



Presentation by Sime Darby Property Berhad

3rd JANUARY 2019



Presentation Outline

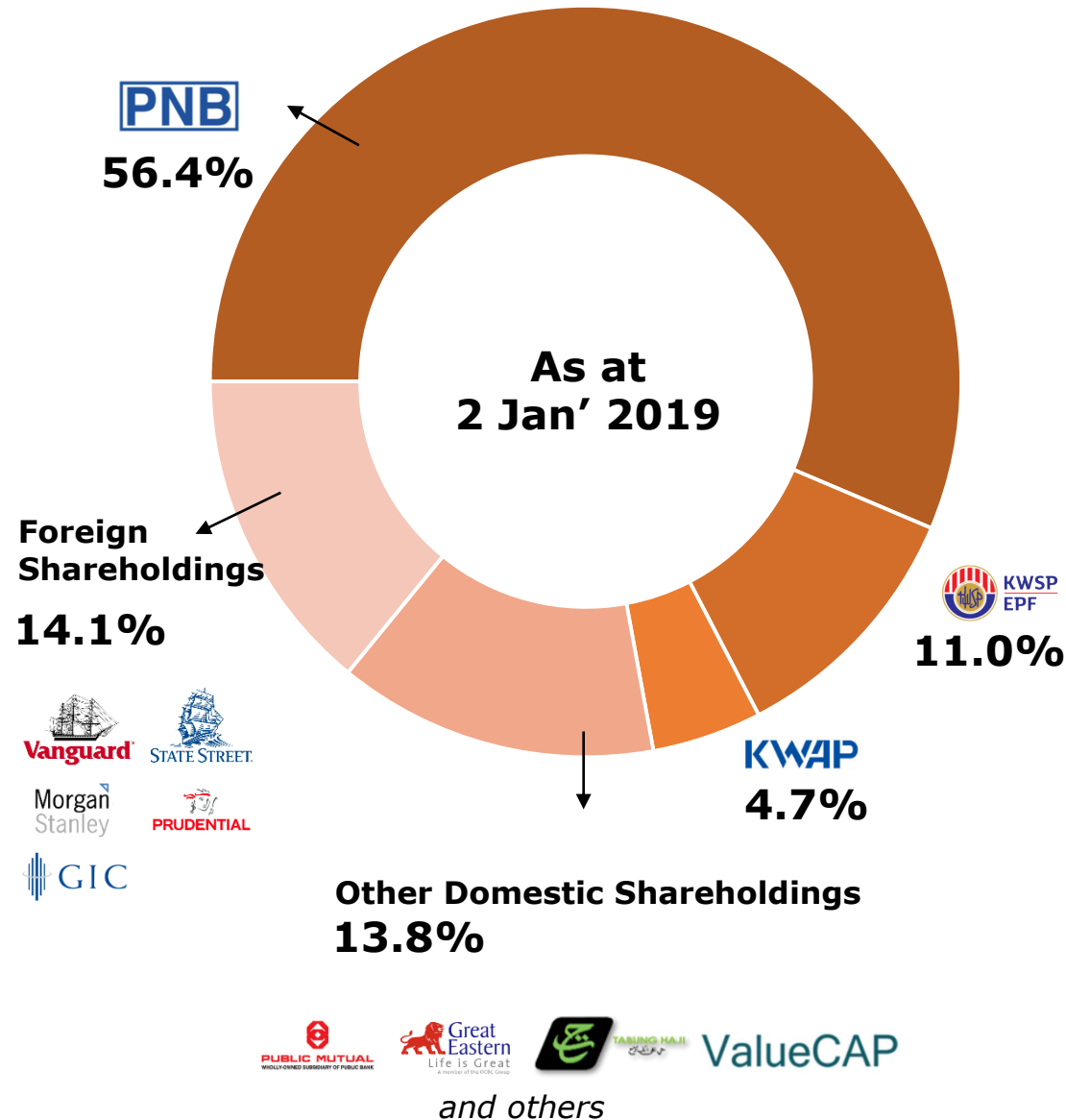
- 1 **Sime Darby Property Profile**
- 2 **Key Developments**
- 3 **Growth Strategies**
- 4 **Financial and Operational Highlights**
- 5 **Challenges & Market Outlook**
- 6 **Appendices**



1 Sime Darby Property



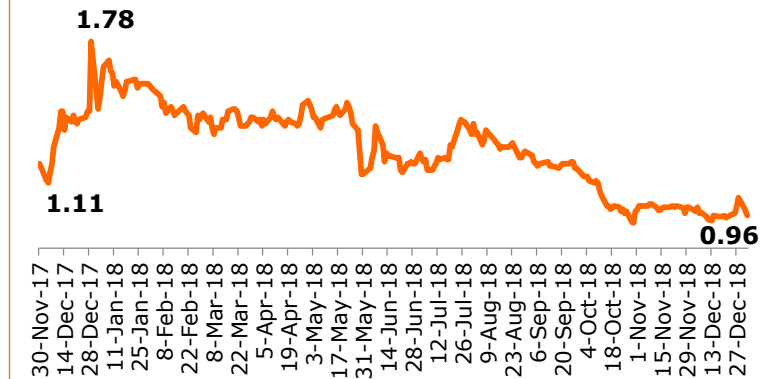
Shareholding Structure



RM0.96

Share Price

Share Price Movement (RM)



RM6.5bn

Market Capitalisation

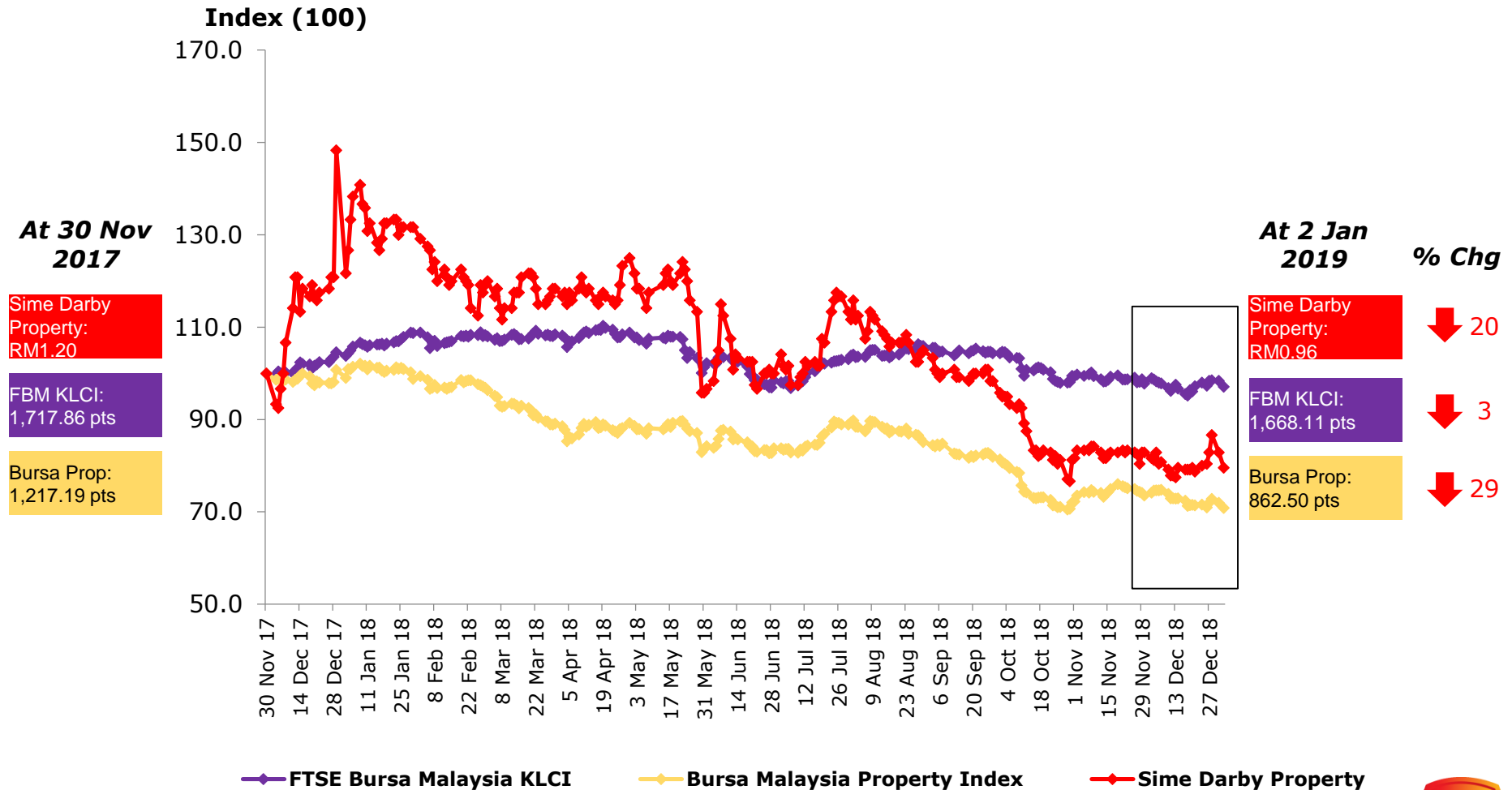
6,800,839

Number of Ordinary Shares (000')



Share Price Performance

Movement of Sime Darby Property against the index – Share prices broadly trending downwards within the overall property sector



The Largest Property Developer in Malaysia

In terms of land bank size

RM480.3mn

1QFP18 Revenue

RM39mn

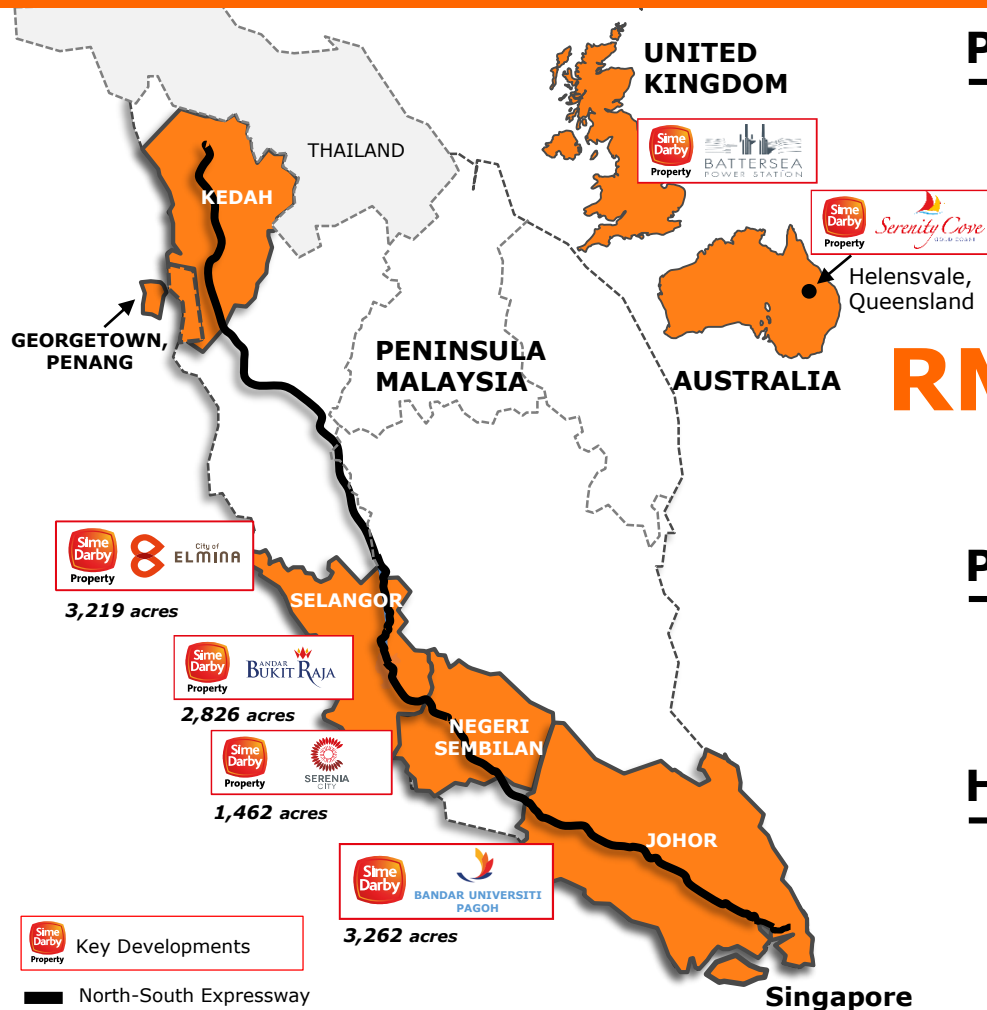
1QFP18 PBIT

RM28.8mn

1QFP18 PATAMI

1,541

Employees



Property Development

23

Active townships, integrated and niche developments

20,531

Acres of remaining developable land bank to be developed over 10 -25 years

RM88.8bn

Estimated Remaining Gross Development Value (GDV)

49%

Average trading discount to Realised Net Asset Value (RNAV)

Property Investment

1.3mn

Sq. ft. of total Net Lettable Area owned in Malaysia and Singapore

Hospitality & Leisure

5

Assets across 3 countries including 2 golf courses (36-hole & 18-hole respectively) and a convention center

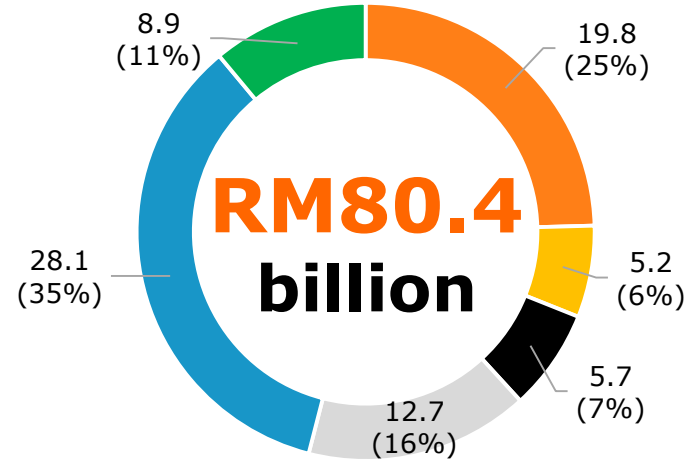
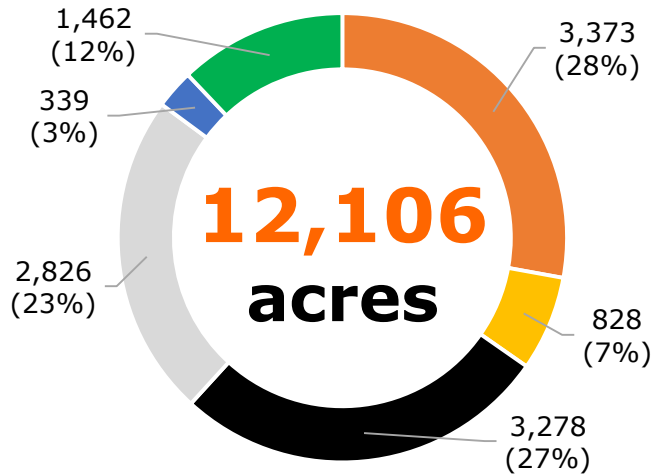


Sustainable Growth with Remaining Developable Period of 10 to 25 years

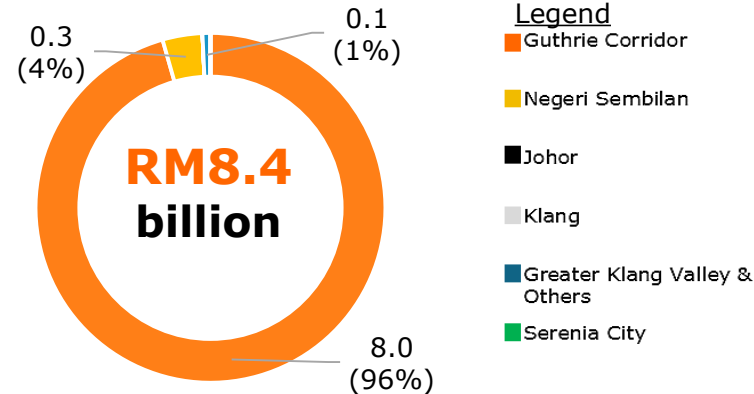
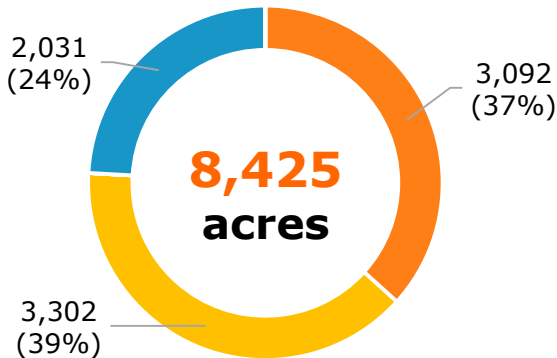
By Remaining Developable Land

By Remaining Gross Development Value (GDV)

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Legend

Guthrie Corridor

Negeri Sembilan

Johor

Klang

Greater Klang Valley & Others

Serenia City

Notes:

1. Township categorisation:

- Guthrie Corridor: (Ongoing) Elmina, Denai Alam, Bukit Subang and Bukit Jelutong, (Future) Kota Elmina & Lagong
- Negeri Sembilan: (Ongoing) Nilai, Bandar Ainsdale, Planters' Haven & Chemara, (Future) MVV and others
- Johor: Bandar Universiti Pagoh and Taman Pasir Putih
- Greater Klang Valley & Others:
 - (Ongoing) Ara Damansara, ALYA, Putra Heights, KL East, USJ Heights, Taman Melawati, Saujana Impian, SJCC and SJ7
 - (Future) Jalan Acob, Victoria Estate and others

2. Future remaining GDV is preliminary and currently includes Kota Elmina, Lagong and Planters' Haven West







2 Key Developments

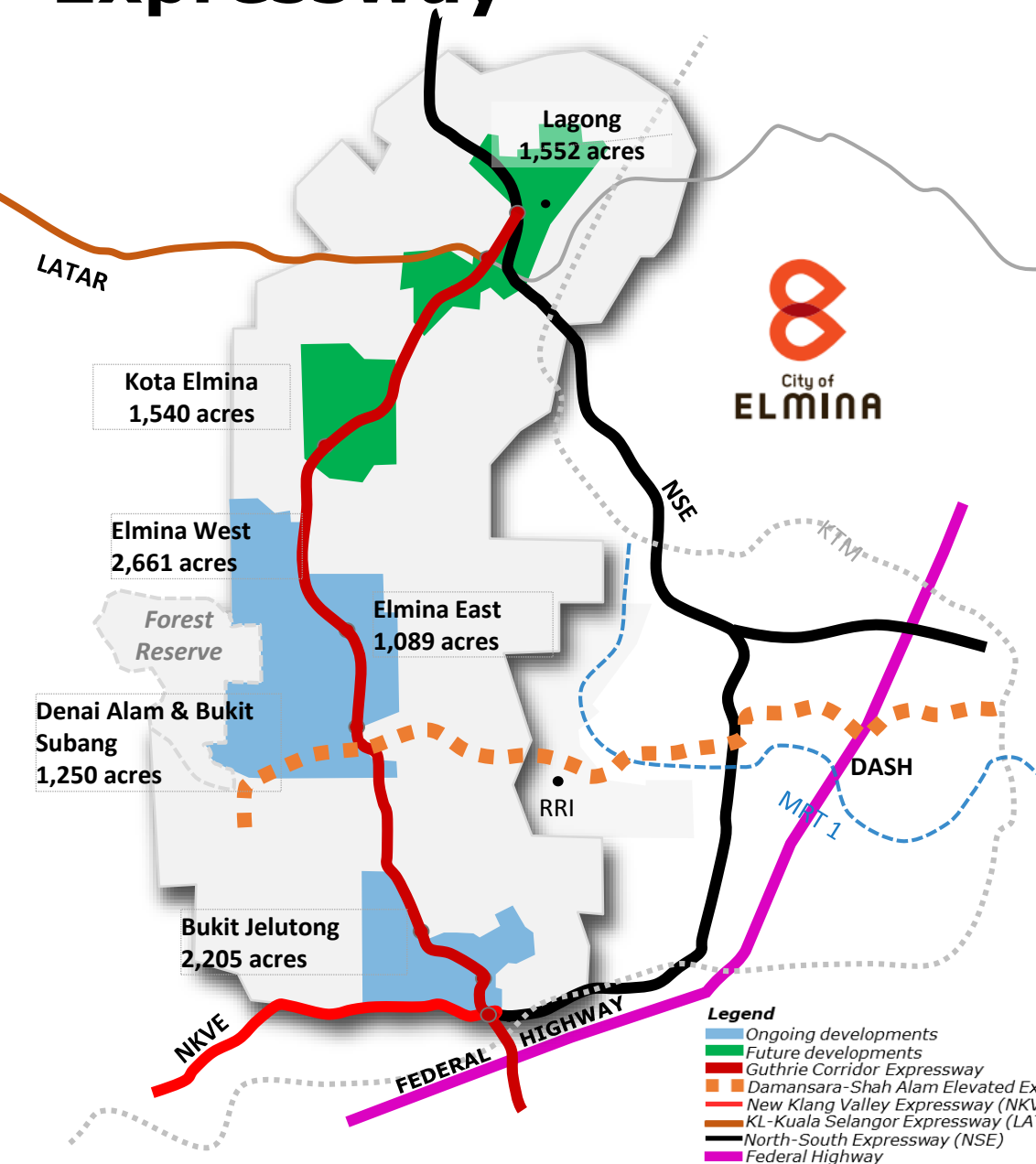


Key Developments

With remaining development period of about 25 years

	Guthrie Corridor Expressway	Klang	South Selangor	Johor
	Elmina East and West	Bandar Bukit Raja	Serenia City	Bandar Universiti Pagoh
				
Remaining Acreage	3,075	2,826	1,462	3,262
Remaining GDV	RM18bn	RM13bn	RM9bn	RM6bn
Total Residential Units	26,809	21,315	13,234	9,542
Residential Units Launched	2,575	8,061	478	383
Total Industrial Components	177	710	196	261
Industrial Acreage Sold	152	265	63	First launch in 1H19
Key Catalysts	<ul style="list-style-type: none"> Along the Guthrie Corridor >3000 acres of green spaces 	<ul style="list-style-type: none"> Klang Highly-connected, close to Port Klang and KLIA 	<ul style="list-style-type: none"> Xiamen University, 1st university branch outside of China Horizon Village Outlet to open in 1Q19 	<ul style="list-style-type: none"> Pagoh Education Hub, 1st multi-varsity education hub (506 acres) with ~7200 students

Developments along the Guthrie Corridor Expressway



KEY HIGHLIGHTS

10,297 acres

Total land bank along Guthrie Corridor Expressway

6,465 acres

Remaining developable land bank

- **52%** of total land bank are on ongoing developments
- **48%** on future developments (Kota Elmina and Lagong)

RM28 billion

Estimated remaining GDV

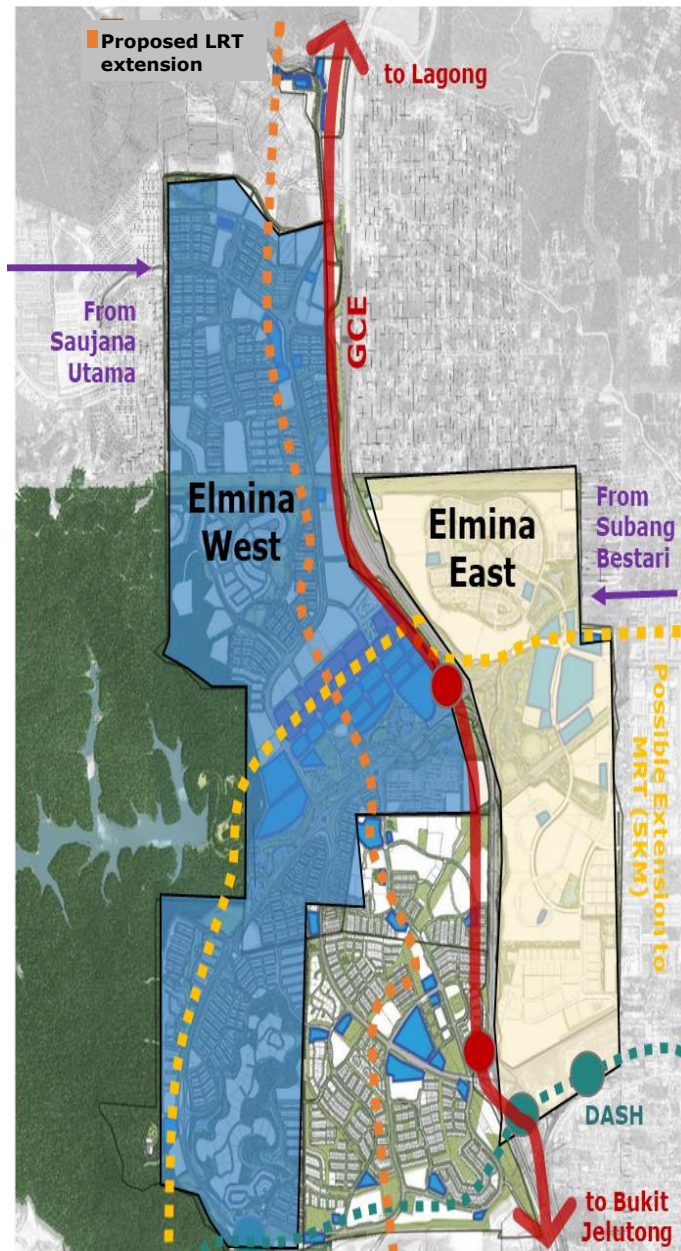
> 40,000

Total residential units with over 28,400 remaining units to be launched

Good connectivity:

- GCE, DASH, NKVE, LATAR and NSE
- Mass Rail Transit-1 (MRT 1) and Keretapi Tanah Melayu Line (KTM)

Elmina East and West - A Wellness Hub



OVERVIEW

3,750 acres

(Remaining: 3,075 acres)

Elmina City Centre straddles both sides of the GCE from Elmina West to Elmina East, forming a prime integrated development hub

RM17.7bn

Estimated Remaining GDV

26,809 units

Total estimated residential units

300 acres

Elmina Central Park

2,700 acres

Tasik Subang Dam Forest Reserve

42 acres

Wellness Cluster

90 km

Combined jogging and cycling track

KEY HIGHLIGHTS

2,575

Total residential units launched since 2013

(FY2018: 470 units)

- 1,861 units from Elmina West of RM587k - RM1,453k (RM340 - RM513 psf)
- 714 units from Elmina East priced between RM600k - RM2,308k (RM307 - RM564 psf)
- 1,718 residential units have completed to-date

152

Acres of industrial land sold (RM89 - RM127psf)

853

Delivery of residential units from Elmina Valley 1,2 and 3 in FY2018

An Award-Winning Township

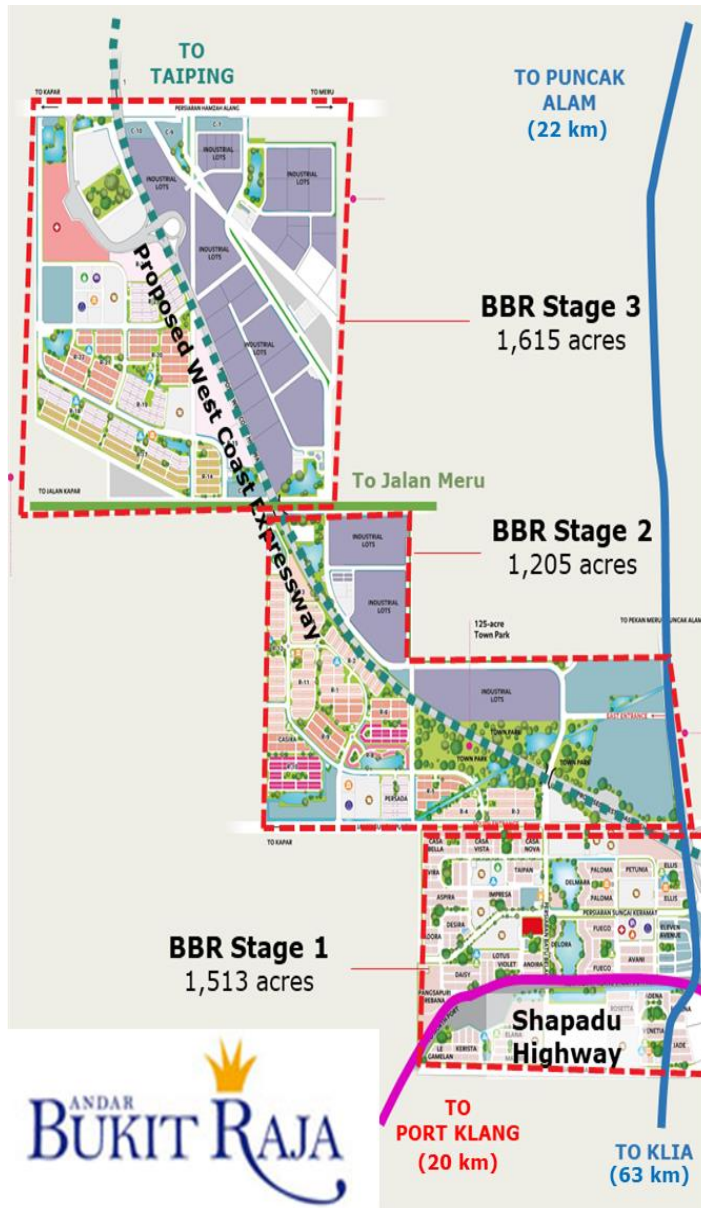
- Winner in **Best Landscape Architectural Design**
- Highly Commended in **Best Township Development**
- Winner in **Best Universal Design Development**



Also a recipient of People's Choice Award by iProperty Malaysia 2018



Bandar Bukit Raja - Highly Connected Township



OVERVIEW

4,333 acres (Remaining: 2,826 acres)
Close proximity to KLIA and Port Klang

RM12.7bn
Estimated Remaining GDV

21,315 units
Total estimated residential units

710 acres
Industrial components

High Connectivity
via major road infrastructure
New North Klang Straits Bypass (Shapadu Highway) and upcoming West Coast Expressway (WCE)

KEY HIGHLIGHTS

6,183

open market residential units launched since 2011
(FY2018: 388 units)

- RM119.8k – RM1,280.3k (RM142 – RM459psf)
- 2,193 residential units have completed to-date

266

Acres of industrial land sold (RM42 – RM95psf)

84

Delivery of completed detached factories in FY2018

RECENT INDUSTRIAL DEVELOPMENTS



mitsui & co.

39

Acres of industrial land across 10 plots for built-to-suit industrial facilities. Potential tenants include food manufacturers and global logistics provider

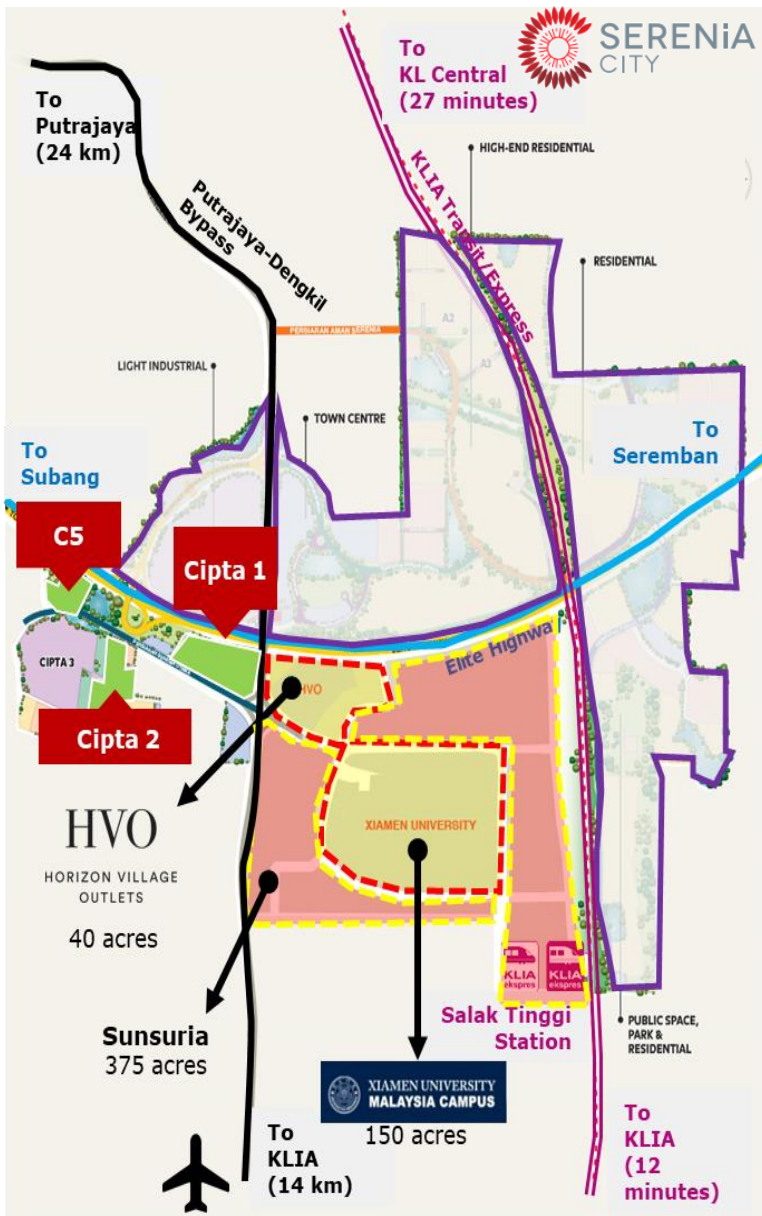


50

Acres of industrial land sold to Vinda Group, one of the largest producers of hygiene products



Serenia City - Industrial and High Technology Hub



OVERVIEW

2,370 acres (Remaining: 1,462 acres)
Close proximity to Kuala Lumpur, Putrajaya, Cyberjaya and KLIA

RM8.9bn
Estimated Remaining GDV

13,234 units
Total estimated residential units

196 acres
Industrial components

High Connectivity

Accessible via ELITE Highway, Federal Road, ERL & KLIA

Development Catalysts

- **Express Rail Link (ERL)**
12 minutes to KLIA and 27 minutes to KL Central via the Salak Tinggi Station
- **Xiamen University**
First Chinese university branch campus in Malaysia with a total capacity of 10,000 students, with 3,300 current student population. Opened in February 2016.
- **Horizon Village Outlet**
One-storey retail lots over total net lettable area of 400,000 sqft with 2,000 covered parking bays. Target to be completed by 1Q 2019.
- **Sunsuria City**
An integrated development by Sunsuria which commenced in November 2015

KEY HIGHLIGHTS

478

Total residential launches to date

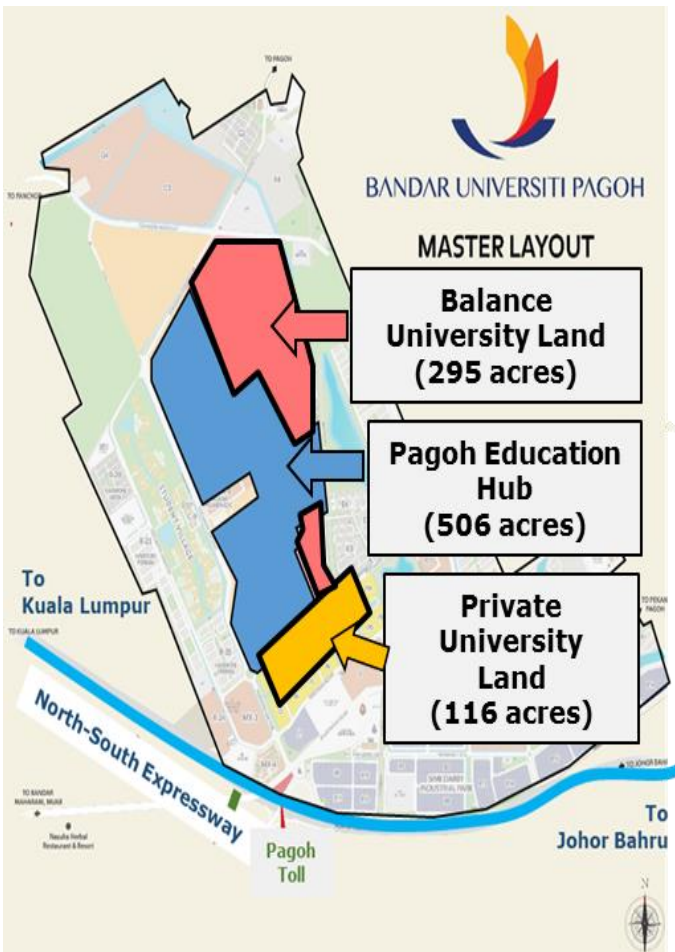
- **FY2018:** 302 DSLH units of Serenia Amani (RM293-RM404psf)
- **Oct' 18:** 176 DSLH units of Adiva (RM300-RM367psf)

63

acres of industrial land sold to date starting from RM60 psf



Bandar Universiti Pagoh – A University Town



OVERVIEW

4,099 acres

(Remaining: 3,262 acres)
Malaysia's First Integrated Township
with an Education Hub

RM5.5bn

Estimated Remaining GDV

9,542 units

Total estimated residential units

261 acres

Industrial components

506 acres

Pagoh Education Hub as a key
development catalyst

KEY HIGHLIGHTS

383

Residential units launched
since March 2016

- Harmoni Vista 1 & 2 (DSLH)
from RM365,888 –
RM502,888
(RM270 – RM335psf)

35

delivery of completed
commercial units in FY2018
(Sarjana Square)

Launches to date with total GDV of >RM108mn

Harmoni Vista
(2-storey house)



383 units
From RM365,888

99% SOLD!

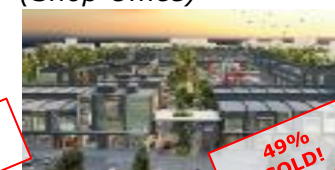
Sarjana Square
(Shop Office)



35 units
From RM888,888

100% SOLD!

Sarjana Promenade
(Shop Office)



35 units
From RM950,000

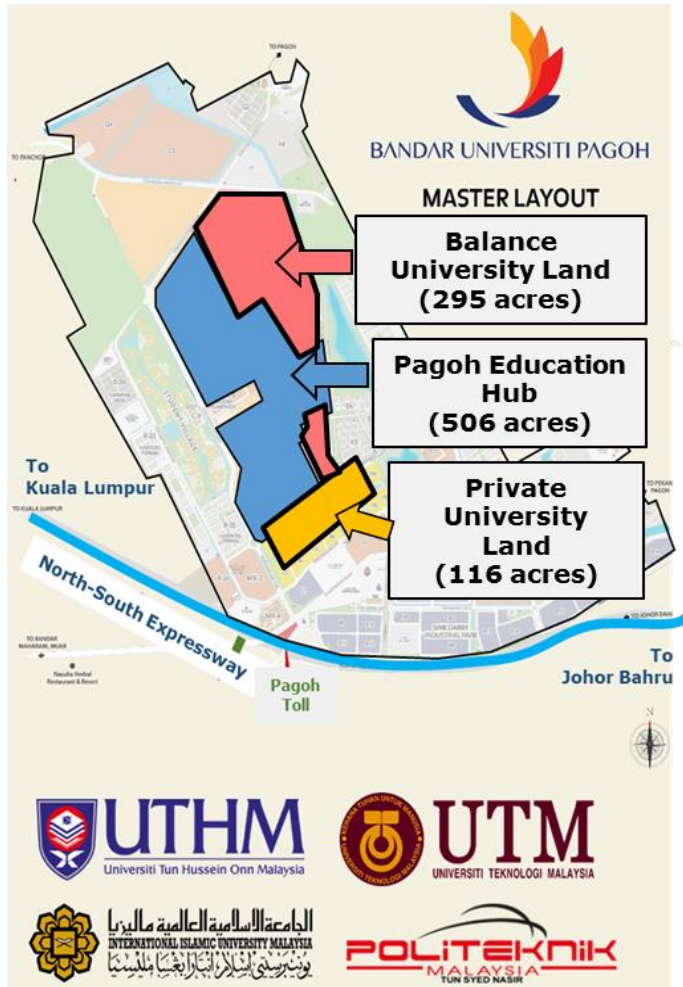
49% SOLD!



Pagoh Education Hub (PEH)

A strategic decision to retain this Concession Arrangement

1st integrated multi-varsity education hub in the country, situated within Bandar Universiti Pagoh



Key Proposition

1

Stable Recurring Cash Flow

For the Next 19 Years

2

Expansion of Facilities Management Services (FM)

- Estimated average annual revenue of ~RM30 mil to ~RM50 mil over the 19 years
- Potential to grow the FM business as part of the recurring income strategy

3

Education Hub as a Key Catalyst

to Bandar Universiti Pagoh township

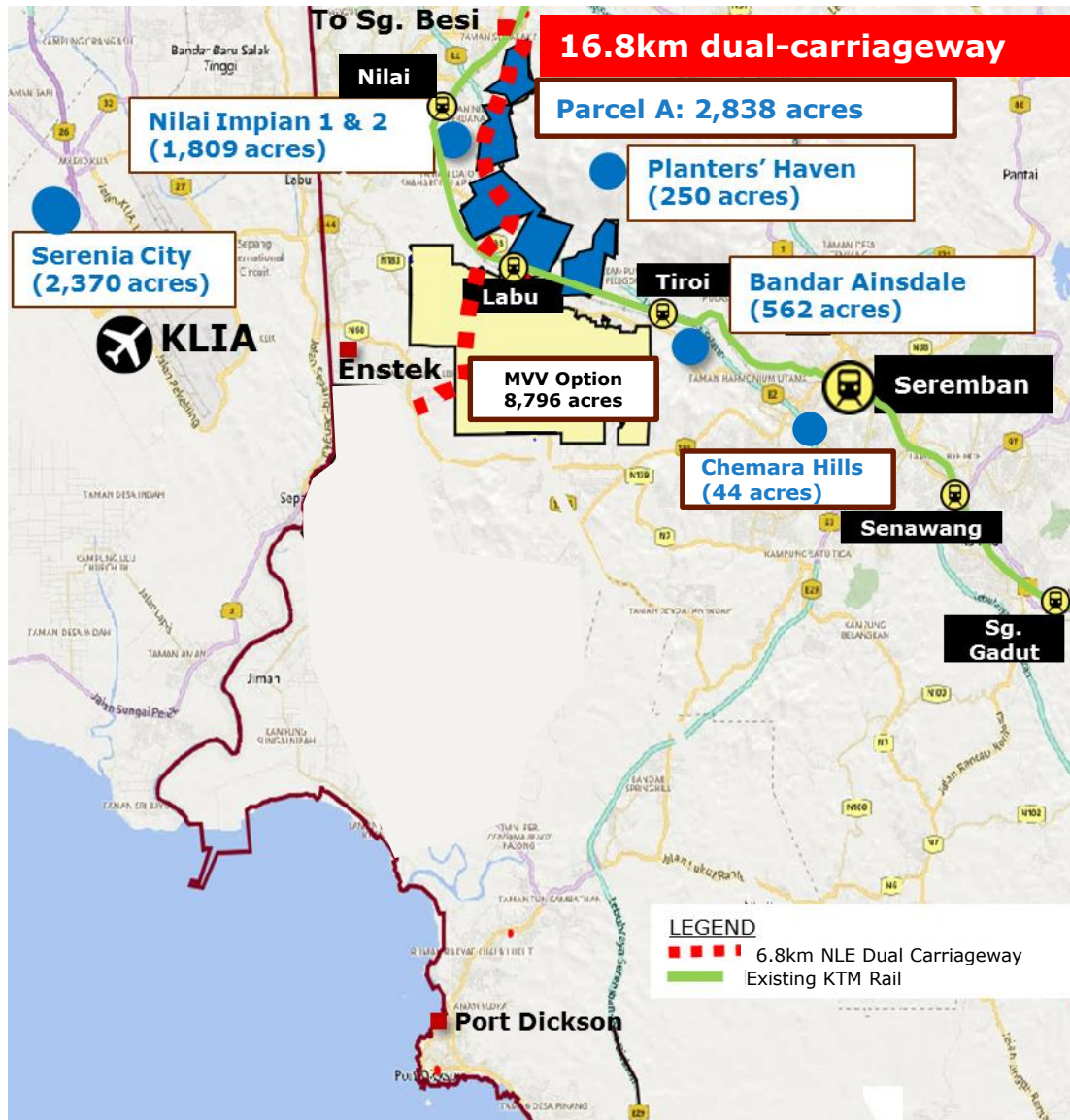
4

Financial Performance FY2018

	<i>RM mil</i>
Revenue	125.7
Profit Before Tax	65.9
PATAMI	37.7

Malaysia Vision Valley (MVV)

Strong support from the State Government



Sime Darby Property's Interest:

- ❑ **Owned: Parcel A of 2,838 acres**
- ❑ **MVV Option Agreements with SD Berhad: 8,796 acres**

Key Catalysts:

- ❑ A new **16.8km** dual carriageway linking **Nilai and Labu to Bandar Enstek**, which is expected to be **completed by July 2021**
- ❑ **Existing KTM rail** from Batu Caves to Tampin / Pulau Sebang via Labu station

Menteri Besar Negeri Sembilan Launches MVV 2.0 on 13 Dec 2018

- ❑ **MVV 2.0**, a state-led private sector-driven development is a crucial attributor to the state government's commitment to spur economic growth in Negeri Sembilan
- ❑ Aligned with the **11th Malaysia Plan Mid-Term Review** where emphasis is given to the high-tech industry segments



1		KTM LALUAN SEREMBAN KTM SEREMBAN LINE	
2		KTM LALUAN PELABUHAN KLANG KTM PORT KLANG LINE	
3		LRT LALUAN AMPANG LRT AMPANG LINE	<i>rapidKL</i>
4		LRT LALUAN SRI PETALING LRT SRI PETALING LINE	<i>rapidKL</i>
5		LRT LALUAN KELANA JAYA LRT KELANA JAYA LINE	<i>rapidKL</i>
6		ERL LALUAN KLIA EKSPRES ERL KLIA EKSPRES LINE	
7		ERL LALUAN KLIA TRANSIT ERL KLIA TRANSIT LINE	
8		LALUAN MONOREL KL KL MONORAIL LINE	<i>rapidKL</i>
9		MRT LALUAN SUNGAI BULOH - KAJANG MRT SUNGAI BULOH-KAJANG LINE	<i>rapidKL</i>



SJCC – The Centre of Subang Jaya



KEY HIGHLIGHTS

30 acres (Remaining: 28.1 acres)
Centrally located within Subang Jaya matured township

RM3.6bn
Estimated remaining GDV

3,411
Estimated residential units

Easy access via

- **Federal Highway**
- Public transportation – 500m from **KTM Komuter Subang Jaya** and **LRT Subang Jaya station**

Nearby to

- Educational institution – 5 minutes to **INTI International College**
- Shopping malls – **Subang Parade, Empire Shopping Gallery**



LOT 15

Serviced Apartments



2.23 acres
development

RM270.5 million
GDV

361
units launched in November 2017

November 2021
Target completion date

Floor area
624 to 1,001 sqft
Price per unit from
RM609,888 to RM1,015,888
(RM942 to RM1,053 psf)

59%
Take up rate



Cantara Residences – Within 450m to Lembah Subang LRT Station



KEY HIGHLIGHTS

7.12 acres

Located in the heart of Ara Damansara, Petaling Jaya

RM635 million

Estimated GDV

888

Total serviced apartment units

- 700 units launched in May 2016
- 188 units launched in December 2018

May 2020

Target completion date

Floor area

646 to 2,077 sqft

Price per unit from

RM602,888 to RM1,979,888
(RM934 to RM953 psf)

66%

Take-up rate

6 acres

Skypark recreational areas



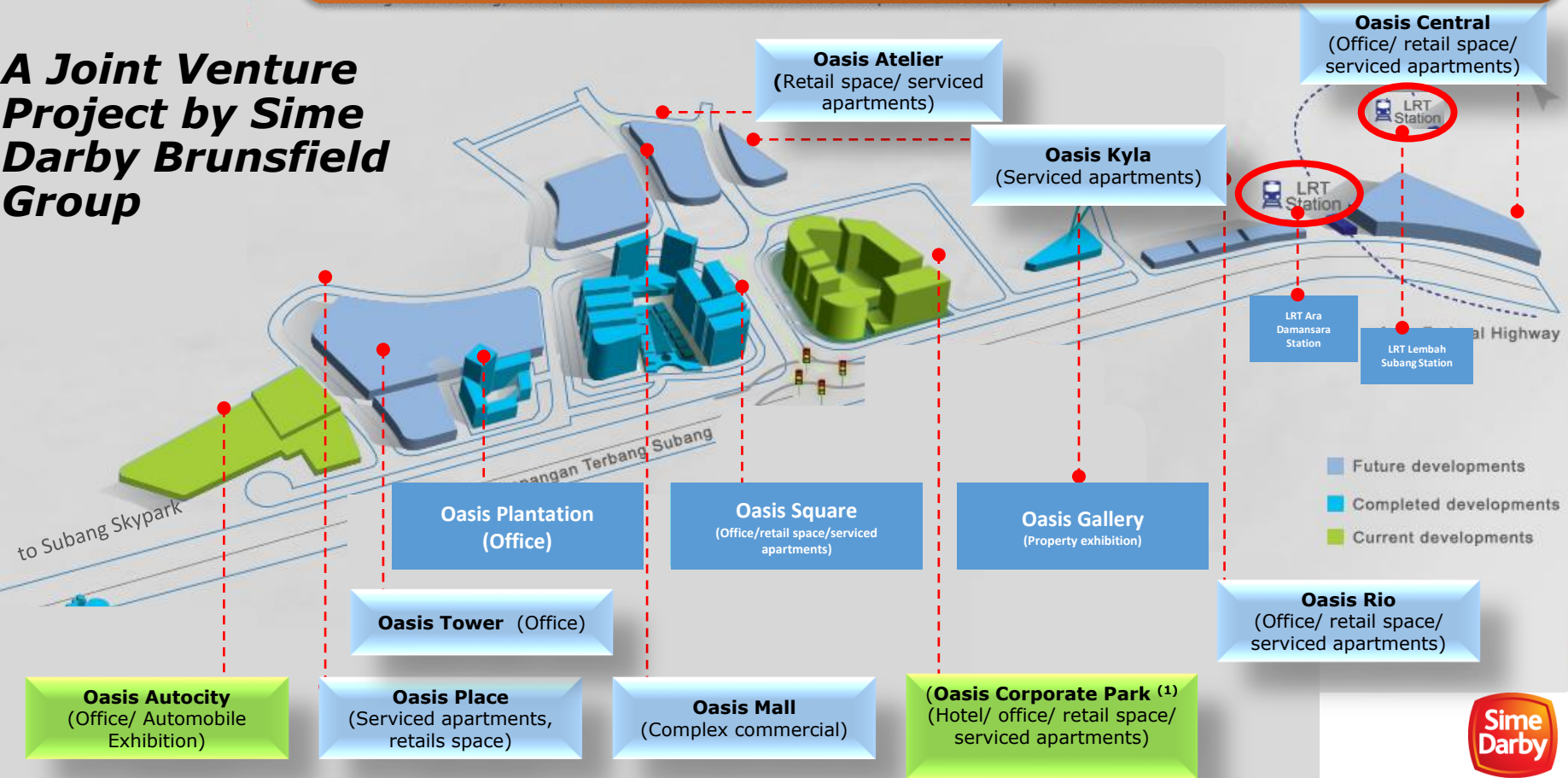
Oasis Ara Damansara

Transformation of Ara Damansara to a mixed development

OASIS
D A M A N S A R A

Transforms the look and prospects of Ara Damansara, primarily a residential area by providing a much-needed commercial center

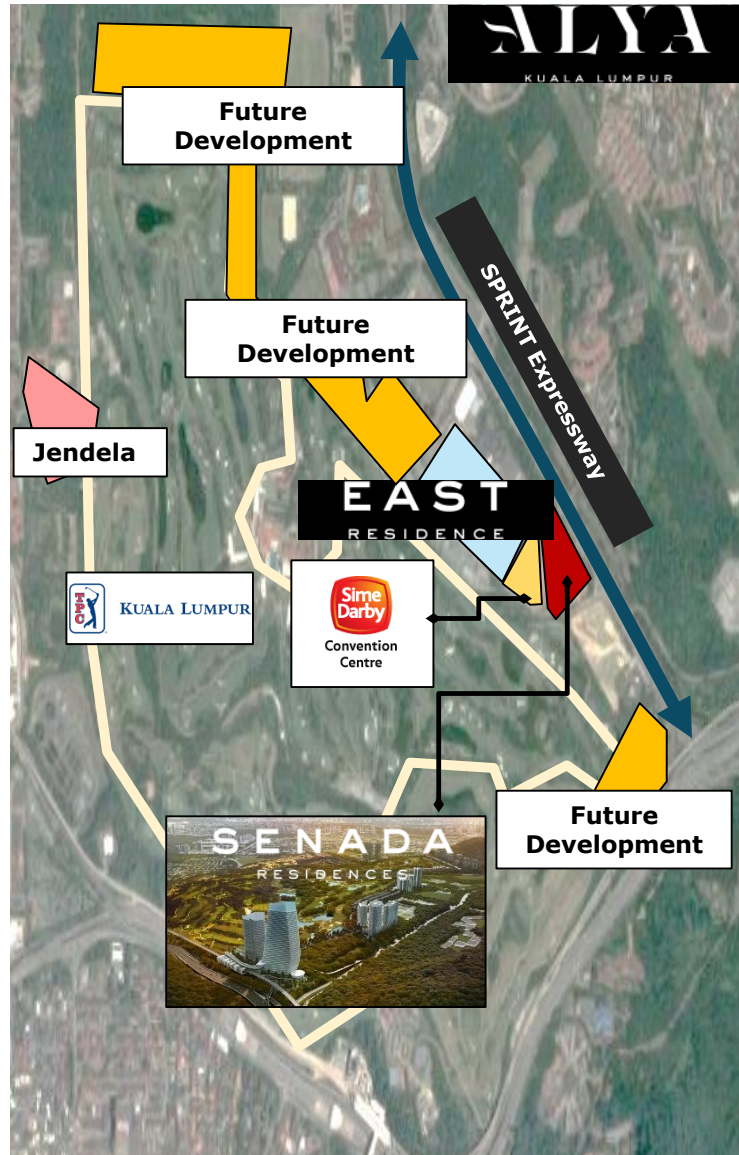
A Joint Venture Project by Sime Darby Brunnsfield Group



(1) Parts of Oasis Corporate Park have been completed (Medalla, Centum, Meritus, and Augustus).



ALYA, Kuala Lumpur – *Resort-style Living alongside a Premier Golf Club in the country*



KEY HIGHLIGHTS

62 acres (Remaining: 50.5 acres)

Ideally located in the pristine landscape of Bukit Kiara

- Excludes 279 acres for TPC, KL

RM7.2bn

Estimated remaining GDV

2,465

Estimated residential units

TPC Kuala Lumpur

World's 100 Greatest Golf Course 2018/2019

- 36-hole golf course
- Host to numerous international championships - CIMB Classic, LPGA, Maybank Open

Senada

An Upmarket Residential Project, Adjacent to Mont Kiara, Damansara Heights & Bangsar

4.03 acres
development

RM915 million
GDV

429 units of serviced apartment

Launched in September 2016

May 2021

Target completion date

Floor area
710 to 1,872 sqft

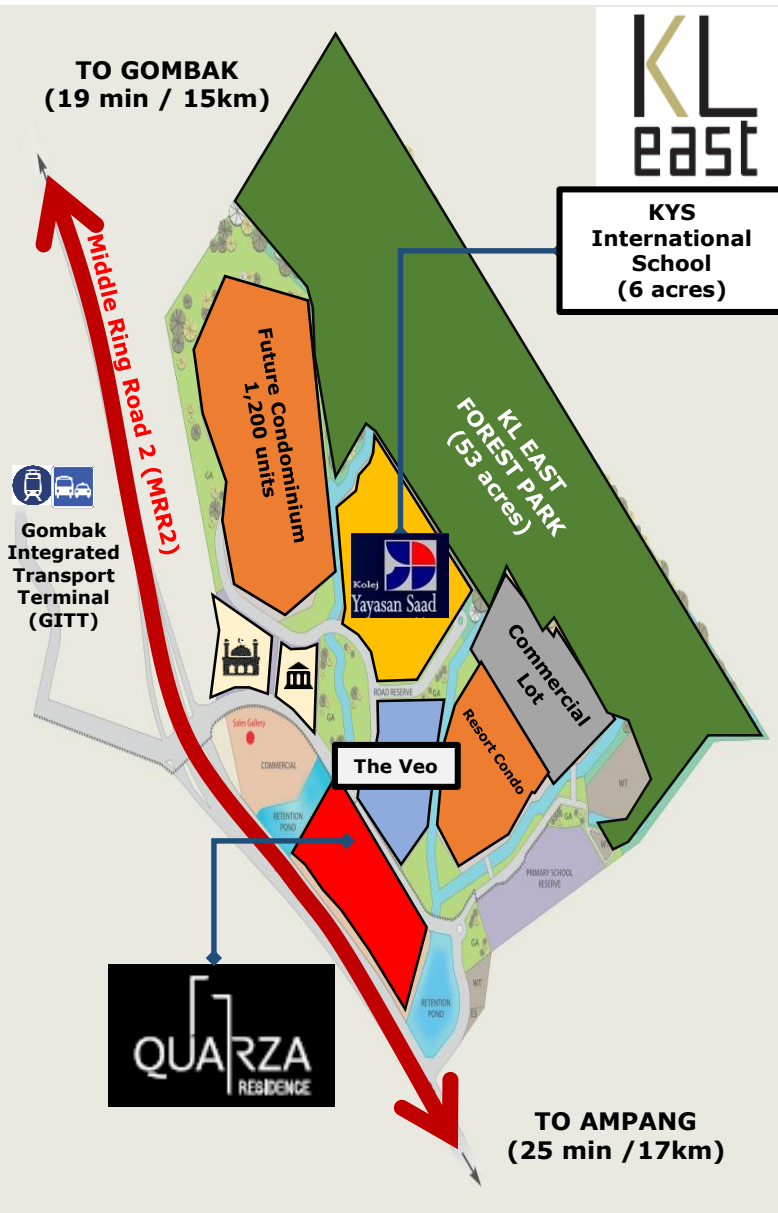
Price per unit from
RM978,800 to RM2,958,780
(average RM1,187 psf)

Take up rate

Tower A: 51%
Tower B: 25%



KL East – A Transit Adjacent Development



KEY HIGHLIGHTS

160 acres (Remaining: 50.8 acres)
Ideally situated within Klang Gates quartz ridge, the longest quartz ridge in the world

RM2.2bn
Estimated remaining GDV

2,458 units
Estimated residential units

53 acres
Forest park

High Connectivity

- Linked by major highway – MRR2
- 800m from Gombak Integrated Transportation Terminal (LRT Kelana Jaya Line and RapidKL bus hub)

Access to Kolej Yayasan Saad

- Top international school with expected student capacity of 1000 students



QUARZA MIXED DEVELOPMENT

A Flourishing Bloom



- **6.74 acres** development with GDV of **RM744 mil**
- Target completion: **May 2020**
- Price per unit from **RM516,888 to RM1,017,888 (RM800 to 850 psf)**
- Floor area from **651 to 865 sqft**
- **Tower A: 254 units** launched in **May 2016 (54% take-up)**
- **Tower B: 254 units** expected to launch in **March 2019**

Galleria, KL East

- Lifestyle suburban mall with **380,000 sqft retail space**
- Expected to open in **4th Quarter 2019**
- Anchor tenants: **MBO, Jaya Grocer, Camp 5, Blue Frost Ice Rink**



Melawati – A Mature Township



KEY HIGHLIGHTS

880 acres (Remaining: 2.3 acres)
Tranquil residential park

RM0.2bn
Estimated remaining GDV

5,178 units
Estimated residential units

Nearby

- **Melawati Mall** (5 minutes walk)
- **Damai Service Hospital**
- **KLCC** (15-minutes drive)

**1st Anniversary
of Melawati Mall
on 26 July 2018**



- **50/50 Joint venture** between Sime Darby Property and CapitaLand Malls
- **180** local and international brands
- **8** million shoppers over time
- **83%** occupancy rate
- **635k** sqft of net lettable area

Serini Melawati

Stylish Living



3.64 acres
development

RM361 million
GDV

528 units
launched in April 2014 and
completed in August 2018

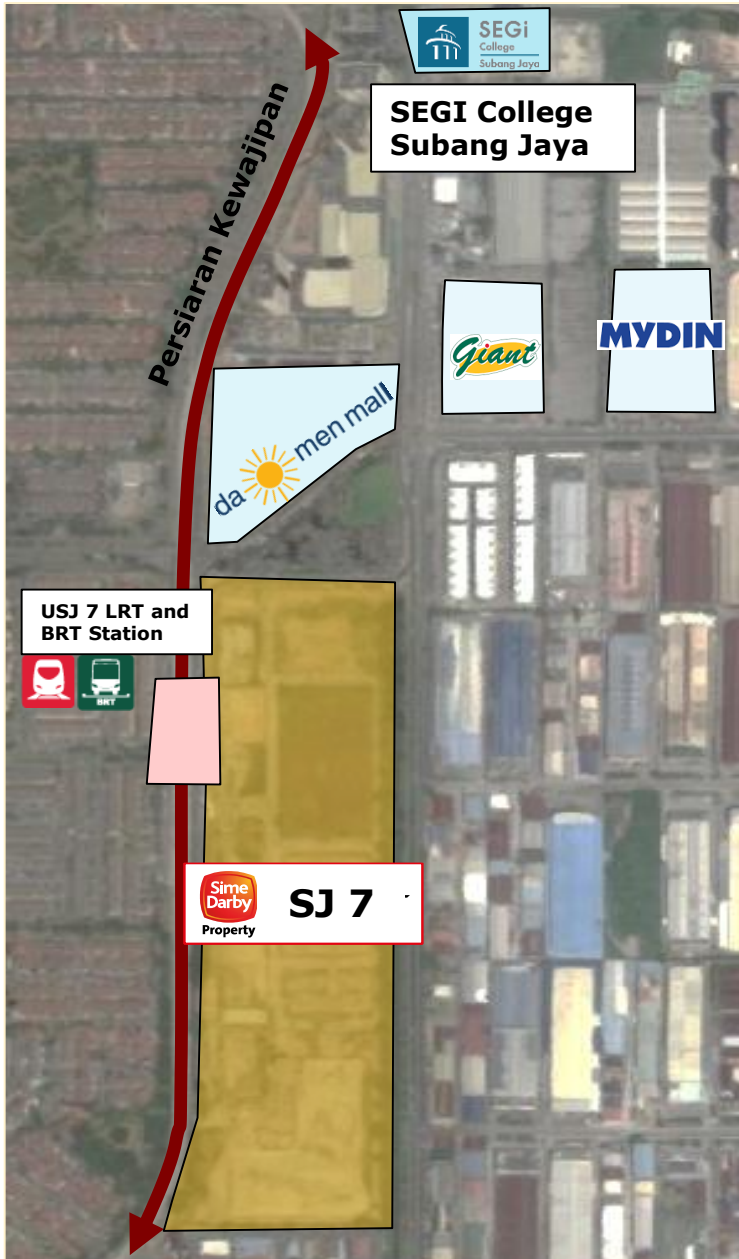
Floor area
633 to 1,494 sqft

Price per unit from
**RM580,888 to
RM1,430,888**
(RM800 to RM850 psf)

54%
Take-up rate



SJ7 – Strategically located in USJ



KEY HIGHLIGHTS

34.6 acres

Remaining land area

RM5.3bn

Estimated remaining GDV

1,480 units

Estimated residential units

Transit Adjacent Development

- LRT Kelana Jaya line - **USJ7 station**
- BRT station Sunway Line – **USJ7 station**

Easy access to

- **Da Men mall, Giant Hypermarket, Mydin**
(500 m – 5 minutes walking distance)
- **Segi College Subang Jaya**
(800 m – 11 minutes walking distance)

DEVELOPMENT STAGE

September 2019

Commencement Date

September 2033

Target Completion Date

Residential Unit Price

**RM660,426 to
RM780,269**

Mixed Development

Serviced Apartments,
Retail, Office

Target Market

Young working population,
locals / expats



Unlock Value from Battersea Project



TOTAL RESIDENTIAL UNITS LAUNCHED

867

Take-up: 99%



Phase 1

255

Take-up: 92%



Phase 2

539

Take-up: 62%



Phase 3A

- ❑ Successful **completion and handover** of Phase 1
 - **FY17: 321 units, FY18: 534 units**
- ❑ Total **share of profit** recognized to date: **RM234m**
- ❑ Remaining **5 units of high-end** penthouses left
 - 3 units reserved and 2 unsold units
- ❑ **Northern Line Extension** is expected to be completed **by end-2020**

The Power Station

Phase Two Commercial Assets

100% of commercial space taken up



- ❑ **Agreement signed on 17 December 2018** for the Proposed Disposal of Phase 2 Commercial Assets to PNB-Kwasa International Limited for **a base purchase price payable of £1.58bil**
 - ✓ A JV company of PNB (65%) and EPF (35%)
 - ✓ The staged payments and initial completion payments are capped to a maximum cost funding commitments of £1.4bil
- ❑ **Total ~1 million sqft of Net Lettable Area comprising:**
 - 90 retail units ~305k sqft
 - F&B outlets ~89k sqft
 - Office spaces ~580k sqft
- ❑ Main tenants: Apple ~470k sq. ft. And IWG International Workplace Group ~40k sq. ft.



Key Highlights in FY2018

1 Sime Darby Property's Inclusion into FTSE4Good Index and Dow Jones Sustainability Index



- Successfully selected as an index constituent for
 - FTSE4Good Bursa Malaysia Index and FTSE4Good ASEAN 5 Index** (For the period of Jul'18 to Jun'19)
 - Dow Jones Sustainability Emerging Market Index** (Effective Sep'18)
- Highlights Sime Darby Property's commitment **in ensuring only the highest standards in ESG practices**

2 1st Anniversary of Melawati Mall on 26 July 2018



Since the Mall started operations in July 2017:

- 180** local and international brands
- 8** million shoppers over time
- 83%** occupancy rate



3 Strategic JV and Sale of Industrial Components



- 39** acres of industrial land across 10 plots to be jointly developed for built-to-suit industrial facilities via **50:50 JV with Mitsui**
- 50** acres of industrial land sold to **Vinda Group**

4 Delivery of completed units in FY2018: 2,305

Township	Units
Elmina	853
Taman Melawati & KL East	459
Putra Heights	340
Taman Pasir Putih	292
Nilai	178
Bandar Bukit Raja	84
Others	99



3 Growth Strategies

Sustainable & Balanced Growth Strategies



Property

No. 1 Property Developer in Malaysia

FIVE KEY STRATEGIC OBJECTIVES

- | #1 | Re-balancing & expanding development portfolio income | #2 | Launching new growth areas | #3 | Enhancing overall customer experience | #4 | Achieving Cost & Operational Efficiencies | #5 | Elevating Organisational Effectiveness |
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|-----------------------------|---|---|---|--|--|
| STRATEGIC PRIORITIES | <ul style="list-style-type: none"> Township: Enhance GDV and review strategic masterplan Integrated: Improve capabilities & income contribution | <ul style="list-style-type: none"> New Business Segment: Industrial & Logistics Development Focus on profitable affordable housing projects Review MVV project | <ul style="list-style-type: none"> Enhance data driven customer insights Roll-out online community marketplace and digital innovation | <ul style="list-style-type: none"> Diligent cost management Review Leisure Management's business model Shorter end-to-end development cycle for both township & integrated products | <ul style="list-style-type: none"> Improve project management governance Executive optimal strategic partnership model Strengthen talent & performance management |
|-----------------------------|---|---|---|--|--|

Consistent Shareholders' Return

Sustainable PATAMI growth

Consistent Sales Performance

The Preferred Employer within Real Estate



Brand value & marketing



People & HR capabilities



Operating Model & Business Process



Innovation & technology



28 **Property**

STRATEGIC PRIORITIES

TARGETS BY 2023

KEY ENABLERS

Property Development: Maintain the leadership position as a reputable township developer in Malaysia

Key Strategic Priorities



Prioritise on Reducing Completed & Launched Ongoing Inventories

Identified Initiatives

Strategic **execution plan** to reduce **inventories** with carrying value of **RM2.5bn**, mainly from Alya, Planters' Haven, The Glades, KL East & Ara Damansara

Key Targets



RM2.2 billion
in Unbilled Sales



Focus on Launches in Low to Mid-range Segment to Meet Demand

Launches below RM800,000 segment, including Rumah Selangorku units in Elmina (below RM300,000)



Establish New Segment for Industrial & Logistics Developments

400 acres of industrial land identified for sale or development with an estimated GDV of ~RM5.1bn to be realised over the next 5 years



5% Increase
from FY2018
Customer
Satisfaction Index



Embark on First Phase of MVV Development

Focus on **Parcel A** measuring **2,838 acres** and have **constant engagement** with State and Federal Government



Property Investment and Asset Monetisation: Grow recurring income and maintain a steady portfolio

Key Strategic Priorities



Generate Investment Income from Industrial Segment



Monetise Non-Strategic Land bank



Rationalise Low-yielding, Non-core Assets

Identified Initiatives

Embark on **Built-to-Suit & Lease model in Bandar Bukit Raja, Elmina and Serenia City**, with focus on 39 acres in Bandar Bukit Raja for 10 industrial plots with target commencement of construction in early 2019

Target disposal of ~1,700 acres of non-strategic land bank located in Northern Peninsula and East Malaysia

Target completion of divestment of hospitality assets in Singapore, Australia and Vietnam

Key Targets



Achieve 10%
PBIT contribution by 2023



Grow a steady investment asset portfolio and **unlock value** from divestment of non-core assets by 2019

Concession Arrangement: Focus on growth and expansion of Pagoh Education Hub

Key Strategic Priorities



Management of Pagoh Education Hub



Explore Opportunities for Expansion of Pagoh Education Hub

Identified Initiatives

Pagoh Education Hub as a source of recurring income via availability charges and facilities management

Balance surrounding land area of ~400 acres which is **earmarked for future expansion** of education facilities

Key Targets



Stable and Consistent

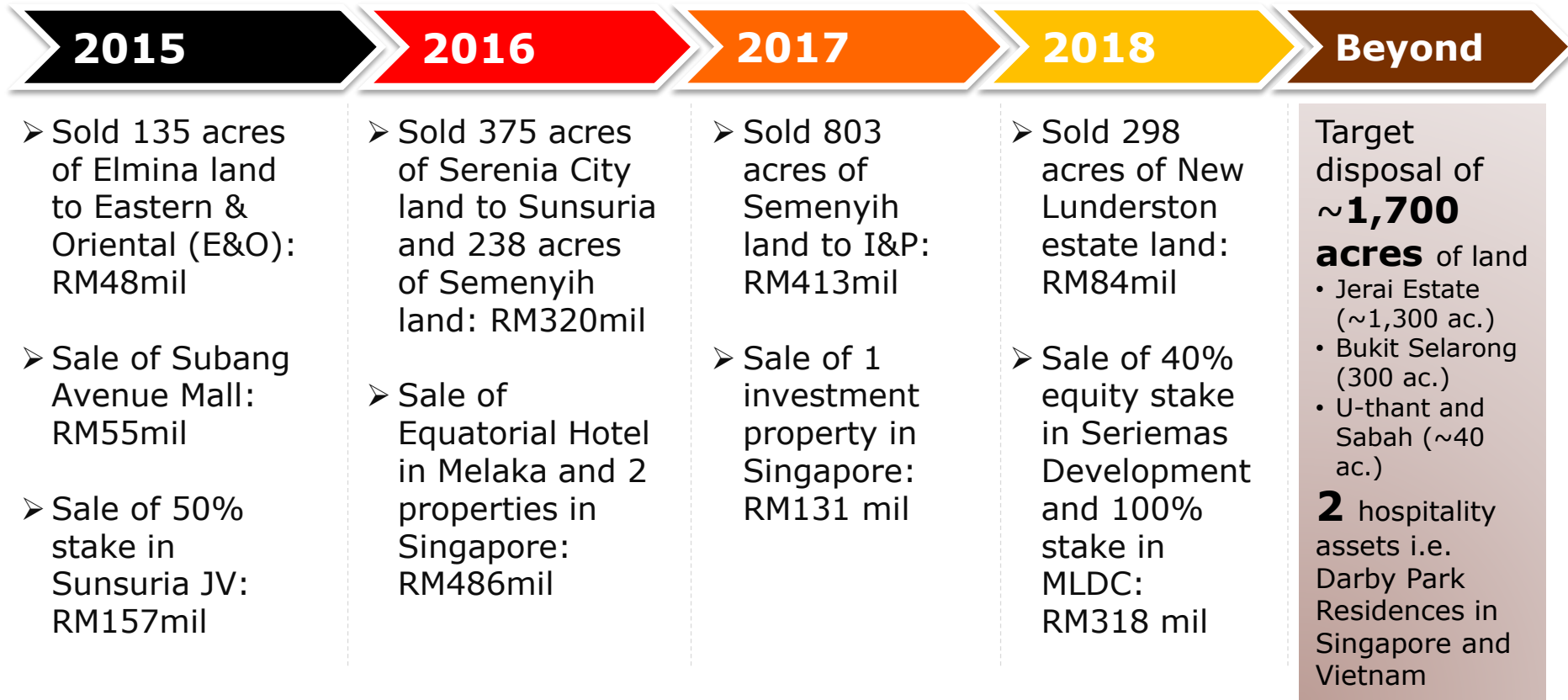
Cash Flows for the next 19 years



Catalyst

to Property Development Profitability in Bandar Universiti Pagoh

Sime Darby Property's Rigorous Asset Monetisation Journey



Rigorous **focus on monetising** non-strategic land bank and non-core assets **which translated to over RM2 billion of gains**



4 Financial and Operational Highlights

First Quarter Ended 30 September 2018

RM480.3 m

Revenue
vs RM472.6m 1QFY18

RM42.7 m

Operating Profit
vs RM18.8m 1QFY18

RM38.8 m

Segment Results
vs RM103.4m 1QFY18

RM28.8 m

PATAMI
vs RM421.7m 1QFY18

RM2,745 m

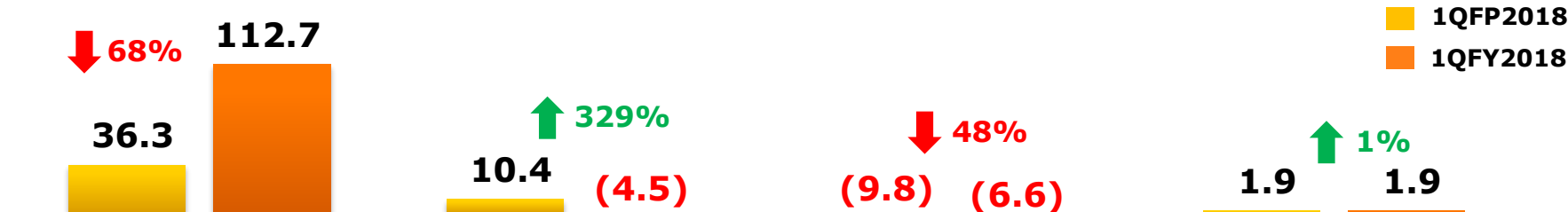
Total Borrowings
vs RM2,542m 4QFY18

27.8 %

Gross D/E
vs 25.5% 4QFY18

20.6 %

Net D/E
vs 18.0% 4QFY18



Property Development

Higher operational performances amid the challenging market

- Higher sales and development activities at Serenia City, Denai Alam and Cantara Residences
- Lower contribution from Serenity Cove, Australia: RM4.8m, -31% YoY from the sale of 11 plots of residential land (13 plots last year)
- Share of losses from Battersea: RM5.7m (vs. profit of RM86.8m in 1QFY18)

1QFY18 included:

- Seriemas gain on disposal -RM278m

Property Investment

Strong operational performance

- Recognition of rental income on meeting condition precedent for the commencement of lease of Wisma Zuellig: RM6.9m
- Lower share of loss from Melawati Mall: RM1.2m (loss of RM5.4m in 1QFY18)
 - Occupancy rate: 80% (60% in Sept'17)
- Included a gain on disposal of an investment property in UK: RM2.6m

Leisure & Hospitality

Higher operating losses

- Lower occupancy rates across all hospitality units and closure of certain hospitality units (Genting View Resort and Darby Park Karri Valley)
- Darby Park Singapore: Reduction of long-term tenants

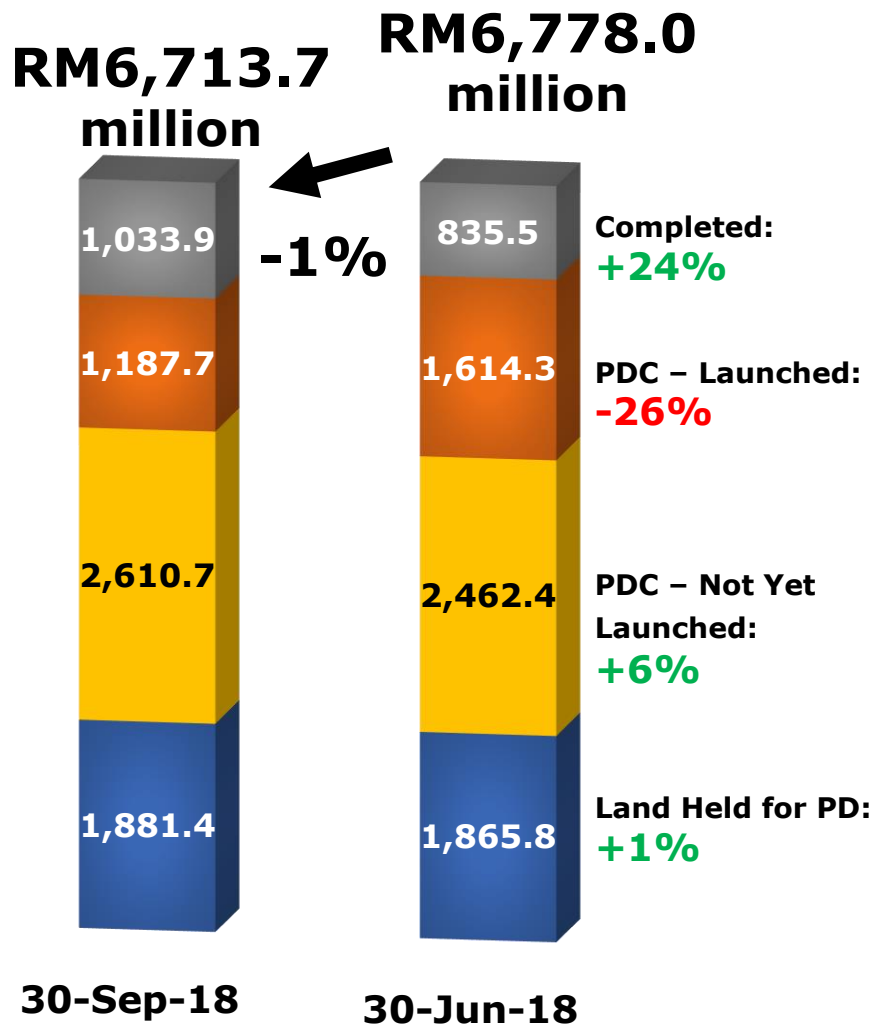
Concession Arrangement

Steady contribution from Pagoh Education Hub

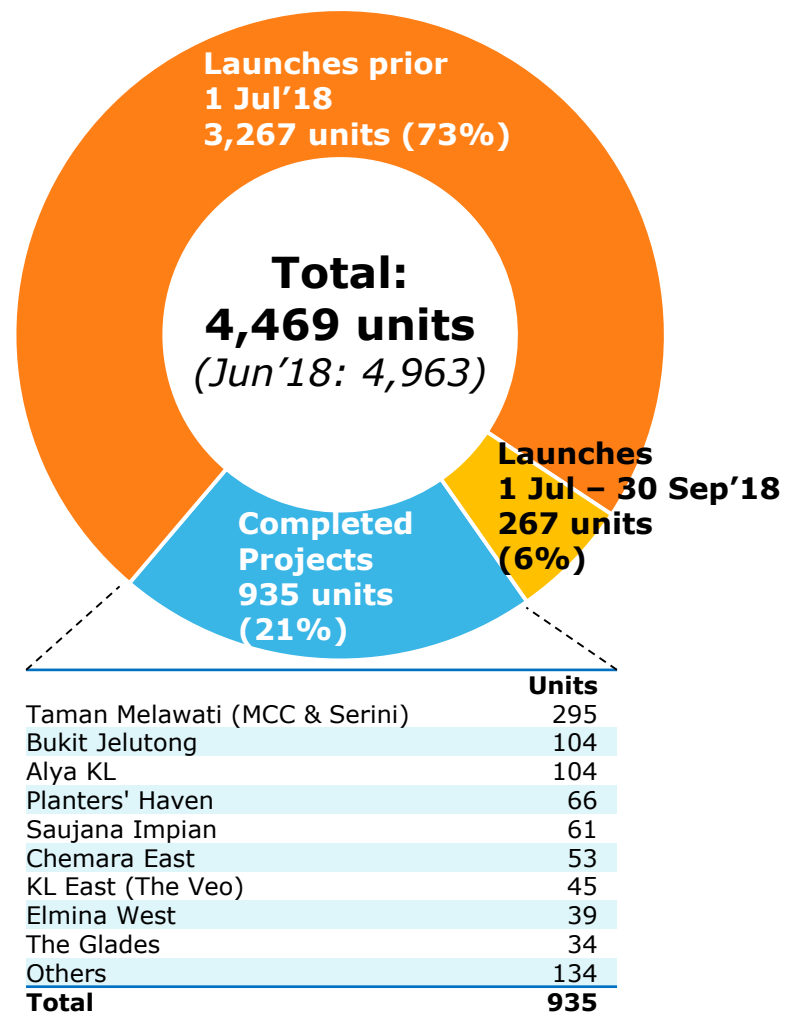
- Availability charges of RM25.5m (RM23.1m in 1QFY18) recorded under finance income



Inventories as at 30 September 2018



Completed Inventories
 PDC - Not Yet Launched
 Property development costs (PDC) - Launched
 Land Held for Property Development



- Completed units: ↑ **44% QoQ (vs. 648 units)** from completion of Rimbun Sanctuary & Serini
- Launches prior to FP2018: ↓ **22% QoQ** from higher sales recognised from Ferrea & Semanea Hills (Denai Alam), Casira 1 & 2, Azira & Athira (BBR) & RSKU (Putra Heights)

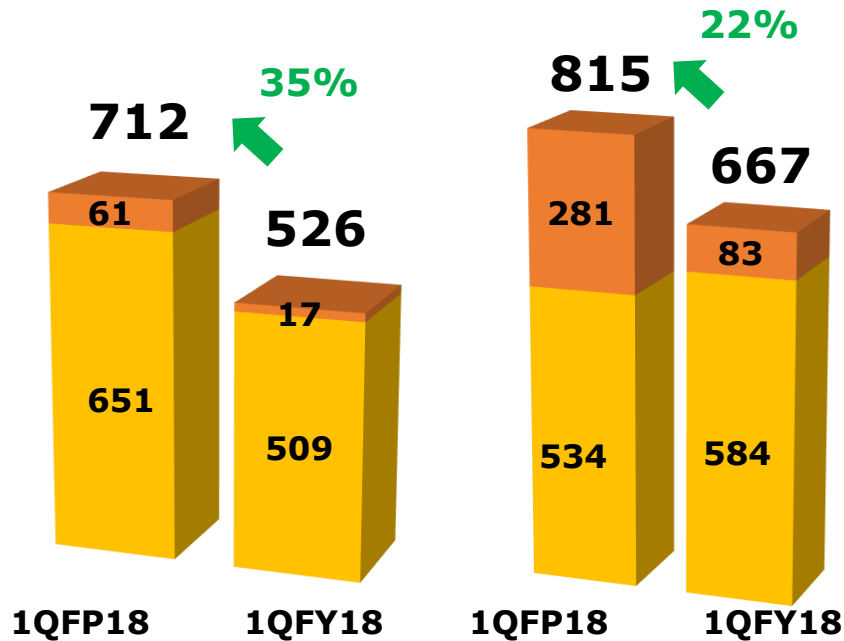
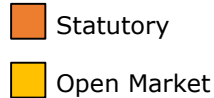


Steady Sales Performance Supported by Strategic Launches in 1QFP18

Year-on-Year Performance

Net Sales Value

RM'm



- **45% of sales** originated from Bandar Bukit Raja township, followed by townships along the Guthrie Corridor (**34%**) and Greater Klang Valley (**19%**)
- **RM160.7m** attributed to land sales at Bandar Bukit Raja 1

1QFP18 (Jul'18 – Sep'18)

Value:
RM310.5 mil

Units:
284

Bandar Bukit Raja (Ayra) (2-storey house)

No. of Units : 120 units
 Value : RM90.2 million
 Launch Date : 28 July 18
 Take-up : 82%



Nilai Impian (Anggerik) (2-storey house)

No. of Units : 142 units
 Value : RM76.2 million
 Launch Date : 21 Sept 18
 Take-up : 44%



Serenia City (C3) (Industrial Lot)

No. of Units : 22 lots
 Value : RM144.1 million
 Launch Date : 28 Sept 18
 Take-up : 32%



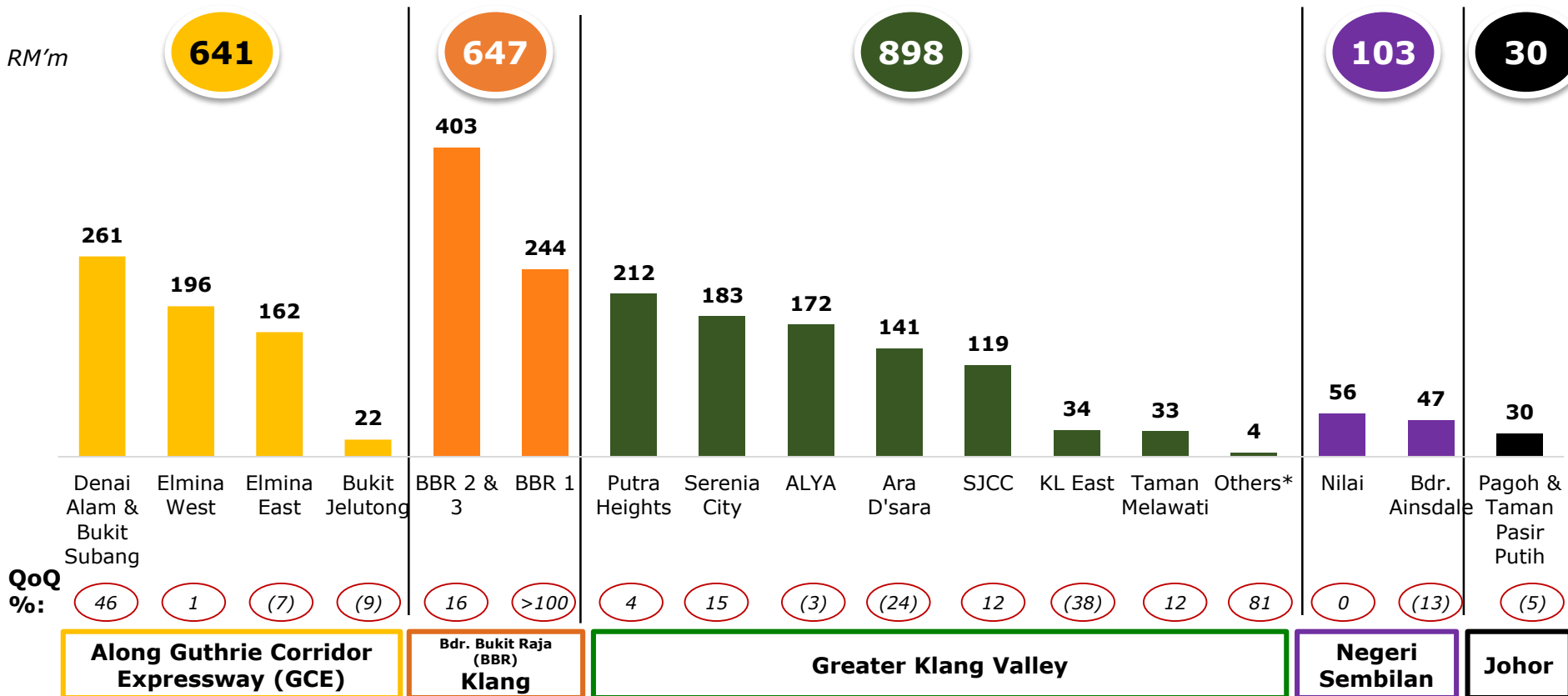
Resilient Unbilled Sales

1QFP2018: RM2,319 million

↑ 14% QoQ (30 Jun'18: RM2,034 million)

↑ 30% YoY (30 Sept'17: RM1,778 million)

FP2018 (Jul-Dec'18) Targets:
Sales: RM1,000 million
Unbilled Sales: RM2,200 million



* Others: USJ Heights and Saujana Impian



Strategic Planning of Launches

2QFP18 (Oct'18 – Dec'18)

Value:
RM365 mil

Units:
517

Serenia City (Adiva) (2-storey house)

No. of Units : 176 units
GSV : RM105.5 mil
Launch Date : 6 October 2018



Bdr. Bukit Raja (Ayra 2) (2-storey house)

No. of Units : 160 units
GSV : RM122.3 mil
Launch Date : 3 November 2018



Elmina West (EG 1C) (2-storey house)

No. of Units : 181 units
GSV : RM137.2 mil
Launch Date : 26 October 2018

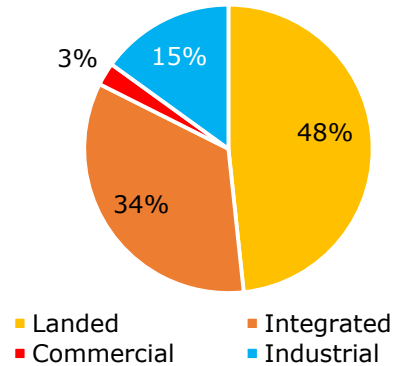


Upcoming Launches (Jan'19 – Dec'19)

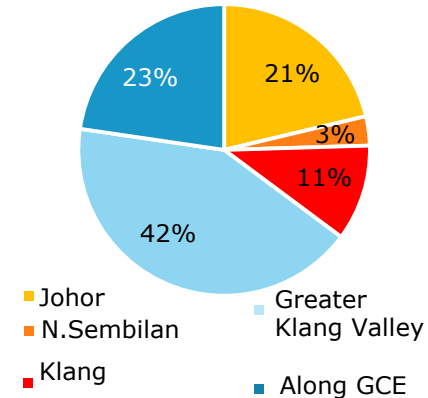
Value:
RM3.0 – 4.0 bn

Units:
4,000 – 4,500

BY TYPE



BY LOCATION



Key Landed Residential Launches	No. of units	Price Range (RM '000)	Est GDV (RM mil)
Elmina West	974	680 – 800	719.1
BBR 2 & 3	560	560 – 680	351.1
Serenia City	628	500 – 560	347.4
Bdr. Uni. Pagoh	227	390 – 420	91.9

Strategic **re-planning of launches** in view of the **slowdown** in demand:

1. "Wait-and-see" approach, attributable to market uncertainties
2. Uncertainty in National Housing Policy / Budget 2019
3. High inventory level in the high-rise sector

Rediscover Our Hidden Gems (Sep – Nov 2018)

Strategic campaign to promote new and completed developments
Ranging from The Signature Collection, The Features Exclusive and Rediscover Landed Gems

**Introducer
rewards of
up to 1%**

REDISCOVER
— OUR HIDDEN —
GEMS

**RM10,000 +
additional 1%
to 2% rebate**

22
Sept Preview of
Anggerik @
Nilai Impian

27
Oct Preview of
Elmina Green C
@ Elmina West

3
Nov Launch of Ayra
2 @ Bandar
Bukit Raja 2

Successful preview and soft launches with booking rates averaging above 50%

6
Oct Launch of
Serenia
Adiva @
Serenia City

28
Oct Launch of
Alcove @
Putra
Heights

10
Nov Private launch of
2 & 3 Storey
Townhouse @
East Residence



Target: To reduce the existing inventory level by 6% to 10% by end of 2018

5

Challenges & Market Outlook

Outlook in 2018-2019

Budget 2019 is positive

- Waiver of stamp duties for residential properties valued from RM300,001 to RM1 million per unit for first-time home buyers

Oversupply of high-rise medium range properties

- Industry is producing faster than the absorption rate
- High number of unsold condominium/apartment units in Selangor priced below RM1 million (~8,500 units) and Kuala Lumpur (~20,400 units) as at June'18
- May affect the sales of ongoing / new launches



National Housing Policy

- Clear scope and parameters of proposed policy
- Streamline effort to deliver affordable houses

Proposed reduction of overall housing prices by 10%

- Developers are expected to review housing prices in view of Sales and Service Tax (SST) exemption for certain construction material

Slower economic growth in Malaysia

- Revised 2018 GDP growth forecast of 4.8% from 5.4%
- Continued softness in the real estate sector

Key Priorities in FY2019

PROPERTY DEVELOPMENT



- ❑ 80% of residential launches focusing on low to mid-price range (<RM1.0 mil) in Greater Klang Valley to take advantage of Budget 2019 measures
- ❑ Enhance the role as Master Developer for faster turnaround of future developable landbank (~8.4k)
- ❑ Expedite the disposal of non-strategic land bank
- ❑ Complete the proposed divestment of Battersea Phase 2 Commercial Assets
- ❑ Clear action plan to reduce inventory

PROPERTY INVESTMENT



- ❑ **Timely completion** of the **Galleria, KL East** (target end-2019)
 - To improve the growth catalyst of KL East and Taman Melawati
- ❑ Accelerate the action plans to create Managed Industrial Business Parks for recurring income growth
- ❑ Enhance the **skillset and competencies** of the team

LEISURE & HOSPITALITY



- ❑ **Timely completion** of the disposals of **low-yielding, non-core** assets in Australia, Singapore and Vietnam

CONCESSION ARRANGEMENT



- ❑ To strengthen the Group's competencies on facility management to drive value enhancement in Pagoh Education Hub

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THANK YOU

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6

Appendices - General

Land Bank Status as at 30 Sept 2018

~21k acres of remaining developable land bank with a **remaining GDV of RM88.8bn**

Township/Development Name	Total Area (Acres)	Remaining Developable Area (Acres)	Remaining GDV (RM'bn)
Niche / Integrated			
ALYA, Kuala Lumpur	62	50.5	7.2
Chemara Hills, Seremban	44	3.0	0.04
USJ Heights, Subang Jaya	375	11.1	0.2
SJ 7, Subang Jaya	40	34.6	5.3
SJCC, Subang Jaya	30	28.1	3.6
KL East	160	50.8	2.2
Township			
City of Elmina: Elmina West, Shah Alam	2,661	2,491.6	15.2
City of Elmina: Elmina East, Shah Alam	1,089	583.2	2.5
City of Elmina: Denai Alam & Bukit Subang	1,250	143.9	1.0
Bandar Bukit Raja 2 & 3, Klang	2,820	2,665.0	11.6
Bandar Bukit Raja 1, Klang	1,513	160.6	1.1
Serenia City, Dengkil, Sepang	2,370	1,462.0	8.9
Putra Heights, Subang Jaya	1,796	77.4	3.4
Ara Damansara, Petaling Jaya	693	80.3	6.0
Bukit Jelutong, Shah Alam	2,205	154.2	1.1
Saujana Impian, Kajang	600	4.1	0.03
Taman Melawati, Ulu Klang	880	2.3	0.2
Nilai Impian 2, Nilai	546	426.0	3.1
Nilai Impian 1, Nilai	1,263	157.6	0.9
Bandar Ainsdale, Seremban	562	157.7	1.1
Planters' Haven, Nilai	250	83.6	0.1
Bandar Universiti Pagoh, Muar	4,099	3,262.0	5.5
Taman Pasir Putih, Pasir Gudang	356	16.3	0.2
TOTAL ONGOING DEVELOPMENT	25,664	12,106	80.4
TOTAL FUTURE DEVELOPMENT		8,425	8.4¹
GRAND TOTAL		20,531	88.8

Note: 1. Future remaining GDV is preliminary and currently excludes MVV



Future Developments as at 30 Sept 2018

Development Area	Total Area (Acres)	GDV (RM bn)
Kedah	1,639	-
Ladang Bukit Selarong	300	-
Harvard Suasana Resort	1,268	-
Jerai Estate		
Victoria Estate	71	-
Selangor	3,328	8.03
Kota Elmina	1,540	6.86
Lagong	1,552	1.17
Jalan Acob Estate	236	-
Negeri Sembilan	3,302	0.31
Chemara West	20	-
Planters' Haven West (Amaya)	95	0.31
Ladang Sua Betong	373	-
Hamilton (MVV)	934	-
Labu (MVV)		-
New Labu (Main Div) (MVV)	1,880	-
New Labu (Kirby) (MVV)		-
Sabah	144	-
Mostyn Estate	144	-
Others	12	0.06
Total Future Development	8,425	8.40

Land Options Agreements

Option to Increase Land Bank Totaling ~20k acres

1. Land Options Agreement with Sime Darby Plantation 11,806 acres

SD Plantation entered into **9 call option** agreements with SD Property pursuant to which SD Property has options to purchase these lands **at future market value**

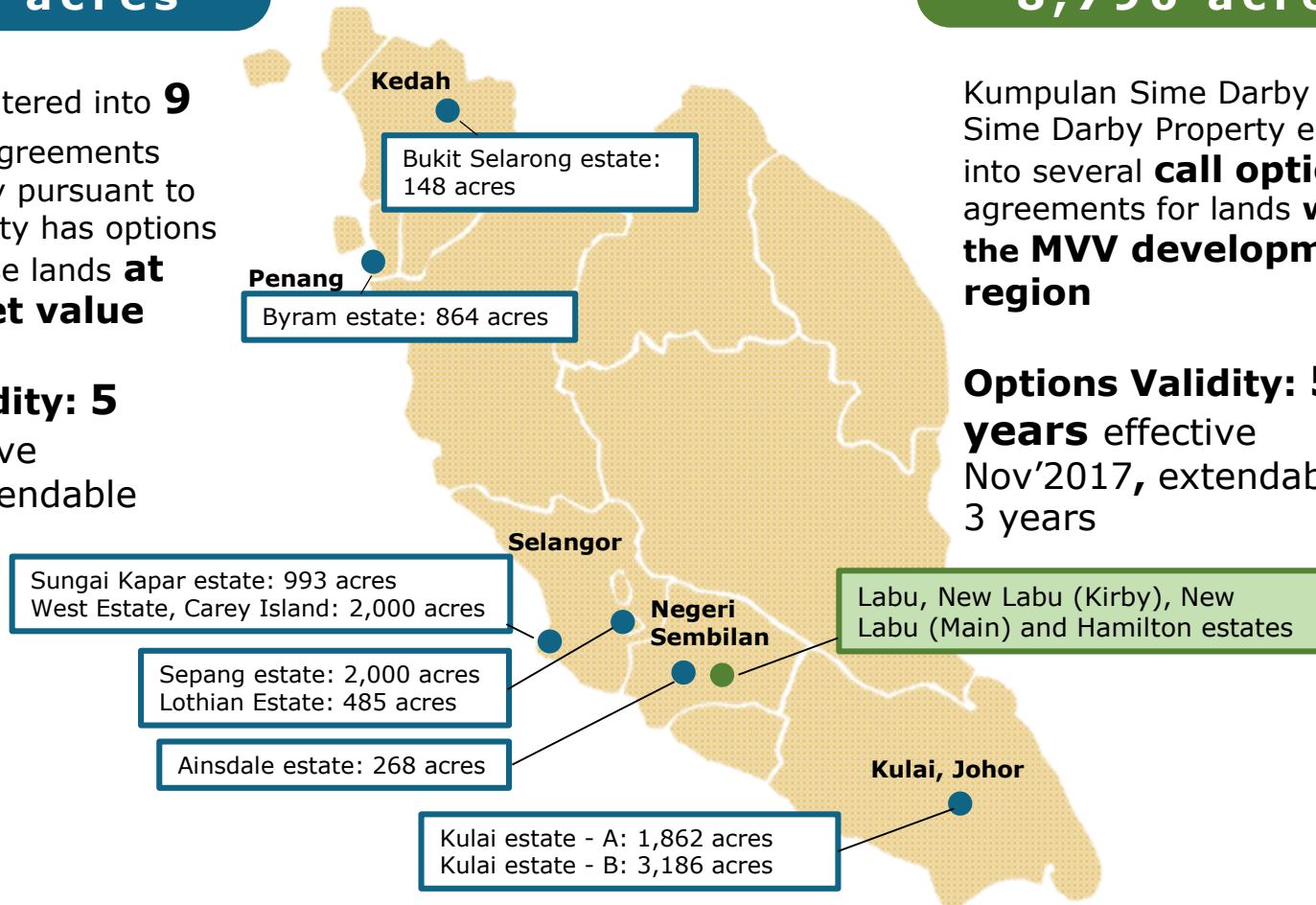
Options Validity: 5 years effective
Nov'2017, extendable
by 3 years

**20,602
acres**

2. MVV Options Agreement with Sime Darby Berhad 8,796 acres

Kumpulan Sime Darby and Sime Darby Property entered into several **call option** agreements for lands **within the MVV development region**

Options Validity: 5 years effective
Nov'2017, extendable by
3 years



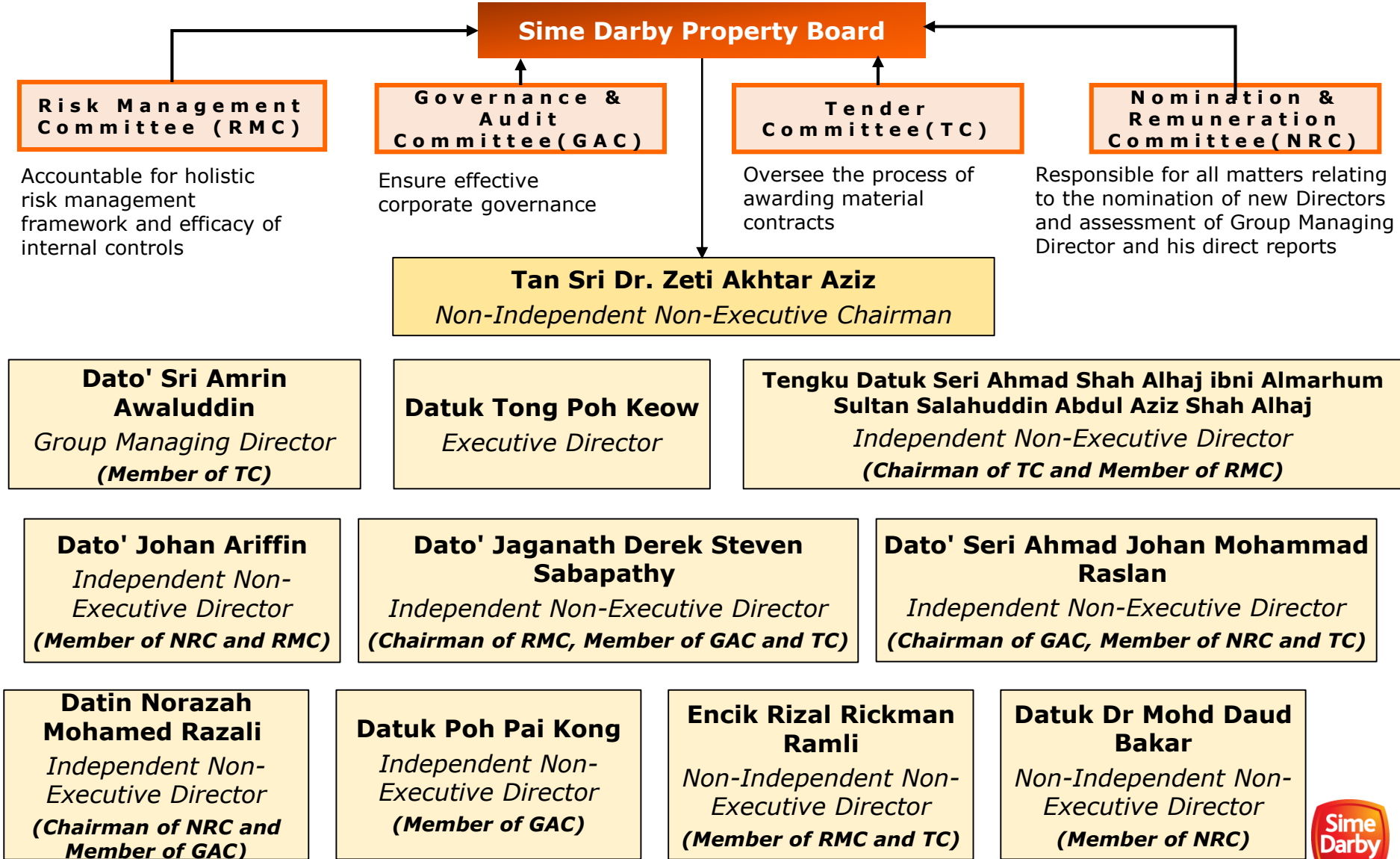
List of Investment Properties

Owned and managed (6 assets)	Location	NLA (Sqft)	Purpose	Occupancy Rate (%)
Wisma Zuellig	Section 13, Petaling Jaya	79,589	Tenanted	100
Sime Darby Pavillion	Bukit Jelutong, Shah Alam	41,027	Tenanted	100
Wisma Guthrie	Jalan Gelenggang, Damansara Heights	61,875	Tenanted	100
Oasis Square - Block F & G	Ara Damansara, Petaling Jaya	341,322	Tenanted	87
Oasis Corporate Park (Carpark)	Ara Damansara, Petaling Jaya	2,877 parking bays	Public	-
Under fund management / JV (3 assets)				
Sime Darby Business Centre (25% via Sime Darby Real Estate Investment Trust 1)	Alexandra Road, Singapore	136,374	Tenanted	85
Sime Darby Enterprise Centre (25% via Sime Darby Real Estate Investment Trust 1)	Jalan Kilang, Singapore	47,554	Tenanted	73
Melawati Mall (50:50 JV with CapitaLand Mall Asia)	Taman Melawati, Ampang	613,987	Tenanted	83
TOTAL		1,321,728		

List of Hospitality & Leisure Assets

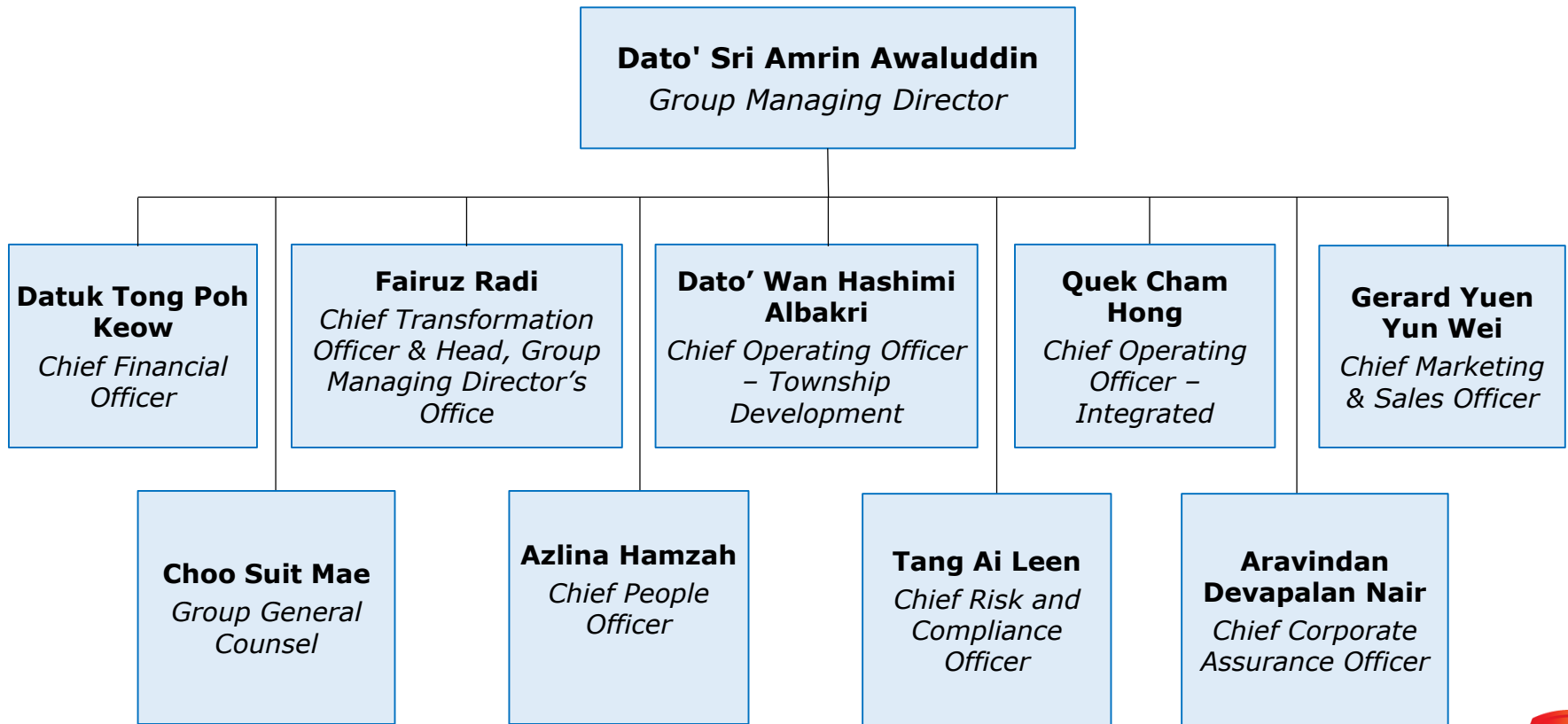
MALAYSIA		Description	Land Acres	Net Book Value (RM'mil)
Sime Darby Convention Centre, Kuala Lumpur		5-storey multi purpose convention center	4	90.59
Tournament Players Club (TPC), Kuala Lumpur		Award-winning with 36-hole golf & country club	279	249.63
Impian Golf and Country Club (IGCC), Kajang		18-hole golf & country club	149	55.55
OVERSEAS				
Darby Park Executive Suites, Singapore		75 units of apartments	1	74.70
Rangdong Orange Court, Vung Tau, Vietnam		69 units of apartments	2	7.36
TOTAL			435	477.83

Highly-Qualified Board of Directors



Strong Management Team

Strong management team with **relevant experience and a proven track record** in the real estate industry



Our History

1972

- Negara Properties, the subsidiary of Golden Hope Plantations launched its first township – **Taman Melawati (880 acres)**

1984

- Sime UEP was established through the acquisition of a large stake in United Estates Projects Bhd, the developer of **Subang Jaya township (2,241 acres)**

1995

- Guthrie Property Development Holding Bhd, a subsidiary of Kumpulan Guthrie Berhad launched its first township – **Bukit Jelutong (2,205 acres)**

1997

- Launched and transformed **Nilai Impian 1 (1,263 acres)** into a comprehensive township at the Pajam Nilai interchange along the North-South Expressway

2005

- Completion of the **Guthrie Corridor Expressway (25 km)** which connect Shah Alam to Rawang

2007

- Sime Darby Property Division was established following the historical merger of Kumpulan Sime Darby Bhd, Kumpulan Guthrie Bhd and Golden Hope Plantations Bhd

2012

- Sime Darby Property, SP Setia and EPF acquired the **iconic Battersea Power Station for GBP400mn (42 acres)**
- Signed concession agreements with government of Malaysia and four higher learning institutions to develop **Pagoh Education Hub**

2013

- City of Elmina** was launched **(5,000 acres)**
 - Started the developments of **Denai Alam, Bukit Subang** and **Elmina East**

2016

- Launched **Bandar Bukit Raja 2 (~1,400 acres)** and **Serenia City (2,370 acres)**

2017

- Listing of Sime Darby Property** on to Bursa Securities Malaysia on **30 November 2017**

Taman Melawati



Subang Jaya



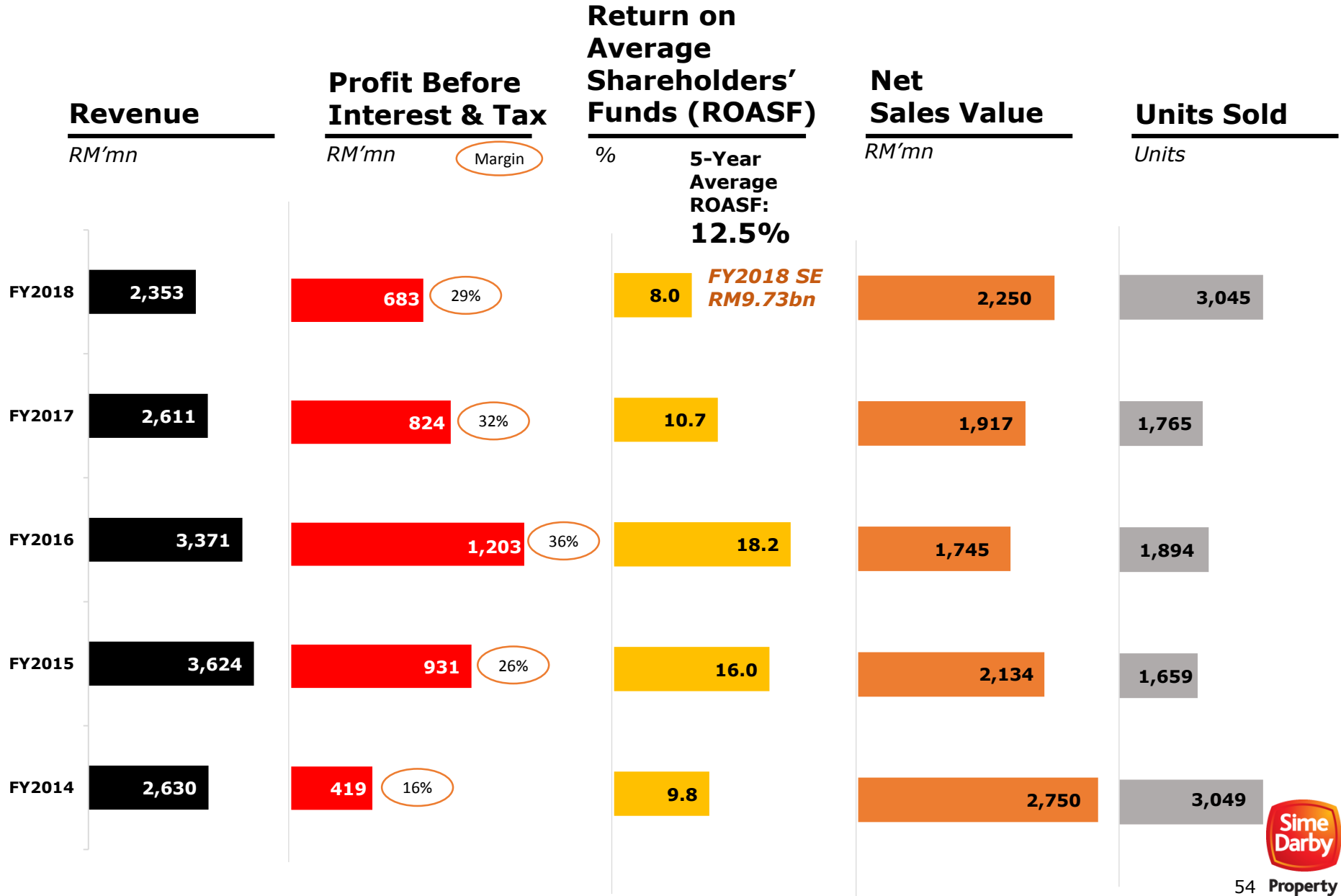
Bukit Jelutong



City of Elmina



5-Year Financial Highlights

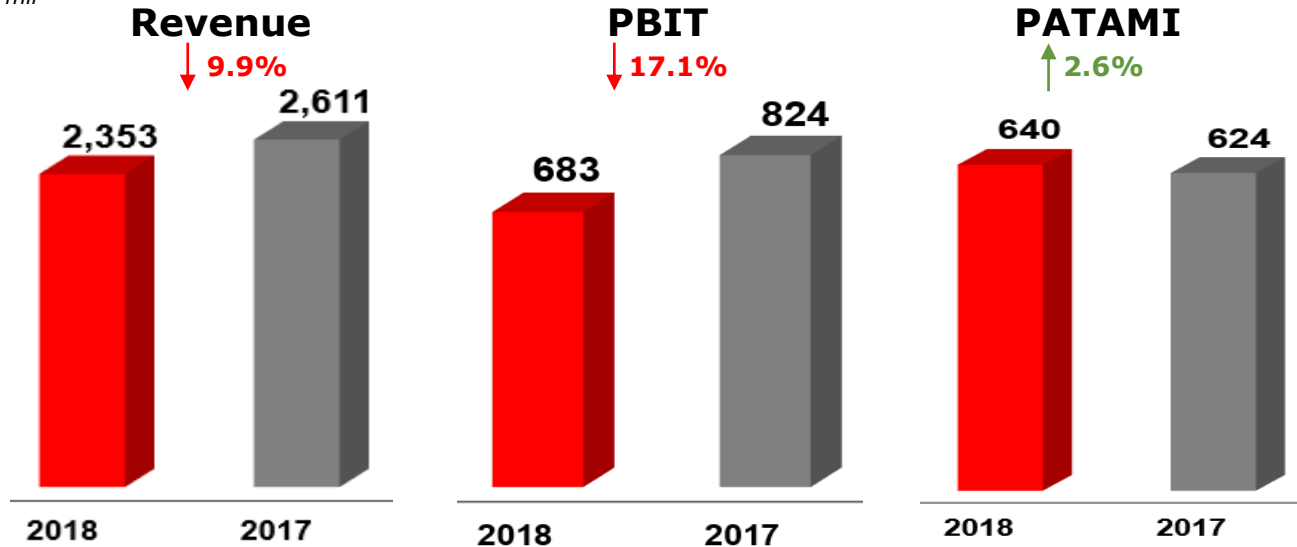


Snapshot of FY2018

Financial Results in the first year as a public listed company

Group

RM'mil



2018 Major Disposals:

- Gain from sale of MLDC: RM40m
- Gain from sale of Seriemas: RM278m
- Gain on land disposal: RM88m

2017 Major Disposals:

- Gains from sale of investment properties: RM265m
- Gain on land disposal: RM469m

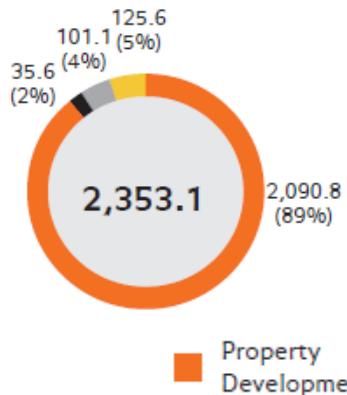
PBIT - Excluding Gains:

- 2018: RM277m
- 2017: RM90m

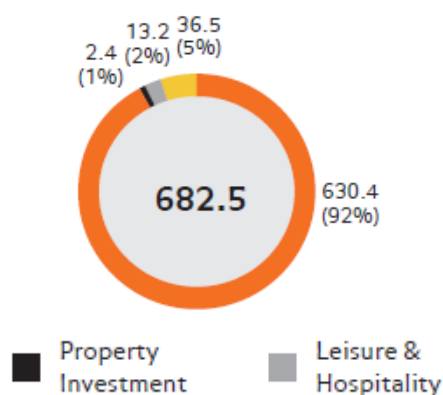
Segmental

RM'mil

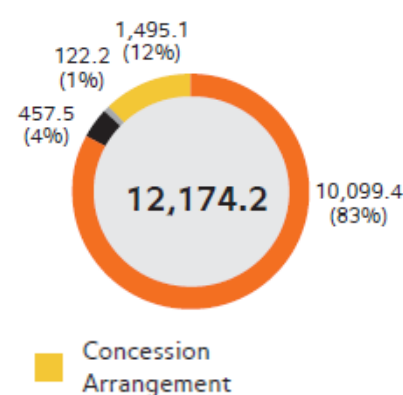
Revenue



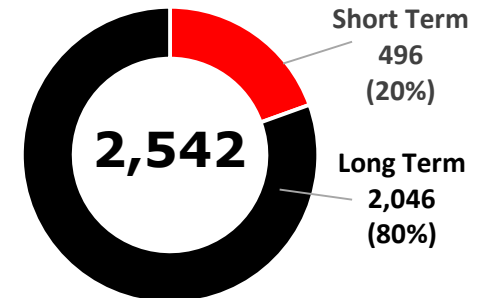
PBIT



Net Assets



Borrowings / Gearing



26% FY17:31%
Gross D/E Ratio

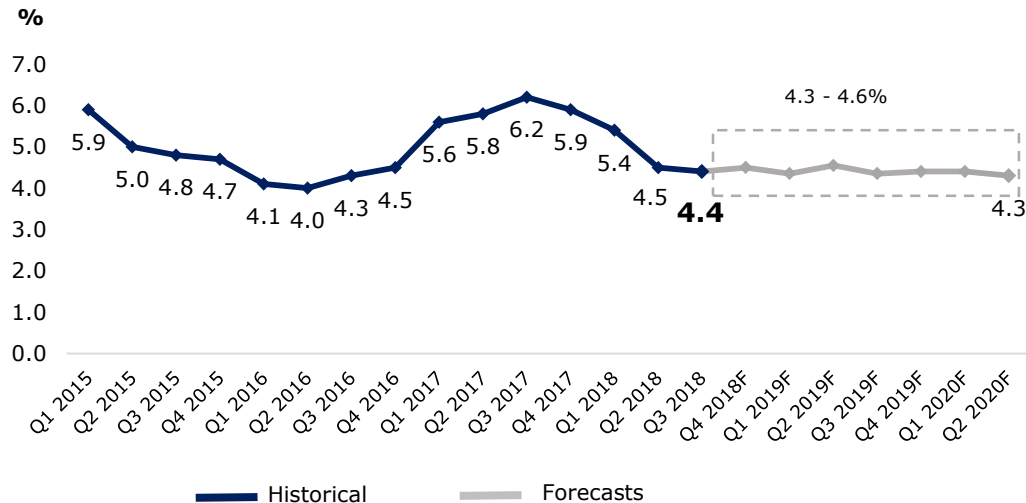
18% FY17:14%
Net D/E Ratio



55 Property

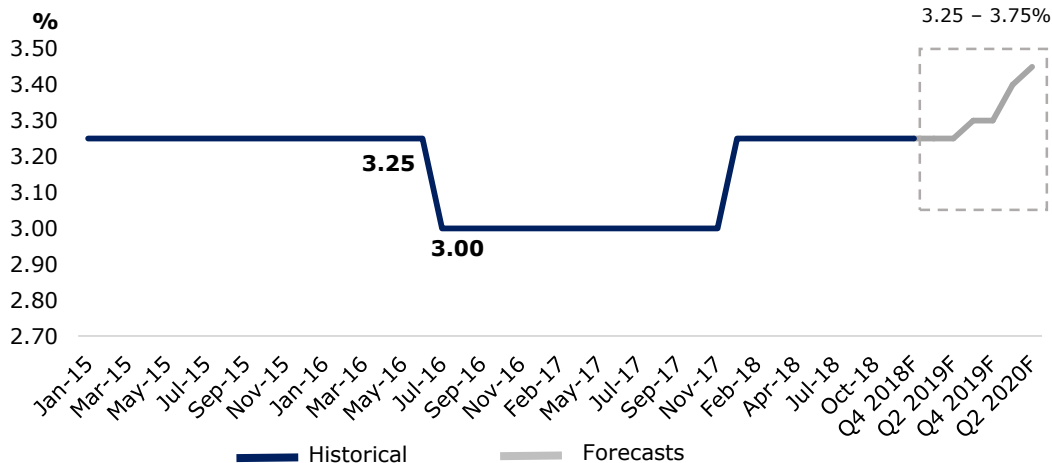
Economic and Financial Stability Expected to Remain Intact

Gross Domestic Product (GDP) Year-on-Year



- **Q3 2018 GDP grew slower by 4.4% year-on-year** vs. 4.5% and 6.2% in Q2 2018 and Q3 2017 respectively. The contraction in growth was attributed to commodity-specific shocks.
- Malaysia's GDP is expected to remain on a **steady growth path** supported by robust private consumption, amid adverse commodity supply shocks this year and continued reprioritisation of public sector spending in 2019. GDP is **expected to hover between 4.3 – 4.6%** over the next 7 quarters.

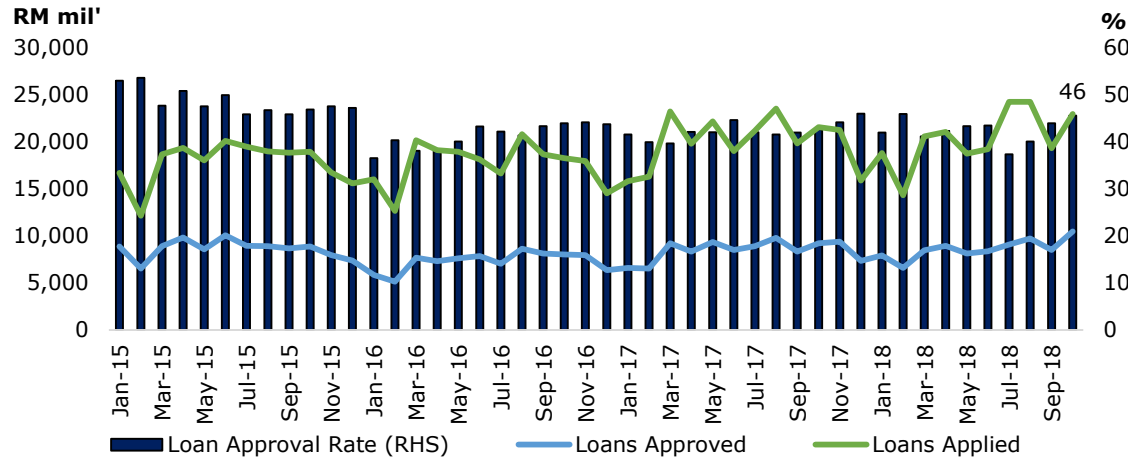
Overnight Policy Rate (OPR)



- The overnight policy rate (OPR) was **held at 3.25% in November 2018** by Bank Negara Malaysia as the economy faces downside risks from heightened trade tensions in the immediate term and prolonged weakness in the mining and agriculture sectors.
- However, **rate hikes of up to 50 basis points are expected** at the beginning of Q3 2019, in-line with forecasted improvements in the economy.

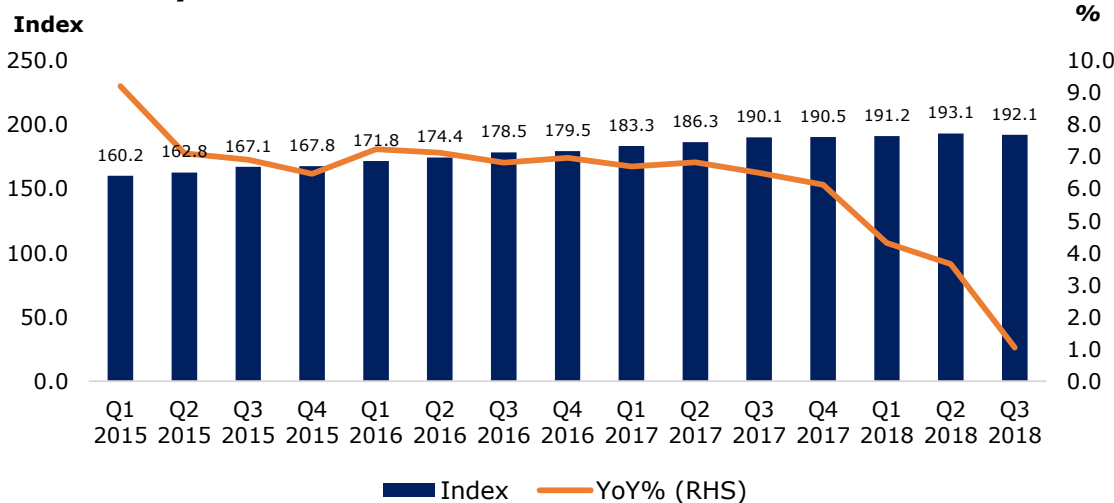
Loan Approvals and Housing Prices Continue to Trend Sideways

Loans Applied & Loans Approved for Residential Property Purchase



- Loan approval rates in **October 2018 stood at 46%**, higher than 43% a year earlier and the 3-year average of 42%.
- Loan approval rates are **expected to hover around the current levels** in the coming months.

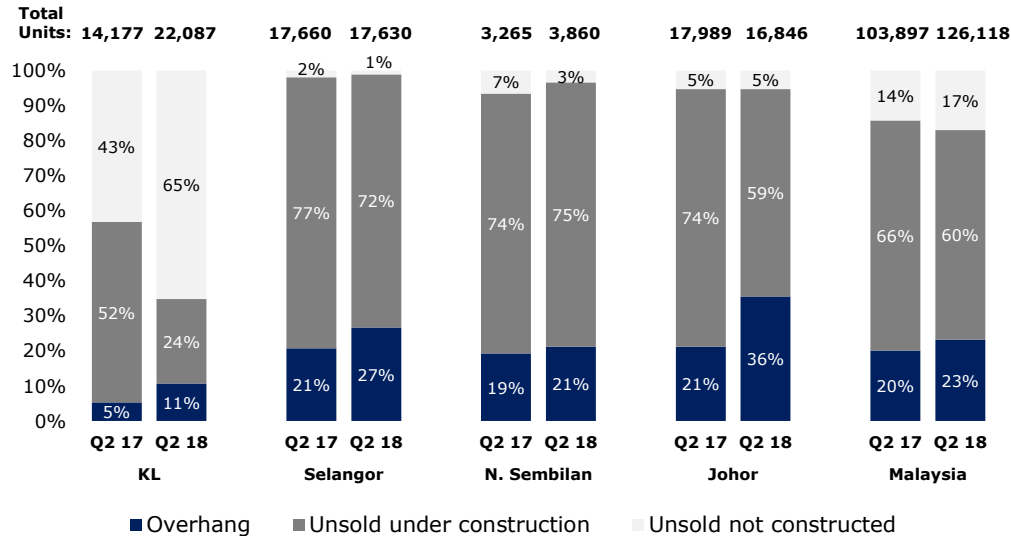
The Malaysian House Price Index



- The Housing Price index **dipped marginally** in Q3 2018 at 192.5, growing at a slower year-on-year pace of 1.1% vs. 6.5% in Q3 2017.
- The price index is **expected to trend sideways** without any major fluctuations.

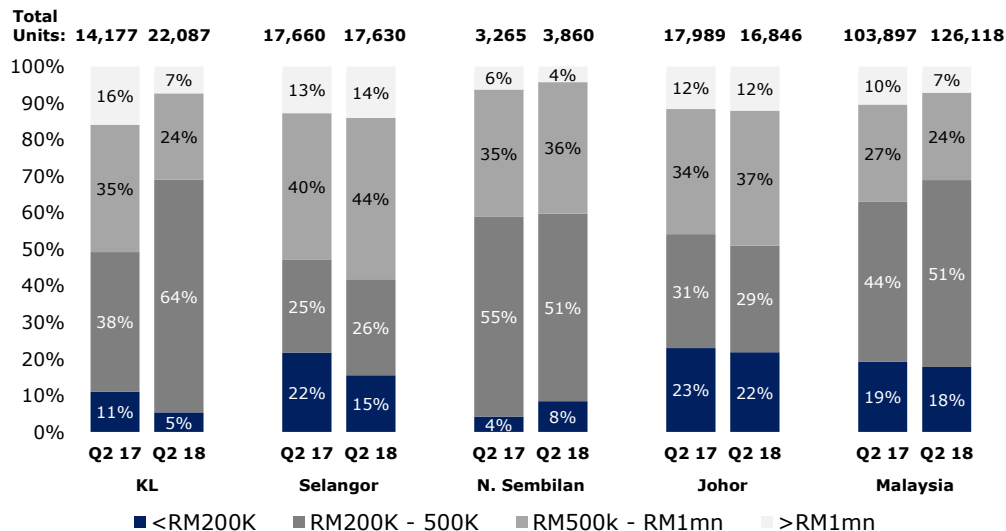
23% of Total Unsold Units in Malaysia are Overhang Units while 24% are Priced between RM500k & RM1mn

Unsold Units Based on Category



- The total unsold units in Malaysia **increase approximately 21% year-on-year in Q2 2018**, predominantly due to the **increase in overhang units in Johor** and **unsold units not constructed in KL**.
- Despite the increase in number of overhang units in KL, Selangor and Johor, these states **registered lower number of units unsold under construction**

Unsold Units Based on Price Segment



- Total unsold units in Malaysia **increase across all price segments**, particularly in the RM200k – 500k range (42% YoY increase) except for the units in the >RM1mn segment, which saw a YoY decline in unsold units of 16%.
- The increase in total unsold units in the RM200k – 500k range can be **attributed to the KL region which saw a 160% YoY increase**.
- Selangor and Johor** showed a decline in total unsold units, which **was mainly in the below RM200k price segment**.

