pollution.
Water Pollution	Runoff from construction sites may carry pollutants into nearby water bodies, potentially affecting aquatic ecosystems.
Noise Pollution	Noise from construction activities may disturb wildlife and alter natural behaviour patterns.
Reduction of Flora and Fauna Species	Habitat disturbance during construction may threaten existing flora and fauna, potentially contributing to population decline or local extinction.

We take an integrated approach to mitigating these impacts by applying technological solutions, adopting industry best practices and maintaining active engagement with key stakeholders. Our biodiversity considerations begin from the earliest stages of project planning. During the pre-development phase, we conduct in-house ecological assessments and identify mature trees that can be preserved through transplanting to appropriate locations such as parks, roadside green areas or buffer zones. Only non-invasive mature tree species are used in these efforts.

In parallel, we assess biodiversity-related risks and opportunities to inform sustainable design decisions and minimise disruption to nature. Our teams work closely with multidisciplinary consultants to refine development plans, ensuring designs are more sensitive to surrounding ecosystems.

Where appropriate, we introduce urban greenery and create new habitat features to attract desirable fauna such as birds, butterflies and bees, enhancing both ecological value and the appeal of our developments. Environmental Impact Assessments (EIAs) are also conducted where required to evaluate potential impacts on biodiversity and ensure environmental considerations remain prioritised throughout development.

OUR INITIATIVES

Biodiversity Conservation and Habitat Protection

Our dedication to ecosystem stewardship was recently underscored with the introduction of a Group-wide Biodiversity Policy in 2025, formalising our commitments and providing a structured, Group-wide approach to biodiversity protection. The policy guides the identification, management and monitoring of biodiversity risks and opportunities across our developments, ensuring alignment with regulatory requirements, global biodiversity frameworks, and evolving investor and stakeholder expectations.

Guided by this policy, we will continue to responsibly integrate biodiversity considerations into the way we plan and deliver our developments, balancing built environments with the protection of natural ecosystems. Our efforts at Setia Fontaines serve as a prime example, where we preserved 36 acres of green parkland and 63 acres of water bodies to safeguard habitats on land and underwater, while maintaining sustainable site practices throughout project delivery. Working with environmental consultants and landscape architects, we conducted a thorough EIA and embedded effective biodiversity protection measures at the design stage, enabling us to address potential risks to local ecosystems, wildlife habitats and natural resources from the outset.

To strengthen sustainability performance across our value chain, we collaborate with business partners to ensure alignment with environmental standards. Contractors are encouraged to obtain ISO 14001:2015 and ISO 45001:2018 certifications, with these requirements clearly communicated during tender briefings and incorporated into contractual expectations prior to project commencement.

ESG Report

ESG Report

Preservation of Natural Habitats

Where possible, we incorporate forest parks, wetlands, natural hills and waterways into our developments to conserve biodiversity and preserve ecological character. Examples include Adventure Park and EcoHill Park in Setia EcoHill, as well as Canal Park and Pixel Park, which feature protected natural environments integrated harmoniously with urban living comforts.

Green Infrastructure and Eco-Friendly Designs

We incorporate green infrastructure solutions that support biodiversity while advancing climate resilience. We also work with engineers, landscape architects and environmental consultants to create green corridors, pocket parks and habitats for pollinators and other species. In LakePoint Park at Setia AlamImpian, engineered infrastructure is seamlessly integrated with public recreation spaces, including a retention pond designed with natural aesthetics and aquatic habitats to support biodiversity.

Urban Green Spaces

Our township planning prioritises native plants, green corridors, and landscaped areas that provide habitats for wildlife. All our developments feature public parks and green spaces, which together account for over 10% to 15% of the project area. Including water bodies and buffer zones further enhances biodiversity and community well-being.

Sustainable Landscaping

We apply sustainable landscaping approaches that prioritise native species, require minimal maintenance and reduce reliance on chemical fertilisers and pesticides. At Setia Fontaines, cleared vegetation and oil palm leaves are composted for use in park and landscape areas. Water-efficient landscaping practices — including rainwater harvesting and irrigation systems, further minimise environmental impacts while reducing resource consumption.

Monitoring and Reporting

We use systems such as the eDew monitoring platform to track environmental pollutants in real time during construction and operational phases, enabling quicker responses to potential issues and reducing harm to ecosystems. In our view, the air and the soil are part of the biodiversity ecosystem which is essential for flora and fauna to thrive. Our biodiversity efforts are supported by ongoing monitoring and adaptive management approaches, complemented by periodic stakeholder reporting to maintain transparency and accountability.

Recycling and Upcycling Initiatives

We repurpose selected materials from site works to reduce waste while creating functional environmental features. Examples include tree trunks from land clearing being transformed into walkway elements, and boulders uncovered during earthworks being used to create habitats for aquatic life.

LakePoint Gallerie, Setia AlamImpian, Shah Alam, Selangor

At LakePoint Park, Setia AlamImpian, these reclaimed boulders have also been integrated as landscape and art visual features, enhancing the park's natural character while minimising construction waste. This approach supports circular resource use by repurposing on-site materials, reducing reliance on newly sourced landscape elements and enhancing the aesthetic and ecological value of our public parks.

Terracotta Sculpture and Boulder at LakePoint Park, Setia AlamImpian, Shah Alam, Selangor

Community Engagement

With the aim of revitalising our natural parks and strengthening employee engagement with nature, we organised a Park Revival Competition during Sustainability Day 2025. The initiative formed part of the rollout of our Biodiversity Policy and engaged employees and stakeholders in reimagining underutilised green spaces through biodiversity-friendly design. It reinforced awareness of habitat restoration, native planting and ecosystem value, while fostering shared ownership of conservation efforts.

In addition, employees were engaged through park-based outings featuring a range of activities that enhanced their understanding and appreciation of environmental sustainability and biodiversity.

OUR RESULTS AND ACHIEVEMENTS

Advancing Biodiversity and Sustainable Landscaping Initiatives

Our commitment to environmental sustainability was recently underscored with the introduction of a Group-wide Biodiversity Policy in March 2025. This policy provides a structured approach to biodiversity protection, ensuring alignment with evolving investor expectations and market requirements.

In parallel, we have enhanced our landscaping strategy by prioritising the planting of species listed on the International Union for Conservation of Nature and Natural Resources (IUCN) Red List, supporting the preservation of vulnerable and at-risk species. Additionally, we introduced Tree Planting Guidelines for Carbon Sequestration to ensure our greening initiatives contribute meaningfully to carbon capture efforts.

Accountability and Outcomes

In 2025, we further strengthened accountability by introducing the tracking of IUCN Red List tree species as an ESG Key Performance Indicator (KPI) for the group. This encourages developments and projects to increase biodiversity-positive initiatives while enabling consistent performance monitoring across Business Units. To ensure effective delivery, Business Unit's project planning team work closely with landscape contractors to align all planting designs and specifications with the Biodiversity Policy and resulted in out of 9,667 total trees planted being species listed on the IUCN Red List.

Barringtonia Acutangula – Setia Eco Park

GOING FORWARD

Moving forward, we will continue supporting government-led sustainability initiatives by strengthening disclosures on environmental performance and advancing our approach to managing biodiversity risks and opportunities. We will deepen biodiversity planning across our developments, guided by a commitment to minimising biodiversity impacts and enhancing ecological value, and supported by green infrastructure solutions such as green roofs, wetlands and habitat corridors.

Our approach will incorporate sustainable construction practices, the protection of native ecosystems and the adoption of green-certified design principles to minimise environmental impacts, alongside continued community engagement to advance biodiversity awareness and conservation. To strengthen long-term resilience, we will complement our efforts with ecosystem restoration initiatives.

In parallel, we will progressively implement biodiversity risk and opportunity assessments aligned with the Taskforce on Nature-related Financial Disclosures (TNFD), applying the LEAP (Locate, Evaluate, Assess and Prepare) framework in stages commencing in 2026, with a focus on priority developments and locations.

UN SDGs ADOPTED

Positive, Sustained Community and Social Impacts

Creating thriving communities sits at the heart of S P Setia's purpose. We believe long-term value is only possible when we put people first — strengthening well-being, fostering inclusion and supporting the communities that live, work and grow alongside our developments.

Setia4Malaysia Unity Run 2025 at Setia Fontaines, Penang

OCCUPATIONAL SAFETY & HEALTH

A safe and healthy workplace is the foundation of sustainable performance. Through structured leadership, strong risk management and a culture of shared accountability, we strive to safeguard our employees, contractors and customers, while creating healthy environments that promote both physical and mental well-being.

WHY IT MATTERS

We operate in an industry with elevated health and safety risks, given the nature of our construction and real estate development activities. Prioritising the safety and well-being of both employees and non-employees is therefore essential to preventing incidents and protecting people from workplace hazards. Effective risk management also safeguards S P Setia's financial strength and operational continuity by helping us maintain our licence to operate, minimise legal exposure and avoid undue compensation and remediation costs.

Armed with this cognisance, we are committed to implementing stringent health and safety measures that prevent illness and injury, enhance productivity and reinforce public confidence — while ensuring full compliance with occupational safety and health (OSH) regulations to support a safe, sustainable and successful working environment. To achieve this, we embed accountability at every level of the organisation. This not only protects our employees, contractors and customers, but also strengthens our reputation, supports operational efficiency and reinforces long-term financial resilience.

Fire Drill Training

OUR APPROACH

Our approach to health and safety is anchored in full compliance with the Occupational Safety and Health (Amendment) Act 2022 and alignment with ISO 45001:2018 Occupational Health and Safety Management Systems. These commitments are formalised through our Health, Safety and Environment (HSE) Policy, and Standard Operating Procedures (SOPs) which are communicated to all employees and relevant non-employees (including contractors).

Together, these documents provide clear guidance on core health and safety procedures, including Hazard Identification, Risk Assessment and Risk Control (HIRARC) and Office Environmental Planning and Inspection, as well as operational processes. They also ensure OSH risks are systematically assessed and consolidated into a Group-wide risk profile for ongoing monitoring and control.

Oversight of OSH practices is supported by a structured HSE Governance Framework. Committees at Business Unit and project site levels report to the Group Health, Safety & Environment (GHSE) which is overseen by the Chief Operating Officer. This integrated governance structure strengthens decision-making, ensures consistent implementation across operations and enables timely escalation and response to emerging risks.

ESG Report

Business Unit committees convene monthly to address evolving worksite conditions and maintain regular dialogue with site managers and employees, ensuring consistent adherence to our health and safety standards. At project sites, our HSE representatives also meet on a monthly basis and comprise both employer and employee representatives. These committees are chaired by project managers, with dedicated support from HSE officers to strengthen on-the-ground oversight and implementation.

Our Group-wide OSH Management System, which is further aligned with ISO 14001:2015 for environmental compliance, ensures robust controls are in place to protect permanent, contract and contractor employees across all project sites. Where work involves specialised activities and heightened hazards, additional safeguards are implemented to manage unique risks.

To drive continuous improvement, we conduct regular audits, inspections and management reviews to proactively identify gaps and strengthen performance. Employees are encouraged to contribute through hazard reporting, incident investigations and ongoing safety training. Together with health and wellness programmes, these efforts reinforce a strong safety culture, reduce risk exposure and support operational excellence.

OUR INITIATIVES

Strengthening Our Safety Commitments

We conduct regular management reviews to evaluate and strengthen health and safety performance across our Business Units and project sites. These reviews focus on:

- Legal and regulatory compliance
- Employee management of hazards, risks and opportunities
- Progress of Group-level objectives
- Effectiveness of operational controls

Our Group Health, Safety and Environment (GHSE) team carries out monthly HSE audits at project sites to verify compliance with established standards and contractor requirements. Key findings are shared with Business Unit project teams, who implement corrective actions and communicate the necessary information to workers and their representatives to ensure shared understanding and timely action. Follow-up verification checks are then conducted to confirm the effectiveness of these measures.

To support continuous improvement, we systematically document HSE performance across all sites and conduct at least one Group-level internal audit each year to assess the effectiveness of our policies and procedures against HSE objectives. This is reinforced by third-party audits for the renewal of our ISO 14001:2018 and ISO 45001:2015 certifications.

Conducting Hazard Identification and Risk Assessment

Each project site and its related Business Unit office carry distinct health and safety risks for employees, contractors and the surrounding environment. To manage these risks effectively, we maintain a strong focus on early identification and proactive control measures including the assessment of health and safety considerations at the planning stage of new initiatives as well as throughout ongoing operations and existing projects.

We implement Hazard Identification, Risk Assessment and Risk Control (HIRARC) to systematically identify site-specific hazards and assess their potential impact. Based on inspection findings, hazards are prioritised using a risk matrix that considers both severity and likelihood, enabling us to prioritise attention and resources for the most critical issues first.

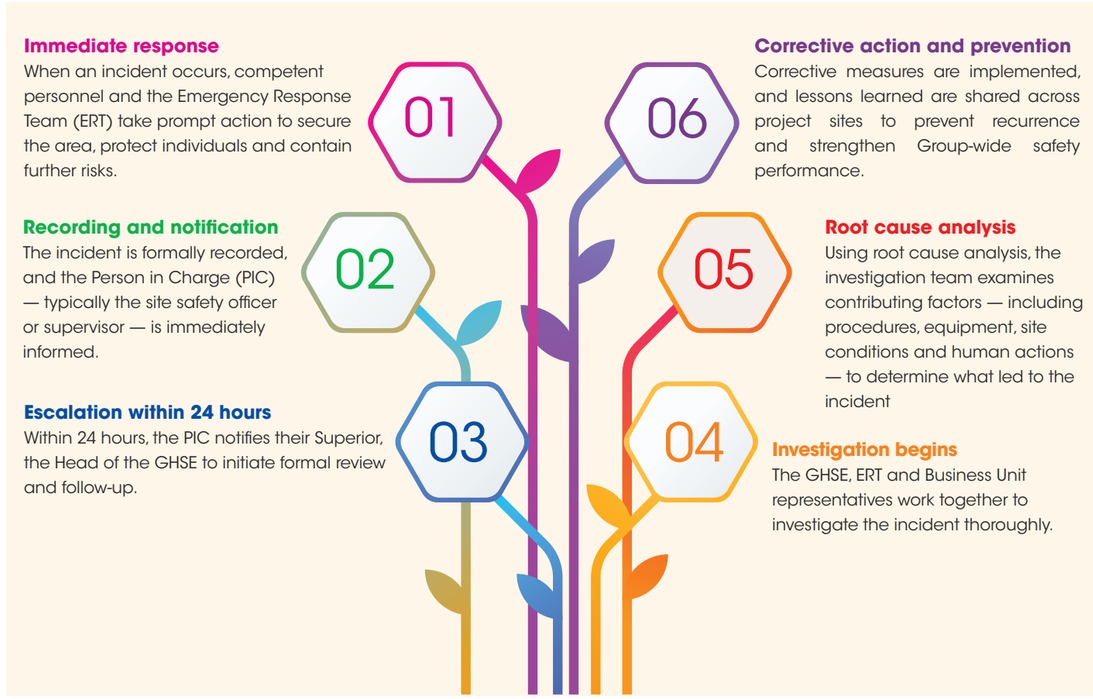
To strengthen ongoing safety performance, we embed risk management into our daily operations through:

- Daily site assessments – These are conducted by project teams, with prompt action taken on non-compliance
- Monthly audits – Undertaken by the GHSE department, these identify improvement areas and update risk controls as projects evolve
- Regular risk assessment reviews – Immediate re-evaluation of risks triggered by changes in processes, equipment or working environments
- Routine workplace inspections – Frequent inspections ensure risks remain effectively controlled
- Quarterly office inspection by our OSH Committee members

To further enhance risk mitigation, we also incorporate feedback from project teams, consultants and employees, helping us maintain a balanced and comprehensive view of evolving hazards and site conditions.

Managing Incident Response and Investigation

To effectively manage workplace incidents, we have established the S P Setia Workplace Incidents Framework to guide appropriate response and investigation SOPs.



Empowering Employees for a Safer Workplace

We view input from our project implementation teams as a critical enabler of safer worksites and more effective processes, as they bring a frontline understanding of day-to-day hazards and risk exposures.

Employees across all project sites and Business Unit offices are represented through our OSH Committees, which convene monthly for site committees and quarterly for office committees. Committee members actively participate in safety meetings, hazard and risk assessments, and the development of control measures — enabling open, two-way communication and timely escalation of concerns. They also take part in weekly toolbox sessions, providing a platform to discuss emerging safety issues and share learnings informally.

Committees at project sites are empowered with decision-making authority over safety procedures, implementation and workplace initiatives. Through regular inspections and close collaboration with management, employees that are committee members help identify potential hazards early and recommend targeted safety training programmes that address site-specific challenges.

OSH Day 2025

Providing OSH Training

We believe the best way to safeguard health and safety for all our teams to effectively educate them on best practices. To this end, we deliver structured health and safety training programmes across our offices and project sites to strengthen competency, reinforce safe behaviours and embed a safety-first culture throughout the Group. Our OSH training programmes include:

Safety Induction
All new employees and workers at Setia offices and project sites are required to attend a full safety and health induction to ensure baseline awareness of key risks, roles and expectations.

Ongoing Safety Training Sessions
We conduct regular refresher sessions to reinforce safe work practices, build awareness of emerging hazards and strengthen day-to-day compliance.

Emergency Response Training
Targeted training equips employees with practical knowledge of emergency response procedures, including evacuation protocols, first aid readiness and the safe use of emergency equipment.

HIRARC Training
We provide guidance to enable employees to conduct Job Safety Analysis, identify hazards effectively, assess risk levels and implement appropriate mitigation and control measures.

Legal Compliance Training
We deliver timely updates on relevant OSH laws, regulations and compliance requirements to ensure employees remain informed and aligned with regulatory expectations.

To strengthen safety performance at project sites, all workers, including employees and contractor personnel, are required to attend compulsory training in scaffolding, machinery operations, working at height and emergency response procedures. This ensures those performing higher-risk tasks have the competencies needed to minimise incidents and operate safely.

A-Frame Scaffolding Erection Training

Our developments operate under an approved Environmental Impact Assessment (EIA) and conduct monitoring for noise, vibration, water quality and air quality as per authority requirements. This helps ensure that these parameters remain within prescribed threshold limits, safeguarding the health and safety of our people as well as the surrounding community.

We also organise OSH Day activities at construction sites to reinforce practical safety awareness through enhanced briefings, experience sharing and updates on tools and best practices. These sessions often recognise contractor teams who demonstrate strong safety compliance, reinforcing positive behaviours and shared accountability.

Strong individual performance is also rewarded, with high-performing employees rewarded with the chance to pursue professional safety certifications. In parallel, supervisors and managers undergo safety leadership training to strengthen their capability to champion safe behaviours, drive accountability and embed a consistent safety culture across their teams.

Encouraging Employee Health and Well-being

Beyond workplace safety, we support our employees in living healthier, more balanced lives through structured programmes, benefits and services that promote both physical and mental well-being.

To strengthen physical wellness, we provide ongoing health education and resources that cover key topics such as healthy lifestyle practices, nutrition and exercise. We also organise periodic voluntary fitness and wellness challenges that build camaraderie and encourage positive habits across the Group.

These initiatives are complemented by comprehensive medical insurance coverage for all employees, including preventive care, routine check-ups and specialist consultations. In addition, we provide healthcare navigation support to help employees access suitable providers and make informed choices about their care.

Strengthening Contractor Safety Standards

As we work with a wide network of suppliers and business partners across our projects, we place strong emphasis on ensuring our contractors uphold the same high standards of health and safety as we do. Any inconsistency in safety practices can elevate risks not only for our respective workforces, but also for surrounding communities and the public.

To safeguard people and operations, the S P Setia Contractor Risk Management Framework embeds rigorous due diligence across every stage — from tender evaluation and contract award through to on-site monitoring and continuous improvement.

- **During the tender process**

  Contractors are required to demonstrate robust health, safety and environmental management practices as part of the selection criteria. This includes compliance with relevant requirements and the presence of recognised management system standards. For higher-risk or larger work packages, contractors' ISO 14001:2015 and ISO 45001:2018 certifications (or equivalent) may be prioritised as part of the evaluation.

- **Upon contract award**

  Contractors must submit a comprehensive HSE plan for management review and ensure their personnel complete induction training aligned with S P Setia's standards. We also conduct a detailed risk assessment to identify potential gaps in the contractor's health and safety processes and implement appropriate preventive measures, including engineering and administrative controls as well as personal protective equipment (PPE).

- **Ongoing oversight and support**

  To ensure standards are sustained throughout project execution, we extend our internal monitoring and governance practices to contractor operations. This includes regular site audits, continuous performance monitoring and ongoing safety communication. Contractor employees also participate in project-specific training and awareness programmes and are provided access to incident reporting mechanisms to support prompt intervention and stronger safety outcomes.

ESG Report

OUR RESULTS AND ACHIEVEMENTS

In 2025, our Lost Time Incident Rate (LTIR) stood at 0.17 for employees and 0.01 for contractors. We also delivered health and safety training to 765 employees and 1,098 contractors, representing an increase compared with 2024 as we sharpened our focus on safeguarding our people.

We continuously engage the relevant stakeholders and carry out thorough set of corrective actions to strengthen controls and reinforce preventive measures moving forward.

	2023	2024	2025
Number of work-related fatalities (Employees)	0	0	0
Lost Time Incident Rate (LTIR) (Employees)	0.68	0.16	0.17
Lost Time Incident Rate (LTIR) (Contractors)	0.02	0.01	0.01
Number of employees trained on health and safety standards (Employee)	943	345	765
Number of employees trained on health and safety standards (Contractors)	2,535	496	1,098
Total man-hours worked for the reporting period (Employees)	3,217,528	3,153,856	**2,309,036**
Total man-hours worked for the reporting period (Contractors)	18,495,158	17,327,905	**13,900,637**

GOING FORWARD

In 2026, we will continue to strengthen workplace health and safety through targeted initiatives, including scaffold training, working-at-height programmes and emergency response preparedness, held across all Business Units. Regular risk assessments, safety audits and ongoing training will remain key to identifying and mitigating hazards, supported by preventive measures that reduce risks and reinforce safe work practices.

To sustain strong implementation, we will continue allocating the necessary resources to provide training and support for employees and contractors. In tandem, we aim to further enhance our internal governance structures and processes to improve risk monitoring and uncover new opportunities to progressively advance Group-wide health and safety practices.

A-Frame Scaffolding Erection Training

BUSINESS MODEL RESILIENCE

The resilience and sustainability of our business rests on our people, who uphold our high-quality standards, shape our corporate culture and advance our strategic objectives—ensuring S P Setia remains agile, capable and positioned for long-term success. By strengthening their capabilities and supporting their well-being, we are empowered to deliver with consistency, respond to change and sustain long-term value creation.

WHY IT MATTERS

A resilient business model is built on a strong, skilled and agile workforce. Attracting, developing and retaining talent not only safeguards business continuity, but also strengthens our ability to innovate, respond to evolving market conditions and perform consistently in a dynamic environment. An inclusive and supportive workplace, both for our direct employees and those across our supply chain, further reinforces this resilience by helping employees feel valued, remain engaged and contribute meaningfully over the long term.

We remain committed to strengthening employee engagement and investing in succession planning and talent development to ensure our organisation retains the right skills and leadership depth. This supports workforce capability, enhances adaptability and helps sustain business resilience amid evolving operating landscapes.

Risk Hunt 2025

OUR APPROACH

Agile@Work

Our comprehensive approach to building and sustaining a capable and adaptable workforce is guided by a suite of Group-wide policies and procedures. Together, these frameworks ensure compliance with applicable labour standards while embedding mechanisms that strengthen employee engagement and development. People management is overseen by Group Human Capital (GHC), ensuring our workforce practices align with overarching business strategies and that employees are equipped with the skills, support and governance needed to drive sustained performance and long-term growth.

Employee Development Framework

To ensure resources are adequately deployed for workforce progression, we have consistently allocated 2% of our Annual Gross Salary towards employee training and development. The programmes and initiatives conducted are designed around business priorities and competency requirements, with Group HC leading this process by setting priorities and tracking programme effectiveness through specialised systems.

This framework continues to guide the Group's learning and development approach, providing a structured and equitable pathway for employees to access opportunities that build capability in line with evolving business needs.

Remuneration and Benefits

Our remuneration practices are designed to remain competitive and aligned with employees' capabilities and responsibilities. Employees are positioned within structured salary ranges according to job grade, supported by performance-based rewards linked to KPI achievement. All employees receive standardised benefits, including leave entitlements, healthcare coverage, professional development support and staff purchase privileges.

Building a Diverse Workplace

Our approach to diversity focuses on fostering harmonious workplaces where differences are respected, unique talents are recognised and equal opportunities are upheld. We ensure equal access to rewards and resources for all employees, and takes proactive measures to eliminate any form of workplace discrimination, including but not limited to discrimination based on individual traits such as race, gender, age, religion, disability or nationality, across the organisation.

Labour Rights Policy

Implemented in July 2023, our Labour Rights Policy establishes clear standards across six material areas:

- Fair wages and benefits
- Freedom of association
- Prevention of forced and child labour
- Diversity and inclusion
- Safety and health
- Upskilling and education

The policy is communicated to all employees across our operations, ensuring consistent understanding and guiding our relationships with employees and business associates, while reinforcing fair employment practices and regulatory compliance.

We maintain stringent protocols to prevent forced and child labour, aligning our practices with the International Labour Organisation's Core Labour Standards and Malaysia's Children & Young Persons (Employment) Act 1966. These include rigorous screening of labour agents, mandatory social compliance training for recruitment personnel and monitoring mechanisms to detect emerging risks.

Our policy sets out clear disciplinary consequences, including legal action, against any party enabling forced labour conditions. Regular audits, preventive controls and immediate remediation protocols further safeguard worker rights throughout the employment lifecycle. We also uphold freedom of association in full compliance with local labour laws, underscoring our commitment to ethical and responsible employment practices.

Labour Management Standards

We uphold labour standards across nine key areas to ensure consistent, fair and respectful treatment:

Working Hours
Clear parameters on standard hours and overtime compensation.

Benefits and Wages
Competitive remuneration aligned with market standards.

Employee Contracts
Comprehensive written agreements that protect all parties.

Labour Rights
Safeguarding fundamental worker rights and freedoms.

Leave Management
Balanced policies that support work-life integration.

Training and Development
Structured pathways for career progression.

Whistleblowing Procedures
Protected channels for reporting concerns.

Health and Safety Standards
Robust workplace safety requirements.

Anti-Harassment Policies
Clear guidelines to prevent workplace harassment.

ESG Report

OUR INITIATIVES

In 2025, we continued to advance workforce progression through purposeful programmes and refinements that strengthen internal capabilities, employee well-being and workplace satisfaction.

Nurturing Our Talent

Strategic talent development remained a core priority as we continued investing in learning initiatives aligned with business priorities and evolving competency needs. During the year, we rolled out a focused capability-building agenda across Team Setia, centred on agile execution, leadership continuity and technical excellence.

This included targeted programmes for executives, senior managers and managers to strengthen their adaptability, resilience and performance in an increasingly dynamic operating environment. In parallel, we invested in strengthening the leadership pipeline through structured development series for Heads of Department and senior management.

At the functional level, a series of Technical Tea Talks were organised to support continuous knowledge-sharing across technical teams. These sessions provided practical insights into industry best practices and real-world applications, empowering teams to drive quality improvement, compliance and operational excellence.

Programme Name	Description	Target Participants	Sessions & Participation
Agile Leadership	Designed to equip leaders with the mindset and competencies to navigate a fast-paced and evolving business environment. Participants explored agile leadership principles, strategies for leading through change and behaviours that drive resilience, adaptability and high performance, with a strong emphasis on practical application in daily leadership decisions.	Managers across various functions	• Total Participants: 185 • Total Sessions: 6
Agile @ Work	Introduced agile ways of working to enhance adaptability, proactiveness and continuous improvement. Participants learned to streamline workflows, improve prioritisation and strengthen collaboration through practical exercises and guided discussions.	Assistant Manager level and below, including executives in technical and support functions	• Total Participants: 648 • Total Sessions: 3
Advanced Leadership Acceleration (ALA)	A flagship four-month leadership development programme designed exclusively for selected leaders. Participants strengthened leadership capabilities through immersive face-to-face modules, Harvard case studies, business simulations, peer learning and facilitated group coaching. These empowered them with the mindset, skills, and tools necessary to lead high performing teams, drive operational excellence, and navigate organisational change to create meaningful and strategic impact.	Selected managers and emerging leaders	• Total Participants: 82 • Total Sessions: 2 cohorts with each completing three 2-day face-to-face sessions and multiple coaching sessions conducted as part of the structured journey

Programme Name	Description	Target Participants	Sessions & Participation
Strategic Leadership Acceleration (SLA)	A premier development initiative for senior leaders aimed at strengthening strategic foresight, systems thinking and enterprise leadership, closing the gap between current responsibilities and future expectations. The intensive four-month programme included high-impact workshops, global masterclasses, and peer learning sessions focused on elevating customer-centricity, innovation, systems thinking, and sustainable leadership practices. A key highlight was participation in MIT Sloan's "Leading Organisation and Change" programme, through which leaders gained practical strategies to drive enterprise-wide impact, lead complex change, and operate effectively as leaders of leaders.	Selected senior leaders identified for leadership growth	• Total Participants: 39 • Total Sessions: A four-month journey for one cohort, with components including strategic workshops, global masterclasses, peer learning sessions and the MIT Sloan programme
Technical Tea Talks	Three-hour knowledge-sharing sessions focused on diverse technical areas, providing practical insights into industry best practices, regulatory compliance and real-world applications. Sessions encouraged interactive discussion and learning to strengthen technical competence and operational effectiveness.	Employees involved in project and contract administration	Topics and Participation: • Waterproofing Best Practices – 138 participants • Do It Right, The First Time / Trade Excellence – 92 participants • M&E in Focus: Powering Quality – 90 participants • QLASSIC & Quality Talk – 100 participants • Soil Investigation & Sub-Structure – 113 participants

Setia Wellness Day

Advancing Gender Diversity and Inclusion

We continue to take deliberate and consistent steps to embed gender equality into key people decisions, including promotions and leadership succession planning. As a result of these concerted efforts, women now comprise 40% of the Group's management team. In terms of career progression, female employees accounted for 52% of total promotions in 2024, increasing further to 56% in 2025, reflecting continued momentum in advancing gender balance across the organisation.

Over the year, we implemented a range of targeted initiatives aimed at strengthening female leadership representation, fostering inclusive leadership and ensuring equitable access to development opportunities across all levels.

Women in Leadership Programme

Selected female leaders from the management team were identified to participate in an external women's leadership programme alongside women leaders from diverse industries. This initiative reflects the Group's commitment to nurturing female leadership talent, broadening perspectives and supporting women leaders in challenging boundaries and accelerating their leadership growth.

Leadership Development Programmes

As part of our ongoing focus on building leadership capability and bench strength, the Group rolled out two leadership development series:

- the Advanced Leadership Acceleration Programme, targeted at managerial-level leaders; and
- the Strategic Leadership Acceleration Programme, designed for Heads of Department and Deputy General Managers.

In the design and implementation of both programmes, deliberate efforts were made to ensure gender-balanced participation. Across each cohort, female representation was maintained at 40%–50%, supporting equitable access to leadership development and strengthening the progression of women within the leadership pipeline.

International Women's Day

The Group commemorates International Women's Day annually across the organisation. In 2025, celebrations were anchored on the theme "CelebrateHER", which focused on recognising and uplifting women across the organisation, while also acknowledging allies, mentors and male colleagues who actively champion gender equality. The programme reinforced our commitment to inclusivity, with a Board member delivering a message on diversity, empowerment and inclusion that was broadcast across all regions, signalling leadership's continued support for gender equality.

Sponsorship of The Women Way Forward Conference

S P Setia supported The Women Way Forward Conference, organised by Wanita Industri Binaan Malaysia (WIBM) in conjunction with International Construction Week (ICW) 2025. The conference highlighted women's leadership and contributions within the construction sector, serving as a platform to inspire, support and accelerate women's career progression in a traditionally male-dominated industry. Beyond sponsorship, selected female talents from the Group actively participated in the conference, underscoring our commitment to developing and advancing women leaders within the organisation.

ESG Report

ESG Report

Providing Workplace Flexibility

Our three-tier flexible work arrangement provides employees with greater agency over their work-life balance while maintaining operational continuity.

Flexible Working Hours

Employees may manage their schedules, provided they:

- are present during core hours (10.00 a.m. to 5.00 p.m.); and
- complete nine working hours at the office, inclusive of lunch breaks.

Work From Anywhere

Employees may work from another S P Setia office, reducing travel burden and enabling greater flexibility to meet personal commitments. Approval is subject to work requirements and office space availability.

Working From Home

This option supports employees who are unable to be physically present in the office due to specific circumstances, including:

- office unavailability due to natural disasters;
- pandemic-related office closure; or
- crisis situations that prevent employees from coming into the office
- when an employee is infected, or has close contact with a person infected, with a contagious disease; or
- when an employee needs to attend to a personal issue

Enabling Open Communication

Employees are empowered to raise workplace issues and highlight concerns through our established grievance procedures which provide a structured channel for communication with management. The process safeguards confidentiality and ensures issues are escalated appropriately from immediate supervisors through to senior management when required, with appropriate remediation undertaken promptly.

Promoting Employee Engagement

We continue to strengthen employee engagement through regular initiatives that foster connection, reinforce our culture and cultivate a strong sense of belonging across the Group.

During the year, the Group organised festive celebrations at the regional level, including Chinese New Year and Hari Raya luncheons, bringing employees together to celebrate cultural diversity and strengthen camaraderie across teams and Business Units.

In addition, personal engagement sessions with the President & CEO were facilitated across various Business Units through "*turun padang*" visits. A total of 14 sessions were conducted, covering Business Units in Malaysia as well as operations in Vietnam and Melbourne. These sessions enabled direct interaction with employees, deeper engagement with leadership and the sharing of the Group's strategic direction, priorities and expectations. Collectively, these engagements foster open communication, strengthen alignment and reinforce a shared sense of purpose across the organisation.

SETIA SUSTAINABILITY DAY 2025 – Empowering Our People to Shape the Future

Setia Sustainability Day 2025 marked a key moment in the Group's employee engagement calendar, bringing sustainability to life through dialogue and hands on learning. Anchored on the theme "Shaping Places for People, Planet and Future", the programme reinforced Setia's belief that long term progress must balance environmental stewardship, community wellbeing and business responsibility.

Setia Sustainability Day 2025

A knowledge sharing session at EcoHill Club360 featured a panel on "Designing Tomorrow: Integrating Nature, Industry and Community in Sustainable Placemaking", moderated by Dr Matthew Wong of CarbonGPT. Employees also took part in an outdoor sustainability treasure hunt at Adventure Park and South Creek Park, strengthening teamwork while applying practical sustainability concepts.

The day was further strengthened by the launch of the Sustainability Park Revival initiative and a Group wide Green Space Competition. Submissions were assessed based on creativity, functionality, visual appeal and alignment with Setia's sustainability themes, with the top three Business Units recognised. Overall, the event deepened awareness and affirmed Setia's commitment to shaping places that create lasting value for people, the planet and the future.

Green Spaces at Bandar Setia Alam Welcome Centre

ESG Report

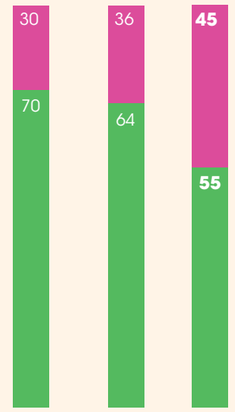
ESG Report

OUR RESULTS AND ACHIEVEMENTS

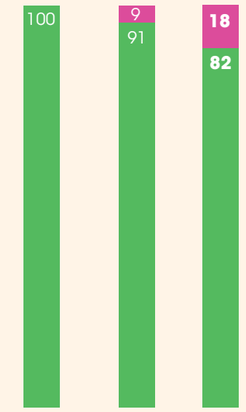
Workforce Composition

As of 2025, the Group's workforce comprised 1,436 employees, predominantly permanent staff (97%), with the remainder engaged on a contract basis. Gender representation remained well balanced, with women making up 47% of employees. Board diversity remained strong, with female representation maintained at 45%.

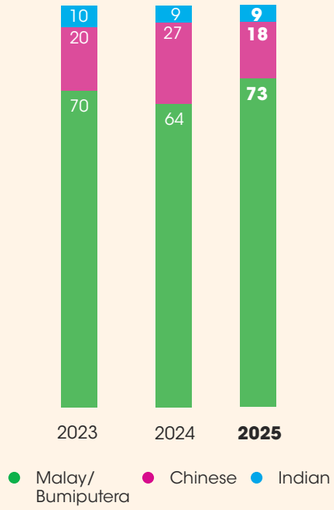
Percentage of Board Members by Gender (%)



Percentage of Board Members by Age (%)



Percentage of Board Members by Ethnicity (%)



Gender Diversity by Employee Category

Employees – Gender Diversity by Employee Category (%)	2023	2024	2025
Senior Management – Male	63	58	**65**
Senior Management – Female	37	42	**35**
Management – Male	57	52	**47**
Management – Female	43	48	**53**
Junior Management – Male	51	49	**48**
Junior Management – Female	49	51	**52**
Executive – Male	50	47	**47**
Executive – Female	50	53	**53**
Non-Executive – Male	66	69	**71**
Non-Executive – Female	34	31	**29**

Workforce by Type of Employment

Employees – Types of Employment (%)	2023	2024	2025
Permanent	97	98	**97**
Contract	3	2	**3**
Part Time	0	0	**0**

Age Diversity by Employee Category

Employees – Ages by Employee Category (%)	2023	2024	2025
Senior Management – Below 30	0	0	**0**
Senior Management – 30–50	26	26	**26**
Senior Management – Above 50	74	74	**74**
Management – Below 30	0	2	**0**
Management – 30–50	71	65	**67**
Management – Above 50	29	34	**33**
Junior Management – Below 30	1	1	**1**
Junior Management – 30–50	86	86	**86**
Junior Management – Above 50	12	12	**13**
Executive – Below 30	20	14	**14**
Executive – 30–50	72	78	**77**
Executive – Above 50	8	8	**9**
Non-Executive – Below 30	12	6	**5**
Non-Executive – 30–50	69	78	**76**
Non-Executive – Above 50	20	16	**19**

	2023	2024	2025
Percentage of Employees Who are Contractors of Temporary Staff (%)	3	2	**3**

New Hires and Turnover

We hired a total of 83 employees in 2025.

New Hires by Employee Category	2025
Senior Management	**3**
Management	**13**
Junior Management	**20**
Executive	**39**
Non-Executive	**8**
Total New Hires	**83**

ESG Report

ESG Report

In 2025, total workforce transitions across all employment categories amounted to 160 employees, compared with 369 employees in 2024.

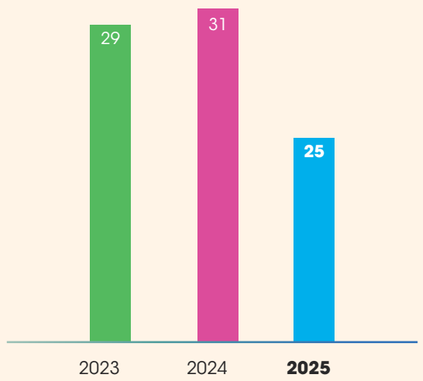
Total Number of Employee Turnover by Employee Category	2023	2024	2025
Senior Management	5	4	**2**
Management	30	38	**26**
Junior Management	55	101	**48**
Executive	120	147	**65**
Non-Executive	42	79	**19**
Employee Attrition	252	369	**160**

Training and Development

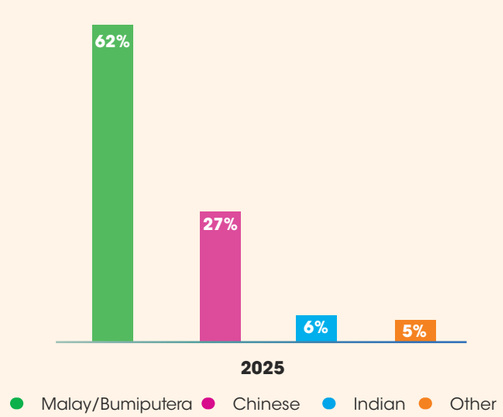
We continued to invest in talent development in 2025, providing 36,864 hours of training across the workforce.This amounts to an average of 25 hours per employee.

Total Hours of Training by Employee Category	2023	2024	2025
Male	22,372	22,372	**17,147**
Female	27,021	20,990	**19,717**
Senior Management	728	670	**822**
Management	8,389	8,018	**9,501**
Junior Management	15,144	18,256	**13,883**
Executive	21,988	13,423	**10,887**
Non-Executive	8,065	2,993	**1,771**

Average Training Hours per Employee
(Malaysian-based)



Employees by Ethnicity



Note: Data presented includes employees in Malaysia, Australia and Vietnam.

Team Setia

Employee Engagement

Each year, we partner with Mercer in conducting the People Pulse Survey to better understand employee sentiment across the Group. The survey captures key indicators such as workplace satisfaction, opportunities for professional growth and perceptions of our organisational culture. These insights enable us to evaluate the effectiveness of our people initiatives and identify areas for enhancement as we continue strengthening our position as an employer of choice.

In 2025, we significantly improved our score to 85%, indicating a stronger employee experience and a more engaged workforce—strengthening our ability to execute consistently and sustain long-term performance.

People Pulse Survey	2023	2024	2025
People Pulse Survey – Engagement Score	72%	71%	**85%**

Note: All data presented pertains to our Malaysian operations only.

GOING FORWARD

In 2026, we will continue strengthening our workforce management practices to ensure the Group remains resilient, agile and well-positioned to navigate evolving business demands. We will expand professional development opportunities to equip employees with future-ready capabilities that support both individual progression and long-term organisational sustainability. Diversity and inclusion will remain a key priority, supported by targeted efforts to increase female representation in management and foster workplaces that reflect shifting needs and expectations.

We will also continue leveraging the Setia Cares programme to support employee well-being, while adopting flexible working arrangements that enhance productivity and job satisfaction. As the business and operating landscape evolves, we will regularly refine our workplace policies, monitoring and reporting mechanisms, and training and awareness initiatives to maintain strong governance, accountability and continuous improvement.

ESG Report

HUMAN RIGHTS

By respecting and upholding human rights, we foster a just, inclusive and ethical workplace that empowers individuals and strengthens the integrity and long-term sustainability of our operations.

WHY IT MATTERS

As our people are the foundation of our sustainability, safeguarding human rights is likewise essential to protecting the resilience and continuity of our business. A strong commitment to human rights reinforces ethical conduct, supports harmony and stability, and safeguards individuals from harm — enabling our workforce to thrive and perform at their best.

Conversely, when human rights principles are not effectively governed and upheld, organisations risk enabling exploitation, perpetuating inequality and failing to protect individuals from harm. This can erode stakeholder trust, damage reputation and weaken long-term sustainability. By upholding human rights, we reinforce the foundations of responsible growth and cultivate a workplace where people are treated with dignity, fairness and respect.

Ethics & Integrity Workshop

OUR APPROACH

Team Setia promoting respect and inclusivity during training

At the fundamental level, our commitment to human rights protection is anchored in a zero-tolerance stance towards forced labour, child labour and all related unethical labour practices, including modern slavery, bonded labour and human trafficking. We ensure our practices align with the International Labour Organisation's Core Labour Standards and Malaysia's Children & Young Persons (Employment) Act 1966, which provide clear requirements for ethical labour practices across our operations.

In line with these commitments, we have established comprehensive governance measures under our Code of Conduct and Business Ethics (CoCBE) to monitor, prevent and address any instances of forced or compulsory labour. In parallel, our CoCBE, Labour Rights Policy and related internal policies ensure employees are protected and empowered to exercise their rights — including the ability to leave the workplace upon completion of the workday and the freedom to terminate employment with reasonable notice. Together, these measures provide a strong foundation for a fair, lawful and compliant working environment.

OUR INITIATIVES

To protect human rights across our operations, we take comprehensive and active measures to prevent unethical labour practices and uphold the highest standards of compliance.

Standing Against Child Labour

We enforce strict measures to prevent underage employment. If any individual below the age of 15 is identified, work is immediately ceased and appropriate action is taken. Rigorous screening and ongoing monitoring across our operations further ensure that underage workers are not recruited or engaged.

Eradicating Forced or Compulsory Labour

We maintain a robust set of safeguards to detect, address and prevent forced or compulsory labour. These include:

- Taking disciplinary and, where necessary, legal action against any individual found exploiting workers or profiting from unethical labour practices.
- Providing structured social compliance training for recruitment personnel to strengthen ethical hiring practices.
- Implementing mechanisms to identify early warning signs and prevent forced labour risks across our operations.
- Applying strict screening requirements for labour agents to ensure responsible and ethical recruitment.

All employees receive training on the CoCBE and social compliance standards, equipping them to recognise and report violations effectively. We also conduct regular reviews of recruitment practices and labour compliance processes to reinforce accountability and uphold ethical standards across the organisation. Together, these proactive measures reflect our commitment to fostering a fair, principled and sustainable workplace.

In 2025, we conducted audits throughout the group resulted in zero complaints concerning human rights violations.

OUR RESULTS AND ACHIEVEMENTS

We are pleased to report that S P Setia continues to preserve a strong track record of zero human rights violations.

	2023	2024	2025
Number of substantiated complaints concerning human rights violations	0	0	**0**

GOING FORWARD

Looking ahead, we will further strengthen our human rights safeguards by deepening alignment with ethical labour standards and reinforcing controls to prevent forced and child labour across our operations. We will continue conducting regular audits, enhance oversight of recruitment and employment practices, and expand ongoing CoCBE and social compliance training to ensure risks are identified early, concerns are addressed promptly and accountability is consistently upheld throughout the Group.

Team Setia united for a respectful workplace

ESG Report

CUSTOMER SATISFACTION

With customer satisfaction being the cornerstone of a sustainable and thriving business, we remain deeply committed to delivering quality homes and exceptional service throughout our customers' homeownership journey.

WHY IT MATTERS

Our position as a trusted property developer is built on the satisfaction and confidence of our customers. Positive experiences contribute to a stronger reputation, supporting long-term business sustainability and reinforcing our growth prospects in an increasingly competitive market.

By consistently delivering quality developments and service excellence, we cultivate brand loyalty, enhance market appeal and drive sustainable value. Conversely, neglecting customer satisfaction can erode credibility, increase customer churn and weaken market share, ultimately impacting our reputation and business performance.

Accordingly, we remain committed to safeguarding customer satisfaction through strong construction quality, timely project delivery, transparent business practices and community-focused developments. These efforts deepen trust in the S P Setia brand, strengthen customer retention and help sustain our competitive advantage over the long term.

Frontline team connecting with customers over personalised discussions.

OUR APPROACH

To sustain customer satisfaction and long-term loyalty, we have established S P Setia's Sustainability and Quality Assurance Framework, which sets clear guidelines to ensure our developments meet or exceed customer expectations. This framework supports the delivery of high-quality products and sustainable communities that reinforce trust in the S P Setia brand. In parallel, our frontline teams uphold the 5-Star Setia Service Excellence Standard and are guided by S P Setia's Customer Service Handbook, ensuring a consistent and exceptional customer experience across touchpoints.

We measure customer satisfaction through annual surveys guided by Group Quality Management's (GQM) survey frameworks and biannual assessments across the following six key aspects of the customer journey:

- Sales and Marketing Department performance
- Credit Administration Department performance
- Customer Relation Department performance
- Site Supervisor performance
- Product Quality
- The likelihood of customers repurchasing the product

These surveys and assessments are complemented by regular service benchmarking and customer service audits conducted by internal and external parties, enabling us to evaluate performance and continuously raise service standards. Following a review by the Group Quality Department in 2024, our survey questions were refined in 2025 to enhance feedback quality and deepen our understanding of consumer behaviour and evolving needs.

Across relevant teams, we set clear customer service key performance indicators (KPIs) and provide regular training programmes, equipping them with the skills to meet evolving customer expectations. Findings from audits and feedback are translated into actionable improvements to further refine internal processes and practices.

OUR INITIATIVES

Customer relations team delivering a smooth, customer-focused key handover.

Product Quality Improvement Focus

- Prioritised product quality enhancement as a key focus area in 2025, with systematic reviews and refinements undertaken across all critical elements contributing to the final product delivered to customers.
- Centralised the Quality Assurance Quality Check (QAQC) function under Group Quality Management (GQM) to align quality standards, reporting and practices consistently across Business Units.
- Leaders 'Walk the Talk' campaign was launched and formalised as a Group-wide project site initiative, rallying stakeholder engagement and alignment, including consultants and contractors, to support effective implementation across project sites.
- Conducted competency gap assessments and intensified training programmes for contractors and internal teams to strengthen technical capabilities and drive collective commitment towards quality excellence goals.

Sales team showcasing show house model to potential buyers

Digitalising the Customer Experience

- Advanced our customers' digital experience to the next level through the introduction of the QMS – Quality Management System self-help platform, enabling homeowners to submit defect repair requests with photos and comments, or provide feedback to our friendly Customer Relations personnel conveniently and at any time.
- Enabled customers to track the status of their feedback and issue resolution in real time, improving transparency and reducing the need for manual follow-ups.

ESG Report

OUR RESULTS AND ACHIEVEMENTS

Enhancing Real-Time Data and Feedback Resolution

- Refined data and feedback collection processes to focus on critical customer touchpoints, ensuring feedback is channelled promptly to relevant stakeholders for timely action, and that all feedback is recorded and monitored following each interaction.
- This approach ensures customer issues and concerns can be addressed more proactively and efficiently by Team Setia, compared to the traditional approach of collating data from annual or biannual surveys.
- Continued enhancing this real-time resolution framework throughout the year to improve responsiveness, service recovery and overall customer satisfaction outcomes. Our ISO 27001-aligned controls govern third-party access to customer systems, with zero privacy complaints recorded in FY2025.

Customer experience team supporting clients during their showroom visit

In 2025, customer feedback reflected strong performance across key touchpoints of the customer journey. Customer satisfaction with service quality delivered by our frontline teams, including Sales and Marketing, Credit Administration and Customer Relations, achieved a score of 87%, underscoring the effectiveness of our service standards and customer engagement practices.

Customers' willingness to recommend S P Setia for purchase recorded a score of 67%, providing an important indicator of brand advocacy and highlighting opportunities to further strengthen customer loyalty and market confidence.This positive sentiment is further supported by the growing appeal of our offerings, where green-enabled features supplied through our value chain have encouraged customer uptake, reflected in 41% of overall sales.

In terms of product quality, our developments achieved a QLASSIC score of 82% as assessed by CIDB, reflecting continued progress in construction quality and adherence to recognised industry standards. Collectively, these results affirm our ongoing focus on service excellence, product quality and customer-centric delivery, while guiding targeted improvements to further enhance the homebuyer experience.

GOING FORWARD

To strengthen customer satisfaction across the Group, we will seek opportunities for further enhancing our feedback and engagement channels, including surveys, online platforms and community sessions. These efforts will be supported by AI-enabled tools to identify recurring themes, anticipate emerging concerns and refine our processes proactively. We will also reinforce employee training aligned with the 5-Star Setia Service Excellence Standard, ensuring service consistency across touchpoints, while systematically investigating negative feedback to drive targeted improvements.

In parallel, we will continue upgrading our digital touchpoints to deliver more timely and transparent communication. This includes real-time project updates, practical property management tools and sustainability guides, supported by regular progress reporting to provide clarity on milestones and any changes to project timelines. Quarterly assessments will remain a core mechanism for tracking customer satisfaction performance, with clear improvement targets set and monitored over time.

To strengthen ongoing trust and responsiveness, we will maintain regular engagement with Resident Associations and review purchaser feedback periodically, ensuring concerns are addressed promptly and improvements are embedded across future developments.

COMMUNITY

Contributing to communities sits at the heart of our purpose and business philosophy. By advancing community well-being, we help drive meaningful, positive change across Malaysia while strengthening trust in the S P Setia brand — supporting the long-term resilience and viability of our business.

WHY IT MATTERS

Community advancement is deeply embedded in how we operate, enshrined within our core purpose of creating sustainable communities. At the same time, we complement our development activities with outreach initiatives that address the needs of disadvantaged groups, strengthen educational outcomes, promote unity and provide support during times of crisis.

Through these collective efforts, we contribute to Malaysia's socioeconomic progress while strengthening our position as a trusted community partner — reinforcing the sustainability of our business. Conversely, neglecting community priorities could weaken our reputation and brand, erode customer trust and affect revenue, while undermining our ambition to create developments that deliver lasting societal value.

We therefore remain committed to working meaningfully with stakeholders and supporting national development through initiatives rooted in social responsibility. By sustaining these efforts, we aim to strengthen our standing as a socially responsible organisation, deliver long-term benefits to the communities we serve, and build resilience in responding to evolving societal needs.

OUR APPROACH

Led by our dedicated charity arm, the Setia Foundation, our community initiatives aim to create a brighter future for communities through four key focus areas aligned with our ESG agenda.

Disaster Relief	Mobilises assistance during times of crisis. Following the 2025 floods, Setia Foundation rolled out the Humanitarian Post-Disaster Engagement (HOPE) Programme to support affected communities in Kelantan, Pahang and Perlis through Back-to-School assistance and the distribution of essential relief items.
Community and Health	Uplifts vulnerable communities through the Sincerely, Setia Festive Assistance (SSFA) programme and the Setia Charitable Adoption and Residential Engagement (CARE) initiative. SSFA delivers timely support to underprivileged communities in conjunction with major festive celebrations, while CARE deepens this contribution through sustained, longer-term engagement with selected communities, underscoring Setia Foundation's commitment to inclusive well-being and meaningful social impact.
Education	Advances educational access and outcomes by easing financial constraints, strengthening learning support and promoting STEM learning through the Setia Caring School Programme (SCSP). The programme suite also enhances examination preparedness via Tuition Mission (Pecutan Akhir SPM) and strengthens employability for B40 youth through industry attachments with Amari under the STEP-UP programme. Together, these initiatives improve academic achievement, reduce inequality and help develop future-ready talent aligned with national development priorities.
Unity	Strengthens social cohesion by celebrating Malaysia's cultural diversity through festive discovery initiatives. By involving students in experiential learning centred on key celebrations such as Chinese New Year, Hari Raya and Deepavali, the programmes encourage inclusivity, deepen cross-cultural understanding and cultivate values of harmony and togetherness among primary school children.

ESG Report

ESG Report

To encourage meaningful involvement, we establish annual employee volunteering hour targets, coordinate volunteering programmes through Setia Foundation and provide replacement leave to support staff participation. During Ramadan, Setia Foundation further strengthens its support for social welfare initiatives through a collaboration with S P Setia Berhad's subsidiary, Perumahan Kinrara Berhad (PKB). Through this partnership, food baskets and zakat contributions are distributed to deserving Asnaf communities, funded through PKB's wakalah zakat allocations.

To support the Setia Foundation's efforts, we actively encourage and facilitate employee volunteerism across the Group. Employees may seek approval to participate in community initiatives during working hours, while our Group HC department also provides volunteer leave to enable weekend participation.

We have additionally established our flagship "Sincerely, Setia" initiative, which delivers programmes throughout the year that reflect our commitment to spreading kindness and care to underserved Malaysians.

OUR INITIATIVES

DISASTER RELIEF

No. of Beneficiaries	Amount Invested
146 households and 1,503 individuals	**RM57,603**

List of Disaster Relief Initiatives

01

Back-to-School Assistance

In collaboration with Perumahan Kinrara Berhad (zakat) and Pertubuhan Badan Bantuan Bencana NGO (BBNGO) Malaysia, Back-to-School assistance was provided to 153 Asnaf primary school students in Rantau Panjang, Kelantan.

02

HOPE Disaster Relief Assistance (Kelantan and Pahang)

In partnership with BBNGO, essential relief items were distributed to communities affected by floods in Tumpat, Kelantan and Kuantan, Pahang. Assistance included baby and adult diapers, kain pelikat and kain batik, benefitting a total of 1,350 affected individuals.

03

HOPE Disaster Relief Assistance (Perlis)

Through continued collaboration with BBNGO, additional disaster relief assistance was extended to flood-affected communities in Arau, Perlis. Sleeping necessities and cleaning supplies were distributed, supporting 146 families during the recovery period.

COMMUNITY AND HEALTH

No. of Beneficiaries	Amount Invested	S P Setia Volunteer Participants	Total Volunteer Hours
1,598	**RM179,450**	**112**	**573.5**

List of Community and Health Initiatives:

1. **Sincerely, Setia Festive Assistance (SSFA) – Chinese New Year, Hari Raya and Kaamatan**
   Food baskets were distributed alongside community engagement activities, including physiotherapy sessions and health screening programmes, to support the well-being of underprivileged communities during major festive periods.

2. **Sincerely, Setia Festive Assistance (SSFA) – Ramadan**
   In collaboration with Perumahan Kinrara Berhad (wakalah zakat), food assistance and zakat contributions were distributed to Asnaf families, extending timely support during the month of Ramadan.

3. **Sincerely, Setia Festive Assistance (SSFA) – Hari Raya Aidilfitri**
   Through partnerships with Perumahan Kinrara Berhad (wakalah zakat) and Amari Penang, festive assistance was provided to orphans. The initiative included the distribution of meals and duit raya, alongside the hosting of a Hari Raya celebration.

4. **Setia CARE – Adoption Programme for Elderly Homes (Deepavali and Christmas)**
   Sustainable support was provided to adopted elderly homes through the donation of a regenerative aquaponic system, ensuring a consistent supply of fish and vegetables for a minimum period of three years. This was complemented by regular engagement activities with elderly communities, enabling continuous support and meaningful interaction.

1.

3.

2.

4.

Sincerely, Setia Tuition Mission in Selangor: Pecutan Akhir SPM 2025

EDUCATION

No. of Beneficiaries	Amount Invested	S P Setia Volunteer Participants	Total Volunteer Hours
2,461	**RM1,064,615**	**228**	**2,883.5**

List of Education Initiatives:

1. **Sincerely, Setia Youth Engagement (Scientific Calculator and Spectacles Donation)**
   Scientific calculators and spectacles were provided to students to support learning needs and enhance academic performance.

2. **Setia Caring School Programme (SCSP) – Educational Assistance at Sekolah Angkat MADANI (RM150)**
   Educational assistance amounting to RM150 was distributed to students in adopted schools to ease financial burdens and ensure continued access to basic learning resources.

3. **SCSP – STEM Stars Programme at Sekolah Angkat MADANI**
   STEM enrichment activities were implemented to cultivate interest in science, technology, engineering and mathematics among students in adopted schools.

4. **STEP-UP at Amari**
   Capacity-building opportunities were provided to B40 students through structured industry attachments at Amari, supporting the development of practical skills and enhancing employability.

5. **Sincerely, Setia Tuition Mission – Pecutan Akhir SPM**
   Intensive tuition support was delivered to Form 5 students preparing for SPM examinations, with a focus on strengthening academic readiness and improving learning outcomes.

UNITY

No. of Beneficiaries	Amount Invested	S P Setia Volunteer Participants	Total Volunteer Hours
294	**RM44,846**	**37**	**156**

List of Unity Initiatives:

Setia Caring School Programme (SCSP) – Unity in Diversity: Festive Discovery
Students were engaged through experiential learning centred on major cultural celebrations, including Chinese New Year, Hari Raya and Deepavali. The programme fostered inclusivity, strengthened mutual respect and encouraged cross-cultural understanding among diverse communities.

Setia Caring School Programme (SCSP)

OUR RESULTS AND ACHIEVEMENTS

In 2025, we channelled RM1.35 million towards community-focused initiatives, impacting 5,442 individuals through 24 programmes.These efforts strengthened educational opportunities, enhanced community well-being, and fostered resilience among vulnerable groups.

Our amplified efforts over the past year reflects our long-term commitment to uplifting communities, advancing social well-being and ensuring our business delivers a meaningful impact to society.

	2023	2024	2025
Total amount of programmes	N/A	20	**24**
Total amount invested in community initiatives (RM)	520,000	500,418	**1,346,513**
Total number of beneficiaries of the investment in communities	5,044	3,184	**5,442**
Employees that participated in community impact programmes	391	327	**377**
Total hours spent on community impact programmes	3,898	4,907	**3,613**

Note: 100% of the total amounts stated above went to beneficiaries that are external to the Group.

GOING FORWARD

S P Setia will continue to create meaningful community impact by delivering more structured signature programmes, strengthening collaborations with trusted partners and setting clear, measurable outcomes to drive deeper, lasting results. Going forward, the Setia Foundation's efforts will be anchored on three core pillars—disaster relief, community well-being and education, with unity embedded across each pillar to advance inclusivity and social cohesion.

GRI Content Index

GRI STANDARD	GRI DISCLOSURE		PAGE REFERENCE
GENERAL DISCLOSURES			
GRI 2: General Disclosures 2021	**The organisation and its reporting practices**		
	GRI 2-1	Organisational details	Pages 2 – 3
	GRI 2-2	Entities included in the organisation's sustainability reporting	Pages 129
	GRI 2-3	Reporting period, frequency and contact point	Pages 129
	GRI 2-4	Restatements of information	N/A
	GRI 2-5	External assurance	Pages 163
	Activities and workers		
	GRI 2-6	Activities, value chain and other business relationships	Pages 24 – 31
	GRI 2-7	Employees	Pages 215 – 227
	GRI 2-8	Workers who are not employees	Pages 209 – 214
	Governance		
	GRI 2-9	Governance structure and composition	Pages 276 – 278
	GRI 2-10	Nomination and selection of the highest governance body	Pages 276 – 278
	GRI 2-11	Chair of the highest governance body	Pages 11, 276 – 278
	GRI 2-12	Role of the highest governance body in overseeing the management of impacts	Pages 11
	GRI 2-13	Delegation of responsibility for managing impacts	Pages 11
	GRI 2-14	Role of the highest governance body in sustainability reporting	Pages 11, 278
	GRI 2-15	Conflicts of interest	Pages 294 – 297
	GRI 2-16	Communication of critical concerns	Pages 184
	GRI 2-17	Collective knowledge of the highest governance body	Pages 260
	GRI 2-18	Evaluation of the performance of the highest governance body	Pages 282
	GRI 2-19	Remuneration policies	Pages 281 – 285
	GRI 2-20	Process to determine remuneration	Pages 281 – 285
	Strategy, policies and practices		
	GRI 2-22	Statement on sustainable development strategy	Pages 8 – 13
	GRI 2-23	Policy commitments	Pages 136
	GRI 2-24	Embedding policy commitments	Pages 136
	GRI 2-25	Processes to remediate negative impacts	Pages 136, 220
	GRI 2-26	Mechanisms for seeking advice and raising concerns	Pages 183
	GRI 2-27	Compliance with laws and regulations	Pages 163
	GRI 2-28	Membership associations	Pages 31
	Stakeholder engagement		
	GRI 2-29	Approach to stakeholder engagement	Pages 64 – 68
MATERIAL TOPICS			
GRI 3: Material Topics 2021	GRI 3-1	Process to determine material topics	Pages 71
	GRI 3-2	List of material topics	Pages 72 – 73

GRI STANDARD	GRI DISCLOSURE		PAGE REFERENCE
ECONOMIC – SUSTAINABLE, INNOVATIVE AND QUALITY DEVELOPMENT			
Economic Performance			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	Pages 170
GRI 201: Economic Performance 2016	GRI 201-1	Direct economic value generated and distributed	Pages 171
Innovation			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	Pages 172
Product Design & Lifecycle Management			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	Pages 177
Business Ethics			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	Pages 181
GRI 205: Anti-corruption 2016	GRI 205-1	Operations assessed for risk related to corruption	Pages 186
	GRI 205-2	Communication and training about anti-corruption policies and procedures	Pages 183 – 186
	GRI 205-3	Confirmed incidents of corruption and actions taken	Pages 187
GRI 418: Customer Privacy 2016	GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Pages 187
Supply Chain Management			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	Pages 188
GRI 204: Procurement Practices 2016	GRI 204-1	Proportion of spending on local supplier	Pages 190
ENVIRONMENT – BEST PRACTICES IN ENVIRONMENT MANAGEMENT			
Emissions and Energy Management			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	Pages 192
GRI 302: Energy 2016	GRI 302-1	Energy consumption within the organisation	Pages 196
	GRI 302-3	Energy Intensity	Pages 196
GRI 305: Emissions 2016	GRI 305-1	Direct (Scope 1) GHG emissions	Pages 195
	GRI 305-2	Energy indirect (Scope 2) GHG emissions	Pages 195
	GRI 305-3	Other indirect (Scope 3) GHG emissions	Pages 195
GRI 201: Economic Performance 2016	GRI 201-2	Financial implications and other risks and opportunities due to climate change	Pages 128 – 163
Waste and Water Management			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	Pages 197
GRI 303: Water and Effluents 2018	GRI 303-1	Interactions with water as a shared resource	Pages 199
	GRI 303-2	Management of water discharge-related impacts	Pages 199
	GRI 303-5	Water Consumption	Pages 202
GRI 306: Waste 2020	GRI 306-1	Waste generation and significant waste-related impacts	Pages 202
	GRI 306-2	Management of significant waste related impacts	Pages 202 – 203
	GRI 306-3	Waste generated	Pages 202
	GRI 306-4	Waste diverted from disposal	Pages 202
	GRI 306-5	Waste directed to disposal	Pages 202

GRI Content Index

GRI STANDARD	GRI DISCLOSURE		PAGE REFERENCE
ENVIRONMENT – BEST PRACTICES IN ENVIRONMENT MANAGEMENT			
Biodiversity			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	Pages 204
GRI 101: Biodiversity 2024	GRI 101-2	Management of biodiversity impacts	Pages 205
SOCIAL – POSITIVE, SUSTAINED COMMUNITY AND SOCIAL IMPACTS			
Employee Health and Safety			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	Pages 209
GRI 403: Occupational Health and Safety 2018	GRI 403-1	Occupational health and safety management system	Pages 210
	GRI 403-2	Hazard identification, risk assessment, and incident investigation	Pages 211
	GRI 403-3	Occupational health services	Pages 212 – 213
	GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	Pages 212 – 213
	GRI 403-5	Worker training on occupational health and safety	Pages 212 – 213
	GRI 403-6	Promotion of worker health	Pages 212 – 213
	GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Pages 212 – 213
	GRI 403-8	Workers covered by an occupational health and safety management system	Pages 212 – 213
	GRI 403-9	Work-related injuries	Pages 214
	GRI 403-10	Work-related ill health	Pages 214
Business Model Resilience			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	Pages 215
GRI 2: General Disclosures 2021	GRI 2-7	Employees	Pages 222 – 224
	GRI 2-8	Workers who are not employees	Pages 222 – 224
GRI 401: Employment 2016	GRI 401-1	New employee hires and employee turnover	Pages 222 – 224
	GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part time employees	Pages 215 – 220
GRI 404: Training and Education 2016	GRI 404-1	Average hours of training per year per employee	Pages 222 – 224
GRI 405: Diversity and Equal Opportunity 2016	GRI 405-1	Diversity of governance bodies and employees	Pages 222 – 224
Human Rights			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	Pages 226
GRI 408 Child Labour 2016	GRI 408-1	Operations and suppliers at significant risk for incidents of child labour	Pages 227
GRI 409 Forced Compulsory Labour 2016	GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Pages 226 – 227
Customer Satisfaction			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	Pages 228
Community			
GRI 3: Material Topics 2021	GRI 3-3	Management of material topics	Pages 231
GRI 203: Indirect Economic Impacts 2016	GRI 203-1	Infrastructure investments and services supported	Pages 233 – 235
	GRI 203-2	Significant indirect economic impacts	Pages 233 – 235

Setia Warisan Tropika, Sepang, Selangor

Guided by what people need, driven to create lasting value.

Setia Safiro, Cyberjaya, Selangor

Leadership

Corporate Information	242
Board at a Glance	243
Profile of Board of Directors	244
Key Management Team	254
Organisation Structure	266

Corporate Information

As at 25 March 2026

BOARD OF DIRECTORS

Y.A.M. Tan Sri Dato' Seri Syed Anwar Jamalullail
(Non-Independent Non-Executive Chairman)

Datuk Zaini Bin Yusoff
(President and Chief Executive Officer)

Datuk Ir. Khairil Anwar Bin Ahmad
(Senior Independent Non-Executive Director)

Dato' Merina Binti Abu Tahir
(Independent Non-Executive Director)

Dato' Tengku Marina Binti Tunku Annuar
(Independent Non-Executive Director)

Datin Wan Daneena Liza Binti Wan Abdul Rahman
(Independent Non-Executive Director)

Mr Lim Fu Yen
(Non-Independent Non-Executive Director)

Datin Grace Yeoh Cheng Geok
(Independent Non-Executive Director)

Encik Mohamad Abdul Halim Bin Ahmad
(Independent Non-Executive Director)

Puan Aida Hazrina Binti Mohd Tazaai
(Non-Independent Non-Executive Director)

AUDIT COMMITTEE
Dato' Merina Binti Abu Tahir (Chairman)
Datin Wan Daneena Liza Binti Wan Abdul Rahman
Encik Mohamad Abdul Halim Bin Ahmad

FINANCE AND INVESTMENT COMMITTEE
Mr Lim Fu Yen (Chairman)
Datin Wan Daneena Liza Binti Wan Abdul Rahman
Datin Grace Yeoh Cheng Geok
Encik Mohamad Abdul Halim Bin Ahmad

NOMINATION AND REMUNERATION COMMITTEE
Datuk Ir. Khairil Anwar Bin Ahmad (Chairman)
Dato' Tengku Marina Binti Tunku Annuar
Datin Grace Yeoh Cheng Geok
Puan Aida Hazrina Binti Mohd Tazaai

RISK MANAGEMENT COMMITTEE
Mr Lim Fu Yen (Interim Chairman)
Dato' Merina Binti Abu Tahir
Datuk Ir. Khairil Anwar Bin Ahmad
Dato' Tengku Marina Binti Tunku Annuar

SUSTAINABILITY COMMITTEE
Dato' Tengku Marina Binti Tunku Annuar (Chairman)
Mr Lim Fu Yen
Datin Wan Daneena Liza Binti Wan Abdul Rahman

TENDER AND PROJECTS COMMITTEE
Datuk Ir. Khairil Anwar Bin Ahmad (Chairman)
Datuk Zaini Bin Yusoff
Encik Mohamad Abdul Halim Bin Ahmad
Puan Aida Hazrina Binti Mohd Tazaai

SECRETARY
Lee Wai Kim
SSM PC No. 202008001422
MAICSA 7036446

REGISTERED OFFICE
S P Setia Berhad Corporate HQ
12 Persiaran Setia Dagang
Setia Alam, Seksyen U13
40170 Shah Alam
Selangor Darul Ehsan
Tel: +603-50212525 Fax: +603-33441568
Email: corp@spsetia.com

SHARE REGISTRAR AND PLACE WHERE REGISTER OF SECURITIES IS KEPT
Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01 Level 32 Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8 Jalan Kerinchi
59200 Kuala Lumpur
Tel: +603-27839299
Email: is.enquiry@vistra.com

BANKERS
Affin Bank Berhad
Affin Islamic Bank Berhad
Alliance Bank Malaysia Berhad
Alliance Islamic Bank Malaysia Berhad
Ambank (M) Berhad
AmIslamic Bank Berhad
Bangkok Bank Berhad
Bank of China (Malaysia) Berhad
Bank of China (Hong Kong) Berhad
Bank Islam Malaysia Berhad
Bank Muamalat Malaysia Berhad
Chang Hwa Commercial Bank, Ltd. Offshore Banking Branch
China Construction Bank (Malaysia) Berhad
CIMB Bank Berhad
CIMB Islamic Bank Berhad
DBS Bank Ltd
Export-Import Bank of Malaysia Berhad
Hong Leong Bank Berhad
Hong Leong Islamic Bank Berhad
HSBC Amanah Malaysia Berhad
HSBC Bank Malaysia Berhad
Industrial and Commercial Bank of China (Malaysia) Berhad
Malayan Banking Berhad
Maybank Islamic Berhad
MBSB Bank Berhad
OCBC Bank (Malaysia) Berhad
Public Bank Berhad
Public Islamic Bank Berhad
RHB Bank Berhad
RHB Islamic Bank Berhad
Standard Chartered Bank Malaysia Berhad
Sumitomo Mitsui Banking Corporation
The Bank of East Asia Ltd
United Overseas Bank (Malaysia) Berhad

AUDITORS
Ernst & Young PLT
202006000003 (LLP0022760-LCA)
AF 0039
Level 23A Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur

SOLICITORS
Lee Hishammuddin Allen & Gledhill
Skrine & Co
Rahmat Lim and Partners
Rosli Dahlan Saravana Partnership
Zaid Ibrahim & Co

STOCK EXCHANGE LISTING
Main Market of Bursa Malaysia Securities Berhad

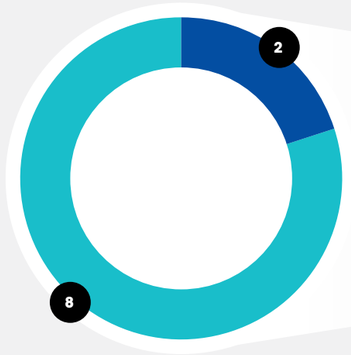
INDICES
Bursa Malaysia
FTSE4GOOD
MARC

WEBSITE
www.spsetia.com

Board at a Glance

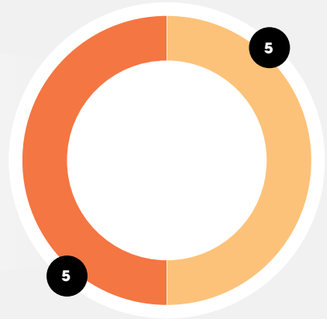
As at 25 March 2026

ETHNICITY



- Chinese
- Bumiputera

BOARD GENDER DIVERSITY



- Male
- Female

BOARD COMPOSITION

Independent Non-Executive Directors	5
Non-Independent Non-Executive Directors	2
Senior Independent Non-Executive Director	1
Non-Independent Non-Executive Chairman	1
President and Chief Executive Officer	1

AGE

41 – 50 years old	2
51 – 60 years old	2
61 – 70 years old	5
71 – 80 years old	1

LENGTH OF DIRECTORSHIP TENURE

Below Five Years	9
Five Years and above	1

BOARD NATIONALITY

Malaysian
100%

Board of Directors

As at 25 March 2026

Y. A. M. TAN SRI DATO' SERI SYED ANWAR JAMALULLAIL

Non-Independent
Non-Executive Chairman

Age: 74 **Gender:** **Nationality:**

Date of Appointment:
3 January 2019

Length of Service:
7 years and 2 months

Number of Board Meetings Attended:
12/12

Membership of Board Committee:
- Nil

Academic/Professional Qualification(s):
- Bachelor of Arts in Accounting, Macquarie University, Sydney, Australia
- Chartered Accountant, Malaysian Institute of Accountants
- Certified Practising Accountant, Australia
- Court of Emeritus Fellows, Malaysian Institute of Management

Skills Matrix And Industry Experience:

Current Principal Appointments:
- Chairman, Kenanga Investment Bank Berhad
- Chairman, Lembaga Zakat Selangor
- Chancellor, SEGi University
- Director, Setia (Melbourne) Development Pty Ltd
- Director, Setia Australia Limited
- Director, Setia International (Australia) Limited

Past Relevant Experiences:
- Chairman, Nestle (Malaysia) Berhad
- Chairman, Cahaya Mata Sarawak Berhad
- Chairman, EON Bank Berhad
- Chairman, DRB-Hicom Berhad
- Chairman, Lembaga Tabung Haji Investment Panel
- Chairman, Malakoff Corporation Berhad
- Chairman, Malaysia Airports Holdings Berhad
- Chairman, Malaysian Resources Corporation Berhad
- Chairman, Media Prima Berhad
- Chairman, Radicare (M) Sdn Bhd
- Chairman, Uni Asia General Insurance Berhad
- Chairman, Uni Asia Life Assurance Berhad
- Director, Bangkok Bank Berhad
- Director, Maxis Communications Berhad
- Group Managing Director, Amanah Capital Partners Berhad
- Financial Accountant, Malaysian Airlines Systems Berhad

DECLARATION:
- *Does not have any other conflict of interest or any family relationship with any other Director(s) and/or major shareholder(s) of S P Setia Berhad, except by virtue of being a nominee Director of Permodalan Nasional Berhad ("PNB"). He will recuse himself from participating in any discussion on matters involving the interests of PNB group of companies and will abstain from deliberation and voting on such matters at the Board and Board Committee meetings of the Company.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

DATUK ZAINI BIN YUSOFF

President and
Chief Executive Officer

Age: 61 **Gender:** **Nationality:**

Date of Appointment:
1 October 2025

Length of Service:
5 months

Number of Board Meetings Attended:
3/3

Membership of Board Committee:
- Member of Tender and Projects Committee

Academic/Professional Qualification(s):
- BSc (Hons) in Civil Engineering from Memphis State University in Tennessee, United States of America

Skills Matrix And Industry Experience:

Current Principal Appointments:
- President and Chief Executive Officer, S P Setia Berhad
- Chairman, Perumahan Kinrara Berhad
- Deputy President, Real Estate Housing Developers' Association ("REHDA"), Malaysia
- Chairman, REHDA Selangor
- Member, Development Committee, PNB 118
- Director, Lembaga Perumahan dan Hartanah Selangor

Past Relevant Experiences:
- Chief Operating Officer, Executive Vice President and Divisional General Manager, S P Setia Berhad
- Chief Operating Officer and General Manager, I & P Group Sdn Berhad
- Civil Engineer, Penang City Council
- Building Engineer, Shimizu Corporation

DECLARATION:
- *Does not have any other conflict of interest or any family relationship with any other Director(s) and/or major shareholder(s) of S P Setia Berhad, except that his daughter is a Partner in T. Thavalingam & Co. He did not participate in or influence any deliberation and decision-making on matters involving T. Thavalingam & Co. that may give rise to a potential conflict of interest.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

Board of Directors
As at 25 March 2026

DATUK IR. KHAIRIL ANWAR BIN AHMAD

Senior Independent Non-Executive Director

Age: 63 **Gender:** **Nationality:**

Date of Appointment:
1 June 2023

Length of Service:
2 years and 9 months

Number of Board Meetings Attended:
12/12

Membership of Board Committee:
- Chairman of Tender and Projects Committee
- Chairman of Nomination and Remuneration Committee
- Member of Risk Management Committee

Academic/Professional Qualification(s):
- Honorary Doctor of Civil Law, University of Newcastle upon Tyne
- Master of Business Administration, Strategic Management, University of Strathclyde, Glasgow, Scotland
- BSc Civil & Environmental Engineering, University of Wisconsin-Madison, United States of Ameria
- Professional Engineer, Board of Engineers Malaysia

Skills Matrix And Industry Experience:

Current Principal Appointments:
- Director, UTM Holdings Sdn Bhd
- Director, Prasarana Malaysia Berhad
- Chairman, Prasarana RTS Operations Sdn Bhd
- Chairman, RTS Operations Pte Ltd
- Director, Prasarana Integrated Development Sdn Bhd
- Adjunct Professor, School of Civil Engineering, Faculty of Engineering, Universiti Teknologi Malaysia

Past Relevant Experiences:
- Advisor, Iskandar Investment Berhad
- President / Chief Executive Officer ("CEO") and Director, Iskandar Investment Berhad
- Managing Director / CEO, Medini Iskandar Malaysia Sdn Bhd
- Chief Operating Officer, Iskandar Investment Berhad
- CEO, Education@Iskandar Sdn Bhd
- Senior Vice President, Education and Healthcare Development, Iskandar Investment Berhad
- Director, RSP Engineers Sdn Bhd
- Assistant General Manager, Corporate Debt Recovery, Malaysia Building Society Berhad

DECLARATION:
- *Does not have any other conflict of interest or any family relationship with any other Director(s) and/or major shareholder(s) of S P Setia Berhad.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

Board of Directors
As at 25 March 2026

DATO' MERINA BINTI ABU TAHIR

Independent Non-Executive Director

Age: 60 **Gender:** **Nationality:**

Date of Appointment:
17 November 2021

Length of Service:
4 years and 4 months

Number of Board Meetings Attended:
12/12

Membership of Board Committee:
- Chairman of Audit Committee
- Member of Risk Management Committee

Academic/Professional Qualification(s):
- Fellow, Association of Chartered Certified Accountants ("ACCA"),FCCA (UK)
- Member, Malaysian Institute of Accountants ("MIA")
- Member, Malaysian Institute of Certified Public Accountants
- Member, ASEAN Chartered Professional Accountant
- Member, Institute of Internal Auditors Malaysia

Skills Matrix And Industry Experience:

Current Principal Appointments:
- Director, Tenaga Nasional Berhad
- Director, AEON Co. (M) Bhd
- Member, ACCA Council
- Member, ACCA Global Forum on Governance, Risk & Performance

Past Relevant Experiences:
- Chief Financial Officer, Lembaga Tabung Haji
- Held various key positions in Malaysia Airlines Berhad/Malaysian Airline System Berhad, Amanah Capital Partners Berhad and Sime Darby Berhad
- Chairperson, ACCA Malaysia Advisory Committee
- Council Member, MIA

DECLARATION:
- *Does not have any family relationship with any other Director(s) and/or major shareholder(s) of S P Setia Berhad.*
- *Does not have any other conflict of interest except which may arise by virtue of being a Director of Tenaga Nasional Berhad ("TNB") and AEON Co. (M) Bhd. ("AEON"). She will recuse herself from participating in any discussion on matters involving the interests of TNB group of companies and AEON group of companies and will abstain from deliberation and voting on such matters at the Board and Board Committee meetings of the Company.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

Board of Directors
As at 25 March 2026

DATO' TENGKU MARINA BINTI TUNKU ANNUAR

Independent
Non-Executive Director

Age: 63 **Gender:** **Nationality:**

Date of Appointment:
1 June 2022

Length of Service:
3 years and 9 months

Number of Board Meetings Attended:
12/12

Membership of Board Committee:
- Chairman of Sustainability Committee
- Member of Nomination and Remuneration Committee
- Member of Risk Management Committee

Academic/Professional Qualification(s):
- Bachelor of Arts in International Relations, London University, United Kingdom
- Business Sustainability Management Course, Cambridge Institute for Sustainability Leadership, Cambridge University, United Kingdom
- Nestle Leadership Programme, London Business School, United Kingdom
- Advocacy in International Affairs and Global Health Diplomacy Executive Course, The Graduate Institute, Geneva, Switzerland

Skills Matrix And Industry Experience:

Current Principal Appointments:
- Chairman, S P Setia Foundation
- Director, MISC Berhad
- Director, Westports Holdings Berhad
- Council member, Climate Governance Malaysia

Past Relevant Experiences:
- Retired from Nestle S.A. since 1 November 2022 where previously she held various senior management positions in Nestle (Malaysia) Berhad and Nestle S.A

DECLARATION:
- *Does not have any other conflict of interest or any family relationship with any other Director(s) and/or major shareholder(s) of S P Setia Berhad.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

Board of Directors
As at 25 March 2026

DATIN WAN DANEENA LIZA BINTI WAN ABDUL RAHMAN

Independent
Non-Executive Director

Age: 52 **Gender:** **Nationality:**

Date of Appointment:
17 August 2023

Length of Service:
2 years and 7 months

Number of Board Meetings Attended:
12/12

Membership of Board Committee:
- Member of Audit Committee
- Member of Finance and Investment Committee
- Member of Sustainability Committee

Academic/Professional Qualification(s):
- Bachelor of Science in Economics and Accounting, University of Bristol, United Kingdom
- Member, Malaysian Institute of Accountants
- Member, Institute of Chartered Accountants in England and Wales

Skills Matrix And Industry Experience:

Current Principal Appointments:
- Chairman, Deutsche Bank Malaysia Berhad
- Director, WASCO Berhad
- Director, PLUS Malaysia Berhad

Past Relevant Experiences:
- Held various positions during her 20-year tenure in Messrs Ernst & Young, Kuala Lumpur before retiring as Senior Partner
- Auditor, KPMG, London

DECLARATION:
- *Does not have any family relationship with any other Director(s) and/or major shareholder(s) of S P Setia Berhad.*
- *Does not have any other conflict of interest except which may arise by virtue of being the spouse of the President & Group Chief Executive Officer of Affin Bank Berhad ("Affin"), one of the lenders to S P Setia Group. She will recuse herself from participating in any discussion on matters involving the interests of Affin group of companies and will abstain from deliberation and voting on such matters at the Board and Board Committee meetings of the Company.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

Board of Directors
As at 25 March 2026

LIM FU YEN

Non-Independent
Non-Executive Director

Age: 46 **Gender:** **Nationality:**

Date of Appointment:
11 January 2024

Length of Service:
2 years and 2 months

Number of Board Meetings Attended:
11/12

Membership of Board Committee:
- Chairman of Finance and Investment Committee
- Interim Chairman of Risk Management Committee
- Member of Sustainability Committee

Academic/Professional Qualification(s):
- Master of Business Administration, Stanford Graduate School of Business, United States of America
- B.A. (Honors) in Engineering Science and Honors Economics, Dartmouth College, United States of America

Skills Matrix And Industry Experience:

Current Principal Appointments:
- Chairman, Malaysian Transformer Manufacturing Sdn Bhd
- Director, Vantris Energy Berhad
- Director, Qinzhou Development (Malaysia) Consortium Sdn Bhd
- Director, China-Malaysia Qinzhou Industrial Park (Guangxi) Development Co. Ltd

Past Relevant Experiences:
- Director, Malay-Sino Chemical Industries Sdn Bhd
- Chief Subsidiary Officer, Tenaga Nasional Berhad
- Senior Director of Investment, Ekuiti Nasional Berhad
- Investment Analyst, Orbis Investment Management

DECLARATION:
- *Does not have any other conflict of interest or any family relationship with any other Director(s) and/or major shareholder(s) of S P Setia Berhad, except by virtue of being a nominee Director of Permodalan Nasional Berhad ("PNB"). He will recuse himself from participating in any discussion on matters involving the interests of PNB group of companies and will abstain from deliberation and voting on such matters at the Board and Board Committee meetings of the Company.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

Board of Directors
As at 25 March 2026

DATIN GRACE YEOH CHENG GEOK

Independent
Non-Executive Director

Age: 64 **Gender:** **Nationality:**

Date of Appointment:
21 June 2024

Length of Service:
1 year and 9 months

Number of Board Meetings Attended:
12/12

Membership of Board Committee:
- Member of Finance and Investment Committee
- Member of Nomination and Remuneration Committee

Academic/Professional Qualification(s):
- Master of Laws (LLM), University of London
- Bachelor of Laws (Hons) (LLB), London School of Economics and Political Science
- Barrister-at-Law, Middle Temple
- Advocate and Solicitor of the High Court of Malaya
- Certified Financial Planner
- Member, International Bar Association
- Member, Corporate and Commercial Committee of the Malaysian Bar Council
- Member, International Professional Admissions Committee of the Malaysian Bar Council
- Member, Financial Planning Association of Malaysia

Skills Matrix And Industry Experience:

Current Principal Appointments:
- Partner, Messrs Shearn Delamore & Co
- Director, Pacific & Orient Insurance Co. Berhad
- Director, Prasarana Malaysia Berhad

Past Relevant Experiences:
- Held various positions in Messrs Shearn Delamore & Co during her tenure with the firm including Managing Partner
- Director, Bursa Malaysia Berhad
- Director, CIMB Bank Berhad

DECLARATION:
- *Does not have any family relationship with any other Director(s) and/or major shareholder(s) of S P Setia Berhad.*
- *Does not have any other conflict of interest except which may arise by virtue of being a Partner of Messrs Shearn Delamore & Co, one of the legal firms in S P Setia Group's panel of solicitors. She will recuse herself from participating in any discussion on matters involving the interests of Messrs Shearn Delamore & Co and will abstain from deliberation and voting on such matters at the Board and Board Committee meetings of the Company.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

Board of Directors
As at 25 March 2026

MOHAMAD ABDUL HALIM BIN AHMAD

Independent
Non-Executive Director

Age: 65 **Gender:** **Nationality:**

Date of Appointment:
1 October 2024

Length of Service:
1 year and 5 months

Number of Board Meetings Attended:
12/12

Membership of Board Committee:
- Member of Audit Committee
- Member of Finance and Investment Committee
- Member of Tender and Projects Committee

Academic/Professional Qualification(s):
- Bachelor of Science of Civil Engineering (First Class Honour), Imperial College, University of London, United Kingdom
- Associate Member, Institute of Chartered Accountants England and Wales
- Member, Malaysian Institute of Accountants

Skills Matrix And Industry Experience:

Current Principal Appointments:
- Director, MBSB Berhad
- Director, Syarikat Takaful Malaysia Am Berhad

Past Relevant Experiences:
- Director, Perbadanan Insurans Deposit Berhad
- Director, TDM Berhad
- Director, Rashid Hussain Berhad
- Director, Shangri-la Hotel (M) Berhad
- Director, Australian Hospital Care Limited
- Director, Sime Darby Utilities Sdn Bhd
- Managing Director, Saujana Resort (M) Berhad
- Managing Director, Saujana Consolidated Berhad
- Group Chief Executive, Peremba (Malaysia) Sdn Bhd (The Saujana Group of Companies)
- Managing Director, CapitaLand Amanah Pte Ltd
- Managing Director, Landmarks Berhad
- General Manager, Finance, Landmarks Berhad
- Senior Manager, Finance, Amanah Merchant Bank Berhad

DECLARATION:
- *Does not have any family relationship with any other Director(s) and/or major shareholder(s) of S P Setia Berhad.*
- *Does not have any other conflict of interest except which may arise by virtue of being a Director of MBSB Berhad, the holding company of MBSB Bank Berhad. He will recuse himself from participating in any discussion on matters involving the interests of MBSB Berhad group of companies and will abstain from deliberation and voting on such matters at the Board and Board Committee meetings of the Company.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

Board of Directors
As at 25 March 2026

AIDA HAZRINA BINTI MOHD TAZAAI

Non-Independent
Non-Executive Director

Age: 42 **Gender:** **Nationality:**

Date of Appointment:
3 March 2025

Length of Service:
1 year

Number of Board Meetings Attended:
11/11 (1/1 – Alternate Director to Lim Fu Yen)

Membership of Board Committee:
- Member of Nomination and Remuneration Committee
- Member of Tender and Projects Committee

Academic/Professional Qualification(s):
- Bachelor of Science in Accounting and Finance, The London School of Economics & Political Science, United Kingdom
- CFA® Charterholder

Skills Matrix And Industry Experience:

Current Principal Appointments:
- Head, Strategic Investments at Permodalan Nasional Berhad ("PNB"), overseeing PNB's Strategic and Core Companies

Past Relevant Experiences:
- Throughout her tenure of over 18 years in PNB, she held various positions including in the Corporate Finance Department, Office of President & Group Chief Executive, PNB Equity Resources Corporation Sdn Bhd and the Strategic Investments Department

DECLARATION:
- *Does not have any other conflict of interest or any family relationship with any other Director(s) and/or major shareholder(s) of S P Setia Berhad, except by virtue of being a nominee Director of Permodalan Nasional Berhad ("PNB"). She will recuse herself from participating in any discussion on matters involving the interests of PNB group of companies and will abstain from deliberation and voting on such matters at the Board and Board Committee meetings of the Company.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

Key Management Team

As at 25 March 2026

Key Management Team

As at 25 March 2026

Tan Hwa Min currently serves as Deputy Chief Executive Officer of S P Setia Berhad, where he leads strategic initiatives, operational performance, and long-term growth across both domestic and international development projects. He brings extensive experience in large-scale property and infrastructure development, corporate strategy, and business transformation. Since joining S P Setia in November 2025, Tan has focused on enhancing integrated township development, urban regeneration, and sustainable value creation for stakeholders, leveraging his deep expertise in project execution and multi-stakeholder engagement.

Before joining S P Setia, Tan was Chief Strategy Officer of IJM Corporation Berhad and Managing Director of IJM RE Sdn Bhd, overseeing strategic planning, business development, and key real estate projects within the group. Earlier in his career, Tan was Chief Operating Officer at TRX City Sdn Bhd, playing a key role in the development of the Tun Razak Exchange, Malaysia's international financial district. His leadership in complex urban projects positions him to drive sustainable growth and long-term value.

Tan holds a Bachelor of Science in Computer Science with Management Science from the University of Kent and he subsequently earned a Master of Business Administration from Imperial College London, equipping him with a strong foundation in both technology and business leadership.

TAN HWA MIN

Deputy Chief Executive Officer ("Deputy CEO")

50

DATE OF APPOINTMENT

17 November 2025

Declaration:

- *Does not hold any directorship in any public companies and listed issuers other than S P Setia Berhad, and does not have any family relationship with any Director and/or major shareholder of S P Setia Berhad, except that he directly and indirectly holds controlling interest in Grand Central Enterprises Berhad and Hotel Grand Central Limited. He is excluded from any discussion, deliberation and decision-making on matters that may give rise to a potential conflict of interest.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

Datuk Yuslina Mohd Yunus brings dynamic leadership and extensive financial expertise to her role as Senior Executive Vice President at S P Setia. With prior experience as Group Managing Director of I & P Group and as Executive Vice President at S P Setia, she now oversees key projects across the Central Region, including Wilayah Persekutuan/Kuala Lumpur, Shah Alam, and Semenyih/Bangi. Her leadership combines operational oversight with strategic direction, ensuring the successful delivery of complex developments while maintaining a focus on long-term value creation.

Beyond her operational responsibilities, Datuk Yuslina contributes actively to corporate and community initiatives, serving on the Management Committee of the S P Setia Foundation. A member of the Malaysian Institute of Accountants, she holds an Advanced Diploma in Accountancy and an Executive Master of Business Administration from Universiti Teknologi MARA. Her unique blend of financial acumen and strategic insight continues to drive sustainable growth, operational excellence, and innovation across the company.

DATUK YUSLINA MOHD YUNUS

Chief Operating Officer ("COO")

58

DATE OF APPOINTMENT

1 October 2025

Declaration:

- *Does not hold any directorship in any public companies and listed issuers other than in S P Setia Group and has no family relationship with any Director and/ or major shareholder of S P Setia, nor any conflict of interest with the Company.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

Annuar Marzuki Abdul Aziz brings over 29 years of extensive experiences in audit, treasury, corporate finance, mergers and acquisitions, investor relations, risk management and general management. His initial experiences include audit & business advisory at the then Pricewaterhouse, Malaysia, internal audit at UMW Holdings Bhd and corporate finance at Commerce International Merchant Bankers Berhad (now known as CIMB Investment Bank Berhad). His previous senior roles include Head of Corporate Finance at Renong Berhad (2001), General Manager, Office of the Group Chief Executive Officer at UEM Group Bhd (2004), CFO of PLUS Expressways Bhd (2006), Group CFO of UEM Group Bhd (2009) and CFO of KLCC Property Holdings Bhd as well as Head of Investment of KLCC REIT Management Sdn Bhd (2013).

A Fellow of the Certified Practising Accountant, Australia (FCPA) and a Chartered Accountant of the Malaysian Institute of Accountants. He holds a Diploma in Comparative Law from the Institute of Islamic Studies, a Bachelor of Accounting (Hons) and a Master of Business Administration (MBA) in Finance from the International Islamic University, Malaysia. His professional qualifications and academic achievements combined with his extensive industry experiences reinforce his strategic financial leadership across complex corporate environment.

ANNUAR MARZUKI ABDUL AZIZ

Chief Financial Officer ("CFO")

55

DATE OF APPOINTMENT

1 December 2022

Declaration:

- *Does not hold any directorship in any public companies and listed issuers other than in S P Setia Group and has no family relationship with any Director and/ or major shareholder of S P Setia, nor any conflict of interest with the Company.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

Datuk Stanley Saw Kim Suan joined S P Setia as a Senior Project Manager in 2008 and has since built a distinguished career marked by strong leadership and consistent project delivery. Throughout his tenure, he has successfully led a wide range of developments in Malaysia and abroad, including the EcoXuan and EcoLakes townships in Vietnam, demonstrating his capability in managing large-scale and cross-border projects. He later assumed the role of Divisional General Manager for the Property Division (South) and was subsequently appointed Executive Vice President. In his current capacity, he oversees operations for the Northern and Southern Region projects in Penang and Johor, where he continues to drive construction excellence, operational efficiency and timely delivery of quality developments that support the Group's regional growth strategy.

He holds a Bachelor of Engineering (Civil) from the University of New South Wales, Australia, and a Master of Business Administration from Nottingham Trent University, United Kingdom. With his extensive technical knowledge, strategic oversight and decades of industry experience, Datuk Stanley remains instrumental in upholding S P Setia's high standards of project management and strengthening its long-term performance.

DATUK STANLEY SAW KIM SUAN

Executive Vice President ("EVP")

58

DATE OF APPOINTMENT

1 July 2020

Declaration:

- *Does not hold any directorship in any public companies and listed issuers other than S P Setia Berhad, and does not have any family relationship with any Director and/or major shareholder of S P Setia Berhad, except that his spouse is a Key Senior Management member of Eco World Development Group Berhad. He is not involved in any discussion and/or decision-making on matters that may give rise to a potential conflict of interest.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

Key Management Team

As at 25 March 2026

RAZLY MOHAMMAD RUS

Executive Vice President ("EVP")

Razly Mohammad Rus is a dedicated property development professional with extensive experience in engineering and construction management. His career began at an engineering consultancy before he transitioned to a construction company, where he managed site supervision and project execution in Subang Jaya. In 2000, he joined I & P Group, contributing to the development of key townships such as Bandar Kinrara, Rawang and Alam Damai. Following the merger with S P Setia, Razly continued to play a vital role in projects including Setia Rawang and Alam Sutera, demonstrating his expertise in large-scale development management.

He holds a Bachelor's degree in Civil Engineering from Universiti Sains Malaysia and a Master's degree in Integrated Construction Project Management from Universiti Teknologi MARA. He is also a registered Graduate Engineer with the Board of Engineers Malaysia, further reinforcing his professional credibility and technical expertise in delivering complex property development projects.

49

DATE OF APPOINTMENT

1 July 2025

Declaration:
- *Does not hold any directorship in any public companies and listed issuers other than in S P Setia Group and has no family relationship with any Director and/ or major shareholder of S P Setia, nor any conflict of interest with the Company.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

LIONG KOK KIT

Executive Vice President ("EVP")

Mr. Liong Kok Kit has over 25 years of experience in the property development industry, with expertise in strategic planning, operational management and project execution. As Executive Vice President of S P Setia, he supports the Group's development and operational strategies, overseeing key projects including KL Eco City, Setia Federal Hill, Aeropod and Battersea Power Station.

Prior to joining S P Setia, Mr. Liong held senior leadership roles within the property development sector, including Chief Operations Officer and Director positions, with responsibilities spanning project delivery, construction management and land development. He holds a Bachelor's Degree in Building Surveying from the University of Malaya and is a member of the Royal Institution of Surveyors Malaysia (RISM). He also serves REHDA Selangor as Chairman of the Petaling Jaya Zone Committee for the 2024–2026 term, reflecting his commitment to advancing the property development profession.

48

DATE OF APPOINTMENT

1 July 2025

Declaration:
- *Does not hold any directorship in any public companies and listed issuers, and has no family relationship with any Director and/or major shareholder of S P Setia, nor any conflict of interest with the Company.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

Key Management Team

As at 25 March 2026

LINDAYANI TAJUDIN

Chief Strategy Officer ("CSO")

Lindayani Tajudin is a Chartered Accountant with extensive knowledge and experience in the infrastructure industry, both locally and internationally. She joined S P Setia as Head of Group Strategy & Business Development and later served as Chief Strategy Officer. Prior to this, she held senior management roles in various listed companies and, in mid-2023, broadened her experience within the energy sector before rejoining S P Setia as Chief Strategy Officer in August 2024. Her expertise spans strategic planning, business development, project finance, investor relations, and mergers and acquisitions.

Lindayani earned a Bachelor of Science (Economics) with Honours in Accounting and Finance from the London School of Economics and Political Science. She is a Fellow of the Association of Chartered Certified Accountants and a member of the Malaysian Institute of Accountants. Her leadership and strategic insight continue to drive S P Setia's initiatives, supporting sustainable growth and long-term value creation across the Group.

53

DATE OF APPOINTMENT

16 August 2024

Declaration:
- *Does not hold any directorship in any public companies and listed issuers, and has no family relationship with any Director and/or major shareholder of S P Setia, nor any conflict of interest with the Company.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

NURANISAH MOHD ANIS

Chief Risk, Integrity & Governance Officer ("CRIGO")

Nuranisah Mohd Anis brings over 27 years of extensive experience, with expertise in enterprise risk management, business continuity and corporate governance. Her career spans multiple public listed companies, government-linked entities and international roles, where she has developed strong capabilities in risk assessment, audit processes and business process improvement.

A Chartered Accountant registered with the Malaysian Institute of Accountants, she is also a certified Risk Manager, a Certified Integrity Officer and holds a Certification in Risk Management Assurance from the Institute of Internal Auditors. She is an associate member of IIA Malaysia and a registered Associate Business Continuity Professional with the Disaster Recovery Institute in the USA. Nuranisah holds diplomas in accountancy and an MBA from Universiti Teknologi MARA, equipping her with a strategic and balanced approach to risk and governance, which continues to support effective oversight and sustainable growth across the organisations she serves.

54

DATE OF APPOINTMENT

3 April 2017

Declaration:
- *Does not hold any directorship in any public companies and listed issuers, and has no family relationship with any Director and/or major shareholder of S P Setia, nor any conflict of interest with the Company.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

Key Management Team

As at 25 March 2026

Azlina Baharom has been a key member of S P Setia since 2002, initially serving as General Counsel before her appointment as Chief Legal Officer, where she leads the Group Legal and Compliance Division. She holds a law degree from the National University of Singapore and has been admitted as an advocate and solicitor of both the Supreme Court of Singapore and the High Court of Malaya since 1991. She began her career in private legal practice, specialising in corporate and commercial transactions, and subsequently moved into senior legal and corporate secretarial roles within leading public-listed and government-linked organisations across the plantation, manufacturing, construction and property development sectors.

Prior to joining S P Setia, she served as General Manager of Corporate Services and Group Secretary at I & P Group. With her extensive experience in legal, compliance and corporate governance, Azlina provides strategic oversight in managing the Group's legal affairs, strengthening regulatory compliance and upholding high standards of governance. Her leadership continues to play an important role in safeguarding the organisation's interests and supporting sustainable business operations across the Group.

AZLINA BAHAROM

Chief Legal & Compliance Officer ("CLO")

58

DATE OF APPOINTMENT

1 September 2020

Declaration:
- *Does not hold any directorship in any public companies and listed issuers, and has no family relationship with any Director and/or major shareholder of S P Setia, nor any conflict of interest with the Company.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

Siau Swee Furn has over 20 years of senior leadership experience across property development, aviation, telecommunications, ICT and semiconductor industries, spanning multinational corporations and major government-linked companies. She brings deep expertise in human capital strategy as a key enabler of sustainable growth, leadership continuity and long-term shareholder value. A seasoned enterprise transformation leader, she has strengthened organisational resilience through disciplined workforce planning, robust leadership pipelines and proactive people management.

She has successfully led large-scale organisational change, enterprise spin-off employee communications, post-merger people engagement, and human capital strategy across international entities. She holds a Master of Science in Corporate Communication and is a Certified Business and Executive Coach. She is a member of the Malaysia Institute of Human Resources (MIHRM) and was recognised with the "Contribution to HR Community Award" at the Asia HRD Awards 2024.

SIAU SWEE FURN

Chief Human Capital Officer ("CHCO")

54

DATE OF APPOINTMENT

1 July 2025

Declaration:
- *Does not hold any directorship in any public companies and listed issuers, and has no family relationship with any Director and/or major shareholder of S P Setia, nor any conflict of interest with the Company.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

Key Management Team

As at 25 March 2026

Alex Chi Chong Lim has served as Chief Information and Digital Officer at S P Setia since 2019, where he leads Group ICT, digital transformation and enterprise-wide innovation initiatives. With more than 20 years of experience in global Fortune 500 organisations, he has a strong track record in enhancing digital capabilities, modernising technology platforms and delivering measurable business value through strategic transformation programmes. His leadership in the digital space has earned him prestigious industry recognition, including awards from WITSA, IDG and PIKOM. In addition, his role as an advisor to the ASEAN Innovation Business Platform reflects his thought leadership and regional influence in advancing digital adoption and innovation.

Alex holds a Bachelor of Science in Technology Management from Universiti Teknologi Malaysia. He further strengthened his strategic and business acumen through the MBA Essentials programme at the London School of Economics and the Digital Strategy programme at Columbia Business School. Combining deep technical expertise with a forward-looking vision, he plays a pivotal role in accelerating S P Setia's digital journey and enabling agile, future-ready operations across the Group.

ALEX CHI CHONG LIM

Chief Information Digital Officer ("CIDO")

46

DATE OF APPOINTMENT

1 July 2023

Declaration:
- *Does not hold any directorship in any public companies and listed issuers, and has no family relationship with any Director and/or major shareholder of S P Setia, nor any conflict of interest with the Company.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

Nathrah Mohamed Kalam brings 28 years of experience in finance, internal controls, governance, risk management, corporate finance, strategic planning and audit, with strong fundamentals developed through her career in PETRONAS Group. Her domestic and international exposure spans of financial and strategic responsibilities, demonstrating a proven track record in corporate stewardship within complex organisational environments. Her roles including cash flow, treasury, budgeting, strategic and thematic reviews, bond issuance, prospectus, annual reports, group frameworks and authority limits, due diligence, mergers, acquisitions, divestments, liquidations, transformations, joint ventures, commercial negotiations, sustainability and ESG initiatives and trustee oversight.

She holds a Bachelor of Science in Accounting from the University of East Anglia, United Kingdom, a Chartered Accountant and a member of the Malaysian Institute of Certified Public Accountants (MICPA), Institute of Internal Auditors Malaysia (IIAM), an Associate Member of the Institute of Corporate Directors Malaysia (ICDM), a corporate trainer accredited by HRD Corp, a finance professional committee of competency pioneer in finance skills matrix and a trainer at the PETRONAS Leadership Training Centre, reflecting strong commitment to professional excellence in finance fraternity.

NATHRAH MOHAMED KALAM

Chief Internal Auditor ("CIA")

54

DATE OF APPOINTMENT

16 October 2024

Declaration:
- *Does not hold any directorship in any public companies and listed issuers, and has no family relationship with any Director and/or major shareholder of S P Setia, nor any conflict of interest with the Company.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

Key Management Team

As at 25 March 2026

CHAN CHING HIONG

Divisional General Manager ("Div GM")

52

DATE OF APPOINTMENT

1 July 2025

Chan Ching Hiong joined S P Setia in December 1996 as an Internal Auditor and has since built a distinguished career spanning nearly three decades with the Group. Over the years, he has gained extensive finance experience across various S P Setia businesses, including the Manufacturing & Trading Division, Mall Development and Operations, Property Development, and Industrial Park Development. He has also served as Head of Finance for major projects, including Bandar Setia Alam, Setia EcoHill 1, Setia EcoHill 2, Setia Mayuri, and Setia Alamsari, demonstrating his strong financial leadership and operational expertise.

In July 2020, Chan Ching Hiong was appointed Deputy General Manager for Bandar Setia Alam and subsequently promoted to General Manager in 2023 and Divisional General Manager in 2025. He now leads the development of Bandar Setia Alam Township, the Setia Alaman Industrial Park, and Group Hospitality. He holds a First Class Honours Degree in Accountancy from Universiti Kebangsaan Malaysia (UKM) and an Honours Degree in Business Administration from Universiti Putra Malaysia (UPM). He is a Chartered Accountant and a member of the Malaysian Institute of Accountants.

Declaration:

- *Does not hold any directorship in any public companies and listed issuers, and has no family relationship with any Director and/or major shareholder of S P Setia, nor any conflict of interest with the Company.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

TAN SIOW CHUNG

Divisional General Manager ("Div GM")

52

DATE OF APPOINTMENT

1 July 2020

Tan Siow Chung is an accomplished professional with over 20 years of experience at S P Setia, making significant contributions to the Group's development projects. He began his career as a consultant M&E engineer and later as a project engineer with ABB Malaysia before joining S P Setia in 2000, playing key roles in early projects such as Wawasan Indera in Pusat Bandar Puchong. Tan Siow Chung now serves as Divisional General Manager, overseeing S P Setia's core township, high-rise and niche developments, where his strong technical expertise and operational excellence continue to drive project success.

He holds a First-Class Honours degree in Electrical Engineering from the University of Technology Malaysia. Tan's extensive experience in engineering, project delivery and operational leadership has made him integral to flagship developments like Bandar Setia Alam and other major township projects, ensuring high standards of quality, efficiency and strategic execution across the Group.

Declaration:

- *Does not hold any directorship in any public companies and listed issuers, and has no family relationship with any Director and/or major shareholder of S P Setia, nor any conflict of interest with the Company.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

Key Management Team

As at 25 March 2026

SANIMAN AMAT YUSOF

Divisional General Manager ("Div GM")

54

DATE OF APPOINTMENT

1 July 2022

Saniman Amat Yusof brings extensive engineering and project management expertise to S P Setia, with a career spanning highway and property development. He began at Chase Perdana Berhad and Ho Hup Construction Company Berhad before joining S P Setia in 2001 as a Project Engineer in the Highway Division. Transitioning to the Property Division in 2006, he now serves as Divisional General Manager for the Property South Division in Johor, driving key township developments.

A registered Professional Engineer with the Board of Engineers Malaysia, He holds a Bachelor's degree in Civil Engineering from Universiti Teknologi Malaysia. He has also enhanced his leadership and management skills through the INSEAD Singapore programme. His blend of hands-on engineering expertise and strategic oversight ensures the successful delivery of large-scale projects and sustainable regional growth.

Declaration:

- *Does not hold any directorship in any public companies and listed issuers, and has no family relationship with any Director and/or major shareholder of S P Setia, nor any conflict of interest with the Company.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

KOH SOOI MENG

Divisional General Manager ("Div GM")

54

DATE OF APPOINTMENT

1 July 2023

Koh Sooi Meng is a seasoned professional with over 30 years' experience in the property development industry. He is currently serving as Divisional General Manager, overseeing S P Setia's core townships in Semenyih and Bangi Corridor . Joining in 2002 as an Assistant Contract Manager, he built a strong foundation during his six-year tenure as a Senior Quantity Surveyor in private consulting. His leadership journey has seen him advance to roles such as Deputy General Manager, during which he managed key projects like Setia EcoHill and Setia Mayuri, while also gaining experience in leasing and marketing for lifestyle malls.

He holds a Bachelor of Science (Hons) in Quantity Surveying from the University of Greenwich in the United Kingdom, and is a registered Chartered Quantity Surveyor with both the Royal Institution of Chartered Surveyors and the Board of Quantity Surveyors Malaysia, underscoring his commitment to industry excellence.

Declaration:

- *Does not hold any directorship in any public companies and listed issuers, and has no family relationship with any Director and/or major shareholder of S P Setia, nor any conflict of interest with the Company.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

Key Management Team

As at 25 March 2026

LEE CHEE WAI

Divisional General Manager ("Div GM")

Lee Chee Wai is a Chartered Quantity Surveyor with dual qualifications in quantity surveying and law. He is an empanelled Adjudicator with the Asian International Arbitration Centre ("AIAC") and holds membership in the Royal Institution of Chartered Surveyors ("RICS"), United Kingdom, as well as the Singapore Institute of Arbitrators ("SIArb"). In addition, he serves as a Council Member of the Master Builders Association Malaysia ("MBAM") for the 2024–2026 term.

He joined S P Setia Berhad in January 2015 and was appointed Divisional General Manager for Group Contracts and Procurement in January 2025. He brings extensive experience in cost estimation, contracts administration, and procurement management within the property and construction sectors. Throughout his career, Lee Chee Wai has demonstrated strong expertise in project cost control, risk management, and strategic contract negotiation, contributing to the successful delivery of complex property developments and construction projects. His professional credentials and leadership experience position him as a key driver in advancing S P Setia's operational and contractual excellence.

56

DATE OF APPOINTMENT

1 January 2025

Declaration:

- *Does not hold any directorship in any public companies and listed issuers, and has no family relationship with any Director and/or major shareholder of S P Setia, nor any conflict of interest with the Company.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

DATO' MUHAMAD ZAILI MUHAMMAD YUSOF

Divisional General Manager ("Div GM")

Dato' Muhamad Zaili Muhammad Yusof currently serves as Divisional General Manager, overseeing the Property North Division, including Setia Fontaines and other key projects on Penang Island. He began his career in 1991 with I & P Group as a junior executive and quickly developed deep expertise in township and property management. Following the merger with S P Setia, his portfolio expanded to encompass major developments such as Setia Fontaines, Bandar Kinrara and Setia AlamImpian, reflecting his strong operational leadership and strategic oversight.

Dato' Muhamad Zaili holds a Bachelor of Arts in Planning and a Postgraduate Diploma in Urban Architecture and Planning from the University of South Australia. His comprehensive understanding of urban planning, combined with extensive experience in property development and project management, has been instrumental in delivering successful large-scale developments across Penang, Kuala Lumpur and Johor. His leadership continues to drive high-quality, sustainable township growth across diverse regions.

59

DATE OF APPOINTMENT

1 July 2024

Declaration:

- *Does not hold any directorship in any public companies and listed issuers, and has no family relationship with any Director and/or major shareholder of S P Setia, nor any conflict of interest with the Company.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

Key Management Team

As at 25 March 2026

NEO KENG HOE

Divisional General Manager ("Div GM")

Neo Keng Hoe is a seasoned real estate professional with 30 years of industry experience and currently serves as Divisional General Manager at S P Setia. Since joining the company on 15 October 2008, he has brought extensive expertise from previous roles at Far East Organisation and CBRE, contributing to the company's strategic growth and operational excellence.

He holds an MBA from Nanyang Business School, Nanyang Technological University, and a Bachelor of Science in Estate Management (Upper Honours) from the National University of Singapore. Further enhancing his leadership capabilities, Neo completed the General Management Programme at INSEAD, Fontainebleau. His deep knowledge of property development and strategic management underpins S P Setia's vision for sustainable growth, making him a key driver of the company's long-term success.

54

DATE OF APPOINTMENT

1 July 2024

Declaration:

- *Does not hold any directorship in any public companies and listed issuers, and has no family relationship with any Director and/or major shareholder of S P Setia, nor any conflict of interest with the Company.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

IRFAN HASHIM

Divisional General Manager ("Div GM")

Irfan Hashim brings a strong blend of technical and financial expertise to S P Setia, supported by a diverse career in corporate finance and digital transformation. He graduated with first-class honours in Electrical Engineering from the University of Southampton, United Kingdom, and has been a Chartered Financial Analyst (CFA) since 2010. He began his professional journey as a Management Trainee at Permodalan Nasional Berhad, where he gained exposure to multiple sectors including banking, infrastructure, oil and gas, and consumer goods, building a solid foundation in investment and portfolio management.

He later held key roles at Kumpulan Wang Persaraan (KWAP) and Lembaga Tabung Angkatan Tentera (LTAT), where he strengthened his capabilities in financial modelling, corporate strategy and mergers and acquisitions. Through these experiences, he developed a comprehensive understanding of value creation, capital management and strategic execution. At S P Setia, his deep financial insights and analytical approach support data-driven decision-making, enhance operational performance and contribute to the Group's growth initiatives in an increasingly dynamic and competitive market landscape.

42

DATE OF APPOINTMENT

6 December 2023

Declaration:

- *Does not hold any directorship in any public companies and listed issuers, and has no family relationship with any Director and/or major shareholder of S P Setia, nor any conflict of interest with the Company.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025*

Key Management Team

As at 25 March 2026

CHOW YIN SEE

Group Financial Controller ("GFC")

57

DATE OF APPOINTMENT

1 July 2023

Chow Yin See is a seasoned financial executive with over 33 years of expertise in finance, taxation, risk management, and strategic planning. Prior to joining S P Setia, she accumulated 25 years' experience in engineering-based infrastructure and services companies, ultimately serving as Director of Finance for a subsidiary. She also gained formative experience at Ernst & Young, strengthening her audit and advisory skills.

A Chartered Accountant registered with Chartered Accountants Australia and New Zealand and the Malaysian Institute of Accountants, she holds a Commerce (Accounting) degree from the University of Canterbury, New Zealand. Her extensive experience in financial management and strategic oversight enables her to provide robust governance and insights across complex business environments.

Declaration:
- *Does not hold any directorship in any public companies and listed issuers other than S P Setia Berhad, and does not have any conflict of interest or family relationship with any Director and/or major shareholder of S P Setia Berhad, except that her brother-in-law is a Tax Partner in KPMG. She is not involved in any discussion and/or deliberation on matters relating to KPMG's tax services.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

JOYCE TEH PECK IM

Divisional General Manager ("Div GM") Treasury & Corporate Finance

44

DATE OF APPOINTMENT

19 June 2023

Joyce Teh currently serves as the Divisional General Manager, Treasury and Corporate Finance. She is an accomplished finance professional with over 20 years' comprehensive experience in audit, financial reporting, treasury and investment management. Prior to joining S P Setia, she held leadership roles such as Director of Investment and Corporate Strategy at Danajamin Nasional Berhad, Head of Finance at Hong Leong Financial Group and Head of Statutory and Management Reporting at RHB Bank Berhad. Her career began at PricewaterhouseCoopers, where she built a strong foundation in audit and advisory services for the financial sector.

Joyce holds a Master's in Corporate Risk Management from the University of Salford in the United Kingdom and a BSc in Applied Accounting from Oxford Brookes University, also in the United Kingdom. She is a Fellow of the Association of Chartered Certified Accountants and a member of Malaysian institute of Accountants.

Declaration:
- *Does not hold any directorship in any public companies and listed issuers, and has no family relationship with any Director and/or major shareholder of S P Setia, nor any conflict of interest with the Company.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

LEE WAI KIM

Group Company Secretary ("GCS")

49

DATE OF APPOINTMENT

1 July 2016

Lee Wai Kim is a dedicated corporate governance professional with over 20 years' experience in secretarial and compliance roles. She joined S P Setia in August 2014 and was appointed Company Secretary in April 2016. She has managed governance matters for private limited and public listed companies on Bursa Malaysia Securities Berhad and international stock exchanges.

An Associate Member of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA) and an MBA graduate from Victoria University, Australia, Lee Wai Kim upholds high standards of accountability and board effectiveness, ensuring robust corporate governance and compliance across the organisation.

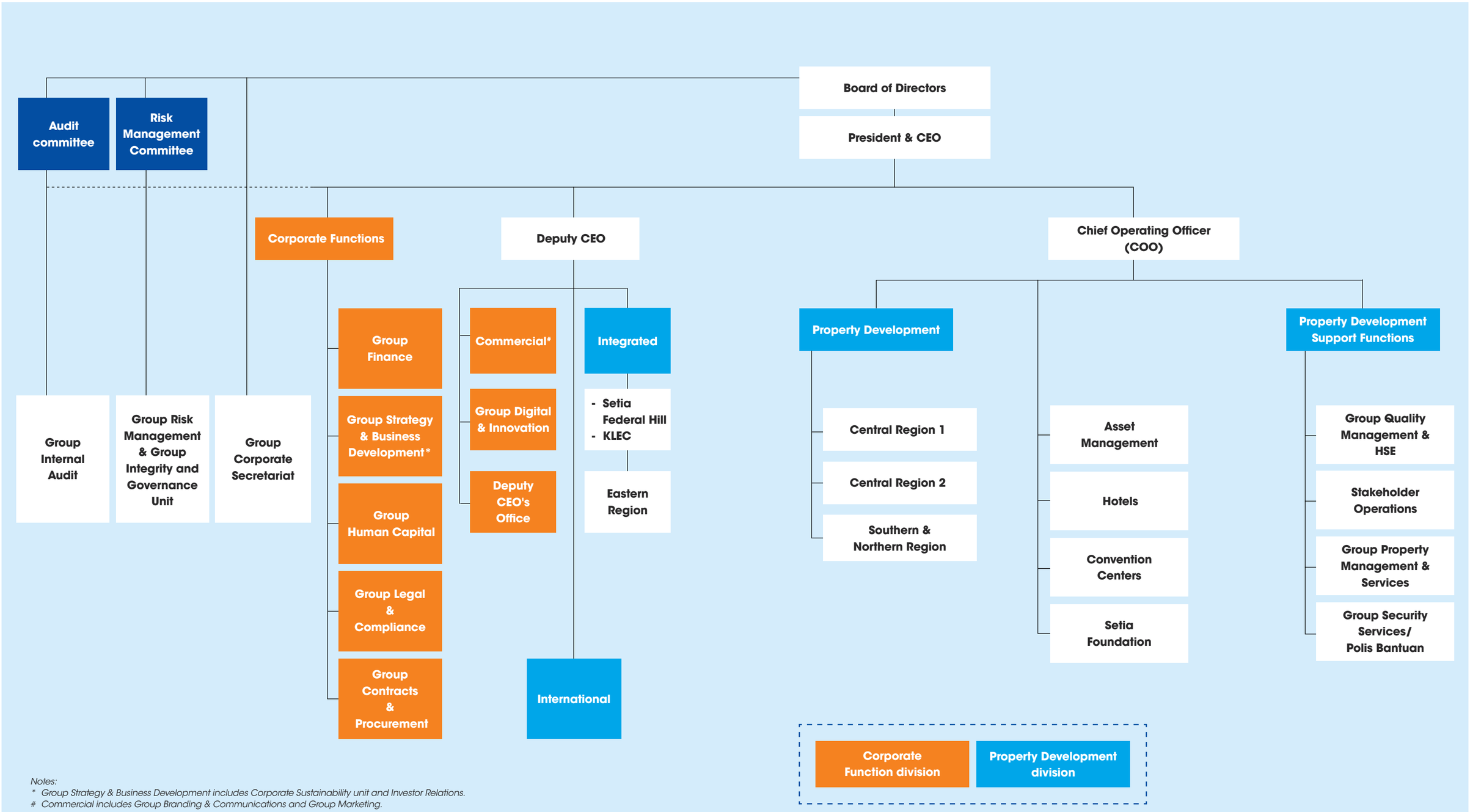
Declaration:
- *Does not hold any directorship in any public companies and listed issuers, and has no family relationship with any Director and/or major shareholder of S P Setia, nor any conflict of interest with the Company.*
- *Has not been convicted of any offences within the past five years.*
- *Has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2025.*

Organisation Structure

As at 25 March 2026

Organisation Structure

As at 25 March 2026



Notes:
** Group Strategy & Business Development includes Corporate Sustainability unit and Investor Relations.*
 # Commercial includes Group Branding & Communications and Group Marketing.

Building trust through accountability, integrity and clear oversight.

Setia Eco Glades, Cyberjaya, Selangor

Governance

Corporate Governance Overview Statement	270
Statement on Risk Management and Internal Control	301
Additional Compliance Information	318

Corporate Governance Overview Statement

Y. A. M. TAN SRI DATO' SERI SYED ANWAR JAMALULLAIL
Chairman

Dear Valued Stakeholders,

Corporate governance plays a fundamental role in shaping S P Setia Berhad's ability to deliver consistent performance and sustain long term value creation. In an increasingly complex and dynamic operating environment, strong governance remains essential in reinforcing the Group's resilience, accountability and strategic continuity.

The Board of Directors ("Board") of S P Setia Berhad ("S P Setia" or "Setia") and its group of companies ("Group") remain firmly committed to upholding highest standards of corporate governance. Guided by integrity, responsibility and a strong focus on sustainability, the Board continues to embed sound governance principles into the Group's strategic direction and decision-making processes. These principles underpin effective stewardship and reinforce the trust placed in the Group by its shareholders and wider stakeholders.

During the financial year ended 31 December 2025 ("FY2025"), the Board continued to review and enhance its governance frameworks, policies and practices to ensure their robustness, relevance and alignment with evolving regulatory expectations.

The Board further reinforced its governance agenda through focused discussions at the Sustainability Committee and the Risk Management Committee on climate related risks and opportunities, with key insights elevated to the Board, while transitioning towards adoption of the International Sustainability Standards Board (ISSB) IFRS Sustainability Disclosure Standards S1 and S2 for FY2025. Digital governance processes were reinforced to support more effective oversight, while key policies covering areas such as whistleblowing, risk management and internal controls continued to be reviewed and refined, where needed, to ensure their effectiveness in a rapidly evolving landscape.

A

Board Leadership, Structure and Effectiveness

Refer Page 272

B

Effective Audit and Risk Management

Refer Page 286

C

Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

Refer Page 298

This Corporate Governance Overview Statement has been prepared in accordance with statutory requirements, regulatory guidelines and recognised best practices. The Statement outlines the governance structures and mechanisms that supported the Group's performance during the year, with reference to the three key principles of the Malaysian Code on Corporate Governance ("MCCG"). In addition to the MCCG, the Board continues to integrate Bursa Malaysia's Corporate Governance Guide 4th Edition, the Companies Act 2016, and the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), together with the International Sustainability Standards Board (ISSB) Standards – IFRS S1 and IFRS S2, to strengthen oversight, enhance transparency, and reinforce accountability across the Group.

The Board remains focused on continuously enhancing its governance practices to support the Group's long-term objectives, safeguard stakeholder interests and reinforce confidence in S P Setia's leadership. These ongoing efforts are integral to sustaining Board effectiveness and ensuring that governance continues to provide a strong foundation for the Group's future growth.

COMPLIANCE WITH THE MCCG

For FY2025, the Company has complied with the MCCG. The Board is pleased to confirm that a majority of the Practices outlined in the MCCG were applied throughout FY2025, as detailed in the Corporate Governance Report.

This Corporate Governance Overview Statement provides the narrative disclosures required under the MCCG and the MMLR. It outlines the governance structures, policies and processes established by the Board to ensure effective oversight, accountability and ethical conduct across the Group.

Stakeholders are encouraged to read this Statement together with the Corporate Governance Report, which sets out the Company's detailed application of the MCCG Practices and explanations where applicable. The Corporate Governance Report is available on the Company's website at https://spsetia.com/integrated-report-2025.

01. **Board Leadership** — *Page 272*

02. **Division of Responsibilities** — *Pages 274 – 275*

03. **Continuing Development and Training** — *Page 280*

04. **Nomination and Remuneration** — *Pages 281 – 285*

05. **Audit, Risk and Internal Control** — *Page 286 – 297*

06. **Relationship with Stakeholders** — *Pages 298 – 299*

Corporate Governance Overview Statement

A BOARD LEADERSHIP, STRUCTURE AND EFFECTIVENESS

BOARD LEADERSHIP

S P Setia operates under the direction of a Board that is responsible for guiding the Group's strategic direction and overseeing its business affairs in a manner that promotes sustainable value creation. Acting on behalf of shareholders, the Board provides leadership and stewardship while balancing the interests of a wide range of stakeholders, including employees, partners, regulators, communities and the public at large.

While shareholders retain ultimate authority over significant corporate matters at the Annual General Meeting, the Board remains accountable for the Company's performance and governance oversight. Its responsibilities include setting strategic priorities, monitoring execution and ensuring that appropriate frameworks are in place to support sound decision making and effective risk management. These responsibilities are supported by clearly defined governance instruments, including the Board Charter and the Group's Discretionary Authority Limits.

The Board Charter serves as a foundational governance document, setting out the Board's role, authority and responsibilities, as well as those of its Committees and individual Directors. It also provides clarity for induction purposes and ongoing reference. To ensure continued relevance, the Charter is subject to periodic review, with the most recent update undertaken in 2023. The Charter is publicly available on the Company's website.

In discharging its duties, the Board provides oversight of the Group's strategy, performance and sustainability agenda. Responsibility for specific areas is delegated to Board Committees where appropriate, without diminishing the Board's overall accountability. Strategic evaluations incorporate long term business considerations, financial discipline and environmental, social and governance factors, reinforcing an integrated approach to value creation. The Board undertakes an annual review of the Group's strategic direction to ensure continued alignment with its purpose and evolving market and societal expectations.

The effectiveness of Board oversight is supported by a disciplined agenda setting process and regular review of priorities to facilitate timely discussion of material issues. In working closely with Management, the Board promotes a culture of ethical conduct, professionalism and prudent business practices across the Group.

The composition of the Board reflects a broad range of experience, competencies and perspectives, enabling balanced judgement and constructive challenge. Independent character and objectivity remain key considerations, particularly amongst Non-Executive Directors. The Board is satisfied that all Directors have committed sufficient time and attention to fulfil their responsibilities effectively.

While operational execution rests with the President and Chief Executive Officer ("PCEO"), the Board retains overall responsibility for governance and strategic oversight. Delegation to Board Committees is structured to enhance effectiveness in decision making, while preserving collective accountability at the Board level.

BOARD COMPOSITION AND EVALUATION

The Board's composition exceeds the minimum independence requirements under Paragraph 15.02 of the MMLR, with more than one-third of Directors serving as Independent Non-Executive Directors ("INEDs"). In addition, the Board acknowledges and adheres to Principle 5.2 of the MCCG which advocates for boards of large companies to maintain a majority of independent directors.

Directors are appointed based on merit, skills and the value they bring to Board deliberations. The Board remains committed to maintaining an appropriate balance of experience, expertise and diversity to support effective governance, objective evaluation of Management's proposals and sound decision making in the interests of the Group.

Board size and structure are reviewed at least once a year to ensure they remain fit for purpose. This balance supports robust discussion, encourages diverse viewpoints and fosters collective responsibility in driving the Group's strategic priorities.

BOARD CONDUCT AND ETHICAL STANDARDS

All Directors are expected to observe the highest standards of conduct and ethical behaviour in carrying out their fiduciary duties. They act in good faith, with due care and diligence, and in the best interests of the Company at all times. Directors are guided by principles of integrity, accountability and transparency, and are required to remain informed of developments affecting the Group and their governance responsibilities.

In fulfilling their oversight role, Directors apply their experience and judgement conscientiously, contributing to a governance culture that supports responsible leadership and sustainable business practices.

BOARD MEETINGS AND ACCESS TO INFORMATION

The Board operates under a formal schedule of matters reserved for its consideration, including approval of strategic plans, budgets, major investments, material transactions, financial results and dividend recommendations. Board papers are distributed in advance through a secure digital platform to facilitate timely access and informed deliberation.

In addition to scheduled meetings, special meetings are convened as necessary to address urgent or significant matters. Proceedings are properly documented, with clear records of decisions, rationale and action items including action points for Management. Draft minutes are reviewed and confirmed at subsequent meeting, after which they are signed by the Chairman as an accurate record of the proceedings.

The Board is supported by six principal Committees, each with defined terms of reference. Committee Chairmen regularly report to the Board on key matters, recommendations and actions, ensuring transparency and coordinated oversight. Senior Management attends Board meetings to present proposals and provide operational insights, supporting effective and informed decision making.

All Directors have unrestricted access to the Company Secretary and may seek independent professional advice at the Company's expense where required, in accordance with established procedures.

BOARD DIVERSITY

In reinforcing its approach to diversity, the Board adopts a structured and transparent process when considering appointments and re-elections. Diversity considerations are embedded within the evaluation process to support objective decision making and to ensure that Board renewal aligns with the Group's evolving strategic and governance needs.

Candidate selection is guided by clearly defined appointment criteria, with emphasis placed on identifying individuals who bring complementary skills, experience and perspectives to the Board. The recruitment process is designed to broaden the pool of potential candidates and avoid unintended bias, allowing for a thorough and balanced assessment of suitability. Consideration is given to the overall composition of the Board, including gender representation, generational diversity and the range of professional and industry expertise, with a view to addressing any identified gaps.

Oversight of Board composition and succession matters rests with the Nomination and Remuneration Committee ("NRC"), which works closely with the Board to review effectiveness and future requirements. An annual assessment is undertaken to evaluate the composition of the Board and its Committees, taking into account factors such as tenure, competencies, experience, cultural background, age, gender and independence. This structured review supports informed succession planning and ensures that the Board continues to function with the appropriate mix of skills and perspectives.

Through this disciplined approach, the Board seeks to maintain a composition that remains fit for purpose, forward looking and responsive to emerging challenges, while continuing to support sound governance and long term value creation.

Corporate Governance Overview Statement

A BOARD LEADERSHIP, STRUCTURE AND EFFECTIVENESS

DIRECTORS' INDEPENDENCE

INEDs play a central role in reinforcing objective oversight and sound governance across the Board. Their presence supports balanced decision making by providing independent perspectives that contribute to rigorous evaluation of Management proposals and strategic initiatives.

Directors' Independence is maintained through open and constructive engagement, where Directors are encouraged to express differing views and challenge assumptions in the interests of the Company and its stakeholders. Independent Directors play an especially important role in matters requiring heightened objectivity, including oversight of related party transactions and areas where the interests of minority shareholders must be carefully safeguarded.

During FY2025, the Board was satisfied that its overall composition provided an appropriate balance between Independent and Non-Independent Directors. The mix of skills, experience and backgrounds supported productive discussions and effective deliberation, with meetings characterised by active participation and robust exchange of views.

As part of the Board Effectiveness Evaluation ("BEE") carried out for FY2025, the performance of the INEDs was reviewed. The result of the BEE showed that the INEDs continued to demonstrate independence in character and judgement in the Board decision making. This assessment was supported by their consistent objectivity, meaningful contributions and demonstrated commitment to acting in the best interests of the Group throughout Board and Committee deliberations.

A Director's tenure is subject to clear limits to preserve independence and support progressive refreshing of the Board. In accordance with the Board Charter, the cumulative term of a Non-Executive Director is capped at nine years from the date of first appointment. As at the date of this Statement, no Director has exceeded this tenure threshold.

In addition to ongoing evaluations, prospective candidates for appointment as Non-Executive Directors are required to provide declarations relating to fitness and propriety and independence if applicable, in line with the MMLR and the Company's Fit and Proper Policy. These declarations form part of the Board's comprehensive assessment process prior to any appointment.

DIVISION OF RESPONSIBILITIES

A clear separation of leadership roles supports effective governance and accountability. The positions of Chairman and PCEO are held by separate individuals, ensuring appropriate balance between oversight and operational management. The Chairman leads the Board and facilitates effective governance, while the PCEO is responsible for the execution of strategy and the day-to-day management of the Group's business.

This separation reinforces the distinction between governance oversight and executive authority, enabling the Board to discharge its responsibilities independently and effectively. The roles and responsibilities of the Chairman, PCEO, Senior INED and INEDs are clearly defined within the Board Charter.

These role definitions are reviewed periodically to ensure continued relevance and alignment with evolving governance practices. The Board Charter, which sets out these responsibilities in detail, is available on the Company's website under the Corporate Governance section.

Chairman

- Leads the Board in setting the Group's key policies and direction.
- Chairs and conducts meetings of the Board and shareholders and ensures that they are properly briefed at their respective meetings.
- Facilitates meetings of the Board and ensures that no Board member, whether Executive or Non-Executive, dominates the discussion, and that healthy debate takes place.
- Instils good corporate governance practices, leadership and effectiveness of the Board.
- Ensures the provision of information to Directors in a timely manner.

PCEO

- Manages the day-to-day business affairs.
- Responsible for the overall management of the Group, ensuring that strategies, policies and matters set by the Board are effectively implemented in line with the Board's direction.
- Regularly reviews the performance of the heads of divisions and departments who are responsible for all functions contributing to the success of the Group.
- Serves as the conduit between the Board and Management in ensuring the success of the Group's governance and management functions.

INED/NON-INED

- Ensures that business and investment proposals presented by Management, key transactions or critical decisions are fully deliberated, examined and decided on by the Board in a meeting.
- Plays a key role by providing unbiased and independent views, advice and judgement, which take into account the interests of the Group and all its stakeholders including shareholders, employees, customers, business associates and the community as a whole.

Senior INED

- Designated contact to whom concerns pertaining to the Group may be conveyed to by shareholders and other stakeholders.
- Chairs meetings of the Board and shareholders in the absence of the Chairman.
- All queries which require SID's attention can be emailed to khairil.anwar@spsetia.com

Company Secretary

- Plays an advisory role to the Board, particularly with regard to the Company's Constitution and Board policies and procedures as well as compliance with relevant rules and regulations.
- Ensures that the discussions and deliberations at Board and Board Committee meetings are well documented and subsequently communicated to the relevant Management for appropriate action.
- Updates the Board and Board Committees on the follow-up of their decisions and recommendations by Management.
- Supports the Board in maintaining the highest standards of probity and corporate governance.
- Primary point of contact for institutional and other shareholders, especially with regard to matters of corporate governance.

GOVERNANCE STRUCTURE

The Group's governance structure is designed to support clear accountability, strong controls and effective supervision across all levels of the organisation. It provides a structured framework through which strategic direction is set, performance is monitored and risks are managed in a manner that is consistent with the Company's values and regulatory obligations.

Oversight flows from the Board to its Committees and Management through well defined reporting lines and delegated authorities. This structure enables informed decision making while preserving appropriate checks and balances. Matters requiring Board consideration are clearly distinguished from those delegated to Management, ensuring consistency in governance application and operational discipline.

The framework is supported by comprehensive policies, procedures and internal controls that guide conduct and decision making across the Group. These instruments are reviewed periodically to ensure continued relevance and alignment with changing business conditions, regulatory expectations and stakeholder requirements.

Through this governance structure, the Board is able to exercise effective oversight, promote ethical behaviour and support the Group's strategic objectives, while maintaining transparency and accountability in the conduct of its business activities.

Corporate Governance Overview Statement

A BOARD LEADERSHIP, STRUCTURE AND EFFECTIVENESS

GOVERNANCE STRUCTURE

• BOARD

Collectively responsible for effective oversight of the Company and the helming of the Company's strategic direction and objectives, business plan, viability, and governance structure that will help achieve strategic growth and deliver sustainable shareholders value.

• AUDIT COMMITTEE ("AC")

Monitors and reviews the integrity of financial statements, relationship with the external auditors, related party transactions and the Group's system of internal controls.

• FINANCE AND INVESTMENT COMMITTEE ("FIC")

Reviews investment and divestment proposals and strategies including fund raising exercises and annual budget.

• NOMINATION AND REMUNERATION COMMITTEE ("NRC")

Reviews the composition and balance of the Board to ensure the right structure and skills are in place to deliver the Group's strategy.

Reviews overall Remuneration policy and strategy implementation of the Board and Senior Management.

• RISK MANAGEMENT COMMITTEE ("RMC")

Reviews the effectiveness of the Group's risk management framework to identify, assess, manage and monitor risks and oversees the implementation of the initiatives by Integrity and Governance.

• SUSTAINABILITY COMMITTEE ("SC")

Oversees the ESG related framework, strategy, priorities, targets, policies and the production of the annual report.

• TENDER AND PROJECTS COMMITTEE ("TPC")

Oversees execution of projects, approval of contracts based on approved limits of authority as well as the Group's operational health, safety and environment performance and culture.

BOARD MEETING ATTENDANCE FOR 2025

Y.A.M. Tan Sri Dato' Seri Syed Anwar Jamalullail	12/12
Datuk Zaini Bin Yusoff [1]	3/3
Datuk Ir. Khairil Anwar Bin Ahmad	12/12
Dato' Merina Binti Abu Tahir	12/12
Dato' Tengku Marina Binti Tunku Annuar	12/12
Dato' Sheranjiv Sammanthan	12/12
Datin Wan Daneea Liza Binti Wan Abdul Rahman	12/12
Mr Lim Fu Yen	11/12
Datin Grace Yeoh Cheng Geok	12/12
Encik Mohamad Abdul Halim Bin Ahmad	12/12
Puan Aida Hazrina Binti Mohd Tazaai [2]	12/12
Dato' Azmi Bin Mohd Ali [3]	1/1
Datuk Choong Kai Wai [4]	8/9

Total Meetings Attended

BOARD COMMITTEE MEETING ATTENDANCE 2025

AC

	Meetings Attended
Chairman	
Dato' Merina Binti Abu Tahir	10/10
Member	
Datin Wan Daneena Liza Binti Wan Abdul Rahman	10/10
Encik Mohamad Abdul Halim Bin Ahmad	10/10

NRC

	Meetings Attended
Chairman	
Datuk Ir. Khairil Anwar Bin Ahmad [5]	8/8
Member	
Dato' Tengku Marina Binti Tunku Annuar	8/8
Datin Grace Yeoh Cheng Geok	8/8
Puan Aida Hazrina Binti Mohd Tazaai [2]	7/7

FIC

	Meetings Attended
Chairman	
Mr Lim Fu Yen	10/10
Member	
Dato' Sheranjiv Sammanthan	10/10
Datin Wan Daneena Liza Binti Wan Abdul Rahman	10/10
Datin Grace Yeoh Cheng Geok	10/10
Encik Mohamad Abdul Halim Bin Ahmad [2]	8/8
Dato' Azmi Bin Mohd Ali [3]	2/2

Joint AC – RMC

	Meetings Attended
Member	
Dato' Merina Binti Abu Tahir	2/2
Datin Wan Daneena Liza Binti Wan Abdul Rahman	2/2
Encik Mohamad Abdul Halim Bin Ahmad	1/2
Dato' Sheranjiv Sammanthan	2/2
Mr Lim Fu Yen	2/2
Datuk Ir. Khairil Anwar Bin Ahmad	2/2
Dato' Tengku Marina Binti Tunku Annuar [2]	0/0

RMC

	Meetings Attended
Chairman	
Dato' Sheranjiv Sammanthan	4/4
Member	
Mr Lim Fu Yen	4/4
Dato' Merina Binti Abu Tahir	4/4
Datuk Ir. Khairil Anwar Bin Ahmad	4/4
Dato' Tengku Marina Binti Tunku Annuar [2]	3/3

TPC

	Meetings Attended
Chairman	
Datuk Ir. Khairil Anwar Bin Ahmad	12/12
Member	
Encik Mohamad Abdul Halim Bin Ahmad	12/12
Puan Aida Hazrina Binti Mohd Tazaai [2]	10/10
Datuk Zaini Bin Yusoff [1]	3/3
Dato' Sheranjiv Sammanthan [6]	2/2
Datuk Choong Kai Wai [4]	9/9

SC

	Meetings Attended
Chairman	
Dato' Tengku Marina Binti Tunku Annuar	4/4
Member	
Dato' Sheranjiv Sammanthan	3/4
Mr Lim Fu Yen	4/4
Datin Wan Daneena Liza Binti Wan Abdul Rahman [5]	4/4

[1] Appointed on 1 October 2025
[2] Appointed on 3 March 2025
[3] Resigned on 2 March 2025
[4] Resigned on 30 September 2025
[5] Appointed on 2 January 2025
[6] Resigned on 3 March 2025

Corporate Governance Overview Statement

A BOARD LEADERSHIP, STRUCTURE AND EFFECTIVENESS

SUSTAINABILITY GOVERNANCE

Sustainability oversight within the Group is anchored by a governance framework that connects strategic ambition with operational execution. This framework provides clear roles, accountability and decision making pathways to ensure sustainability considerations are addressed consistently across business functions and projects.

Environmental, social and governance considerations are embedded into the Group's planning and investment processes to support balanced growth and risk awareness. Sustainability objectives are integrated into business strategies, enabling the Group to respond effectively to regulatory developments, market expectations and emerging risks, while pursuing opportunities for long term value creation.

Oversight of sustainability matters rests with the Board, supported by the Sustainability Committee, which monitors progress, reviews performance and provides strategic guidance on material sustainability priorities. Working closely with Management, the Committee facilitates the translation of sustainability objectives into actionable plans, measurable targets and performance indicators in line with applicable regulatory requirements and international frameworks.

The Group's sustainability practices and performance are guided by relevant provisions of the MMLR, recognised global reporting standards and the United Nations Sustainable Development Goals. These reference points provide a consistent basis for governance, disclosure and continuous improvement.

Further details on the Group's sustainability approach, initiatives and performance for the financial year are presented in the Sustainability Statement, which can be found on pages 128 – 238 of the Integrated Report 2025.

DIRECTORS' INDEMNITY

The Company has in place appropriate arrangements to protect its Directors and Officers in the discharge of their duties. In accordance with the Companies Act 2016, indemnification is provided to the extent permitted by law and is complemented by Directors' and Officers' Liability insurance. This coverage offers protection against liabilities arising from the proper performance of responsibilities on behalf of the Group, reinforcing the Board's ability to exercise independent judgement.

PRINCIPAL BOARD ACTIVITIES

The Board maintains active oversight of the Group's affairs through regular engagement with Senior Management and the Company Secretary. At each scheduled meeting, Directors are provided with comprehensive updates on financial performance, operational matters, strategic initiatives and governance developments.

Throughout the year, the Board deliberated on significant matters affecting the Group's direction, performance and risk profile. These discussions enabled informed decision making and ensured that key issues were addressed with appropriate depth and rigour. Selected examples of principal matters considered by the Board during the financial year are summarised in the table below.

Topic	Activity and Outcome
Strategic Growth and Sustainability Agenda	• Reviewed the Group's 5-year strategic plan (from year 2026 to 2030) • Kept abreast of updates of the Group's Sustainability Roadmap • Kept abreast of achievement of Material Matters via ESG Performance Scorecard on a quarterly basis and approved enhancement to S P Setia's ESG Performance Scorecard for FY2025 • Approved Scope 3 Emission Reduction Target for Highrise Development
	• Monitored progress towards achieving the targets set in the Group's Green Roadmap towards Net Zero Carbon Emissions by 2050 • Approved the Company's S P Setia's Biodiversity Policy • Approved the proposed Sustainability Risks & Opportunities for International Financial Reporting Standards Sustainability Disclosure Standards Requirements
Financial and Business Performance	• Approved the Quarterly Results and Quarterly Press Releases for announcement to Bursa Securities • Approved the Group's Business Plan and Budget for FY2026 • Approved dividends paid in FY2025 • Approved report/contents of the Integrated Report for FY2024 • Approved the Group's funding plan and fund raising exercises • Approved disposal of lands as part of land bank management
Governance, Integrity and Risks	• Received the Group's quarterly risk reports as well as updates on whistleblowing cases • Approved half-yearly reports for submission to MACC • Approved the approach for the annual BEE for FY2025 and the appointment of Willis Towers Watson to facilitate the BEE for FY2025 • Approved amendments and updates to ToR of Board Committee(s) • Noted Minutes of Board Committee Meetings and received updates from Chairman of respective Board Committees • Noted quarterly declaration of interest by Directors and time commitment • Received report on issues relating to alleged misconduct and approved appropriate action plans
Board and Management Succession Planning	• Received updates on Management transition as well as approved the Organisational Restructuring based on Management Succession Plan
People and Leadership	• Reviewed the retirement of Directors by rotation and eligibility for re-election and recommended their re-election at the 50th AGM held on 24 April 2025 • Reviewed the trainings attended by Directors on a half yearly basis and identified training needs for the Board for FY2025 • Received report on People Pulse Survey for FY2025 • Reviewed the composition of the Board and Board Committees to ensure their continued relevance and effectiveness to meeting the Group's business needs • Approved KPIs for FY2026 for the Group Company Secretary, Chief Internal Auditor and Chief Risk, Integrity & Governance Officer • Approved KPIs for FY2026 for the Group and PCEO • Approved appointments of key senior management
Remuneration Matters	• Reviewed and recommended the Directors' Fees and Other Remuneration and Benefits for shareholders' approval at the 50th AGM • Reviewed the Non-Executive Directors Remuneration Framework benchmarked against peers and other public listed companies • Approved bonus, salary increment and promotions for the Group's employees
Regulatory Updates	• Kept abreast of changes in regulations and laws affecting the Group

Corporate Governance Overview Statement

A BOARD LEADERSHIP, STRUCTURE AND EFFECTIVENESS

CONTINUING DEVELOPMENT AND TRAINING

The Board places emphasis on equipping Directors with the knowledge and perspective required to discharge their responsibilities effectively. Structured orientation programmes are provided for newly appointed Directors to facilitate a smooth transition into their roles. These sessions introduce Directors to the Group's business model, strategic priorities, operating landscape and key risk areas, together with an overview of governance expectations and oversight responsibilities.

Professional development remains an ongoing focus for the Board. Directors are encouraged to undertake continuous learning through participation in relevant programmes, briefings and industry forums that enhance their understanding of emerging trends, regulatory developments and matters affecting the Group's business environment. This ongoing exposure supports informed decision making and strengthens the Board's collective capability.

Compliance with Paragraph 15.08 of the Main Market Listing Requirements is maintained through regular training and upskilling initiatives undertaken by Directors during the financial year. These programmes address topics relevant to governance, sustainability, financial reporting, regulatory updates and industry specific developments.

Information on the training programmes, conferences and seminars attended by Directors during the financial year is set out in the Corporate Governance Report and is available for reference on the Company's website.

	Key Focus Area					
Directors	**SGS**	**RIC**	**IAG**	**FAT**	**LR**	**PDR**
Y.A.M. Tan Sri Dato' Seri Syed Anwar Jamalullail	✓	✓	✓	✓	✓	✓
Datuk Zaini Bin Yusoff	✓	✓	✓	✓	✓	✓
Datuk Choong Kai Wai	✓	✓	✓	✓	✓	✓
Dato' Azmi Bin Mohd Ali	✓	✓	✓	✓	✓	✓
Dato' Merina Binti Abu Tahir	✓	✓	✓	✓	✓	✓
Dato' Tengku Marina Binti Tunku Annuar	✓			✓	✓	✓
Dato' Sheranjiv Sammanthan	✓	✓	✓	✓	✓	✓
Datuk Ir. Khairil Anwar Bin Ahmad	✓	✓	✓	✓	✓	✓
Datin Wan Daneena Liza Binti Wan Abdul Rahman	✓			✓	✓	✓
Mr Lim Fu Yen	✓	✓	✓	✓	✓	✓
Datin Grace Yeoh Cheng Geok	✓	✓	✓	✓	✓	✓
Encik Mohamad Abdul Halim Bin Ahmad	✓	✓	✓	✓	✓	✓
Puan Aida Hazrina Binti Mohd Tazaai	✓	✓	✓	✓	✓	✓

SGS Strategic Growth, Sustainability Agenda and Digital Transformation

RIC Risks and Internal Controls

IAG Integrity and Governance

FAT Finance, Accounting and/or Tax Related

LR Legal/ Regulatory

PDR Property Development Related

NOMINATION AND REMUNERATION COMMITTEE REPORT

Dear Stakeholders,

The Board remains focused on ensuring leadership continuity as a cornerstone of effective governance and long-term organisational sustainability. In 2025, the Group ensured a smooth and well-managed senior leadership transition, underpinned by a robust and deliberate succession planning framework. This was strengthened through clearer accountability, deeper visibility of leadership talent, and closer alignment with the Group's strategic direction across both Board and management levels.

The Group's has in place a robust succession plan approach that supports orderly leadership transitions and reinforces business continuity, while reducing execution risk during periods of change. By embedding succession considerations into ongoing governance processes, the Group continues to build resilience and institutional stability.

Ongoing reviews and talent assessments have provided the Board with greater confidence in the depth and readiness of the Group's leadership pipeline. This reinforces the Board's assurance that the Group is well-equipped to navigate evolving market conditions, manage growth responsibly, and uphold sustainable value creation.

DATUK IR. KHAIRIL ANWAR BIN AHMAD
Chairman &
Senior Independent Non-Executive Director

OVERVIEW

The primary objective of the NRC is to assist the Board in proposing new nominees for the Board and Board Committees, as well as evaluating overall performance of the Board and all the individual Directors and key management personnel on an on-going basis. The NRC also regularly reviews the Board composition and ensures that any Board appointment brings with it the right balance and mix of skills, experience and diversity to the Board. The NRC is additionally entrusted with the responsibility of developing and establishing competitive remuneration policies and packages for recommendation to the Board for approval.

In addition to the above, the NRC plays an oversight role of monitoring the status of the Company's application of the Practices under each of the Principles set out in the MCCG to ensure that the Company upholds best governance practices throughout the Group.

Terms of Reference

The Terms of Reference ("TOR") of the NRC are available online for reference in the Board of Directors' section of the Company's website at www.spsetia.com.

Members of the NRC

During FY2025, the NRC comprises solely Non-Executive Directors ("NEDs") with a majority being Independent Directors and includes a Senior Independent NED. The NRC is chaired by Senior Independent NED, Datuk Ir. Khairil Anwar Bin Ahmad.

A BOARD LEADERSHIP, STRUCTURE AND EFFECTIVENESS

The members of the NRC as at the date of this report are as follows:

Datuk Ir. Khairil Anwar Bin Ahmad
Chairman and Senior Independent Non-Executive Director

Appointed as Chairman: 2 January 2025
Tenure: 1 year and 2 months

Appointed on: 1 June 2023
Tenure: 2 years and 9 months

Datin Grace Yeoh Cheng Geok
Independent Non-Executive Director

Appointed on: 11 September 2024
Tenure: 1 year and 6 months

Dato' Tengku Marina Binti Tunku Annuar
Independent Non-Executive Director

Appointed on: 1 September 2022
Tenure: 3 years and 6 months

Puan Aida Hazrina Binti Mohd Tazaai
Non-Independent Non-Executive Director

Appointed on: 3 March 2025
Tenure: 1 year

Involvement of Senior Management in NRC Meetings

The PCEO attends the meetings of the NRC upon invitation. Other members of Senior Management are invited to meetings of the NRC when necessary to provide support to the discussion on matters related to the agenda of the meeting.

Company Secretary's Support to the NRC

The Company Secretary of the Company is the secretary of the NRC who is in attendance at all NRC Meetings and records the proceedings thereat. The NRC has direct and unrestricted access to the advice and services of the Company Secretary and Senior Management. The NRC may, either collectively or as individual members seek independent professional advice, at the Company's expense, if required, in furtherance of their duties.

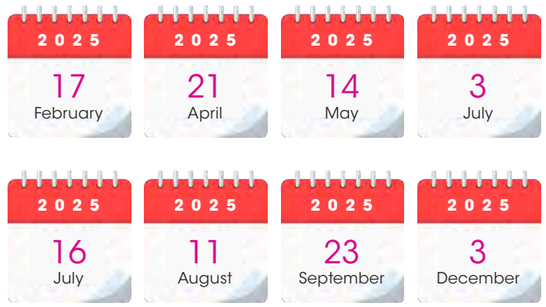
Appointment/Re-Election Of Directors

S P Setia adopts a formal and transparent process for the appointment of new Directors. The NRC applies a structured selection process based on specific competencies and attributes required to strengthen the Board's composition. All nominees are first assessed by the NRC, with due consideration given to diversity in terms of skills, experience, age, and gender, as guided by the Board's Diversity Policy. The time commitment required to effectively fulfil the role of a Director is also taken into account.

The NRC is responsible for recommending Directors for re-election at the AGM in accordance with the Company's Constitution. Directors due for re-election or re-appointment are assessed in the same manner as other Directors, with evaluations based on their performance during their term if applicable.

NRC HIGHLIGHTS FOR FY2025

The NRC met eight (8) times during FY2025, as follows:



Details of the NRC members' attendance at the NRC meetings held during FY2025 are disclosed on page 277 of the Integrated Report 2025. The summary of activities of the NRC during FY2025 is as follows:

With regard to nomination and related matters

1. The performance of Directors subject to re-election at the 50th AGM held on 24 April 2025 was reviewed. Based on this assessment, the NRC recommended to the Board the re-election and re-appointment of Y.A.M. Tan Sri Dato' Seri Syed Anwar Jamalullail, Datuk Choong Kai Wai, Dato' Tengku Marina Binti Tunku Annuar, Datin Grace Yeoh Cheng Geok, Encik Mohamad Abdul Halim Bin Ahmad and Puan Aida Hazrina Binti Mohd Tazaai in accordance with Clauses 102 and 107 of the Company's Constitution, where applicable.

   Each Director was evaluated against the Board's expectations for high performance, with assessments based on individual contributions and, where applicable, the findings of the BEE.

2. Informed of the progress of the management succession plan and updated on proposed changes to the organisational structure aimed at enhancing operational efficiency. Additionally, the NRC received updates on manpower resources across the S P Setia Group.

3. Assessed the performance of the Board, its Committees, and individual Directors through a BEE. For BEE 2025, the Company appointed Willis Towers Watson to facilitate the process. The NRC reviewed the evaluation approach and recommended it to the Board for approval.

   The scope of the BEE 2025 covered Corporate Strategy & Direction Setting, Board Governance & Oversight, Board Composition, Boardroom Conduct & Dynamics, Board Management & Operations.

   The results of the BEE were presented to the NRC and subsequently to the Board. The outcomes indicated that the Directors were satisfied with the Board and Board Committees' effectiveness in fulfilling their responsibilities, the composition of the Board, and the effectiveness of current processes and administration. The Board was viewed as well-balanced, taking into account gender diversity, the mix of skills, qualifications, experiences, and the level of contribution from each member to their respective committees.

   The BEE 2025 also highlighted areas for further improvement in the Board's administration and processes, composition, and management reporting. Action plans from the BEE 2025 would be developed based on these constructive feedback points to strengthen the Board's activities in governing the S P Setia Group. Each Board Committee also received its own performance score and took note of the constructive feedback provided.

   The Directors expressed satisfaction with the value added by the Board Committees to the Company's governance system and confirmed that the business of the Company is conducted effectively and efficiently.

4. The results of the People Pulse Survey and the corresponding management action plans to address identified gaps were reviewed. This annual survey serves as a key tool for measuring the overall climate within the Company, identifying key issues and concerns raised by employees. The findings enable Management to develop targeted action plans aimed at addressing these concerns and improving the overall work environment.

Corporate Governance Overview Statement

A BOARD LEADERSHIP, STRUCTURE AND EFFECTIVENESS

5. Reviewed the training programmes attended by Directors on a half-yearly basis, recommending relevant areas for further development where necessary.

   During FY2025, all Directors attended the necessary training programmes and seminars to further broaden their perspectives, skills, knowledge and were kept abreast of the relevant changes in the law, regulations and the business environment. Summary of the trainings attended by the Directors is set out on page 280 of this Integrated Report 2025.

6. An annual assessment of the composition of the Board and its Committees was conducted, considering the mix of skills, experience, tenure of service, and practices outlined in the MCCG. This ensures that the Board and Committees remain effective and relevant in fulfilling their roles and responsibilities in an efficient and effective manner.

7. The Key Performance Indicators ("KPIs") for FY2026 for the Group, PCEO, Chief Internal Auditor, Chief Risk, Integrity and Governance Officer, and Group Company Secretary were reviewed, with recommendations made to the Board for approval. The NRC also reviewed the KPIs for other members of the Senior Management team.

8. Involved in the selection and interview process for key management namely shortlisted candidates for the position of PCEO, Deputy CEO, Chief Operating Officer and certain key positions and, where applicable, made recommendations to the Board for approval.

With regard to remuneration and related matters

1. Reviewed and recommended to the Board the payment of bonuses and salary increments for the PCEO and eligible employees, based on their KPIs and the Group's performance.

2. Benchmarked the remuneration practices of industry peers to ensure the remuneration policy for the NEDs remains competitive, effectively attracting, retaining, and motivating Directors, and commensurate with the level of responsibility expected of them.

The Remuneration Framework of the NEDs for FY2025 was as follows:

Directors' Fees	
Chairman of the Board	RM50,000 per month
Member of the Board	RM12,000 per month
Fixed Allowance	
Chairman of Audit Committee	RM5,000 per month
Chairman of other Board Committee	RM3,000 per month
Membership per Board Committee	RM2,000 per month
Meeting Allowance	
Board Member	RM2,000 per meeting
Board Committee Member	RM2,000 per meeting
Others	
Allowance for membership on the Board of Directors of significant project/ investment as appointed by the Board of the Company	RM5,000 per month
Other Benefits	Car, petrol and driver for Chairman, security services, Directors and Officers Liability Insurance, medical, hospitalisation and travel insurance, medical expenses for critical illness, professional membership fee and other claimable benefits

The details of the remuneration (excluding Sales and Services Tax) of each Director of the Company who served during the FY2025 are as follows:

		Basic Salary (RM'000)	Bonus (RM'000)	Fees* (RM'000)	Other Emoluments (RM'000)	Benefits -in-Kind (RM'000)	Total (RM'000)
President and CEO							
1.	Datuk Zaini Bin Yusoff[1]	441	-	-	38	8	487
2.	Datuk Choong Kai Wai[2]	1,847	1,714	-	1,431	311	5,303
Non-Executive Directors							
1.	Y.A.M. Tan Sri Dato' Seri Syed Anwar Jamalullail	-	-	600	126	296	1,022
2.	Datuk Ir. Khairil Anwar Bin Ahmad	-	-	144	174	17	335
3.	Dato' Merina Binti Abu Tahir	-	-	144	142	11	297
4.	Dato' Tengku Marina Binti Tunku Annuar	-	-	144	196	13	353
5.	Dato' Sheranjiv Sammanthan	-	-	144	216	11	371
6.	Datin Wan Daneena Liza Binti Wan Abdul Rahman	-	-	144	150	11	305
7.	Mr Lim Fu Yen	-	-	144	208	10	362
8.	Datin Grace Yeoh Cheng Geok	-	-	144	110	13	267
9.	Encik Mohamad Abdul Halim Bin Ahmad	-	-	144	156	13	313
10.	Puan Aida Hazrina Binti Mohd Tazaai[3]	-	-	119+	98+	9	225
11.	Dato' Azmi Bin Mohd Ali[4]	-	-	25	10	2	37

Note:
(1) Appointed on 1 October 2025
(2) Resigned on 30 September 2025
(3) Appointed on 3 March 2025
(4) Resigned on 2 March 2025
** Includes amount paid to Permodalan Nasional Berhad*

For the year 2026, the Company will maintain the existing Remuneration Framework for the NEDs. The remuneration of the top five Senior Management members for FY2025 has not been disclosed in the Integrated Report 2025. The Board will assess the appropriateness of such disclosure in the future.

Corporate Governance Overview Statement

B EFFECTIVE AUDIT AND RISK MANAGEMENT

Risk Management Framework

Oversight of risk management is a core component of the Board's governance responsibilities. Through established governance arrangements, the Board ensures that risk considerations are integrated into strategic planning and decision making, enabling the Group to pursue its objectives within defined risk parameters.

Management is tasked with implementing and maintaining risk management and internal control processes across the Group's operations. These processes support the identification and evaluation of key risks including sustainability risks arising from business activities, regulatory requirements and external conditions, allowing appropriate response strategies to be developed and monitored. Regular reporting enables the Board to assess the adequacy and effectiveness of these arrangements.

The Group's control environment spans a range of functions, including financial reporting, operational activities and compliance obligations. Together, these controls support disciplined execution and accountability across the organisation. While the systems in place are structured to mitigate exposure and enhance resilience, they are inherently designed to provide assurance at a reasonable level and are not intended to prevent all potential risks or outcomes entirely.

Further details on the Group's risk governance approach and principal risks are set out in the Risk Management section of this Integrated Report on pages 301 – 317.

To uphold the Board's commitment to maintaining a robust control framework and ensuring the proper conduct of the the Group's business operations.

Internal Control

Group's business operations, the Group's internal control system is underpinned by the following key elements:

Organisational Structure

- A well-defined structure with clear lines of responsibility, approval thresholds, and delegated authorities.

Disciplined Management and Committees

- A structured management and committee framework that facilitates regular performance reviews and informed decision-making.

Performance Reviews

- Monthly Group Action Committee ("GAC") meetings to review and assess the Group's financial performance.

Risk Management and Internal Audit

- Dedicated functions that operate across the Group to identify, assess and address risks and assurance ensuring effective governance.

Comprehensive Policies and Procedures

- Established policies, procedures, and guidelines governing business operations, including development, asset management, financing, and core operational activities, supported by professional services in legal, human resources, information systems, tax, company secretarial, and health, safety, and security matters.

Information Management Systems

- Integrated financial and property information systems to support data-driven decision-making.

These elements collectively form the foundation of the Group's internal control environment, ensuring the effective management of risks and the integrity of its operations.

Enterprise Risk Governance

Risk governance within the Group is supported by a structured oversight model that promotes consistency, accountability and timely escalation. Responsibility for risk oversight is shared between the Board and the Risk Management Committee, which together provide direction on the Group's risk appetite, governance approach and reporting arrangements.

Operational risk management is coordinated by Management through the Management Risk Team. Regular reporting is provided to both the Committee and the Board on a quarterly basis, enabling ongoing monitoring of the Group's risk profile. These updates include assessments of key risk exposures, identification of emerging risk themes and progress tracking against mitigation initiatives agreed during previous reporting cycles.

The risk reporting process supports informed decision making by providing visibility over changes in the Group's risk landscape and the effectiveness of actions taken to address identified exposures. This allows the Board and the Committee to evaluate whether risks continue to be managed within acceptable thresholds.

In addition to formal risk management processes, the Group reinforces sound risk behaviour through clear conduct and governance policies. Ethical standards and expected behaviours are set out in the Code of Conduct and Business Ethics, supported by a Whistleblowing Policy that enables concerns to be raised responsibly and without fear of retaliation. Decision making authority across the organisation is governed by established Discretionary Authority Limits, which provide clarity on approval thresholds and accountability, reinforcing disciplined and transparent governance practices.

Taman Rinting, Johor

Corporate Governance Overview Statement

B EFFECTIVE AUDIT AND RISK MANAGEMENT

AUDIT COMMITTEE REPORT

Dear Stakeholders,

As Audit Committee, we remain committed to maintaining a robust and well-structured control environment that supports responsible decision-making and upholds the integrity of the organisation. Sound governance and effective oversight remain central to our role in safeguarding the Group's financial reporting processes, internal controls and overall accountability framework.

Enhancing financial and business controls continues to be a key priority, supported by clearly defined governance structures, regular reviews and assurance processes. These measures are designed to strengthen operational efficiency, reinforce compliance with applicable laws and regulations, and ensure that risks are appropriately identified, assessed and managed in a timely manner.

Through diligent oversight of financial reporting and risk management, the Committee aims to promote transparency, reliability and trust across all areas of the business. Clear mechanisms are in place to address potential conflicts of interest, uphold ethical conduct and safeguard the independence of assurance functions, thereby supporting the highest standards of governance and maintaining stakeholder confidence.

DATO' MERINA BINTI ABU TAHIR
Chairman & Independent Non-Executive Director

MEMBERSHIP

The members of the AC as at the date of this report are as follows:

Dato' Merina Binti Abu Tahir
Chairman & Independent Non-Executive Director

Appointed as Chairman: 17 August 2023 — **Tenure:** 2 years and 7 months
Appointed on: 17 November 2021 — **Tenure:** 4 years and 4 months

Datin Wan Daneena Liza Binti Abdul Rahman
Independent Non-Executive Director

Appointed on: 17 August 2023 — **Tenure:** 2 years and 7 months

Encik Mohamad Abdul Halim Bin Ahmad
Independent Non-Executive Director

Appointed on: 1 October 2024 — **Tenure:** 1 year and 6 months

The composition of the AC is in compliance with Paragraph 15.09 of the MMLR and Step-up Practice 9.4 of the MCCG.

The AC is currently chaired by Dato' Merina Binti Abu Tahir, who is not the Chairman of the Board of S P Setia. She possesses the necessary skills, capabilities, and attributes in ensuring AC Meetings are efficiently conducted by fostering open discussions with all members of the AC on the agenda items during meetings so as to facilitate thorough considerations to be given to all the subject matters presented to the AC. The AC Chairman together with the AC members play an active role in engaging with the Management, Chief Financial Officer ("CFO"), Chief Internal Auditor ("CIA"), and the External Auditors.

Dato' Merina Binti Abu Tahir is a member of the Malaysian Institute of Accountants (MIA), Association of Chartered Certified Accountants ("ACCA"), Malaysian Institute of Certified Public Accountants ("MICPA"), Asean Chartered Professional Accountants ("ACPA"), Institute of Corporate Directors of Malaysia ("ICDM") and Institute of Internal Auditors Malaysia ("IIAM").

TERMS OF REFERENCE

The AC's objectives, authorisations and functions are governed by the Terms of Reference ("TOR").

Following the adoption of the Internal Audit Policy in March 2024, the TOR will now be reviewed every two years from the date of the last approval or review or at any other time if there are material changes to be made. The latest review was conducted in November 2025.

The TOR of the AC is available online for reference in the Board of Directors' section of the Company's website at: www.spsetia.com.

MAIN RESPONSIBILITIES

- Compliance with financial reporting standards and relevant financial reporting requirements.
- Oversight of the financial, internal control environment, related party transactions and conflict of interests.
- Consideration of the internal and external audit programme and results.
- Review of the external audit relationship and provision of audit and non-audit services.

SUMMARY OF ACTIVITIES OF THE AC DURING THE YEAR

The AC met ten (10) times during FY2025, as follows:

Details of the AC members' attendance at the AC meetings held during FY2025 are disclosed on pages 276 of the Integrated Report 2025.The summary of activities of the AC during FY2025 is as follows:

Financial Reporting

1. Reviewed the quarterly unaudited financial results, including its related Bursa Securities' announcements and other key accounting matters. Also, reviewed the audited financial statements of the Group and the Company for FY2025 to ensure it was prepared in accordance with relevant standards and regulatory requirements so as to give a true and fair view of the Group's financial performance prior to recommending the same to the Board for approval.
2. Discussed significant accounting and audit issues in respect of the financial statements for FY2025 with the External Auditors and assessed the actions and procedures taken by the External Auditors in respect of those areas.
3. Reviewed the External Auditors' management observations/points about assessment of the Group's internal control environment and other significant issues arising from the External Auditors' substantive procedures. Subsequently, the AC assessed the management responses vide the Management Letter issued by the External Auditors.
4. Reviewed and kept informed of the periodic status update on the Group's tax matters, update on latest tax changes, compliance with relevant tax regulations, the results of the Group's Tax Health Check by the external tax consultant and the action plans undertaken by the Management.
5. Reviewed and deliberated on the solvency test on dividend payment to ensure it demonstrated the Company's ability to meet its financial obligations pursuant to the Companies Act 2016.
6. Reviewed the revisions to the discretionary authority limits to ensure its comprehensiveness in facilitating informed decision-making while upholding strong governance and accord operational flexibility within the organisation.
7. Kept abreast of developments and changes to the accounting standards with the External Auditors and updated on new regulatory and statutory requirements affecting the industry via in-house training programmes, discussion with External Auditors, and attending relevant conferences and seminars. Details of the trainings attended by the AC members are set out on page 280 of the Integrated Report 2025 and the Corporate Governance Report.

External Audit

1. Reviewed the External Auditors' performance and their independence, guided by the Group External Auditor Policy. Areas of performance review included the quality of service rendered, sufficiency of resources, level of communication, interaction by the audit team, independence, objectivity, and professionalism vide the report of the yearly audit results submitted to the AC and the External Auditors' Annual Transparency Report which set out the steps undertaken by the External Auditors to uphold audit quality and manage risks.
2. Recommended to the Board for the reappointment of the External Auditors. The Board had recommended the re-appointment of Messrs. Ernst & Young PLT as the External Auditors of the Company for FY2025 at the Company's 50th Annual General Meeting held on 24 April 2025, which was approved by the shareholders.
3. Reviewed and approved the External Auditors' scope of work and the audit planning memorandum for FY2025.

Corporate Governance Overview Statement

B EFFECTIVE AUDIT AND RISK MANAGEMENT

4. Reviewed the amount of audit and non-audit fees paid or payable by the Group and its subsidiaries to the External Auditors for FY2025. The accumulated fees quoted for non-audit services were within the allowable limit defined under the External Auditor Policy.

5. Held two (2) private sessions with the External Auditors on 24 February 2025 and 11 November 2025 without the presence of the President and CEO and Management to discuss relevant issues and obtain feedback for improvements. Material issues that arose from the private sessions were brought to the Board's attention.

Internal Audit

1. Reviewed the internal audit reports prepared by Group Internal Audit ("GIA") and provided constructive feedback in ensuring the adequacy and effectiveness of governance, risk management and internal control systems of the Group. Where appropriate, the AC directed the Management to rectify and improve internal control procedures. Monitored the progress of follow-up audits on the implementation of agreed recommended action plans taken by Management.

2. Reviewed the scheduled and special internal audit engagements on areas of concern and assessed the outcome of the review on the effectiveness of internal controls and recommending improvements. These reviews were carried out through five (5) special additional meetings in addition to the quarterly AC meetings to focus on assessing, evaluating, and strengthening the system of internal controls, to ensure the soundness of the Group's system of internal controls and that appropriate action plans are taken to address audit findings.

3. Reviewed and recommended the KPIs of the CIA for the year 2026 to the Nomination and Remuneration Committee and the Board for approval.

4. Reviewed and recommended the Audit Committee Report for inclusion in the Integrated Report 2025 to the Board for approval.

5. Jointly reviewed with the Risk Management Committee and recommend the Statement on Risk Management and Internal Controls for inclusion in the Company's Annual Report 2025 to the Board for approval.

6. Reviewed the 3-year Internal Audit Plan Memorandum and approved the Internal Audit Plan for 2026 including the resource requirement, manpower sufficiency, department budget and adequacy of internal audit scoping. Approved GIA's revised Annual Plan 2026 to align with the current resources and organisational priorities.

7. Reviewed the status of implementation of the recommendations proposed by IIAM based on the Quality Assessment Review performed as part of GIA's initiatives.

8. Reviewed the proposed Internal Audit Charter and Internal Audit Policy for recommendation to the Board for approval. The Board subsequently approved both documents on 10 February 2025. These documents establish Internal Audit mandate, define the terms of reference for GIA functions and set out policies and procedures that provide essential guidelines for the Internal Audit staff in performing the internal auditing activities within the Company, its subsidiaries and jointly controlled entities.

9. Held two (2) private sessions with the CIA on 15 May 2025 and 11 November 2025 without the presence of the President and CEO and Management to discuss relevant issues.

GIA, which is the Group's independent in-house internal audit function carried out all internal audit functions. GIA provides the Board, through the AC, reasonable assurance on the effectiveness and adequacy of risk management, internal control and governance processes within the Group.

GIA is headed by Puan Nathrah Binti Mohamed Kalam, who was appointed as CIA on 16 October 2024. She is a Bachelor of Science graduate in Accountancy from University of East Anglia, United Kingdom and is a member of MICPA, IIAM and an associate member of Institute of Corporate Directors Malaysia (ICDM).

GIA carries out risk-based audits and provides objective assurance, which are governed by the Global Internal Audit Standard ("GIAS") in which International Professional Practices Framework ("IPPF") is a subset of. Key summary of internal audit activities carried out during the FY2025 were as follows:

No.	Internal Audit Activities	Descriptions	Reporting Frequency
1.	**Internal Audit Reports**	Performed internal audit engagements in accordance with the approved plan and carried out additional assignments that covered reviews of internal control systems, policies and processes, observations, improvement opportunities, management information systems, risk management and governance compliances. Internal audit reports were issued and tabled to the AC where significant risks and key areas of concern were identified together with recommendations for improvements.	Quarterly
2.	**Follow-up Reports**	Performed follow-up procedures on previous Internal Audit Reports on the implementation of agreed upon action plans to ensure that necessary actions had been taken/were being timely and adequately implemented as recommended.	Quarterly
3.	**Conflict of Interests ("COI")**	Reported to the AC on review of the potential COI and COI situations related to certain Director and Key Senior Management for FY2025, along with the measures taken to address the COIs.	Quarterly
4.	**Recurring Related Party Transactions ("RRPT")**	Reported to the AC on review of the adequacy, appropriateness and compliance with the procedures established in relation to recurring related party transactions in accordance with the guidelines set out in the Circular to Shareholders dated 26 March 2025.	Quarterly
5.	**Unbilled Sales**	Reported to the AC on the review of unbilled sales amount to ensure compliance with the procedures established in relation to these figures.	Quarterly
6.	**Bahagian Pengurusan Integrity Agensi ("BPIA")**	Reported to the AC on the review of the information updated in the BPIA report to ensure compliance with the relevant legislation requirements and procedures are in place and supported with relevant documents.	Biannually
7.	**Special Reviews**	Assisted the Integrity and Governance Unit and performed specific reviews on allegations received through the whistleblowing channel. Special Reviews completed during the year: 4	Ad hoc

B EFFECTIVE AUDIT AND RISK MANAGEMENT

No.	Internal Audit Activities	Descriptions	Reporting Frequency
8.	**Review Assignments**	Reviewed key concern areas that affected financial reporting, internal controls and governance. To provide value added services, GIA also performed additional assurance and gave advisory services to Business Units upon request by the AC and/or Management in relation to compliance, governance, risk management and internal controls.	Ad hoc
9.	**GIA Governance Matters**	• Reported the status of implementation of the recommendations proposed by IIAM based on the Quality Assessment Review.	Quarterly
		• Reported the status of budget utilisation of GIA function.	Quarterly
		• Proposed revision the Internal Audit Policy for the AC and was approved by Board on 27th January 2025.	Biennially
		• Proposed revision to the Internal Audit Charter and was approved by Board on 27th January 2025.	Ad hoc
		• Reported the status updates of the approved 3-year Strategic Plan developed in alignment with the GIAS (in which IPPF is a subset of) ie IPPF Practice Guide, ensuring continuous conformance with the Standards.	Annually
		• Proposed succession planning for CIA position.	Annually
10.	**Other Initiatives**	• Participated in ESG related activities and attended trainings in accordance with the Bursa Securities disclosure requirements.	Continuous activities
		• Rolled out data analytics software i.e. Arbutus which helped the internal auditors to conduct data driven audit of which RPT and COI have been piloted successfully.	Continuous activities
		• Knowledge sharing and insights on the special review practices with Petronas on 26th February, 2025.	Ad hoc
		• Jointly organised the Setia Governance Risk and Audit Forum and Integrity Day with Group Risk, Integrity and Governance Department on 1st October 2025 to broaden knowledge for internal auditors as well as S P Setia staff on the importance of governance, risk and control in facing global challenges in order to enhance value creation. Speakers from CIMB, Deutsche Bank, Asian Institute of Chartered Bankers & Yayasan Khazanah and Hatta Hash Consultancy were invited to share their knowledge.	Ad hoc

No.	Internal Audit Activities	Descriptions	Reporting Frequency
10.	**Other Initiatives**	• Inter-departmental dialogue session with the following Corporate Units to facilitate collaboration among support functions. The objective is to foster synergy within the Group through regular communication on key concerns and the sharing of updates, activities, and insights gathered through our respective functions: • Group Risk, Integrity & Governance – held on 19 March 2025, 6 August 2025, 20 November and 2 December • Group Digital – held on 20 March 2025, 1 August 2025 • Group Quality Management – held on 1 August 2025 and 2 December 2025	Quarterly
		• Observer and witness in the tender negotiation conducted by the Group Contracts and Procurement ("GCP") Manager with the following attendees based on the following tender value: From January 2025 to 31 December 2025, GIA attended a total of 247 tender negotiations, with approximately 21 man-days spent during the period. • ≥ RM 20 million: GM of GCP, GIA Senior Manager and Vendor Management Unit("VMU") • < RM 20 million: GIA Manager and VMU ("VMU")	Continuous
		• Trainings aimed at strengthening audit skills and enhancing audit effectiveness among the internal auditors: • Audit Management System (TeamMate) by TeamMate consultant_ Wolters Kluwer Malaysia • Root Cause Analysis for Enhancing Internal Audit Effectiveness by The Institute of Internal Auditors Malaysia ("IIAM") • Stamp Duty Self Assessment System Implementation by Deloitte & Touche • Procurement Fraud: Third Party Due Diligence, Internal Control and Reporting Mechanism by IIAM	Ad hoc

GIA is resourced with a total of 15 internal auditors and assisted by a senior office executive and during the year, on average was manned by 12 staff due to staff movements. All internal auditors are equipped with a diverse range of experience and qualifications. To perform their functions effectively, GIA underwent continuous internal and external learning and development programs to equip themselves with the required skills, competencies and business acumen.

Discipline	No. of auditors
Accounting and Finance (6 auditors possesses professional qualifications (ACCA, CPA, CIA etc)	11
Engineering/Technical experience (Board of Engineers Malaysia)	1
Total	**12**

The total cost incurred for the internal audit function for FY2025 was approximately RM3.3 million, comprising mainly staff cost and other related audit work expenditure.

Corporate Governance Overview Statement

B EFFECTIVE AUDIT AND RISK MANAGEMENT

Related Party Transactions & Conflict of Interests

10. Reviewed the proposed Policy and Standard Operating Procedures ("SOP") on Conflict of Interest ("COI"), Related Party Transactions ("RPT") and Recurring Related Party Transactions ("RRPT") to ensure that there is a comprehensive framework and that the processes and controls are in place for the identification, evaluation, approval, reporting and monitoring of COI and RPT. The review specifically considered:

    i) the nature and underlying details of the transactions, to establish that the transactions were on normal commercial terms and not to the detriment of the minority shareholders.

    ii) reasonableness of the COI situations to ensure that certain parties do not abuse powers

11. Reviewed and monitored potential COI and COI situations involving the Board of Directors ("Director") and Key Senior Management. Details of potential COI and COI related to certain Directors and Key Senior Management for FY2025, along with the measures taken to address COIs, are disclosed in Table 1 below. These COI situations have been addressed in accordance with the established COI Policy and COCBE Policy.

Table 1: Details of potential COIs and COI situations

No.	Nature of COI	Nature and Extent of Interest of Conflicted Board of Directors/Key Senior Management	Measures Taken to Address COI
1.	Permodalan Nasional Berhad ("PNB") is a major shareholder of S P Setia. PNB also holds a majority stake in Maybank Banking Berhad ("Maybank"). Both S P Setia and Maybank are strategic companies of PNB. There are Directors nominated by PNB on the Board of S P Setia.	PNB's Nominee Directors are as below: i. Tan Sri Dato' Seri Syed Anwar Jamalullail ii. Mr. Lim Fu Yen iii. Pn. Aida Hazrina Binti Mohd Tazaai S P Setia, along with its subsidiaries and joint ventures (namely, Bandar Eco-Setia Sdn Bhd, I & P Group Sdn Berhad, Setia Federal Hill Sdn Bhd, Syarikat Perumahan Pegawai Kerajaan Sdn Bhd, Perumahan Kinrara Berhad, Battersea Project Holding Company Limited, Gita Kasturi Sdn Bhd, Petaling Garden Sdn Bhd, Setia Alamsari Sdn Bhd, Greenhill Resources Sdn Bhd, Setia Fontaines Sdn Bhd, Setia Promenade Sdn Bhd and Setia MF SFH Development Sdn Bhd) maintain banking facilities with Malayan Banking Berhad and Maybank Islamic Berhad. The appointment of Maybank Investment Bank as the Principal Advisor for S P Setia Real Estate Investment Trust ("Setia REIT") was approved by Board on 27 February 2025.	These Directors have abstained and did not participate in or influence any deliberation and decisions for transactions entered by the subsidiaries and joint venture companies.
2.	A Director serves on the Board of Directors of Tenaga Nasional Berhad ("TNB"), which provides power supply to the nation.	(a) Dato' Merina Binti Abu Tahir is a member of TNB's Board of Directors. Gsparx Sdn Bhd, a subsidiary of TNB, has been appointed as a Nominated Sub-Contractor for Solar Photovoltaic Works on Landed Residential Building Projects in Setia. The project encompasses the installation of Solar Photovoltaic system across a total of 1,000 units of landed residential houses.	Dato' Merina did not participate in any deliberation and approval as she is not a member of the Tender & Projects Committee of S P Setia that approved this transaction.
3.	A Director serves on the Board of Directors of AEON Co. (M) Berhad ("AEON"), which operates in the retail business.	(b) Dato' Merina Binti Abu Tahir is a member of AEON's Board of Directors. AEON is currently a tenant at Setia City Mall, which is owned by Greenhill Resources Sdn Bhd ("GRSB"), a jointly controlled entity of which 50% of GRSB's equity interest is held by Bandar Setia Alam Sdn Bhd (a wholly-owned subsidiary of S P Setia). (c) Letter of Offer for AEON's tenancy at Setia EcoHill Mall (Setia EcoHill Sdn Bhd, a subsidiary of Setia) was signed on 21 July 2025, and subsequently Tenancy Agreement was signed on 25 November 2025.	Dato' Merina did not participate in any deliberation and decision making on AEON's tenancy made by S P Setia Berhad, its subsidiaries and the joint venture companies.
4.	A Director's spouse is the Chief Executive Officer of Affin Bank Berhad.	The spouse of a Director, Datin Wan Daneena Liza Binti Wan Abdul Rahman is the Chief Executive Officer of Affin Bank Berhad. (a) S P Setia and Kesas Kenangan Sdn Bhd maintain banking facilities with Affin Bank Berhad and Affin Islamic Bank Berhad. (b) During the year, Affin Hwang Investment Bank ("Affin Hwang") was shortlisted for the proposed Principal Advisor appointment for Setia REIT.	Datin Wan Daneena Liza Binti Wan Abdul Rahman duly recused herself and abstained from both deliberation and voting on these transactions. Additionally, she did not participate in or influence any deliberation and decisions for transactions entered by the subsidiaries and joint venture companies.

B EFFECTIVE AUDIT AND RISK MANAGEMENT

No.	Nature of COI	Nature and Extent of Interest of Conflicted Board of Directors/Key Senior Management	Measures Taken to Address COI
5.	A Director who is a Partner and Shareholder of Shearn Delamore & Co.	Datin Grace Yeoh Cheng Geok is a Partner and Shareholder of Shearn Delamore & Co. S P Setia, along with its subsidiary and joint ventures (namely KL Eco City Sdn Bhd, Ganda Anggun Sdn Bhd, Kewira Jaya Sdn Bhd, Setia Promenade Sdn Bhd, Bandar Setia Alam Sdn Bhd, Setiawood-Industries Sdn Bhd and Intra Hillside Sdn Bhd) engage Shearn Delamore & Co. for legal services related to loan processes, industrial relations, litigation and real estate transactions.	Datin Grace Yeoh Cheng Geok duly recused herself and abstained from both deliberation and voting on these transactions. Datin Grace Yeoh Cheng Geok was not personally involved in providing legal advice for the said transactions.
6.	A Director's brother is the Chairman of CIMB Investment Bank Berhad.	The brother of a Director, Datin Grace Yeoh Cheng Geok, is the Chairman of CIMB Investment Bank Berhad. (a) Setia Federal Hill Sdn Bhd, a wholly owned subsidiary of S P Setia has appointed CIMB Investment Bank Berhad as the Facility and Security Agent for its Syndicated Loan Facilities. (b) During the year, CIMB Investment Bank was shortlisted as the Principal Advisor for Setia REIT.	Datin Grace Yeoh Cheng Geok duly recused herself and abstained from both deliberation and voting on this transaction.
7.	President and CEO's daughter is a partner in T. Thavalingam & Co. (legal firm).	Datuk Zaini Bin Yusoff's daughter is Partner of T. Thavalingam & Co. The firm has been appointed to perform legal advisory on reviewing the Company's draft letters.	Datuk Zaini Bin Yusoff did not participate in or influence any deliberation and decisions for transactions entered by S P Setia Berhad, its subsidiaries and the joint venture companies that may raise potential COI.
8.	A Director serves as a Chief Business Officer of UEM Sunrise, which is in property development business.	Encik Azmy bin Mahbot holds a Key Senior Management position at UEM Sunrise Bhd as the Chief Business Office. He held the following positions within S P Setia Group: (a) Director of Setia Eco Glades Sdn Bhd (b) Alternate Director to Tuan Haji Ahmad Khalif Bin Tan Sri Datuk (Dr) Haji Mustapha Kamal in Setia Safiro Sdn Bhd	To be excluded from all forms of decision making, discussion and/or deliberation on matters relating to the related companies that may raise potential COI.
9.	Key Senior Management's spouse is a Key Senior Management member of Eco World Development Group Berhad, which is in property development business.	The spouse of Datuk Stanley Saw Kim Suan holds a Key Senior Management position at Eco World Development Group Bhd.	Datuk Stanley Saw Kim Suan oversees the Northern and Eastern Regions of S P Setia Bhd Group, which are in different geographical locations from his spouse's portfolio.

No.	Nature of COI	Nature and Extent of Interest of Conflicted Board of Directors/Key Senior Management	Measures Taken to Address COI
10.	Deputy CEO and his family have interest in hotel chains locally and internationally.	Tan Hwa Min and his family collectively own majority shares and controlling interest in Grand Central Enterprises Berhad, Malaysia and Hotel Grand Central Limited, Singapore which have hotel chains in Malaysia and internationally including Singapore, Australia, New Zealand and China.	To be excluded from all forms of discussion and/or deliberation on matters relating to the hotel chains both locally and internationally that may raise potential COI.
11.	Director for Kesas Kenangan Sdn Bhd. (a subsidiary of Futurecrest (M) Sdn Bhd which in turn is a subsidiary of S P Setia Berhad).	Gan Hua Tiong is common director of: i. Kesas Kenangan Sdn Bhd; ii. Evershine Trading Limited (holds 15% of Kesas Kenangan Sdn Bhd); and iii. Topasia Projects Sdn Bhd (holds 15% of Kesas Kenangan Sdn Bhd). Kesas Kenangan Sdn Bhd. has dividend payable to Evershine Trading Limited and Topasia Projects Sdn Bhd, of which Gan Hua Tiong is a common director for all 3 companies.	To be excluded from all forms of discussion and/or deliberation on matters relating to the related companies that may raise potential COI.
12.	Key Senior Management's brother in law is a Tax Partner in KPMG.	Chow Yin See holds a position as a Group Financial Controller and her brother-in-law is a Tax Partner in KPMG. S P Setia Bhd has engaged KPMG for tax services throughout the year.	Chow Yin See is not involved in the discussion and/or deliberation on the transactions as tax is no longer under her purview.

12. Reviewed the report of whistleblowing and special reviews or investigations jointly with the Risk Management Committee and monitored the progress of implementation of recommendations as mandated by the Board.

13. Reviewed the internal audit reports of the audit conducted on joint venture and associate companies of the Group.

14. Reviewed the Internal Quality Assurance Report completed through self-assessment.

Corporate Governance Overview Statement

C INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

STAKEHOLDER ENGAGEMENT

The Group prioritises constructive relationships with its stakeholders. As a major participant in the property development sector, careful consideration is given to the views of shareholders, customers, employees, regulators and surrounding communities when business decisions may have economic, environmental or social implications.

Engagement activities carried out during the year provided meaningful insights into stakeholder expectations and areas of concern. Feedback received through both formal and informal platforms informed improvements to business practices, customer offerings and operational approaches. This continuous dialogue enables the Group to respond proactively to emerging matters while aligning business activities with stakeholder priorities.

A range of communication channels is utilised to promote open and effective engagement. These interactions support ongoing enhancements across the organisation and reinforce responsible business conduct and sustainable value creation.

Further details on the Group's stakeholder engagement initiatives and outcomes are presented in the Stakeholder Engagement and Value Creation section on pages 64 – 68 and 74 – 75 respectively, of this Integrated Report.

INVESTOR RELATIONS

The Group maintains active and transparent engagement with the investment community. Regular interactions with shareholders, institutional investors, analysts and fund managers provide insight into the Group's financial performance, strategy and key corporate developments.

The Investor Relations team facilitates these engagements by ensuring the timely dissemination of accurate and balanced information beyond statutory disclosures. Through briefings, meetings and other engagement forums, the team supports Senior Management in communicating the Group's direction, business updates and significant milestones, enabling investors to make well informed decisions.

These engagement efforts strengthen confidence within the investment community and support clear, consistent communication across all stakeholder groups.

EFFECTIVE SHAREHOLDER COMMUNICATION

Clear and open communication with shareholders and the investment community is a core aspect of the Group's governance approach. Engagement activities are guided by principles of transparency, consistency and accessibility, with information conveyed in a manner that is accurate, relevant and timely.

Key corporate developments and disclosures are communicated through established channels, including regulatory announcements to Bursa Malaysia Securities, media releases, press briefings and public disclosures. These platforms enable shareholders, stakeholders and the public to remain informed of material developments affecting the Group.

Investor engagement is supported by the Group's Investor Relations function, which facilitates continuous interaction with shareholders, fund managers, financial analysts and media representatives. Through briefings, meetings and project site visits, the Investor Relations team, together with Senior Management, provides insights into operational progress, strategic direction and financial performance. Where appropriate, feedback obtained through these engagements is considered in the Group's decision making processes.

The Group continues to receive coverage from 14 local and international research houses and brokerages and maintains an active presence at investor conferences and roadshows. Quarterly analyst briefings are held following the release of financial results, providing a structured forum for engagement and updates on the Group's performance. Digital platforms were also utilised during the year to supplement physical engagements with analysts and the media.

Queries from the investment community are facilitated through the Investor Relations team and the dedicated IR mailbox at ir@spsetia.com, in addition to information made available on the Company's website.

GENERAL MEETING

Annual General Meetings and Extraordinary General Meetings provide an important platform for direct engagement between the Company and its shareholders. These meetings enable shareholders, particularly retail investors, to seek clarification on matters presented for approval, raise questions on the Group's performance and communicate their views directly to the Board and Management.

At each Annual General Meeting, the President and Chief Executive Officer presents updates on the Group's operations, projects and proposals requiring shareholder approval. Members of the Board, Senior Management, external auditors and advisers are present to address shareholders' questions and facilitate informed discussion.

The Integrated Report 2024 and the Notice of the 50th AGM were issued on 26 March 2025 in accordance with the requirements of the Company's Constitution and MMLR. Where relevant, explanatory notes were provided to assist shareholders in understanding the resolutions tabled.

The 50th AGM held on 24 April 2025 was conducted in person at the AGM venue. In line with the Company's Constitution, shareholders registered the Record of Depositors as at the stipulated date were entitled to attend, speak and vote at the 50th AGM. Shareholders who were unable to participate personally exercised their rights through duly appointed proxies.

The Directors' attendance at the 50th AGM is set out below:

Directors	50th AGM
Y.A.M. Tan Sri Dato' Seri Syed Anwar Jamalullail	✓
Datuk Choong Kai Wai	✓
Datuk Ir. Khairil Anwar Bin Ahmad	✓
Dato' Merina Binti Abu Tahir	✓
Dato' Tengku Marina Binti Tunku Annuar	✓
Dato' Sheranjiv Sammanthan	✓
Datin Wan Daneena Liza Binti Wan Abdul Rahman	✓
Mr Lim Fu Yen	✓
Datin Grace Yeoh Cheng Geok	✓
Encik Mohamad Abdul Halim Bin Ahmad	✓
Puan Aida Hazrina Binti Mohd Tazaai	✓
Datuk Zaini Bin Yusoff (attended in the capacity of Chief Operating Officer)	✓

Corporate Governance Overview Statement

C INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

CORPORATE DISCLOSURE POLICY

Disclosure practices across the Group are guided by principles of accuracy, consistency and accountability. Information made available to the market is prepared with due care to ensure it is factual, meaningful and aligned with applicable regulatory requirements. Clear oversight by the Board reinforces confidence in the integrity of disclosures issued by the Company.

Financial results are released on a regular and disciplined basis, with interim and annual audited results issued within the prescribed timelines. Beyond statutory announcements, the Integrated Report serves as a consolidated communication platform that presents a holistic view of the Group's performance, strategy and governance. Through integrated reporting, shareholders and investors are provided with insights into how financial outcomes are linked to operational execution and broader strategic priorities.

By presenting contextual and forward looking information alongside historical data, the Company supports informed assessment of performance and prospects, enabling stakeholders to evaluate developments in a balanced and transparent manner.

INFORMATION TECHNOLOGY

Use of Digital Platforms to Enable Information Access

Digital platforms support the timely and efficient dissemination of information to shareholders and the wider public. The Company's corporate website functions as a central repository for key disclosures and reference materials, allowing stakeholders to access information conveniently and consistently.

Materials published on the website include annual and integrated reports, regulatory announcements, corporate presentations and financial information shared during analyst and investor briefings. This approach enhances accessibility, supports transparency and facilitates ongoing engagement with stakeholders through readily available and up to date information at www.spsetia.com.

COMPLIANCE STATEMENT

The Board has deliberated, reviewed and approved this Statement and is satisfied that the Company has substantially complied with and applied the three key Principles of the MCCG for the FY2025. Details of how the Company has applied the MCCG Principles and complied with its Practices are set out in the CG Report. Departures are further explained in the CG Report which is available on the Company's website at www.spsetia.com. The Board is further satisfied that the Company has fulfilled its obligations under the relevant paragraphs of the MMLR, MCCG, CA 2016 and other applicable laws and regulations throughout the FY2025.

Statement on Risk Management and Internal Control

The Board of Directors ("Board") of S P Setia recognises that effective risk management and a sound system of internal control are essential to safeguarding the Group's assets, supporting sustainable performance and maintaining stakeholder confidence. Across the Group, Business Units operate defined control processes overseen by Management, with executive accountability resting with the President and Chief Executive Officer ("PCEO"), who is responsible for the effective governance of business conduct and regulatory compliance.

This Statement on Risk Management and Internal Control ("Statement") has been prepared in accordance with paragraph 15.26(b) of the Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("Main LR") and with reference to the Institute of Internal Auditors Malaysia's ("IIAM") Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("the Guidelines"). It describes the principal features of the Group's risk management and internal control systems for the financial year ended 31 December 2025.

BOARD RESPONSIBILITY

The Board is committed to maintaining a sound and effective system of risk management and internal control to safeguard shareholders' interests and support the achievement of the Group's strategic objectives.

The Board retains overall responsibility for defining the Group's risk governance framework, including determining the nature and extent of risks that the Group is prepared to accept in pursuing its strategies. In discharging this responsibility, the Board approves the risk appetite, oversees the adequacy of internal control systems and ensures that risk considerations are embedded into strategic planning and decision-making.

The Board delegates the oversight of risk management and internal control matters to its Board Committees, primarily the Risk Management Committee ("RMC") and the Audit Committee ("AC").

The RMC and AC are established with clearly defined charters and terms of reference and are predominantly comprised of independent directors. This governance structure ensures independence in oversight, reinforces accountability, and reflects S P Setia's commitment to effective corporate governance.

Day-to-day responsibilities for identifying, assessing and managing risks are delegated to Management within established authority limits, while ensuring that accountability and reporting lines remain clear.

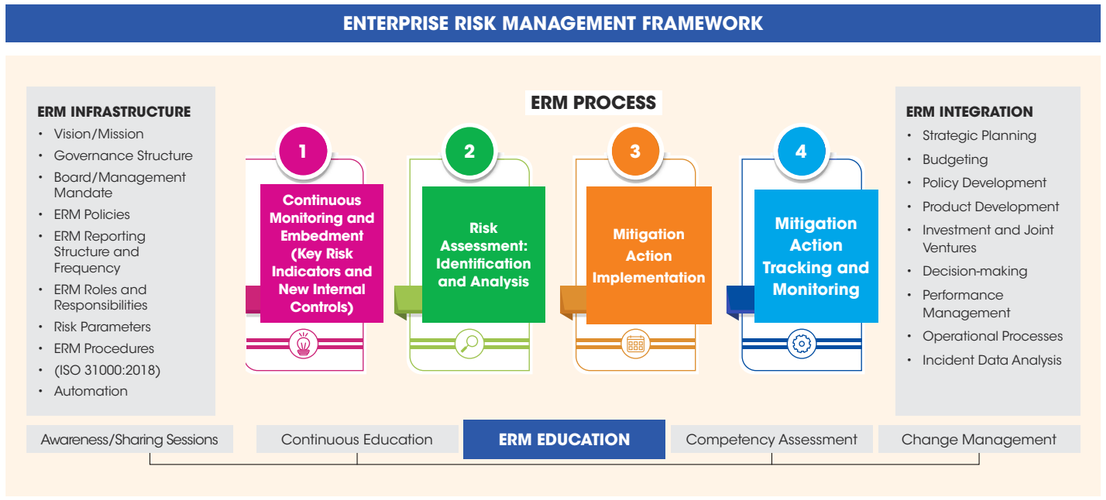
RISK MANAGEMENT FRAMEWORK

The Group has adopted a structured Enterprise Risk Management ("ERM") framework that is applied consistently across all Business Units and operations. The framework is aligned with internationally recognised risk management principles under ISO 31000:2018 and provides a systematic approach to identifying, assessing, monitoring and managing risks at both strategic and operational levels.

Under the ERM framework:

The Board defines the overall risk appetite and tolerance levels in line with strategic priorities	The RMC oversees the effectiveness of the ERM framework and reviews significant and emerging risks	Management, supported by the Management Risk Team, maintains the Group Risk Register and implements mitigation actions

Periodic risk assessments are conducted to evaluate changes in the external and internal environment, ensuring that emerging risks are identified on a timely basis and escalated to the Board where appropriate.



ENTERPRISE RISK MANAGEMENT OVERSIGHT

Risk governance within the Group is anchored at Board level, with oversight exercised through the Board and the Risk Management Committee ("RMC"). Collectively, these bodies provide leadership and direction for the Group's enterprise risk management framework, reinforcing its role as an integral component of corporate governance and strategic execution.

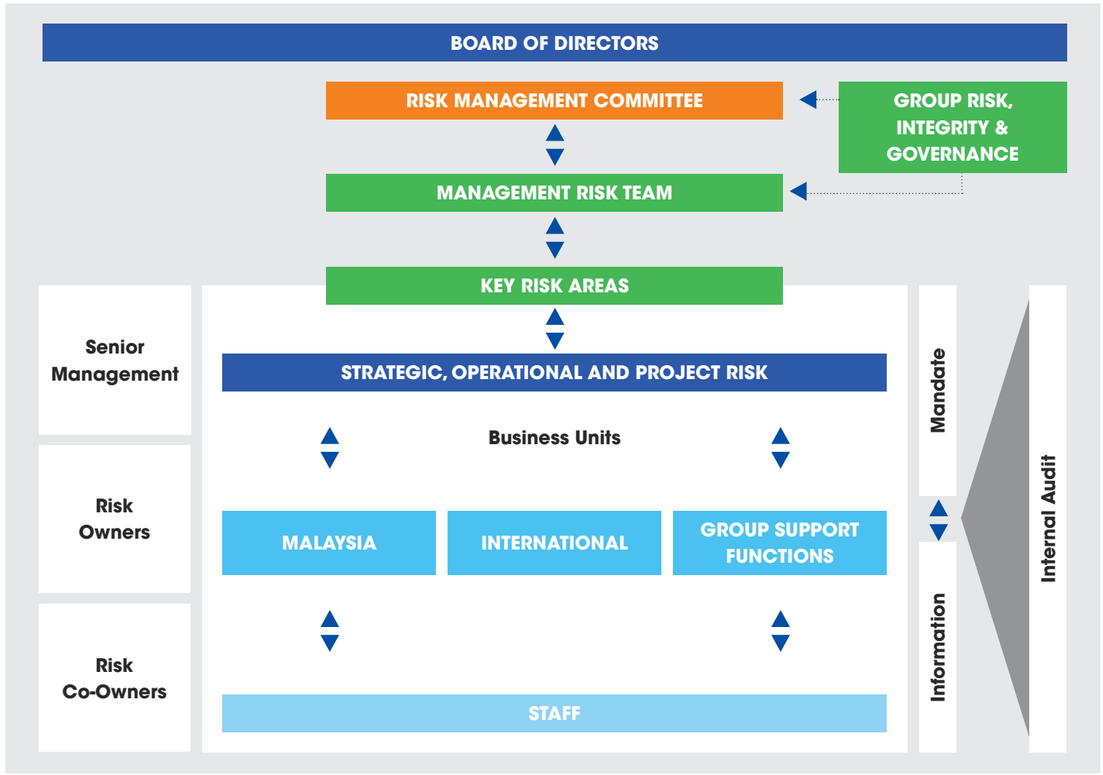
The RMC and the Board guide the development and application of risk-related policies, articulate expectations relating to risk ownership and accountability and approve the structure through which risk information is escalated and reported. Their sustained leadership and engagement underpin the effectiveness of enterprise risk management initiatives across the Group.

The Management Risk Team ("MRT") serves as the coordinating function for enterprise risk activities and provides regular updates to the RMC and the Board. These updates cover the Group's significant risk exposures, the status of risk mitigation measures and the identification of emerging risks and trends that may affect the Group's operations or strategic objectives. This reporting enables timely oversight and informed deliberation at the highest governance levels.

Supporting the MRT is the Group Risk, Integrity and Governance ("GRIG") function, which plays a key role in strengthening the execution of the enterprise risk management and business continuity management frameworks. GRIG supports implementation efforts, promotes consistency in risk practices and drives ongoing risk awareness through training and engagement initiatives across the organisation.

In addition, GRIG contributes an independent perspective by providing objective assessments of key risks and relevant developments. These assessments are communicated to Management, the RMC and the Board to support robust challenge and effective oversight. The combined efforts of the Board, Management and GRIG reinforce a coordinated and disciplined approach to risk management and business continuity, enhancing the Group's resilience and preparedness.

Statement on Risk Management and Internal Control



ENTERPRISE RISK MANAGEMENT POLICY

The Board recognises that operating in the Group's core businesses inevitably involves exposure to a range of risks that may influence performance, resilience and value creation. These risks may manifest as potential challenges or, where appropriately managed, opportunities to enhance outcomes. The Group's Enterprise Risk Management ("ERM") Policy was therefore established to provide a structured basis for applying its ERM framework in support of strategic objectives and shareholder interests.

The ERM Policy articulates the principles that guide how risks are identified, evaluated and managed throughout the Group. It applies uniformly across all Business Units and promotes a disciplined approach to risk ownership and decision-making. Under this policy, the Group adopts a forward-looking approach to risk management, considering both downside exposures and potential upside implications in assessing uncertainty.

Risk responses are calibrated according to the nature and materiality of each risk, with the objective of balancing prudent control with business effectiveness. Risk assessments are embedded within organisational processes to promote consistency and transparency, supported by governance practices that reinforce accountability at all levels. Through this policy, the Group seeks to sustain a coherent and formalised ERM framework that enables risks to be managed in line with approved risk tolerance parameters.

RISK REPORTING

Risk monitoring and reporting form an integral part of the Group's ERM framework. Structured reporting mechanisms are in place to support regular review of the Group's risk landscape, including updates on principal risks, mitigating actions and changes in risk exposure.

During the financial year under review, risk management reports were prepared and submitted on a quarterly basis. These reports were reviewed by the MRT and subsequently escalated to the RMC and the Board for deliberation and approval. This reporting cycle supports ongoing oversight, facilitates timely intervention where necessary and enables the Board to maintain sight over the effectiveness of risk management efforts across the Group.

For more information on our key risks, opportunities and mitigation measures, please refer to pages 89 - 94.

INTEGRATION OF ESG RISKS

In recognition of evolving regulatory expectations and stakeholder priorities, the Group's risk management framework incorporates environmental, social and governance ("ESG") considerations as integral components of enterprise risk management with integration to the overall business strategies. Key sustainability and ESG-related risks, including climate-related risks, changes in regulatory landscapes, social responsibilities and workforce requirements; and business ethics, are identified at both Business Units and Corporate level, assessed for potential financial and operational impact, consolidated, closely tracked and monitored. Board oversight is supported by both the RMC and the Sustainability Committee, ensuring alignment between risk management and sustainability strategies.

This integrated approach enables the Group to anticipate emerging risks and proactively manage the consequences and build resilience across the Group. Further details on the Group's sustainability-related risks and opportunities ("SRO"), including climate-related considerations, are set out in the Sustainability Statement on page 128.

Statement on Risk Management and Internal Control

RISK MANAGEMENT INITIATIVES

As part of the Group's ongoing efforts to strengthen risk culture, several initiatives were undertaken during the year, including ERM awareness sessions, site visits, Setia Governance Risk and Audit Forum ("SGRAF"), and peer benchmarking exercises. These activities aim to enhance risk management practices, reinforce governance frameworks, and embed accountability across all levels.

Series of continuous ERM Culture and Education Programmes which include ERM technical briefings/trainings, site visits, awareness and refresher sessions.

RISK MATURITY ASSESSMENT

Risk Maturity Assessment conducted by an independent consultant, to evaluate the effectiveness and robustness of S P Setia's risk management framework against best practices. This assessment measured key dimensions such as governance, risk culture, processes, and integration with strategic decision-making. By benchmarking against industry standards, the exercise provided valuable insights into current strengths and areas for enhancement. For the year 2025, S P Setia has scored a rating of 4.08 over 5.00 (overall marks), which indicates a sound ERM framework, integrated processes, and proactiveness in building resilience—aligned with ISO 31000.

National Corporate Governance & Sustainability Awards 2025

RISK HUNT – UNLOCK THE RISK CODE

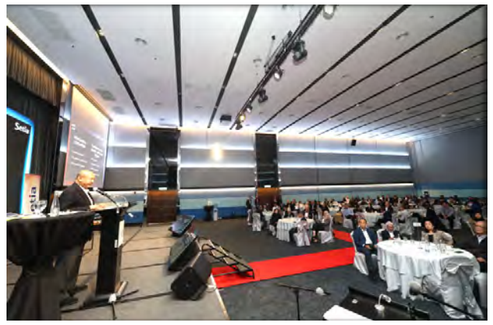
On 27 May 2025, the Group introduced "Risk Hunt", a gamified learning initiative designed to make risk management education engaging and impactful. The event, themed "Unlock the Risk Code", transformed traditional training into an interactive adventure where participants solved clues, navigated checkpoints, and tackled risk scenarios. This approach reinforced understanding of S P Setia's ERM processes through teamwork and competition, improving knowledge retention and proactive risk thinking.

SEMBANG NASI LEMAK (SNL 3.0)

On 26 August 2025, the Group hosted Sembang Nasi Lemak ("SNL 3.0") as part of its ongoing efforts to strengthen risk culture through open dialogue and knowledge sharing for Team Setia. This initiative provided a relaxed platform for meaningful discussions on governance and risk, connecting participants with risk experts and industry practitioners. By transforming informal conversations into impactful learning experiences, SNL 3.0 fostered collaboration, enhanced understanding of emerging risks, and reinforced a culture of accountability across Setia.

Statement on Risk Management and Internal Control

SETIA GOVERNANCE RISK AND AUDIT FORUM 2025 ("SGRAF")



Setia Governance Risk and Audit Forum ("SGRAF") 2025, held on 1 October 2025, convened the Board, Senior Management, and Team Setia for an engaging day of knowledge-sharing with leading risk and governance experts and industry practitioners. The forum served as a strategic platform to deepen understanding of governance principles, emerging geopolitical risks, and evolving regulatory landscapes.

PEER BENCHMARKING SESSION

On 1 December 2025, GRIG conducted a benchmarking session with other Government-Linked Companies ("GLCs") to compare governance, risk management, and compliance practices. The session provided valuable insights into industry standards and emerging best practices as well as improvement opportunities moving forward. This initiative supports continuous upskilling of the GRIG team and reinforces S P Setia's commitment to adopting robust frameworks that align with leading practices in the market.

CELEBRATING RISK, AUDIT AND INTEGRITY EXCELLENCE: ANNUAL RISK AND AUDIT AWARDS

As part of S P Setia's commitment to fostering a strong risk culture and governance excellence, the Annual Risk and Audit Awards were presented during the Annual Dinner on 13 December 2025 to recognise outstanding contributions and achievements in risk management, audit and integrity across the Group. These awards celebrate individuals, teams, and Business Units that have demonstrated proactiveness in identifying, assessing, and mitigating risks, effective control environment, strong integrity culture while promoting accountability, compliance, and resilience.

By acknowledging these efforts, S P Setia reinforces its dedication to continuous improvement and encourages active engagement and embedment of good risk management practices throughout the organisation.

CELEBRATING RISK, AUDIT AND INTEGRITY EXCELLENCE: MALAYSIAN ASSOCIATION OF RISK AND INSURANCE MANAGEMENT ("MARIM") AWARDS 2025

MARIM Risk Culture Excellence Award

As testament to all the efforts and initiatives, S P Setia was recently recognised at the Malaysian Association of Risk and Insurance Management ("MARIM") Awards 2025 held on 15 July 2025 for its strong commitment to risk management excellence. S P Setia was awarded the esteemed Corporate Risk Leadership Award and ranked top five (5) for the Risk Culture Excellence Award, reflecting its leadership in embedding effective risk management practices and fostering a proactive risk-aware culture across the organisation. These accolades affirm S P Setia's dedication to strengthening governance, resilience, and continuous improvement in risk management.

MARIM: Risk Leadership Award 2025

INTEGRITY AND GOVERNANCE

Ethical conduct and sound governance remain fundamental to the way the Group operates and conducts its business. Consistent with national initiatives to strengthen integrity standards within the corporate sector, S P Setia has developed a structured framework supported by targeted initiatives to promote ethical behaviour and reinforce responsible governance across the organisation.

To formalise these efforts, S P Setia established a Group Integrity and Governance Unit ("IGU") following the Prime Minister's directive issued to Government-Linked Companies in October 2018. The formation of the IGU supports the Group's compliance with the corporate liability provisions under Section 17A of the Malaysian Anti-Corruption Commission ("MACC") Act 2009, which has been in effect since 1 June 2020.

The IGU operates in accordance with the Directive and the Guidelines for the Establishment of Integrity and Governance Units issued by the MACC. Its responsibilities span several key areas, including the management of complaints and disclosures relating to suspected misconduct, the assessment and verification of potential breaches involving unethical or unlawful behaviour, and the reporting of corruption-related matters to the relevant authorities where warranted. The IGU also undertakes initiatives to promote integrity awareness and conducts periodic reviews of governance-related policies to reflect regulatory developments and emerging best practices.

The IGU maintains a direct reporting line to the RMC, with ultimate oversight by the Board. This structure reinforces independent supervision and underscores the importance of integrity and governance considerations within the Group's overall risk governance framework.

To strengthen implementation at the operational level, Integrity and Governance Champions ("IGCs") have been appointed across Business Units and Corporate Functions. These representatives support the promotion of ethical conduct within their respective areas and assist in reinforcing the effective application of anti-bribery and anti-corruption policies and procedures throughout the Group.

Integrity and Governance Framework

The Group's integrity and governance framework has been approved by the Board and is grounded in recognised national and international standards. It draws guidance from the National Anti-Corruption Plan, the Guidelines on Adequate Procedures issued by the Prime Minister's Department, and international standards including ISO 37001 on Anti-Bribery Management Systems and ISO 37002 on Whistleblowing Management Systems. The framework is further guided by the Group's core values, which define expected standards of conduct across the organisation.

In developing the framework, due consideration was given to the Group's operating environment, risk exposure and preparedness to address the implications arising from the enforcement of corporate liability requirements. Measures adopted under the framework are aligned with the TRUST principles set out in the Guidelines on Adequate Procedures, serving both preventive and defensive functions in managing integrity-related risks.

As part of its ongoing enhancement efforts, the Board has approved a three-year Strategic Anti-Corruption Plan covering the period from 2024 to 2026. This plan reflects clear leadership oversight at the highest level and provides a structured roadmap for strengthening anti-corruption measures across the Group. It reinforces S P Setia's position on zero tolerance towards bribery and corruption, supported by continuous monitoring and improvement of integrity and governance practices.

INTEGRITY & GOVERNANCE FRAMEWORK

Statement on Risk Management and Internal Control

IGU REPORTING LINE

BOD

- To shape the tone and climate of integrity in Setia
- To endorse biannual report to Bahagian Pengurusan Integrasi Agensi ("BPIA")

RMC

- To monitor the effective functions of the IGU and to assist the BOD in overseeing the overall issues of corruption, fraud, malpractice and unethical conduct

CRIGO

- To ensure timeliness, expertise and efficiency in managing the risks of corruption, abuse of power and malpractice
- To ensure the IGU is functioning effectively

BUSINESS ASSOCIATES

- To ensure compliance and adherence to the applicable laws and Setia's suites of Anti-Bribery and Corruption related policies
- To come forward and report any genuine concern within Setia's business environment in strictest confidence without fear of retaliation

IGU

- To carry out the IGU's core functions:
  - Complaints management
  - Detection and verification
  - Integrity enhancement
  - Governance

Board of Directors

Risk Management Committee ("RMC")

IGU

S P Setia
Corporate Functions

BUs:
Central Region
Northern Region
Southern Region
Eastern Region
Other Subsidiaries
International Projects

Business Associates
Joint-Venture Partners

The following policies have been approved by the Board for implementation and compliance by Team Setia and Setia's Business Associates:

i. Anti-Bribery and Corruption ("ABC") Policy;
ii. Code of Conduct and Business Ethics;
iii. Whistleblowing Policy;
iv. Gifts and Hospitality Policy;
v. Donations and Sponsorship Policy; and
vi. Third-Party Engagement Policy.

As per the Bursa Securities' Main LR, these policies are accessible by the Public, Business Associates and Team Setia either via Setia's corporate website or Setia Intranet platforms. The IGU has the responsibility to facilitate and oversee the enforcement of these policies, ensure awareness and effectiveness of its implementation.

The IGU also facilitates the Corruption Risk Assessment ("CRA") workshops which are being conducted at both Setia Group and Business Unit levels. The Corruption Risk Profiles will be reassessed and reported to the RMC on a periodic basis. During the year under review, various initiatives were implemented to accomplish the objectives which covers Team Setia, active Business Associates ("BAs") and relevant authorities. A series of structured integrity and governance roadshows were conducted targeting Team Setia and BAs in Malaysia, Vietnam and Australia. We continued our engagements with the relevant authorities in areas where our Business Units operate to strengthen ties and to facilitate effective communication on any potential corruption and bribery issues.

FEATURES OF KEY INTERNAL CONTROLS IN SETIA

Internal Control Environment

The Group's internal control system is designed to provide reasonable assurance regarding the achievement of business objectives, the reliability of financial reporting and compliance with applicable laws and regulations. While the system aims to manage risk effectively, it acknowledges inherent limitations and is not intended to eliminate all risks.

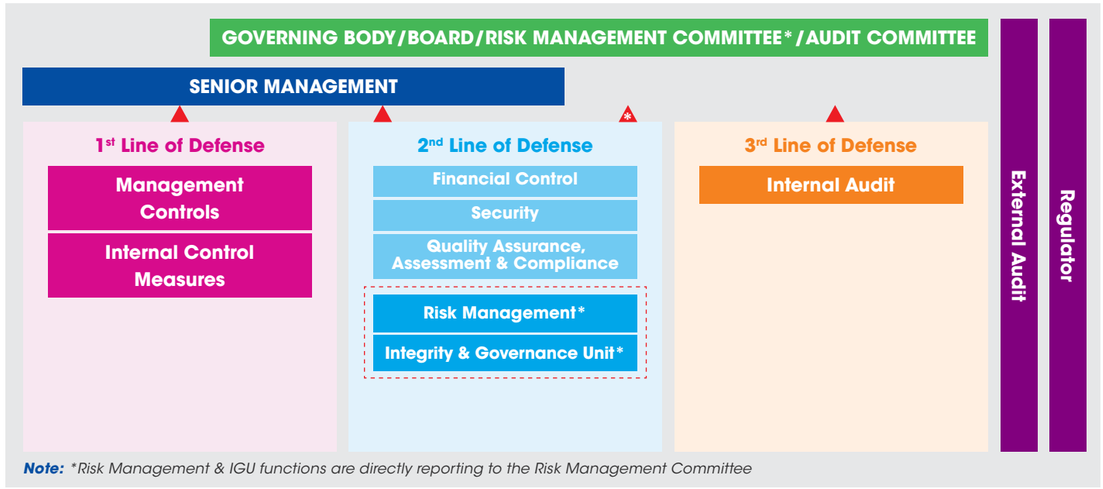
The internal control framework is supported by:

- A defined organisational structure with clear roles, responsibilities and delegated authority limits
- Comprehensive policies, procedures and guidelines governing operational, financial and compliance activities
- Disciplined management and committee structures to support oversight and accountability
- Integrated information systems that enable timely and accurate reporting
- Dedicated risk management and internal audit functions operating independently across the Group

These elements collectively reinforce a control environment that promotes ethical conduct, transparency and accountability across all levels of the organisation.

Lines of defence

The Group applies a three lines of defence model to support effective risk management and internal control.



Note: **Risk Management & IGU functions are directly reporting to the Risk Management Committee*

1st Line of Defence

The first line of defence is provided by senior management and the heads of business units, as process owners who are accountable for managing risks and maintaining effective internal controls within their respective areas. Senior management is also responsible for promoting a strong risk culture and embedding risk management principles in key operational processes, including project evaluation and monitoring.

The Group's internal control systems do not apply to associate companies and jointly controlled entities where the Group does not have full management control. However, the Group's interests are safeguarded through representation on the boards of the respective associate companies and jointly controlled entities.

2nd Line of Defence

The second line of defence is provided by the GRIG, Group Quality Assurance ("GQM") and other corporate control functions. GRIG facilitates the ERM processes based on the approved ERM framework, while GQM is responsible for ensuring effective implementation of, and compliance with, the Group's safety and health and quality-related policies and procedures.

3rd Line of Defence

The third line of defence is provided by the Group Internal Audit ("GIA") function, which delivers independent assurance over the adequacy and effectiveness of the Group's governance, risk management and internal control processes. The internal control system is reinforced by key internal assurance mechanisms and enabling functions, including:

Key Internal Control System	Assurance Mechanism/Enabler
Policies, Guidelines and Procedures	**Group Quality Management ("GQM")** GQM ensures excellence across our property development lifecycle through three integrated pillars: Quality Management System ("QMS"), Product Quality and Service Quality. QMS embeds standardised, compliant processes from design to delivery; Product Quality ensures structurally sound, well-crafted developments that meet market and sustainability expectations; and Service Quality delivers responsive, customer-centric experiences-from sales to after handover support. Together, they uphold our commitment to building trust, value, and long-term satisfaction for residents and stakeholders. (The details of GQM initiatives have been described in the ESG Report under Customer Satisfaction section on page 228). **Group Health, Security & Environment ("GHSE")** GHSE is central to our commitment to responsible property development, safeguarding people, communities, and the environment. GHSE establishes rigorous standards and proactive practices across all project phases – ensuring a safe working environment for employees and contractors, protecting the wellbeing of future residents and minimising environmental impacts through sustainable design and construction. By embedding health, safety and environment stewardship into our operations, we not only comply with regulations but uphold our duty of care and reinforce our vision for resilient, liveable and environmentally-responsible developments. (The details of GHSE initiatives have been described in the ESG Report under Occupational Safety & Health section on pages 209 - 214). **Group Finance Discretionary Authority Limits ("DAL")** The DAL document is crucial to ensure there is an optimal balance between strong corporate governance practices and operational efficiency. It is a written delegation of authority by the Board to the respective Board Committees and Management within the S P Setia Group. Its key objectives are to provide a holistic view of the authority limits set, to encourage delegation, empowerment and accountability, and to eliminate guesswork, confusion and to provide clarity.The DAL document is subject to periodical review to incorporate any changes that affect the authority limits.

Statement on Risk Management and Internal Control

Key Internal Control System	Assurance Mechanism/Enabler
Financial Performance Tracking and Monitoring	**Group Finance** Group financial planning and budgeting, monitoring, reviewing, and reporting of the Group financial performance via periodic reviews of actual performance versus targets, and ensures initiatives and mitigating action are taken. The review and deliberation of financial performance of the Business Units in the Group are conducted on a monthly basis during the Group Action Committee ("GAC") meeting. Quarterly updates will be made in the Audit Committee, Finance & Investment Committee ("FIC") and the Board of Directors meeting, as appropriate.
ICT and Digital Transformation	**Group Digital** GDI leads the Group's digital transformation and innovation agenda by leveraging emerging technologies, artificial intelligence ("AI"), and automation to enhance workplace productivity, resilience, and ESG compliance. The team incubates innovative solutions, optimises information technology ("IT") and digital services, and strengthens cybersecurity and data privacy whilst aligning with the Information Security Policy and Data Governance Guideline. Initiatives focus on unlocking new value through advanced analytics, enabling personalized, delighted customer experiences, and fostering sustainable, future-ready business models aligned with enterprise risk management. (The details of Digital Transformation initiatives have been described in the ESG Report under Innovation section on pages 172 - 176).
Manpower & Talent Management	**Group Human Capital ("GHC")** GHC plays a strategic role in ensuring that our People Agendas are aligned with business objectives. It involves a series of actions and policies aimed at attracting, developing, retaining, and engaging employees to contribute to the company's success.The scope covers the entire employee life cycle, including Workforce Planning, Talent Acquisition, Performance Management, Employee Engagement, Talent Development, Succession Planning and Compliance. By integrating these components, the strategy helps organisations effectively manage their workforce, drive performance, and achieve long-term business success. (The details of GHC initiatives i.e. employee engagement, development focus, etc have been described in the ESG Report under Business Model Resilience section on page 215).
Governance & Compliance	**Group Internal Audit ("GIA")** GIA is an internal audit function which provides independent and objective assurance on the adequacy and effectiveness of the internal control systems implemented by the Group. GIA processes and activities are guided by the following: • The Global Internal Audit Standard ("GIAS") including International Professional Practices Framework ("IPPF") • Committee of Sponsoring Organisations of the Treadway Commission ("COSO") Internal Control Framework • Internal Audit Charter GIA plays an integral part of the Group's governance, internal control system and risk management processes and is headed by a Chief Internal Auditor. GIA ensures its impartiality and objectivity by having its plans and reports directly under the purview of the Audit Committee ("AC"). Audit reviews are conducted in accordance with risk based annual audit plan approved by the AC. GIA employs a systematic and disciplined approach to evaluate and improve the design and effectiveness of the Group's governance, risk and internal control within the auditable entity. Each internal audit report includes key observations, recommendations and action plans aimed at strengthening the Group's internal controls. The AC reviews GIA audit reports, which include opinions on the adequacy and effectiveness of governance, risk management and internal controls and recommendation of corrective actions to be undertaken by the management. The status of the recommendations and action plans are reported to the AC on a quarterly basis. GIA proactively engages and contributes to the Group's effort to create awareness on the importance of upholding high standards of governance culture within the Group.

Key Internal Control System	Assurance Mechanism/Enabler
Corporate Investment & Divestment	**Group Strategy & Business Development ("GSBD")** GSBD oversees the Group's corporate investment and divestment policy, framework, requirements and practices to achieve the desired investment returns and goals, thus achievements of the overall corporate objectives as per the approved business plan. The corporate investment and divestment framework reinforces S P Setia's commitment to comply with the continuous investment disciplines imposed by the Malaysian securities law and regulations and the Main LR of Bursa Securities.
Vendor Pre- Qualification and Registrations	**Vendor Management Unit ("VMU")** VMU conducts a comprehensive due diligence process to ensure potential vendors comply with S P Setia's policies and requirements, including Anti-Bribery and Corruption policies, its financial robustness and operational resilience. • Risk Assessment & Compliance – Evaluating vendors against regulatory and internal compliance standards. • Due Diligence – Conducting thorough background checks to mitigate risks related to integrity, financial stability, and operational capacity. • Performance Monitoring – Continuously assessing vendor reliability, adherence to contract terms and its performance.
Procurement Process	**Group Contract and Procurement ("GCP")** GCP roles in internal control relates to establishing governance frameworks for tenders and contracts, implementing robust procurement policies for conducting tender exercise. It manages contract risk, ensures alignment with S P Setia's legal and regulatory standards, and enforces ethical sourcing practices. GCP presents the following key matters for Tender and Projects Committee ("TPC") approval, including but not limited to: • Award of Construction Contracts (RM1.5 Million and above) – Managing the procurement process and awarding process recommending the award of construction contracts within the Group. • Variation Orders (RM1.5 Million and above) – Managing and reviewing all variation orders to ensure they are justified, necessary, and aligned with project objectives and budget constraints.

MONITORING, REPORTING AND REVIEWING

The Group's system of risk management and internal control are subject to continuous oversight through structured monitoring and review of financial and operational performance, business processes, the state of internal controls and business risk profile across the Group including both Corporate and Business Units and reported to the GAC.

In addition, the Board is updated on the Group's performance on a quarterly basis and reviews are undertaken by GIA on the effectiveness of controls implementation at each individual business unit. Reports on the reviews carried out by GIA are submitted on a regular basis to Management and the AC. In addition, updates on the risk profiles and key mitigations are also tabled to the RMC and the Board on quarterly basis.

BOARD COMMENTARY AND OPINION

For the year under review, the Board has received a written assurance from the President and CEO, COO as well as CFO that the Group's enterprise risk management and internal control systems, in all material aspects, are operating adequately and effectively. There were no material control failures or adverse compliance events that directly resulted in any material loss to the Group.

Taking into consideration the information and assurance given by the President and CEO, COO and CFO, the Board is satisfied that the enterprise risk management and internal control systems in place for the year under review and up to the date of approval of this Statement are sound and effective to safeguard the interest of all shareholders, the Group's assets, and other stakeholders.

The Board has deliberated and approved the recommendations brought forth by the RMC and the AC.

REVIEW OF THE STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL BY THE EXTERNAL AUDITORS

The External Auditors, Messrs. Ernst & Young PLT have performed limited assurance procedures on the Statement in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), Assurance Engagement Other Than Audits or Reviews of Historical Financial Information and Audit and Assurance Practice Guide ("AAPG") 3 – Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control as issued by the Malaysia Institute of Accountants, included in this Annual Report of the Group for the year ended 31 December 2025. Messrs. Ernst & Young PLT have reported to the Board that nothing has come to their attention that causes them to believe that the Statement on Risk Management and Internal Control included in this annual report is not prepared, in all material respects, in accordance with the disclosures required by Section 7 of the Statement on Risk Management and Internal Control ("SORMIC"): Guidelines for Directors of Listed Companies ("SORMIC Guide 2025"), nor is the SORMIC factually inaccurate. Principles of AAPG 3 does not require the External Auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment conducted by the Directors and management thereon. This Statement on Risk Management and Internal Control is made in accordance with the resolution of the Board dated 2nd March 2026.

Additional Compliance Information

AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees paid or payable by the Company and its subsidiaries to the external auditors and their affiliated companies for financial year ended 31 December 2025 are as follows:

	Group (RM'000)	Company (RM'000)
Fees for statutory audits – current year		
- Ernst & Young Malaysia	2,294	213
- Member firms of Ernst & Young Global	639	-
Other non-audit services		
- Ernst & Young Malaysia	379	13

The amount of non-audit fees incurred for the services rendered to the Company and the Group by its external auditors, Messrs Ernst & Young and its member firms of Ernst & Young Global for the financial year ended 31 December 2025 are RM13,000 and RM379,000 respectively.

Services rendered by Messrs Ernst & Young were not prohibited by regulatory and other professional requirements, and are based on globally practised guidelines on auditors independence. Messrs Ernst & Young was engaged in these non-audit services based on their expertise and experience on the subject matter.

MATERIAL CONTRACTS

There were no material contracts entered into by the Company and its subsidiaries involving Directors' and major shareholders' interest which were still subsisting as at the end of the financial year under review or which were entered into since the end of the previous financial year.

RECURRENT RELATED PARTY TRANSACTIONS

At the 50th AGM of the Company held on 24 April 2025, the Company had obtained the approval from its shareholders for the renewal of the shareholders' mandate to enter into recurrent related party transactions of a revenue or trading nature, which are necessary for its day-to-day operations and in the ordinary course of its business, with related parties.

The said mandate took effect on 24 April 2025 and will continue until the conclusion of the forthcoming AGM of the Company.

At the forthcoming AGM to be held on 23 April 2026, the Company intends to seek its shareholders' approval to renew the existing mandate for recurrent related party transactions of a revenue or trading nature. The details of the shareholders' mandate to be sought will be furnished in the Circular to Shareholders dated 25 March 2026 issued together with the Integrated Report 2025.

The details of Recurrent Related Party Transactions entered into during the financial year ended 31 December 2025 pursuant to Paragraph 3.1.5 of Practice Note 12 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad are as follows:

No.	Related Party	Nature of Recurrent Transactions	Value of Transactions (RM'000)	Nature of relationship between S P Setia Berhad Group and the Related Party
1.	Tan Siow Chung	Purchase of properties	2,055	Tan Siow Chung is the director of subsidiary companies of S P Setia Berhad.
2.	Koh Sooi Meng	Purchase of properties	1,852	Koh Sooi Meng is the director of subsidiary companies of S P Setia Berhad.
3.	Chan Ching Hiong	Purchase of properties	544	Chan Ching Hiong is the director of subsidiary companies of S P Setia Berhad.
4.	Datin Paduka Kartini Binti Hj Abdul Manaf	Purchase of properties	1,578	Datin Paduka Kartini Binti Hj Abdul Manaf is the director of subsidiary companies of S P Setia Berhad.
5.	Datuk Choong Kai Wai	Purchase of properties	4,097	Datuk Choong Kai Wai is the former director of S P Setia Berhad.
6.	Nawal Binti Khairil Anwar	Purchase of properties	270	Datuk Ir. Khairil Anwar bin Ahmad is the director of S P Setia Berhad. Nawal Binti Khairil Anwar is the daughter of Datuk Ir. Khairil Anwar bin Ahmad.

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Paragraph 9.25A of the MAIN Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(a) Group Total Income and Total Assets

		Group	
Total Income	Remarks	2024 RM'000	2025 RM'000
Revenue		5,293,568	**4,217,843**
Other Income		286,648	**226,049**
Interest/Finance income		91,476	**86,776**
Share of profit of associates^		55,079	**112,771**
Share of profit of ventures^		25,412	**9,139**
Total		5,752,183	**4,652,578**
Total Assets		27,603,810	**27,083,397**

^ *Share of loss of associates and ventures are excluded.*

(b) Business Activities

Shariah Non-Compliant Activities	Remarks	Group 2024 RM'000	Group 2025 RM'000
Rental income received from tenant involved in Shariah non-compliant activities	Investment properties	8,774	**12,342**
Interest income	Conventional	46,262	**47,374**
Liquor/alcoholic beverages and related products and activities	Hotel/ Recreation Club operations	247	**915**
Pork, non-halal food and related products and activities	Hotel/ Recreation Club operations	658	**666**
Cosmetic/healthcare/beauty care/ personal care and related product	Hotel/ Recreation Club operations	426	**437**
Others	Share of profit of associates/ventures*	33,739	**14,567**
Total		90,106	**76,301**

* *The amount disclosed represents the Shariah non-permissible income that can be reasonably ascertained based on information presently available.*

(c) Component of Financial Position

(i) Cash Component

Islamic Account / Instruments	Group 2024 RM'000	Group 2025 RM'000
Short-term deposits	229,231	**193,380**
Cash held under Housing Development Accounts	647,434	**620,072**
Cash and bank balances (exclude cash in hand)	1,103,899	**887,606**
Total Cash	1,980,564	**1,701,058**

Conventional Account / Instruments	Group 2024 RM'000	Group 2025 RM'000
Short-term deposits	504,169	**317,692**
Cash held under Housing Development Accounts	119,531	**102,156**
Cash and bank balances (exclude cash in hand)	536,921	**450,981**
Total Cash	1,160,621	**870,829**

(c) Component of Financial Position (cont'd)

(ii) Debts Component

Islamic Financing	Group 2024 RM'000	Group 2025 RM'000
Current		
Term loans	855,283	**248,322**
Bridging loans	17,107	**-**
Bank overdrafts	20,891	**-**
Revolving credit	259,000	**207,000**
Medium term notes and commercial paper	73,530	**223,425**
Sukuk Wakalah	-	**649,733**
Hire purchase and finance lease	36	**-**
Non-Current		
Term loans	742,814	**535,540**
Bridging loans	-	**8,000**
Medium term notes and commercial paper	722,084	**800,447**
Sukuk Wakalah	2,995,122	**2,346,869**
Hire purchase and finance lease	96	**-**
Total Financing	5,685,963	**5,019,336**

Conventional Borrowing	Group 2024 RM'000	Group 2025 RM'000
Current		
Term loans	171,685	**1,024,664**
Bridging loans	173,447	**167,324**
Bank overdrafts	9,885	**-**
Revolving credit	622,790	**510,563**
Hire purchase and finance lease	95	**131**
Non-Current		
Term loans	1,792,255	**1,068,716**
Bridging loans	130,153	**127,323**
Hire purchase and finance lease	183	**148**
Total Debt	2,900,493	**2,898,869**

Financial Statements

For The Financial Year Ended
31 December 2025

Directors' Report	**324**	Statements of Cash Flows	**336**
Statements of Financial Position	**330**	Notes to the Financial Statements	**340**
Statements of Comprehensive Income	**332**	Statement by Directors	**459**
Consolidated Statement of Changes in Equity	**333**	Statutory Declaration	**459**
Statement of Changes in Equity	**335**	Independent Auditors' Report	**460**

Directors' Report

For The Financial Year Ended 31 December 2025

The Directors have pleasure in presenting their report and the audited financial statements of the Group and of S P Setia Berhad ("the Company" or "S P Setia") for the financial year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The Company is principally an investment holding company. The principal activities and other information relating to the subsidiary companies are provided in Note 8 to the financial statements.

RESULTS

	Group RM'000	Company RM'000
Net profit for the financial year	603,582	432,914
Attributable to:		
Owners of the Company	509,955	432,914
Non-controlling interests	93,627	-
	603,582	432,914

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

DIVIDENDS

At the Extraordinary General Meeting of the Company held on 20 March 2014, the shareholders of the Company resolved to approve the Company's Dividend Reinvestment Plan ("DRP"). The authority granted to the Company to allot and issue new shares of the Company pursuant to the DRP was renewed by the shareholders at the 50th Annual General Meeting ("AGM") of the Company held on 24 April 2025.

The DRP provides an option to the shareholders to reinvest either all or a portion of the declared dividends in new shares in lieu of receiving cash. Shareholders who elect not to participate in the option to reinvest, will receive the entire dividend wholly in cash.

During the financial year, the Company paid a single-tier dividend of 2.88 sen per ordinary share each amounting to RM144,086,446 in respect of the financial year ended 31 December 2024 on 15 April 2025. The Company did not offer the DRP for this single-tier ordinary dividend.

Subsequent to 31 December 2025, the Directors declared a single-tier dividend of 2.55 sen per share for the financial year ended 31 December 2025. The financial statements for the current financial year do not reflect this proposed dividend. It will be accounted for in equity as an appropriation of retained earnings for the financial year ending 31 December 2026.

PREFERENTIAL DIVIDENDS

During the financial year, the Company paid the following preferential dividends:

(a) a semi-annual preferential dividend of 6.49% per annum in respect of the RCPS-i A and 5.43% per annum in respect of the RCPS-i C for financial period from 1 July 2024 to 31 December 2024. A total of RM40,898,515 was paid in cash on 15 April 2025; and

(b) a semi-annual preferential dividend of 6.49% per annum in respect of the RCPS-i A and 5.43% per annum in respect of the RCPS-i C for financial period from 1 January 2025 to 30 June 2025. A total of RM40,895,950 was paid in cash on 16 October 2025.

Subsequent to 31 December 2025, the Directors declared a semi-annual preferential dividend of 6.49% per annum in respect of the RCPS-i A and 5.43% per annum in respect of the RCPS-i C for financial period from 1 July 2025 to 31 December 2025. The financial statements for the current financial year do not reflect this proposed dividend. It will be accounted for in equity as an appropriation of retained earnings for the financial year ending 31 December 2026.

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company increased its issued and paid-up share capital by way of following:

- Conversion of 603,236 RCPS-i A to 208,012 ordinary shares with the conversion ratio of ten (10) new S P Setia Berhad shares for twenty-nine (29) RCPS-i A held.
- Conversion of 1,332,675 RCPS-i C to 636,501 ordinary shares with the conversion ratio of thirty-two (32) new S P Setia Berhad shares for sixty-seven (67) RCPS-i C held.

DIRECTORS

The Directors in office since the beginning of the financial year to the date of this report are:

Y.A.M Tan Sri Dato' Seri Syed Anwar Jamalullail	
Dato' Merina Binti Abu Tahir	
Dato' Tengku Marina Binti Tunku Annuar	
Datuk Ir Khairil Anwar Bin Ahmad	
Datin Wan Daneena Liza Binti Wan Abdul Rahman	
Lim Fu Yen	
Datin Grace Yeoh Cheng Geok	
Mohamad Abdul Halim Bin Ahmad	
Datuk Zaini Bin Yusoff	(appointed on 1 October 2025)
Aida Hazrina Binti Mohd Tazaai	(appointed on 3 March 2025)
Aida Hazrina Binti Mohd Tazaai	(ceased as Alternate Director to Lim Fu Yen on 3 March 2025)
Datuk Choong Kai Wai	(resigned on 30 September 2025)
Dato' Azmi Bin Mohd Ali	(resigned on 2 March 2025)
Dato' Sheranjiv A/L M Sammanthan	(resigned on 3 March 2026)

DIRECTORS (CONT'D.)

The names of the directors of the Company's subsidiaries in office since the beginning of the financial year to the date of this report (not including those directors listed above) are:

Datuk Yuslina Binti Mohd. Yunus	
Datuk Saw Kim Suan	
Neo Keng Hoe	
Tan Mui Hiang	
Saniman Bin Amat Yusof	
Tan Siow Chung	
See Hunt Soon	
Razly Bin Mohammad Rus	
Chan Ching Hiong	
Annuar Marzuki Bin Abdul Aziz	
Koh Sooi Meng	
Dato' Muhamad Zaili Bin Muhammad Yusof	
Li Wai Chee	
Tuan Hj Ahmad Khalif Bin Tan Sri Datuk (Dr) Hj Mustapha Kamal	
Gan Hwa Leong	
Gan Hua Tiong	
Nasleena Binti Mohamad Shariff	
Zizi Binti Alias	
Dato' Beh Hang Kong	
Datin Paduka Kartini Binti Hj. Abdul Manaf	
Ahmad Shahriman Bin Joharl	
Tan Sri Dato' Sri Rodzali Bin Daud	
Lt. Gen. (retired) Datuk Dr. William Rangit Stevenson	
Azmy Bin Mahbot	(appointed on 23 June 2025)
Shahril Bin Ramli	(appointed on 15 July 2025)
Tan Hwa Min	(appointed on 17 November 2025)
Farizal Bin Zainudin	(appointed on 25 November 2025)
Johari Shukri Bin Jamil	(appointed on 16 May 2025 and resigned on 16 December 2025)
Azrudyn Bin Rashid	(Alternate Director to Johari Shukri Bin Jamil, appointed on 1 December 2025 and ceased on 16 December 2025)
Azrudyn Bin Rashid	(appointed on 16 December 2025)
Liong Kok Kit	(ceased as Alternate Director to Tuan Hj Ahmad Khalif Bin Tan Sri Datuk (Dr) Hj Mustapha Kamal on 23 June 2025)
Liong Kok Kit	(resigned on 23 June 2025 and appointed on 28 July 2025)
Chow Yin See	(resigned on 1 October 2025)
Lim Yen Wah	(resigned on 12 March 2025)
Mohamad Azhar Bin Aripin	(resigned on 15 July 2025)
Zahrin Bin Zakaria	(resigned on 24 October 2025)

Directors' Report
For The Financial Year Ended 31 December 2025

DIRECTORS' INTEREST IN SHARES

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016, none of the Directors who held office at the end of the financial year held any shares or debentures in the Company or its subsidiary companies during the financial year except for the following:

	No. of ordinary shares			
	At 1.10.2025	Addition	Disposal	At 31.12.2025
Datuk Zaini Bin Yusoff				
- direct	283,000	-	-	283,000

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the Directors or the fixed salary of a full-time employee of the Company as shown below by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest except for any benefit which may be deemed to have arisen from the transactions disclosed in Note 39 to the financial statements.

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Directors				
Fees, salaries, bonuses and other emoluments	**7,771**	6,547	**7,771**	6,547
Estimated monetary value of benefits-in-kind	**726**	697	**726**	697
Total short-term employee benefits	**8,497**	7,244	**8,497**	7,244
Post-employment benefits - EPF	**361**	389	**361**	389
	8,858	7,633	**8,858**	7,633

Neither during nor at the end of the financial year was the Company a party to any arrangement whose object is to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

The Directors and officers of the Group and of the Company are covered by Directors and Officers liability insurance for any liability incurred in the discharge of their duties while holding office. During the financial year, the total amount of indemnity coverage and insurance premium paid for the Directors and officers of the Group and the Company are RM75,000,000 and RM188,000 respectively. The Directors and officers shall not be indemnified by such insurance for any deliberate negligence, fraud, intentional breach of law or breach of trust proven against them.

Directors' Report

For The Financial Year Ended 31 December 2025

OTHER STATUTORY INFORMATION

(a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and adequate allowance had been made for doubtful debts; and

(ii) to ensure that any current assets which were unlikely to realise their values in the ordinary course of business as shown in the accounting records of the Group and of the Company had been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the Directors are not aware of any circumstances:

(i) which would render the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

(ii) which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading; or

(iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(c) At the date of this report, there does not exist:

(i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

(ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

(d) At the date of this report, the Directors are not aware of any circumstances, not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the respective financial statements misleading.

(e) In the opinion of the Directors:

(i) no contingent or other liability of the Group or of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, will or may affect the ability of the Group or of the Company to meet their obligations as and when they fall due; and

(ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

Directors' Report

For The Financial Year Ended 31 December 2025

AUDITORS

The auditors, Ernst & Young PLT, have expressed their willingness to continue in office.

Auditors' remuneration is as follows:

	Group RM'000	Company RM'000
Total statutory audit fees	3,609	213

SIGNIFICANT SUBSEQUENT EVENT

Included in Note 48 to the financial statements is the significant subsequent event for the Group and the Company.

This report is approved by the Board of Directors on 6 March 2026.

Signed on behalf of the Board of Directors

Y.A.M TAN SRI DATO' SERI SYED ANWAR JAMALULLAIL
Chairman

DATUK ZAINI BIN YUSOFF

Director

Statements of Financial Position

31 December 2025

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	2	**719,114**	751,792	**3,109**	4,033
Right-of-use - property, plant and equipment	3	**748**	2,709	**-**	-
Investment properties	4	**2,060,083**	2,000,932	**4,030**	4,030
Right-of-use - investment properties	5	**48,203**	38,000	**-**	-
Inventories - land held for property development	6	**11,696,127**	12,278,601	**-**	-
Intangible assets	7	**17,872**	15,480	**6,520**	3,594
Investments in subsidiary companies	8	**-**	-	**10,714,595**	11,307,824
Investments in joint ventures	9	**2,547,128**	2,842,942	**32,751**	32,751
Investments in associated companies	10	**624,505**	619,728	**91,058**	91,058
Other investments	11	**96**	96	**-**	-
Amounts owing by subsidiary companies	12	**-**	-	**3,502,818**	3,234,303
Amounts owing by joint ventures	13	**210,714**	69,785	**-**	-
Trade receivables	16	**669**	6,202	**-**	-
Other receivables, deposits and prepayments	18	**88,514**	88,232	**-**	-
Deferred tax assets	15	**278,582**	263,291	**4,605**	3,629
		18,292,355	18,977,790	**14,359,486**	14,681,222
Current assets					
Trade receivables	16	**1,032,788**	499,803	**-**	-
Contract assets	17	**469,095**	628,074	**-**	-
Other receivables, deposits and prepayments	18	**258,645**	228,391	**13,039**	3,613
Inventories - land held for sales	6	**40,356**	14,483	**-**	-
Inventories - property development costs	6	**2,818,825**	2,436,899	**-**	-
Inventories - completed properties and others	6	**1,228,137**	1,315,821	**-**	-
Contract cost assets	19	**188,577**	172,093	**-**	-
Amounts owing by subsidiary companies	12	**-**	-	**1,418,398**	1,024,350
Amounts owing by joint ventures	13	**104,948**	130,141	**73**	212
Amounts owing by related parties	14	**-**	1,080	**-**	-
Current tax assets		**77,525**	57,759	**-**	1,125
Short-term deposits	20	**511,072**	733,400	**399**	150,099
Cash and bank balances	21	**2,061,074**	2,408,076	**351,124**	516,048
		8,791,042	8,626,020	**1,783,033**	1,695,447
TOTAL ASSETS		**27,083,397**	27,603,810	**16,142,519**	16,376,669

Statements of Financial Position

31 December 2025

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
EQUITY AND LIABILITIES					
Equity					
Share capital	22	**9,239,169**	9,238,060	**9,239,169**	9,238,060
Share capital - RCPS-i A	23	**1,086,760**	1,087,363	**1,086,760**	1,087,363
Share capital - RCPS-i C	23	**202,957**	203,463	**202,957**	203,463
Reserve on acquisition arising from common control	24	**(1,295,884)**	(1,295,884)	**-**	-
Exchange translation reserve	24	**(133,724)**	(33,637)	**-**	-
Retained earnings		**5,698,564**	5,414,491	**991,486**	784,453
Equity attributable to owners of the Company		**14,797,842**	14,613,856	**11,520,372**	11,313,339
Non-controlling interests		**1,290,833**	1,229,895	**-**	-
Total equity		**16,088,675**	15,843,751	**11,520,372**	11,313,339
Non-current liabilities					
Redeemable cumulative preference shares	25	**21,000**	38,432	**-**	-
Other payables and accruals	26	**86,188**	80,522	**-**	-
Long-term borrowings	27	**4,887,043**	6,382,707	**2,346,869**	2,995,122
Lease liabilities	28	**9,353**	2,021	**-**	-
Deferred tax liabilities	15	**412,167**	461,501	**-**	-
Amounts owing to subsidiary companies	12	**-**	-	**830,972**	730,838
		5,415,751	6,965,183	**3,177,841**	3,725,960
Current liabilities					
Redeemable cumulative preference shares	25	**17,603**	-	**-**	-
Trade payables	29	**1,472,374**	1,550,858	**-**	-
Contract liabilities	17	**97,645**	57,642	**-**	-
Other payables and accruals	26	**815,040**	887,195	**46,098**	38,449
Short-term borrowings	27	**3,031,162**	2,203,749	**1,324,733**	1,175,606
Lease liabilities	28	**5,126**	806	**-**	-
Current tax liabilities		**139,373**	94,252	**6,143**	-
Amounts owing to subsidiary companies	12	**-**	-	**67,332**	123,315
Amounts owing to related parties	14	**648**	374	**-**	-
		5,578,971	4,794,876	**1,444,306**	1,337,370
Total liabilities		**10,994,722**	11,760,059	**4,622,147**	5,063,330
TOTAL EQUITY AND LIABILITIES		**27,083,397**	27,603,810	**16,142,519**	16,376,669

The accompanying notes form an integral part of the financial statements.

Statements of Comprehensive Income

For The Financial Year Ended 31 December 2025

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Revenue	30	**4,217,843**	5,293,568	**969,016**	978,469
Cost of sales	31	**(2,554,759)**	(3,492,445)	**-**	-
Gross profit		**1,663,084**	1,801,123	**969,016**	978,469
Other income	32	**312,825**	378,124	**321,631**	379,037
Selling and marketing expenses		**(40,817)**	(43,932)	**-**	-
Administrative and general expenses		**(521,305)**	(503,034)	**(624,316)**	(633,871)
Share of results of joint ventures		**(213,072)**	(181,294)	**-**	-
Share of results of associated companies		**111,419**	55,079	**-**	-
Finance costs	33	**(343,029)**	(384,142)	**(211,389)**	(268,862)
Profit before tax	34	**969,105**	1,121,924	**454,942**	454,773
Taxation	36	**(365,523)**	(491,248)	**(22,028)**	(19,880)
Profit for the year		**603,582**	630,676	**432,914**	434,893
Other comprehensive income, net of tax:					
(Items that may be reclassified subsequently to profit or loss)					
Exchange differences on translation of foreign operations		**(98,708)**	(268,602)	**-**	-
Net (loss)/gain on net investment hedge		**(1,642)**	12,664	**-**	-
Total comprehensive income for the year		**503,232**	374,738	**432,914**	434,893
Profit attributable to:					
Owners of the Company		**509,955**	575,954	**432,914**	434,893
Non-controlling interests		**93,627**	54,722	**-**	-
		603,582	630,676	**432,914**	434,893
Total comprehensive income attributable to:					
Owners of the Company		**409,868**	320,159	**432,914**	434,893
Non-controlling interests		**93,364**	54,579	**-**	-
		503,232	374,738	**432,914**	434,893
Basic earnings per share (sen)	37	**8.56**	10.16		
Diluted earnings per share (sen)	37	**8.14**	9.63		

The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Changes in Equity

For The Financial Year Ended 31 December 2025

	Note	Share capital RM'000	Share capital - RCPS-i A RM'000	Share capital - RCPS-i C 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
		← Attributable to owners of the Company →								
		← Non-distributable →					Distributable			
Balance at 1.1.2024		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	38	-	-	-	-	-	(70,654)	(70,654)	-	(70,654)
RCPS-i C preferential dividends paid	38	-	-	-	-	-	(26,134)	(26,134)	-	(26,134)
Dividends paid and payable	38	-	-	-	-	-	(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

Consolidated Statement of Changes in Equity

For The Financial Year Ended 31 December 2025

		Attributable to owners of the Company								
		Non-distributable					*Distributable*			
	Note	Share capital RM'000	Share capital - RCPS-i A RM'000	Share capital - RCPS-i C 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 1.1.2025		**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**
Total other comprehensive income for the year, represented by exchange differences on translation of foreign operations		**-**	**-**	**-**	**-**	**(98,445)**	**-**	**(98,445)**	**(263)**	**(98,708)**
Net Change on hedge of net investments		**-**	**-**	**-**	**-**	**(1,642)**	**-**	**(1,642)**	**-**	**(1,642)**
Profit for the year		**-**	**-**	**-**	**-**	**-**	**509,955**	**509,955**	**93,627**	**603,582**
Transactions with owners:										
Conversion of RCPS-i A into ordinary shares		**603**	**(603)**	**-**		**-**	**-**	**-**	**-**	**-**
Conversion of RCPS-i C into ordinary shares		**506**	**-**	**(506)**	**-**	**-**	**-**	**-**	**-**	**-**
RCPS-i A preferential dividends paid	38	**-**	**-**	**-**	**-**	**-**	**(70,654)**	**(70,654)**	**-**	**(70,654)**
RCPS-i C preferential dividends paid	38	**-**	**-**	**-**	**-**	**-**	**(11,141)**	**(11,141)**	**-**	**(11,141)**
Dividends paid and payable	38	**-**	**-**	**-**	**-**	**-**	**(144,087)**	**(144,087)**	**(32,426)**	**(176,513)**
Balance at 31.12.2025		**9,239,169**	**1,086,760**	**202,957**	**(1,295,884)**	**(133,724)**	**5,698,564**	**14,797,842**	**1,290,833**	**16,088,675**

The accompanying notes form an integral part of the financial statements.

Statement of Changes In Equity

For The Financial Year Ended 31 December 2025

	Note	Share capital RM'000	Share capital - RCPS-i A RM'000	Share capital - RCPS-i C RM'000	*Distributable* Retained earnings RM'000	Total RM'000
Balance at 1.1.2024		8,722,775	1,087,363	718,748	506,022	11,034,908
Total other comprehensive income for the year, represented by profit for the year		-	-	-	434,893	434,893
Transactions with owners:						
Conversion of RCPS-i C into ordinary shares		515,285	-	(515,285)	-	-
RCPS-i A preferential dividends paid	38	-	-	-	(70,654)	(70,654)
RCPS-i C preferential dividends paid	38	-	-	-	(26,134)	(26,134)
Dividends paid		-	-	-	(59,674)	(59,674)
Balance at 31.12.2024/1.1.2025		**9,238,060**	**1,087,363**	**203,463**	**784,453**	**11,313,339**
Total other comprehensive income for the year, represented by profit for the year		**-**	**-**	**-**	**432,914**	**432,914**
Transactions with owners:						
Conversion of RCPS-i A into ordinary shares		**603**	**(603)**	**-**	**-**	**-**
Conversion of RCPS-i C into ordinary shares		**506**	**-**	**(506)**	**-**	**-**
RCPS-i A preferential dividends paid	38	**-**	**-**	**-**	**(70,654)**	**(70,654)**
RCPS-i C preferential dividends paid	38	**-**	**-**	**-**	**(11,141)**	**(11,141)**
Dividends paid		**-**	**-**	**-**	**(144,086)**	**(144,086)**
Balance at 31.12.2025		**9,239,169**	**1,086,760**	**202,957**	**991,486**	**11,520,372**

The accompanying notes form an integral part of the financial statements.

Statements of Cash Flows

For The Financial Year Ended 31 December 2025

Statements of Cash Flows

For The Financial Year Ended 31 December 2025

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	**969,105**	1,121,924	**454,942**	454,773
Amortisation of intangible assets	**1,372**	942	**838**	409
Reversal of allowance for impairment loss	**(168)**	(1,996)	**(11,456)**	-
Bad debts written off	**407**	207	**35**	-
Allowance for impairment loss on receivables and advances to joint venture	**34,061**	21,682	**47,330**	99,828
Depreciation of property, plant and equipment	**37,819**	44,131	**1,508**	1,376
Depreciation of right-of-use - property, plant and equipment	**863**	982	**-**	-
Net gain on disposal of property, plant and equipment	**(2,651)**	(53,484)	**(96)**	(1)
Gain on fair value adjustment of investment properties	**(45,691)**	(2,629)	**-**	(592)
Gain on disposal of investment properties	**(3,929)**	(1,199)	**-**	-
(Gain)/Loss on liquidation of subsidiary companies	**(1,234)**	19	**354**	82
Gain on disposal of a joint venture	**-**	(56,346)	**-**	(53,309)
Gain on disposal of an associated company	**(8,479)**	-	**-**	-
Property, plant and equipment written off	**59**	104	**-**	-
Impairment loss - investment in subsidiary companies	**-**	-	**443,274**	424,406
Share of results of joint ventures	**213,072**	181,294	**-**	-
Share of results of associated companies	**(111,419)**	(55,079)	**-**	-
Interest income from financial assets measured at amortised cost	**-**	-	**(401)**	(381)
Interest expense on financial liabilities measured at amortised cost	**1,199**	1,282	**-**	-
Amortisation of transaction costs on borrowings	**9,485**	2,516	**1,480**	1,447
Interest expense on lease liabilities	**182**	154	**-**	-
Interest income from deferred payment scheme	**(129)**	(6,412)	**-**	-
Fair value adjustment on right-of-use - investment properties	**3,465**	8,755	**-**	-
Unrealised foreign exchange loss/(gain)	**11,545**	(7,497)	**(720)**	(30,819)
Write-down in value of completed inventories	**11,759**	5,991	**-**	-
Write-down of other inventories	**-**	6,363	**-**	-
Write-down of land held for property development	**187,825**	14,606	**-**	-
Reversal of write-down of completed properties	**-**	(25)	**-**	-
Interest expense	**332,163**	380,190	**209,909**	267,415
Dividend income	**-**	-	**(969,016)**	(978,469)
Interest income	**(86,647)**	(85,064)	**(206,454)**	(207,078)
Rental income	**(101,783)**	(87,172)	**-**	-
Operating profit/(loss) before working capital changes	**1,452,251**	1,434,239	**(28,473)**	(20,913)
Changes in inventories - property development costs and contract cost assets	**478,090**	1,053,957	**-**	-
Changes in inventories - completed properties and others	**328,705**	542,639	**-**	-
Changes in contract assets/liabilities	**200,637**	299,082	**-**	-
Changes in receivables	**(571,535)**	419,053	**(9,450)**	(373)
Changes in payables	**(102,579)**	26,375	**(20,151)**	8,578
Net cash generated from/(used in) operations	**1,785,569**	3,775,345	**(58,074)**	(12,708)
Rental received	**18,702**	22,181	**-**	-
Interest received	**59,660**	57,350	**9,450**	6,488
Interest paid on lease liabilities	**(110)**	(172)	**-**	-
Net tax paid	**(405,061)**	(437,400)	**(15,738)**	(21,985)
Net cash generated from/(used in) operating activities	**1,458,760**	3,417,304	**(64,362)**	(28,205)
CASH FLOWS FROM INVESTING ACTIVITIES				
Additions to inventories - land held for property development	**(421,875)**	(771,016)	**-**	-
Deposits and part consideration paid for acquisition of development land	**(344,356)**	(31,660)	**-**	-
Additions to property, plant and equipment	**(6,151)**	(11,901)	**(588)**	(1,471)
Additions to investment properties	**(19,222)**	(13,451)	**-**	-
Additions to intangible assets	**(3,764)**	(2,137)	**(3,764)**	(2,137)
Proceeds from disposal of property, plant and equipment	**3,208**	69,800	**100**	1
Proceeds from disposal of investment properties	**9,138**	8,401	**-**	-
Proceeds from disposal of associate company	**94,971**	-	**-**	-
Net cash inflow from disposal of a joint venture	**-**	55,809	**-**	55,809
Net cash inflow from liquidation of subsidiary companies	**-**	-	**-**	50
Acquisition of additional shares in joint ventures	**(128)**	-	**-**	-
Net repayment from subsidiary companies	**-**	-	**108,007**	670,771

Statements of Cash Flows

For The Financial Year Ended 31 December 2025

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES (CONT'D.)				
Net (advances to)/repayment from joint ventures	**(130,498)**	5,874	**140**	59,746
Net withdrawal of sinking fund, debt service reserve, escrow accounts and short-term deposits	**38,630**	59,661	**6,576**	8,610
Dividends received from a joint venture	**12,891**	-	**-**	-
Dividends received from associated companies	**13,070**	11,030	**-**	-
Redeemable cumulative preference share dividends received	**-**	-	**1,596**	1,596
Interest received	**26,988**	27,714	**2,323**	3,691
Dividends received	**-**	-	**541,920**	1,139,128
Rental received	**71,280**	54,996	**-**	-
Net cash (used in)/generated from investing activities	**(655,818)**	(536,880)	**656,310**	1,935,794
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment to non-controlling shareholder of subsidiary companies	**(4,500)**	(4,164)	**-**	-
Drawdown of bank borrowings	**1,193,299**	1,301,103	**395,500**	255,000
Repayment of bank borrowings	**(1,999,704)**	(2,753,306)	**(1,086,459)**	(1,274,343)
Repayment of lease liabilities	**(989)**	(906)	**-**	-
Interest paid	**(419,975)**	(498,199)	**(174,229)**	(258,351)
Transaction cost on borrowings paid	**-**	(6,240)	**-**	-
Redeemable cumulative preference share dividends paid to non-controlling interests	**(1,734)**	(1,734)	**-**	-
Dividends paid to non-controlling interests	**(32,426)**	(37,306)	**-**	-
Dividends paid	**(144,087)**	(59,674)	**(144,086)**	(59,674)
RCPS-i A preferential dividends paid	**(70,654)**	(70,654)	**(70,654)**	(70,654)
RCPS-i C preferential dividends paid	**(11,141)**	(26,134)	**(11,141)**	(26,134)
Issuance of Islamic Commercial Paper	**200,000**	-	**200,000**	-
Net cash used in financing activities	**(1,291,911)**	(2,157,214)	**(891,069)**	(1,434,156)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(488,969)**	723,210	**(299,121)**	473,433
EFFECT OF EXCHANGE RATE CHANGES	**(10,955)**	(39,649)	**720**	4,692
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	**2,938,212**	2,254,651	**648,509**	170,384
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	**2,438,288**	2,938,212	**350,108**	648,509

Statements of Cash Flows

For The Financial Year Ended 31 December 2025

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash and cash equivalents included in cash flows comprise the following amounts:				
Short-term deposits	**511,072**	733,400	**399**	150,099
Cash and bank balances	**2,061,074**	2,408,076	**351,124**	516,048
Bank overdrafts (Note 27)	**-**	(30,776)	**-**	(9,647)
	2,572,146	3,110,700	**351,523**	656,500
Less: Amounts restricted in sinking fund, debt service reserve, escrow accounts and short-term deposits	**(133,858)**	(172,488)	**(1,415)**	(7,991)
	2,438,288	2,938,212	**350,108**	648,509

The accompanying notes form an integral part of the financial statements.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2025

1. MATERIAL ACCOUNTING POLICY INFORMATION

Corporate Information

S P Setia Berhad ("the Company") is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The Company is principally an investment holding company. The principal activities and other information relating to the subsidiary companies are provided in Note 8.

The registered office and principal place of business of the Company are located at S P Setia Berhad Corporate HQ No.12, Persiaran Setia Dagang, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan.

(a) Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016.

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements of the Group and of the Company are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

Changes in accounting policies

On 1 January 2025, the Group and the Company adopted the following amendment to MFRSs:

Effective for annual financial periods beginning on or after 1 January 2025:

MFRS 121: Lack of exchangeability (Amendments to MFRS 121)

Adoption of the above amendment to MFRS Accounting Standard did not have any material effect on the financial performance or position of the Group and the Company.

1. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(a) Basis of preparation (cont'd.)

Changes in accounting policies (cont'd.)

Standards issued but not yet effective

The standards, amendments and interpretations that are issued but not yet effective up to the date of issuance of the Group's and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
MFRS 7 and MFRS 9: Amendments to the Classification and Measurement of Financial Instruments (Amendments to MFRS 9 and MFRS 7)	1 January 2026
Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026
MFRS 7 and MFRS 9: Contracts Referencing Nature-dependent Electricity (Amendments to MFRS 9 and MFRS 7)	1 January 2026
MFRS 18: Presentation and Disclosure in Financial Statement	1 January 2027
MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
MFRS 121: Translation to a Hyperinflationary Presentation Currency (Amendments to MFRS 121)	1 January 2027
MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to MFRS 10 and MFRS 128)	Deferred

The new MFRS Accounting Standards and Amendments to MFRS Accounting Standards above are expected to have no significant impact on the financial statements of the Group and the Company upon their initial application except for the changes in presentation and disclosures of financial information arising from the adoption of these new MFRS Accounting Standards and Amendments to MFRS Accounting Standards as discussed below:

MFRS 18 Presentation and Disclosure in Financial Statement

MFRS 18 will replace MFRS 101 *Presentation of Financial Statements*. It preserves the majority requirements of MFRS 101 while introducing additional requirements. In addition, narrow-scope amendments have been made to MFRS 107 *Statement of Cash Flows* and some requirements of MFRS 101 have been moved to MFRS 108 *Basis of Preparation of Financial Statements*.

MFRS 18 additional requirements are as follows:

(i) Statement of Profit or Loss and Other Comprehensive Income

MFRS 18 introduces newly defined "operating profit or loss" and "profit or loss before financing and income tax" subtotal which are to be presented in the statement of profit or loss, while the net profit or loss remains unchanged.

Statement of profit or loss to be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

1. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(a) Basis of preparation (cont'd.)

MFRS 18 Presentation and Disclosure in Financial Statement (cont'd.)

MFRS 18 additional requirements are as follows: (cont'd.)

(ii) Statement of Cash Flows

The standard modifies the starting point for calculating cash flows from operations using the indirect method, shifting from "profit or loss" to "operating profit or loss". It also provides guidance on classification of interest and dividend in statement of cash flows.

(iii) New disclosures of expenses by nature

Entities are required to present expenses in the operating category by nature, function or a mix of both. MFRS 18 includes guidance for entities to assess and determine which approach is most appropriate based on the facts and circumstances.

(iv) Management-defined Performance Measures (MPMs)

The standard requires disclosure of explanations of the entity's company-specific measures that are related to the statement of profit or loss, referred to MPMs. MPMs are required to be reconciled to the most similar specified subtotal in MFRS Accounting Standards.

(iv) Enhanced Guidance on Aggregation and Disaggregation

MFRS 18 provides enhanced guidance on grouping items based on shared characteristics and requires disaggregation when items have dissimilar characteristics or when such disaggregation is materiall.

The Group and the Company are currently assessing the impact of MFRS 18, particularly with respect to the structure of the statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Group and the Company are also assessing the impact on aggregation and disaggregation on how information is grouped in the financial statements.

(b) Significant accounting judgements and estimates

The preparation of financial statements requires management to exercise judgement in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions that affect reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the reporting date, and reported amounts of income and expenses during the financial year.

Although these estimates are based on management's best knowledge of current events and actions, historical experiences and various other factors, including expectations for future events that are believed to be reasonable under the circumstances, actual results may ultimately differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The critical judgements made in applying the accounting policies and the key sources of estimation uncertainty are disclosed in the respective notes to the financial statements.

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

1. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(c) Subsidiary companies

In the Company's separate financial statements, investments in subsidiary companies are stated at cost less impairment losses. Impairment losses are charged to profit or loss.

(d) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and of all its subsidiary companies made up to the end of the financial year. The consolidated financial statements are prepared using uniform accounting policies for like transactions in similar circumstances.

The Group reassesses whether it controls an entity if facts and circumstances indicate that there are changes to one or more of the elements of control.

All subsidiary companies are consolidated using the acquisition method of accounting from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases except for I & P Group Sdn. Berhad, Syarikat Kemajuan Jerai Sdn Bhd and Wawasan Indera Sdn Bhd which are accounted for based on the pooling of interests method.

Business combinations under common control are accounted for using the pooling of interests method, where the results of entities or businesses under common control are accounted for as if the combination had been effected throughout the current and previous financial periods. The assets, liabilities and reserves of these entities are recorded at their pre-combination carrying amounts or existing carrying amounts are accounted for from the perspective of the common shareholder. No adjustments are made to reflect fair values, or recognise any new assets or liabilities, at the date of the combination that would otherwise be done under the acquisition method. No new goodwill is recognised as a result of the combination. Any difference between the consideration paid/transferred and the equity acquired is reflected within equity as reserve on acquisition arising from common control.

(e) Investments in associated companies and joint ventures

The Group holds interest in joint ventures and associated companies as disclosed in Notes 9 and 10.

In the Company's separate financial statements, investments in associated companies and joint ventures are stated at cost less impairment losses.

Investments in associated companies and joint ventures are accounted for in the consolidated financial statements by the equity method of accounting based on the latest audited financial statements and supplemented by management accounts of the associated companies and the joint ventures made up to the Group's financial year end. Distribution received from associated companies and joint ventures reduce the carrying amount of the investment.

Unrealised gains on transactions between the Group and its associated companies or joint ventures are eliminated to the extent of the Group's interest in the associated companies or joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred.

The results and reserves of associated companies or joint ventures are accounted for in the consolidated financial statements based on audited and/or unaudited management financial statements made up to the end of the financial year and prepared using accounting policies that conform to those used by the Group for like transactions in similar circumstances.

1. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(f) Property, plant and equipment

(i) Measurement basis

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of an asset.

Subsequent costs are included in the asset's carrying amount when it is probable that future economic benefits associated with the asset will flow to the Group and to the Company and the cost of the asset can be measured reliably. The carrying amount of the replaced part is derecognised.

(ii) Depreciation

Freehold land and capital work-in-progress are not depreciated.

Depreciation is calculated to write off the depreciable amount of other property, plant and equipment on a straight-line basis over their estimated useful lives. The depreciable amount is determined after deducting residual value from cost.

The principal annual rates used for this purpose are:

Leasehold land	Lease term of 99 years
Buildings	2% - 14%
Plant, machinery, cranes and trucks	5% - 20%
Renovations, computer equipment, office equipment, furniture and fittings	5% - 33%
Motor vehicles	20%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

(g) Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise, including the corresponding tax effect.

When the fair value of the Investment Property Under Construction ("IPUC") is not reliably determinable, the IPUC is measured at cost until either its fair value has been reliably determinable or construction is complete, whichever is earlier.

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

1. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(h) Build-Operate-Transfer ("BOT") agreement

The Group recognises revenue from the construction and upgrading of infrastructure projects under BOT agreement in accordance with the accounting policy for construction contracts set out in Note 1(n) below. Where the Group performs more than one service under the arrangement, consideration received or receivable is allocated to the components by reference to the relative fair values of the services delivered, when the amounts are separately identifiable.

The Group recognises the consideration received or receivable as a financial asset to the extent that it has an unconditional right to receive cash or another financial asset for the construction services. Financial assets are accounted for in accordance with the accounting policy set out in Note 1(o) below.

When the consideration receivable does not represent an unconditional right to receive cash or another financial asset, the Group recognises the consideration receivable as either development rights or as intangible assets, based on the allocation of the fair value of the construction services rendered. The accounting policies for the development rights and intangible assets are disclosed in Notes 1(i) and 1(k)(iii) respectively.

Subsequent costs and expenditures related to infrastructure and equipment arising from the Group's commitments to the BOT agreement or that increase future revenue are recognised as additions to the intangible assets and are stated at cost. Capital expenditures necessary to support the Group's operation as a whole are recognised as property, plant and equipment, and accounted for in accordance with the policy stated under property, plant and equipment in Note 1(f) above. When the Group has contractual obligations that it must fulfill as a condition of its license to:

- maintain the infrastructure to a specified standard; or
- restore the infrastructure when the infrastructure has deteriorated below a specified condition,

it recognises and measures these contractual obligations in accordance with the accounting policy for provisions.

Repairs and maintenance and other expenses that are routine in nature are expensed and recognised in profit or loss as incurred.

(i) Intangible assets

Intangible assets comprise computer software and a right (a licence) to charge users for public services, namely the right to operate Subterranean Penang International Convention & Exhibition Centre ("SPICE") for a specified period.

Intangible assets are stated at cost less accumulated amortisation and impairment losses.

The annual amortisation rates are as follows:

Right (Licence) to charge users for public services	30 years
Computer software	20%

1. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(j) Leases

(i) Group as a Lessor

Leases where the Group retain substantially all the risks and rewards of ownership of the asset are classified as operating leases. When the assets are leased out under an operating lease, the asset is included in the statement of financial position based on the nature of the asset. The accounting policy for lease income is set out in Note 1(r)(ix) below.

(ii) Group as a Lessee

- Right-of-use assets

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Buildings	1 to 3 years
Plant and machinery	5 years

- Lease liabilities

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

- Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

(k) Inventories

(i) Inventory properties

Property acquired or being constructed for sale in the ordinary course of business is measured at the lower of cost and net realisable value.

Cost includes:

- Freehold and leasehold rights for land;
- Amounts paid to contractors for construction;
- Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs; and
- Non-refundable commission cost

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

1. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(k) Inventories (cont'd.)

(i) Inventory properties (cont'd.)

Inventory properties under construction are referred to as property development costs and comprise the cost of land, direct building costs and a share of development costs common to the entire development project where applicable. Once contracted to be sold, the related costs of these inventories would be transferred to cost to fulfill contracts, and subsequently recognised in profit or loss as and when control passes to the respective purchasers.

Inventory properties where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle are referred to as land held for development and classified within non-current assets. Generally no significant development work would have been undertaken on these lands other than project planning, infrastructure work, earth work and landscape work incurred to prepare the land for development and these inventory properties are stated at cost plus incidental expenditure incurred to put the land in a condition ready for development. These inventory properties are classified to current assets at the point when active development project activities have commenced and when it can be demonstrated that the development activities can be completed within the normal operating cycle.

(ii) Raw materials, consumable goods and others

Cost is determined on the weighted average and first-in, first-out basis. In the case of finished goods and work-in-progress, cost comprises materials, direct labour, other direct charges and an appropriate proportion of factory overheads.

(iii) Development rights

Development rights represent the rights to additional density over and above the maximum permissible density for the Group's development projects within the island of Penang, granted pursuant to a BOT agreement as disclosed in Note 1(h).

Development rights are recognised to the extent that the Group has performed the construction services for the BOT agreement. Development rights are initially measured at cost, which is represented by the allocated fair value of the construction services rendered.

Development rights recognised are included as part of the cost of the land held for property development or the property development costs of the Group, based on the allocation of the expected utilisation of the development rights for the planned property development projects of the Group.

(l) Contract assets and contract liabilities

Contract asset is presented as the excess of cumulative revenue earned or recognised in profit or loss over the billings to date to the customer. Contract assets are subject to impairment assessment in accordance of *MFRS 9: Financial Instruments*.

Contract liabilities are recognised as revenue when the Group or the Company performs its obligation under the contract. Contract liability is the excess of the billings to date to the customer over the cumulative revenue earned or recognised in profit or loss. Contract liabilities include advance payment and down payments received from customers and other amounts where the Group or the Company has billed before the goods are delivered or services are provided to the customers.

1. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(m) Contract cost assets

(i) Incremental costs of obtaining a contract

The incremental costs of obtaining a contract with customers of the Group mainly relate to commission payable on sales of properties.

(ii) Costs to fulfill a contract

The costs incurred to fulfill contracts with customers of the Group mainly comprise of costs incurred for the development and construction of its property development projects.

Contract cost assets are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates as disclosed in Note 1(r).

(n) Long-term construction contracts

The Group's long-term construction contracts are all fixed price contracts and where their outcome can be reasonably estimated, revenue is recognised on the percentage of completion method. The stage of completion is determined by the proportion that costs incurred to-date bear to the estimated total costs, and for this purpose, only those costs that reflect actual contract work performed are included as costs incurred.

Where the outcome of a long-term construction contract cannot be reasonably estimated, revenue is recognised only to the extent of contract costs incurred that are expected to be recoverable. At the same time, all contract costs incurred are recognised as an expense in the period in which they are incurred.

Costs that relate directly to a contract and which are incurred in securing the contract are also included as part of contract costs if they can be separately identified and measured reliably and it is probable that the contract will be secured.

When it is probable that total costs will exceed total revenue, the foreseeable loss is immediately recognised in profit or loss irrespective of whether contract work has commenced or not, or of the stage of completion of contract activity, or of the amounts of profits expected to arise on other unrelated contracts.

On the statement of financial position, contracts in progress are reflected either as contract assets which is the surplus of (i) work performed to date recognised under the percentage of completion method or over time, or (ii) the billings made to date. A contract liability would represent the surplus of (ii) over (i).

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

1. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(o) Financial instruments - initial recognition and subsequent measurement

(i) Financial assets

Initial recognition and measurement

Financial assets of the Group are classified, at initial recognition, and subsequently measured at amortised cost and fair value through profit or loss whilst all financial assets of the Company are measured at amortised cost.

The Group's and the Company's financial assets at amortised cost and fair value through profit and loss are disclosed in Note 44(a).

The Group's financial assets at fair value through profit or loss includes investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

The Group has performed its assessment based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. In making this assessment, the Group also takes into consideration that it would maintain its name as the registered owner of the properties until full settlement is made by the purchasers or the purchasers' end-financiers.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities of the Group and the Company are classified, at initial recognition, as financial liabilities at amortised cost.

The Group's and the Company's financial liabilities at amortised cost are disclosed in Note 44(a).

1. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(p) Share capital and Islamic redeemable convertible preference shares ("RCPS-i A" and "RCPS-i C")

Ordinary shares, RCPS-i A and RCPS-i C are classified as equity when there is no contractual obligation to deliver cash or other financial assets to another person or entity or to exchange financial assets or liabilities with another person or entity that are potentially unfavourable to the issuer.

Ordinary shares, RCPS-i A and RCPS-i C are recorded at nominal value.

The proceeds received net of any directly attributable transaction costs are credited to share capital.

Dividends on ordinary shares, RCPS-i A and RCPS-i C are recognised in equity in the period in which they are declared.

(q) Redeemable cumulative preference shares ("RCPS")

Redeemable cumulative preference shares are classified as financial liabilities in accordance with the substance of the contractual arrangement of the RCPS.

Dividends to shareholders of the RCPS are recognised as finance costs, on an accrual basis.

RCPS are measured at amortised cost.

(r) Revenue recognition

(i) Revenue from property development

Contracts with customers may include multiple promises to customers and therefore accounted for as separate performance obligations. In this case, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. When these are not directly observable, they are estimated based on expected cost plus margin.

The revenue from property development is measured at the fixed transaction price agreed under the sale and purchase agreement.

Revenue from property development is recognised as and when the control of the asset is transferred to the customer and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer.

Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

1. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(r) Revenue recognition (cont'd.)

(i) Revenue from property development (cont'd.)

This is generally established when:

- the promised properties are specifically identified by its plot, lot and parcel number and its attributes (such as its size and location) in the sale and purchase agreements and the attached layout plan, and the purchasers could enforce its rights to the promised properties if the Group seeks to sell the unit to another purchaser. The contractual restriction on the Group's ability to direct the promised residential property for another use is substantive and the promised properties sold to the purchasers do not have an alternative use to the Group; and

- the Group has the right to payment for performance completed to date and is entitled to continue to transfer to the customer the development units promised and has the rights to complete the construction of the properties and enforce its rights to full payment.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

The Group and the Company recognise revenue over time using the input method, which is based on the actual cost incurred to date on the property development project as compared to the total budgeted cost for the respective development projects.

The Group recognises sales at a point in time for the sale of completed properties, when the control of the properties has been transferred to the purchasers, being when the properties have been completed and delivered to the customers and it is probable that the Group will collect the considerations to which it will be entitled to in exchange for the assets sold.

The Group has determined that it has a significant financing component related to the sales of its property units being developed under the deferred payment scheme (10:90 scheme). As a result of this the amount of the promised consideration is adjusted for the significant financing component and the related interest income is recognised using the effective interest method over the term of the deferment.

(ii) Revenue from construction contracts

Under such contracts, the Group is engaged to construct buildings and related infrastructure and in certain instances to supply equipments. These contracts may include multiple promises to the customers and therefore accounted for as separate performance obligations. The fair value of the revenue, which is based on fixed price under the agreement will be allocated based on relative stand-alone selling price of the considerations of each of the separate performance obligations.

The Group recognises construction revenue over time as the project being constructed has no alternative use to the Group and it has an enforceable right to the payment for performance completed to date. The stage of completion is measured using the input method, which is based on the total actual construction cost incurred to date as compared to the total budgeted costs for the respective construction projects.

1. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(r) Revenue recognition (cont'd.)

(iii) Sale of goods

Revenue from the sale of goods is measured at the fair value of the consideration receivable and is recognised in profit or loss when the significant risks and rewards of ownership and control of the goods have been transferred to the buyer.

(iv) Management fees

Management fees are recognised when services are rendered.

(v) Hotel operations

Revenue from hotel operations is recognised net of service taxes and discounts upon rendering of the relevant services or sales of goods.

(vi) Recreational club operations

Revenue from recreational club activities including club membership fees and banqueting income are recognised when the services are rendered. The payment of the transaction price is due immediately upon delivery of the services. Recreational club membership fees which are received upfront are recognised on a straight-line basis over the tenure of the respective memberships.

The recognition of other classes of revenue/income are set out below:

(vii) Dividend income

Dividend income is recognised when the Group's and the Company's right to receive payment is established.

(viii) Interest income

Interest income is recognised based on the effective interest method.

(ix) Lease income

Lease income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of lease income over the lease term on a straight-line basis.

Other than the above, all other income are recognised on an accrual basis.

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

1. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(s) Foreign currencies

(i) Functional currency

The financial statements of each entity within the Group are measured using their respective functional currencies.

(ii) Transactions and balances in foreign currencies

Foreign exchange differences arising on settlement or retranslation of monetary items are recognised in profit or loss except for monetary items that are designated as hedging instruments in a hedge of the Group's net investment in a foreign operation.

(iii) Translation of foreign operations

For consolidation purposes, all assets and liabilities of foreign operations that have a functional currency other than RM (including goodwill and fair value adjustments arising from the acquisition of the foreign operations) are translated at the exchange rates ruling at the reporting date. Income and expense items are translated at exchange rates approximating those ruling on transactions dates. All exchange differences arising from the translation of the financial statements of foreign operations are dealt with through the exchange translation reserve account within equity. Upon disposal of a foreign operation, the related exchange translation differences will be recognised in profit or loss as part of gain or loss on disposal.

(t) Employee benefits

(i) Short-term employee benefits

Wages, salaries, paid annual leave, paid sick leave, maternity leave, bonuses and non-monetary benefits are recognised as an expense in the period in which the associated services are rendered by employees other than those that are attributable to property development activities or construction contract in which case such expenses are capitalised as part of the costs of the relevant assets.

(ii) Post-employment benefits

The Company and its subsidiary companies incorporated in Malaysia make contributions to the Employees Provident Fund ("EPF") and foreign subsidiary companies make contributions to their respective countries' statutory pension schemes. The contributions are recognised as a liability after deducting any contributions already paid and as expenses in the period in which the employees render their services.

1. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(u) Borrowing costs

The interest capitalised is calculated using the Group's weighted average cost of borrowings after adjusting for borrowings associated with specific developments. Where borrowings are associated with specific developments, the amount capitalised is the gross interest incurred on those borrowings less any investment income arising on their temporary investment. Borrowing costs are capitalised until the asset is substantially completed for its intended use or sale.

(v) Cash and cash equivalents

Cash and cash equivalents consist of cash and bank balances, short-term deposits with licensed banks and other financial institutions which are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

For the purposes of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and exclude sinking fund, debt service reserve, escrow accounts and short-term deposits pledged to secure banking facilities.

(w) Operating segments

Segment reporting in the financial statements is presented on the same basis as it is used by management internally for evaluating operating segment performance and in deciding how to allocate resources to each operating segment. Operating segments are distinguishable components of the Group that engage in business activities from which they may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components.

Segment revenues, expenses, assets and liabilities are those amounts resulting from operating activities of a segment that are directly attributable to the segment and a relevant portion that can be allocated on a reasonable basis to the segment.

Segment revenues, expenses, assets and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group entities within a single segment.

(x) Fair value measurement

The Group measures financial instruments, such as quoted and unquoted securities and non-financial assets such as investment properties at fair value at each reporting date.

The Group's management determines the policies and procedures for both recurring and non-recurring fair value measurement.

External valuers are involved for valuation of significant assets, such as investment properties. Involvement of external valuers is decided upon annually by the management. Selection criteria of external valuers include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

1. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(x) Fair value measurement (cont'd.)

At each reporting date, the management analyses the movement in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

(y) Income tax

(i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date. Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, based on at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(z) Derivative financial instrument and hedge accounting

The Group applies hedge accounting by way of hedge of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

1. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(z) Derivative financial instrument and hedge accounting (cont'd.)

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges of a net investment

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised as other comprehensive income while any gains or losses relating to the ineffective portion are recognised in the statement of profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is transferred to the statement of profit or loss.

On disposal of the foreign operation, the cumulative amount recognised in equity relating to the hedge is reclassified to profit or loss.

During the financial year ended 31 December 2025, the Group fully repaid the foreign currency borrowing that had previously been designated as a hedge of its net investment in a foreign joint venture. Accordingly, hedge accounting for that relationship was discontinued upon repayment. Any cumulative foreign currency translation differences recognised in equity remain in the foreign currency translation reserve and will be reclassified to profit or loss upon disposal of the foreign operation. Further details are disclosed in Note 44(b).

(aa) Insurance contract

MFRS 17 Insurance Contracts is a comprehensive accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. MFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entity that issues them, as well as certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of MFRS 17 is to provide a comprehensive accounting model for insurance contracts that is more useful and consistent for insurers, covering all relevant accounting aspects. MFRS 17 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

1. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(ab) Climate- related matters

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the group due to both physical and transition risks. Even though the Group believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Group is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are:

- Profitability of property development projects, considering physical risks (e.g. flooding) and transition risks such as carbon pricing, evolving building standards and supply chain requirements that may affect timelines and project economics. Demand for sustainable and low-carbon solutions may also affect margins, with related costs incorporated into project budgets.

- Useful life of property, plant and equipment. When reviewing the residual values and expected useful lives of assets, the Group considers climate-related matters, such as climate-related legislation and regulations that may restrict the use of assets or require significant capital expenditures.

- Impairment of non-financial assets. The value-in-use may be impacted by several different ways by transition risk in particular, such as climate-related legislation and regulations and changes in demand for the Group's products.

- For investment properties, the Group considers physical and transition risks in its valuation assessment. The Group is not currently exposed to significant physical risks, while transition risks including stricter energy efficiency requirements and growing demand for low-emission buildings — are, to some extent, reflected in valuations.

Notes to the Financial Statements

For The Financial Year Ended 31 December 2025

2. PROPERTY, PLANT AND EQUIPMENT

Group 2025	Freehold land RM'000	Leasehold land RM'000	Buildings RM'000	Plant, machinery, cranes and trucks RM'000	Computer equipment, office equipment, renovations, furniture and fittings RM'000	Motor vehicles RM'000	Capital work-in-progress RM'000	Total RM'000
Cost								
At 1.1.2025	**31,293**	**14,242**	**757,100**	**21,949**	**204,440**	**30,823**	**3,009**	**1,062,856**
Additions	**-**	**-**	**63**	**-**	**4,926**	**156**	**1,006**	**6,151**
Disposals	**-**	**-**	**(122)**	**(8,848)**	**(2,953)**	**(3,703)**	**-**	**(15,626)**
Write-offs	**-**	**-**	**-**	**(101)**	**(2,711)**	**(45)**	**-**	**(2,857)**
Reclassification	**-**	**-**	**-**	**-**	**100**	**-**	**(100)**	**-**
Exchange differences	**-**	**-**	**(610)**	**-**	**(268)**	**(5)**	**-**	**(883)**
At 31.12.2025	**31,293**	**14,242**	**756,431**	**13,000**	**203,534**	**27,226**	**3,915**	**1,049,641**
Accumulated depreciation								
At 1.1.2025	**-**	**1,351**	**108,895**	**20,813**	**152,603**	**27,163**	**-**	**310,825**
Charge for the year	**-**	**146**	**22,877**	**284**	**13,315**	**1,197**	**-**	**37,819**
Disposals	**-**	**-**	**(106)**	**(8,715)**	**(2,735)**	**(3,513)**	**-**	**(15,069)**
Write-offs	**-**	**-**	**-**	**(101)**	**(2,652)**	**(45)**	**-**	**(2,798)**
Exchange differences	**-**	**-**	**(224)**	**-**	**(259)**	**(6)**	**-**	**(489)**
At 31.12.2025	**-**	**1,497**	**131,442**	**12,281**	**160,272**	**24,796**	**-**	**330,288**
Accumulated impairment losses								
At 1.1.2025/31.12.2025	**-**	**-**	**202**	**-**	**37**	**-**	**-**	**239**
Net carrying amount At 31.12.2025	**31,293**	**12,745**	**624,787**	**719**	**43,225**	**2,430**	**3,915**	**719,114**

2. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

Group 2024	Freehold land RM'000	Leasehold land RM'000	Buildings RM'000	Plant, machinery, cranes and trucks RM'000	Computer equipment, office equipment, renovations, furniture and fittings RM'000	Motor vehicles RM'000	Capital work-in-progress RM'000	Total RM'000
Cost								
At 1.1.2024	34,960	14,242	787,310	35,846	201,441	34,849	7,661	1,116,309
Additions	-	-	294	2	5,683	1,094	4,828	11,901
Disposals	(2,237)	-	(29,200)	(13,851)	(3,973)	(3,414)	-	(52,675)
Write-offs	-	-	-	(46)	(1,866)	(1,677)	-	(3,589)
Transfer to investment properties (see Note 4)	(1,430)	-	(5,481)	-	-	-	-	(6,911)
Reclassification	-	-	5,709	-	3,771	-	(9,480)	-
Exchange differences	-	-	(1,532)	(2)	(616)	(29)	-	(2,179)
At 31.12.2024	31,293	14,242	757,100	21,949	204,440	30,823	3,009	1,062,856
Accumulated depreciation								
At 1.1.2024	-	1,205	101,626	32,745	141,712	30,511	-	307,799
Charge for the year	-	146	24,972	647	17,070	1,749	-	44,584
Disposals	-	-	(16,587)	(12,533)	(3,849)	(3,390)	-	(36,359)
Write-offs	-	-	-	(46)	(1,762)	(1,677)	-	(3,485)
Transfer to investment properties (see Note 4)	-	-	(809)	-	-	-	-	(809)
Exchange differences	-	-	(307)	-	(568)	(30)	-	(905)
At 31.12.2024	-	1,351	108,895	20,813	152,603	27,163	-	310,825
Accumulated impairment losses								
At 1.1.2024/31.12.2024	-	-	202	-	37	-	-	239
Net carrying amount At 31.12.2024	31,293	12,891	648,003	1,136	51,800	3,660	3,009	751,792

2. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

Company 2025	Computer equipment, office equipment, renovations, furniture and fittings RM'000	Motor vehicles RM'000	Capital work-in-progress RM'000	Total RM'000
Cost				
At 1.1.2025	**5,758**	**1,442**	**100**	**7,300**
Additions	**588**	**-**	**-**	**588**
Disposals	**(4)**	**(547)**	**-**	**(551)**
Reclassification	**100**	**-**	**(100)**	**-**
At 31.12.2025	**6,442**	**895**	**-**	**7,337**
Accumulated depreciation				
At 1.1.2025	**2,592**	**675**	**-**	**3,267**
Charge for the year	**1,329**	**179**	**-**	**1,508**
Disposals	**(1)**	**(546)**	**-**	**(547)**
At 31.12.2025	**3,920**	**308**	**-**	**4,228**
Net carrying amount At 31.12.2025	**2,522**	**587**	**-**	**3,109**
2024				
Cost				
At 1.1.2024	5,007	781	50	5,838
Additions	760	661	50	1,471
Disposals	(9)	-	-	(9)
At 31.12.2024	5,758	1,442	100	7,300
Accumulated depreciation				
At 1.1.2024	1,347	553	-	1,900
Charge for the year	1,254	122	-	1,376
Disposals	(9)	-	-	(9)
At 31.12.2024	2,592	675	-	3,267
Net carrying amount At 31.12.2024	3,166	767	100	4,033

Land and buildings of the Group included above at a net carrying amount of RM314,990,000 (2024: RM377,299,000) have been charged to banks to partially secure the long-term borrowings and revolving credits referred to in Note 27 below.

3. RIGHT-OF-USE - PROPERTY, PLANT AND EQUIPMENT

	2025			2024
Group	Buildings RM'000	Plant and machinery RM'000	Total RM'000	Buildings RM'000
Cost				
At beginning of the year	**9,097**	**-**	**9,097**	9,543
Additions	**781**	**148**	**929**	-
Early termination of lease contracts	**(7,402)**	**-**	**(7,402)**	(18)
Exchange differences	**(46)**	**-**	**(46)**	(428)
At end of the year	**2,430**	**148**	**2,578**	9,097
Accumulated depreciation				
At beginning of the year	**6,388**	**-**	**6,388**	5,683
Charge for the year	**856**	**7**	**863**	982
Early termination of lease contracts	**(5,391)**	**-**	**(5,391)**	(18)
Exchange differences	**(30)**	**-**	**(30)**	(259)
At end of the year	**1,823**	**7**	**1,830**	6,388
Net carrying amount At end of the year	**607**	**141**	**748**	2,709

The Group has leases of buildings used as office premises and storage facilities as well as leases of plant and machinery. Leases are generally entered into a fixed period ranging from 3 to 5 years.

The details of the related lease liabilities are as disclosed in Note 28.

4. INVESTMENT PROPERTIES

	Group		Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Valuation per valuers' reports	**2,151,876**	2,092,623	**4,030**	4,030
Less: Accrued rental income	**(94,324)**	(94,335)	**-**	-
Add: Prepaid rental received in advance	**2,531**	2,644	**-**	-
	2,060,083	2,000,932	**4,030**	4,030
At beginning of the year	**2,000,932**	1,979,668	**4,030**	3,438
Additions	**19,222**	13,451	**-**	-
Disposals	**(5,209)**	(7,202)	**-**	-
Transfer from property, plant and equipment *(see Note 2)*	**-**	6,102	**-**	-
Transfer from inventories - completed properties	**-**	12,450	**-**	-
Transfer to inventories - land held for property development *(see Note 6)*	**-**	(4,966)	**-**	-
Changes in fair value *(see Note 32)*	**45,691**	2,629	**-**	592
Exchange differences	**(553)**	(1,200)	**-**	-
At end of the year	**2,060,083**	2,000,932	**4,030**	4,030
Included in the above are:				
At fair value:				
Freehold land and building	**1,259,981**	1,207,732	**1,473**	1,473
Leasehold land and building	**800,102**	785,406	**2,557**	2,557
	2,060,083	1,993,138	**4,030**	4,030
At cost:				
Investment properties under construction	**-**	7,794	**-**	-
	2,060,083	2,000,932	**4,030**	4,030

The Group's investment properties at a net carrying amount of RM1,044,052,000 (2024: RM1,273,413,000) have been charged to banks to secure the borrowings referred to in Note 27 below.

The fair value of the investment properties as at 31 December 2025 was substantially arrived at via valuations performed by certified external valuers.

Investment properties of the Group are measured at fair value except for investment properties under construction which are measured at cost until either the fair value becomes reliably determinable or when construction is completed, whichever is earlier.

The fair value hierarchy of the investment properties are disclosed in Note 45.

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

4. INVESTMENT PROPERTIES (CONT'D.)

The Group has no restriction on the realisability of its investment properties and no contractual obligation to either purchase, construct or develop the investment properties or for repairs, maintenance and enhancements.

Significant judgement - Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property and has developed certain criteria based on MFRS 140 Investment Property in making that judgement.

In making its judgement, the Group considers whether a property generates cash flows largely independently of other assets held by the Group. Owner-occupied properties generate cash flows that are attributable not only to the property, but also to other assets used in the production or supply process.

Some properties comprise a portion that is held to earn rental or for capital appreciation and another portion that is held for use in the production or supply of goods and services or for administrative purposes.

If these portions could be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately.

If the portions could not be sold separately, the property is accounted for as an investment property only if an insignificant portion is held for use in the production and supply of goods and services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

Key sources of estimation uncertainty - Fair value of investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in profit or loss. The valuation methodology commonly used is the comparison method which is based on comparable historical transactions adjusted for specific market factors such as location, size, condition, accessibility and design of the respective properties and the investment method which entails determination of the net income applying suitable growth rates and capitalising of the net income by a suitable rate of return.

Certain properties were valued based on the replacement cost method which is based on current estimates of construction costs less depreciation, obsolescence and existing physical conditions of the respective properties.

5. RIGHT-OF-USE - INVESTMENT PROPERTIES

	Group	
	2025 RM'000	**2024 RM'000**
At beginning of the year	**38,000**	46,755
Additions	**13,668**	-
Changes in fair value (see Note 34)	**(3,465)**	(8,755)
At end of the year	**48,203**	38,000
Included in the above are:		
At fair value:		
Leasehold land and building	**48,203**	38,000

This relates to a lease of an office building by the Group for a remaining tenure of 3 years (2024: 4 years). This office building has been subleased to other tenants.

6. INVENTORIES

	Group	
	2025 RM'000	**2024 RM'000**
Non-current		
Cost:		
- Land held for property development *(Note (a))*	**11,311,295**	11,940,785
Net realisable value:		
- Land held for property development *(Note (a))*	**384,832**	337,816
	11,696,127	12,278,601
Current		
Cost:		
- Land held for sales	**40,356**	14,483
- Property development costs *(Note (b))*	**2,818,825**	2,436,899
- Completed properties	**1,140,408**	1,257,213
- Consumable goods, raw materials and others	**1,945**	2,120
	4,001,534	3,710,715
Net realisable value:		
- Completed properties	**85,784**	56,488
	4,087,318	3,767,203
Total inventories	**15,783,445**	16,045,804

6. INVENTORIES (CONT'D.)

During the financial year, the amount of completed properties, consumable goods, raw materials and others recognised as an expense in cost of sales of the Group was RM 322,055,000 (2024: RM 629,602,000).

The following inventories have been charged to various banks to partially secure the borrowings referred to in Note 27 below:

	Group	
	2025 RM'000	**2024 RM'000**
Land held for property development	**2,057,788**	1,990,140
Property development costs	**330,478**	55,707
	2,388,266	2,045,847

Key sources of estimation uncertainty - Allowance for stock obsolescence and inventories write down

Inventories are stated at the lower of cost and net realisable value. The Group estimates the net realisable value of inventories based on an assessment of expected sales prices.

Inventories are reviewed on a regular basis and the Group will make an allowance for excess or obsolete inventories based primarily on historical trends and management estimates of expected and future product demand and related pricing.

Demand levels, changes in product preference and pricing competition could change from time to time. If such factors result in an adverse effect on the Group's products, the Group might be required to reduce the value of its inventories and additional allowances for slow moving inventories may be required.

During the financial year, the Group recognised write-downs of land held for development and completed properties amounting to RM 187,825,000 and RM 11,759,000 respectively (2024: RM 14,606,000 and RM 5,991,000), mainly due to changes in development plans. In the previous financial year, a write-down on other inventories amounting to RM 6,363,000 was also recognised.

Significant judgement made in applying accounting policies – Capitalisation of borrowing costs

The Group capitalises borrowings cost during the period in which development activities are undertaken or where there are on-going development activities which benefit an entire township. Borrowing costs are capitalised until the asset is substantially completed for its intended use or sale.

Significant judgement is involved in determining whether the development activities carried out meet the criteria of active development in ascertaining whether borrowing costs incurred should be capitalised. Besides that, management is also required to estimate the appropriate apportionment of borrowing costs eligible for capitalisation to the various development phases.

6. INVENTORIES (CONT'D.)

(a) Land held for property development

Group 2025	Freehold land RM'000	Leasehold land RM'000	Development expenditure RM'000	Total RM'000
At 1.1.2025	**4,334,807**	**3,001,105**	**4,942,689**	**12,278,601**
Additions	**363,747**	**10,577**	**467,628**	**841,952**
Write-down	**-**	**(73,497)**	**(114,328)**	**(187,825)**
Transfer to land held for sales	**(33,426)**	**-**	**(6,930)**	**(40,356)**
Transfer to inventories - property development costs *(see Note (b))*	**(434,873)**	**(6,406)**	**(547,975)**	**(989,254)**
Transfer to contract cost assets - costs to fulfil contracts with customers *(see Note 19)*	**(144,323)**	**(32)**	**(51,437)**	**(195,792)**
Exchange differences	**(8,516)**	**(1,797)**	**(886)**	**(11,199)**
At 31.12.2025	**4,077,416**	**2,929,950**	**4,688,761**	**11,696,127**
2024				
At 1.1.2024	4,562,832	3,103,590	4,690,524	12,356,946
Additions	187,196	8,836	729,355	925,387
Write-down	-	(8,239)	(6,367)	(14,606)
Reclass from investment property (see Note 4)	4,551	-	415	4,966
Transfer to land held for sales	(4,267)	(359)	(9,857)	(14,483)
Transfer to inventories - property development costs *(see Note (b))*	(179,850)	(21,623)	(274,808)	(476,281)
Transfer to contract cost assets - costs to fulfill contracts with customers *(see Note 19)*	(213,344)	(79,901)	(183,783)	(477,028)
Exchange differences	(22,311)	(1,199)	(2,790)	(26,300)
At 31.12.2024	4,334,807	3,001,105	4,942,689	12,278,601

Included in additions incurred during the financial year are borrowing costs of RM79,590,000 (2024: RM118,206,000).

6. INVENTORIES (CONT'D.)

(b) Property development costs

	Group 2025 RM'000	Group 2024 RM'000
Freehold land at cost	**642,689**	437,784
Leasehold land at cost	**45,585**	44,940
Development costs	**1,748,625**	1,676,295
At 1 January	**2,436,899**	2,159,019
Costs transferred from inventories - land held for property development *(see Note (a))*		
- freehold land	**434,873**	179,850
- leasehold land	**6,406**	21,623
- development costs	**547,975**	274,808
Costs transferred to contract cost assets *(see Note 19)*		
- freehold land	**(331,758)**	(201,810)
- leasehold land	**(11,818)**	(18,096)
- development costs	**(766,757)**	(649,834)
Costs incurred during the year		
- freehold land	**5,758**	285,827
- leasehold land	**55**	2
- development costs	**786,532**	695,476
Exchange differences	**(35,475)**	(175,779)
	635,791	412,067
Unsold completed properties transferred to inventories	**(253,865)**	(134,187)
	2,818,825	2,436,899
At 31 December		
Freehold land at cost	**708,011**	642,689
Leasehold land at cost	**38,435**	45,585
Development costs	**2,072,379**	1,748,625
	2,818,825	2,436,899

Included under development and construction costs incurred and accounted for under inventories - property development costs and contract cost assets during the financial year are borrowing costs of RM9,553,000 (2024: RM9,529,000).

7. INTANGIBLE ASSETS

Group 2025	Right to operate SPICE RM'000	Computer software RM'000	Work in progress RM'000	Total RM'000
Cost				
At beginning of the year	**16,025**	**2,830**	**1,266**	**20,121**
Additions	**-**	**260**	**3,504**	**3,764**
Reclassification	**-**	**2,510**	**(2,510)**	**-**
At end of the year	**16,025**	**5,600**	**2,260**	**23,885**
Accumulated amortisation				
At beginning of the year	**4,139**	**502**	**-**	**4,641**
Charge for the year	**534**	**838**	**-**	**1,372**
At end of the year	**4,673**	**1,340**	**-**	**6,013**
Net carrying amount				
At end of the year	**11,352**	**4,260**	**2,260**	**17,872**
2024				
Cost				
At beginning of the year	16,025	1,491	468	17,984
Additions	-	583	1,554	2,137
Reclassification	-	756	(756)	-
At end of the year	16,025	2,830	1,266	20,121
Accumulated amortisation				
At beginning of the year	3,606	93	-	3,699
Charge for the year	533	409	-	942
At end of the year	4,139	502 93	-	4,641
Net carrying amount				
At end of the year	11,886	2,328	1,266	15,480

7. INTANGIBLE ASSETS (CONT'D.)

Company 2025	Computer software RM'000	Work in progress RM'000	Total RM'000
Cost			
At beginning of the year	**2,830**	**1,266**	**4,096**
Additions	**260**	**3,504**	**3,764**
Reclassification	**2,510**	**(2,510)**	**-**
At end of the year	**5,600**	**2,260**	**7,860**
Accumulated amortisation			
At beginning of the year	**502**	**-**	**502**
Charge for the year	**838**	**-**	**838**
At end of the year	**1,340**	**-**	**1,340**
Net carrying amount			
At end of the year	**4,260**	**2,260**	**6,520**
2024			
Cost			
At beginning of the year	1,491	468	1,959
Additions	583	1,554	2,137
Reclassification	756	(756)	-
At end of the year	2,830	1,266	4,096
Accumulated amortisation			
At beginning of the year	93	-	93
Charge for the year	409	-	409
At end of the year	502	-	502
Net carrying amount			
At end of the year	2,328	1,266	3,594

The Group had entered into a BOT agreement with Majlis Perbandaran Pulau Pinang ("MPPP") to construct the Subterranean Penang International Convention & Exhibition Centre ("SPICE") and complementary retail, food and beverage outlets and offices in year 2011. The terms of the arrangement also require the Group to improve and refurbish the existing Penang International Sports Arena indoor stadium and aquatic centre.

The terms of the arrangement allow the Group to operate SPICE for up to a period of thirty years ("Concession Period") after the completion of construction. Upon expiry of the concession arrangement, subject to the agreement between the Group and MPPP, the Group may be able to operate SPICE for two further terms, consisting of a period of not less than fifteen years each.

7. INTANGIBLE ASSETS (CONT'D.)

The BOT agreement also grants the Group the right to additional density for the Group's development project within the island of Pulau Pinang. Such development rights are limited to 1,500 residential units. The development rights are only exercisable during the Concession Period and any right not exercised by the end of the Concession Period shall lapse.

Other than the right to operate SPICE, intangible assets of the Group also consists of computer software, whilst intangible assets of the Company comprises solely computer software.

8. INVESTMENTS IN SUBSIDIARY COMPANIES

	Company	
	2025 RM'000	**2024 RM'000**
Unquoted shares in subsidiary companies, at cost	**4,733,558**	4,735,832
Redeemable convertible preference shares in subsidiaries, at cost	**4,138,456**	4,218,456
Capital contribution to subsidiary companies, at cost	**3,656,837**	3,724,518
	12,528,851	12,678,806
Impairment losses	**(1,814,256)**	(1,370,982)
	10,714,595	11,307,824

In the previous financial year, RM446,626,000 of capital contribution to subsidiary companies have been converted into redeemable convertible preference shares ("RCPS"). The salient terms of RCPS in subsidiary companies are as follows:

(i) The redemption of RCPS is solely at the discretion of the respective subsidiary companies;

(ii) The distribution to the holders of RCPS is at the discretion of the respective subsidiary companies; and

(iii) The conversion of RCPS into ordinary shares is fixed at one (1) RCPS for one (1) ordinary share.

In the current financial year, the Company has redeemed the RCPS issued by its subsidiaries amounting to RM80,000,000 (2024: RM50,000,000). The capital contribution to subsidiary companies represents additional shareholders' net investment. The capital contribution is unsecured, interest free and the repayment of such balances are not expected in the foreseeable future. The amount, timing and method of repayment of these amounts if any are solely at the unconditional discretion of the subsidiaries.

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D.)

Significant judgement - Impairment assessment of investment in subsidiary companies

At the reporting date, the Company reviewed its investments in subsidiary companies for indications of impairment and where such indications exist, the Company performed an impairment assessment to determine the recoverable amounts of such investments. The Company estimated the recoverable amount of the respective cash generating units ("CGU"s) based on their fair value less cost to sell or their respective value-in-use ("VIU"), whichever is higher. The recoverable amount is determined based on the higher of;

(i) Value in use, which is calculated using cash flow projections based on approved financial budgets, at a post-tax discount rate of 9% to 12.5% (2024: 8.5% to 12.5%) per annum, based on different geographical location of the investees' operations. For subsidiaries involved in property development, the cash flow projections are prepared based on the anticipated remaining life span of the respective development projects;

or

(ii) Fair value less costs of disposal (Level 3 in the fair value hierarchy).

Estimating the VIU of the CGUs involved estimates made by management relating to the future cash inflows and outflows that will be derived from the CGUs, and discounting them at the appropriate rate. The cash flow forecasts included a number of significant judgements and estimates such as the timing of the project launches and sales, product pricing and costing and discount rate applied in the determination of VIU.

The review gave rise to the recognition of impairment losses of investments in subsidiary companies of RM443,275,000 (2024: RM424,406,000) as disclosed in Note 34 based on recoverable amounts of RM3,120,963,000 (2024: RM3,445,641,000). The impairment losses arose mainly because the subsidiaries either did not have viable business plans/activities, significantly delayed its product launches or have recorded a decline in value of their assets.

The movements in the impairment losses during the financial year are as follows:

	Company	
	2025 RM'000	**2024 RM'000**
At beginning of the year	**1,370,982**	949,773
Impairment loss during the year	**443,274**	424,406
Liquidation of subsidiary	**-**	(3,197)
At end of the year	**1,814,256**	1,370,982

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D.)

The subsidiary companies are as follows:

	Equity interests				Place of business/ Country of incorporation	Principal activities
	Direct		Indirect			
	2025 %	2024 %	2025 %	2024 %		
Bandar Setia Alam Sdn Bhd	**100**	100	**-**	-	Malaysia	Property development and property investment holding
Setia Indah Sdn Bhd	**100**	100	**-**	-	Malaysia	Property development and property investment holding
Syarikat Kemajuan Jerai Sdn Bhd	**100**	100	**-**	-	Malaysia	Under member's voluntary winding-up
S P Setia Project Management Sdn Bhd	**100**	100	**-**	-	Malaysia	Property development project management
Wawasan Indera Sdn Bhd	**100**	100	**-**	-	Malaysia	Property development and project management services
S P Setia Eco-Projects Management Sdn Bhd	**100**	100	**-**	-	Malaysia	Property development and property development project management
Setia Fontaines Sdn Bhd	**100**	100	**-**	-	Malaysia	Property development and property investment holding
Setia HC Ventures Sdn Bhd	**100**	100	**-**	-	Malaysia	Investment holding
Bukit Indah (Johor) Sdn Bhd	**100**	100	**-**	-	Malaysia	Property development and property investment holding
Setia Bina Raya Sdn Bhd	**100**	100	**-**	-	Malaysia	Property development and property investment holding

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D.)

The subsidiary companies are as follows: (cont'd.)

	Equity interests				Place of business/ Country of incorporation	Principal activities
	Direct		Indirect			
	2025 %	2024 %	2025 %	2024 %		
Setia Precast Sdn Bhd	**100**	100	**-**	-	Malaysia	Building contractors
Setia-Wood Industries Sdn Bhd	**100**	100	**-**	-	Malaysia	Fabrication, installation and sale of wood products, provision of of kiln dry services, sale of building materials, household goods and sale of cosmetic products
S P Setia Marketing Sdn Bhd	**-**	-	**100**	100	Malaysia	Sale of wood products and building materials
Setia Readymix Sdn Bhd	**100**	100	**-**	-	Malaysia	Building contractors and manufacturing and sale of building materials
S P Setia Management Services Sdn Bhd	**100**	100	**-**	-	Malaysia	Under member's voluntary winding-up
Futurecrest (M) Sdn Bhd	**100**	100	**-**	-	Malaysia	Investment holding
Shabra Development Sdn Bhd	**100**	100	**-**	-	Malaysia	Property development and project management services
KL Eco City Sdn Bhd	**100**	100	**-**	-	Malaysia	Property development and property investment holding
Tenaga Raya Sdn Bhd	**-**	100	**-**	-	Malaysia	Dissolved
Indera Perasa Sdn Bhd	**100**	100	**-**	-	Malaysia	Investment holding, project management services, property and building management

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D.)

The subsidiary companies are as follows: (cont'd.)

	Equity interests				Place of business/ Country of incorporation	Principal activities
	Direct		Indirect			
	2025 %	2024 %	2025 %	2024 %		
Setia Eco Templer Recreation Sdn Bhd	**-**	-	**100**	100	Malaysia	Operate and manage a recreation club, banqueting and leasing of retail and food and beverage outlets
Setia IP Holdings Sdn Bhd	**100**	100	**-**	-	Malaysia	Custodian and management of Group's intellectual property rights
Setia Ecohill 2 Sdn Bhd	**100**	100	**-**	-	Malaysia	Property development and property investment holding
Setia Ecohill Recreation Sdn Bhd	**-**	-	**100**	100	Malaysia	Operate and manage a recreation club
S P Setia Technology Sdn Bhd	**100**	100	**-**	-	Malaysia	Provision of money lending service
S P Setia PMC Sdn Bhd	**100**	100	**-**	-	Malaysia	Provision of accounting, finance and corporate secretarial services
Setia Promenade Sdn Bhd	**100**	100	**-**	-	Malaysia	Property development and property investment holding
Bukit Indah Property Management Sdn Bhd	**70**	70	**-**	-	Malaysia	Property development
Kewira Jaya Sdn Bhd	**100**	100	**-**	-	Malaysia	Property development and property investment holding

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D.)

The subsidiary companies are as follows: (cont'd.)

	Equity interests				Place of business/ Country of incorporation	Principal activities
	Direct		Indirect			
	2025 %	2024 %	2025 %	2024 %		
Kay Pride Sdn Bhd	**-**	-	**100**	100	Malaysia	Property development, property investment holding and project management services
Aeropod Sdn Bhd	**100**	100	**-**	-	Malaysia	Property development, property investment holding and general construction
Setia Japan Holding Sdn Bhd	**100**	100	**-**	-	Malaysia	Investment holding
Eco Meridian Sdn Bhd	**100**	100	**-**	-	Malaysia	Construction and operation of concession asset, hotel and hotel resort operator and property investment holding
Setia Ecohill Sdn Bhd	**100**	100	**-**	-	Malaysia	Property development and property investment holding
Setia City Development Sdn Bhd	**100**	100	**-**	-	Malaysia	Property development, property investment holding and project management services
Gita Kasturi Sdn Bhd	**100**	100	**-**	-	Malaysia	Property development and property investment holding
Intra Hillside Sdn Bhd	**100**	100	**-**	-	Malaysia	Property development and property investment holding
Setia Eco Green Sdn Bhd	**100**	100	**-**	-	Malaysia	Property investment holding

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D.)

The subsidiary companies are as follows: (cont'd.)

	Equity interests				Place of business/ Country of incorporation	Principal activities
	Direct		Indirect			
	2025 %	2024 %	2025 %	2024 %		
Setia Eco Heights Sdn Bhd	**-**	100	**-**	-	Malaysia	Dissolved
Setia Eco Land Sdn Bhd	**100**	100	**-**	-	Malaysia	Property development and property investment holding
Setia Alam Recreation Sdn Bhd	**-**	-	**100**	100	Malaysia	Operate and manage a recreation club
Setia Alamsari Sdn Bhd	**100**	100	**-**	-	Malaysia	Property development and property investment holding
S P Setia Property Services Sdn Bhd	**100**	100	**-**	-	Malaysia	Operation of convention centre
Flexrise Projects Sdn Bhd	**100**	100	**-**	-	Malaysia	Property investment holding
Pelita Mentari Sdn Bhd	**100**	100	**-**	-	Malaysia	Property investment holding and project management services
Setia Eco Templer Sdn Bhd	**100**	100	**-**	-	Malaysia	Property development and property investment
Setia EM (Central) Sdn Bhd	**100**	100	**-**	-	Malaysia	Under member's voluntary winding-up
S P Setia DMC Sdn Bhd	**100**	100	**-**	-	Malaysia	Development management consultancy
Exceljade Sdn Bhd	**100**	100	**-**	-	Malaysia	Property development and project management services
Sendiman Sdn Bhd	**100**	100	**-**	-	Malaysia	Property development

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D.)

The subsidiary companies are as follows: (cont'd.)

	Equity interests				Place of business/ Country of incorporation	Principal activities
	Direct		Indirect			
	2025 %	2024 %	2025 %	2024 %		
Setia Ventures Excellence Sdn Bhd	**-**	100	**-**	-	Malaysia	Dissolved
Kemboja Mahir Sdn Bhd	**70**	70	**-**	-	Malaysia	Property development and investment holding
Bandar Eco-Setia Sdn Bhd	**50**	50	**-**	-	Malaysia	Property development and property investment
Setia Eco Park Recreation Sdn Bhd	**-**	-	**50**	50	Malaysia	Operate and manage a recreation club and banqueting
Ganda Anggun Sdn Bhd	**-**	-	**70**	70	Malaysia	Property development
Kesas Kenangan Sdn Bhd	**-**	-	**70**	70	Malaysia	Property development and property investment
Setia Eco Glades Sdn Bhd	**70**	70	**-**	-	Malaysia	Property development and property investment holding
Setia Safiro Sdn. Bhd.	**70**	70	**-**	-	Malaysia	Property development and property investment holding
Setia Federal Hill Sdn Bhd	**100**	100	**-**	-	Malaysia	Property development
Setia International Limited	**100**	100	**-**	-	Malaysia	Investment holding
Setia MyPhuoc Limited	**-**	-	**100**	100	Malaysia	Investment holding
Setia Lai Thieu Limited	**-**	-	**95**	95	British Virgin Islands	Investment holding

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D.)

The subsidiary companies are as follows: (cont'd.)

	Equity interests				Place of business/ Country of incorporation	Principal activities
	Direct		Indirect			
	2025 %	2024 %	2025 %	2024 %		
Setia Australia Limited	**-**	-	**100**	100	Malaysia	Investment holding
+ Setia Lai Thieu One Member Company Limited	**-**	-	**95**	95	Vietnam	Property development
+ Setia (Melbourne) Development Company Pty Ltd	**-**	-	**100**	100	Australia	Property development
+ Setia St Kilda (Melbourne) Pty Ltd	**-**	-	**100**	100	Australia	Property development
+ Setia Carnegie Pty Ltd	**-**	-	**100**	100	Australia	Property development
+ Setia A'Beckett (Melbourne) Pty Ltd	**-**	-	**100**	100	Australia	Property development
+ S P Setia International (S) Pte. Ltd.	**100**	100	**-**	-	Singapore	Promotion, marketing and other activities related to property development
+ Setia (Bukit Timah) Pte. Ltd.	**-**	-	**100**	100	Singapore	Promotion, marketing and other activities related to property development
+ S P Setia Development Pte. Ltd.	**-**	100	**-**	-	Singapore	Struck off
+ Setia International Japan Co. Ltd.	**100**	100	**-**	-	Japan	Investment holding
+ Setia Osaka Tokutei Mokuteki Kaisha	**-**	-	**100**	100	Japan	Property development
I & P Group Sdn. Berhad	**100**	100	**-**	-	Malaysia	Investment holding and provision of management services to the subsidiaries

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D.)

The subsidiary companies are as follows: (cont'd.)

	Equity interests				Place of business/ Country of incorporation	Principal activities
	Direct		Indirect			
	2025 %	2024 %	2025 %	2024 %		
I & P Menara Sendirian Berhad	**-**	-	**100**	100	Malaysia	Property development
I & P Alam Impian Sdn. Bhd.	**-**	-	**99**	99	Malaysia	Property development and operation and management of a recreation club, banqueting and retail
I & P Setiawangsa Sdn. Bhd.	**-**	-	**100**	100	Malaysia	Property development
Petaling Garden Sdn. Bhd.	**-**	-	**100**	100	Malaysia	Property development and investment holding
Setia Mayuri Sdn. Bhd.	**-**	-	**100**	100	Malaysia	Property development
Biltmore (M) Sdn. Bhd.	**-**	-	**100**	100	Malaysia	Property development
^ PG Resorts Sdn. Bhd.	**-**	-	**100**	100	Malaysia	Property development
Temasya Development Co. Sdn. Bhd.	**-**	-	**66.06**	66.06	Malaysia	Property development
Alpine Affluent Sdn. Bhd.	**-**	-	**66.06**	66.06	Malaysia	Property development
Scenic Promenade Sdn. Bhd.	**-**	-	**66.06**	66.06	Malaysia	Sublease of land
Syarikat Perumahan Pegawai Kerajaan Sendirian Berhad	**-**	-	**70.09**	70.09	Malaysia	Development and sales of land, residential and commercial properties and rental of properties
Plaza Damansara Sdn. Bhd.	**-**	-	**70.09**	70.09	Malaysia	Dormant

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D.)

The subsidiary companies are as follows: (cont'd.)

	Equity interests				Place of business/ Country of incorporation	Principal activities
	Direct		Indirect			
	2025 %	2024 %	2025 %	2024 %		
Perumahan Kinrara Berhad	**-**	-	**51**	51	Malaysia	Property development, operation of golf course
Kinrara Urusharta Sdn. Bhd.	**-**	-	**51**	51	Malaysia	Under member's voluntary winding-up
# I & P Kota Bayuemas Sdn. Bhd.	**-**	-	**51.91**	51.91	Malaysia	Property development
Pelangi Sdn. Bhd.	**-**	-	**100**	100	Malaysia	Property development and investment holding
+ Yukong Development (Pte) Limited	**-**	-	**100**	100	Singapore	Property development and investment in real properties
Taman Gunong Hijau Sdn. Bhd	**-**	-	**89.14**	89.14	Malaysia	Property development and investment in real properties
I & P Multi Resources Sdn. Berhad	**-**	-	**100**	100	Malaysia	Investment holding
I & P Development Sdn. Bhd.	**-**	-	**100**	100	Malaysia	Dormant
I & P Supply Berhad	**-**	-	**100**	100	Malaysia	Dormant
I & P Inderawasih Jaya Sdn. Bhd	**-**	-	**100**	100	Malaysia	Dormant
Peninsular Land Development Sdn. Berhad	**-**	-	**100**	100	Malaysia	Dormant
I & P Nibong Sdn. Bhd.	**-**	-	**100**	100	Malaysia	Dormant

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D.)

The subsidiary companies are as follows: (cont'd.)

	Equity interests				Place of business/ Country of incorporation	Principal activities
	Direct		Indirect			
	2025 %	2024 %	2025 %	2024 %		
Perusahaan Minyak Sawit Bintang Sendirian Berhad	**-**	-	**100**	100	Malaysia	Under member's voluntary winding-up
Yong Peng Realty Sdn. Bhd.	**-**	-	**100**	100	Malaysia	Under member's voluntary winding-up
Pelangi Concrete Industries Sdn. Bhd.	**-**	-	**100**	100	Malaysia	Investment holding
Setia International (Australia) Limited	**100**	100	**-**	-	Malaysia	Investment holding
+ Setia Sydney Pty Ltd	**-**	-	**100**	100	Australia	Property development
+ Setia La Trobe Pty Ltd	**-**	-	**100**	100	Australia	Property development
+ Setia Carlton Pty Ltd	**-**	-	**100**	100	Australia	Property development
Setia SFH Ventures Sdn Bhd	**100**	100	**-**	-	Malaysia	Investment holding
Setia Square Ventures Sdn Bhd	**100**	100	**-**	-	Malaysia	Investment holding
Setia HS KL Sdn Bhd	**-**	-	**100**	100	Malaysia	To supply personnel to support the operations of hotel services at Amari Kuala Lumpur Hotel
Setia HS PNG Sdn Bhd	**-**	-	**100**	100	Malaysia	To supply personnel to support the operations of hotel services at Amari SPICE Penang Hotel

+ Audited by member firms of Ernst & Young Global
 # 51% directly owned by Perumahan Kinrara Berhad and 25.9% directly owned by I & P Group Sdn. Berhad
^ 70% directly owned by Petaling Garden Sdn. Bhd. and 30% directly owned by I & P Group Sdn. Berhad

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D.)

Subsidiary companies that have material non-controlling interests

Details of the Group's subsidiary companies that have material non-controlling interests at the end of the reporting period are as follows:

Name of subsidiary company	Place of incorporation and operation	Proportion of ownership interests held by non-controlling interest		Profit allocated to non-controlling interests		Carrying amount of non-controlling interests	
		2025	2024	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Bandar Eco-Setia Sdn Bhd Group	Malaysia	**50%**	50%	**29,099**	15,983	**292,286**	273,747
Setia Eco Glades Sdn Bhd	Malaysia	**30%**	30%	**1,211**	3,019	**65,418**	64,207
Kesas Kenangan Sdn Bhd	Malaysia	**30%**	30%	**4,339**	6,514	**91,218**	86,879
Perumahan Kinrara Berhad Group	Malaysia	**49%**	49%	**43,839**	24,559	**523,868**	492,279
Syarikat Perumahan Pegawai Kerajaan Sendirian Berhad Group	Malaysia	**29.91%**	29.91%	**2,558**	536	**152,744**	156,168
Temasya Development Co. Sdn. Bhd. Group	Malaysia	**33.94%**	33.94%	**5,482**	2,340	**140,091**	138,003
Individually immaterial subsidiary companies with non-controlling interests				**7,099**	1,771	**25,208**	18,612
				93,627	54,722	**1,290,833**	1,229,895

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D.)

Summarised financial information of the Group's subsidiary companies that have material non-controlling interests (amounts before intra-group elimination) is as follows:

	2025 RM'000	2024 RM'000
Bandar Eco-Setia Sdn Bhd Group		
Non-current assets	**376,890**	396,369
Current assets	**305,131**	285,444
Non-current liabilities	**(15,365)**	(17,939)
Current liabilities	**(82,085)**	(116,381)
Net assets	**584,571**	547,493
Revenue	**192,801**	152,418
Profit for the year, representing total comprehensive income for the year	**58,197**	31,966
Dividends declared to non-controlling interests	**10,560**	8,465
Net cash from operating activities	**39,643**	44,021
Net cash used in investing activities	**(1,437)**	(2,489)
Net cash used in financing activities	**(21,120)**	(80,000)
Net increase/(decrease) in cash & cash equivalents	**17,086**	(38,468)

	2025 RM'000	2024 RM'000
Setia Eco Glades Sdn Bhd		
Non-current assets	**265,658**	258,801
Current assets	**127,083**	165,794
Non-current liabilities	**(13,725)**	(14,340)
Current liabilities	**(160,957)**	(196,233)
Net assets	**218,059**	214,022
Revenue	**67,836**	140,047
Profit for the year, representing total comprehensive income for the year	**4,036**	10,063
Dividends declared to non-controlling interests	**-**	690
Net cash from operating activities	**39,760**	54,635
Net cash (used in)/from investing activities	**(5,322)**	68
Net cash used in financing activities	**(31)**	(2,882)
Net increase in cash & cash equivalents	**34,407**	51,821

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D.)

Summarised financial information of the Group's subsidiary companies that have material non-controlling interests (amounts before intra-group elimination) is as follows: (cont'd.)

	2025 RM'000	2024 RM'000
Kesas Kenangan Sdn Bhd		
Non-current assets	**395,601**	414,906
Current assets	**127,923**	119,234
Non-current liabilities	**(70,000)**	(70,000)
Current liabilities	**(149,466)**	(174,546)
Net assets	**304,058**	289,594
Revenue	**88,433**	130,585
Profit for the year, representing total comprehensive income for the year	**14,463**	21,714
Dividends declared to non-controlling interests	**-**	-
Net cash from operating activities	**11,375**	69,499
Net cash used in investing activities	**(2,878)**	(16,744)
Net cash used in financing activities	**(40,037)**	(42,298)
Net (decrease)/increase in cash & cash equivalents	**(31,540)**	10,457

	2025 RM'000	2024 RM'000
Perumahan Kinrara Berhad Group		
Non-current assets	**722,043**	744,691
Current assets	**592,317**	460,380
Non-current liabilities	**(41,520)**	(28,841)
Current liabilities	**(203,722)**	(171,580)
Net assets	**1,069,118**	1,004,650
Revenue	**400,317**	324,415
Profit for the year, representing total comprehensive income for the year	**89,468**	50,120
Dividends declared to non-controlling interests	**12,250**	12,250
Net cash from operating activities	**431,263**	79,357
Net cash used in investing activities	**(305,305)**	(35,362)
Net cash used in financing activities	**(25,948)**	(26,049)
Net increase in cash and cash equivalents	**100,010**	17,946

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

8. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D.)

Summarised financial information of the Group's subsidiary companies that have material non-controlling interests (amounts before intra-group elimination) is as follows: (cont'd.)

	2025 RM'000	2024 RM'000
Syarikat Perumahan Pegawai Kerajaan Sendirian Berhad Group		
Non-current assets	**493,863**	493,029
Current assets	**42,203**	41,741
Non-current liabilities	**(198)**	-
Current liabilities	**(25,190)**	(12,643)
Net assets	**510,678**	522,127
Revenue	**-**	34,680
Profit for the year, representing total comprehensive income for the year	**8,551**	1,792
Dividends declared to non-controlling interests	**5,982**	11,067
Net cash from operating activities	**7,206**	27,782
Net cash from investing activities	**15,613**	13,824
Net cash used in financing activities	**(20,000)**	(37,231)
Net increase in cash and cash equivalents	**2,819**	4,375

	2025 RM'000	2024 RM'000
Temasya Development Co. Sdn. Bhd. Group		
Non-current assets	**335,496**	326,816
Current assets	**132,109**	123,208
Non-current liabilities	**(4,867)**	(1,972)
Current liabilities	**(49,978)**	(41,443)
Net assets	**412,760**	406,609
Revenue	**32,444**	19,434
Profit for the year, representing total comprehensive income for the year	**16,151**	6,895
Dividends declared to non-controlling interests	**3,394**	4,412
Net cash (used in)/from operating activities	**(24,741)**	20,328
Net cash from investing activities	**12,607**	12,518
Net cash used in financing activities	**(10,000)**	(13,000)
Net (decrease)/increase in cash and cash equivalents	**(22,134)**	19,846

9. INVESTMENTS IN JOINT VENTURES

	Group		Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Unquoted ordinary shares, at cost	**3,208,011**	3,207,883	**32,751**	32,751
Capital contribution to a joint venture, at cost	**4,655**	4,655	**-**	-
Group's share of post acquisition profits less losses	**(647,826)**	(421,863)	**-**	-
Group's share of non-distributable reserves	**(17,712)**	52,267	**-**	-
	2,547,128	2,842,942	**32,751**	32,751

The joint ventures are as follows:

	Equity interests					
	Direct		Indirect			
	2025 %	**2024 %**	**2025 %**	**2024 %**	**Place of business/ Country of incorporation**	**Principal activities**
Setia Putrajaya Sdn Bhd	**60**	60	**-**	-	Malaysia	Property development, building construction and investment holding
Setia Putrajaya Development Sdn Bhd	**-**	-	**60**	60	Malaysia	Property development
Greenhill Resources Sdn Bhd	**-**	-	**50**	50	Malaysia	Property investment holding, as the owner, landlord and operator of a retail mall
Setia City Healthcare Sdn Bhd	**-**	-	**49**	49	Malaysia	Develop and operate an ambulatory care centre
Setia MF SFH DevelopmentSdn Bhd	**-**	-	**51**	51	Malaysia	Property development
# SetiaBecamex Joint Stock Company	**-**	-	**57.25**	57.25	Vietnam	Property development
# Battersea Project Holding Company Limited	**-**	-	**40**	40	Jersey	Mixed use redevelopment of Battersea Power Station

9. INVESTMENTS IN JOINT VENTURES (CONT'D.)

The joint ventures are as follows: (cont'd.)

	Equity interests					
	Direct		Indirect			
	2025 %	**2024 %**	**2025 %**	**2024 %**	**Place of business/ Country of incorporation**	**Principal activities**
# Battersea Power Station Development Company Limited	**-**	-	**40**	40	United Kingdom	Property development and estate management services
# Battersea Power Station Estates Limited	**-**	-	**40**	40	United Kingdom	Provision of letting and management services
^ Setia MF Ecohill Sdn Bhd	**-**	-	**51**	-	Malaysia	Property development

 # Audited by a firm other than Ernst & Young PLT or a member firm of Ernst & Young Global
^ Newly incorporated joint venture during the financial year

Notwithstanding that the Group has ownership of more than half of the equity shareholding in certain investees, they are treated as joint ventures pursuant to the contractual rights and obligations of the respective joint venture agreements. All the Group's joint ventures, both locally and overseas, are involved in property development and investment, supporting its core business.

The Group's joint ventures are accounted for using the equity method in the financial statements.

The Group's estimated commitment in joint ventures at the reporting date are as below:

	2025 RM'000	**2024 RM'000**
Commitments for Setia MF SFH Development Sdn Bhd	**80,581**	80,581
Commitments for SetiaBecamex Joint Stock Company	**9,427**	-
	90,008	80,581

There are no contingent liabilities relating to the Group's interest in the joint ventures as at the reporting date.

Summarised financial information in respect of the Group's material joint ventures which comprise the Battersea Group of companies are set out below.

9. INVESTMENTS IN JOINT VENTURES (CONT'D.)

Battersea Group of companies

Summarised statements of financial position:

	2025 RM'000	2024 RM'000
Non-current assets	**6,232,379**	6,195,649
Current assets		
Cash and cash equivalents	**371,248**	255,924
Other current assets	**2,285,174**	2,776,877
	2,656,422	3,032,801
Non-current liabilities		
Borrowings	**1,968,158**	2,225,124
Other non-current liabilities	**32,114**	31,537
	2,000,272	2,256,661
Current liabilities		
Trade and other payables and provisions	**474,085**	575,479
Borrowings	**892,461**	372,536
	1,366,546	948,015
Net assets	**5,521,983**	6,023,774

Summarised statements of comprehensive income:

	2025 RM'000	2024 RM'000
Revenue	**506,464**	1,146,813
Depreciation and amortisation	**(6,985)**	(5,359)
Interest income	**26,197**	11,699
Write-down of inventories	**(44,809)**	(6,949)
Interest expense	**(77,796)**	(96,138)
Loss before tax	**(348,465)**	(490,880)
Taxation	**(4,418)**	(136)
Loss for the financial year	**(352,883)**	(491,016)
Total comprehensive loss for the financial year	**(352,883)**	(491,016)
Share of results of joint ventures	**(141,153)**	(196,406)

9. INVESTMENTS IN JOINT VENTURES (CONT'D.)

Reconciliation of the above summarised financial information to the carrying amount of the Group's interest in the Battersea Group of companies is as follows:

	2025 RM'000	2024 RM'000
Net assets		
At the beginning of the financial year	**6,023,774**	6,771,170
Non-distributable reserves	**(148,908)**	(256,380)
Total comprehensive loss for the financial year	**(352,883)**	(491,016)
At end of the financial year	**5,521,983**	6,023,774
Proportion of ownership interest held by the Group	**40%**	40%
Carrying amount of the Group's interest in the joint venture	**2,208,793**	2,409,510

There is no dividend paid by Battersea Group of companies during the financial year (2024: RM Nil).

The recoverable amount of the Group's investment in a joint venture is determined based on its value-in-use prepared based on the future sales of the property inventories, on-going development projects and investment properties. The estimates are in line with the latest project budgets and estimates, barring any unforeseen deviations in project revenue and costs. The estimated future net future cashflows are discounted at 9% in deriving the recoverable amount. A reasonably possible increase in discount rate by 0.5% would result in a reduction of recoverable amount of the investment in joint venture by RM58 million, whilst a 1% increase in construction costs would result in a decrease in recoverable amount by RM61million.

The Group has provided a Loan Letter of Undertaking to the banks of a joint venture for its outstanding borrowings as at 31 December 2025 to the extent of the Group's equity shareholding.This is assessed as a financial guarantee contract, and is considered unlikely to result in a liability as at 31 December 2025.

The summarised aggregate financial information of the Group's share of other individually non-material joint ventures as at 31 December is set out below:

	2025 RM'000	2024 RM'000
Share of (loss)/profit for the year, representing total comprehensive (loss)/profit for the financial year	**(71,919)**	15,112
Carrying amount of the Group's interest in individually non-material joint ventures	**338,335**	433,432

10. INVESTMENTS IN ASSOCIATED COMPANIES

	Group		Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Unquoted ordinary shares, at cost	**13,150**	**69,766**	**900**	900
Capital contribution to an associated company, at cost	**90,158**	**90,158**	**90,158**	90,158
Group's share of post-acquisition profit less losses	**516,856**	**448,384**	**-**	-
Group's share of non-distributable reserves	**4,341**	**11,420**	**-**	-
	624,505	**619,728**	**91,058**	91,058

The associated companies are as follows:

	Equity interests					
	Direct		Indirect			
	2025 %	**2024 %**	**2025 %**	**2024 %**	**Place of business/ Country of incorporation**	**Principal activities**
∞ PTB Property Developer Sdn Bhd	**49**	49	**-**	-	Malaysia	In liquidation
∞ Qinzhou Development (Malaysia) Consortium Sdn. Bhd.	**45**	45	**-**	-	Malaysia	Investment holding
∞ China-Malaysia Qinzhou Industrial Park (Guangxi) Development Co. Ltd	**-**	-	**22**	22	China	Property development
* Tanah Sutera Development Sdn. Bhd.	**-**	-	**35**	35	Malaysia	Property development and investment in real properties
*^ Merit Properties Sdn. Bhd.	**-**	-	**-**	20	Malaysia	Property development, investment in real properties and providing management services
∞Þ Fahim-I Hitech Sdn. Bhd.	**-**	-	**20**	20	Malaysia	Dormant

** Audited by member firms of Ernst & Young PLT*
∞ Audited by a firm other than Ernst & Young PLT or a member firm of Ernst & Young Global
Þ Financial year end 30 June
^ Disposed during the year

On 10 July 2025, the Group disposed of its entire equity interest in Merit Properties Sdn Bhd, for a total cash consideration of RM95,000,000 and recorded a gain on disposal of RM8,479,000.

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

10. INVESTMENTS IN ASSOCIATED COMPANIES (CONT'D.)

Summarised financial information in respect of the Group's material associated companies operating within the property development and investment sector, which is in alignment with the Group's core business activities, is set out below. The information represents amounts derived from the associated companies' financial statements, adjusted for any material differences with the Group's accounting policies.

Summarised statements of financial position:

	Tanah Sutera Development Sdn. Bhd. Group		Merit Properties Sdn. Bhd.	
	2025 RM'000	**2024 RM'000**	**2025* RM'000**	**2024 RM'000**
Non-current assets	**1,010,134**	745,450	**-**	399,194
Current assets				
Cash and cash equivalents	**352,440**	372,891	**-**	43,171
Other current assets	**236,176**	145,563	**-**	932
	588,616	518,454	**-**	44,103
Non-current liabilities				
Other non-current liabilities	**68,798**	45,670	**-**	11,993
Current liabilities				
Trade and other payables and provisions	**103,024**	73,929	**-**	2,692
Net assets	**1,426,928**	1,144,305	**-**	428,612

Summarised statements of comprehensive income:

	Tanah Sutera Development Sdn. Bhd. Group		Merit Properties Sdn. Bhd.	
	2025 RM'000	**2024 RM'000**	**2025* RM'000**	**2024 RM'000**
Revenue	**311,893**	160,670	**-**	4,088
Depreciation and amortisation	**(9,332)**	(1,407)	**-**	(55)
Interest income	**12,845**	12,969	**-**	1,574
Interest expense	**(183)**	(157)	**-**	(20)
Profit before tax	**385,628**	144,761	**-**	16,681
Taxation	**(68,005)**	(26,367)	**-**	(60)
Profit for the financial year	**317,623**	118,394	**-**	16,621
Total comprehensive income for the financial year	**317,623**	118,394	**-**	16,621
Share of results of associated companies	**111,168**	41,438	**-**	3,324
Dividend from associated companies	**12,250**	9,800	**-**	1,230

10. INVESTMENTS IN ASSOCIATED COMPANIES (CONT'D.)

Reconciliation of the summarised financial information presented to the carrying amount of the Group's interest in the associated companies are as follows:

	Tanah Sutera Development Sdn. Bhd. Group		Merit Properties Sdn. Bhd.	
	2025 RM'000	**2024 RM'000**	**2025* RM'000**	**2024 RM'000**
Net assets				
At beginning of the financial year	**1,144,305**	1,053,911	**-**	418,141
Total comprehensive income for the financial year	**317,623**	118,394	**-**	16,621
Dividends paid	**(35,000)**	(28,000)	**-**	(6,150)
At end of the financial year	**1,426,928**	1,144,305	**-**	428,612
Group's interest in the associated companies	**35%**	35%	**0%**	20%
Carrying amount at end of the financial year	**499,425**	400,507	**-**	85,722

** Merit Properties Sdn Bhd disposed on 10 July 2025*

The summarised aggregate financial information of the Group's share of other individually non-material associated companies as at 31 December is set out below:

	2025 RM'000	**2024 RM'000**
Profit for the year, representing total comprehensive profit for the year	**251**	10,317
Dividend from associated companies	**820**	-
Carrying amount of the Group's interest in individually non-material associated companies	**34,922**	43,341
Capital contribution to an associated company, at cost*	**90,158**	90,158
	125,080	133,499

** This amount relates to the capital contribution to Qinzhou Development (Malaysia) Consortium Sdn Bhd, an associated company which holds the investment in China-Malaysia Qinzhou Industrial Park (Guangxi) Development Co. Ltd. in China.*

The capital contribution is not expected to be recalled within the foreseeable future.

11. OTHER INVESTMENTS

	Group	
	2025 RM'000	**2024 RM'000**
Non-current		
At fair value through profit or loss		
Equity instruments (unquoted in Malaysia)	**96**	96

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

12. AMOUNTS OWING BY/TO SUBSIDIARY COMPANIES

Amounts owing by subsidiary companies included under non-current assets

The amounts owing by subsidiary companies included under non-current assets represent unsecured advances which are not expected to be recalled within the next 12 months and are analysed as follows:

	Company	
	2025 RM'000	**2024 RM'000**
Unsecured advances:		
- bearing interest at 4.00% to 8.00% (2024: 4.00% to 8.00%) per annum	**3,628,151**	3,286,336
- interest free	**26,400**	23,548
Unquoted redeemable cumulative preference shares	**-**	39,078
	3,654,551	3,348,962
Allowance for impairment loss	**(151,733)**	(114,659)
	3,502,818	3,234,303

Amounts owing by subsidiary companies included under current assets

	Company	
	2025 RM'000	**2024 RM'000**
Trade accounts:		
- staff secondment fee	**10,688**	6,240
Unsecured advances:		
- bearing interest at 4.00% to 8.00% (2024: 4.00% to 8.00%) per annum	**423,165**	383,509
- interest free	**945,991**	638,009
- unquoted redeemable cumulative preference shares	**39,479**	-
	1,419,323	1,027,758
Allowance for impairment loss	**(925)**	(3,408)
	1,418,398	1,024,350

The movement in the allowance for impairment losses during the financial year is as follows:

	Company	
	2025 RM'000	**2024 RM'000**
At beginning of the year	**118,067**	18,239
Allowance for impairment loss during the year	**47,330**	99,828
Reversal of allowance for impairment loss during the year	**(11,456)**	-
Liquidation of subsidiary company	**(1,283)**	-
At end of the year	**152,658**	118,067

The trade accounts are expected to be settled within the normal credit periods. Unsecured advances are repayable on demand.

12. AMOUNTS OWING BY/TO SUBSIDIARY COMPANIES (CONT'D.)

Amounts owing to subsidiary companies included under non-current liabilities

The amounts owing to subsidiary companies included under non-current liabilities represent unsecured advances which are not expected to be repaid within the next 12 months and are analysed as follows:

	Company	
	2025 RM'000	**2024 RM'000**
Unsecured advances:		
- bearing interest at 3.45% to 4.75% (2024: 3.95% to 6.23%) per annum	**739,000**	600,000
- interest free	**91,972**	130,838
	830,972	730,838

Amounts owing to subsidiary companies included under current liabilities

	Company	
	2025 RM'000	**2024 RM'000**
Unsecured advances:		
- interest free	**67,332**	123,315

Unsecured advances are repayable on demand.

13. AMOUNTS OWING BY JOINT VENTURES

Amounts owing by joint ventures included under non-current assets

	Group	
	2025 RM'000	**2024 RM'000**
Unsecured advances:		
- bearing interest at 8.00% (2024: 8.00%) per annum	**217,505**	69,785
Allowance for doubtful debts	**(6,791)**	-
	210,714	69,785

The unsecured advances owing by a joint venture is not repayable within 12 months.

13. AMOUNTS OWING BY JOINT VENTURES (CONT'D.)

Amounts owing by joint ventures included under current assets

	Group		Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Unsecured advances:				
- bearing interest at 4.00% to 6.00% (2024: 4.00% to 6.00%) per annum	**98,701**	123,870	**-**	-
- interest free	**6,247**	6,271	**73**	212
	104,948	130,141	**73**	212

Unsecured advances are repayable on demand.

14. AMOUNTS OWING BY/TO RELATED PARTIES

These represent amounts owing by/to Permodalan Nasional Berhad ("PNB") and the government related entities disclosed in Note 39(a) ("PNB Group").

The amounts owing by/to related parties are repayable/payable on demand.

15. DEFERRED TAX

	Group		Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Deferred tax assets	**278,582**	263,291	**4,605**	3,629
Deferred tax liabilities	**(412,167)**	(461,501)	**-**	-
	(133,585)	(198,210)	**4,605**	3,629
At beginning of the year	**(198,210)**	(111,797)	**3,629**	2,515
Credited/(Charged) to profit or loss	**64,775**	(87,552)	**976**	1,114
Exchange rate differences	**(150)**	1,139	**-**	-
At end of the year	**(133,585)**	(198,210)	**4,605**	3,629

15. DEFERRED TAX (CONT'D.)

The temporary differences on which deferred tax assets/liabilities have been recognised are as follows:

	Group		Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Tax effects of:				
- unabsorbed capital allowances	**7,850**	8,316	**2,227**	1,641
- unutilised tax losses	**13,218**	10,002	**-**	-
- valuation of development land and property development and construction profits	**(88,043)**	(129,718)	**-**	-
- excess of capital allowances claimed over accumulated depreciation on property, plant and equipment	**(11,812)**	(18,695)	**(609)**	(590)
- fair value changes on investment properties	**(60,934)**	(61,627)	**(168)**	(168)
- others	**6,136**	(6,488)	**3,155**	2,746
	(133,585)	(198,210)	**4,605**	3,629

Key sources of estimation uncertainty – Recognition of deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences, unabsorbed capital allowances and unutilised tax losses to the extent that it is probable that taxable profit will be available in future against which the deductible temporary differences, capital allowances and tax losses can be utilised.

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. When an entity has a history of recent losses, the entity recognises a deferred tax asset arising from unused tax losses or tax credits only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised by the entity.

The Group has recognised the deferred tax assets as it is probable that its development projects and its cost and efficiency rationalisation strategies would generate sufficient taxable profits in future against which the deferred tax assets can be utilised.

Unutilised tax losses, unabsorbed capital allowances and other temporary differences which exist as at 31 December on which deferred tax assets have not been recognised in the financial statements are as follows:

	Group	
	2025 RM'000	**2024 RM'000**
Unutilised tax losses	**756,698**	712,855
Unabsorbed capital allowances	**9,583**	9,362
Others - deductible temporary differences	**185,134**	199,653
	951,415	921,870

15. DEFERRED TAX (CONT'D.)

Tax losses for which the tax effects have not been recognised in the financial statements:

	Group	
	2025 RM'000	**2024 RM'000**
- Expiring in 2028	**174,920**	180,232
- Expiring in 2029	**93,058**	96,116
- Expiring in 2030	**119,738**	119,738
- Expiring in 2031	**111,825**	111,825
- Expiring in 2032	**55,736**	57,516
- Expiring in 2033	**98,578**	99,302
- Expiring in 2034	**48,345**	48,126
- Expiring in 2035	**54,498**	-
	756,698	712,855

Deferred tax assets have not been recognised in respect of these items for certain subsidiary companies as it is not probable that taxable profits of the subsidiary companies would be available against which the unutilised tax losses, unabsorbed capital allowances and other deductible temporary differences could be utilised.

The unutilised capital allowances of the Group are available indefinitely for offsetting against future taxable profits of the respective entities within the Group, subject to no substantial changes in shareholdings of those entities under the Income Tax Act, 1967 and guidelines issued by the tax authority.

Based on the Malaysian Finance Act gazetted on 31 December 2021, the time limit for the carry forward of the unutilised tax losses is 10 years.

The unutilised tax losses accumulated up to the year of assessment 2018 are allowed to be carried forward for 10 consecutive years of assessment (i.e. from years of assessment 2019 to 2028) and any balance of the unutilised losses thereafter shall be disregarded.

As for any unutilised tax losses that originated from the year of assessment 2019 onwards, these are allowed to be carried forward for a maximum period of 10 consecutive years of assessment immediately following that originating year of assessment and any balance of the unutilised tax losses thereafter shall be disregarded.

The foreign unutilised losses and unabsorbed capital allowances applicable to foreign incorporated subsidiary companies, if any, are pre-determined by and subject to the tax legislations of the respective countries.

16. TRADE RECEIVABLES

	Group	
	2025 RM'000	2024 RM'000
Non-Current		
Gross progress billings receivable	**669**	6,202
Current		
Gross progress billings receivable	**914,725**	373,077
Gross retention sums receivable	**137,934**	135,475
Other gross receivables	**1,701**	9,059
Total gross receivables	**1,054,360**	517,611
Allowance for impairment loss	**(21,572)**	(17,808)
	1,032,788	499,803
Total	**1,033,457**	506,005

The progress billings are due within 30 to 90 days (2024: 14 to 90 days) as stipulated in sale and purchase agreements and construction contracts. The retention sums are due upon the expiry of the defect liability period stated in the respective sale and purchase agreements and construction contracts.

Non-current gross progress billings receivables are due within 1 to 2 years and above (2024: 2 to 3 years). Current other gross receivables are due within 7 to 90 days (2024: 7 to 90 days).

Ageing analysis of the Group's trade receivables are as follows:

	Group	
	2025 RM'000	2024 RM'000
Neither past due nor impaired	**847,769**	384,120
1 to 30 days past due but not impaired	**75,068**	58,298
31 to 60 days past due but not impaired	**40,986**	25,376
61 to 90 days past due but not impaired	**25,797**	14,470
91 to 120 days past due but not impaired	**16,493**	6,226
More than 121 days past due but not impaired	**27,344**	17,515
	1,033,457	506,005
Individually impaired	**21,572**	17,808
	1,055,029	523,813

Receivables that are neither past due nor impaired

The receivables that are neither past due nor impaired are creditworthy debtors with good payment track records with the Group. None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

16. TRADE RECEIVABLES (CONT'D.)

Receivables that are past due but not impaired

The receivables that are past due but not impaired are mainly related to the progress billings to be settled by the purchasers or the purchasers' end-financiers. However, the Directors are of the opinion that these debts should be realised in full without material losses in the ordinary course of business as the legal title to the properties sold remains with the Group until the purchase consideration is fully settled/paid.

Receivables that are impaired

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in financial difficulties or are disputing payment obligations and have defaulted on payment. These receivables are generally not secured by any collateral or credit enhancements.

The Group measures allowance for impairment losses of trade receivables based on lifetime ECLs.

The expected credit losses on trade receivables are estimated by reference to historical loss experience of the debtors and an analysis of the debtor's current financial position, adjusted for forward-looking factors specific to the debtors and the general economic conditions, where applicable. The Group generally performs impairment assessment on trade receivables on an individual basis or on an account-by-account basis. In respect of its property development activities, the Group has assessed that these debts should be realised in full without material losses in the ordinary course of business as the legal titles to the properties sold remain with the Group until the purchase consideration is fully settled/paid.

The movement in the allowance for impairment losses of trade receivables during the financial year is as follows:

	Group	
	2025 RM'000	2024 RM'000
At beginning of the year	**17,808**	2,460
Allowance for impairment loss during the year	**3,932**	17,091
Reversal of allowance for impairment loss during the year	**(168)**	(1,716)
Bad debts written off	**-**	(27)
At end of the year	**21,572**	17,808

The currency exposure profile of trade receivables net of allowance for impairment losses is as follows:

	Group	
	2025 RM'000	2024 RM'000
Malaysian Ringgit	**1,033,039**	503,207
Vietnamese Dong	**418**	2,798
	1,033,457	506,005

16. TRADE RECEIVABLES (CONT'D.)

Retention sums are expected to be received as follows:

	Group	
	2025 RM'000	**2024 RM'000**
- not later than one year	**91,721**	94,765
- later than one year	**46,213**	40,710
	137,934	135,475

17. CONTRACT ASSETS/(LIABILITIES)

	Group	
	2025 RM'000	**2024 RM'000**
Contract assets		
Property development *(see Note (a))*	**468,995**	628,001
Construction and other contracts *(see Note (b))*	**100**	73
	469,095	628,074
Contract liabilities		
Property development *(see Note (a))*	**(50,445)**	(8,546)
Construction and other contracts *(see Note (b))*	**(47,200)**	(49,096)
	(97,645)	(57,642)
	371,450	570,432

(a) Contract assets and contract liabilities from property development activities

	Group	
	2025 RM'000	**2024 RM'000**
Contract assets	**468,995**	628,001
Contract liabilities	**(50,445)**	(8,546)
	418,550	619,455
At beginning of the year	**619,455**	906,416
Consideration payable to customers	**94,844**	76,861
Revenue recognised during the year	**3,995,818**	5,026,993
Interest income relating to deferred payment scheme	**129**	6,412
Progress billings during the year	**(4,291,696)**	(5,398,644)
Exchange rate differences	**-**	1,417
At end of the year	**418,550**	619,455

17. CONTRACT ASSETS/(LIABILITIES) (CONT'D.)

(a) Contract assets and contract liabilities from property development activities (cont'd.)

An amount of RM3,364,000 (2024: RM56,020,000) included in contract liabilities at the beginning of the financial year has been recognised as revenue for the financial year ended 31 December 2025.

Revenue from property development activities are recognised over time using the input method, which is based on the actual cost incurred to date on the property development projects as compared to the total budgeted cost for the respective development projects.

The transaction price allocated to the unsatisfied performance obligations as at 31 December 2025 is RM2,700,628,000 (2024: RM1,954,698,000). The remaining performance obligations are expected to be recognised as follows:

	Group	
	2025 RM'000	**2024 RM'000**
Within 1 year	**1,536,259**	1,237,678
Between 1 and 4 years	**1,164,369**	717,020
	2,700,628	1,954,698

(b) Contract assets and contract liabilities from construction and other contracts

	Group	
	2025 RM'000	**2024 RM'000**
Contract assets	**100**	73
Contract liabilities	**(47,200)**	(49,096)
	(47,100)	(49,023)
At beginning of the year	**(49,023)**	(46,898)
Revenue recognised during the year	**27,729**	46,762
Progress billings during the year	**(25,806)**	(48,887)
At end of the year	**(47,100)**	(49,023)

An amount of RM1,597,000 (2024: RM1,574,000) included in contract liabilities at the beginning of the financial year has been recognised as revenue for the financial year ended 31 December 2025.

17. CONTRACT ASSETS/(LIABILITIES) (CONT'D.)

Contract expenditure includes the following expenses incurred during the financial year:

	Group	
	2025 RM'000	**2024 RM'000**
Depreciation of property, plant and equipment	**-**	453
Hire of machinery	**-**	3

The construction revenue is recognised progressively based on the actual cost incurred to date on the construction projects as compared to the total budgeted cost for the respective projects.

The transaction price allocated to the unsatisfied performance obligations for construction and other contracts as at 31 December 2025 is RM47,200,000 (2024: RM49,096,000).

18. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Non-current				
Accrued lease income	**88,514**	88,232	**-**	-
Current				
Refundable deposits and part purchase consideration for the acquisition of development land	**-**	31,660	**-**	-
Dividend receivable	**-**	-	**1,596**	1,596
Deposits	**90,666**	87,305	**1,307**	1,308
Value Added Tax/Goods and Services Tax receivables	**6,046**	4,637	**-**	-
Prepayments	**21,541**	21,140	**2,249**	-
Accrued lease income	**5,810**	6,103	**-**	-
Other sundry receivables	**171,497**	91,446	**7,887**	709
	295,560	242,291	**13,039**	3,613
Allowance for impairment loss	**(36,915)**	(13,900)	**-**	-
	258,645	228,391	**13,039**	3,613
Total	**347,159**	316,623	**13,039**	3,613

18. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONT'D.)

The movement in the allowance for impairment losses of other receivables during the financial year is as follows:

	Group	
	2025 RM'000	**2024 RM'000**
At beginning of the year	**13,900**	9,646
Allowance for impairment loss during the year	**23,338**	4,591
Reversal of allowance for impairment loss during the year	**-**	(280)
Bad debts written off	**(323)**	(57)
At end of the year	**36,915**	13,900

The currency exposure profile of other receivables, deposits and prepayments net of allowance for impairment losses is as follows:

	Group		Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Malaysian Ringgit	**336,603**	272,531	**13,039**	3,613
Australian Dollar	**7,562**	39,588	**-**	-
Singapore Dollar	**176**	171	**-**	-
Vietnamese Dong	**2,795**	4,322	**-**	-
United States Dollar	**23**	11	**-**	-
	347,159	316,623	**13,039**	3,613

19. CONTRACT COST ASSETS

	Group	
	2025 RM'000	**2024 RM'000**
Contract cost assets		
Costs to fulfil contracts with customers *(Note (a))*	**181,351**	170,577
Costs to obtain contracts with customers *(Note (b))*	**7,226**	1,516
	188,577	172,093

19. CONTRACT COST ASSETS (CONT'D.)

(a) Costs to fulfil contracts with customers

	Group	
	2025 RM'000	**2024 RM'000**
At beginning of the financial year	**170,577**	423,338
Costs transferred from inventories - land held for property development *(see Note 6)*	**195,792**	477,028
Costs transferred from inventories - property development costs *(see Note 6)*	**1,110,333**	869,740
Costs incurred during the year	**674,115**	767,960
Costs recognised in profit or loss during the year	**(1,969,379)**	(2,359,577)
Exchange differences	**(87)**	(7,912)
At end of the financial year	**181,351**	170,577

(b) Costs to obtain contracts with customers

	Group	
	2025 RM'000	**2024 RM'000**
At beginning of the financial year	**1,516**	57,432
Costs incurred during the year	**14,037**	19,097
Costs recognised in profit or loss during the year	**(8,327)**	(72,674)
Exchange differences	**-**	(2,339)
At end of the financial year	**7,226**	1,516

20. SHORT-TERM DEPOSITS

	Group		Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Short-term deposits with licensed banks	**511,072**	733,400	**399**	150,099

Included in short-term deposits of the Group is an amount of RM4,541,000 (2024: RM7,064,000) which has been charged to banks as security for banking facilities.

As at reporting date, the effective interest rates for the Group's short-term deposits range from 1.75% to 6.00% (2024: 2.44% to 5.77%). As at reporting date, the effective interest rates for the Company's short-term deposits range from 2.05% to 2.45% (2024: 2.45% to 3.80%). All short-term deposits have average maturity periods of 1 to 6 months.

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

20. SHORT-TERM DEPOSITS (CONT'D.)

The currency exposure profile of short-term deposits is as follows:

	Group		Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Malaysian Ringgit	**501,647**	672,403	**399**	150,099
Australian Dollar	**-**	2,626	**-**	-
Vietnamese Dong	**9,240**	58,176	**-**	-
United States Dollar	**185**	195	**-**	-
	511,072	733,400	**399**	150,099

21. CASH AND BANK BALANCES

	Group		Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Cash and bank balances include monies in:				
- Cash at bank and on hand	**1,254,656**	1,528,562	**349,700**	508,051
- Housing Development Accounts	**722,228**	766,965	**-**	-
- Sinking Fund Accounts	**1,435**	2,902	**-**	-
- Debt Service Reserve Accounts	**50,585**	64,328	**1,415**	7,991
- Escrow Accounts	**25,966**	36,366	**-**	-
- Revenue Accounts	**6,195**	8,947	**-**	-
- Rights and Excess Accounts:				
Sukuk Wakalah and RCPS-i C	**9**	6	**9**	6
Total	**2,061,074**	2,408,076	**351,124**	516,048

Withdrawals from the Housing Development Accounts are restricted in accordance with the Housing Developers (Housing Development Account) Regulations 1991.

Funds maintained in the Housing Development Accounts earn interest ranging from 0.75% to 3.09% (2024: 0.82% to 2.76%) per annum.

The sinking fund, debt service reserve, escrow and revenue accounts were opened in accordance with the terms and conditions set out in the term loan agreements referred to in Note 27 below.

21. CASH AND BANK BALANCES (CONT'D.)

The currency exposure profile of cash and bank balances is as follows:

	Group		Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Malaysian Ringgit	**1,907,943**	2,099,987	**336,550**	494,362
Singapore Dollar	**17,606**	38,605	**9,669**	10,055
Australian Dollar	**84,131**	231,333	**21**	21
Great British Pound	**21,819**	27,077	**3,616**	10,213
Vietnamese Dong	**26,933**	8,700	**-**	-
United States Dollar	**2,425**	2,252	**1,268**	1,397
Japanese Yen	**217**	122	**-**	-
	2,061,074	2,408,076	**351,124**	516,048

22. SHARE CAPITAL

	Group/Company			
	2025		**2024**	
	Number of shares '000	**Amount RM'000**	**Number of shares '000**	**Amount RM'000**
Issued and fully paid share capital, at no par value:				
At beginning of the year	**5,002,483**	**9,238,060**	4,354,836	8,722,775
Issuance of shares:				
Conversion from RCPS-i A *(see Note 23)*	**208**	**603**	-	-
Conversion from RCPS-i C *(see Note 23)*	**637**	**506**	647,647	515,285
At end of the year	**5,003,328**	**9,239,169**	5,002,483	9,238,060

During the financial year, the issued and paid-up ordinary share capital of the Company was increased by way of the following:

(a) Conversion of 603,236 RCPS-i A to 208,012 ordinary shares with the conversion ratio of ten (10) new S P Setia Berhad shares for twenty-nine (29) RCPS-i A held.

(b) Conversion of 1,332,675 RCPS-i C to 636,501 ordinary shares with the conversion ratio of thirty-two (32) new S P Setia Berhad shares for sixty-seven (67) RCPS-i C held.

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

23. ISLAMIC REDEEMABLE CONVERTIBLE PREFERENCE SHARES ("RCPS-i A") AND ("RCPS-i C")

	Group/Company			
	2025		**2024**	
	Number of shares '000	**Amount RM'000**	**Number of shares '000**	**Amount RM'000**
Issued and fully paid RCPS-i A:				
At beginning of the year	**1,088,658**	1,087,363	**1,088,658**	1,087,363
Conversion to ordinary shares *(see Note 22)*	**(603)**	(603)	**-**	-
At end of the year	**1,088,055**	1,086,760	**1,088,658**	1,087,363
Issued and fully paid RCPS-i C:				
At beginning of the year	**541,124**	203,463	**1,897,135**	718,748
Conversion to ordinary shares *(see Note 22)*	**(1,333)**	(506)	**(1,356,011)**	(515,285)
At end of the year	**539,791**	202,957	**541,124**	203,463

RCPS-i A

The RCPS-i A issued by the Company to the shareholders are convertible at any time at the discretion of the holder commencing 2 December 2016 ("Issue Date A") up to such date no later than nine (9) market days prior to the relevant redemption date into such number of fully paid new S P Setia shares without payment of any consideration (cash or otherwise) and with the conversion ratio of two (2) new S P Setia shares for seven (7) RCPS-i A held.

The Company may at any time on or after the 15th anniversary of the Issue Date A, at its discretion, redeem all (and not some only of) the outstanding RCPS-i A in cash at the redemption price which shall be the aggregate of the issue price of RM1.00, any preferential dividends declared but unpaid as at the redemption date and any Deferred Dividends A (as defined below) as at the redemption date.

Under the Constitution, the conversion ratio for RCPS-i A is subject to adjustments from time to time, at the determination of our Board, in the event of any alteration to our Company's share capital, whether by way of rights issue, capitalisation issue, consolidation of shares, subdivision of shares or reduction of capital howsoever being affected, in accordance with the provisions of the Constitution. The conversion ratio for RCPS-i A had previously been adjusted to fifty (50) new S P Setia shares for one hundred sixty-nine (169) RCPS-i A held and subsequently readjusted to ten (10) new S P Setia shares for twenty-nine (29) RCPS-i A held, upon issuance of RCPS-i C. The effective date for the most recent adjusted conversion ratio was 3 November 2022.

23. ISLAMIC REDEEMABLE CONVERTIBLE PREFERENCE SHARES ("RCPS-i A") AND ("RCPS-i C") (CONT'D.)

RCPS-i A (cont'd.)

The RCPS-i A confers on holders, the following rights and privileges:

(i) The right to receive preferential dividends, out of distributable profits of the Company earned from the first day of the calendar month following the Issue Date A ("Profits for RCPS-i A") when declared and approved by the Board of the Company, at an expected preferential dividend rate of 6.49%.

From the period commencing on and including the 15th anniversary of the Issue Date A until the redemption date, an additional stepped-up preferential dividend rate of 1.0% per annum above the expected rate abovementioned, shall be payable on the RCPS-i A on an annual basis, provided that the aggregate of the expected preferential dividend rate (including the stepped-up preferential dividends, if applicable) ("Expected Preferential Dividend Rate A") shall not exceed a total rate of 20%. The maximum amount of preferential dividends that can be declared and paid on each preferential dividend entitlement date ("Expected Preferential Dividend Amount A") shall be capped at such Expected Preferential Dividend Rate A unless otherwise decided by the Board of the Company.

On any preferential dividend entitlement date for RCPS-i A:

i. In the event that the Profits for RCPS-i A are lower than the Expected Preferential Dividend Amount A and the Company does not declare the preferential dividends up to the Expected Preferential Dividend Amount A (in whole or in part):

(a) The Company may, at its discretion, declare and pay any amount of preferential dividends up to an amount equal to the Profits for RCPS-i A as at such preferential dividend entitlement date. The amount of Profits for RCPS-i A declared as preferential dividends by the Company on a particular preferential dividend entitlement date, if any shall be referred to as ("Declared Sum A"); and

(b) The amount equivalent to the difference between the Profits for RCPS-i A as at such preferential dividend entitlement date and Declared Sum A, shall be cumulative ("Deferred Dividends A-1"), so long as the RCPS-i A remains unredeemed.

23. ISLAMIC REDEEMABLE CONVERTIBLE PREFERENCE SHARES ("RCPS-i A") AND ("RCPS-i C") (CONT'D.)

RCPS-i A (cont'd.)

The RCPS-i A confers on holders, the following rights and privileges: (cont'd.)

On any preferential dividend entitlement date for RCPS-i A: (cont'd.)

ii. In the event that the Profits for RCPS-i A are more than the Expected Preferential Dividend Amount A and the Company does not declare the preferential dividends up to the Expected Preferential Dividend Amount A (in whole or in part), the amount equivalent to the difference between the Expected Preferential Dividend Amount A and the Declared Sum A, shall be cumulative ("Deferred Dividends A-2"), so long as the RCPS-i A remains unredeemed.

Deferred Dividends A-1 and A-2 (as the case may be) ("Deferred Dividends A") may be declared and/or paid, at the discretion of the Company, on any subsequent preferential dividend entitlement date for RCPS-i A, provided that the Cumulative Condition A (as defined below) is fulfilled on such preferential dividend entitlement date.

"Cumulative Condition A" of the RCPS-i A means on any preferential dividend entitlement date, the Company:

(a) has sufficient Profits for RCPS-i A that is at least equivalent to the aggregate of the Declared Sum A and any Deferred Dividends A accumulated as at and on such preferential dividend entitlement date;

(b) has maintained books and records that evidence the Company having Profits for RCPS-i A that is at least equivalent to the aggregate of the Declared Sum A and any Deferred Dividends A accumulated as at and on such preferential dividend entitlement date; and

(c) makes an announcement on the Main Market of Bursa Malaysia Securities Berhad that such amount of Deferred Dividends A on such preferential dividend entitlement date shall be cumulative.

Where there is no Profit for RCPS-i A available for the declaration and payment of dividends, the Company shall have no obligation to declare or distribute any preferential dividends on the relevant preferential dividend entitlement date for RCPS-i A. Such preferential dividends shall not be cumulative.

Each RCPS-i A holder will cease to receive any preferential dividends from and including the date the RCPS-i A is converted into new S P Setia shares save for preferential dividends declared but unpaid up to the date of conversion.

23. ISLAMIC REDEEMABLE CONVERTIBLE PREFERENCE SHARES ("RCPS-i A") AND ("RCPS-i C") (CONT'D.)

RCPS-i A (cont'd.)

The RCPS-i A confers on holders, the following rights and privileges: (cont'd.)

(ii) The rights as regards to the receipt of notices (including that of general meetings), reports and audited financial statements, to attend meetings and to receive shareholders' resolutions in writing, but shall not be entitled to vote or approve any shareholders' resolutions or vote at any general meeting of the Company, save and except in respect of any resolution made:

i. when the preferential dividends for RCPS-i A or any part thereof is in arrears and unpaid for more than six (6) months;

ii. on a proposal to reduce the Company's share capital;

iii. on a proposal for the disposal of substantially the whole of the Company's property, business and undertaking;

iv. on a proposal to wind up the Company;

v. during the winding up of the Company; or

vi. on any proposal that affects the rights and privileges attached to the RCPS-i A, including the amendments to the Constitution of the Company.

In any of the aforesaid circumstances, each RCPS-i A holder shall be entitled to vote at all general meetings of the members of its class, and on a poll at any such general meetings to one (1) vote for each RCPS-i A held.

23. ISLAMIC REDEEMABLE CONVERTIBLE PREFERENCE SHARES ("RCPS-i A") AND ("RCPS-i C") (CONT'D.)

RCPS-i C

The Company had undertaken a renounceable rights issue of 2,472,010,007 RCPS-i C at an issue price of RM0.38 per share to raise gross proceeds of RM939,364,000 in the prior financial year to part settle the redemption of RCPS-i B. The RCPS-i C was issued on 24 November 2022 and listed on 30 November 2022.

The RCPS-i C issued by the Company to the shareholders are convertible at any time at the discretion of the holder commencing 30 November 2022 ("Issue Date C") up to such date no later than nine (9) market days prior to the relevant redemption date into such number of fully paid new S P Setia shares without payment of any consideration (cash or otherwise) and with the conversion ratio of thirty two (32) new S P Setia shares for sixty seven (67) RCPS-i C held.

The Company may at any time on or after the 5th anniversary of the Issue Date C, at its discretion, redeem all (and not part) the outstanding RCPS-i C in cash at the redemption price which shall be the aggregate of the issue price of RM0.38, any preferential dividends declared but unpaid as at the redemption date and any Deferred Dividends C (as defined below) as at the redemption date

The RCPS-i C confers on holders, the following rights and privileges:

(i) The right to receive preferential dividends, out of distributable profits of the Company earned from the first day of the calendar month following the Issue Date C ("Profits for RCPS-i C") when declared and approved by the Board of the Company, at an expected preferential dividend rate of 5.43%.

From the period commencing on and including the 5th anniversary of the Issue Date C until the redemption date, an additional stepped-up preferential dividend rate of 1.0% per annum above the expected rate mentioned above, shall be payable on the RCPS-i C on an annual basis, provided that the aggregate of the expected preferential dividend rate (including the stepped-up preferential dividends, if applicable) ("Expected Preferential Dividend Rate C") shall not exceed a total rate of 20%. The maximum amount of preferential dividends that can be declared and paid on each preferential dividend entitlement date ("Expected Preferential Dividend Amount C") shall be capped at such Expected Preferential Dividend Rate C unless otherwise decided by the Board of the Company.

On any preferential dividend entitlement date for RCPS-i C:

i. In the event that the Profits for RCPS-i C are lower than the Expected Preferential Dividend Amount C and the Company does not declare the preferential dividends up to the Expected Preferential Dividend Amount C (in whole or in part):

(a) The Company may, at its discretion, declare and pay any amount of preferential dividends up to an amount equal to the Profits for RCPS-i C as at such preferential dividend entitlement date. The amount of Profits for RCPS-i C declared as preferential dividends by the Company on a particular preferential dividend entitlement date, if any shall be referred to as ("Declared Sum C"); and

(b) The amount equivalent to the difference between the Profits for RCPS-i C as at such preferential dividend entitlement date and Declared Sum C, shall be cumulative ("Deferred Dividends C-1"), so long as the RCPS-i C remains unredeemed.

23. ISLAMIC REDEEMABLE CONVERTIBLE PREFERENCE SHARES ("RCPS-i A") AND ("RCPS-i C") (CONT'D.)

RCPS-i C (cont'd.)

The RCPS-i C confers on holders, the following rights and privileges: (cont'd.)

ii. In the event that the Profits for RCPS-i C are more than the Expected Preferential Dividend Amount C and the Company does not declare the preferential dividends up to the Expected Preferential Dividend Amount C (in whole or in part), the amount equivalent to the difference between the Expected Preferential Dividend Amount C and the Declared Sum C, shall be cumulative ("Deferred Dividends C-2"), so long as the RCPS-i C remains unredeemed.

Deferred Dividends C-1 and C-2 (as the case may be) ("Deferred Dividends C") may be declared and/or paid, at the discretion of the Company, on any subsequent preferential dividend entitlement date for RCPS-i C, provided that the Cumulative Condition C (as defined below) is fulfilled on such preferential dividend entitlement date.

"Cumulative Condition C" of the RCPS-i C means on any preferential dividend entitlement date, the Company:

(a) has sufficient Profits for RCPS-i C that is at least equivalent to the aggregate of the Declared Sum C and any Deferred Dividends C accumulated as at and on such preferential dividend entitlement date;

(b) has maintained books and records that evidence the Company having Profits for RCPS-i C that is at least equivalent to the aggregate of the Declared Sum C and any Deferred Dividends C accumulated as at and on such preferential dividend entitlement date; and

(c) makes an announcement on the Main Market of Bursa Malaysia Securities Berhad that such amount of Deferred Dividends C on such preferential dividend entitlement date shall be cumulative.

Where there is no Profit for RCPS-i C available for the declaration and payment of dividends, the Company shall have no obligation to declare or distribute any preferential dividends on the relevant preferential dividend entitlement date for RCPS-i C. Such preferential dividends shall not be cumulative.

Each RCPS-i C holder will cease to receive any preferential dividends from and including the date the RCPS-i C is converted into new S P Setia Shares save for preferential dividends declared but unpaid up to the date conversion.

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

23. ISLAMIC REDEEMABLE CONVERTIBLE PREFERENCE SHARES ("RCPS-i A") AND ("RCPS-i C") (CONT'D.)

RCPS-i C (cont'd.)

The RCPS-i C confers on holders, the following rights and privileges: (cont'd.)

(ii) The rights as regards to the receipt of notices (including that of general meetings), reports and audited financial statements, to attend meetings and to receive shareholders' resolutions in writing, but shall not be entitled to vote or approve any shareholders' resolutions or vote at any general meeting of the Company, save and except in the respect of any resolution made:

i. when the preferential dividends for RCPS-i C or any part thereof is in arrears and unpaid for more than six (6) months;

ii. on a proposal to reduce the Company's share capital;

iii. on a proposal for the disposal of substantially the whole of the Company's property, business and undertaking;

iv. on a proposal to wind up the Company;

v. during the winding up of the Company; or

vi. on any proposal that affects the rights and privileges attached to the RCPS-i C, including the amendments to the Constitution of the Company.

In any of the aforesaid circumstances, each RCPS-i C holder shall be entitled to vote at all general meetings of the members of its class, and on a poll at any such general meetings to one (1) vote for each RCPS-i C held.

24. RESERVES

(a) Reserve on acquisition arising from common control

	Group	
	2025 RM'000	**2024 RM'000**
Reserve on acquisition arising from common control	**(1,295,884)**	(1,295,884)

This represents the difference between the consideration payable on the acquisition of I & P Group Sdn. Berhad in prior years in excess of the equity of I & P Group Sdn. Berhad arising as a result of the application of the pooling of interests method of accounting whereby assets, liabilities and reserves of the entities are recorded at their pre-combination carrying amounts or existing carrying amounts from the perspective of common control shareholder.

24. RESERVES (CONT'D.)

(b) Exchange translation reserve

The exchange translation reserve represents exchange differences arising from the translation of the financial statements of all entities within the Group whose functional currencies are different from the Group's presentation currency.

Also included in this reserve at Group level are the exchange translation gain/loss relating to monetary items that forms part of a reporting entity's net investment in a foreign operation and those qualifying as net investment hedge. Details of net investment hedge effectiveness recognised in the exchange translation reserve is disclosed in Note 44(b).

25. REDEEMABLE CUMULATIVE PREFERENCE SHARES (UNSECURED)

The redeemable cumulative preference shares ("RCPS") issued by subsidiaries of the Company ("the Subsidiaries") are redeemable at any time at the discretion of the Subsidiaries after 5th anniversary but before the 8th to 15th anniversary of the respective issue dates, provided always that the redemption sum to be determined shall not be less than RM1.00 and any amount of dividend payable on the redemption date (including the aggregate amount of any arrears or accruals of dividend, whether or not declared, at the time of redemption).

The preference shares confer on their holders the following rights and privileges:

(i) The right to be paid, a cumulative preferential dividend of 4% per annum on the issue price, or at 500% per annum gross based on its nominal value;

(ii) The right in a winding up or return of capital (other than on the redemption of the preference shares) to receive, in priority to the holders of any other class of shares in the capital of the Subsidiaries, repayment in full of RM1.00 and the payment of any cumulative preferential dividend calculated up to the date of commencement of the winding up or return of capital, but no further right to share in surplus assets; and

(iii) The right to receive notice of and attend all general meetings of the Subsidiaries, and shall have the right on a poll at any general meeting of the Subsidiaries to one vote for each preference share held:

(a) upon any resolution which varies or is deemed to vary the rights attached to the preference shares;

(b) upon any resolution for the reduction of capital of the Subsidiaries; and

(c) upon any resolution for the winding up of the Subsidiaries,

but shall otherwise have no right to vote at general meetings of the Subsidiaries.

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

26. OTHER PAYABLES AND ACCRUALS

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-current				
Consideration payable for acquisition of development land	**86,188**	80,522	**-**	-
Current				
Unsecured advances	**10,136**	14,027	**-**	-
Interest accrued	**22,079**	10,565	**13,216**	14,565
Deposits received	**85,675**	72,921	**-**	-
Consideration payable for acquisition of development land	**231,753**	231,758	**-**	-
Accrued selling and marketing costs	**92,389**	103,863	**-**	-
Other sundry payables and accruals	**373,008**	454,061	**32,882**	23,884
	815,040	887,195	**46,098**	38,449
Total	**901,228**	967,717	**46,098**	38,449

The non-current consideration payable for the acquisition of development land refers to consideration payable to vendors of Setia Eco Templer and Setia Alamsari projects. The current consideration payable for acquisition of development land pertains to amounts payable by KL Eco City Sdn Bhd and Setia Federal Hill Sdn Bhd to Dewan Bandaraya Kuala Lumpur ("DBKL") and Kementerian Kesihatan Malaysia ("KKM") respectively.

The unsecured advances are from non-controlling shareholders of subsidiary companies. These advances are interest free and payable on demand.

The currency exposure profile of other payables and accruals is as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Malaysian Ringgit	**872,546**	929,823	**46,098**	37,556
Vietnamese Dong	**1,300**	8,811	**-**	-
Singapore Dollar	**673**	1,328	**-**	-
Australian Dollar	**26,628**	13,306	**-**	-
Great British Pound	**-**	913	**-**	893
Japanese Yen	**57**	13,524	**-**	-
United States Dollar	**24**	12	**-**	-
	901,228	967,717	**46,098**	38,449

27. BORROWINGS

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-current				
Secured:				
Term loans	**1,468,416**	1,740,862	**-**	-
Bridging loans	**135,323**	130,153	**-**	-
Medium term notes and commercial paper *(Note b)*	**800,447**	722,084	**-**	-
Hire purchase and finance lease *(Note a)*	**148**	279	**-**	-
Unsecured:				
Term loans	**135,840**	794,207	**-**	-
Sukuk Wakalah *(Note c)*	**2,346,869**	2,995,122	**2,346,869**	2,995,122
	4,887,043	6,382,707	**2,346,869**	2,995,122
Current				
Secured:				
Term loans	**496,428**	167,149	**-**	-
Bridging loans	**167,324**	190,554	**-**	-
Revolving credits	**241,563**	435,790	**-**	-
Medium term notes and commercial paper *(Note b)*	**23,425**	73,530	**-**	-
Hire purchase and finance lease *(Note a)*	**131**	131	**-**	-
Bank overdrafts	**-**	21,129	**-**	-
Unsecured:				
Term loans	**776,558**	859,819	**-**	720,959
Revolving credits	**476,000**	446,000	**475,000**	445,000
Commercial paper	**200,000**	-	**200,000**	-
Sukuk Wakalah *(Note c)*	**649,733**	-	**649,733**	-
Bank overdrafts	**-**	9,647	**-**	9,647
	3,031,162	2,203,749	**1,324,733**	1,175,606
Total borrowings	**7,918,205**	8,586,456	**3,671,602**	4,170,728
The borrowings are repayable as follows:				
Not later than one year	**3,031,162**	2,203,749	**1,324,733**	1,175,606
Later than one year but not later than five years	**3,845,977**	5,103,372	**2,097,286**	2,346,411
Later than five years	**1,041,066**	1,279,335	**249,583**	648,711
	7,918,205	8,586,456	**3,671,602**	4,170,728

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

27. BORROWINGS (CONT'D.)

	Group	
Note a	2025 RM'000	2024 RM'000
The minimum lease payments are as follows:		
Not later than one year	**161**	161
Later than one year but not later than five years	**176**	341
Total minimum lease payments	**337**	502
Amount representing finance charges	**(58)**	(92)
Present value of minimum lease payment	**279**	410
The present value of payments are as follows:		
Not later than one year	**131**	131
Later than one year but not later than five years	**148**	279
Present value of minimum lease payments	**279**	410

The range of interest rates per annum at the reporting date for borrowings are as follows:

	Group		Company	
	2025 %	2024 %	2025 %	2024 %
Term loans	**4.28 - 6.98**	1.07 - 9.51	**-**	4.51 - 9.51
Bridging loans	**4.89 - 4.91**	4.56 - 5.65	**-**	-
Revolving credits	**3.98 - 4.73**	4.26 - 5.05	**4.02 - 4.80**	4.44 - 4.75
Medium term notes and commercial paper	**3.30 - 4.92**	5.18 - 5.49	**3.30**	-
Hire purchase and finance lease	**4.50**	4.50	**-**	-
Bank overdrafts	**-**	4.14 - 4.80	**-**	4.38 - 4.51
Sukuk Wakalah	**4.38**	3.85 - 4.80	**4.38**	3.85 - 4.80

The borrowings are secured by:

- various fixed and floating charges and deeds of assignment over various assets belonging to the Group, including properties as indicated in Notes 2, 4 and 6 above; and
- short-term deposits, sinking fund, debt service reserve, escrow and revenue accounts as indicated in Notes 20 and 21 above.

Note b

Medium Term Notes ("MTN") and Commercial Paper ("CP")

In prior years, Setia Alamsari Sdn Bhd ("Setia Alamsari"), a wholly-owned subsidiary of the Group, had issued Islamic MTN ("Sukuk Murabahah")("Alamsari MTN") with a total nominal value of RM358 million pursuant to a Sukuk Murabahah Programme (the "Programme"). The Programme, which has a tenure of 10 years from the date of first issuance is to partially finance the purchase consideration of parcels of land acquired by Setia Alamsari in the prior years and its related land conversion premium. Setia Alamsari had upsized MTN from RM358 million to RM 556 million in previous year.

27. BORROWINGS (CONT'D.)

Note b (cont'd.)

Medium Term Notes ("MTN") and Commercial Paper ("CP") (cont'd.)

The interest payment is due every quarter with a profit rate of between 4.97% to 5.46% (2024: 5.22% to 5.49%) per annum, commencing from the issue date of the Alamsari MTN.

The Alamsari MTN is secured by:

(i) First party first legal charge over the freehold land of Setia Alamsari held under inventories as disclosed in Note 6;

(ii) Corporate guarantee from the Company;

(iii) Takaful and insurance, and

(iv) First ranking charge over the Finance Service Reserve Account and Designated Accounts.

As at 31 December 2025, the outstanding amount of the Alamsari MTN is RM306 million (2024: RM296 million).

In prior years, a wholly-owned subsidiary of the Group, Setia Fontaines Sdn Bhd ("Setia Fontaines") issued Islamic MTN ("Sukuk Murabahah")("Setia Fontaines MTN") amounting to RM434 million pursuant to a Sukuk Murabahah Programme of up to RM434 million in nominal value ("Sukuk Murabahah Programme") to finance the purchase of freehold land acquired by Setia Fontaines. Setia Fontaines had subsequently upsized the existing Sukuk Murabahah Programme to RM2.5 billion in nominal value with approved subscription of up to RM749 million. The Sukuk Murabahah Programme comprises of 4 Tranches with the purpose to redeem the Tranche 1 of the Sukuk Murabahah Programme of RM434 million and to partly finance the construction and development cost to be incurred by Setia Fontaines on its land held under Mukim 6, Daerah Seberang Perai Utara, Pulau Pinang. The Sukuk Murabahah Programme has a tenure between 10 to 12 years from the date of the first issuance.

The profit payment is due every month with the profit rate between 4.72% to 5.18% (2024: 5.18% to 5.23%) per annum, commencing from the issuance date of the Setia Fontaines MTN.

The Setia Fontaines MTN is secured by:

(i) First legal charge created over the freehold land of Setia Fontaines under inventories as disclosed in Note 6;

(ii) Corporate guarantee by the Company;

(iii) Legal charge over designated accounts; and

(iv) Assignment and legal charge over redemption proceeds account.

As at 31 December 2025, the outstanding amount of the Setia Fontaines MTN is RM517 million (2024: RM499 million).

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

27. BORROWINGS (CONT'D.)

Note c

Islamic Medium Term Notes ("Sukuk Wakalah")

On 4 May 2021, the Company made a lodgement to the Securities Commission Malaysia ("SC") for the establishment of a rated Islamic Medium Term Notes Programme of up to RM3.0 billion in nominal value under the Shariah principle of Wakalah Bi Al-Istithmar ("Sukuk Wakalah Programme") under the SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

The Sukuk Wakalah Programme allows for the issuance of rated and senior unsecured sukuk ("Sukuk Wakalah") from time to time, subject to total outstanding amount of Sukuk Wakalah not exceeding RM3.0 billion at any point in time. The Sukuk Wakalah Programme has been accorded a credit rating of AAIS by Malaysian Rating Corporation Berhad.

The issued tranches of Sukuk Wakalah are as follows:

Tranche	Issuance Date	Amount (RM Million)	Tenure	Periodic Distribution Rate (per annum)
1	25 June 2021	500	5 Years	3.85%
2	25 June 2021	300	7 Years	4.30%
3	21 April 2022	350	5 Years	4.22%
4	21 April 2022	600	7 Years	4.67%
5	21 April 2022	250	10 Years	4.80%
6	23 June 2023	150	3 Years	4.30%
7	23 June 2023	450	5 Years	4.41%
8	23 June 2023	400	7 Years	4.56%
		3,000		

The proceeds raised from the issuance of these Sukuk Wakalah was utilised for refinancing and repayment of existing borrowings of the Group.

The currency exposure profile of borrowings is as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Malaysian Ringgit	**6,317,737**	6,795,052	**3,671,602**	3,825,269
Great British Pound	**744,102**	1,103,906	**-**	345,459
Australian Dollar	**823,910**	620,607	**-**	-
Japanese Yen	**-**	31,131	**-**	-
United States Dollar	**32,456**	35,760	**-**	-
	7,918,205	8,586,456	**3,671,602**	4,170,728

28. LEASE LIABILITIES

	Group	
	2025 RM'000	**2024 RM'000**
Non-current		
Lease liabilities	**9,353**	2,021
Current		
Lease liabilities	**5,126**	806
Total lease liabilities	**14,479**	2,827

The movement of lease liabilities during the financial year is as follows:

	Group	
	2025 RM'000	**2024 RM'000**
At beginning of the year	**2,827**	3,925
Additions	**14,597**	-
Interest:		
- Charge for the year	**182**	154
Payments of:		
- Principal	**(989)**	(906)
- Interest	**(110)**	(172)
Early termination of lease contracts	**(2,011)**	-
Exchange differences	**(17)**	(174)
At end of the year	**14,479**	2,827

The Group has leases of buildings used as office premises and storage facilities as well as leases of plant and machinery. Leases are generally entered into a fixed period ranging from 3 to 5 years.

29. TRADE PAYABLES

	Group	
	2025 RM'000	**2024 RM'000**
Contractors' claims	**150,767**	176,500
Retention sums	**291,703**	305,112
Accrued construction costs	**978,329**	1,001,719
Others	**51,575**	67,527
	1,472,374	1,550,858

The normal credit terms extended by contractors and suppliers range from 7 to 60 days (2024: 7 to 60 days).The retention sums are repayable upon the expiry of the defect liability period.

Other trade payables are required to be settled within 14 to 60 days (2024: 14 to 60 days).

Included under accrued construction cost are provisions for affordable housing obligation of RM222,274,000 (2024: RM229,827,000) and provision for cost to complete projects of RM456,800,000 (2024: RM419,354,000). During the current year, with respect to affordable housing there were net additions and utilisation amounting to RM24,839,000 and RM32,391,000 (2024: RM13,257,000 and RM52,558,000) respectively whilst for provision for cost to complete projects, RM69,212,000 and RM31,767,000 (2024: RM134,086,000 and RM28,134,000) respectively.

The currency exposure profile of trade payables is as follows:

	Group	
	2025 RM'000	**2024 RM'000**
Malaysian Ringgit	**1,466,510**	1,531,955
Singapore Dollar	**-**	12,717
Vietnamese Dong	**5,375**	1,593
Australian Dollar	**489**	4,593
	1,472,374	1,550,858

Retention sums are expected to be settled as follows:

	Group	
	2025 RM'000	**2024 RM'000**
- not later than one year	**73,581**	105,556
- later than one year	**218,122**	199,556
	291,703	305,112

30. REVENUE

	Group		Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Sale of development properties	**3,995,818**	5,026,993	**-**	-
Construction and other revenue	**222,025**	266,575	**-**	-
Gross dividend from subsidiary companies	**-**	-	**969,016**	978,469
	4,217,843	5,293,568	**969,016**	978,469
Revenue from contracts with customers	**4,166,884**	5,246,353	**-**	-
Revenue from other sources of income	**50,959**	47,215	**969,016**	978,469
	4,217,843	5,293,568	**969,016**	978,469
Disaggregation of the revenue from contracts with customers:				
Timing of revenue recognition:				
At a point in time	**1,482,782**	2,783,685	**-**	-
Over time	**2,684,102**	2,462,668	**-**	-
	4,166,884	5,246,353	**-**	-

Key sources of estimation uncertainty - Revenue recognition of property development activities

The terms of the property development contracts and the laws that apply to these contracts, will determine whether the control of the properties sold is transferred and the corresponding revenue is recognised over time or at a point in time.

The Group recognises certain of its property development activities over time or based on the percentage of completion method using the input method which is based on the actual cost incurred to date on the property development project as compared to the total budgeted cost for the respective development projects.

Significant judgement is required in determining the progress towards complete satisfaction of the performance obligation and this includes determining the extent of property development costs incurred and the total estimated costs of property development, which in turn is used to determine the percentage of completion and gross profit margin of property development activities undertaken by the Group. In making these judgements, management relies on past experience and the work of specialists.

31. COST OF SALES

	Group	
	2025 RM'000	**2024 RM'000**
Cost of properties sold	**2,431,449**	3,277,048
Construction and other cost of sales	**123,310**	215,397
	2,554,759	3,492,445

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

32. OTHER INCOME

	Group		Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Interest income from:				
- subsidiary companies	**-**	-	**194,681**	196,712
- joint ventures	**13,352**	9,015	**-**	185
- associated company	**187**	-	**-**	-
- deposits and short-term funds	**26,988**	27,714	**2,323**	3,691
- deferred payment scheme	**129**	6,412	**-**	-
- financial assets measured at amortised cost	**-**	-	**401**	381
- other bank accounts	**46,120**	48,335	**9,450**	6,490
Rental income from:				
- investment properties	**63,984**	64,991	**-**	-
- other operating leases	**37,799**	22,181	**-**	-
Hotel income	**37,573**	35,989	**-**	-
Reversal of impairment losses on:				
- intercompanies	**-**	-	**11,456**	-
Gain on disposal of investment properties	**3,929**	1,199	**-**	-
Gain on disposal of property, plant and equipment	**2,651**	53,484	**96**	1
Gain on fair value adjustment of investment properties	**45,691**	2,629	**-**	592
Forfeiture income	**7,138**	25,679	**-**	-
Gain on liquidation of subsidiary companies	**1,234**	-	**-**	-
Gain on disposal of associated company	**8,479**	-	**-**	-
Gain on foreign exchange				
- realised	**-**	4,082	**-**	5,144
- unrealised	**-**	7,497	**-**	30,819
Management fee	**-**	-	**95,623**	74,611
Gain on disposal of joint ventures	**-**	56,346	**-**	53,309
Others	**17,571**	12,571	**7,601**	7,102
	312,825	378,124	**321,631**	379,037

33. FINANCE COSTS

	Group		Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Interest on:				
- bank overdrafts	**930**	593	**49**	55
- revolving credits	**31,264**	29,672	**19,827**	20,118
- bridging loans	**816**	1,902	**-**	-
- term loans	**176,233**	242,576	**23,085**	74,245
- hire purchase and finance lease	**30**	34	**-**	-
- Sukuk Wakalah	**117,196**	100,060	**131,475**	131,475
- unwinding of discount	**-**	-	**7,897**	10,734
Preference share dividend	**1,734**	1,734	**-**	-
Interest expense to subsidiary companies	**-**	-	**27,009**	30,327
Interest expense on financial liabilities measured at amortised cost	**1,199**	1,282	**-**	-
Interest expense on lease liabilities				
- charge for the year	**182**	154	**-**	-
Amortisation of transaction costs on borrowings	**9,485**	2,516	**1,480**	1,447
Others	**3,960**	3,619	**567**	461
	343,029	384,142	**211,389**	268,862

34. PROFIT BEFORE TAX

	Group		Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Profit before tax is stated after charging:				
Fees for statutory audits:				
Current year:				
- Ernst & Young PLT, Malaysia	**2,294**	2,117	**213**	185
- member firms of Ernst & Young Global	**639**	725	**-**	-
- other auditors	**676**	767	**-**	-
Other non-audit services:				
- Ernst & Young PLT, Malaysia	**379**	349	**13**	12
Amortisation of intangible assets	**1,372**	942	**838**	409
Bad debts written off	**407**	207	**35**	-
Allowance for impairment loss on receivables	**27,270**	21,682	**47,330**	99,828
Allowance for impairment loss on advances to joint venture	**6,791**	-	**-**	-
Reversal of allowance for impairment loss:				
- trade receivables	**(168)**	(1,716)	**-**	-
- other receivables	**-**	(280)	**-**	-
Depreciation:				
- property, plant and equipment	**37,819**	44,131	**1,508**	1,376
- right-of-use - property, plant and equipment	**863**	982	**-**	-
Direct operating expenses on:				
- income generating investment properties	**19,527**	17,732	**-**	-
- non-income generating investment properties	**9**	8	**9**	8
Directors' remuneration				
- Company's Directors:				
- fees and other emoluments	**8,132**	6,936	**8,132**	6,936
- Other key management personnel:				
- fees and other emoluments	**7,845**	5,913	**2,802**	2,519
Property, plant and equipment written off	**59**	104	**-**	-
Write-down in value of completed properties	**11,759**	5,991	**-**	-
Write-down of land held for property development	**187,825**	14,606	**-**	-
Write-down of other inventories	**-**	6,363	**-**	-
Reversal of write-down of completed properties	**-**	(25)	**-**	-
Impairment loss on investment in subsidiary companies	**-**	-	**443,274**	424,406

34. PROFIT BEFORE TAX (CONT'D.)

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Loss on fair value adjustment of right-of-use-investment properties	**3,465**	8,755	**-**	-
Loss on liquidation of subsidiary companies	**-**	19	**354**	82
Expenses relating to leases:				
- short-term leases	**1,273**	288	**7,429**	7,008
- low value assets	**1,636**	1,359	**630**	228
Loss/(gain) on foreign exchange:				
- realised	**223**	-	**1,643**	-
- unrealised	**11,545**	-	**(720)**	-

Directors' and other key management personnel's remuneration do not include the estimated monetary value of benefits-in-kind as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Company's Directors	**726**	697	**726**	697
Other key management personnel	**486**	537	**148**	198

35. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Expensed off during the year	**270,435**	269,438	**96,773**	75,128
Capitalised during the year	**31,193**	39,042	**-**	-
	301,628	308,480	**96,773**	75,128

Included in employee benefits expense that was expensed off during the year is an amount of RM32,373,000 (2024: RM34,710,000) accounted for under cost of sales.

35. EMPLOYEE BENEFITS EXPENSE (CONT'D.)

The employee benefit expenses which include the remuneration of Directors and key management personnel are as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Salaries, bonus and other emoluments	**247,753**	231,623	**77,237**	58,454
Employee severance benefit	**1,693**	21,882	**-**	-
Defined contribution plan	**18,240**	21,483	**8,727**	6,313

36. TAXATION

The Organisation for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS) addresses the tax challenges arising from the digitalisation of the global economy. The Global Anti-Base Erosion Model Rules (Pillar Two model rules) apply to multinational enterprises (MNEs) with annual revenue in excess of EUR 750 million per their consolidated financial statements.

The Pillar Two model rules introduce new taxing mechanisms under which MNEs would pay a minimum level of tax (the Minimum Tax):

- The Qualified Domestic Minimum Top-up Tax (QDMTT)
- The Income Inclusion Rule (IIR)

The new taxing mechanisms can impose a minimum tax on the income arising in each jurisdiction in which an MNE operates. The IIR and QDMTT do so by imposing a top-up tax in a jurisdiction whenever the effective tax rate (ETR), determined on a jurisdictional basis under the Pillar Two rules, is below a 15% minimum rate.

On 23 May 2023, the International Accounting Standards Board issued International Tax Reform—Pillar Two Model Rules – Amendments to IAS 12 (the Amendments). The Amendments clarify that IAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements a QDMTT. The Group has adopted these amendments, which introduce:

- A mandatory temporary exception to the accounting for deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation.

The Pillar Two model rules were effective in Vietnam and Australia starting from 1 January 2024. According to these rules, the Group is considered a multinational enterprise to which the Pillar Two rules shall be applied. At the same time, Pillar Two legislation has been enacted or substantively enacted in several other jurisdictions in which the Group operates effective for the financial year beginning 1 January 2025. The Group applies the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

36. TAXATION (CONT'D.)

The Group has performed an assessment of potential exposure to Pillar Two income taxes for the financial year ended 31 December 2025 across all jurisdictions in which it operates, using current-year financial reporting data. Based on this assessment, the Group has identified that it meets the Transitional CbCR Safe Harbour for the jurisdictions in which it operates. Accordingly, the Group's estimated Pillar Two top-up tax for the year ended 31 December 2025 is nil.

This conclusion does not eliminate the administrative burdens associated with Pillar Two implementation and is subject to interpretative uncertainties as jurisdictions continue to issue guidance and administrative practices evolve.

The Group continues to follow Pillar Two legislative developments, as further countries enact the Pillar Two model rules, to evaluate the potential future impact on its consolidated results of operations, financial position and cash flows.

	Group		Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Income tax:				
In respect of current year				
- Malaysian income tax	**427,002**	388,661	**23,087**	19,875
- foreign income tax	**3,257**	30,787	**-**	-
	430,259	419,448	**23,087**	19,875
Over provision in prior years				
- Malaysian income tax	**(1,572)**	(13,149)	**(83)**	(70)
- foreign income tax	**(289)**	(7,283)	**-**	-
	(1,861)	(20,432)	**(83)**	(70)
	428,398	399,016	**23,004**	19,805
Deferred tax:				
- Origination and reversal of temporary differences	**(52,684)**	66,282	**(942)**	(1,114)
- (Over)/Under provision in prior years	**(12,091)**	21,270	**(34)**	-
	(64,775)	87,552	**(976)**	(1,114)
Real Property Gain Tax	**-**	3,491	**-**	-
Capital Gain Tax	**1,900**	1,189	**-**	1,189
	365,523	491,248	**22,028**	19,880

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2024: 24%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

36. TAXATION (CONT'D.)

The provision for taxation differs from the amount of taxation determined by applying the applicable statutory tax rate on the profit before tax as a result of the following differences:

	Group		Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Accounting profit (excluding share of results in joint ventures and associated companies)	**1,070,758**	1,248,139	**454,942**	454,773
Taxation at 24% tax rate	**256,982**	299,553	**109,186**	109,146
Tax effects arising from:				
Non-deductible expenses	**135,890**	78,742	**145,523**	144,408
Non-taxable income:				
- interest income	**(982)**	(2,305)	**-**	-
- single tier dividend income	**-**	-	**(232,564)**	(234,710)
- others	**(16,673)**	(5,277)	**-**	-
Deferred tax assets not recognised	**10,112**	103,597	**-**	-
Recognition and utilisation of tax losses brought forward from previous years, not previously recognised	**(3,021)**	(972)	**-**	-
Effect on different tax rate used	**(2,503)**	11,949	**-**	-
Deferred tax on fair value of investment properties at real property gain tax rate	**(2,230)**	443	**-**	(83)
(Over)/Under provision in prior years:				
- income tax	**(1,861)**	(20,432)	**(83)**	(70)
- deferred tax	**(12,091)**	21,270	**(34)**	-
Effect on Real Property Gain Tax	**-**	3,491	**-**	-
Effect on Capital Gain Tax	**1,900**	1,189	**-**	1,189
	365,523	491,248	**22,028**	19,880

The Company is on the single tier income tax system; accordingly the entire retained earnings of the Company is available for distribution by way of dividend without incurring additional tax liability.

The carrying amounts of the Group's and the Company's tax assets as at 31 December 2025 were RM77,525,000 and RM Nil (2024: RM57,759,000 and RM1,125,000) respectively.

The carrying amounts of the Group's and the Company's tax liabilities as at 31 December 2025 was RM139,373,000 and RM6,143,000 (2024: RM94,252,000 and RM Nil) respectively.

36. TAXATION (CONT'D.)

Key sources of estimation uncertainty - Income taxes

Significant judgement is involved in determining the capital allowances and deductibility of certain expenses during the estimation of the provision for income tax. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group and the Company recognise liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

37. EARNINGS PER SHARE

Basic earnings per share

The basic earnings per share for the year 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 for the year, divided by the weighted average number of shares in issue as follows:

	Group	
	2025 '000	**2024 '000**
Profit attributable to owners of the Company (RM)	**509,955**	575,954
- less: RCPS-i A preferential dividends (RM)	**(70,654)**	(70,654)
- less: RCPS-i C preferential dividends (RM)	**(11,141)**	(26,134)
Adjusted profit attributable to equity holders of the Company (RM)	**428,160**	479,166
Number of ordinary shares at beginning of the year	**5,002,484**	4,354,837
Weighted average effect of shares issued pursuant to:		
- conversion of RCPS-i A into ordinary shares	**48**	-
- conversion of RCPS-i C into ordinary shares	**492**	360,954
Weighted average number of ordinary shares	**5,003,024**	4,715,791
Basic Earnings Per Share (sen)	**8.56**	10.16

37. EARNINGS PER SHARE (CONT'D.)

Diluted earnings per share

The diluted earnings per share for the year 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 for the year, 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, as follows:

	Group	
	2025 '000	**2024 '000**
Profit attributable to owners of the Company (RM)	**509,955**	575,954
- less: RCPS-i A preferential dividends (RM)	**(70,654)**	(70,654)
- less: RCPS-i C preferential dividends (RM)	**(11,141)**	(26,134)
Adjusted profit attributable to equity holders of the Company (RM)	**428,160**	479,166
Weighted average number of ordinary shares calculated above	**5,003,024**	4,715,791
Effect of potential exercise of RCPS-i C	**257,810**	258,446
Adjusted weighted average number of ordinary shares that would have been in issue	**5,260,834**	4,974,237
Diluted Earnings Per Share (sen)	**8.14**	9.63

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.

38. DIVIDENDS

	2025 RM'000	**2024 RM'000**
Ordinary Shares Dividends		
In respect of the financial year ended 31 December 2024		
Single-tier dividend of 2.88 sen per share:		
- Payment in cash	**144,087**	-
In respect of the financial year ended 31 December 2023		
Single-tier dividend of 1.34 sen per share:		
- Payment in cash	**-**	59,674
	144,087	59,674

Subsequent to 31 December 2025, the Directors declared a single tier dividend of 2.55 sen per ordinary share for the financial year ended 31 December 2025. The financial statements for the current financial year do not reflect this proposed dividend. It will be accounted for in equity as an appropriation of retained earnings for the financial year ending 31 December 2026.

38. DIVIDENDS (CONT'D.)

	2025 RM'000	2024 RM'000
Preferential Dividends		
In respect of the financial period from 1 July 2023 to 31 December 2023		
- RCPS-i A preferential dividend of 6.49% per annum, payment in cash	**-**	35,327
- RCPS-i C preferential dividend of 5.43% per annum, payment in cash	**-**	17,446
In respect of the financial period from 1 January 2024 to 30 June 2024		
- RCPS-i A preferential dividend of 6.49% per annum, payment in cash	**-**	35,327
- RCPS-i C preferential dividend of 5.43% per annum, payment in cash	**-**	8,688
In respect of the financial period from 1 July 2024 to 31 December 2024		
- RCPS-i A preferential dividend of 6.49% per annum, payment in cash	**35,327**	-
- RCPS-i C preferential dividend of 5.43% per annum, payment in cash	**5,572**	-
In respect of the financial period from 1 January 2025 to 30 June 2025		
- RCPS-i A preferential dividend of 6.49% per annum, payment in cash	**35,327**	-
- RCPS-i C preferential dividend of 5.43% per annum, payment in cash	**5,569**	-
	81,795	96,788

Subsequent to 31 December 2025, the Directors declared a preferential dividend of 6.49% per annum in respect of the RCPS-i A and 5.43% per annum in respect of the RCPS-i C for financial period from 1 July 2025 to 31 December 2025. The financial statements for the current financial year do not reflect this proposed dividend. It will be accounted for in equity as an appropriation of retained earnings for the financial year ending 31 December 2026.

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

39. RELATED PARTY DISCLOSURES

In addition to related party disclosures elsewhere in the financial statements, set out below are the other related party disclosures. The following significant related party transactions took place at terms agreed between the parties during the financial year:

(a) Significant related party transactions during the financial year are as follows:

	Transaction value			
	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Transactions with subsidiary companies				
Interest received and receivable	**-**	-	**194,681**	196,712
Interest paid and payable	**-**	-	**27,009**	30,327
Event service fee paid and payable	**-**	-	**1,142**	1,044
Dividend received and receivable	**-**	-	**969,016**	978,469
Staff secondment fee received and receivable	**-**	-	**7,348**	6,904
Group management fee received and receivable	**-**	-	**95,623**	74,611
Rental paid and payable	**-**	-	**7,429**	7,008
Transactions with associated companies				
Dividend received and receivable	**13,070**	11,030	**-**	-
Transactions with joint ventures				
Management fee received and receivable	**3,895**	3,495	**-**	-
Interest received and receivable	**13,352**	9,015	**-**	185
Staff secondment fee received and receivable	**380**	359	**-**	-
Event and marketing fee received and receivable	**18**	110	**-**	-
Rental paid and payable	**590**	-	**-**	-
Dividend received and receivable	**12,728**	2,372	**-**	-

39. RELATED PARTY DISCLOSURES (CONT'D.)

(a) Significant related party transactions during the financial year are as follows: (cont'd.)

	Transaction value			
	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Transactions with related company				
Management fee received and receivable	**-**	2,358	**-**	-
Transactions with Directors of the Company, members of their family and company in which they have interests				
Rental and amenities to a Director of the Company	**14**	-	**-**	-
Sale of property to a close family member of Directors of the Company	**270**	-	**-**	-
Sale of properties to Directors of the Company	**-**	3,862	**-**	-
Sale of properties to a former Director of the Company	**4,097**	-	**-**	-

	Transaction value	
	Group	
	2025 RM'000	2024 RM'000
Transactions with Directors of subsidiary companies, key senior management and close family members of the Directors		
Sale of properties to Directors of subsidiary companies	**6,029**	10,138
Sale of properties to key senior management	**6,853**	10,084

Transactions with shareholders and Government

Permodalan Nasional Berhad ("PNB") and Amanahraya Trustees Berhad – Amanah Saham Bumiputera ("ATR-ASB"), both government-linked entities, are the substantial shareholders of the Company, with direct shareholding of 20.88% and 19.78% respectively (2024: 20.88% and 20.47%). PNB, ATR-ASB and entities directly controlled by PNB are collectively referred to as government-related entities to the Group and the Company.

The transactions entered into with these government-linked corporations have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

39. RELATED PARTY DISCLOSURES (CONT'D.)

(b) Key management personnel remuneration

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Directors				
Fees, salaries, bonuses and other emoluments	**7,771**	6,547	**7,771**	6,547
Estimated monetary value of benefits-in-kind	**726**	697	**726**	697
Total short-term employee benefits	**8,497**	7,244	**8,497**	7,244
Post-employment benefits - EPF	**361**	389	**361**	389
	8,858	7,633	**8,858**	7,633
Other key management personnel				
Fees, salaries, bonuses and other emoluments	**7,042**	5,316	**2,539**	2,267
Estimated monetary value of benefits-in-kind	**486**	537	**148**	198
Total short-term employee benefits	**7,528**	5,853	**2,687**	2,465
Post-employment benefits - EPF	**803**	597	**263**	252
	8,331	6,450	**2,950**	2,717
Total compensation	**17,189**	14,083	**11,808**	10,350

40. COMMITMENTS

(a) Operating lease commitments

The Group as lessor

The Group leases out its investment properties to third parties under non-cancellable operating leases.These leases are with remaining lease period of 1 to 24 years (2024: 1 to 25 years) with the option to renew upon expiry. Certain of the leases include contingent rental arrangements computed based on sales achieved by tenants.

Future minimum rentals receivable under non-cancellable operating leases at the reporting date are as follows:

	Group	
	2025 RM'000	**2024 RM'000**
Not later than one year	**133,208**	104,573
Later than one year but not later than five years	**220,058**	193,002
Later than five years	**274,918**	290,392
	628,184	587,967

(b) Other commitments

	Group	
	2025 RM'000	**2024 RM'000**
Contractual commitment for construction of investment properties	**665**	19,567
Contractual commitment for acquisition/construction of property, plant and equipment	**2,375**	2,347
Contractual commitment for acquisition of development land	**-**	284,941
	3,040	306,855

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

41. CONTINGENT LIABILITIES AND MATERIAL LITIGATION

(a) Corporate Guarantees

	Company	
	2025 RM'000	**2024 RM'000**
Guarantees given to banks to secure banking facilities granted to subsidiary companies	**4,240,065**	4,399,704
Guarantees given to banks for performance bonds granted to subsidiary companies	**342,847**	377,430
Guarantees given to the suppliers of goods for credit terms granted to subsidiary companies	**456**	-
	4,583,368	4,777,134

As at reporting date, no values are ascribed for these guarantees and letters of undertaking provided by the Company to secure banking facilities described above as the Directors regard the value of the credit enhancement provided by these guarantees as minimal and the probability of default, based on historical track records of the parties receiving the guarantees are remote.

(b) Material Litigation

(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) Sinermaju 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.

41. CONTINGENT LIABILITIES AND MATERIAL LITIGATION (CONT'D.)

(b) Material Litigation (cont'd.)

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

i) 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.
ii) damages or equitable compensation for the additional sum of RM37,592,483.20 after the deduction of the ring-fenced money above.
iii) 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.
iv) other and further damages or equitable compensation to be assessed by the court.
v) account and inquiry of profits.
vi) general damages; and
vii) costs of investigations, interest and other costs in the action.

Hearing of the Defendants' application for discovery is fixed on 27 April 2026 and 4 May 2026 respectively. Full Trial dates remain fixed on 1 to 4 February 2027 and 15 to 19 February 2027.

(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 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 RM69,534,082 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 (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 matter is currently pending appointment of arbitrator as parties are still in discussion on the appointment of the arbitrator.

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

42. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

2025 Group	At 1 January RM'000	Cash flows RM'000	Foreign exchange movement RM'000	Others RM'000	At 31 December RM'000
Long term and short term borrowings excluding bank overdrafts	**8,555,680**	**(606,405)**	**(38,105)**	**7,035**	**7,918,205**
Unsecured advances	**14,027**	**(4,500)**	**-**	**609**	**10,136**
Redeemable cumulative preference shares	**38,432**	**(1,734)**	**-**	**1,905**	**38,603**
Lease liabilities	**2,827**	**(989)**	**(17)**	**12,658**	**14,479**
Total liabilities from financing activities	**8,610,966**	**(613,628)**	**(38,122)**	**22,207**	**7,981,423**
Company					
Long term and short term borrowings excluding bank overdrafts, representing total liabilities from financing activities	**4,161,081**	**(490,959)**	**1,643**	**(163)**	**3,671,602**
2024 **Group**					
Long term and short term borrowings excluding bank overdrafts	10,136,298	(1,458,443)	(134,768)	12,593	8,555,680
Unsecured advances	17,435	(4,164)	-	756	14,027
Redeemable cumulative preference shares	38,268	(1,734)	-	1,898	38,432
Lease liabilities	3,925	(906)	(174)	(18)	2,827
Total liabilities from financing activities	10,195,926	(1,465,247)	(134,942)	15,229	8,610,966
Company					
Long term and short term borrowings excluding bank overdrafts, representing total liabilities from financing activities	5,205,105	(1,019,343)	(32,114)	7,433	4,161,081

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's and the Company's activities are exposed to a variety of financial risks, including interest rate risk, credit risk, foreign currency risk, liquidity and cash flow risks. The Group's and the Company's overall financial risk management objective is to minimise potential adverse effects on the financial performance of the Group and the Company.

Financial risk management is carried out through risk review, internal control systems and adherence to the Group's and the Company's financial risk management policies. The Board regularly reviews these risks and approves the policies covering the management of these risks. The Group and the Company do not trade in derivative instruments.

(a) Interest rate risk

The Group and the Company are exposed to interest rate risk which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates.

The Group and the Company do not generally hedge interest rate risks. The Group and the Company have a policy to ensure that interest rates obtained are competitive.

Sensitivity analysis for interest rate risk

The weighted average interest rate for bank borrowings of the Group and the Company are as follows:

	Group		Company	
	2025 %	2024 %	2025 %	2024 %
Weighted average interest rate	**4.79**	5.19	**4.29**	4.70

A sensitivity analysis has been performed based on the outstanding floating rate bank borrowings of the Group and the Company as at 31 December 2025. If interest rates were to increase or decrease by 50 basis points with all other variables held constant, the Group's and the Company's profit before tax would decrease or increase by RM16,684,000 and RM3,375,000 (2024: RM20,561,000 and RM5,830,000) respectively.

For those interest expense incurred and capitalised as part of the expenditure on land held for property development and property development costs during the financial year, if the interest rates were to increase or decrease by 50 basis points with all other variables held constant, those assets of the Group would increase or decrease by RM7,924,000 (2024: RM7,241,000).

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or a customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities.

The Group and the Company minimise and monitor its credit risk by dealing with creditworthy counter-parties and applying credit approval controls for material contracts. If necessary, the Group may obtain collaterals from counter-parties as a means of mitigating losses in the event of default.

In respect of trade receivables arising from the sale of development properties, the Group mitigates its credit risk by maintaining its name as the registered owner of the development properties until full settlement by the purchasers or the purchasers' end-financiers.

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(b) Credit risk (cont'd.)

At the reporting date, the Group did not have any significant concentration of credit risk that may arise from exposure to a single debtor or to group of debtors.

The ageing analysis of receivables which are trade in nature is disclosed in Note 16. Short-term deposits with banks and other financial institutions, and cash and bank balances that are neither past due nor impaired are placed with or entered into with reputable banks and financial institutions with high credit ratings and no history of default.

(c) Foreign currency exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates.

The Group operates internationally and is exposed to various currencies, mainly Great British Pound, Australian Dollar, Vietnamese Dong, United States Dollar, Chinese Yuan and Japanese Yen.

The Group maintains a natural hedge, whenever possible, by borrowing in the currency of the country in which the property or investment is located.

The material unhedged financial assets/liabilities of the Group that are not denominated in their functional currencies are as follows:

	Balance denominated in	2025 RM'000	2024 RM'000
Functional currencies of the companies within the Group			
Borrowings			
Ringgit Malaysia	GBP	**-**	345,459
Great British Pound	USD	**32,456**	35,760
United States Dollar	AUD	**135,840**	138,860

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(c) Foreign currency exchange risk (cont'd.)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in the GBP, AUD and USD exchange rates against the respective major functional currencies of the entities within the Group, with all other variables remaining constant:

(Decrease)/increase to		2025 RM'000 Profit before tax	2024 RM'000 Profit before tax
GBP/RM	strengthened by 10%	**-**	(34,546)
	weakened by 10%	**-**	34,546
USD/GBP	strengthened by 10%	**(3,246)**	(3,576)
	weakened by 10%	**3,246**	3,576
AUD/USD	strengthened by 10%	**(13,584)**	(13,886)
	weakened by 10%	**13,584**	13,886

The impact of sensitivity analysis of the rest of the foreign currencies is not material to the Group.

(d) Liquidity and cash flow risks

Liquidity and cash flow risks are the risks that the Group and the Company will not be able to meet its financial obligations when they fall due. The Group's and the Company's exposure to liquidity risk arises principally from its various payables and borrowings.

The Group and the Company seek to ensure all business units maintain optimum levels of liquidity at all times, sufficient for their operating, investing and financing activities.

Therefore, the policy seeks to ensure that each business unit, through efficient working capital management (i.e. inventory, accounts receivable and accounts payable management), must be able to convert its current assets into cash to meet all demands for payment as and when they fall due.

Owing to the nature of its businesses, the Group and the Company always maintain sufficient credit lines available to meet their liquidity requirements while ensuring an effective working capital management within the Group and the Company.

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(d) Liquidity and cash flow risks (cont'd.)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at the reporting date based on contractual undiscounted repayment obligations.

2025 Group	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
Financial liabilities:				
Trade payables	**793,300**	**-**	**-**	**793,300**
Other payables and accruals	**815,145**	**94,333**	**10,149**	**919,627**
Amounts owing to related parties	**648**	**-**	**-**	**648**
Borrowings	**3,285,572**	**3,739,980**	**1,780,294**	**8,805,846**
Lease liabilities	**5,382**	**10,477**	**-**	**15,859**
Redeemable cumulative preference shares	**18,834**	**23,100**	**-**	**41,934**
Total undiscounted financial liabilities	**4,918,881**	**3,867,890**	**1,790,443**	**10,577,214**
Company				
Financial liabilities:				
Amounts owing to subsidiary companies	**67,332**	**830,972**	**-**	**898,304**
Other payables and accruals	**46,098**	**-**	**-**	**46,098**
Borrowings	**1,469,810**	**2,330,072**	**265,967**	**4,065,849**
Total undiscounted financial liabilities	**1,583,240**	**3,161,044**	**265,967**	**5,010,251**

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(d) Liquidity and cash flow risks (cont'd.)

Analysis of financial instruments by remaining contractual maturities (cont'd.)

2024 Group	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
Financial liabilities:				
Trade payables	901,677	-	-	901,677
Other payables and accruals	887,195	54,380	44,909	986,484
Amounts owing to related parties	374	-	-	374
Borrowings	2,365,403	5,376,519	1,411,759	9,153,681
Lease liabilities	934	2,194	-	3,128
Redeemable cumulative preference shares	1,734	41,934	-	43,668
Total undiscounted financial liabilities	4,157,317	5,475,027	1,456,668	11,089,012
Company				
Financial liabilities:				
Amounts owing to subsidiary companies	123,315	730,838	-	854,153
Other payables and accruals	38,448	-	-	38,448
Borrowings	1,359,899	2,678,021	686,540	4,724,460
Total undiscounted financial liabilities	1,521,662	3,408,859	686,540	5,617,061

44. FINANCIAL INSTRUMENT

(a) Financial assets and financial liabilities

Financial assets and financial liabilities are measured either at fair value or at amortised cost. The principal accounting policies in Note 1 describe how the classes of financial instruments are measured. The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

2025 Group	At amortised cost RM'000	At fair value through profit or loss RM'000	Total RM'000
Financial assets:			
Other investments	**-**	**96**	**96**
Other receivables and deposits	**225,248**	**-**	**225,248**
Trade receivables	**1,033,457**	**-**	**1,033,457**
Amounts owing by joint ventures	**315,662**	**-**	**315,662**
Short-term deposits	**511,072**	**-**	**511,072**
Cash and bank balances	**2,061,074**	**-**	**2,061,074**
Total financial assets	**4,146,513**	**96**	**4,146,609**
Financial liabilities:			
Trade payables	**793,300**	**-**	**793,300**
Other payables and accruals	**901,228**	**-**	**901,228**
Amounts owing to related parties	**648**	**-**	**648**
Long-term borrowings	**4,887,043**	**-**	**4,887,043**
Short-term borrowings	**3,031,162**	**-**	**3,031,162**
Redeemable cumulative preference shares	**38,603**	**-**	**38,603**
Total financial liabilities	**9,651,984**	**-**	**9,651,984**

Notes to the Financial Statements

For The Financial Year Ended 31 December 2025

44. FINANCIAL INSTRUMENT (CONT'D.)

(a) Financial assets and financial liabilities (cont'd.)

2024 Group	At amortised cost RM'000	At fair value through profit or loss RM'000	Total RM'000
Financial assets:			
Other investments	-	96	96
Other receivables and deposits	196,511	-	196,511
Trade receivables	506,005	-	506,005
Amounts owing by joint ventures	199,926	-	199,926
Amounts owing by related parties	1,080	-	1,080
Short-term deposits	733,400	-	733,400
Cash and bank balances	2,408,076	-	2,408,076
Total financial assets	4,044,998	96	4,045,094
Financial liabilities:			
Trade payables	901,677	-	901,677
Other payables and accruals	967,717	-	967,717
Amounts owing to related parties	374		374
Long-term borrowings	6,382,707	-	6,382,707
Short-term borrowings	2,203,749	-	2,203,749
Redeemable cumulative preference shares	38,432	-	38,432
Total financial liabilities	10,494,656	-	10,494,656

Notes to the Financial Statements

For The Financial Year Ended 31 December 2025

44. FINANCIAL INSTRUMENT (CONT'D.)

(a) Financial assets and financial liabilities (cont'd.)

2025 Company	At amortised cost RM'000	At fair value through profit or loss RM'000	Total RM'000
Financial assets:			
Other receivables and deposits	**10,790**	**-**	**10,790**
Amounts owing by subsidiary companies	**4,921,216**	**-**	**4,921,216**
Amounts owing by joint ventures	**73**	**-**	**73**
Short-term deposits	**399**	**-**	**399**
Cash and bank balances	**351,124**	**-**	**351,124**
Total financial assets	**5,283,602**	**-**	**5,283,602**
Financial liabilities:			
Amounts owing to subsidiary companies	**898,304**	**-**	**898,304**
Other payables and accruals	**46,098**	**-**	**46,098**
Long-term borrowings	**2,346,869**	**-**	**2,346,869**
Short-term borrowings	**1,324,733**	**-**	**1,324,733**
Total financial liabilities	**4,616,004**	**-**	**4,616,004**

2024 Company	At amortised cost RM'000	At fair value through profit or loss RM'000	Total RM'000
Financial assets:			
Other receivables and deposits	3,613	-	3,613
Amounts owing by subsidiary companies	4,258,653	-	4,258,653
Amounts owing by joint ventures	212	-	212
Short-term deposits	150,099	-	150,099
Cash and bank balances	516,048	-	516,048
Total financial assets	4,928,625	-	4,928,625
Financial liabilities:			
Amounts owing to subsidiary companies	854,153	-	854,153
Other payables and accruals	38,449	-	38,449
Long-term borrowings	2,995,122	-	2,995,122
Short-term borrowings	1,175,606	-	1,175,606
Total financial liabilities	5,063,330	-	5,063,330

44. FINANCIAL INSTRUMENT (CONT'D.)

(b) Hedge of net investments in foreign operations

Included in interest-bearing loans at 31 December 2024 was a borrowing of GBP61,574,000 which had been designated as a hedge of of the Group's net investment in the Battersea group of companies.

During the financial year ended 31 December 2025, the GBP borrowing was fully repaid. Accordingly, the hedge relationship was discontinued upon repayment of the borrowing.

Up to the date of repayment, the borrowing continued to hedge the Group's exposure to GBP foreign exchange risk arising from its net investment in the Battersea group of companies. Gains or losses arising from the retranslation of the borrowing were recognised in the other comprehensive income and accumulated in the exchange translation reserve to offset the corresponding translation differences on the net investment.

As at 31 December 2025, there is no outstanding foreign currency denominated borrowing designated as a hedge of net investments.

The impact of the hedging instrument on the statement of financial position was, as follows:

Group	Notional amount GBP'000	Carrying amount RM'000	Line item in the statement of financial position RM'000	Change in fair value used for measuring ineffectiveness for the period RM'000
2024				
Foreign currency denominated borrowings	**61,574**	**345,459**	**Short term borrowings**	**12,664**

The impact of the hedged item on the statement of financial position is, as follows:

Group	Change in fair value used for measuring ineffectiveness RM'000	Exchange translation reserve RM'000
2024		
Net investments in joint venture	**12,664**	**12,664**

The hedging loss recognised in other comprehensive income before tax was equal to the change in fair value used for measuring effectiveness. There is no ineffectiveness recognised in profit or loss.

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

45. FAIR VALUE MEASUREMENT

The Group and the Company measure fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(a) Non-financial assets that are measured at fair value

(i) The table below analyses the Group's and the Company's non-financial assets measured at fair value at the reporting date, according to the levels in the fair value hierarchy:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Investment Properties				
Group				
2025				
Commercial properties	**-**	**-**	**2,060,083**	**2,060,083**
2024				
Commercial properties	-	-	1,993,138	1,993,138
Company				
2025				
Commercial properties	**-**	**-**	**4,030**	**4,030**
2024				
Commercial properties	-	-	4,030	4,030
Right-of-use - Investment Properties				
Group				
2025				
Commercial properties	**-**	**-**	**48,203**	**48,203**
2024				
Commercial properties	-	-	38,000	38,000

45. FAIR VALUE MEASUREMENT (CONT'D.)

(a) Non-financial assets that are measured at fair value (cont'd.)

(ii) Description of valuation techniques used and key inputs to valuation on non-financial assets

The fair value of the investment properties was substantially arrived at via valuations performed by certified external valuers based on the following valuation techniques depending on the location and types of properties:

(a) Comparison method

The market comparison approach is a method whereby the property's fair value is estimated based on comparable transactions. This approach is based upon the principle of substitution under which a potential buyer will not pay more for the property than it will cost to buy a comparable substitute property. In theory, the best comparable sale would be an exact duplicate of the subject property and would indicate, by the known selling price of the duplicate, the price for which the subject property could be sold. Investment properties valued under the comparison method, with insignificant adjustments factors, are categorised as Level 2 in the fair value hierarchy. Certain other investment properties valued using the comparison method with significant adjustments made for differences such as location, size, condition, accessibility and design ("adjustment factors") are categorised as Level 3 in the fair value hierarchy.

(b) Investment method

The investment method entails determining the net annual income by deducting the annual ongoings from the gross annual income and capitalising the net income by a suitable rate of return consistent with the type and quality of the investment to arrive at the market value of the subject property.

The investment properties valued using this method is categorised as Level 3 in the fair value hierarchy.

(c) Comparison/Depreciable Replacement Cost method

The comparison/cost method of valuation entails separate valuations of the land and buildings to arrive at the market value of the subject property. The land is valued by reference to transactions of similar lands in the surrounding areas with appropriate adjustments made for differences in the relevant characteristics of the land. Completed buildings are valued by reference to the current estimates on construction costs to erect equivalent buildings, taking into consideration of similar buildings in terms of size, construction, finishes, contractors' overheads, fees and profits. Appropriate adjustments are then made for the factors of obsolescence and existing physical condition of the building.

The investment properties valued using this method is categorised as Level 3 in the fair value hierarchy.

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

45. FAIR VALUE MEASUREMENT (CONT'D.)

(a) Non-financial assets that are measured at fair value (cont'd.)

(ii) Description of valuation techniques used and key inputs to valuation on non-financial assets (cont'd.)

Description of valuation techniques used and key inputs to valuation on investment properties are as below:

	Valuation techniques	Significant unobservable inputs	Range
Land	Comparison method	Adjustment factors to prices of comparable properties	-70% to 25% (2024: -72% to 25%)
Building	Investment method	Estimated rental value per square foot per month	RM0.69 to RM40 (2024: RM0.53 to RM40)
		Capitalisation/Discount rate	3.50% to 7.50% (2024: 3.50% to 7.50%)
		Void allowance	2% to 10% (2024: 5% to 10%)
Building	Depreciable replacement cost method	Construction cost per square foot	RM65 to RM447 (2024: RM50 to RM447)
		Depreciation rate	1.60% (2024: 1.60%)

(iii) Fair value reconciliation of non-financial assets measured at Level 3

Investment Properties

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
At beginning of the year	**1,993,138**	1,964,804	**4,030**	3,438
Additions	**27,016**	3,999	**-**	-
Disposals	**(5,209)**	(3,724)	**-**	-
Transfer from property, plant and equipment *(see Note 2)*	**-**	6,102	**-**	-
Transfer from inventories - completed properties	**-**	12,450	**-**	-
Transfer to inventories - land held for development *(see Note 6)*	**-**	(4,966)	**-**	-
Transfer from investment properties under construction	**-**	12,879	**-**	-
Changes in fair value	**45,691**	2,629	**-**	592
Exchange differences	**(553)**	(1,035)	**-**	-
At end of the year	**2,060,083**	1,993,138	**4,030**	4,030

Right-of-use - Investment Properties

Refer to fair value reconciliation disclosed in Note 5.

45. FAIR VALUE MEASUREMENT (CONT'D.)

(b) Financial instruments that are measured or disclosed at fair value

The carrying amounts and fair values of the non-current financial assets and liabilities of the Group and the Company at the reporting date are as follows:

	Group			Company		
2025	**Carrying amount RM'000**	**Fair Value RM'000 Level 2**	**Fair Value RM'000 Level 3**	**Carrying amount RM'000**	**Fair Value RM'000 Level 2**	**Fair Value RM'000 Level 3**
Financial assets:						
Other investments	**96**	**-**	**96^**	**-**	**-**	**-**
Amounts owing by subsidiary companies	**-**	**-**	**-**	**3,502,818**	**-**	**#**
Amounts owing by joint ventures	**210,714**	**-**	**#**	**-**	**-**	**-**
Trade receivables	**669**	**-**	**#**	**-**	**-**	**-**
Financial liabilities:						
Redeemable cumulative preference shares	**21,000**	**-**	**20,497**	**-**	**-**	**-**
Other payables and accruals	**86,188**	**-**	**#**	**-**	**-**	**-**
Floating rate long term borrowings	**2,540,026**	*****	**-**	**-**	*****	**-**
Fixed rate long term borrowings	**2,347,017**	**-**	**2,972,815**	**2,346,869**	**-**	**2,972,667**
Lease liabilities	**9,353**	**-**	**#**	**-**	**-**	**-**
Amounts owing to subsidiary companies	**-**	**-**	**-**	**830,972**	**-**	**#**

45. FAIR VALUE MEASUREMENT (CONT'D.)

(b) Financial instruments that are measured or disclosed at fair value (cont'd.)

The carrying amounts and fair values of the non-current financial assets and liabilities of the Group and the Company at the reporting date are as follows: (cont'd.)

	Group			Company		
2024	**Carrying amount RM'000**	**Fair Value RM'000 Level 2**	**Fair Value RM'000 Level 3**	**Carrying amount RM'000**	**Fair Value RM'000 Level 2**	**Fair Value RM'000 Level 3**
Financial assets:						
Other investments	96	-	96^	-	-	-
Amounts owing by subsidiary companies	-	-	-	3,234,303	-	#
Amounts owing by joint ventures	69,785	-	#	-	-	-
Trade receivables	6,202	-	#	-	-	-
Financial liabilities:						
Redeemable cumulative preference shares	38,432	-	36,757	-	-	-
Other payables and accruals	80,522	-	#	-	-	-
Floating rate long term borrowings	3,387,306	*	-	-	*	-
Fixed rate long term borrowings	2,995,401	-	2,972,917	2,995,122	-	2,972,638
Lease liabilities	2,021	-	#	-	-	-
Amounts owing to subsidiary companies	-	-	-	730,838	-	#

** The carrying amounts are reasonable approximation of fair values because they are floating rate instruments which are repriced to market interest rates at regular intervals.*
 # The carrying amounts are reasonable approximation of fair value.
^ Other investments are measured at fair value through profit or loss.

The carrying amounts of all other financial assets and liabilities of the Group and the Company at the reporting date approximated or were at their fair values due either to their short-term nature or that they are floating rate instruments that are repriced to market interest rates on or near the reporting date. The fair values of the financial assets and financial liabilities above are determined using discounted cash flow method. The most significant input being the discount rate that reflects the credit risk of the counterparties.

There were no transfers between Level 1, Level 2 and Level 3 during the financial year.

46. CAPITAL MANAGEMENT

The primary objectives of the Group's and the Company's capital management are to ensure that it maintains a strong capital base and healthy capital ratios in order to support its existing business operations and enable future development of the businesses as well as maximise shareholders' value.

The capital structure of the Group and the Company consists of equity attributable to the shareholders of the Company (i.e. share capital, RCPS-i A and RCPS-i C, reserves and retained earnings), and total debts, which include borrowings.

Management reviews and manages the capital structure regularly and makes adjustments to address changes in the economic environment and risk characteristics inherent in its business operations. These initiatives may include equity capital raising exercises and adjustments to the amount of dividends distributed to shareholders. No changes were made in the objectives, policies and processes during the financial year ended 31 December 2025 and 31 December 2024.

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Debt:					
Redeemable cumulative preference shares	25	**38,603**	38,432	**-**	-
Long-term borrowings	27	**4,887,043**	6,382,707	**2,346,869**	2,995,122
Short-term borrowings	27	**3,031,162**	2,203,749	**1,324,733**	1,175,606
		7,956,808	8,624,888	**3,671,602**	4,170,728
Short-term funds and deposits, cash and bank balances:					
Short-term deposits	20	**511,072**	733,400	**399**	150,099
Cash and bank balances	21	**2,061,074**	2,408,076	**351,124**	516,048
		2,572,146	3,141,476	**351,523**	666,147
Net debt		**5,384,662**	5,483,412	**3,320,079**	3,504,581
Total equity		**16,088,675**	15,843,751	**11,520,372**	11,313,339
Gross gearing ratio		**0.49**	0.54	**0.32**	0.37
Net gearing ratio		**0.33**	0.35	**0.29**	0.31

The gearing ratio is not governed by the MFRS and its definition and calculation may vary from one group/ company to another.

47. SEGMENTAL ANALYSIS

Primary reporting format - business segment

The operations of the Group are primarily organised into two main segments:

(i) Property development - Property development
(ii) Construction, investment holding & others - Building construction, manufacturing, trading and investing

Transactions between segments were entered into in the normal course of business and were established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties. The effects of such inter-segmental transactions are eliminated on consolidation.

The operations of the Group are primarily carried out in Malaysia. Group income taxes are presented on a group basis and are not allocated to operating segments.

(a) Segment results

2025	Property Development RM'000	Construction, Investment Holding & Others RM'000	Eliminations RM'000	Consolidated RM'000
External revenue	**3,995,818**	**222,025**	**-**	**4,217,843**
Inter-segment revenue	**204,771**	**14,003**	**(218,774)**	**-**
Total revenue	**4,200,589**	**236,028**	**(218,774)**	**4,217,843**
Gross profit	**1,564,369**	**98,715**	**-**	**1,663,084**
Other income	**264,447**	**48,378**	**-**	**312,825**
Operating expenses	**(514,537)**	**(47,585)**	**-**	**(562,122)**
Share of results of joint ventures	**(145,339)**	**(67,733)**	**-**	**(213,072)**
Share of results of associated companies	**111,406**	**13**	**-**	**111,419**
Finance costs	**(306,167)**	**(36,862)**	**-**	**(343,029)**
Profit/(Loss) before tax	**974,179**	**(5,074)**	**-**	**969,105**
Taxation	**(333,893)**	**(31,630)**	**-**	**(365,523)**
Profit/(Loss) for the year	**640,286**	**(36,704)**	**-**	**603,582**

47. SEGMENTAL ANALYSIS (CONT'D.)

(a) Segment results (cont'd.)

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	274,697	103,427	-	378,124
Operating expenses	(496,893)	(50,073)	-	(546,966)
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)
Profit before tax	1,065,200	56,724	-	1,121,924
Taxation	(443,978)	(47,270)	-	(491,248)
Profit for the year	621,222	9,454	-	630,676

(b) Segment assets, liabilities and other information

2025	Property Development RM'000	Construction, Investment Holding & Others RM'000	Consolidated RM'000
Segment assets	**21,538,705**	**2,016,952**	**23,555,657**
Investments in joint ventures	**2,346,454**	**200,674**	**2,547,128**
Investments in associated companies	**624,505**	**-**	**624,505**
Current and deferred tax assets	**347,495**	**8,612**	**356,107**
Consolidated total assets			**27,083,397**
Segment liabilities	**5,035,467**	**5,407,715**	**10,443,182**
Current and deferred tax liabilities	**446,645**	**104,895**	**551,540**
Consolidated total liabilities			**10,994,722**
Additions to non-current assets* (other than financial instruments and deferred tax assets)	**686,441**	**11,420**	**697,861**
Interest income	**66,807**	**19,969**	**86,776**
Depreciation and amortisation	**(26,232)**	**(13,822)**	**(40,054)**
Other material non-cash items	**(194,338)**	**(8,865)**	**(203,203)**

Notes to the Financial Statements
For The Financial Year Ended 31 December 2025

47. SEGMENTAL ANALYSIS (CONT'D.)

(b) Segment assets, liabilities and other information (cont'd.)

2024	Property Development RM'000	Construction, Investment Holding & Others RM'000	Consolidated RM'000
Segment assets	21,618,845	2,201,245	23,820,090
Investments in joint ventures	2,575,880	267,062	2,842,942
Investments in associated companies	619,728	-	619,728
Current and deferred tax assets	310,636	10,414	321,050
Consolidated total assets			27,603,810
Segment liabilities	5,203,811	6,000,495	11,204,306
Current and deferred tax liabilities	460,695	95,058	555,753
Consolidated total liabilities			11,760,059
Additions to non-current assets* (other than financial instruments and deferred tax assets)	943,570	9,306	952,876
Interest income	79,074	12,402	91,476
Depreciation and amortisation	(29,199)	(16,856)	(46,055)
Other material non-cash items	(18,617)	(26,840)	(45,457)

** Non-current assets comprise property, plant and equipment, right-of-use - property, plant and equipment, investment properties, right of use - investment properties, intangible assets and inventory - land held for property development.*

(c) Segment by geographical location

Revenue and non-current assets other than financial instruments and deferred tax assets, by location of the Group's operations are analysed as follows:

	Revenue		Non-current assets (other than financial instruments and deferred tax assets)	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Malaysia	**4,097,472**	4,782,766	**14,894,708**	15,805,253
Singapore	**-**	-	**4**	2,574
Australia	**76,053**	405,890	**603,486**	255,187
Vietnam	**-**	104,912	**95,303**	111,411
United Kingdom	**-**	-	**2,208,793**	2,409,510
Japan	**44,318**	-	**-**	54,481
	4,217,843	5,293,568	**17,802,294**	18,638,416

Notes to the Financial Statements

For The Financial Year Ended 31 December 2025

47. SEGMENTAL ANALYSIS (CONT'D.)

(d) Information about major customers

There is no significant concentration of revenue from any major customers as the Group mainly sells its development properties to individual end purchasers.

48. SIGNIFICANT SUBSEQUENT EVENT

(a) On 27 October 2025, the Company lodged with the Securities Commission Malaysia ("SC") for the establishment of an Islamic notes issuance programme of up to RM3.5 billion in nominal value for the issuance of Senior Sukuk Wakalah and/or Perpetual Sukuk Wakalah under the Shariah principle of Wakalah Bi Al-Istithmar ("Sukuk Wakalah Programme"), as well as an Islamic commercial papers ("ICP") programme of up to RM500 million in nominal value, pursuant to the SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

As at the date of this report, the Company has issued: -

(i) RM1.5 billion of Senior Sukuk Wakalah, with tenure ranging from 5 years to 10 years; and
(ii) RM450 million of ICPs, with tenure ranging from 59 days to 90 days, of which RM200 million has been issued during the financial year.

The proceeds from these issuances are used for Shariah-compliant purposes, which for the Senior Sukuk Wakalah may include but not limited to general corporate purposes, working capital requirements, capital expenditure and/or investments of the Company and its subsidiaries ("Group") and/or refinancing of existing borrowings while ICP proceeds are for general corporate purposes, working capital requirements of the Group and/or refinancing of existing borrowings.

49. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements were authorised for issue on 6 March 2026 by the Board of Directors.

Statement By Directors

Pursuant to Section 251(2) of the Companies Act, 2016

We, Y.A.M Tan Sri Dato' Seri Syed Anwar Jamalullail and Datuk Zaini Bin Yusoff, being two of the Directors of S P Setia Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 330 to 458 are drawn up in accordance with the MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and of their financial performance and cash flows for the year then ended.

Signed on behalf of the Board of Directors in accordance with a Directors' resolution dated 6 March 2026

Y.A.M TAN SRI DATO' SERI SYED ANWAR JAMALULLAIL
Chairman

DATUK ZAINI BIN YUSOFF

Director

Statutory Declaration

Pursuant to Section 251(1)(b) of the Companies Act, 2016

I, Annuar Marzuki Bin Abdul Aziz, being the officer primarily responsible for the financial management of S P Setia Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 330 to 458 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by)
the abovenamed)
Annuar Marzuki Bin Abdul Aziz)
at Klang)
on 6 March 2026)

ANNUAR MARZUKI BIN ABDUL AZIZ
[MIA 11345]

Before me:

Commissioner for Oaths

Independent Auditors' Report

To The Members of S P Setia Berhad (Incorporated in Malaysia)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of S P Setia Berhad, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 330 to 458.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and cash flows for the year then ended in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditors' responsibilities* for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.

Key Audit Matters (cont'd.)

Key audit matters in respect of the financial statements of the Group

(a) Revenue and cost of sales from property development activities recognised on percentage of completion method

For the financial year ended 31 December 2025, revenue of RM 3,996 million and cost of sales of RM 2,431 million from property development activities account for approximately 95% and 95% of the total Group's revenue and cost of sales respectively.

Where the Group uses percentage of completion method to recognise revenue and profit from its property development activities, the amount of revenue and profit recognised are dependent on, amongst others, the extent of costs incurred to the total estimated costs of construction to derive at the percentage of completion, the actual sales value of units sold and the estimated total revenue for each of the respective projects.

We identified revenue and cost of sales recognised on percentage of completion method or over time from property development activities as matters requiring audit focus as these areas involved significant management's judgement and estimates in estimating the total property development costs (which is used to determine the percentage of completion and gross profit margin of property development activities undertaken by the Group).

In assessing the appropriateness of the extent of costs incurred, total estimated costs of construction and total estimated revenue collectively, we have:

- Obtained an understanding of the process in deriving the stage of completion which includes verifying the certified work done such as examining the progress claims from contractors, architect certification, and performing site visits on a sampling basis;
- Evaluated the assumptions applied in estimating the property development costs for property development phases on a sampling basis by examining documentary evidence such as letter of award issued to contractors and for amount not contracted for to consider the historical accuracy of management's forecasts for the similar property development projects to support the budgeted costs;
- Verified the gross development value against the signed sales and purchase agreements and estimated selling prices of unsold development to transacted selling price on sampling basis;
- Considered the expected handover date of ongoing development projects on a sampling basis to determine the adequacy of provision for liquidated ascertained damages, if any; and
- Checked the mathematical accuracy of the revenue and profit based on the percentage of completion calculations and considered the implications of identified errors and changes in estimates.

The Group's accounting policies and disclosures on property development activities based on percentage of completion method are disclosed in Notes 1(r)(i), 6, 30 and 31 respectively to the financial statements.

Independent Auditors' Report

To The Members of S P Setia Berhad (Incorporated in Malaysia)

Key Audit Matters (cont'd.)

Key audit matters in respect of the financial statements of the Group (cont'd.)

(b) Net realisable value of completed properties

As at 31 December 2025, the carrying amount of completed properties stood at RM1,226 million, which represents 14% of the Group's total current assets. Completed properties are classified as inventories and are carried at the lower of cost or net realisable value. Management's annual assessment of realisable value of completed properties is significant to our audit because it is based on assumptions that are affected by expected future market and economic conditions as well as the saleable condition of the property units which are slow moving, for which significant judgement is required.

Our procedures in relation to management assessment of the net realisable value of completed properties include:

- Comparing the recent transacted prices of comparable completed properties, after taking into consideration the discount given. We focused our evaluation on those completed properties that are slow moving;
- Evaluated the appropriateness of the data used by the management as input into their determination of net realisable value. We interviewed the management, discussed and challenged the significant estimates and assumptions applied in their determination of net realisable value; and
- Physical sighting of completed properties on a sampling basis and assessed the related cost of maintenance to determine any potential write down due to physical obsolescence.

The Group's accounting policies and disclosures on completed properties are disclosed in Notes 1(k) and 6 respectively to the financial statements.

(c) Valuation of investment properties

As at 31 December 2025, the carrying amount of investment properties amounted to RM2,108 million, representing approximately 11.5% and 7.8% of the Group's total non-current assets and total assets respectively. The Group had recognised a net fair value gain on its investment properties of RM 42 million during the financial year.

Investment properties are stated at fair value and any gain or loss arising from changes in the fair value are included in profit or loss in the year in which they arise. The Group has appointed independent professional valuers to perform valuations on its investment properties. The valuations are based on assumptions, amongst others, comparable historical transactions and adjustments factors to comparable transactions including location, size, condition, accessibility and design and market knowledge, estimated rental value per square foot, expected market rental growth, yield rate, outgoings rate, void rate, reversion rate and discount rate.

We consider the valuation of the investment properties as an area of audit focus as such valuation involves significant judgement and estimates that are highly subjective.

Independent Auditors' Report

To The Members of S P Setia Berhad (Incorporated in Malaysia)

Key Audit Matters (cont'd.)

Key audit matters in respect of the financial statements of the Group (cont'd.)

(c) Valuation of investment properties (cont'd.)

Our procedures to address this area of focus include, amongst others, the following:

- Assessed the objectivity, independence, reputation, experience and expertise of the independent valuers;
- As part of our evaluations of the fair values of investment properties, we had discussions with the independent valuers to obtain an understanding of their valuation process which included assessment of the comparability of historical transactions used and property related data used as input to the valuation models;
- We obtained an understanding of the adjustments factors made by the valuers or management to account for differences in, amongst others, the occupancy rate, property's location, property's size, the physical conditions of the subject property, tenure between the subject property and the comparable properties, and where applicable, the estimated construction costs to erect equivalent buildings;
- We also assessed whether the capitalisation rate used in the valuation models reflects the return that investors would require if they were to choose an investment that would generate cash flows of amounts, timing and risk profile equivalent to those that the entity expects to derive; and
- Reviewed the methodology adopted by the independent valuers or management in estimating the fair value of the investment properties and assessed whether such methodology is consistent with those used in the industry.

The Group's accounting policies and disclosures on investment properties are disclosed in Notes 1(g) and 4 respectively to the financial statements.

Key audit matter in respect of the financial statements of the Company

(d) Impairment assessment of investment in subsidiary companies

As at 31 December 2025, the carrying amount of the investment in subsidiary companies of the Company amounted to RM10,715 million, representing 75% and 66% of the Company's total non-current assets and total assets respectively. The Company had recognised net impairment loss of investment in subsidiaries of RM443 million during the financial year.

At the reporting date, the Company reviewed its investments in subsidiary companies for indications of impairment and where such indications exist, the Company performed an impairment assessment to determine the recoverable amounts of such investments. The Company estimated the recoverable amount of the respective cash generating units ("CGU"s) based on their fair value less cost to sell or their respective value-in-use ("VIU") whichever is higher. Estimating the recoverable amounts based on VIU involved estimates made by management relating to the future cash inflows and outflows that will be derived from the CGU and discounting them at the appropriate rate. The cash flow forecasts included a number of significant judgements and estimates such as the timing of project launches and sales, product pricing and costing, and discount rate.

Independent Auditors' Report

To The Members of S P Setia Berhad (Incorporated in Malaysia)

Key Audit Matters (cont'd.)

Key audit matter in respect of the financial statements of the Company (cont'd.)

(d) Impairment assessment of investment in subsidiary companies (cont'd.)

We consider this to be an area of focus for our audit as the amounts involved are significant, the assessment process is complex and involves significant management's judgements about future market and economic conditions and changes in assumptions may lead to a significant change in the recoverable amount of the investment in subsidiary companies.

Our procedures to address this area of focus included, amongst others, the following:

- Obtained an understanding of the relevant internal controls over the process of estimating the recoverable amounts of the CGUs;
- Evaluated the appropriateness of the methodology and approach applied;
- For impairment assessment based on VIU, we have:
  - Checked the basis of preparing the cash flow forecasts taking into consideration the assessment of management's historical budgeting accuracy; and
  - Evaluated whether key assumptions which comprised the timing of project launches and sales, product pricing and costing, and discount rate were reasonable by making comparisons to historical trends, taking into consideration the current and expected outlook of the economic growth.
- For impairment assessment based on fair value less cost to sell, where applicable, we have:
  - Where applicable, if the management obtain valuation reports provided by independent valuers for the assets held by subsidiaries, assessed the objectivity, independence, reputation, experience and expertise of the independent valuers;
  - Reviewed the methodology adopted in estimating the fair value of the assets and assessed whether such methodology is consistent with those used in the industry; and
  - Evaluated the appropriateness of the data used as input of the valuations. We interviewed the management or independent valuers where applicable, discussed and challenged the significant estimates and assumptions applied in their valuation process.
- Analysed the sensitivity of the key assumptions by assessing the impact of changes to the key assumptions on the recoverable amount.

We also reviewed and assessed the Company's disclosures relating to the impairment of assessment of investment in subsidiary companies in Note 8.

Independent Auditors' Report

To The Members of S P Setia Berhad (Incorporated in Malaysia)

Information other than the financial statements and auditors' report thereon

The directors of the Company are responsible for the other information. The other information comprises the Director's Report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon, which we obtained prior to the date of this auditors' report, and the annual report, which is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors of the Company and take appropriate action.

Responsibilities of the directors for the financial statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditors' Report

To The Members of S P Setia Berhad (Incorporated in Malaysia)

Auditors' responsibilities for the audit of the financial statements (cont'd.)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, action taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditors' Report

To The Members of S P Setia Berhad (Incorporated in Malaysia)

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 8 to the financial statements.

Other matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Kuala Lumpur, Malaysia
6 March 2026

Elina Chan Su Yin
No. 03508/07/2026 J
Chartered Accountant

Analysis of Shareholdings

As at 12 February 2026

Issued and Paid-Up Share Capital : RM10,484,134,386.53 divided into 5,003,328,979 ordinary shares ("Ordinary Shares") and 1,088,054,650 Islamic redeemable convertible preference shares ("RCPS-i A") and 539,789,576 Class C Islamic redeemable convertible preference shares ("RCPS-i C")

Class of Shares : Ordinary Shares, RCPS-i A and RCPS-i C

Voting Rights : One Vote per Ordinary Share or RCPS-i A or RCPS-i C

DISTRIBUTION OF SHAREHOLDINGS OF ORDINARY SHARES

Size of Shareholdings	No. of Ordinary Shareholders	%	No. of Ordinary Shares	%
less than 100	1,550	9.41	52,663	0.00
100 - 1,000	3,210	19.48	1,647,113	0.03
1,001 - 10,000	6,917	41.98	33,002,237	0.66
10,001 - 100,000	3,754	22.79	128,544,140	2.57
100,001 to less than 5% of issued shares	1,042	6.32	2,455,880,014	49.09
5% and above of issued shares	3	0.02	2,384,202,812	47.65
Total	**16,476**	**100.00**	**5,003,328,979**	**100.00**

LIST OF THIRTY LARGEST SHAREHOLDERS

	Name of Ordinary Shareholders	No. of Ordinary Shares	%
1.	Permodalan Nasional Berhad	1,044,592,558	20.88
2.	Amanahraya Trustees Berhad Amanah Saham Bumiputera	979,602,404	19.58
3.	Kumpulan Wang Persaraan (Diperbadankan)	360,007,850	7.20
4.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board	223,121,435	4.46
5.	Amanahraya Trustees Berhad Amanah Saham Malaysia	150,785,827	3.01
6.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Islamic)	132,647,700	2.65
7.	Amanahraya Trustees Berhad Amanah Saham Malaysia 3	101,501,763	2.03
8.	Amanahraya Trustees Berhad Amanah Saham Malaysia 2 – Wawasan	74,901,886	1.50
9.	Citigroup Nominees (Tempatan) Sdn Bhd Exempt AN for AIA Bhd	54,133,500	1.08
10.	Amanahraya Trustees Berhad Public Ittikal Sequel Fund	46,003,533	0.92
11.	Citigroup Nominees (Asing) Sdn Bhd Exempt AN for Citibank New York (Norges Bank 19)	44,831,300	0.90
12.	Guoline (Singapore) Pte Ltd	42,300,000	0.85
13.	CIMB Group Nominees (Tempatan) Sdn Bhd CIMB Bank Berhad (EDP 2)	41,651,299	0.83
14.	Amanahraya Trustees Berhad Amanah Saham Bumiputera 3- Didik	41,526,059	0.83
15.	HSBC Nominees (Asing) Sdn Bhd JPMCB NA for Vanguard Total International Stock Index Fund	41,150,578	0.82
16.	HSBC Nominees (Asing) Sdn Bhd JPMCB NA for Vanguard Emerging Markets Stock Index Fund	39,158,145	0.78
17.	Amanahraya Trustees Berhad Amanah Saham Bumiputera 2	37,426,792	0.75
18.	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for Allianz Life Insurance Malaysia Berhad (MEF)	36,555,000	0.73
19.	Quek Leng Chan	32,300,000	0.65
20.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (AsianIslamic)	30,985,200	0.62
21.	Citigroup Nominees (Asing) Sdn Bhd CBNY for Ishares Core MSCI Emerging Markets ETF	26,617,600	0.53
22.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Nomura)	23,000,000	0.46
23.	Hong Leong Assurance Berhad As Beneficial Owner (Life PAR)	22,730,600	0.45
24.	Citigroup Nominees (Asing) Sdn Bhd UBS AG	22,635,598	0.45
25.	HSBC Nominees (Asing) Sdn Bhd JPMCB NA for Vanguard Fiduciary Trust Company Institutional Total International Stock Market Index Trust II	21,693,100	0.43
26.	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for Manulife Insurance Berhad (Equity Fund)	21,141,800	0.42
27.	Associated Land Sendirian Berhad	20,000,000	0.40
28.	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for Manulife Investment AL-FAUZAN (5170)	19,871,201	0.40
29.	Citigroup Nominees (Tempatan) Sdn Bhd Great Eastern Life Assurance (Malaysia) Berhad (PAR 1)	18,586,033	0.37
30.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (CIMB PRIN)	18,545,600	0.37
Total		**3,770,004,361**	**75.35**

Analysis of Shareholdings
As at 12 February 2026

Analysis of Shareholdings

As at 12 February 2026

DISTRIBUTION OF SHAREHOLDINGS OF RCPS-i A

Size of Shareholdings	No. of Holders of RCPS-i A	%	No. of RCPS-i A	%
less than 100	55	5.24	1,818	0.00
100 - 1,000	307	29.26	167,778	0.02
1,001 - 10,000	412	39.28	1,497,227	0.14
10,001 - 100,000	174	16.59	6,371,331	0.58
100,001 to less than 5% of issued RCPS-i A	99	9.44	326,125,990	29.97
5% and above of issued RCPS-i A	2	0.19	753,890,506	69.29
Total	**1,049**	**100.00**	**1,088,054,650**	**100.00**

LIST OF THIRTY LARGEST HOLDERS OF RCPS-i A

	Name of Holders of RCPS-i A	No. of RCPS-i A	%
1.	Amanahraya Trustees Berhad Amanah Saham Bumiputera	645,884,132	59.36
2.	Kumpulan Wang Persaraan (Diperbadankan)	108,006,374	9.93
3.	Amanahraya Trustees Berhad Amanah Saham Bumiputera 3 - Didik	42,745,400	3.93
4.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board	39,666,122	3.65
5.	Amanahraya Trustees Berhad Amanah Saham Malaysia	32,071,600	2.95
6.	Lembaga Tabung Haji	32,000,000	2.94
7.	Amanahraya Trustees Berhad Amanah Saham Malaysia 2 - Wawasan	27,737,200	2.55
8.	Amanahraya Trustees Berhad Amanah Saham Malaysia 3	24,046,800	2.21
9.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Islamic)	18,714,578	1.72
10.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (AHAM AM)	16,673,800	1.53
11.	Amanahraya Trustees Berhad Amanah Saham Bumiputera 2	15,000,000	1.38
12.	Cimsec Nominees (Tempatan) Sdn Bhd CIMB for Ng Paik Pheng (PB)	10,027,800	0.92
13.	CIMB Group Nominees (Tempatan) Sdn Bhd CIMB Islamic Trustee Berhad for AHAM Select Dividend Fund	6,763,800	0.62
14.	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for Maybank Malaysia Dividend Fund	5,282,233	0.49
15.	Maybank Nominees (Tempatan) Sdn Bhd Maybank Trustees Berhad for Manulife Investment- HW Flexi Fund (270519)	4,599,100	0.42
16.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (AberIslamic)	4,533,304	0.42
17.	Ting Poi Ling	4,000,000	0.37
18.	Amanahraya Trustees Berhad Public Ittikal Sequel Fund	3,605,132	0.33
19.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Aberdeen)	3,325,537	0.31
20.	Citigroup Nominees (Tempatan) Sdn Bhd Kumpulan Wang Persaraan (Diperbadankan) (Aberdeen)	2,883,653	0.26
21.	Maybank Nominees (Tempatan) Sdn Bhd AHAM Asset Management Berhad for Hong Leong Assurance Berhad (PAR-220082)	2,647,800	0.24
22.	Universal Trustee (Malaysia) Berhad KAF Tactical Fund	2,039,500	0.19
23.	Lim Boon Cheng	1,519,700	0.14
24.	Yap Kon Lian	1,189,400	0.11
25.	Len Chui Phin	1,147,900	0.10
26.	Lim Bun Hwa	1,000,000	0.09
27.	Ho Chu Chai	961,000	0.09
28.	Lim Bun Hwa	893,000	0.08
29.	Ching Weng Cheong	800,000	0.07
30.	Citigroup Nominees (Tempatan) Sdn Bhd Kumpulan Wang Persaraan (Diperbadankan) (AHAM AM EQ)	752,100	0.07
Total		**1,060,516,965**	**97.47**

DISTRIBUTION OF SHAREHOLDINGS OF RCPS-i C

Size of Shareholdings	No. of Holders of RCPS-i C	%	No. of RCPS-i C	%
less than 100	184	16.95	7,799	0.00
100 - 1,000	145	13.35	84,815	0.02
1,001 - 10,000	466	42.91	2,023,727	0.37
10,001 - 100,000	246	22.65	7,351,533	1.36
100,001 to less than 5% of issued RCPS-i C	44	4.05	30,321,702	5.62
5% and above of issued RCPS-i C	1	0.09	500,000,000	92.63
Total	**1,086**	**100.00**	**539,789,576**	**100.00**

Analysis of Shareholdings

As at 12 February 2026

LIST OF THIRTY LARGEST HOLDERS OF RCPS-i C

	Name of Holders of RCPS-i C	No. of RCPS-i C	%
1.	Amanahraya Trustees Berhad Amanah Saham Bumiputera	500,000,000	92.63
2.	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for Manulife Insurance Berhad (Equity Fund)	12,260,004	2.27
3.	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for Manulife Investment Dividend Fund (5311-401)	3,429,111	0.64
4.	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for Manulife Insurance Berhad (Managed Fund)	2,418,544	0.45
5.	CIMB Islamic Nominees (Tempatan) Sdn Bhd CIMB Islamic Trustee Berhad - Kenanga Syariah Growth Fund	1,843,371	0.34
6.	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for Manulife Investment Growth Fund (4074)	1,206,337	0.22
7.	Citigroup Nominees (Tempatan) Sdn Bhd Lembaga Tabung Haji (UOB)	810,000	0.15
8.	Cimsec Nominees (Tempatan) Sdn Bhd CIMB for Ng Paik Pheng (PB)	600,000	0.11
9.	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for Manulife Flexi Invest Fund	585,300	0.11
10.	Eu Mui @ Ee Soo Mei	480,000	0.09
11.	Maybank Nominees (Tempatan) Sdn Bhd Maybank Trustees Berhad for Manulife Investment - ML Flexi Fund (250283)	363,400	0.07
12.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Goh Kim Keong (Desa Jaya-CL)	350,800	0.06
13.	Lao Chok Keang	320,000	0.06
14.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Mohd Salleh Bin Hashim	300,000	0.06
15.	Yap Pei Lin	300,000	0.06
16.	Quah Huat Hock	255,672	0.05
17.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Koh Siu Juian (KKINABALU-CL)	251,850	0.04
18.	Sim Wee Yong	250,000	0.04
19.	Teoh Guat Lin	235,000	0.04
20.	Lim Poh Fong	230,000	0.04
21.	Ong Chong Chee	230,000	0.04
22.	Lim Khean Beng	215,000	0.04
23.	Annie Chin	211,300	0.04
24.	Sia Tian Poh	206,000	0.04
25.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Teo Chee Haw (MUAR-CL)	201,000	0.04
26.	Low Seng Wan @ Loo Chang Yuan	201,000	0.04
27.	Goh Tian Hock	200,000	0.04
28.	Tan Ah Kow @ Tan Chee Lin	200,000	0.04
29.	Chan Kam Seng	175,900	0.03
30.	Lee Yeow Chor	166,495	0.03
Total		**528,496,084**	**97.91**

SUBSTANTIAL SHAREHOLDERS

Name of Substantial Shareholders	Direct Interest	% of Issued Shares	Indirect Interest	% of Issued Shares
Permodalan Nasional Berhad	1,044,592,558	20.88	-	-
Amanahraya Trustees Berhad – Amanah Saham Bumiputera	979,602,404	19.58	-	-
Employees Provident Fund Board	480,154,435	9.60	-	-
Kumpulan Wang Persaraan (Diperbadankan)	363,750,150	7.27	51,669,664	1.03
Yayasan Pelaburan Bumiputra	-	-	1,044,592,558	20.88

DIRECTORS AND THEIR SHAREHOLDINGS

	No. of Ordinary Shares Held				No. of RCPS-i A Held	No. of RCPS-i C Held
Name	Direct	%	Indirect	%		
Y.A.M. Tan Sri Dato' Seri Syed Anwar Jamalullail	-	-	-	-	-	-
Datuk Zaini Bin Yusoff	283,000	0.01	-	-	-	-
Datuk Ir. Khairil Anwar Bin Ahmad	-	-	-	-	-	-
Dato' Merina Binti Abu Tahir	-	-	-	-	-	-
Dato' Tengku Marina Binti Tunku Annuar	-	-	-	-	-	-
Dato' Sheranjiv Sammanthan	-	-	-	-	-	-
Datin Wan Daneena Liza Binti Wan Abdul Rahman	-	-	-	-	-	-
Lim Fu Yen	-	-	-	-	-	-
Datin Grace Yeoh Cheng Geok	-	-	-	-	-	-
Mohamad Abdul Halim Bin Ahmad	-	-	-	-	-	-
Aida Hazrina Binti Mohd Tazaai	-	-	-	-	-	-

List of Material Properties Held by The Group

As at 31 December 2026

No.	Location	Description	Date of Acquisition	Land Area (sq. ft.)	Tenure	Net Book Value (RM'000)
1.	HSD120100, HSD120110 & HSD120820, Bandar Kuala Lumpur	Land held for development	29/11/2002 13/04/2018	1,724,351	Leasehold	2,658,233
2.	Mukim 06, Daerah Seberang Perai Utara, Pulau Pinang	Land under development and held for development	22/12/2016 28/07/2020	66,160,226	Freehold	1,125,494
3.	308, Exhibition St, Melbourne VIC 3000, Australia	Land under development	29/04/2016	44,563	Freehold	1,121,586
4.	Daerah Kelang, Mukim of Klang, Selangor Darul Ehsan	Land under development and held for development	24/10/2001	10,303,067	Freehold	1,103,764
5.	HSD184053 & HSD184054 Mukim Beranang, Daerah Ulu Langat, Selangor Darul Ehsan	Land under development and held for development	21/12/2018	12,665,506	Freehold	740,648
6.	Lot 39 GRN 45874 Mukim Beranang, Daerah Hulu Langat, Selangor Darul Ehsan	Land under development and held for development	28/11/2012	23,034,848	Freehold	608,957
7.	Daerah Kelang, Mukim of Klang, Selangor Darul Ehsan	Land under development and held for development	27/02/2002	5,307,830	Freehold	437,798
8	Tanjong Bungah, Mukim 17 & 18 Daerah Timur Laut, Pulau Pinang	Land held for development	05/10/2016	1,535,669	Freehold	436,769
9.	Seksyen 95A & 98, Kampung Haji Abdullah Hukum, Kuala Lumpur	Land use right	24/10/2011	-	Leasehold	436,409
10.	Daerah Klang, Mukim of Klang, Selangor Darul Ehsan	Land held for development	24/10/2001	17,363,452	Freehold	370,745

** Amount is inclusive of land held for property development, property development cost and contract cost assets*

Group Directory

HEAD OFFICE

S P SETIA BERHAD
197401002663 (19698-X)

S P SETIA PROJECT MANAGEMENT SDN BHD
199201015192 (246695-X)

SETIA IP HOLDINGS SDN BHD
201401046540 (1122728-W)
S P Setia Bhd Corporate HQ, 12,
Persiaran Setia Dagang, Setia Alam,
Seksyen U13, 40170 Shah Alam,
Selangor Darul Ehsan, Malaysia
T: +603 5021 2525
E: corp@spsetia.com

S P SETIA FOUNDATION
PPAB-01/2000
T: +603 5021 2525
E: setiacare@spsetia.com

CENTRAL REGION

BANDAR KINRARA
PERUMAHAN KINRARA BERHAD
192001000029 (305-P)
Bandar Kinrara Welcome Centre
Eight Kinrara – Block B Level 1
Jalan BK5A/1, Bandar Kinrara
47180 Puchong
Selangor Darul Ehsan, Malaysia
T +603 8082 9525
F +603 8082 9500
E bandarkinrara@spsetia.com

KL ECO CITY
KL ECO CITY SDN BHD
198901007838 (185140-X)

SETIA FEDERAL HILL
SETIA FEDERAL HILL SDN BHD
200001002605 (505210-V)

SETIA SKY SEPUTEH
GITA KASTURI SDN BHD
201101025499 (953635-X)
Setia International Centre
Lot 215, Pantai Baru, Jalan Bangsar
59200 Kuala Lumpur, Malaysia
T +603 2287 5522
(KL Eco City & Setia Sky Seputeh)
+603 2283 2255 (Setia Federal Hill)
F +603 2287 5252 (KL Eco City & Setia Sky Seputeh)
E klecocity@spsetia.com
setiafederalhill@spsetia.com
skyseputeh-sales@spsetia.com

SETIA ALAMSARI
SETIA ALAMSARI SDN BHD
200901017492 (860589-P)
Setia Alamsari Welcome Centre,
1, Persiaran Alam Sari 2,
Alam Sari, 43000 Kajang,
Selangor Darul Ehsan, Malaysia
T +603 8736 2255
F +603 8741 2251
E setiaalamsari-sales@spsetia.com

SETIA ALAM
BANDAR SETIA ALAM SDN BHD
200101030381 (566140-D)

SETIA ALAMAN INDUSTRIAL PARK
PETALING GARDEN SDN BHD
195701000208 (3113-T)

SETIA ECO PARK
BANDAR ECO-SETIA SDN BHD
200101030379 (566138-A)

PRECINCT ARUNDINA
S P SETIA ECO-PROJECTS MANAGEMENT SDN BHD
199401003986 (289665-V)
S P Setia Bhd Corporate HQ
Sales Gallery
Annex Building, Ground Floor
12, Persiaran Setia Dagang
Setia Alam, Seksyen U13
40170 Shah Alam,
Selangor Darul Ehsan, Malaysia
T +603 5030 2255
(Setia Alam & Setia Alaman)
+603 5030 2288
(Setia Eco Park & Precinct Arundina)
E bsa-sales@spsetia.com
eco-sales@spsetia.com

SETIA ALAM IMPIAN
I & P ALAM IMPIAN SDN BHD
199601021892 (394244-M)

LAKEPOINT CLUB
I&P ALAM IMPIAN SDN BHD
199601021892 (394244-M)
LakePoint Gallerie
1, Jalan Panglima Hitam 35/26,
Alam Impian, Seksyen 35,
40470 Shah Alam,
Selangor Darul Ehsan, Malaysia
T +603 5162 7600
+603 5039 9200 (LakePoint Club)
E alamimpian@spsetia.com
lakepointclub@spsetia.com

SETIA BAYUEMAS
I & P KOTA BAYUEMAS SDN BHD
200201000854 (568517-V)
Setia Bayuemas Welcome Centre,
Persiaran Bayu Impian/KS9,
Kota Bayuemas,
41200 Klang Bandar Diraja,
Selangor Darul Ehsan, Malaysia
T +603 3325 1700
F +603 3325 1800
E bayuemas@spsetia.com

SETIA CITY CONVENTION CENTRE
S P SETIA PROPERTY SERVICES SDN BHD
201201023163 (1007655-H)
1 & 3, Jalan Setia Dagang AG U13/AG,
Setia Alam, Seksyen U13, 40170 Shah
Alam, Selangor Darul Ehsan, Malaysia
T +603 3359 5252
E setiacitycc@spsetia.com

SETIA ECO GLADES SDN BHD
200701009474 (767476-H)

SETIA SAFIRO
SETIA SAFIRO SDN BHD
201801012245 (1274261-M)
Setia Eco Glades Lifestyle Gallery,
1, Persiaran Setia Eco Glades,
Setia Eco Glades, Cyber 1, 63000
Cyberjaya, Selangor Darul Ehsan,
Malaysia
T +603 8008 2228
F +603 8008 2233
E eco-glades@spsetia.com.my
safiro-sales@spsetia.com

Group Directory

CENTRAL REGION

SETIA ECOHILL
SETIA ECOHILL SDN BHD
201001019878 (903607-T)

SETIA ECOHILL 2
SETIA ECOHILL 2 SDN BHD
199801010090 (466218-P)

CLUB 360
SETIA ECOHILL RECREATION SDN BHD
199901018024 (492924-W)

Setia Ecohill Welcome Centre,
Kelab 360, 1, Persiaran Ecohill Barat,
Setia Ecohill, 43500 Semenyih,
Selangor Darul Ehsan, Malaysia
T +603 8724 2255
(Setia EcoHill & Setia EcoHill 2)
+603 8723 5525 (Club 360)
F +603 8724 2525
E setia360club@spsetia.com

SETIA ECO TEMPLER
SETIA ECO TEMPLER SDN BHD
201201036071 (1020553-T)

TEMPLER'S CLUB
SETIA ECO TEMPLER RECREATION SDN BHD
201401045218 (1121402-X)

1, Jalan Ipoh-Rawang, KM-20,
Taman Rekreasi Templer, 48000 Rawang,
Selangor Darul Ehsan, Malaysia
T +603 6092 2288
+603 6092 2515 (Templer's Club)
F +603 6092 2289
+603 6092 2521 (Templer's Club)
E eco-templer@spsetia.com.my

SETIA MAYURI
SETIA MAYURI SDN BHD
198801006642 (174000-U)

Setia Mayuri Welcome Centre
6, Jalan 3/1A, Setia Mayuri
43500 Semenyih
Selangor Darul Ehsan, Malaysia
T +603 8925 2255
F +603 8727 5525
E setiamayuri@spsetia.com

SETIA PUTRAJAYA
SETIA PUTRAJAYA SDN BHD
199601029380 (401732-X)

Customer Relations Department
5, Jalan P15H, Presint 15
62050 Putrajaya
Wilayah Persekutuan Putrajaya,
Malaysia
T +603 8893 0006/0008
F +603 8893 0301
E spj-ccd@spsetia.com

SETIA SERAYA RESIDENCES
SETIA PUTRAJAYA DEVELOPMENT SDN BHD
199701009459 (424955-P)

Setia Seraya Galleria
No. 5, Jalan P15H
Presint 15, 62050 Putrajaya
Wilayah Persekutuan Putrajaya,
Malaysia
T +603 8861 6500
E spj-sales@spsetia.com

SETIA WARISAN TROPIKA
PETALING GARDEN SDN BHD
195701000208 (3113-T)

Setia Warisan Tropika Welcome Centre
41, Jalan Warisan Sentral 1
43900 Sepang
Selangor Darul Ehsan, Malaysia
T +603 8706 2552
F +603 8706 2255
E swtropika-sales@spsetia.com

TEMASYAGLENMARIE
TEMASYA DEVELOPMENT CO. SDN BHD
197401002695 (19753-K)

TemasyaGlenmarie Welcome Centre
6 & 8, Jalan Kurator U1/61
TemasyaGlenmarie, Seksyen U1
40150 Shah Alam
Selangor Darul Ehsan, Malaysia
T +603 5569 6100
E temasyaglenmarie@spsetia.com

TRIO BY SETIA
GANDA ANGGUN SDN BHD
200101001750 (537506-W)

TRIO Sales Galleria,
D-2-14, Blok D, Tingkat 2, Pangsapuri TRIO
Jalan Langat/KS06, Bandar Bukit Tinggi 1
41200 Klang Bandar Diraja
Selangor Darul Ehsan, Malaysia
T +603 3005 1025
E triosales@spsetia.com

CANOPY CLUB
SETIA ECO PARK RECREATION SDN BHD
201001007700 (892323-K)

5C, Jalan Setia Nusantara U13/7
Seksyen U13, Setia Eco Park
40170 Shah Alam
Selangor Darul Ehsan, Malaysia
T +603 3344 9388
E canopyclub@spsetia.com

SETIA ALAM CLUB
SETIA ALAM RECREATION SDN BHD
201201004652 (978177-X)

Lot No. 2, Jalan Setia Prima K U13/K
Setia Alam, Seksyen U13
40170 Shah Alam
Selangor Darul Ehsan, Malaysia
T +603 3344 9255
F +603 3343 9255
E setiaalamclub@spsetia.com

NORTHERN REGION

SETIA FONTAINES
SETIA FONTAINES SDN BHD
200001002967 (505572-T)

SETIA SKY VISTA
SETIA PEARL ISLAND
SETIA PROMENADE SDN BHD
199601016034 (388384-W)

SETIA V RESIDENCES
SETIA SKY VILLE
KAY PRIDE SDN BHD
198901000466 (177772-V)

SETIA GREENS
KEWIRA JAYA SDN BHD
200001002246 (504851-V)

Setia Experience Centre
2296, Lingkaran Setia,
Bandar Setia Fontaines
13200 Kepala Batas,
Penang, Malaysia
T +604 576 2255
F +604 575 0055
E sf-sales@spsetia.com
spi-sales@spsetia.com
svr-sales@spsetia.com.my

SETIA SPICE ARENA
SETIA SPICE CONVENTION CENTRE ECO MERIDIAN SDN BHD
201001025513 (909427-K)

SPICE, 108/108C,
Jalan Tun Dr. Awang,
11900 Bayan Lepas,
Penang, Malaysia
T +604 643 2525
F +604 641 2250
E setiaspice@spsetia.com

SETIA SPICE AQUATIC CENTRE SETIA SPICE CANOPY
ECO MERIDIAN SDN BHD
201001025513 (909427-K)

SPICE, 108A/108B,
Jalan Tun Dr. Awang,
11900 Bayan Lepas,
Penang, Malaysia
T +604 637 4555
F +604 641 2250
E hello@spiceaquatic.com
spicecanopy@spsetia.com

SOUTHERN REGION

BUKIT INDAH
BUKIT INDAH (JOHOR) SDN BHD
199401021581 (307260-V)

TAMAN PERLING
PELANGI SDN BHD
197201001814 (13509-H)

Wisma S P Setia,
S3-0111, Laman Indah 3,
Jalan Indah 15, Taman Bukit Indah,
79100 Iskandar Puteri,
Johor Darul Takzim, Malaysia
T +607 241 2255
F +607 241 5955
E bij-sales@spsetia.com

SETIA BUSINESS PARK II
SETIA INDAH SDN BHD
198901008253 (185555-H)

TAMAN PELANGI INDAH
YUKONG DEVELOPMENT (PTE) LIMITED
195102000014 (991872-U)

PLO 12062,
Jalan Persiaran Pelangi Indah,
Taman Pelangi Indah,
81800 Ulu Tiram, Johor Bahru,
Johor Darul Takzim, Malaysia
T +607 861 0555
F +607 861 9235
E sbp2-sales@spsetia.com
tpi-sales@spsetia.com

SETIA ECO CASCADIA
SETIA INDAH
SETIA INDAH SDN BHD
198901008253 (185555-H)

Wisma S P Setia, 1, Jalan Setia 3/6 ,
Taman Setia Indah, 81100 Johor Bahru,
Johor Darul Takzim, Malaysia
T +607 351 2255
F +607 357 9923
E sec-sales@spsetia.com

SETIA ECO GARDENS
SETIA BUSINESS PARK I
KESAS KENANGAN SDN BHD
200601026062 (745817-H)

Pejabat Tapak, Lot 2110,
KM 5.5, Jalan Gelang Patah-Ulu Choh,
81550 Johor Bahru,
Johor Darul Takzim, Malaysia
T +607 555 2525
F +607 555 2552
E seg-sales@spsetia.com

SETIA TROPIKA
SETIA INDAH SDN BHD
198901008253 (185555-H)

Tropika Welcome Centre,
No.10, Jalan Setia Tropika 1/21,
Taman Setia Tropika, 81200 Kempas,
Johor Bahru, Johor Darul Takzim,
Malaysia
T +607 237 2255
F +607 237 2225
E st-sales@spsetia.com.my

TAMAN RINTING
TAMAN GUNONG HIJAU SDN BHD
197301002956 (16420-U)

PTD 46378, Jalan Balau,
Taman Rinting, 81750 Masai,
Johor Darul Takzim, Malaysia
T +607 382 9188
F +607 386 1697
E tr-sales@spsetia.com

EASTERN REGION

AEROPOD BY SETIA
AEROPOD SDN BHD
200701009762 (767765-P)

Setia Welcome Centre,
I-1-1, Block I, Level 1,
Aeropod Commercial Square,
Jalan Aeropod, Off Jalan Kepayan,
88200 Kota Kinabalu,
Sabah, Malaysia
T +608 821 8255
F +608 821 9255
E aeropod-sales@spsetia.com

INTERNATIONAL

AUSTRALIA

ATLAS MELBOURNE
SETIA LA TROBE PTY LTD
ACN 673 837 744

Display Suite
414 La Trobe Street
Melbourne Victoria 3000, Australia
T +613 9616 2500
E AtlasMelbourne-sales@spsetia.com

SETIA (MELBOURNE) DEVELOPMENT PTY LTD
ACN 143 464 804

1/155 Franklin Street
Melbourne Victoria 3000, Australia
T +613 9616 2500

UNITED KINGDOM

BATTERSEA POWER STATION DEVELOPMENT COMPANY

Marketing Suite
44 Electric Boulevard
Battersea Power Station
London, SW11 8BJ, United Kingdom
T +44 20 7501 0678
F +44 20 7501 0699
E sales@bpsdc.co.uk

VIETNAM

ECOXUAN
SETIA LAI THIEU ONE MEMBER COMPANY LIMITED
Sales Gallery
No. 1A, NB-N1 Street
EcoXuan Lai Thieu Area, Lai Thieu Ward,
Ho Chi Minh City, Vietnam
T +84 274 366 2255
F +84 274 377 2255
E ecoxuan@spsetia.com.vn

ECOLAKES
ECOLAKES MY PHUOC SETIABECAMEX JOINT STOCK COMPANY
SetiaBecamex JSC
Sales Gallery,
R11-1 Street, EcoLakes My Phuoc
Block 6, Thoi Hoa Ward,
Ho Chi Minh City, Vietnam
T +84 274 3577 255
F +84 274 3577 225
E ecolakes-sales@setiabecamex.vn

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Fifty First (51st) Annual General Meeting of the Company will be held at **Function Room 1, Setia City Convention Centre, No. 1, Jalan Setia Dagang AG U13/AG, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan ("Main Venue") and virtually by way of electronic means via Vistra Share Registry and IPO (MY) portal ("The Portal") at https://srmy.vistra.com** on **Thursday, 23 April 2026 at 10.00 a.m. or at any adjournment thereof** for the following purposes:

AGENDA

1. To receive the audited financial statements of the Company for the financial year ended 31 December 2025 together with the reports of the Directors and auditors thereon.

   Please refer to Explanatory Note A

2. To re-elect the following Directors who retire in accordance with Clause 102 of the Company's Constitution and, being eligible, offer themselves for re-election:

   (1) Datuk Ir. Khairil Anwar Bin Ahmad — **Resolution 1**
   (2) Datin Wan Daneena Liza Binti Wan Abdul Rahman — **Resolution 2**

   [Explanatory Note 1]

3. To re-elect Datuk Zaini Bin Yusoff, Director who retires in accordance with Clause 107 of the Company's Constitution and, being eligible, offer himself for re-election.

   Resolution 3 *[Explanatory Note 1]*

4. To approve the payment of fees and allowances to the Non-Executive Directors for the period from 24 April 2026 up to the date of the next Annual General Meeting.

   Resolution 4 *[Explanatory Note 2]*

5. To approve the payment of Directors' other remuneration and benefits to the Non-Executive Directors for the period from 24 April 2026 up to the date of the next Annual General Meeting amounting up to approximately RM1,300,000.

   Resolution 5 *[Explanatory Note 3]*

6. To re-appoint Messrs Ernst & Young PLT, Chartered Accountants, the retiring auditors, as the auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.

   Resolution 6 *[Explanatory Note 4]*

AS SPECIAL BUSINESS

To consider and if thought fit, pass the following resolutions:

7. ORDINARY RESOLUTION

PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE AS SPECIFIED IN SECTION 2.3.1 OF THE CIRCULAR TO SHAREHOLDERS DATED 25 MARCH 2026

Resolution 7 *[Explanatory Note 5]*

"**THAT**, subject always to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiaries ("S P Setia Group") to enter into and give effect to specified recurrent related party transactions of a revenue or trading nature of the S P Setia Group with specified classes of Related Parties (as defined in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and as specified in Section 2.3.1 of the Circular to Shareholders dated 25 March 2026) which are necessary for the day to day operations in the ordinary course of business and are carried out at arm's length basis on normal commercial terms of the S P Setia Group and on terms not more favourable to the Related Parties than those generally available to the public and are not detrimental to minority shareholders of the Company and such approval shall continue to be in force until:

(i) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;

(ii) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

(iii) revoked or varied by resolution passed by the shareholders in a general meeting,

whichever is the earlier.

AND THAT authority be and is hereby given to the Directors of the Company to complete and do all such acts and things as they may consider necessary or expedient in the best interest of the Company (including executing all such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

8. ORDINARY RESOLUTION

PROPOSED RENEWAL OF THE AUTHORITY TO ALLOT AND ISSUE NEW ORDINARY SHARES IN THE COMPANY ("S P SETIA SHARES"), FOR THE PURPOSE OF THE COMPANY'S DIVIDEND REINVESTMENT PLAN ("DRP") THAT PROVIDES THE SHAREHOLDERS OF THE COMPANY ("SHAREHOLDERS") THE OPTION TO ELECT TO REINVEST THEIR CASH DIVIDEND IN NEW S P SETIA SHARES

Resolution 8 *[Explanatory Note 6]*

"**THAT** pursuant to the DRP as approved by the Shareholders at the Extraordinary General Meeting held on 20 March 2014 and subject to the approval of the relevant regulatory authority (if any), approval be and is hereby given to the Company to allot and issue such number of new S P Setia Shares from time to time as may be required to be allotted and issued pursuant to the DRP upon such terms and conditions and to such persons as the Directors of the Company at their sole and absolute discretion, deem fit and in the interest of the Company PROVIDED THAT the issue price of the said new S P Setia Shares shall be fixed by the Directors at not more than ten percent (10%) discount to the adjusted five (5) market days volume weighted average market price ("VWAP") of S P Setia Shares immediately prior to the price-fixing date, of which VWAP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price of S P Setia Shares;

AND THAT the Directors and the Secretary of the Company be and are hereby authorised to do all such acts and enter into all such transactions, arrangements, deeds, undertakings and documents as may be necessary or expedient in order to give full effect to the DRP with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed or agreed to by any relevant authorities (if any) or consequent upon the implementation of the said conditions, modifications, variations and/or amendments, by the Directors as they, in their absolute discretion, deem fit and in the best interest of the Company."

9. To transact any other business of which due notice shall have been given.

By Order of the Board

LEE WAI KIM
SSM PC No. 202008001422
MAICSA 7036446
Company Secretary

25 March 2026
Selangor Darul Ehsan

NOTES:

1. *The 51st Annual General Meeting ("51st AGM") of the Company will be held in a hybrid mode, whereby member(s), proxy(ies), corporate representative(s) or attorney(s) have the option to:*

   (i) Attend physically in person at the Main Venue ("Physical Attendance"); or
   (ii) Attend virtually using the Remote Participation and Voting (RPV) facilities available on Vistra Share Registry and IPO (MY) portal ("The Portal") at https://srmy.vistra.com ("Virtual Attendance").

   Please refer to the Administrative Guide for the detailed procedures for Physical Attendance and Virtual Attendance.

2. *A member of the Company shall be entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend, participate, speak and vote at a meeting of members of the Company, subject to the Constitution of the Company.*

3. *A member entitled to attend and vote at the meeting is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. Where a member appoints two (2) proxies, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.*

4. *Where a member of the Company is an exempt authorised nominee which holds shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*

5. *Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint not more than two (2) proxies in respect of each securities account it holds with shares of the Company standing to the credit of the securities account.*

6. *The Form of Proxy, in the case of an individual, shall be signed by the appointor or his attorney, and in the case of a corporation, either under seal or under the hand of an officer or attorney duly authorised.*

7. *To be valid, the duly completed Form of Proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company's Share Registrar not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof:*

   In hard copy form
   The Form of Proxy must be deposited with the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, deposit the Form of Proxy in the drop-in box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

   By electronic form
   The Form of Proxy can be lodged electronically with the Company's Share Registrar via The Portal at https://srmy.vistra.com. Kindly refer to the Administrative Guide on the procedures for electronic lodgement of Form of Proxy via The Portal.

8. *Only members whose names appear in the Record of Depositors on 15 April 2026 shall be entitled to participate in the 51st AGM of the Company or appoint proxy/proxies to attend and/or vote on his/her behalf.*

EXPLANATORY NOTE A

This Agenda item is meant for discussion only as under the provisions of Sections 248(2) and 340(1)(a) of the Act and the Company's Constitution, the audited accounts do not require the formal approval of shareholders. As such, this item is not put forward for voting.

OTHER EXPLANATORY NOTES

1. Resolutions 1, 2 and 3 - Re-election of Directors

The Board is satisfied that in consideration of the wealth of expertise and experience of the following Directors of the Company, they will continue to bring sound judgment and valuable contribution to board deliberations through active participation in discussions and decision making by the Board:

1. Datuk Ir. Khairil Anwar Bin Ahmad;
2. Datin Wan Daneena Liza Binti Wan Abdul Rahman; and
3. Datuk Zaini Bin Yusoff.

The results of the Board Effectiveness Evaluation ("BEE") carried out in October 2025 showed that the performance of the above Directors as well as the Board Committees on which they were a member have exceeded expectations and contributed to the effectiveness of the Board as whole.

The aforesaid Directors have also confirmed that they satisfy all the requirements as set out in the Fit and Proper Policy for Directors of the Company and where applicable, the requirements of independence. Their profiles are set out on pages 245, 246 and 249 of the Integrated Report 2025. The skillsets of the aforesaid Directors have also been mapped against the Board Succession Plan and Diversity Policy.

In view thereof, the Board supports their re-election at the 51st AGM of the Company.

Dato' Merina Binti Abu Tahir is due to retire by rotation at the 51st AGM in accordance with Clause 102 of the Company's Constitution. Dato' Merina Binti Abu Tahir has indicated that she does not wish to seek re-election and will be retiring upon the conclusion of the 51st AGM of the Company.

2. Resolution 4 - Payment of Fees and Allowances to Non-Executive Directors of the Company

Based on the Non-Executive Directors' Remuneration Framework, the fees and allowances payable to the Non-Executive Directors comprised of the following:

Description of Fees and Allowances	
Monthly Fee for Non-Executive Chairman	RM50,000 per month
Monthly Fee for Non-Executive Director	RM12,000 per month
Monthly Fixed Allowance	Chairman of Audit Committee – RM5,000 Chairman of other Board Committee – RM3,000 Membership per Board Committee – RM2,000
Meeting Allowance	Chairman and Board Member – RM2,000 per meeting Board Committee Chairman and Member – RM2,000 per meeting

The fees and allowances remain the same as previous year.

Notice of Annual General Meeting

3. Resolution 5 - Payment of Other Remuneration and Benefits to Non-Executive Directors of the Company

Based on the Non-Executive Directors' Remuneration Framework, the Non-Executive Directors' remuneration other than those disclosed in Explanatory Note 2 comprised of the following:

Description of Remuneration/Benefits	
Allowance for membership on the board of directors of significant project/investment as appointed by the Board of the Company	RM5,000 per month
Other Benefits	Car, petrol and driver for Chairman, security services, Directors and Officers Liability Insurance, medical, hospitalisation and travel insurance, medical expenses for critical illness, professional membership fee and other claimable benefits

4. Resolution 6 - Re-appointment of Messrs Ernst & Young PLT ("EY")

The Audit Committee ("AC") has in February 2026, undertaken an External Auditors Evaluation to assess the performance of EY for the financial year ended 31 December 2025. This assessment was undertaken when deciding on the re-appointment of external auditors and took into account the following criteria:

1. Quality of Services Provided;
2. Sufficiency of Audit Firm Resources;
3. Communication and Interaction; and
4. Independence, Objectivity and Professional Skepticism.

The feedback from the Finance Department of all the Business Units in the Group was taken into consideration in the AC's assessment.

The AC and the Board were satisfied with the performance of EY based on the criteria of assessment and the requirements as prescribed under Paragraph 15.21 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. In this regard, the Board recommends the re-appointment of EY as external auditors of the Company for the financial year ending 31 December 2026.

5. Resolution 7 - Proposed Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The proposed Resolution 7, if approved, will allow the S P Setia Group to enter into recurrent related party transactions of a revenue and trading nature relating to sale of properties by the S P Setia Group to related parties. The details of the proposal are set out in the Circular to Shareholders dated 25 March 2026 which is published together with the Notice of 51st AGM of the Company.

6. Resolution 8 - Proposed Renewal of the Authority to Allot and Issue New S P Setia Shares for the purpose of the Company's DRP that provides the Shareholders the Option to Elect to Reinvest their Cash Dividend in New S P Setia Shares

The proposed Resolution 8, if approved, will re-new the authority given to the Directors to allot and issue new S P Setia Shares pursuant to the DRP under the resolution passed at the 50th AGM held on 24 April 2025, the authority of which will lapse at the conclusion of the 51st AGM of the Company.

Form of Proxy

S P SETIA BERHAD
(197401002663 (19698-X))

No. of Ordinary Shares held		First proxy:
		Second proxy:
No. of Islamic Redeemable Convertible Preference Shares held		First proxy:
		Second proxy:
No. of Class C Islamic Redeemable Convertible Preference Shares held		First proxy:
		Second proxy:
CDS Account Number		

For appointment of two (2) proxies, percentage of shareholdings to be represented by each proxy must be indicated below:

I/We _____ NRIC No./Company No. _____
(full name in block letters)

of _____
(full address)

being a member/members of S P SETIA BERHAD, hereby appoint _____
(full name in block letters)

NRIC No. _____ of _____
(full address)

and/or failing him/her, _____
(full name in block letters)

NRIC No. _____ of _____
(full address)

_____

or failing him/her, the Chairman of the Meeting as * my/our proxy to attend and vote for * me/us and on * my/our behalf at Fifty First ("51st") Annual General Meeting ("AGM") of the Company to be held at **Function Room 1, Setia City Convention Centre, No. 1, Jalan Setia Dagang AG U13/AG, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan ("Main Venue") and virtually by way of electronic means via Vistra Share Registry and IPO (MY) portal ("The Portal") at https://srmy.vistra.com** on **Thursday, 23 April 2026 at 10.00 a.m. or at any adjournment thereof** in the manner as indicated below:-

NO.	RESOLUTIONS	FOR	AGAINST
1.	Re-election of Datuk Ir. Khairil Anwar Bin Ahmad.		
2.	Re-election of Datin Wan Daneena Liza Binti Wan Abdul Rahman.		
3.	Re-election of Datuk Zaini Bin Yusoff.		
4.	Approval for the Directors' Fees and Allowances for the period from 24 April 2026 up to the date of the next Annual General Meeting.		
5.	Approval for the Payment of Extra Remuneration and Provision of Benefits to Directors of the Company for the period from 24 April 2026 up to the date of the next Annual General Meeting.		
6.	Re-appointment of Messrs Ernst & Young PLT as the Auditors of the Company and to authorise the Directors to fix their remuneration.		
7.	Approval for the Proposed Shareholders' Mandate as specified in Section 2.3.1 of the Circular to Shareholders dated 25 March 2026.		
8.	Approval for the Proposed Authority to Allot and Issue New Ordinary Shares under the Company's Dividend Reinvestment Plan.		

** Strike out whichever is not applicable.*

(Please indicate with an "X" in the spaces above how you wish your votes to be cast. If you do not do so, the proxy will vote or abstain from voting at his discretion).

Dated this _____ day of _____ 2026.

_____
Signature of Member(s) or Common Seal

NOTES:

1. *The 51st Annual General Meeting ("51st AGM") of the Company will be held in a hybrid mode, whereby member(s), proxy(ies), corporate representative(s) or attorney(s) have the option to:*

   (i) Attend physically in person at the Main Venue ("Physical Attendance"); or
   (ii) Attend virtually using the Remote Participation and Voting (RPV) facilities available on Vistra Share Registry and IPO (MY) portal ("The Portal") at https://srmy.vistra.com ("Virtual Attendance").

   Please refer to the Administrative Guide for the detailed procedures for Physical Attendance and Virtual Attendance.

2. *A member of the Company shall be entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend, participate, speak and vote at a meeting of members of the Company, subject to the Constitution of the Company.*
3. *A member entitled to attend and vote at the meeting is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. Where a member appoints two (2) proxies, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.*
4. *Where a member of the Company is an exempt authorised nominee which holds shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*
5. *Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint not more than two (2) proxies in respect of each securities account it holds with shares of the Company standing to the credit of the securities account.*
6. *The Form of Proxy, in the case of an individual, shall be signed by the appointor or his attorney, and in the case of a corporation, either under seal or under the hand of an officer or attorney duly authorised.*
7. *To be valid, the duly completed Form of Proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company's Share Registrar not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof:*

   In hard copy form
   The Form of Proxy must be deposited with the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, deposit the Form of Proxy in the drop-in box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

   By electronic form
   The Form of Proxy can be lodged electronically with the Company's Share Registrar via The Portal at https://srmy.vistra.com. Kindly refer to the Administrative Guide on the procedures for electronic lodgement of Form of Proxy via The Portal.

8. *Only members whose names appear in the Record of Depositors on 15 April 2026 shall be entitled to participate in the 51st AGM of the Company or appoint proxy/proxies to attend and/or vote on his/her behalf.*

Fold here

Affix Stamp
Here

The Company Secretary
S P Setia Berhad
c/o Tricor Investor & Issuing House Services Sdn Bhd,
Unit 32-01, Level 32, Tower A, Vertical Business Suite,
Avenue 3, Bangsar South, No. 8 Jalan Kerinchi,
59200 Kuala Lumpur

Fold here

Setia

Stay Together. Stay Setia

livelearnworkplay

S P Setia Berhad

Registration No. 197401002663 (19698-X)

No. 12, Persiaran Setia Dagang, Setia Alam, Seksyen U13, 40170
Shah Alam, Selangor Darul Ehsan, Malaysia.
Tel: +603 5021 2525 | Fax: +603 3344 1568

www.spsetia.com.

FSC www.fsc.org MIX Paper | Supporting responsible forestry FSC® C212630