



Presentation by Sime Darby Property Berhad

Invest Malaysia Kuala Lumpur 2019

20 March 2019



Property

Presentation Outline

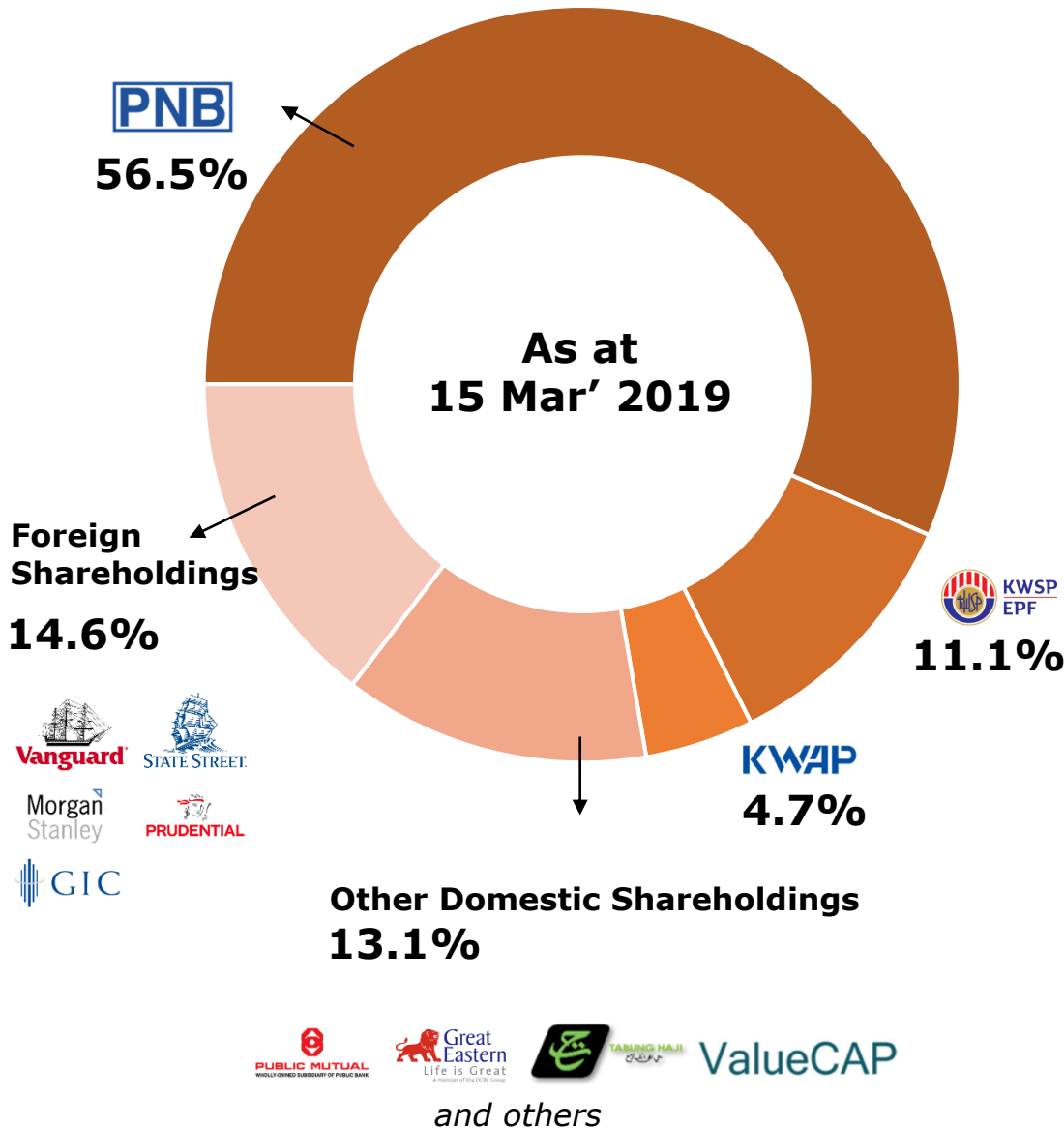
- 1 Sime Darby Property Profile**
- 2 Financial and Operational Highlights**
- 3 Key Developments**
- 4 Growth Strategies & Key Focus in 2019**
- 5 Appendices**



1 Sime Darby Property



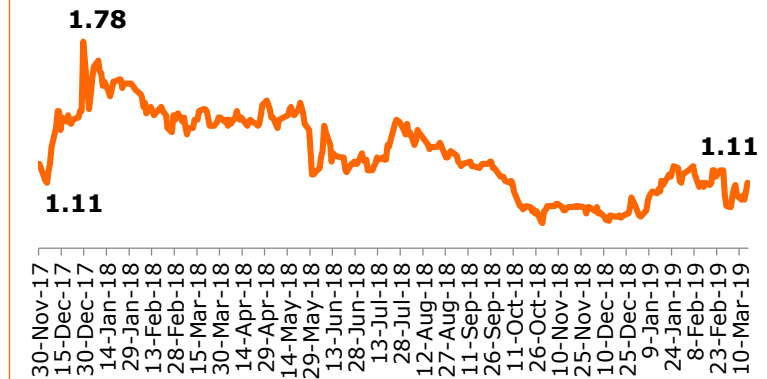
Shareholding and Share Price



RM1.11

Share Price

Share Price Movement (RM)



RM7.5bn

Market Capitalisation

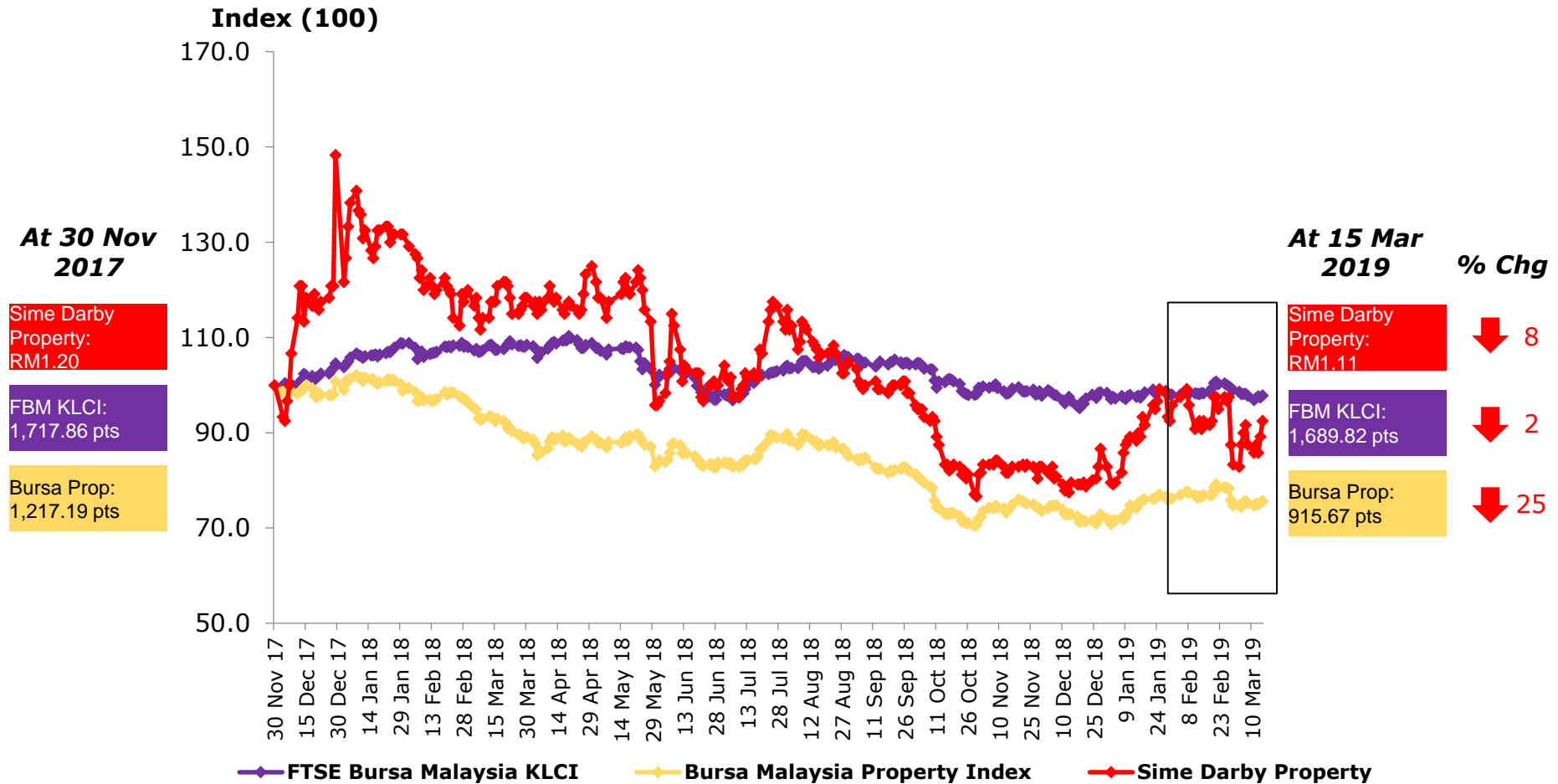
6,800,839

Number of Ordinary Shares (000')



Share Price Performance

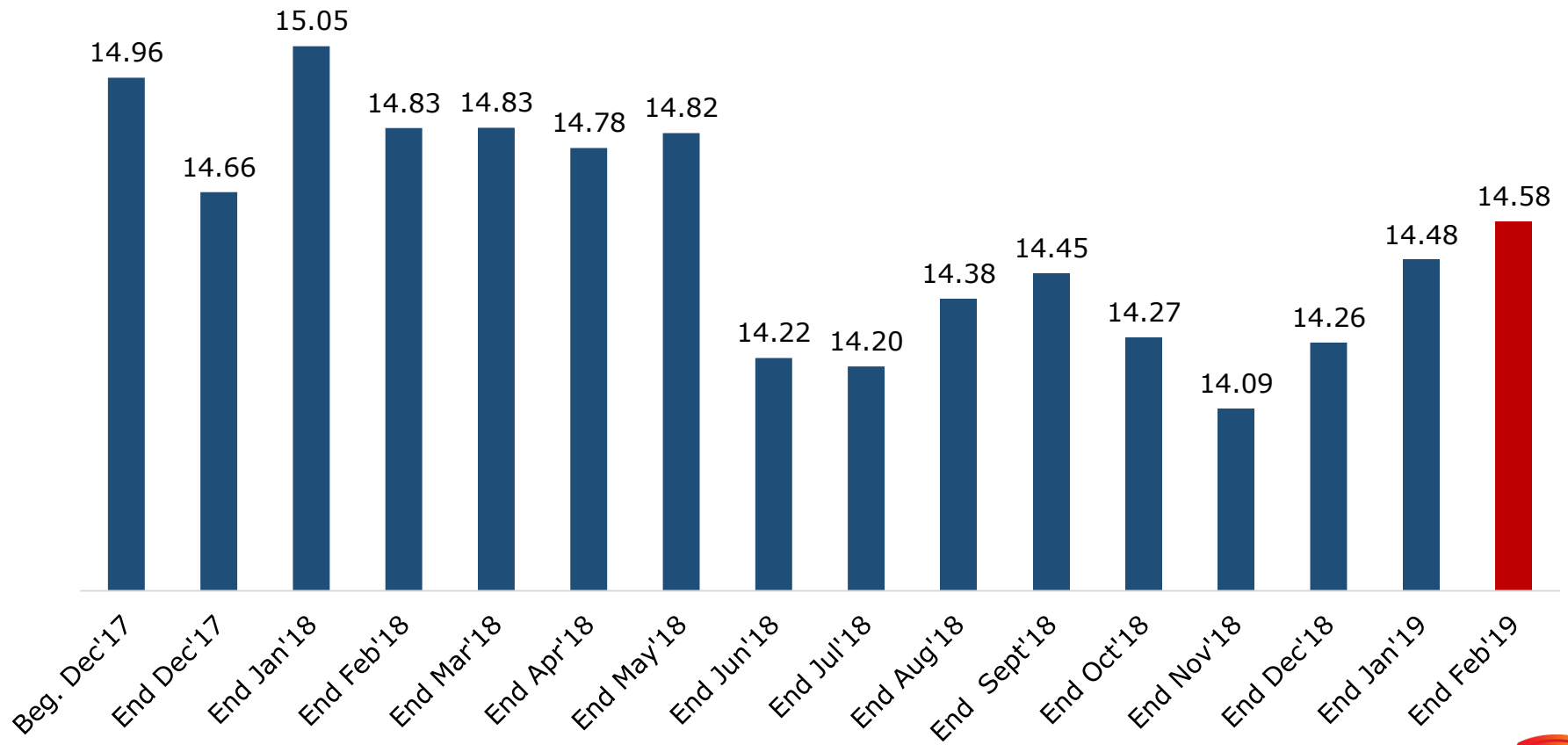
Movement of Sime Darby Property against the index – Share prices broadly trending downwards within the overall property sector



Historical Foreign Shareholding

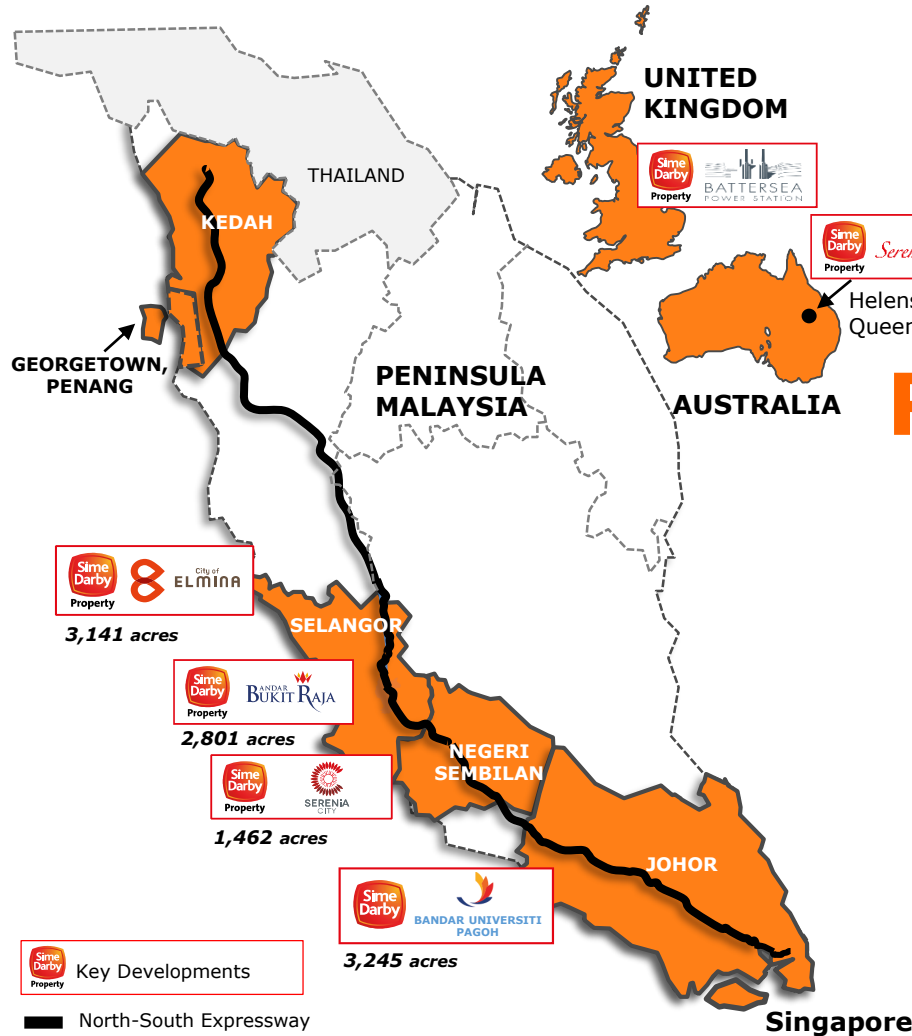
Foreign shareholding has been on an upward trend since November 2018, recording its highest level since May 2018

Sime Darby Property Foreign Shareholding since Dec' 17 (%)



The Largest Property Developer in Malaysia

In terms of land bank size



Property Development

23 Active townships, integrated and niche developments

20,411 Acres of remaining developable land bank to be developed over 10 -25 years

RM88.7bn Estimated Remaining Gross Development Value (GDV)

55% 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

4 Assets include 2 golf courses (36-hole & 18-hole respectively) and a convention center in Malaysia and a serviced residence in Vietnam

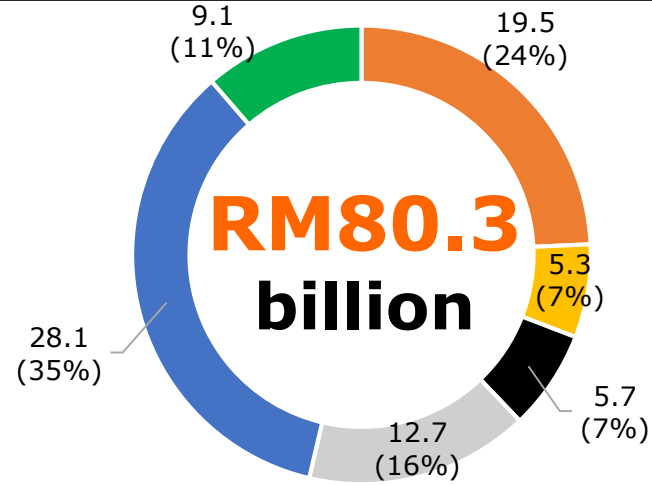
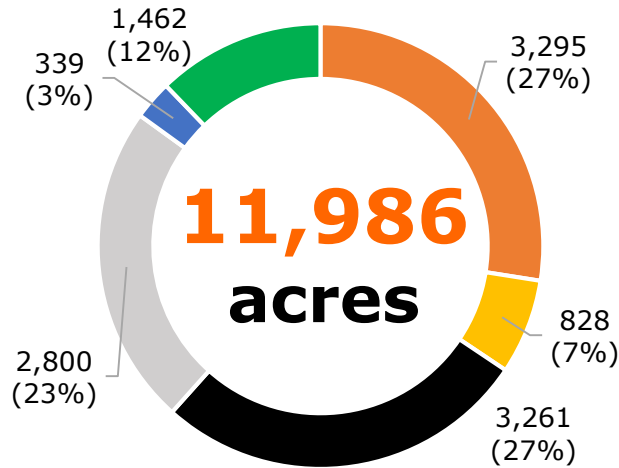


Sustainable Growth with Remaining Developable Period of 10 to 25 years

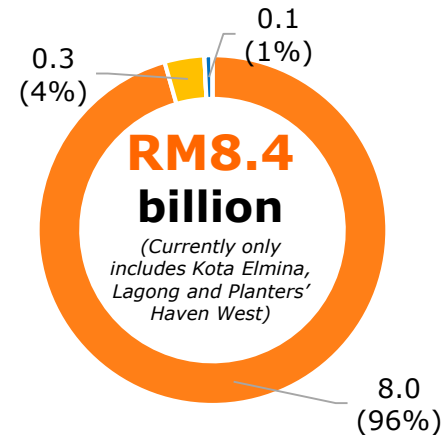
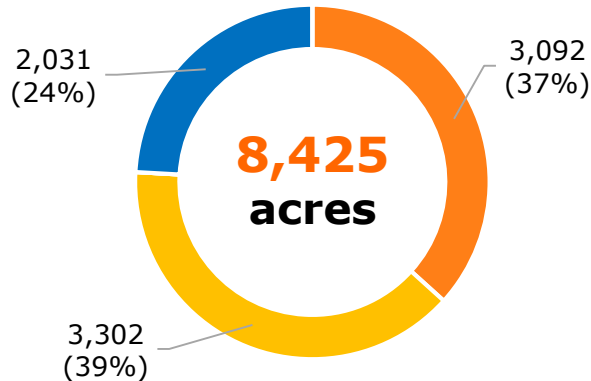
By Remaining Developable Land

By Remaining Gross Development Value (GDV)

O N G O I N G



F U T U R E



- Legend**
- Guthrie Corridor
 - Negeri Sembilan
 - Johor
 - Klang
 - Greater Klang Valley & Others
 - Serenia City

- Notes:**
- 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

Financial and Operational Highlights

Reported Financials for the Six Months Ended 31 December 2018 and 31 December 2017

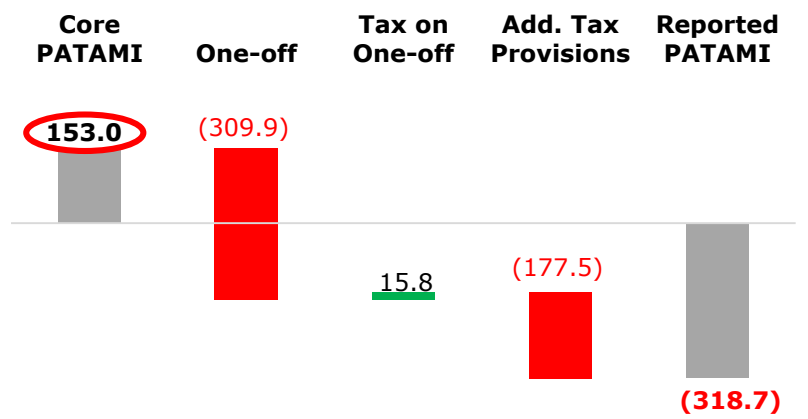
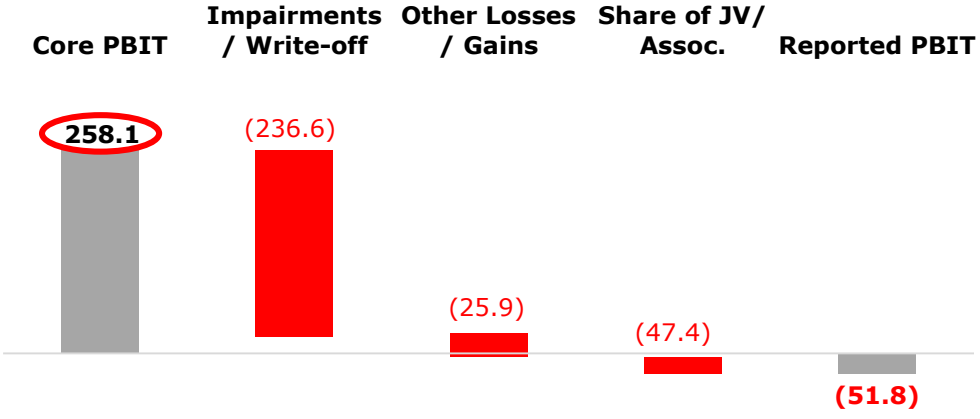
In RM'm	6 Months 31 Dec'18	6 Months 31 Dec'17	YOY %
Revenue	1,269.1	1,176.2	7.9
PBIT	(51.8)	599.8	(>100)
<i>PBIT (excluding one-off)</i>	<i>258.1</i>	<i>172.2</i>	<i>49.9</i>
PATAMI	(318.7)	559.8	(>100)
<i>PATAMI (excluding one-off)</i>	<i>153.0</i>	<i>132.2</i>	<i>15.7</i>
Basic EPS (sen)	(4.7)	11.9	(>100)
<i>Basic EPS (sen) (excluding one-off)</i>	<i>2.2</i>	<i>2.8</i>	<i>(19.6)</i>

Resilient Core Earnings Despite One-off Adjustments

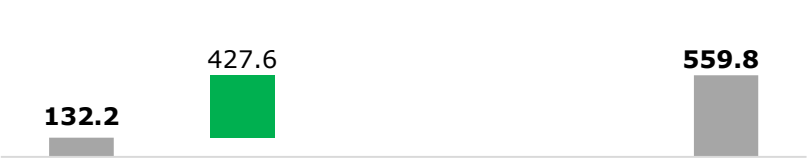
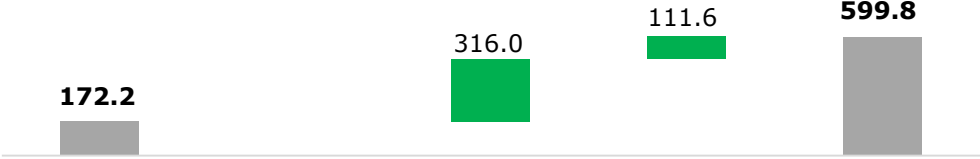
CORE PBIT  50% YoY

CORE PATAMI  16% YoY

6M Dec'18



6M Dec'17



Impairments / Write-off

- Impairments and write-off totalling **RM236.6m** :
 - **Re-pricing of aged inventories** (i.e. East Residence, Alya) – RM110.8m
 - **Review of development expenditures** on long deferred pipeline launches (revise / replan to align to market demand) – RM99.8m
 - **Long outstanding receivables** – RM26.0m

Other Losses / Gains & Share of Profit

- **Other Losses & Gains:**
 - Includes a provision on obligation for an investment property of **RM24.1m** (**6M Dec'17**: Includes gains from disposal of subsidiaries and an associate of **RM317.8m**)
- **Share of Results from JV/Associates:**
 - Includes share of Battersea **loss of RM7.7m** vs. **RM112.1m profit** in 6M Dec'17
 - Includes elimination of **RM46.6m**

Additional Tax Provisions

- Relates to tax audits by Inland Revenue Board (IRB)
- Additional provision of **RM177.5m** based on **management's judgement and purely for the purposes of complying** with the relevant accounting standards
- **Currently engaging with IRB** on their preliminary findings



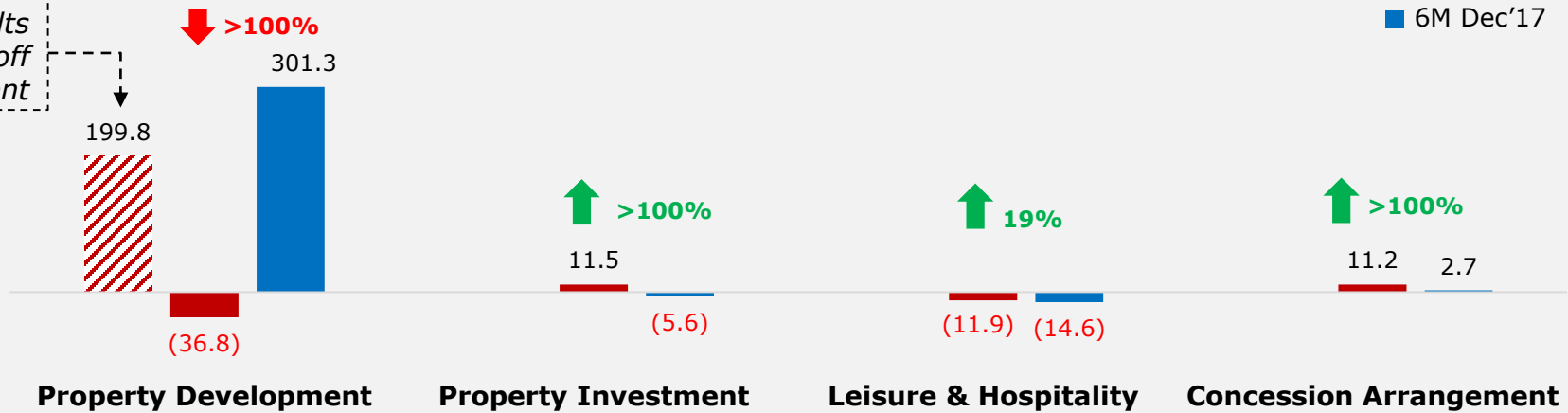
Segment Results

Financial Period Ended 31 Dec'18 vs 31 Dec'17

■ 6M Dec'18

■ 6M Dec'17

Segment results without one-off impairment



Property Development

- **Impairments and write-off totaling RM236.6m**, which include impairment of aged inventories and receivables of RM110.8m and RM26.0m respectively and write off of development expenditures of RM99.8m
- **Share of Battersea loss** of RM7.7m (Dec'17: profit of RM112.1m) (2QFP18: RM2.0m loss vs. RM25.3m profit in 2QFY18)
- **Profit from land sale** of RM76.1m (net of elimination) (Dec'17: RM84.3m)
- **Higher contribution** by Bandar Bukit Raja 2 & 3, Denai Alam, Cantara Residences and Melawati

Property Investment

- **One-off income recognition** on commencement of tenancy of Wisma Zuellig of RM6.9m in 1QFP18
- **Gain on disposal** of investment properties in the U.K. totaling RM5.6m (Dec'17: RM1.3m) (2QFP18: RM3.0m vs. RM1.0m in 2QFY18)
- **Share of Melawati Mall** loss of RM1.1m (Dec'17: loss of RM7.9m) (2QFP18: RM0.07m profit vs RM2.4m loss in 2QFY18)
- **Pre-commencement cost** incurred for KL East Mall of RM6.0m

Leisure & Hospitality

- **Include gain on disposal** of Darby Park Serviced Residence, Margaret River of RM3.2m

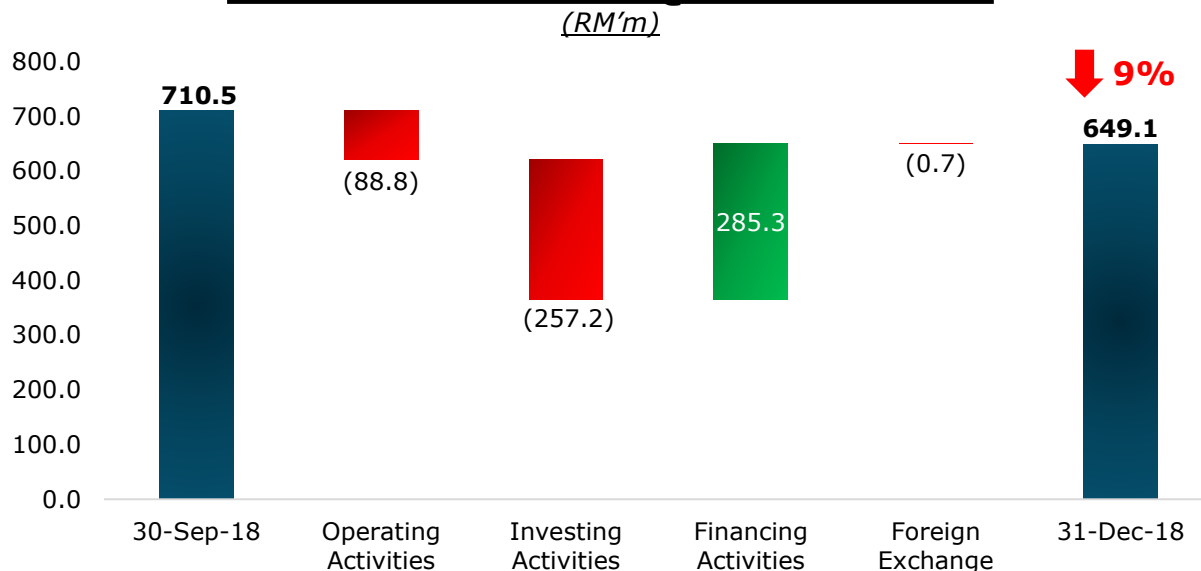
Concession Arrangement

- **Contribution from supply of teaching equipment** of RM7.1m (Dec'17: nil)



Cash and Debt Position as at 31 Dec'18

CASH & CASH EQUIVALENTS

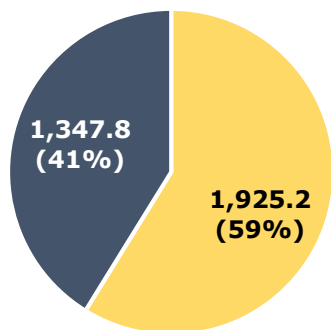


- **Higher net cash used in operating activities** due to higher working capital mainly in:
 - Bandar Bukit Raja
 - Senada, Alya
 - Melawati & KL East (incl. The Ridge)
- **Higher net cash used in investing** mainly due to higher CAPEX and subscription of shares in Battersea Project Company Holding (RM239m)
- **Net cash used in financing activities** include finance costs paid (RM34m) and repayments of long-term borrowings (RM6m)

GROUP BORROWINGS

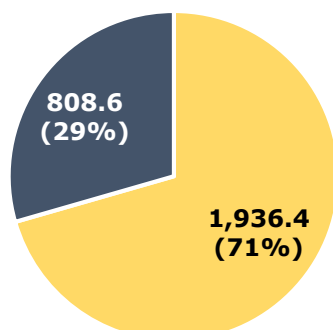
(RM'm)

Total Borrowings: **3,273.0**



31-Dec-18

Total Borrowings: **2,745.0**



30-Sep-18

Long Term
Short Term

Gross D/E Ratio

34.6%

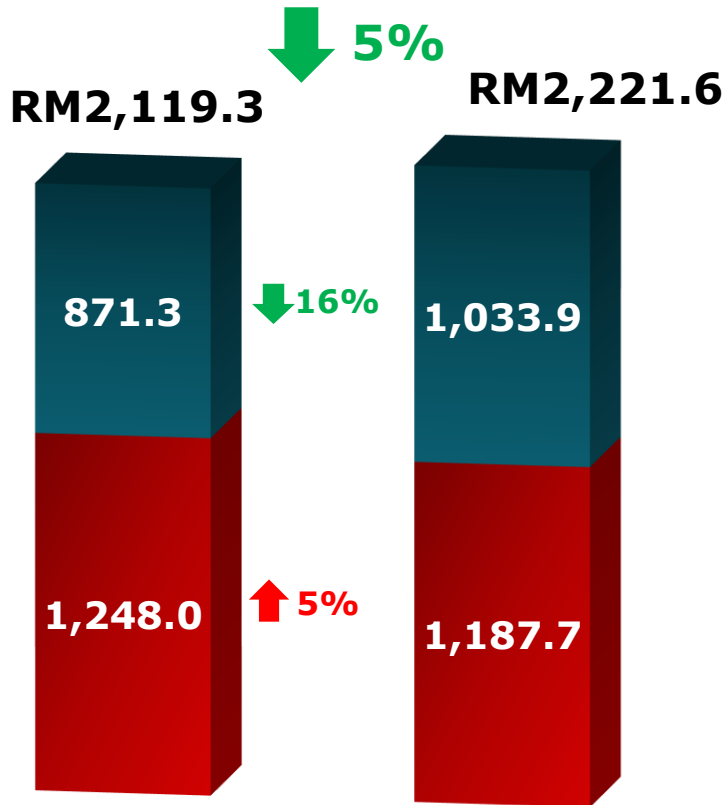
(30 Sep':27.8%)



Current Inventories as at 31 Dec' 2018

Carrying Value

(RM'm)



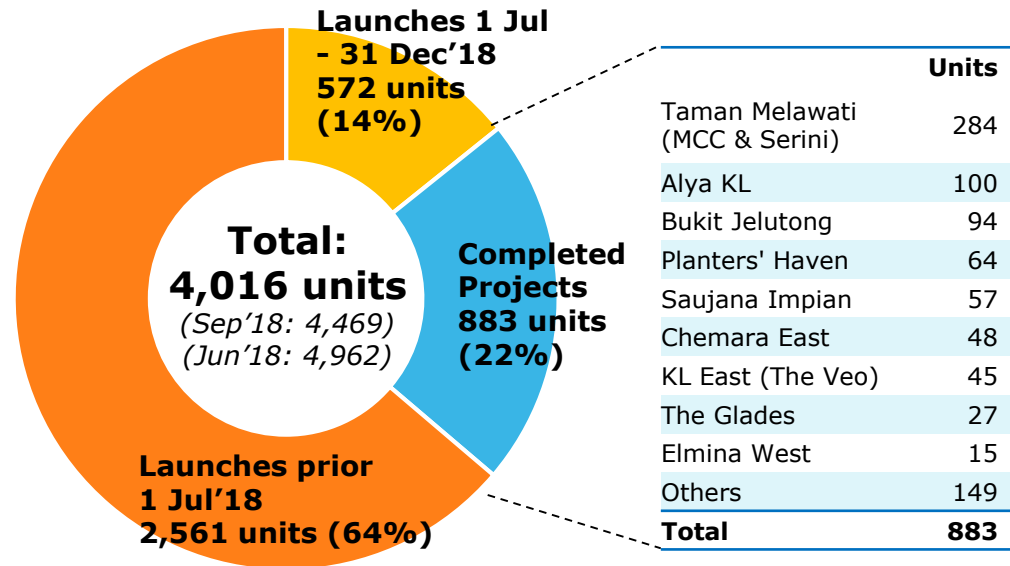
31-Dec-18

30-Sep-18

Launched Inventories

Completed Inventories

Units



❑ **Completed units: ↓ 6% QoQ (vs. 935 units)** due to higher sales from: Elmina Valley 3 (Elmina West), Redup (Bandar Ainsdale), Serini (Taman Melawati), Rimbun Sanctuary (Bukit Jelutong)

❑ **Launches prior to FP2018: ↓ 22% QoQ (vs 3,267 units)** due to higher sales from: Semanea Hills (Denai Alam), Elmina Green 1 (Elmina West), Serenia Amani (Serenia City), Harmoni 1 (Putra Heights)



FP2018 Business Highlights

Sale of 300 acres of land in Kedah in November 2018

Entered into sale and purchase agreement for a consideration of RM88.9 million


Number of units sold


1,793 units

Delivery of completed units 

2,012 units mainly in Elmina, Taman Melawati and Bandar Bukit Raja


Joint Venture with Mitsui Co. Ltd and Mitsubishi Estate Co. Ltd On-Track


 Obtained all regulatory approvals in December 2018 and is in execution phase

 Received **strong** interest from local and foreign logistics players



Launch of Malaysia Vision Valley 2.0 in December 2018. Unveiling of:

 Comprehensive Development Plan (CDP)

 MVV 2045 Local Plan



 Improved Occupancy Rate in Melawati Mall
- Occupancy increased to

85% from 70% in December 2017

 **8 million** Shoppers

Completion of Battersea Phase 2 Commercial Assets Disposal

Completed in March 2019 for a base consideration of

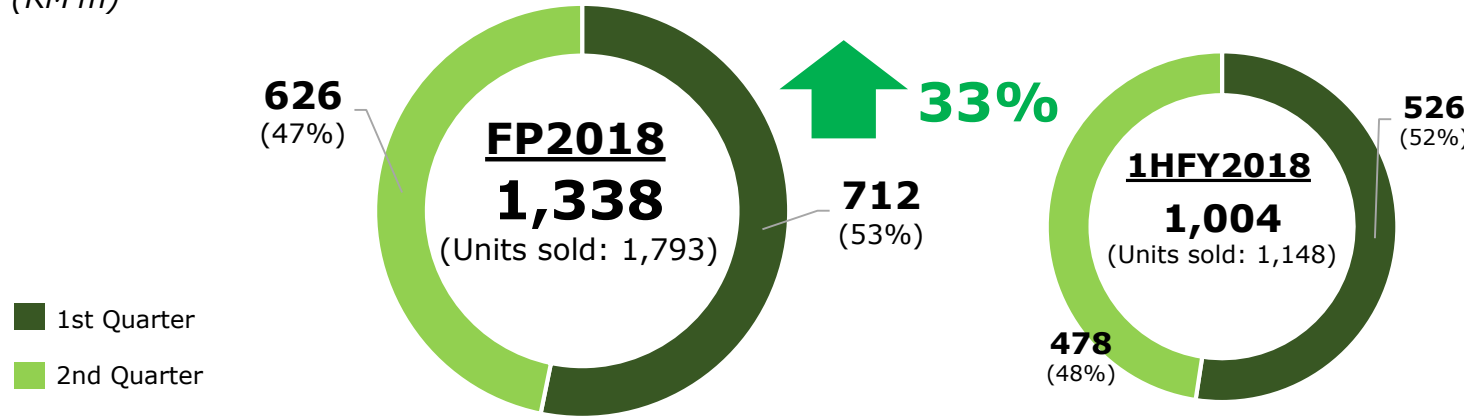
£1.58 billion



Sales achieved exceeds RM1.0bn target and is 33% higher YoY...

Net Sales Value (RM'm)

FY2019 Sales Target: RM2.3 billion

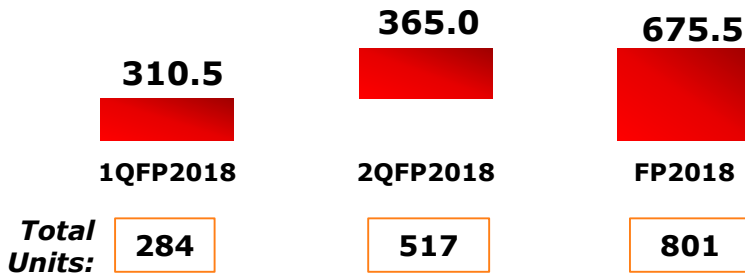


- **31% of sales** originated from Bandar Bukit Raja township, followed by townships along the Guthrie Corridor (**30%**) and Greater Klang Valley (**27%**)
- **RM88.9m** attributed to land sales at Bukit Selarong, Kedah

...supported by strategic launches in FP2018.

No. of Units Launched:
801

Value:
RM675.5 mil



Resilient demand for products launched in FP2018

Serenia City (Adiva) (2-storey house)

No. of Units : 176 units
Value : RM105.4 million
Launch Date : 6 Oct 18



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

No. of Units : 120 units
Value : RM90.2 million
Launch Date : 28 July 18



Elmina West (Elmina Green 1) (2-storey house)

No. of Units : 181 units
Value : RM137.2 million
Launch Date : 26 Oct 18



Resilient Unbilled Sales

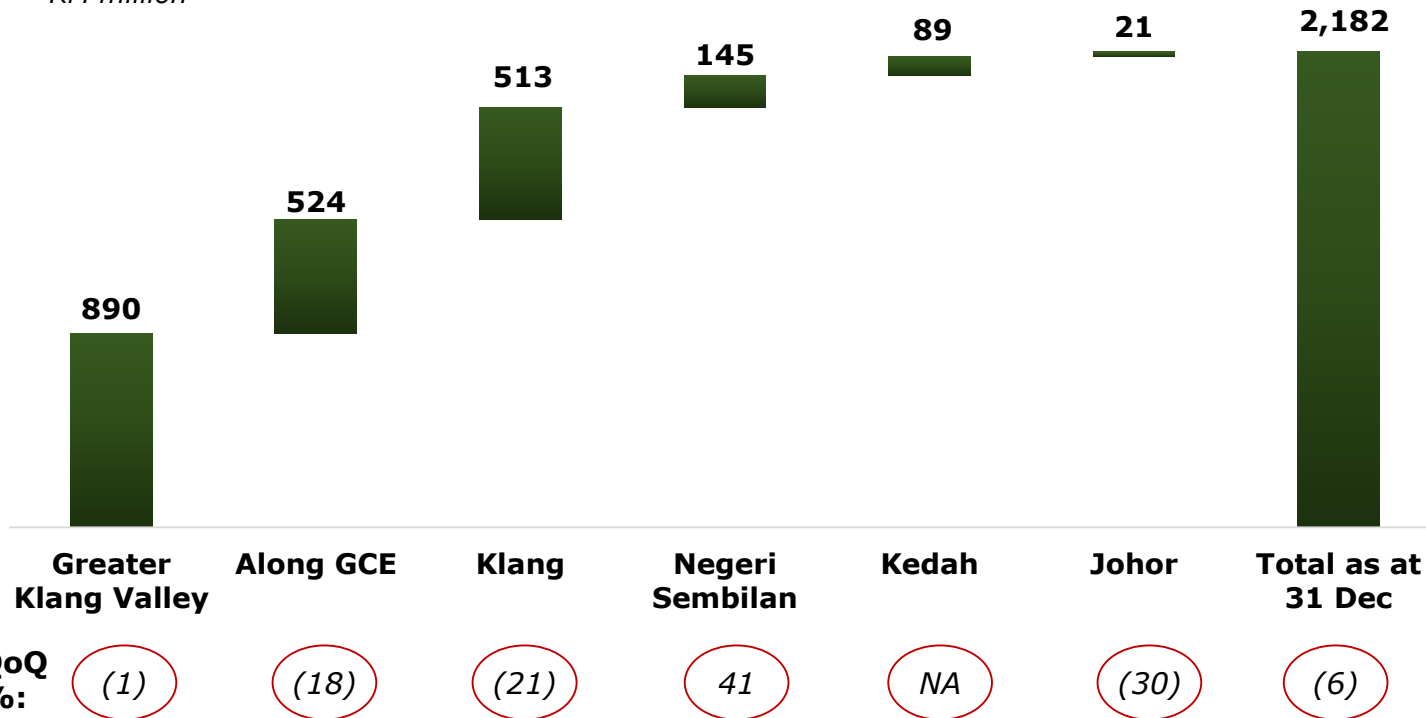
FP2018: RM2,182 million

↓ 6% QoQ (30 Sept'18: RM2,319 million)

↑ 37% YoY (31 Dec'17: RM1,594 million)

FY2019 Target: RM2.0 billion

RM million



Expected Recognition of Unbilled Sales

~75%



~25%



FY2019

FY2020 - FY2021



3 Key Developments



Key Developments

With remaining development period of about 25 years

	Guthrie Corridor Expressway	Klang	South Selangor	Johor
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	Elmina East and West	Bandar Bukit Raja	Serenia City	Bandar Universiti Pagoh
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Remaining Acreage

2,997

2,801

1,462

3,245

Remaining GDV

RM18bn

RM13bn

RM9bn

RM5bn

Total Residential Units

26,809

21,315

13,234

9,540

Residential Units Launched

2,884

8,221

478

383

Total Industrial Components

177

710

196

259

Industrial Acreage Sold

152

265

99

First launch in 1H19

Key Catalysts

- Along the **Guthrie Corridor**
- **>3000 acres** of green spaces

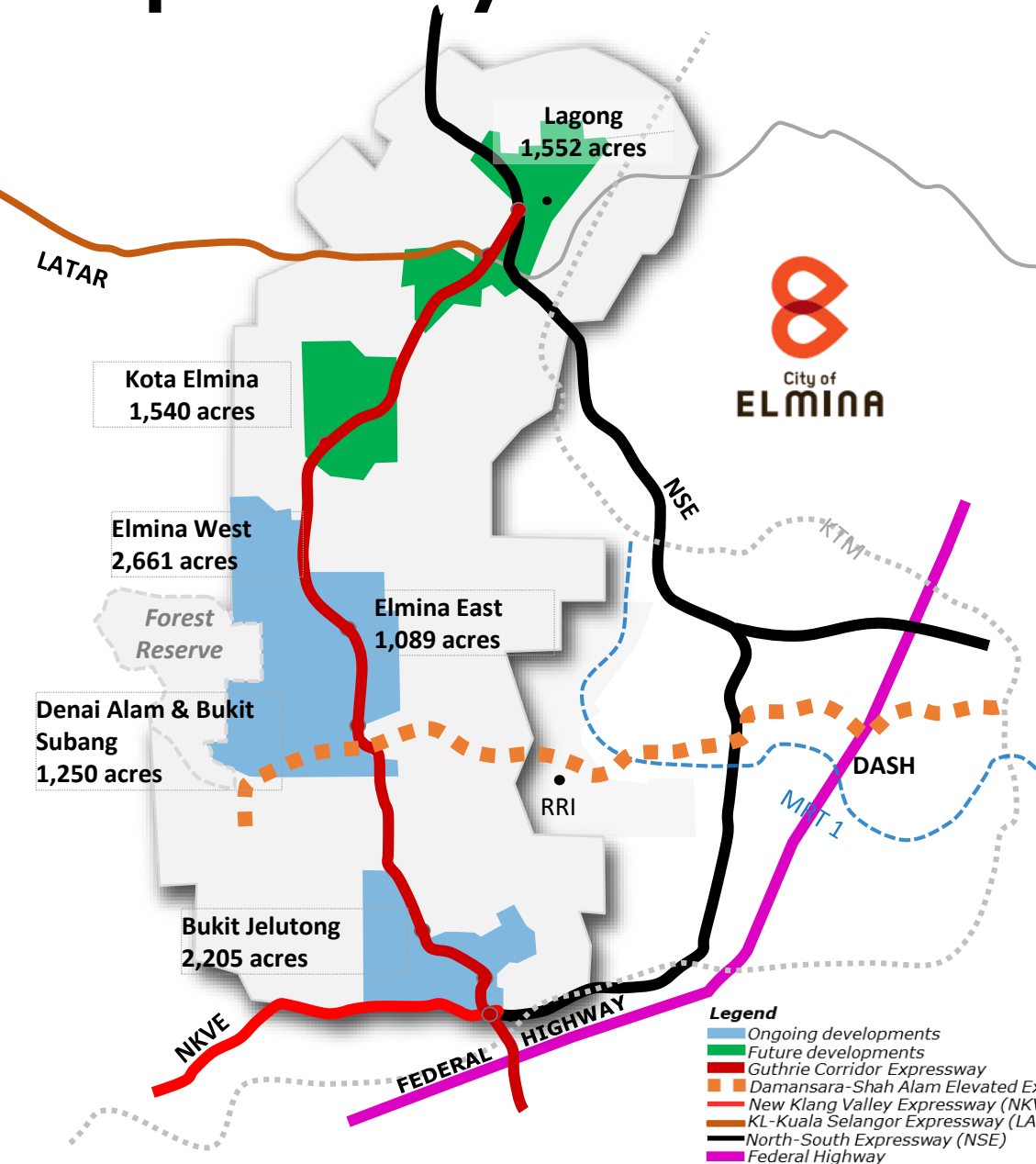
- **Klang**
- **Highly-connected**, close to **Port Klang and KLIA**

- **Xiamen University**, 1st university branch outside of China
- **Horizon Village Outlet** to open in 4Q20

- **Pagoh Education Hub**, 1st multi-varsity education hub (506 acres) with >7,000 students



Developments along the Guthrie Corridor Expressway



KEY HIGHLIGHTS

10,297 acres

Total land bank along Guthrie Corridor Expressway

6,387 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:

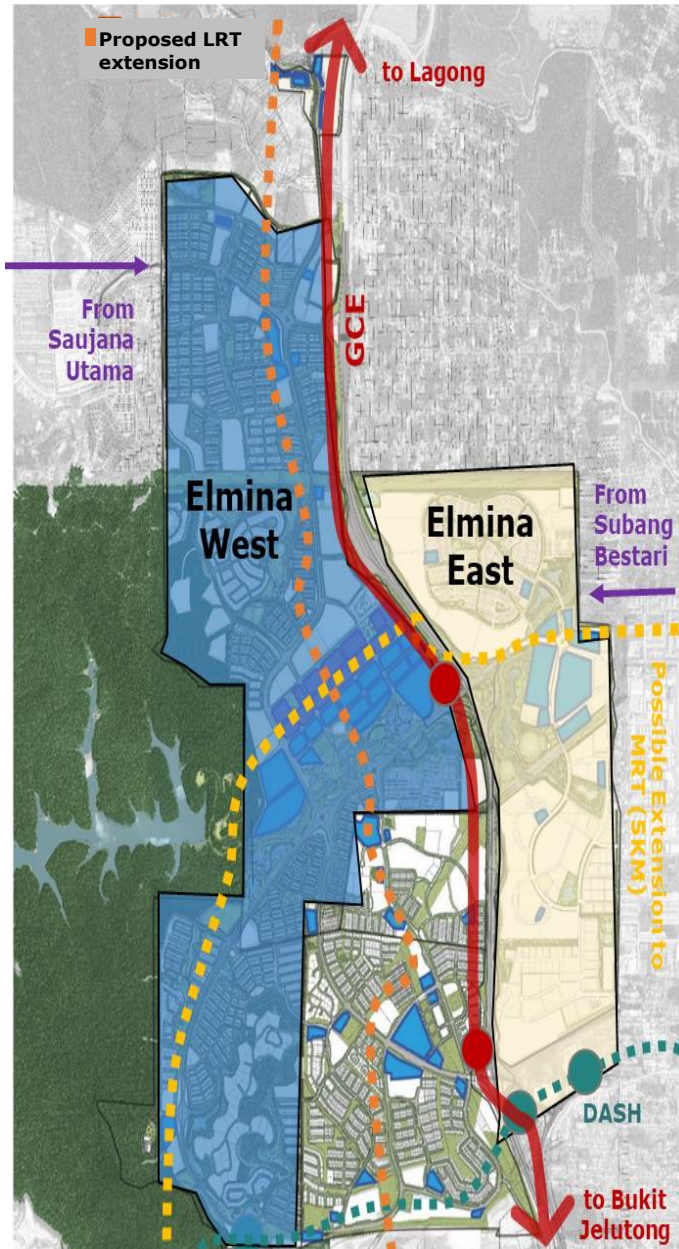
- ☐ *GCE, DASH, NKVE, LATAR and NSE*
- ☐ *Mass Rail Transit-1 (MRT 1) and Keretapi Tanah Melayu Line (KTM)*

Legend

- Blue square: Ongoing developments
- Green square: Future developments
- Red line: Guthrie Corridor Expressway
- Orange dashed line: Damansara-Shah Alam Elevated Expressway (DASH)
- Red line: New Klang Valley Expressway (NKVE)
- Orange line: KL-Kuala Selangor Expressway (LATAR)
- Black line: North-South Expressway (NSE)
- Pink line: Federal Highway



Elmina East and West - A Wellness Hub



OVERVIEW

3,750 acres

(Remaining: 2,997 acres)

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

RM17.5bn

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

2,884

Total residential units launched since 2013

(FP2018: 181 units)

- 1,861 units from Elmina West of RM587k - RM1,453k (RM340 - RM513 psf)
- 1,023 units from Elmina East priced between RM600k - RM2,308k (RM307 - RM564 psf)
- 2,143 residential units have completed to-date

152

Acres of industrial land sold (RM89 - RM127psf)

576

Delivery of residential units from Elmina Valley 3 & 4 in Elmina West and Tiana and Viana in Elmina East

An Award-Winning Township

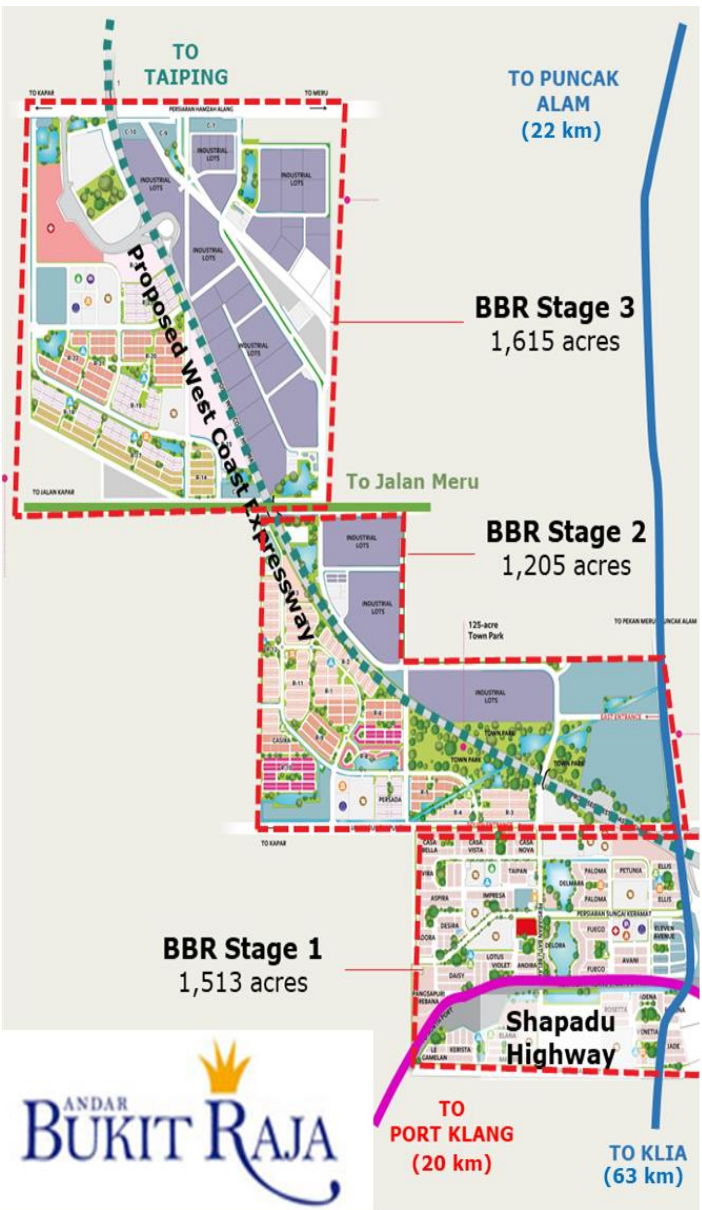
- Winner in **Best Landscape Architectural Design**
- Highly Commended in **Best Township Development**
- Winner in **Best Universal Design Development**



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



Bandar Bukit Raja - Highly Connected Township



OVERVIEW

4,333 acres (Remaining: 2,801 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

6,343

open market residential units launched since 2011
(FP2018: 280 units)

- RM119.8k – RM1,280.3k (RM142 – RM459psf)
- 2,423 residential units have completed to-date

266

Acres of industrial land sold (RM42 – RM95psf)

230

Delivery of completed residential units from Persada 1 & 2 in FP2018

RECENT INDUSTRIAL DEVELOPMENTS

Bandar Bukit Raja 1

39

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



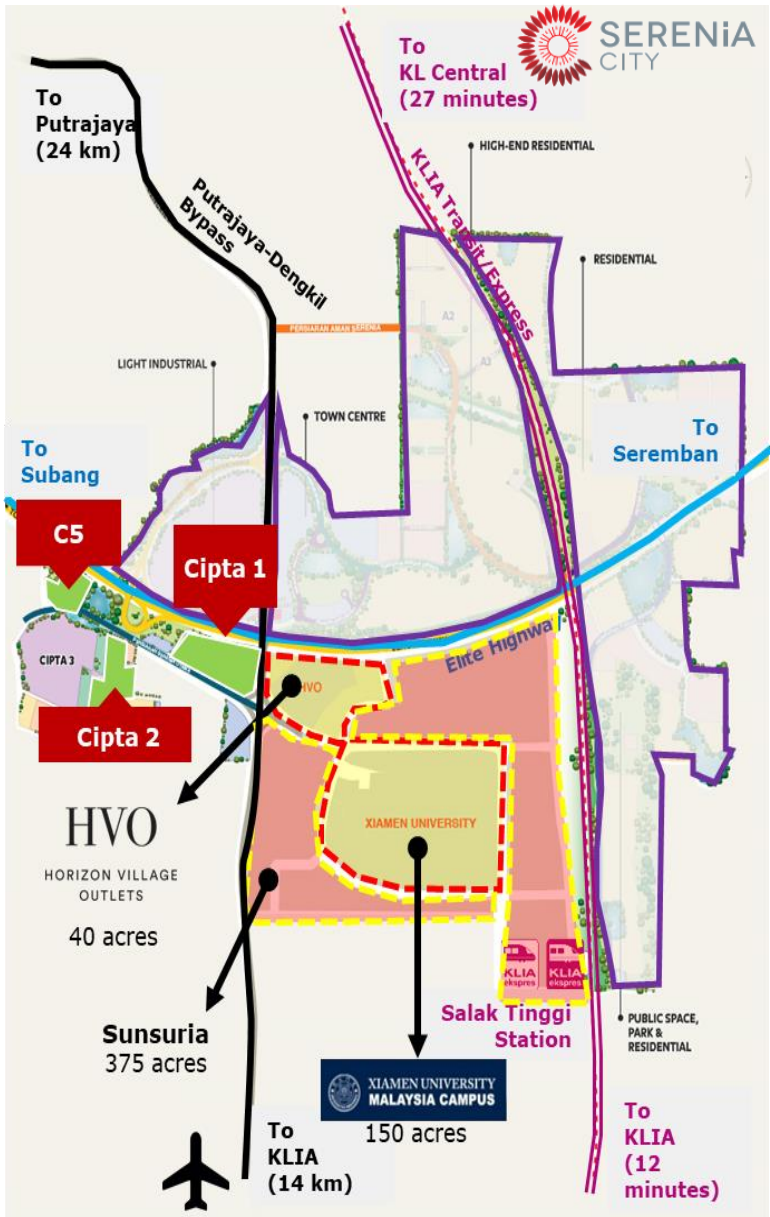
Bandar Bukit Raja 2

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

RM9.1bn
 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, Malaysia Campus**
 First Chinese university branch campus outside China 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 4Q 2020.
- **Sunsuria City**
 An integrated development by Sunsuria which commenced in November 2015

KEY HIGHLIGHTS

478

Total residential launches to date

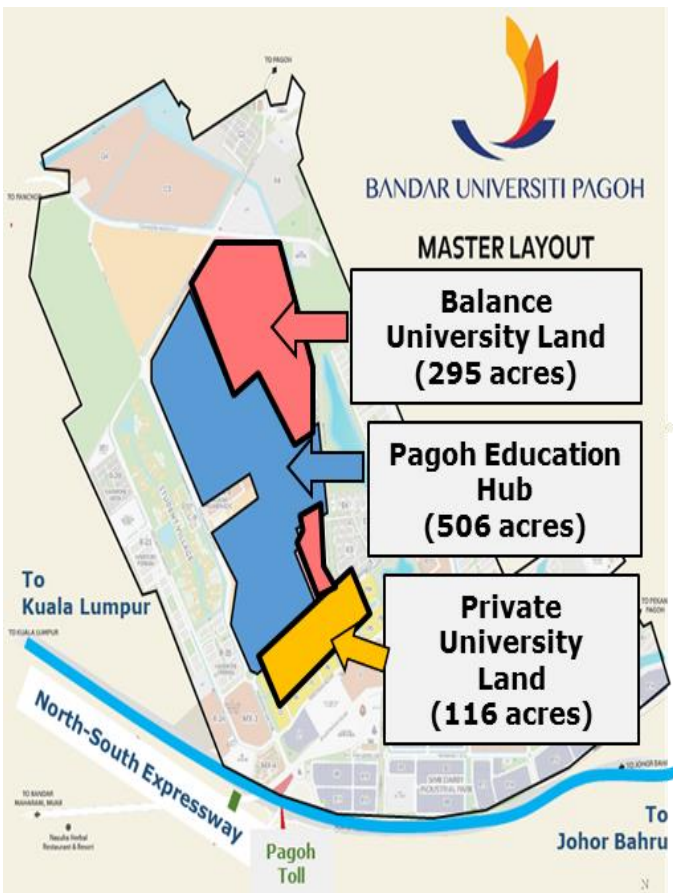
- **FY2018:** 302 DSLH units of Serenia Amani (RM293-RM404psf)
- **FP2018:** 176 DSLH units of Adiva (RM300-RM367psf)

99

acres of industrial land sold to date starting from RM60 psf



Bandar Universiti Pagoh – A University Town



OVERVIEW

4,099 acres
 (Remaining: 3,245 acres)
 Malaysia's First Integrated Township with an Education Hub

RM5.4bn
 Estimated Remaining GDV

9,542 units
 Total estimated residential units

259 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)

206
 delivery of completed residential units in FP2018 (Harmoni Vista)

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)

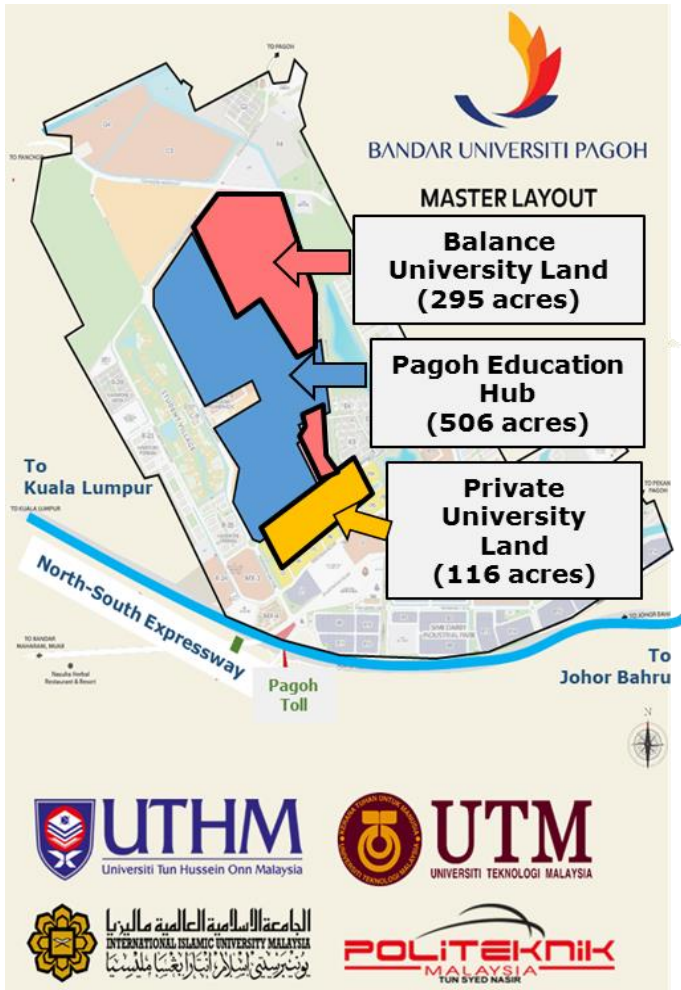
35 units
 From RM950,000

49% SOLD!



Pagoh Education Hub (PEH)

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

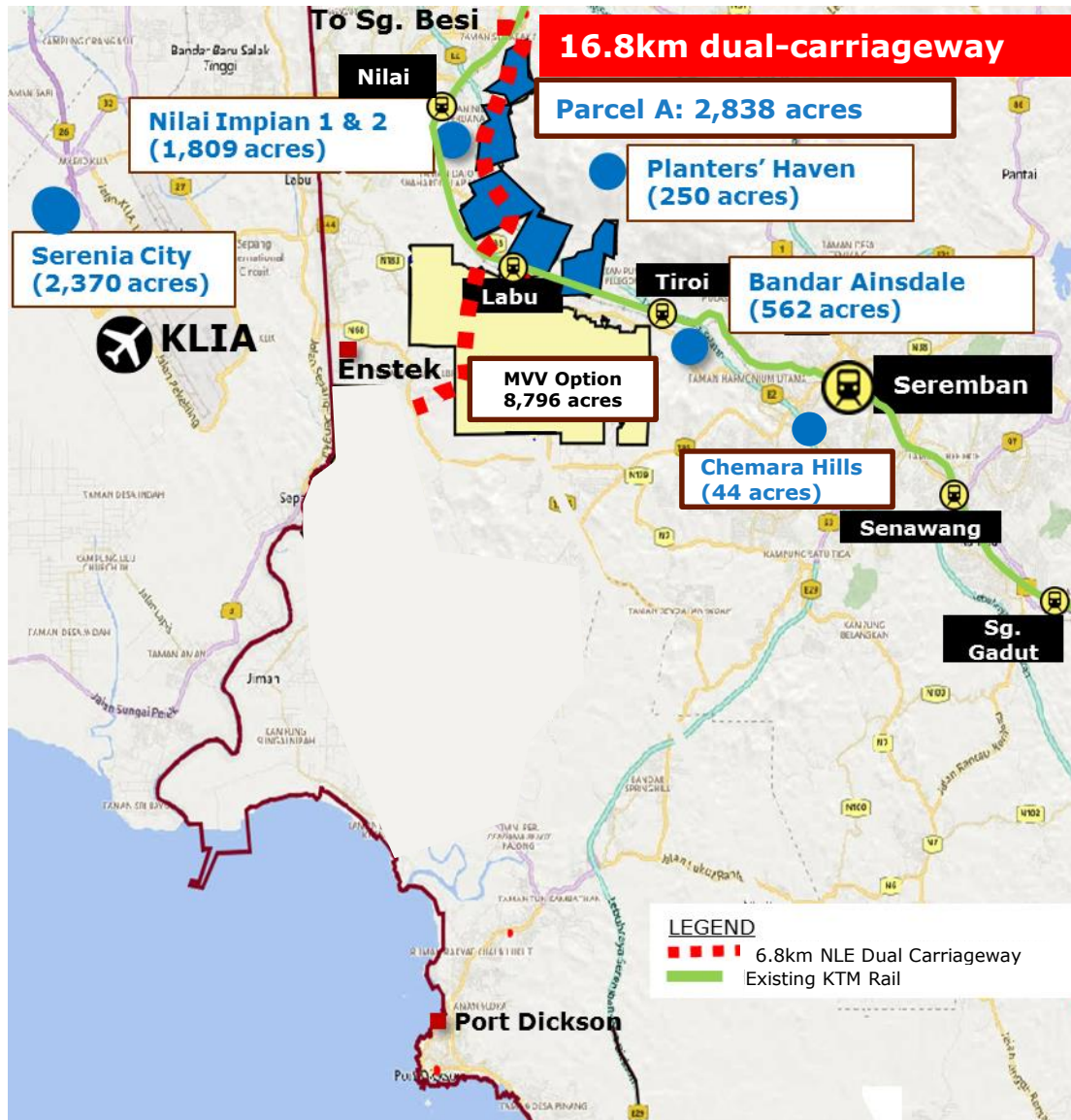
Financial Performance FP2018

	<i>RM mil</i>
Revenue	39.0
Profit Before Tax	32.7
PATAMI	24.8



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:

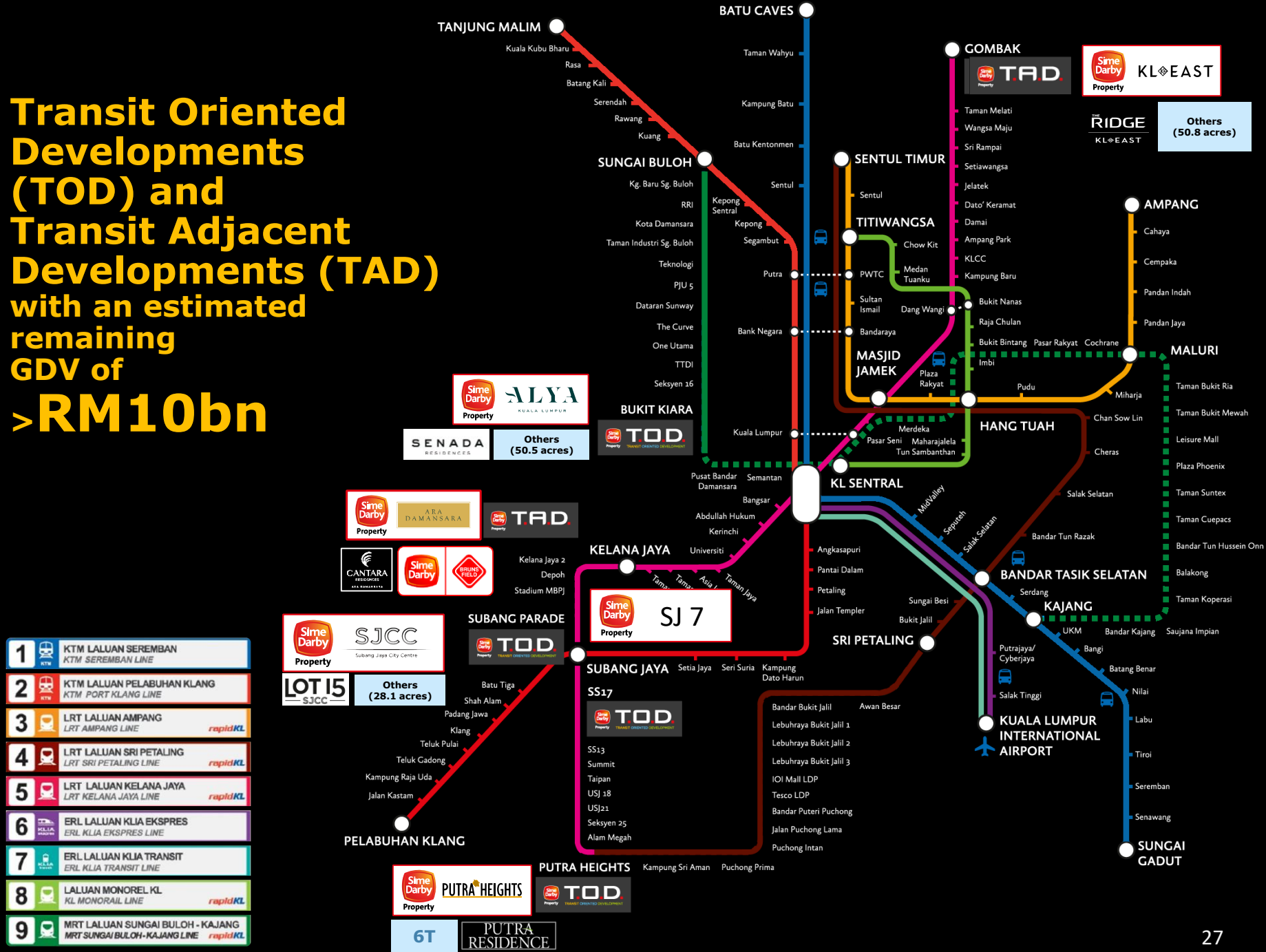
- ❑ A new **16.8km** dual carriageway linking **Nilai and Labu to Bandar Enstek**, which is expected to be **completed by July 2021**
- ❑ Existing **KTM rail** from Batu Caves to Tampin / Pulau Sebang via Labu station

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 attribute 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



Transit Oriented Developments (TOD) and Transit Adjacent Developments (TAD) with an estimated remaining GDV of >RM10bn



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)

61%
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)

74%

Take-up rate

6 acres

Skypark recreational areas



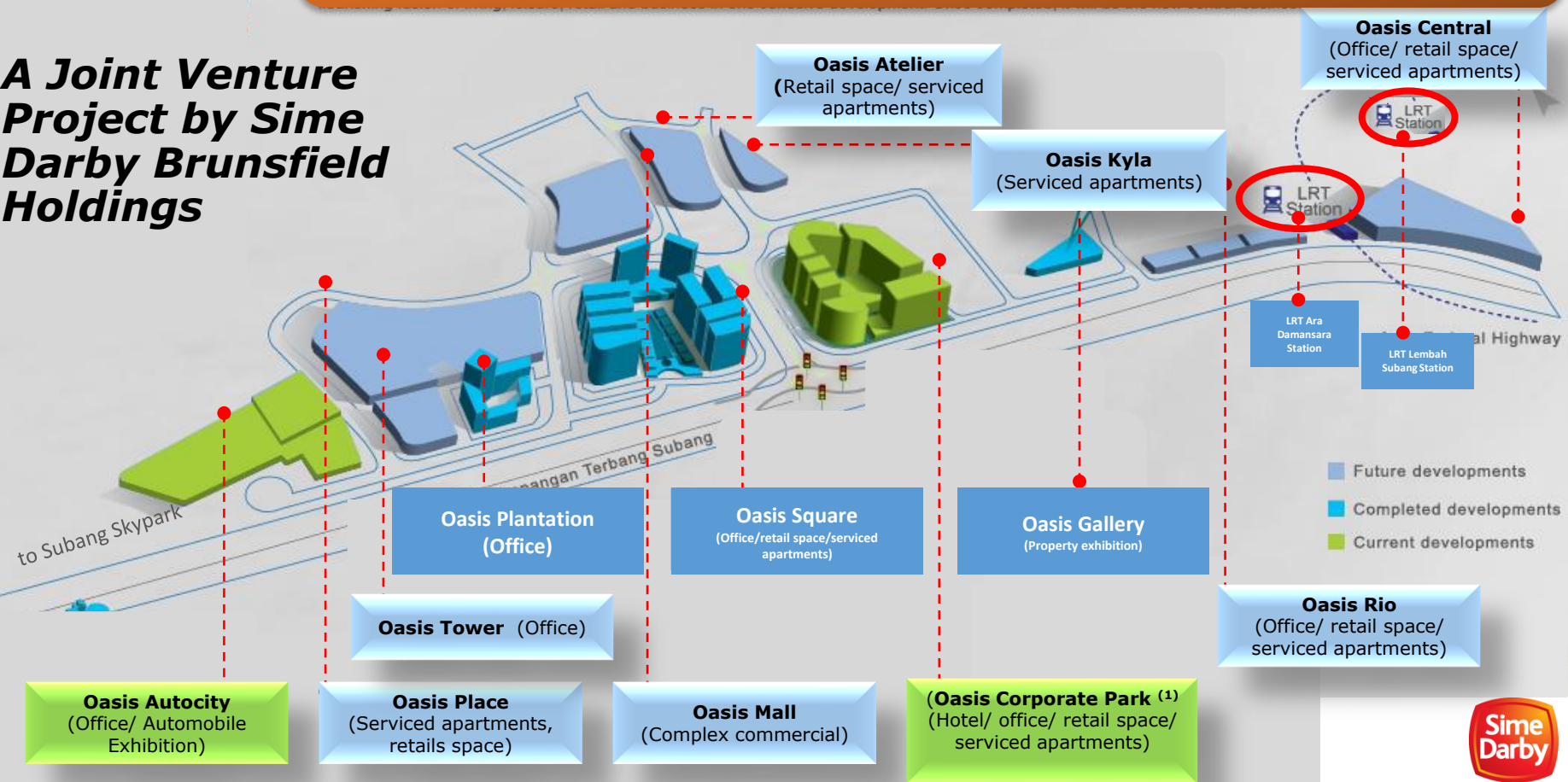
Oasis Ara Damansara

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 Holdings



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



ALYA, Kuala Lumpur – Resort-style Living alongside one of the World’s 100 Greatest Golf Course



KEY HIGHLIGHTS

62 acres (Remaining: 50.5 acres)
Ideally located in the pristine landscape of Bukit Kiara

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 TPC KL

4.03 acres
development

RM915 million
GDV

429 units of serviced apartment
Launched in September 2016

May 2021
Target completion date

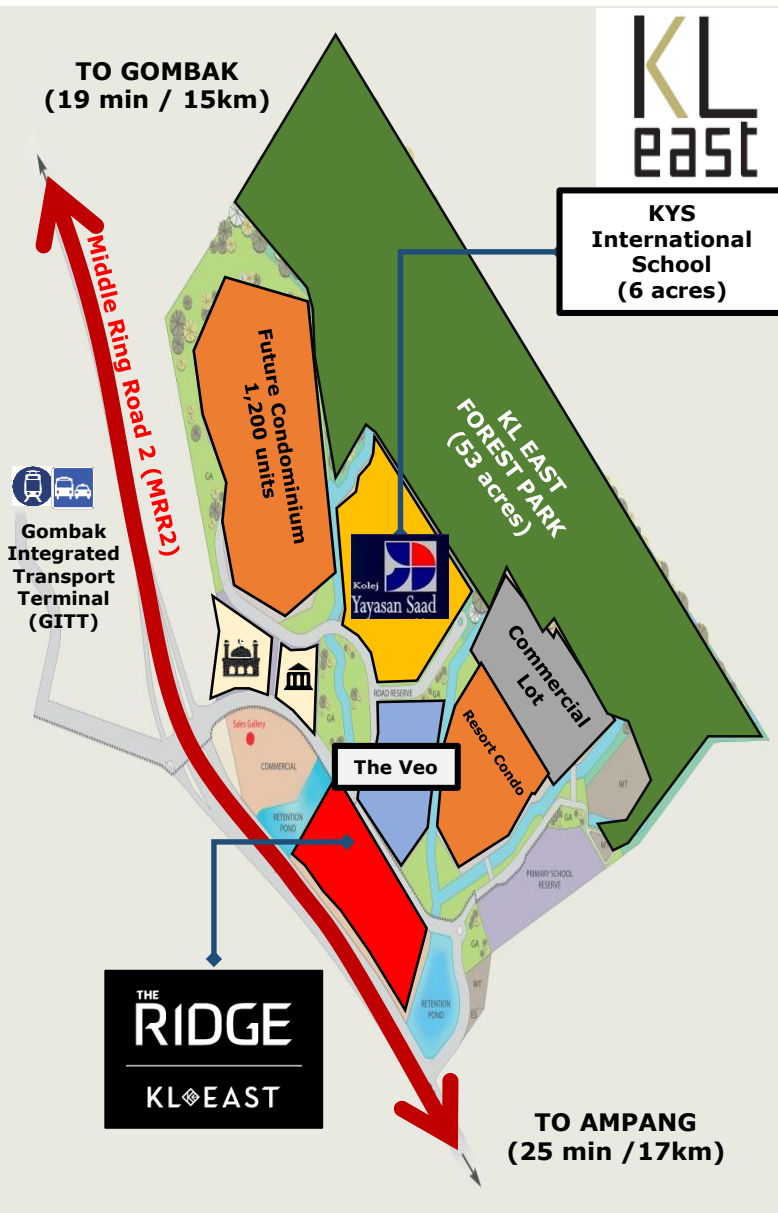
Floor area
710 to 1,872 sqft

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

Take up rate
Tower A: 51%
Tower B: 26%



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



MIXED DEVELOPMENT @ KL EAST

A Flourishing Bloom



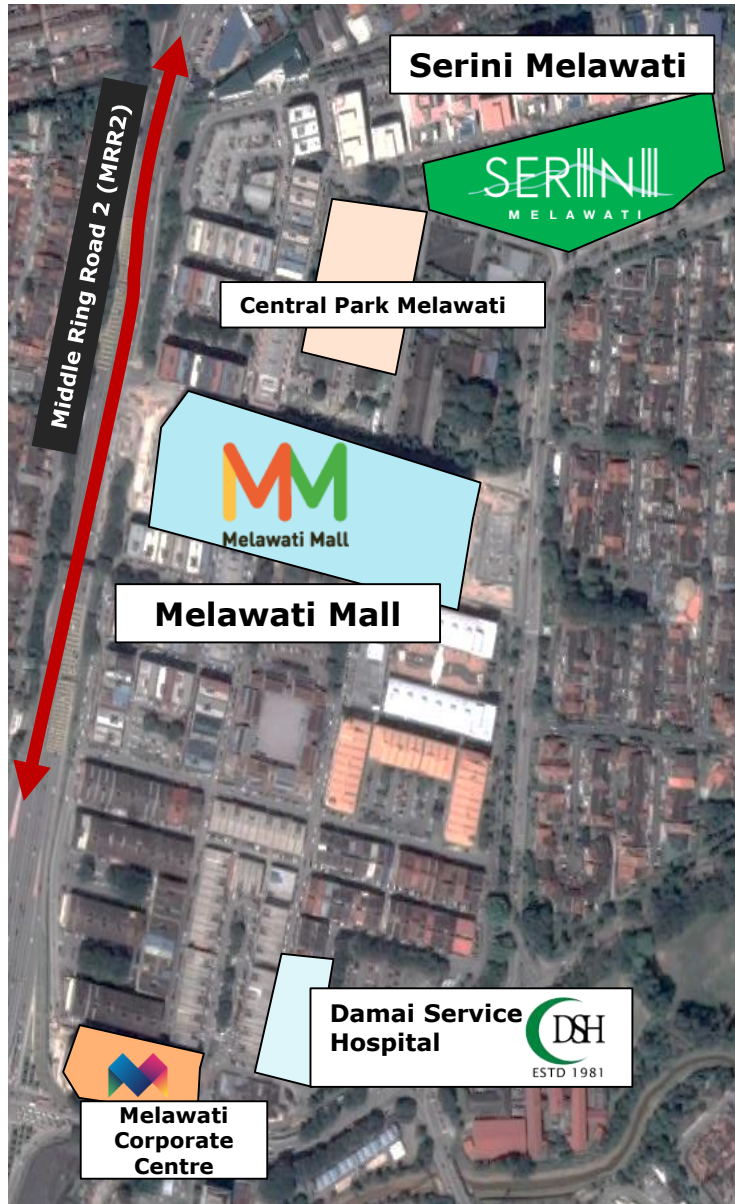
- **6.74 acres** development with GDV of **RM744 million**
- Target completion: **May 2020**
- Price per unit from **RM516,888 to RM1,017,888 (RM800 to 850 psf)**
- Floor area from **651 to 865 sqft**
- **Tower A: 254 units** launched in **May 2016 (58% take-up)**
- **Tower B: 254 units** expected to launch in **April 2019**

KL East Mall

- 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
- **635k sqft** of net lettable area
- **180** local and international brands
- **8** million shoppers over time
- **85%** occupancy rate

Serini Melawati

Stylish Living



3.64 acres
development

RM361 million
GDV

528 units
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)

68%
Take-up rate



SJ7 – Strategically located in USJ



KEY HIGHLIGHTS

34.6 acres (Remaining: 34.6 acres)

RM5.3bn

Estimated remaining GDV

Mixed Development

Serviced Apartments, Retail, Office

4,269

Estimated residential units (incl. affordable housing)

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)

FIRST RESIDENTIAL DEVELOPMENT

4.30 acres development

RM490.1 million GDV

843

Serviced apartment units

March 2021

Expected launch date

Floor area

620 to 920 sqft

Price per unit from

RM465,000 to RM690,000
(RM750psf)

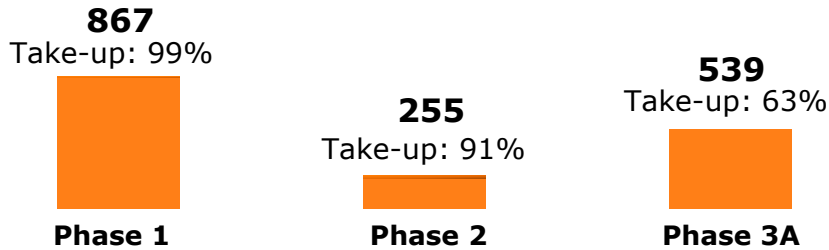
(Figures based on estimates)



Unlock Value from Battersea Project



TOTAL RESIDENTIAL UNITS LAUNCHED



- ❑ Successful **completion and handover** of Phase 1
 - **FY17: 321 units, FY18: 534 units, FP2018: 3 units**
- ❑ Cumulative **share of profit** recognized since FY17: **RM226m**
- ❑ **Northern Line Extension** is expected to be completed by **end-2020**

The Power Station Phase Two Commercial Assets

100% of commercial space taken up



- ❑ The Disposal of Phase 2 Commercial Assets to PNB-Kwasa International was **completed on 14 March 2019**
 - ✓ A JV company of PNB (65%) and EPF (35%)
 - ✓ Base purchase price payable of £1.58bil
 - ✓ 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.



4

Growth Strategies & Key Focus in 2019

Sustainable & Balanced Growth Strategies To Reach Our Vision



Property

LEADER IN BUILDING SUSTAINABLE COMMUNITIES

OUR ASPIRATIONS

Consistent Shareholders Return

Sustainable PATAMI growth

Consistent Sales Performance

Improved Operational Efficiency

Enhanced Customer Experience

Culture of Excellence

FIVE KEY STRATEGIC PILLARS

REVENUE GENERATORS

A EXPANDING DEVELOPMENT PORTFOLIO INCOME

- Township: Enhance GDV and review strategic masterplan
- Integrated: Improve capabilities & income contribution

B LAUNCHING NEW GROWTH AREAS

- Enhance Property Investment income contribution via Industrial & Logistics Development
- Focus on profitable affordable housing projects
- Launch of Malaysia Vision Valley project

C ENHANCING OVERALL CUSTOMER EXPERIENCE

- Enhance data driven customer insights
- Roll-out online community marketplace and digital innovation (dTo)

ENABLERS

D ACHIEVING COST & OPERATIONAL EFFICIENCIES

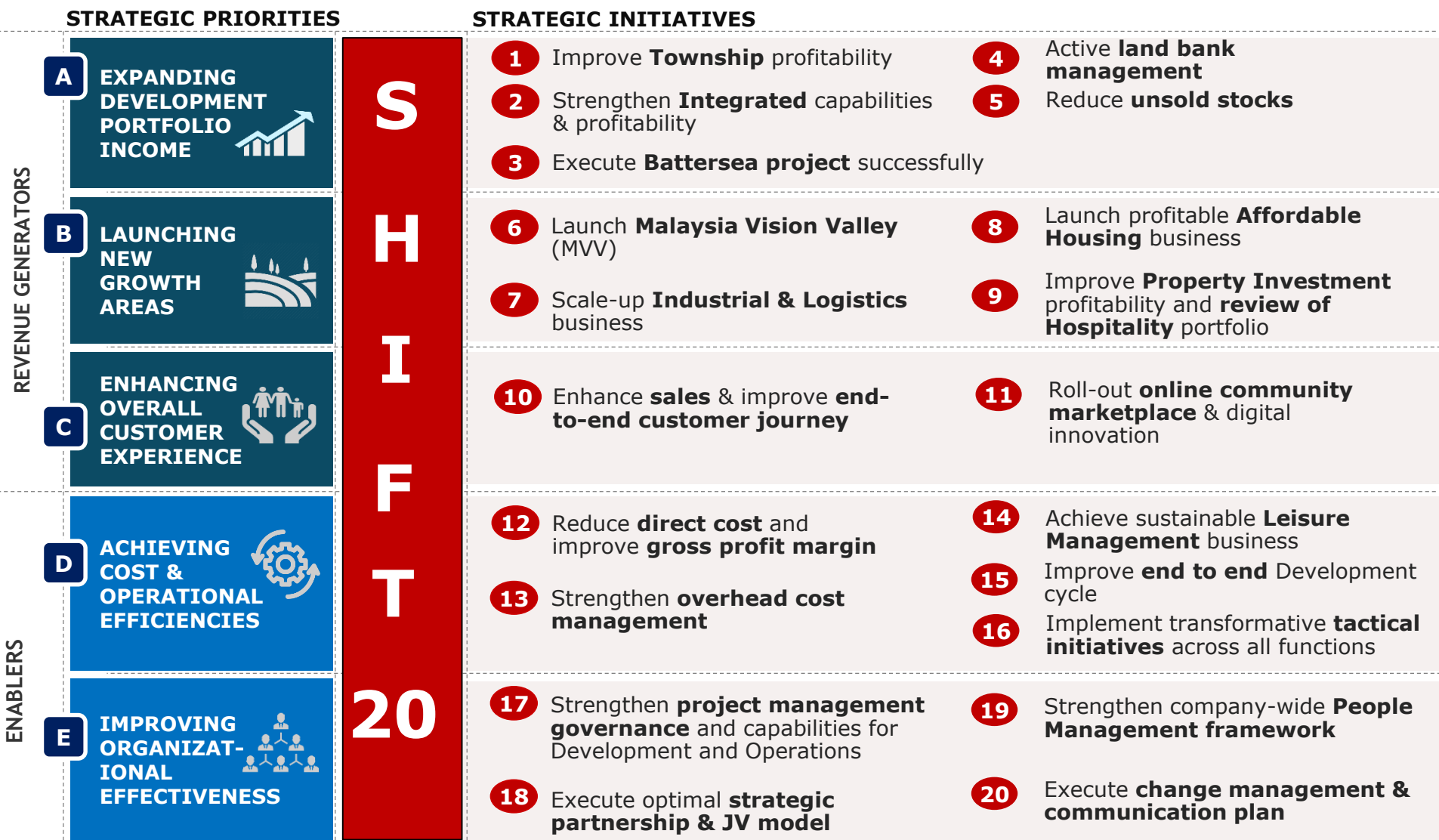
- Diligent cost management
- Review Leisure division business model
- Shorter end-to-end development cycle for both township & integrated products

E IMPROVING ORGANIZATIONAL EFFECTIVENESS

- Improve project management governance
- Executive optimal strategic partnership model
- Strengthen talent & performance management



We have translated our 5 strategic pillars into 20 initiatives (SHIFT20) to transform the company over the next 5 years



SHIFT20 Benefit Uplift for the financial period ended 31 December 2018 is RM39.5 million from overheads cost avoidance and cost savings.



Key Strategies and Focus for 2019

1 Demand-driven Launches
Products launched are **aligned to market demand in relation to price, type, location and timing** to ensure high take-up of new launches. Focus on affordable-mid range products (RM500k – RM800k) in Elmina, Bandar Bukit Raja and Serenia City.

2 Manage Inventory Levels
Careful review of launches, taking into account existing inventories. **Manage inventories at sustainable levels and focus on completed unsold products** (883 units remaining) to manage working capital.

3 Unlock Value from Low-yielding Assets and Non-core Land
Complete timely disposal of low-yielding hospitality and leisure assets, and non-core land to **generate cash and better capital management.**

4 Expand Recurring Income Base - Capitalise on Strong Demand in Industrial Segment
Leverage on strategic location of land bank and partnerships to expand further into industrial segment.

Key Transactions / Catalysts

1

Completion of Disposal of Darby Park Executive Suites, Singapore

- Sale and purchase agreement was signed on 1 November 2018 and **completed on 31 January 2019** for a **consideration of SGD93.0 million.**
- Registered a **gain on disposal of SGD67.3 million (RM204.3 million)** to be accounted in **Q1 FY2019.**

2

Sale of 300 acres of land in Kedah

- Entered into **sale and purchase agreement on 29 November 2018** with Zhejiang XSD Holding Group Co., Ltd for a **consideration of RM88.9 million.**
- Transaction expected to be **completed by Q2 FY2019.**

3

SD-Mitsui JV Operational Execution On-Track & Opening of KL East Mall

- **Obtained all regulatory approvals** on **18 December 2018** and is **now in execution phase.** Received strong interest from local and foreign logistics players.
- **KL East mall expected to commence operations in Q4 FY2019.** The mall will add to existing mall portfolio - Melawati Mall, occupancy increased from 70% to 85% in Dec'18.

Silver Lining for the Property Market



Stamp Duty Waiver

Waiver of stamp duties for 6 months until June 2019 for residential properties valued from RM300,001 to RM1 million per unit for first-time home buyers



Bank Negara Malaysia's RM1 billion fund

Fund to assist the financing of homes for low income groups for property prices up to RM150,000 at financing rate of up to 3.5%. The fund will be available for two years from January 2019 or until the fund is fully utilized



National Home Ownership Campaign

Expo on the 1-3 March 2019, promoting more than 30,000 unsold units worth RM22.5 billion, priced between RM300,000 – RM1 million per unit



Affordable Homes Commitment

Commitment by the Government to deliver 1 million affordable homes over 10 years

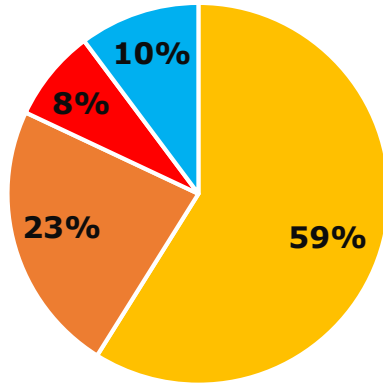
Strategic Launch Plans in FY2019

Value: RM2.0 – 2.5 bn

Units: 2,500 – 3,000

BY TYPE

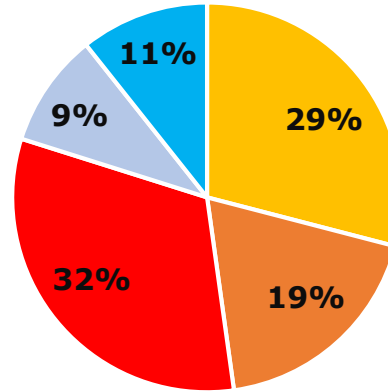
Landed residential launches will continue to make-up the **majority of launches (~60% of total)**



- Residential (Landed)
- Residential (High rise)
- Commercial
- Industrial

BY LOCATION

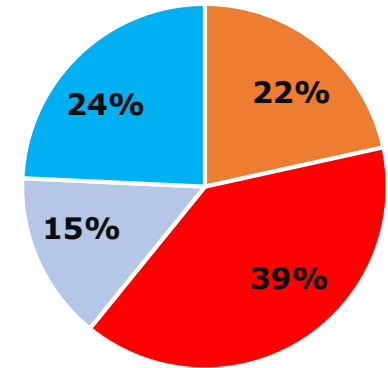
Launches along GCE and Klang will make-up about **half of total launches**



- Along GCE
- Greater Klang Valley
- Klang
- N.Sembilan
- Johor

BY PRICE

~60% of residential launches will be **priced below RM750k**



- <RM 500k
- RM500 - 750k
- RM750k - 1m
- >RM1m

Residential - Landed



Elmina West (EV5)
(2-storey House)

No. of Units : 168 units
Est. GDV : RM134.3 mil



Serenia City (Adiva 2)
(2-storey House)

No. of Units : 226 units
Est. GDV : RM125.1 mil

Residential - High Rise



KL East (The Ridge)
(Serviced Apartment)

No. of Units : 254 units
Est. GDV : RM181.2 mil

Commercial



Bandar Universiti Pagoh (C8-2)
(Landed Office)

No. of Units : 38 units
Est. GDV : RM33.8 mil



SDP PRIMETIME 8 CAMPAIGN (HOC 2019)

This is **Primetime** from Sime Darby Property

8

NEW LAUNCHES & PREVIEWS OVER 8 CONSECUTIVE WEEKS throughout March & April 2019

The best time to own a freehold home is now. The perfect combination of 8 launches and previews, and the Home Ownership Campaign 2019.

STAMP DUTY WAIVERS | ATTRACTIVE REBATES

Week 1 5 March Terrace Homes	Week 2 16 March Integrated with Mall	Week 3 23 March Terrace Homes	Week 4 30 March Terrace Homes	Week 5 6 April Terrace Homes	Week 6 13 April Condominium 72 Exclusive Units	Week 7 20 April Your Choice	Week 8 27 April Terrace Homes

Indicative price: Landed terrace from RM500K to RM800K & High-rise from RM500K to RM900K.

Get your **Primetime** deals and exclusive invites at simedarbyproperty.com/PRIMETIME/

Shahiran | 017 283 7171
Brandon | 019 273 8399

New Launches & Previews Over 8 Consecutive Weeks throughout MARCH & APRIL 2019

8 Primetime

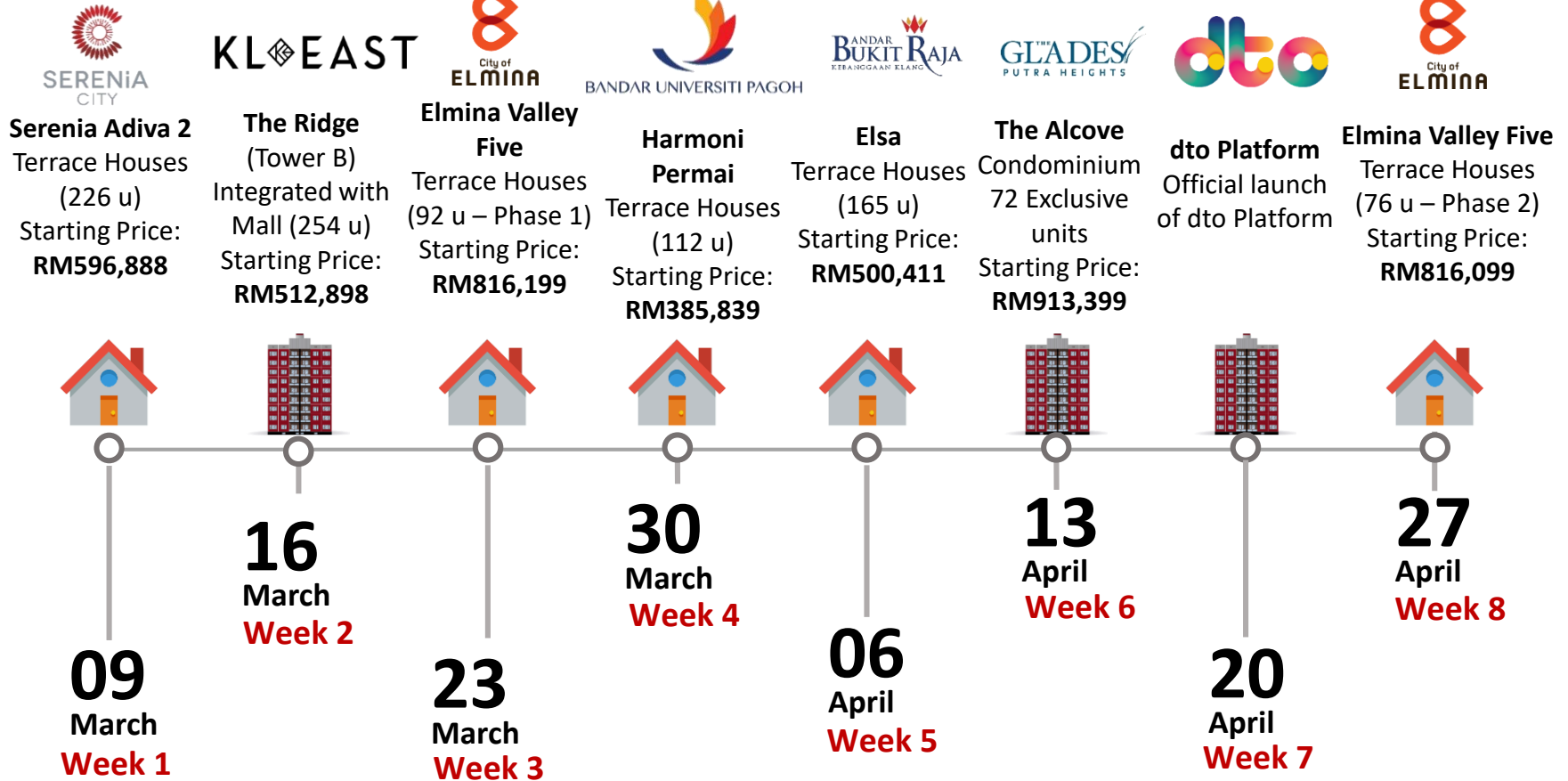
HOC 2019
Home Ownership Campaign

- Following the launch of HOC by Prime Minister on 1st March 2019, SDP will have 8 New Launches & Previews over 8 consecutive throughout March & April 2019.
- Highlight: The best time to own a freehold home is now. The perfect combination of 8 launches and previews, and the Home Ownership Campaign 2019.
HOC Rebate: Stamp Duty Waiver & Attractive Rebates
- Indicative Price: Landed Terrace from RM500,000 to RM800,000 and high rise from RM500,000 to RM900,000.





8 NEW LAUNCHES & PREVIEWS OVER 8 CONSECUTIVE WEEKS Throughout March & April 2019





PRESS ADS

Consecutive Ads

This is **Primetime** from **Sime Darby Property**

8

NEW LAUNCHES & PREVIEWS OVER 8 CONSECUTIVE WEEKS throughout MARCH & APRIL 2019

8 City of **ELMINA**

WEEK 3 UNVEILED NEXT PAGE

The best time to own a freehold home is now. The perfect combination of 8 launches and previews, and the Home Ownership Campaign 2019.

STAMP DUTY WAIVERS | ATTRACTIVE REBATES

8 SERENA CITY	8 KL-EAST	8 EL RISE	8 BUKIT RAJA	8 GLADES	8 EL RISE
Week 1 9 March	Week 2 16 March	Week 3 23 March	Week 4 30 March	Week 5 6 April	Week 6 13 April
Service Homes	Integrated with Mall	Service Homes	Service Homes	Service Homes	Service Homes

Indicative price: Landed terrace from RM500K to RM800K & High-rise from RM420K to RM900K.

Get your **Primetime** deals and exclusive invites at simeдарbyproperty.com/PRIMETIME/

Brandon | 019 272 8396
Shuhaimi | 017 283 7171

8 City of **ELMINA**

ELMINA VALLEY FIVE
A Neighbour That Is Fresh – A 2,700-acre Forest Reserve

2-storey Freehold Landed Homes | 22' x 75' | Spacious Living from 2,330 sq. ft.

Launching this Saturday,
23 March 2019

8 Primetime

New Launches & Previews Over 8 Consecutive Weeks (throughout MARCH & APRIL 2019)

- 1,000-acre Award-winning Masterplanned Township
- No Impinging Cycling Trail as far as Buai's Tempur in Port Dickson
- 30% Larger Area 65 Landed Condoms

Get your **Primetime** deals and exclusive invites at simeдарbyproperty.com/PRIMETIME/

For enquiries, please contact:
Rin | 010 234 9396
Achal | 012 282 3795

Single Spread

THE RIDGE
KL-EAST

Modern Integrated Living in KL East Natural Park

Freehold Luxury Residence | 651 - 865 sq. ft. | Starting from RM572,000

Exclusive Preview this Saturday,
16 March 2019

8 Primetime

New Launches & Previews Over 8 Consecutive Weeks (throughout MARCH & APRIL 2019)

The best time to own a freehold home is now. The perfect combination of 8 launches and previews, with Stamp Duty Waivers & Attractive Rebates from Home Ownership Campaign 2019.

8 SERENA CITY	8 KL-EAST	8 EL RISE	8 BUKIT RAJA	8 GLADES	8 EL RISE	8 EL RISE
Week 1 9 March	Week 2 16 March	Week 3 23 March	Week 4 30 March	Week 5 6 April	Week 6 13 April	Week 7 20 April
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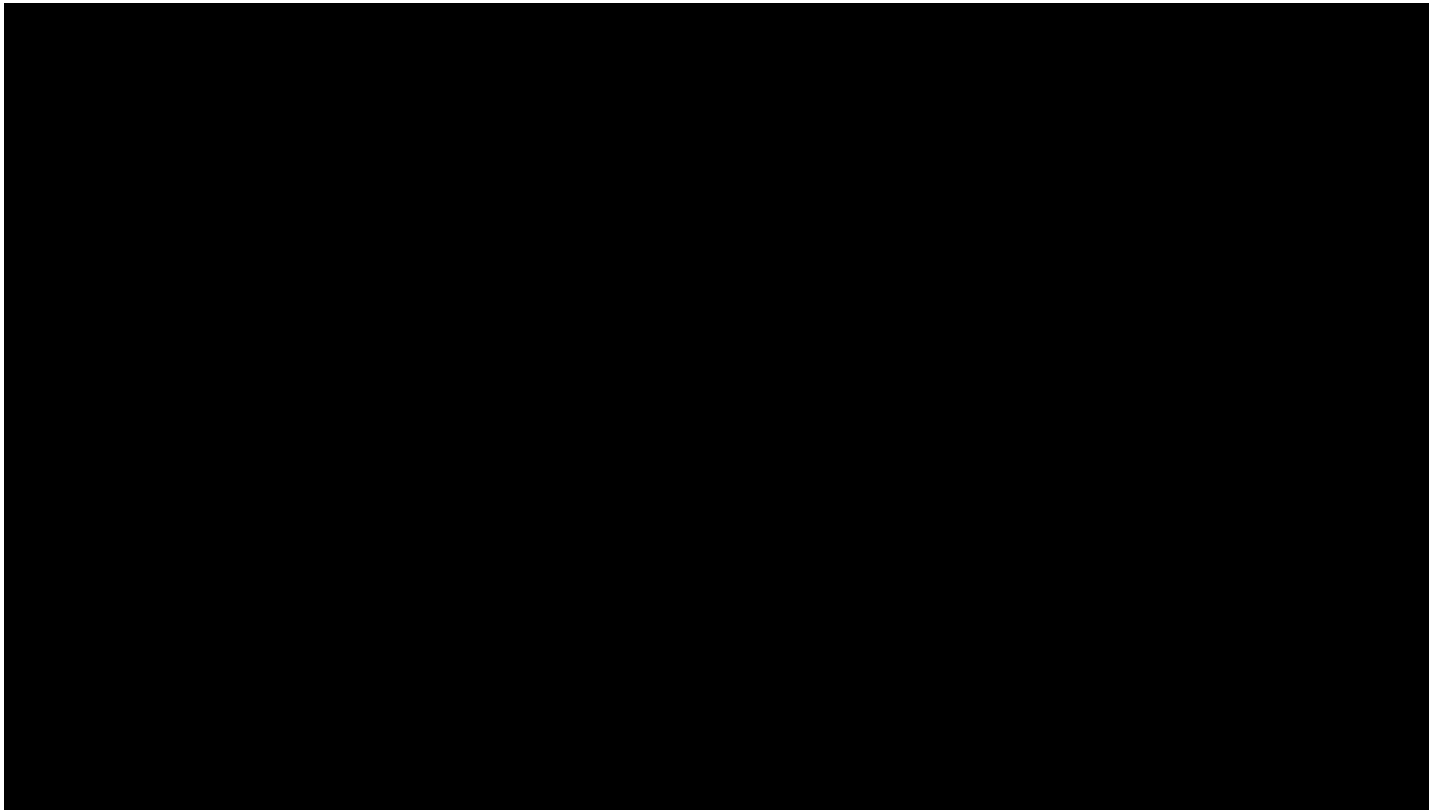
For enquiries, please contact:
Yazid | 019 285 1392
Amara | 019 283 3664



dto Brand Film - Chapter 2 : Slap



The Future of Property Buying





The Future of Property Buying

determine the outcome –

Highest voted Choices, Sime Darby Property Builds



**CROWDSOURCING
CO-CREATION**



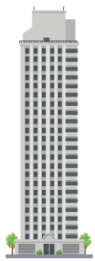


The Future of Property Buying

A new verb in the Property Industry

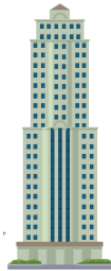
INDUSTRY	Transportation	Banking	Communication	GPS	Property	E-wallets	Food Delivery	Entertainment	Hotel	Shopping
PLATFORMS	 	 	 	 	 <small>The Future of Property Buying</small> 	 	 	 	 	

2 Residential High-Rise Projects currently on the dto platform



Project 1

- Subang Jaya, Freehold
- Target Launch for Sale : August 2019
- Within walking distance to Empire Shopping Gallery



Project 2

- Putra Heights, Freehold
- Target Launch for Sale : Early 2020
- Within walking distance to Putra Heights LRT Station



Project 3

- Coming soon
- Landed





The Future of Property Buying

Positive Reaction from the Crowd

"I love how we can have our say. It's as if we are part of the project. Very customer oriented. Feels like a close community." - Amy



Overwhelming Responses and Feedback From The Market



The Future of Property Buying



I think this is a good effort from Sime Darby and this may be a precedent for other developers to follow put

DTO provides prospect a platform to voice their opinion & help developer to decide better

Looking forward to more new projects from dto.

I think being able to have the power to choose the interior and exterior of a new development is truly the future of property investment!

Super innovative experience!!!
10/10
will try!

Very interesting concept!
Who knew Sime Darby had it in them!! 😊



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